



# Commonwealth of Virginia

**Walter J. Kucharski, Auditor**

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

March 18, 2010

The Honorable W. Dale Houff  
Chief Judge  
County of Rockingham General District Court  
116 South Court Street, Suite B  
Luray, VA 22835

Audit Period: July 1, 2008 thru June 30, 2009  
Court System: County of Rockingham  
Judicial District: Twenty-sixth

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.

## Improve Recording Information in the Accounting System

The Clerk does not properly enter fines and costs in the court's automated financial accounting system. We noted errors in eight of 94 cases tested.

1. One case, the clerk improperly entered the fine for a state violation as local violation resulting in a loss of revenue to the Commonwealth totaling \$500.
2. One case, the clerk improperly entered the fine for a local violation as state violation resulting in a loss of revenue to the locality totaling \$25.
3. One case, the Clerk incorrectly entered a fixed misdemeanor fee per Section 16.1-69.48:1(D) of the Code of Virginia, resulting in a \$9 over assessment to the defendant.
4. Two cases, the Clerk failed to enter costs and fixed misdemeanor fees per Section 16.1-69.48:1 (B) of the Code of Virginia resulting in a \$245 loss to the Commonwealth.
5. Two cases the Clerk did not appropriately calculate the due date or provide a reason for the due date entered into the system. One of the cases lacked proper documentation to support the date and in one case time to pay was 10 years on a balance of \$111.

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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

- One case, the clerk did not maintain the timesheet for a request for a Waiver Fee Cap totaling \$3,350, which we could not verify.
- In one case transferred to the Circuit Court, the Clerk did not retain the signed required Circuit Court Case Transmittal and Fees Remittance Form.
- For seven Lists of Allowances submitted by Court Reporters for payment, the Clerk failed to maintain copies of attachments when the List of Allowances stated 'see attachment', therefore, we could not verify the amount claimed.

Properly maintained records are the source of information to verify that court personnel did their duties correctly and that the court made appropriate payments. Therefore, it is essential that the court maintain these records.

#### Accountability Over Cash

The Clerk did not require each employee to work out of a cash drawer assigned to them and this is a best internal control practice followed in business enterprises handling cash transactions. All employees used the same cash drawer, which did not allow for individual accountability and two shortages occurred resulting in a total shortage of \$154.15.

While the Clerk attributed these shortages to change errors, the Clerk could not identify which employee could have made the error. The Clerk has now implemented individual cash drawers and we commend her for this action and encourage her to monitor the over/short account daily by employee to determine if some needs training in properly handling cash.

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

AUDITOR OF PUBLIC ACCOUNTS

WJK:alh

cc: The Honorable Richard A. Claybrook, Jr., Judge  
The Honorable William D. Heatwole, Judge  
Bonnie L. Simmons, Clerk  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia