



Commonwealth of Virginia

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

Walter J. Kucharski, Auditor

October 23, 2002

The Honorable Anne B. Holton
Chief Judge
City of Richmond Juvenile and
Domestic Relations District Court
The Oliver Hill Courts Building
Suite C181
1600 North 17th Street
Richmond, VA 23219-1214

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the City of Richmond - Juvenile and Domestic Relations District Court Juvenile and Domestic Relations District Court for the period July 1, 2001 through June 30, 2002.

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 instances of noncompliance with applicable laws, regulations, and policies. However, we noted weaknesses in internal controls that the Clerk needs to address as described below.

Improve Supervisory Review

We found that the Court needs to correct several accounting errors that occurred during the former Clerk's term. Specifically, we found the following:

- In January 2002, staff did not properly process returned checks, resulting in a negative balance in the automated accounting system. This error remained unidentified and uncorrected eight months later.
- Staff did not properly credit defendant accounts with payments submitted by the Court's Collection Agent. The Court continues to hold \$2,944 in unidentified collections from as early as August 1998.

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While a change of court clerks has recently occurred, the Court Clerk and staff need to correct the errors noted above. If the Clerk or the staff does not know how to correct the errors they should contact the Executive Secretary of the Supreme Court for assistance. Additionally, the Clerk should assess the training she and the staff need to more effectively use the court's automated financial system.

We discussed these comments with the Clerk on October 23, 2002 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable J. Stephen Buis, Judge
The Honorable Kimberly B. O'Donnell, Judge
The Honorable Angela Edwards Roberts, Judge
Deborah K. Daughtrey, Clerk
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
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