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Auditor of Public Accounts

# Commonwealth of Virginia

## *Auditor of Public Accounts*

P.O. Box 1295  
Richmond, Virginia 23218

October 15, 2018

Bruce C. Adam  
Chief Magistrate  
County of Arlington

Audit Period: July 1, 2017 through June 30, 2018  
Court System: Arlington  
Judicial District: Seventeenth  
Magisterial Region: Fifth

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:

### **Retain Voided Receipts**

**Repeat:** Yes (first issued in fiscal year 2017)

For two of three voided receipts, the Magistrates did not retain all copies of the voided receipt or the corresponding original receipts. Voided transactions pose an increased risk for fraudulent activity and, as such, must be monitored and controlled closely. The Magistrates should retain all copies of the original and voided receipts as required by the Magistrate Manual.

### **Properly Review and Correct Transactions**

**Repeat:** No

For two transactions processed during the fiscal year, the issuing Magistrate did not properly review the transaction prior to finalizing the paperwork, resulting in bond receipts processed for more than the amount ordered by the Judge. Since the paperwork was not reviewed when issued, the Magistrate discovered the error after the window to void the transaction in the system had passed and had to manually revise the paperwork.

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Failure to review transactions and later manually revising the paperwork poses an increased risk for fraudulent activity to occur. In all instances, the issuing Magistrate should review all paperwork prior to finalizing the transaction to ensure errors are detected and corrected in accordance with the Magistrate Manual.

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

AUDITOR OF PUBLIC ACCOUNTS

MSM:vks

cc: Edith Edwards-Talbot, Magistrate Supervising Authority  
Mason Byrd, Director of Magistrate Services  
Supreme Court of Virginia