



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

June 30, 2014

The Honorable Phillip L. Hairston
Chief Judge
City of Richmond - Manchester General District Court
920 Hull Street
Richmond, VA 23224

Audit Period: July 1, 2012 through June 30, 2013
Court System: City of Richmond - Manchester
Judicial District: Thirteenth

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:

Request Tax Set-Off Refunds

The Clerk did not submit claims to the Virginia Department of Taxation (TAX) for tax set-off of refunds for delinquent court costs and fines totaling \$356 in FY13 and \$126 in FY14, resulting in a loss of revenue to the Commonwealth and locality. A court must submit claims for set-off of tax refunds through TAX's automated accounting system, called the Integrated Revenue Management System. The Clerk should use the tax refund set-off process to maximize collections as required by the Code of Virginia.

Properly Bill and Collect Court Costs and Fines

The Clerk and her staff did not properly bill and collect court costs and fines resulting in a loss of revenue to the Commonwealth and locality. In 16 of 75 cases tested, the auditor noted the following errors.

The Honorable Phillip L. Hairston, Chief Judge
June 30, 2014
Page Two

- In eight cases, the Clerk either did not assess Public Defender Fees or incorrectly assessed these fees, resulting in errors totaling \$1,691.
- In four cases, the Clerk could not locate supporting documentation that would allow a determination of whether the State or Locality were properly billed for Public Defender Fees or if the correct amount was assessed on the defendants' receivables.
- In one case, the Clerk improperly assessed costs on the case and its companion case. When a case has a companion case attached to it, only one set of costs should be assessed. In another case, the defendant should have been required to pay court costs; however, the Clerk did not assess them to the defendant.
- In one local case, the Clerk incorrectly classified \$100 as a State fine instead of as a local fine as required.
- In one case, the Clerk incorrectly classified the case as a local case when it should have been classified as a state case. As a result, both the Public Defender Fee and the \$100 fine were improperly classified on the defendant's receivable, resulting in a potential loss to the Commonwealth.

The Clerk should work with her staff to ensure they understand the billing and collecting requirements and, if necessary, request additional training from the Office of the Executive Secretary of the Supreme Court of Virginia.

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

AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

cc: The Honorable Lawrence B. Cann, Judge
The Honorable David Eugene Cheek Sr., Judge
The Honorable Barbara J. Gaden, Judge
The Honorable Birdie Hairston Jamison
The Honorable Joi Jeter Taylor
The Honorable Tracy W. J. Thorne-Begland
Bonnie C. Pridemore, Clerk
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia