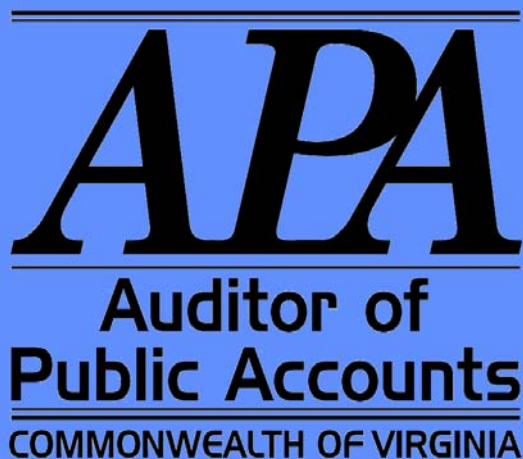


**CLERK OF THE GENERAL DISTRICT COURT
OF THE
CITY OF RICHMOND – MANCHESTER DIVISION**

**REPORT ON AUDIT
FOR THE PERIOD
JANUARY 1, 2007 THROUGH MARCH 31, 2008**





Commonwealth of Virginia

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

Walter J. Kucharski, Auditor

July 29, 2008

The Honorable Barbara Gaden
Chief Judge
City of Richmond - Manchester Division General District Court
400 N. Ninth Street
Richmond, VA 23219

Audit Period: January 1, 2007 through March 31, 2008
Court System: City of Richmond - Manchester Division

We have audited the cash receipts and disbursements of the Clerk of the General District Court for this locality. 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.

Management's Responsibility

Court management has responsibility for establishing and maintaining internal controls and complying with applicable laws and regulations. Internal control is a process designed to provide reasonable, but not absolute, assurance regarding the reliability of financial reporting, effectiveness and efficiency of operations, and compliance with applicable laws and regulations. Deficiencies in internal controls could possibly lead to the loss of revenues or assets, or otherwise compromise fiscal accountability.

Financial Matters

We noted no instances of improper recording and reporting of financial transactions in the Court's financial management system.

Internal Controls

However, we noted matters involving internal control and its operation necessary to bring to Court management's attention.

Compliance

The results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance in the Court that are required to be reported.

We acknowledge the cooperation extended to us by the Court during this engagement. The issues identified above are discussed in the section titled Comments to Management.

AUDITOR OF PUBLIC ACCOUNTS

WJK:kmk

cc: The Honorable Gregory L. Rupe, Judge
David M. Hicks, Clerk
Paul DeLosh, Director of Technical Assistance
Supreme Court of Virginia

COMMENTS TO MANAGEMENT

Internal Controls

We noted the following matters involving internal control and its operation that could lead to the loss of revenues, assets, or otherwise compromise the Clerk's fiscal accountability.

Properly Assess Fees and Costs

In thirteen of 15 cases tested, the Court improperly assessed fines and costs on state and local cases in accordance with Sections 19.2-163 and 19.2-340 of the Code of Virginia.

Specifically, we noted the following issues.

- Failure to bill the locality for the costs of the Court Appointed Attorney or Public Defender when the defendant appeared in court for local warrant or summons. The auditor informed the Clerk that when a defendant violates a local ordinance, the county, city, or town must pay the Court Appointed attorney or public defender. This resulted in a \$960.00 loss to the Commonwealth of Virginia.
- Failure to record the applicable Court Appointed Attorney or Public Defender fees. This resulted in a \$600.00 loss to the Commonwealth of Virginia.
- Failure to properly assess the applicable court fines. This resulted in a \$900.00 loss to the Commonwealth of Virginia and an \$850.00 loss to the City of Richmond.

We recommend that the Clerk bill the locality for the \$960.00 and upon receipt, forward to the Commonwealth. We then recommend that the Clerk take immediate corrective action to ensure he and his staff understand and diligently assess costs in accordance with the Code of Virginia and Local Ordinances. Additionally, we recommend the Clerk review all previous similar cases to identify and correct billing errors and implement a monthly review of new cases to ensure the above issues are permanently resolved.

