



Commonwealth of Virginia

Auditor of Public Accounts
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Walter J. Kucharski, Auditor

July 8, 2005

The Honorable Charles F. Sivers
Chief Judge
County of Prince William General District Court
9311 Lee Ave
Manassas, VA 20110

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Prince William General District Court and the associated magistrates from the Thirty-first Judicial District for the period January 1, 2004 through March 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 instances of noncompliance with applicable laws, regulations, and policies. However, we noted a weakness in internal controls that the Clerk needs to address as described below.

Strengthen Controls for Manual Receipts

The Clerk should strengthen controls over manual receipts. Typically courts use manual receipts to record customer payments whenever the automated system is unavailable. As soon as the system again becomes available, the clerk should record the manual receipts in the automated system.

Unfortunately, manual receipts usage also increases the opportunity for fraud or other loss of funds and their use should be carefully controlled and reviewed. Although the Clerk properly stores manual receipt books in a secured area when not in use, there are no procedures for someone to check individual receipt books when returned to determine if there has been a proper accounting of all receipts. Failing to review manual receipt use could lead to errors or fraud going undetected.

When we reviewed the court's manual receipt books, we found that two receipts were missing, other receipts not issued in numerical order, and several incomplete receipts. The Clerk should strengthen controls over manual receipts by reviewing manual receipts whenever employees return receipt books after use. The review should determine that receipts contain all information, are issued in numerical order, and promptly recorded in the automated system. Lastly, the Clerk should train all employees in the proper use of manual receipts.

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 court management on July 8, 2005 and we acknowledge the cooperation extended to us by the Court and the Magistrates during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK:slb

cc: The Honorable Wenda K. Travers, Judge
The Honorable Peter W. Steketee, Judge
The Honorable Craig D. Johnston, Judge
Wetawna G. Hays, Clerk
Richard S. Sanborn, Chief Magistrate
Paul Delosh, Director of Technical Assistance
Supreme Court of Virginia
LeAnn Lane, Court Analyst
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