



Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
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November 5, 2021

Michael Poulson
Chief Magistrate
City of Virginia Beach

Audit Period: July 1, 2020, through June 30, 2021
Court System: Virginia Beach
Judicial District: Second
Magisterial Region: Seventh

We are performing a statewide audit of the Magistrates. During our review, we conducted certain audit procedures, as we deemed appropriate.

Management is an important part of the Magistrates' 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 requiring management's attention and corrective action. These matters include the following:

Follow Established Accounting Procedures

Repeat: No

The Chief Magistrate did not follow established accounting procedures, as outlined in the Office of the Executive Secretary's Magistrate Manual. Specifically, bank reconciliations were not completed for two months of the audit period, a court receipt was not obtained for one of the 20 bonds tested, we noted one \$2,000 bond receipt that should have been voided, and the magistrates did not retain all copies of the receipts for seven of ten voids tested.

Cash bonds are especially vulnerable to loss and misappropriation. The Chief Magistrate should consistently follow the accounting procedures outlined in the Magistrate Manual to properly monitor, control, and safeguard collections.

We acknowledge the cooperation extended to us by the Chief Magistrate and his staff during this engagement.

Staci A. Henshaw
AUDITOR OF PUBLIC ACCOUNTS

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cc: Thomas Cahill, Magistrate Supervising Authority
Jonathan E. Green, Director of Magistrate Services
Supreme Court of Virginia