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Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

April 6, 2015

Gary Michael Wooldridge
Chief Magistrate
City of Richmond

Audit Period: November 1, 2013 through June 30, 2014
Court System: City of Richmond
Judicial District: Thirteenth
Magisterial Region: Sixth

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 Voided Receipts

For all three voided receipts tested, the magistrates did not retain all copies of the receipts as required by the Magistrate Manual. The Chief Magistrate indicated his staff were unaware that they needed to maintain voided receipt copies. Voided transactions pose an increased risk for fraudulent activity and, as such, must be monitored and controlled closely. The Chief Magistrate should ensure that his staff are aware of the proper procedures for handling voided transactions.

Reconcile Bank Account

The Chief Magistrate did not reconcile the Magistrates' bank account during 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. The Chief Magistrate should perform monthly bank reconciliations promptly upon receiving the bank statements as required by the Magistrate Manual and, if necessary, seek assistance from the Supreme Court.

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We acknowledge the cooperation extended to us by the Magistrates during this engagement.

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MSM:alh

cc: Jeffrey C. Lanham, Magistrate Supervising Authority
Paul F. DeLosh, Director of Judicial Services
Supreme Court of Virginia