



# Commonwealth of Virginia

## *Auditor of Public Accounts*

Martha S. Mavredes, CPA  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

April 9, 2013

Christopher Salerno  
Chief Magistrate  
County of Prince Edward  
111 South Street  
Prince Edward, VA 23901

Audit Period: July 1, 2011 through June 30, 2012  
Court System: County of Prince Edward  
Judicial District: Tenth  
Magisterial Region: Third

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 that required management's attention and corrective action. These matters included:

### Properly Reconcile Bank Account

A magistrate did not reconcile his bank account timely for eleven months of the audit period. Allowing reconciling items to go unresolved can lead to errors and irregularities going undetected and can increase the risk of loss of funds. Timely and complete reconciliations are an essential internal control. We recommend the magistrate perform monthly bank reconciliations upon receiving the bank statements as required by the Magistrate Manual.

### Promptly Deposit Funds

One magistrate deposited cash bonds totaling \$3,500 one day late instead of the next day as stated in the Magistrate's Manual. Not depositing cash into the bank promptly is a risk that may result in a loss of funds. Magistrates should deposit all funds into the Magistrate's official checking account within one day of receipt.

### Maintain Documentation

One Magistrate did not maintain required IRS forms and did not maintain one copy of a court receipt. The Magistrate should maintain all proper documentation as required by the Magistrate Manual.

Christopher Salerno  
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We acknowledge the cooperation extended to us by the Magistrate during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

MSM:alh

cc: Shawn Barnes, Magistrate Supervising Authority  
Bobby Lewis, Magistrate System Coordinator  
Supreme Court of Virginia  
Paul F. DeLosh, Director of Judicial Services  
Supreme Court of Virginia