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Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

July 7, 2023

John Robert Walsh
Chief Magistrate
City of Lynchburg

Audit Period: July 1, 2021, through June 30, 2022
Court System: City of Lynchburg and Counties of Amherst, Bedford, Campbell, and Nelson
Judicial District: Twenty-fourth
Magisterial Region: Second

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 the following matters requiring management's attention and corrective action.

Retain Voided Receipts

Repeat: Yes (first issued in fiscal year 2021)

The Magistrates did not retain all copies of the receipt for one of two receipts (50%) voided during the audit period. Magistrates should closely monitor and control voided transactions as they pose an increased risk for fraudulent activity. The Magistrates should retain all copies of voided receipts as required by the Magistrate Manual.

Promptly Deposit Collections

Repeat: Yes (first issued in fiscal year 2021)

The Magistrates did not deposit cash bonds promptly. For three of 23 receipts tested (13%), the Magistrates held collections for up to two days before deposit. Cash bonds are especially vulnerable to loss and misappropriation and therefore, Magistrates should deposit these bonds no later than the next business day as required by the Magistrate Manual.

John Robert Walsh, Chief Magistrate

July 7, 2023

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Maintain Accounting Records

Repeat: No

The Magistrates did not retain all financial records for the audit period. The Chief Magistrate could not produce for audit several bank statements, bank reconciliations, magistrate receipts, and court receipts. The Magistrate Manual requires the Chief Magistrate and his staff to retain these accounting records for a period of three years after audit. We recommend the Chief Magistrate review the accounting record retention schedule with his staff and, going forward, should retain records accordingly.

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

Staci A. Henshaw

AUDITOR OF PUBLIC ACCOUNTS

LJH: clj

cc: Stephen D. Poff, Magistrate Supervising Authority
Jonathan E. Green, Director of Magistrate Services
Supreme Court of Virginia