



Commonwealth of Virginia

Auditor of Public Accounts

Staci A. Henshaw, CPA
Auditor of Public Accounts

P.O. Box 1295
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April 6, 2022

The Honorable Deborah C. Walsh
Chief Judge
County of Fauquier General District Court

Audit Period: July 1, 2020, through June 30, 2021
Court System: County of Fauquier
Judicial District: Twentieth

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 the following matters requiring management's attention and corrective action.

Properly Bill and Collect Court Fines and Costs

Repeat: Yes (First issued in fiscal year 2020)

The former Clerk and her staff did not properly bill and collect court fines and costs. In 21 of 47 cases tested (45%), we noted the following errors.

- For three cases, the Clerk miscoded in the financial system a total of \$1,360 in costs as local instead of Commonwealth.
- The Clerk erroneously sent \$840 in attorney fee invoices for seven cases to the Commonwealth for payment instead of the locality.
- The Clerk did not charge defendants in six cases a total of \$823 in fines and costs.
- The Clerk overcharged the defendants in five cases a total of \$205.

The new Clerk and her staff should correct the specific cases noted above and institute a more diligent system of review to minimize the likelihood of billing errors going undetected. In all cases, the Clerk should bill and collect court costs in accordance with the Code of Virginia.

Establish Billing Procedures

Repeat: No

The former Clerk did not have procedures for billing the locality for court-appointed attorney and public defender fees. When a public defender or court appointed attorney represents a defendant charged with a local offense, the Clerk is required to bill the locality for reimbursement to the Commonwealth. The current Clerk should establish appropriate procedures to bill the locality, when applicable, for public defender and court appointed attorney fees.

Promptly Deposit Collections

Repeat: No

The former Clerk did not promptly deposit court collections. In 34 of 58 days tested (59%), the former Clerk delayed making bank deposits for up to three weeks. Delaying bank deposits increases the risk of loss of funds. The current Clerk should make bank deposits daily as required by the financial accounting system user's guide.

Reconcile Bank Account

Repeat: No

Although currently reconciled, the former Clerk did not reconcile the court's bank account from August 2020 to February 2022. Timely and complete reconciliations are an essential internal control. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and increases the risk of loss of funds. The current Clerk should perform monthly bank reconciliations upon receiving the bank statements as required by the financial accounting system user's guide.

Request Tax Set-Off Refunds

Repeat: Yes (First issued in fiscal year 2020)

The former Clerk did not submit claims to the Virginia Department of Taxation (Taxation) for tax set-off of refunds of \$12,970 in delinquent court fines and costs, resulting in a loss of revenue to the Commonwealth and locality. A court must submit claims for tax refunds through Taxation's automated accounting system. The current Clerk should use the tax set-off process to maximize collections as required by the Code of Virginia.

Deborah C. Walsh, Chief Judge

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Retain Court Records

Repeat: No

The former Clerk did not retain all court records. The current Clerk was unable to produce for audit the unclaimed property and restitution reports filed during the audit period, the office's manual receipt book, one attorney list of allowances and waiver form, and six case files. The current Clerk should review and follow the retention schedules as outlined in the financial accounting system user's guide and the general district court manual.

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

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

LJH: clj

cc: The Honorable Jessica H. Foster, Judge
Whitney D. Thornton, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia