



Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

March 1, 2010

The Honorable Robert H. Downer, Jr.
Chief Judge
City of Charlottesville General District Court
P. O. Box 2677
Charlottesville, VA 22902-2677

Audit Period: July 1, 2008 through June 30, 2009
Court System: City of Charlottesville
Judicial District: Sixteenth

We are performing a statewide audit of the General District Courts. During our review of this court, we conducted certain audit procedures, as we deemed appropriate.

Management of this court is an important part of the court's accountability, since you are responsible for establishing and maintaining internal controls and complying with applicable laws and regulations. During our review we noted certain matters that required management's attention and corrective action. These matters included:

During the audit period, the Supreme Court of Virginia had no formal guidance regarding approval of Clerk's leave submitted to the electronic leave reporting system. The Supreme Court of Virginia has since issued interim guidance regarding the implementation of internal controls over this process, and this court promptly implemented those controls.

Promptly Deposit All Funds Intact

The Clerk is not depositing all of the office's collections intact and is not recording all of her cash transactions in the Financial Management System. Instead, the Clerk and her staff have been withholding some minor collections to accumulate a cash "over and short fund", which currently amounts to \$15.51. Additionally, we found \$20 in the safe for which there was no explanation.

A fundamental internal control is the prompt and timely deposit of all collection intact and recorded in the court's financial system. Further, the Supreme Court system recognizes that cash overages and shortages will occur in the normal course of business and provides an account to accumulate these differences and track, which employees have a problem with handling cash. We recommend the Clerk deposit all funds, and in the future deposit all funds promptly and intact.

Also, the Clerk should the financial system over and short accounts to determine, if any employees require additional training in handling cash.

Improve Recording Information in the Accounting System

The Clerk does not properly enter court costs and fees in the court's automated financial accounting system. We noted errors in seven or 38 cases tested.

- The Clerk did not properly calculate the due date on one case in accordance with Section 19.2-354 of the Code of Virginia, giving the individual an extra year to pay fines and costs of \$156.
- In one case, the Clerk did not properly record and collect the Failure to Appear fee of \$20 in accordance with Section 16.9-69.48:1 of the Code of Virginia, resulting in a \$5.00 overcharge to the defendant, since the Clerk entered as \$25.
- In one case, the Clerk did not properly record the Time to Pay Management Fee in accordance with Section 19.2-354 of the Code of Virginia resulting in \$40 of overcharges to the defendants.
- In five cases, the Clerk entered the incorrect attorney types for Court Appointed Attorneys and Public Defenders on the system.

The Clerk should review with the deputies the process for entering information into the accounting system to help them improve their accuracy. If one of the employees has problems with data entry, the Clerk should make sure that after receiving training that accuracy is part of the individual's performance evaluation.

Properly Maintain Court Records

In eight cases, the Clerk did not maintain the List of Allowances or Attorney timesheet when an attorney requested a waiver. Properly maintained records are the source of information to verify that court personnel did their duties correctly and the court made appropriate payments.

Request Tax Set Off Refunds

The Clerk did not request a tax set off refund for an individual that owed delinquent court costs and fines as required by Section 58.1-525 of the Code of Virginia. This resulted in a loss of \$54.20 of funds. Starting in fiscal year 2006, a court must request the tax refunds through the Department of Taxation's automated accounting system.

Comply with Supreme Court Guidelines for Local Purchases

The Clerk submitted two separate invoices dated January 12, 2009 totaling \$126.11, which exceeds the Supreme Court's guidelines of \$100 per day (from the same supplier) worth of

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consumables or state contract minimum if less. The Clerk should review The Purchasing Manual to ensure she is in compliance when purchasing supplies.

We acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:clj

cc: The Honorable William G. Barkley, Judge
The Honorable Edward K. Carpenter, Judge
The Honorable Roger L. Morton, Judge
Mary Alice Trimble, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia