



Commonwealth of Virginia

Auditor of Public Accounts

Martha S. Mavredes, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

May 15, 2013

The Honorable Jeffrey W. Shaw
Chief Judge
County of Mathews General District Court
P.O. Box 169
Saluda, VA 23149

Audit Period: July 1, 2011 through June 30, 2012
Court System: County of Mathews
Judicial District: Ninth

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:

Allocate Collections Timely

The Clerk did not allocate collections timely. Specifically tax set off payments totaling \$75 received from the Virginia Department of Taxation (TAX) and \$244 in payments received from the private collection agent were not credited to individual delinquent accounts in a timely manner. A court must allocate funds received to individual delinquent accounts as soon as possible to accurately reflect accounts receivable balances and transmit current account information to appropriate agencies. The Clerk should allocate collections immediately upon receipt to ensure accurate accounts receivable balances.

Request Tax Set-Off Refunds

The Clerk did not submit claims to the Virginia Department of Taxation (TAX) for tax set-off of refunds totaling \$226 for delinquent court costs and fines, resulting in a loss of revenue to the Commonwealth and locality. A court must submit claims for set-off of tax refunds through TAX's automated accounting system called the Integrated Revenue Management System. The Clerk should use the tax refund set-off process to maximize collections as required by the Code of Virginia.

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

AUDITOR OF PUBLIC ACCOUNTS

LJH:alh

cc: Gail Fulcher, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia