



Commonwealth of Virginia

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

Walter J. Kucharski, Auditor

December 18, 2009

The Honorable Gene A. Woolard
Chief Judge
City of Virginia Beach General District Court
2425 Nimmo Parkway
Virginia Beach, VA 23456

Audit Period: July 1, 2008 through June 30, 2009
Court System: City of Virginia Beach
Judicial District: Second

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 certain matters that required management's attention and corrective action. These matters included:

Properly Complete and Retain Supporting Documentation

The Clerk does not maintain all required documentation for court appointed attorney payments and inconsistently follows the normal procedures for payment. Section 19.2-163 of the Code of Virginia permits court appointed attorneys to apply for additional fees when cases warrant additional fees due to time or difficulty.

The Office of the Executive Secretary Supreme Court of Virginia has established guidelines for the submission and approval of these waiver applications to ensure all disbursements from the Criminal Injuries Compensation Fund comply with the Code of Virginia. Control procedures include individual applications, signatures from the attorney, clerk, presiding Judge and Chief Judge, and sets the procedure for the retention of these documents.

We noted that the Clerk is inconsistently following all of these procedures including the retention of List of Allowances and documentation of the waiver applications and approval. Failure to follow approved procedures could result in attorneys receiving excess amounts or duplicate payments for the same waiver. The Clerk should work to ensure that this office follows all the appropriate procedures, thus helping to ensure payments from the Criminal Injuries Compensation Fund are appropriate.

Properly Approve the Reporting of Leave

The Judges did not approve the reporting of leave taken by the Clerk for our audit period ending June 30, 2009. Instead, the Clerk submitted and approved his own leave. Section 2102.3 of the Human

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Resources Policy Manual requires the supervising Judge to approve the reporting of the Clerk's leave. Supervisory review and approval is an essential internal control to ensure the accuracy and appropriateness of transactions. Allowing someone to prepare and approve their own leave without a supervisory review can result in both intentional and unintentional errors going undetected.

As of audit field work, the Chief Judge and Clerk have implemented procedures to ensure the Clerk's leave is properly reviewed and approved following submission. We recommend this procedure continue until the court receives further instruction from the Office of the Executive Secretary, Supreme Court of Virginia.

Ensure Accuracy of Payment Vouchers

The Clerk did not properly review payment vouchers associated with involuntary mental commitment actions before presenting them to the Judge for final approval. As a result of recording errors, two vendors received overpayments for the type of service rendered, causing a loss to the Commonwealth of \$213. We recommend the Court review and implement appropriate procedures to ensure the proper recording of payment codes and before certifying payment amounts to the Supreme Court of Virginia.

We acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:alh

cc: The Honorable Virginia L. Cochran, Judge
The Honorable Calvin R. Depew, Jr., Judge
The Honorable Pamela E. Hutchens, Judge
The Honorable Teresa N. McCrimmon, Judge
The Honorable Robert L. Simpson, Jr., Judge
The Honorable Steven C. Frucci, Judge
Andre H. Mayfield, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia