



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

June 20, 2003

The Honorable J. Larry Palmer
Chief Judge
County of Prince George General District Court
PO Box 187
Prince George, VA 23875

The Honorable Charles A. Perkinson
Chief Judge
County of Prince George Juvenile and
Domestic Relations District Court
PO Box 66
Lawrenceville, VA 23868

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Prince George District Court for the period April 1, 2002 through March 31, 2003.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

Properly Reconcile Daily Collections

The Clerk does not consistently perform adequate procedures for reconciling daily collections by not accurately and consistently completing the Cash Reconciliation Worksheet, including not retaining all financial reports as required. We noted in two instances where the bank deposit did not agree to the collections amount, and the Clerk did not identify or explain the differences. In addition, the Clerk does not properly document all voided receipts on the worksheet, or retain all copies of the voided receipts as required by the Financial Management User's Guide. Properly reconciling daily collections is critical to avoid or detect errors, omissions or the loss or misappropriation of funds.

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Properly Assess and Collect Fines and Fees

The Clerk does not consistently assess and collect fines and fees in cases. The Clerk improperly reduces the fine amount imposed by the judge without providing supporting documentation. For example, in the month of March 2003 alone, the Clerk reduced the fine without documentation in 27 of 29 cases for a total of \$87. Also, in all applicable cases, the Clerk failed to assess the Local Jail Admission Fee as required by Section 15.2-1613.1 of the Code of Virginia and local ordinance.

The Clerk should properly assess and collect fines and fees in accordance with the Code of Virginia. The Clerk should not alter fines without proper documentation and she should ensure staff has adequate knowledge of any fee changes.

We discussed these comments with the Clerk on June 20, 2003 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable Samuel E. Campbell, Judge
The Honorable Gammie Poindexter, Judge
Ellen T. Chiasson, Acting Clerk, Clerk
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
LeAnn Lane, Court Analyst
Supreme Court of Virginia