



# VIRGINIA BOARD OF BAR EXAMINERS

## INTERNAL CONTROL QUESTIONNAIRE REVIEW RESULTS AS OF MARCH 2025

Auditor of Public Accounts  
Staci A. Henshaw, CPA

[www.apa.virginia.gov](http://www.apa.virginia.gov)

(804) 225-3350



## - TABLE OF CONTENTS -

	<u>Pages</u>
REVIEW LETTER	1-3
AGENCY RESPONSE	4



# Commonwealth of Virginia

*Auditor of Public Accounts*

Staci A. Henshaw, CPA  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

April 23, 2025

The Honorable Glenn Youngkin  
Governor of Virginia

Joint Legislative Audit  
and Review Commission

Catherine Crooks Hill  
Virginia Board of Bar Examiners

## INTERNAL CONTROL QUESTIONNAIRE REVIEW RESULTS

We have reviewed the Internal Control Questionnaire for the **Virginia Board of Bar Examiners** (Bar Examiners). We completed the review on March 20, 2025. The purpose of this review was to evaluate if the agency has developed adequate internal controls over significant organizational areas and activities and not to express an opinion on the effectiveness of internal controls. Management of Bar Examiners is responsible for establishing and maintaining an effective control environment.

### Review Process

During the review, the agency completes an Internal Control Questionnaire that covers significant organizational areas and activities including payroll and human resources; revenues and expenses; procurement and contract management; capital assets; grants management; debt; and information technology and security. The questionnaire focuses on key controls over these areas and activities.

We review the agency responses and supporting documentation to determine the nature, timing, and extent of additional procedures. The nature, timing, and extent of the procedures selected depend on our judgment in assessing the likelihood that the controls may fail to prevent and/or detect events that could prevent the achievement of the control objectives. The procedures performed target risks or business functions deemed significant and involve reviewing internal policies and procedures. Depending on the results of our initial procedures, we may perform additional procedures including reviewing evidence to ascertain that select transactions are executed in accordance with the policies and procedures and conducting inquiries with management. The "Review Procedures" section below details the procedures performed for Bar Examiners. The results of this review will be included within our risk analysis process for the upcoming year in determining which agencies we will audit.

## **Review Procedures**

We evaluated the agency's corrective action for all prior review findings. The agency has taken adequate corrective action with respect to review findings reported in the prior review that are not repeated in the "Review Results" section below.

We reviewed a selection of system and transaction reconciliations in order to gain assurance that the statewide accounting system contains accurate data. The definitive source for internal control in the Commonwealth is the Agency Risk Management and Internal Control Standards (ARMICS) issued by the Department of Accounts (Accounts); therefore, we also included a review of ARMICS. The level of ARMICS review performed was based on judgment and the risk assessment at Bar Examiners. Our review of Bar Examiners' ARMICS program included a review of all current ARMICS documentation and a comparison to statewide guidelines established by Accounts. Further, we evaluated Bar Examiners' process of completing and submitting attachments to Accounts.

We reviewed the Internal Control Questionnaire and supporting documentation detailing policies and procedures. As a result of our review, we performed additional procedures over the following areas: payroll and human resources; revenues; capital assets; and information technology and security. These procedures included validating the existence of certain transactions; observing controls to determine if the controls are effectively designed and implemented; reviewing transactions for compliance with internal and Commonwealth policies and procedures; and conducting further review over management's risk assessment process.

As a result of these procedures, we noted areas that require management's attention. These areas are detailed in the "Review Results" section below.

## **Review Results**

We noted the following areas requiring management's attention resulting from our review:

- **Repeat** – Bar Examiners should evaluate its physical inventory process. Bar Examiners' policy and procedures continue to improperly direct the agency to increase the physical inventory value counted during its physical inventory by two percent. Additionally, while a physical inventory is performed, Bar Examiners should improve the documentation maintained to support its physical inventory counts. Management should report inventory values to Accounts in accordance with the guidance issued in the Commonwealth Accounting Policies and Procedures (CAPP) Manual Topic 30210 and improve its method of evaluating inventory counts to ensure proper stewardship of assets.
- **Partial Repeat** – Bar Examiners does not fully comply with the requirements in the Commonwealth's Information Security Standard, SEC530 (Security Standard). While Bar Examiners has completed security awareness training and maintained documentation of completion, the training did not meet the requirements outlined in the Security Standard and the Cybersecurity Awareness Training Standard, SEC527. In addition, Bar Examiners does not

retain documentation of the yearly system access review for its internal system. The reviewer noted that these issues appear to be related to Bar Examiners lack of an Information Security Officer (ISO). Bar Examiners has been unsuccessful in filling its ISO position for the last several years, and the agency uses a staff member to handle some of the routine information technology responsibilities and contract the remainder to a retired information technology employee. Additionally, Bar Examiners has not reviewed or updated its Information Security Policy since September 2011. Management should continue working to ensure that the agency is complying with all requirements in the Security Standard and update and review its Information Security Policy.

- Bar Examiners has formal, documented policies and procedures over many of its significant business processes. However, during our review, we identified critical business areas where Bar Examiners should develop policies and procedures to maintain an effective control environment. Topic 20905 and other sections of the CAPP Manual require each agency to “publish its own policies and procedures documents, approved in writing by agency management.” Management should ensure detailed policies and procedures exist for all critical business areas.
- Bar Examiners did not process and deposit receipts timely in accordance with CAPP Manual Topic 20205. Management should continue to work with the Department of the Treasury to ensure its Cash Receipts Policy is approved and to obtain an exception from the guidelines that govern the deposit of State funds.

We discussed these matters with management on March 27, 2025. Management’s response to the findings identified in our review is included in the section titled “Agency Response.” We did not validate management’s response and, accordingly, cannot take a position on whether it adequately addresses the issues in this report.

This report is intended for the information and use of the Governor and General Assembly, management, and the citizens of the Commonwealth of Virginia and is a public record.

Sincerely,

Staci A. Henshaw  
Auditor of Public Accounts

JDE/vks

BRIAN K. JACKSON, President  
RICHMOND

ROBERT V. WARD  
BRISTOL

ROBERT J. STONEY  
FAIRFAX

MELISSA W. ROBINSON  
ROANOKE

CARTWRIGHT R. REILLY  
VIRGINIA BEACH



CATHERINE CROOKS HILL  
SECRETARY AND TREASURER  
2201 W. BROAD STREET SUITE 101  
RICHMOND, VIRGINIA 23220

TELEPHONE (804) 367-0412  
FAX (804) 367-0416

TEXT TELEPHONE CALLERS  
USE VRC 1-800-828-1120

**COMMONWEALTH of VIRGINIA**  
*Virginia Board of Bar Examiners*

May 27, 2025

Staci A. Henshaw, CPA  
Auditor of Public Accounts  
PO Box 1295  
Richmond, VA 23218

Dear Ms. Henshaw:

The Virginia Board of Bar Examiners (VBBE) responds as follows to the Internal Control Questionnaire Review Results dated April 23, 2025:

Physical Inventory Process

VBBE has rewritten its inventory process and developed new forms to document management's review of inventory counts, ensuring proper stewardship of our assets.

Security Standard and the Cybersecurity Awareness Training Standard, SEC 527

VBBE has engaged with KnowBe4 to purchase their courses to meet the Cybersecurity Awareness Training Standard, SEC 527. In addition, VBBE's IT consultant completed a thorough review of our system access. This review was certified on March 25, 2025.

Deposit Receipts

Since 2013, VBBE has been operating under an exception to the Cash Receipts Policy (Deposit Policy). On March 24, 2025, the Department of the Treasury granted VBBE a new exception to the Cash Receipts Policy in the CAPP Manual Topic 20205 through February 28, 2026.

Sincerely,

A handwritten signature in blue ink that reads "C.C. Hill".

Catherine Crooks Hill  
Secretary/Treasurer

CCH/sp