



# Commonwealth of Virginia

## *Auditor of Public Accounts*

Walter J. Kucharski  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

March 14, 2012

Valla V. Olliver II  
Chief Magistrate  
City of Newport News  
224 26th Street  
Newport News, VA 23607-4406

Audit Period: July 1, 2010 through June 30, 2011  
Court System: City of Newport News  
Judicial District: Seventh  
Magisterial Region: Eighth

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:

### Maintain Documentation for Voided Receipts

Of 25 receipts tested, there were three voided transactions; one had two of three required copies, one was shredded, and there was no documentation for the third item. Voided transactions pose an increased risk for fraudulent activity and as such, must be monitored and controlled closely, and the magistrate is required to maintain all copies when voiding receipts. The Chief Magistrate should provide additional training to staff regarding the procedures for voided receipts as detailed in the Magistrates' Manual.

We acknowledge the cooperation extended to us by the Magistrate(s) during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK: clj

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