

**PUBLIC DEFENDER COMMISSION
RICHMOND, VIRGINIA**

**REPORT ON AUDIT
FOR THE TWO-YEAR PERIOD ENDED
JUNE 30, 2000**

***AUDITOR OF
PUBLIC
ACCOUNTS***



COMMONWEALTH OF VIRGINIA

AUDIT SUMMARY

Our audit of the Public Defender Commission for the two-year period ended June 30, 2000 found:

- proper recording and reporting of transactions, in all material respects, in the Commonwealth Accounting and Reporting System;
- no issues of noncompliance that are required to be reported under Government Auditing Standards; and
- no matters involving internal control and its operation that we consider weaknesses.

OVERVIEW OF THE OPERATIONS OF THE PUBLIC DEFENDER COMMISSION

The Public Defender Commission has nine members who must be residents of the Commonwealth. The Speaker of the House of Delegates appoints the members of the Commission, which must consist of three judges, three lawyers, and three public members with staggered three-year terms.

The Commission has the responsibility of appointing the Public Defender for each of their 20 offices. The Public Defender position requires an attorney who is a member in good standing with the Virginia State Bar. The Public Defender primarily provides court trial and appeals defense services for indigent persons with jailable crimes.

The 20 public defender locations serve 47 localities. Each office has a Public Defender, at least one investigator, and support staff, and the ten largest offices also have a sentencing advocate. During fiscal year 1999, there were 175.5 full-time equivalent attorney positions filled, 20 of which were the head Public Defenders. During fiscal year 2000, there was an increase of 17.5 attorney positions, while sentencing advocate and investigator positions remained constant.

REVENUE AND EXPENDITURES

	<u>Fiscal Year 1999</u>	<u>Fiscal Year 2000</u>
Revenues:		
Appropriations	\$16,267,164	\$18,216,005
Federal grants	76,979	77,163
Other	<u>6,880</u>	<u>21,976</u>
Total	<u>\$16,351,023</u>	<u>\$18,315,144</u>
Expenses:		
Salary and benefits	\$13,727,349	\$15,669,452
Rent expense	954,748	1,088,307
Travel, equipment, and other	<u>1,205,119</u>	<u>1,339,977</u>
Total	<u>\$15,887,216</u>	<u>\$18,097,736</u>

September 14, 2000

The Honorable James S. Gilmore, III
Governor of Virginia
State Capitol
Richmond, Virginia

The Honorable Vincent F. Callahan, Jr.
Chairman, Joint Legislative Audit
and Review Commission
General Assembly Building
Richmond, Virginia

INDEPENDENT AUDITOR'S REPORT

We have audited the financial records and operations of the **Public Defender Commission** for the two-year period ended June 30, 2000. We conducted our audit in accordance with Government Auditing Standards, issued by the Comptroller General of the United States.

Audit Objectives, Scope, and Methodology

Our audit's primary objectives were to evaluate the accuracy of recording financial transactions on the Commonwealth Accounting and Reporting System, review the adequacy of the Commission's internal control, and test compliance with applicable laws and regulations. We also reviewed the Commission's corrective actions of audit findings from prior year reports.

Our audit procedures included inquiries of appropriate personnel, inspection of documents and records, and observation of the Commission's operations. We also tested transactions and performed such other auditing procedures, as we considered necessary to achieve our objectives. We reviewed the overall internal accounting controls, including controls for administering compliance with applicable laws and regulations. Our review encompassed controls over the following significant cycles, classes of transactions, and account balances:

Expenditures
Revenues

We obtained an understanding of the relevant internal control components sufficient to plan the audit. We considered materiality and control risk in determining the nature and extent of our audit procedures. We performed audit tests to determine whether the Commission's controls were adequate, had been placed in operation, and were being followed. Our audit also included tests of compliance with provisions of applicable laws and regulations.

The Commission's management has responsibility for establishing and maintaining internal control 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.

Our audit was more limited than would be necessary to provide assurance on internal control or to provide an opinion on overall compliance with laws and regulations. Because of inherent limitations in internal control, errors, irregularities, or noncompliance may nevertheless occur and not be detected. Also, projecting the evaluation of internal control to future periods is subject to the risk that the controls may become inadequate because of changes in conditions or that the effectiveness of the design and operation of controls may deteriorate.

Audit Conclusions

We found that the Commission properly stated, in all material respects, the amounts recorded and reported in the Commonwealth Accounting and Reporting System. The Commission records its financial transactions on the cash basis of accounting, which is a comprehensive basis of accounting other than generally accepted accounting principles. The financial information presented in this report came directly from the Commonwealth Accounting and Reporting System.

We noted no matters involving internal control and its operation that we consider to be material weaknesses. Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of the specific internal control components does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material to financial operations may occur and not be detected promptly by employees in the normal course of performing their duties.

The results of our tests of compliance with applicable laws and regulations disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

The Commission has taken adequate corrective action with respect to audit findings reported in the prior year.

This report is intended for the information of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

EXIT CONFERENCE

We discussed this report with management at an exit conference held on October 3, 2000.

AUDITOR OF PUBLIC ACCOUNTS

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PUBLIC DEFENDER COMMISSION
Richmond, Virginia

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OFFICIALS

Overton Pollard, Executive Director

Bonnie Farrish, Fiscal Director

