



# Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295

Richmond, Virginia 23218

**Walter J. Kucharski, Auditor**

February 3, 2006

The Honorable Joseph S. Tate  
Chief Judge  
County of Washington General District Court  
191 East Main Street  
Abingdon, VA 24210

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Washington General District Court and the associated magistrates from the Twenty-eighth Judicial District for the period October 1, 2004 through December 31, 2005.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system and in the Magistrates' records; evaluate the Court's and the Magistrates' internal controls; and test compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no material weaknesses in the internal controls. However, we noted noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

## Improve Accounts Receivable Management

The Clerk could not provide supporting documentation for changes to payment due dates in five of 20 criminal cases tested. If defendants cannot pay their fines and court costs within 15 days of sentencing, Section 19.2-354 of the Code of Virginia requires a court order or payment agreement. Improper changes to individual accounts hinder collection efforts and could also result in loss of revenue for both the Commonwealth and the locality.

In addition, the Court failed to certify the court costs of proceedings in 21 of 32 appealed cases tested. Section 19.2-335 of the Code of Virginia requires the Court to certify all of the court costs, which are payable out of the state treasury, to the Circuit Court Clerk. Failure to certify the court costs could result in a significant loss of revenue to the Commonwealth.

### Promptly Remit Collection Fees

The Clerk failed to disburse over \$7,200 in collection agent fees as required by section 19.2-349 of the Code of Virginia. The Clerk should immediately disburse all fees due to the private collection agent. Failure to properly adhere to these regulations increases the risk of errors or misappropriations or other loss of funds.

### **MAGISTRATES**

The results of our tests of the Magistrate's Office found that the Magistrates properly stated, in all material respects, the amounts recorded in the financial records; no material weaknesses in the Magistrate's internal controls; and no instances of the Magistrate's noncompliance with applicable laws, regulations, and policies.

We discussed these comments with the Clerk on February 3, 2006 and with the Chief Magistrate on February 7, 2006 and we acknowledge the cooperation extended to us by the Court and the Magistrates during this engagement.

### **AUDITOR OF PUBLIC ACCOUNTS**

WJK:sks

cc: The Honorable Sage B. Johnson, Judge  
Edna S. Griffin, Clerk  
George F. VanHoy, Chief Magistrate  
Paul Delosh, Director of Technical Assistance  
Supreme Court of Virginia