



Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 28, 2026

The Honorable Amy Tisinger
Chief Judge
County of Shenandoah General District Court

Review Period: July 1, 2024, through June 30, 2025
Court System: County of Shenandoah
Judicial District: Twenty-sixth

We have reviewed the financial operations for the General District Court Clerk's office for the County of Shenandoah for the period noted above. Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial accounting system; evaluate and test the Clerk's internal controls; and test the Clerk's compliance with significant state laws, regulations, and policies related to financial operations.

Annually, we use a risk-based approach to perform either a comprehensive or limited control review for each of the Commonwealth's district courts. A comprehensive review involves procedures designed to review, in detail, areas such as receipts, disbursements, system access security, accounts receivable, and liability management. A limited control review involves the evaluation of the Clerk's responses to an internal control questionnaire; general ledger, system access, and reconciliation review; evaluation of significant variances in collections from the prior year; and some limited procedures related to the assessment of fines and collection of receivables. We perform limited control reviews on courts that we consider to be low risk based on the results of previous reviews and an overall assessment of the individual court environment, with no more than two consecutive limited control reviews in a three-year period. For this locality, we performed a comprehensive review for the year ended June 30, 2025.

Management is responsible 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 information, effectiveness and efficiency of financial operations, and compliance with applicable laws and regulations. Deficiencies in internal controls could lead to noncompliance with laws and regulations, the loss of assets or revenues, or

otherwise compromise the Clerk's fiscal accountability. It is our responsibility to perform procedures to the extent necessary to satisfy the objectives of this engagement.

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

Promptly Allocate Tax Set-Off Revenues

Repeat: No

The former Clerk did not allocate tax set-off collections promptly. At the end of the audit period, the Clerk was holding \$ 5,711 in tax refunds that she should have allocated to defendants' accounts the previous month. Courts recover some delinquent fines and costs through the Department of Taxation Set-Off Collection Program. Upon receipt, clerks record tax set-off collections in one general ledger account. The clerks must then credit the defendants' individual accounts before the Commonwealth and locality can recognize the revenues and ensure appropriate collection activity and interest accrual. The Clerk should allocate the amount noted during the audit and, going forward, should allocate tax setoff collections immediately upon receipt.

Maintain Supporting Documentation for Voids

Repeat: No

For six of eight (75%) voided receipts tested, the former Clerk either did not retain all copies of the receipt or did not document the reason for the void. The Clerk should closely monitor and control voided transactions as they pose an increased risk for fraudulent activity. The Clerk should not void receipts without maintaining all copies of the receipt and documenting the reason for the void and should provide training to staff to ensure they perform appropriate journal entries rather than unnecessarily voiding receipts.

We acknowledge the cooperation extended to us by the Clerk and the Clerk's staff during this engagement.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LJH/clj

cc: The Honorable Kenneth Alger, II, Judge
William Nicholson, Clerk
Paul DeLosh, Director of Judicial Services
Supreme Court of Virginia