



Commonwealth of Virginia

Auditor of Public Accounts

Martha S. Mavredes, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

March 14, 2013

Mary Johanna Hanzlik
Chief Magistrate
County of Washington
P.O. Box 1127
Abingdon, VA 24210

Audit Period: October 1, 2011 through June 30, 2012
Court System: County of Washington
Judicial District: Twenty-eighth
Magisterial Region: One

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 Retain Void Receipts

For both void receipts tested, the Chief Magistrate and one magistrate did not retain all copies of void receipts as required by the Magistrate Manual. Retaining all copies of void receipts is a critical internal control to help prevent a loss of funds. The Magistrates should retain all copies of void receipts as required by the Magistrate Manual.

Promptly Record Manual Receipt Collections

The Chief Magistrate did not promptly record a manual receipt for \$1,000 in the automated system. Delayed entry of transactions into the automated system poses an increased risk for fraudulent activity and misappropriation of funds. The Chief Magistrate should immediately enter manual receipts into the automated system when it becomes operational.

Mary Johanna Hanzlik, Chief Magistrate
March 14, 2013
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We acknowledge the cooperation extended to us by the Magistrates during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

MSM: clj

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