



Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

February 12, 2025

The Honorable Nicole A. Belote
Chief Judge
City of Franklin General District Court

The Honorable James E. Wiser
Chief Judge
City of Franklin Juvenile and Domestic Relations District Court

Audit Period: July 1, 2023, through June 30, 2024
Court System: City of Franklin
Judicial District: Fifth

We are performing a statewide audit of the Combined 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.

Reconcile Bank Account

Repeat: No

The Clerk did not reconcile the court's bank account during the audit period, allowing reconciling items to go unresolved for up to 12 months. 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 Clerk should immediately reconcile the court's bank account, resolving all reconciling items and, going forward, should perform monthly bank reconciliations upon receiving the bank statement as required by the Financial Accounting System User's Guide.

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Request Tax Set-Off Refunds

Repeat: No

The Clerk did not submit claims to the Virginia Department of Taxation (Taxation) for tax setoff of refunds for delinquent court costs and fines totaling \$3,342, resulting in a loss of revenue to the Commonwealth and locality. A court must submit claims for set-off of tax refunds through Taxation's automated accounting system. The Clerk should use the tax refund set-off process to maximize collections as required by the Code of Virginia.

Bill Locality for Attorney Fees

Repeat: No

The Clerk does not have procedures for billing the locality for court-appointed attorney and public defender fees. We noted the Clerk did not bill the locality for a total of \$1,200 in attorney fees for the ten cases we tested. 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 Clerk should bill the locality for the fees noted during the audit and should establish appropriate procedures to ensure that the locality is billed, when applicable, for public defender and court appointed attorney fees.

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

LH/clj

cc: Tameka Easterday, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia