



Commonwealth of Virginia

Walter J. Kucharski, Auditor

**Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218**

October 22, 2010

Elizabeth L. Snead Combs
Chief Magistrate
County of Wythe
P.O. Box 1013
Lebanon, VA 24266

Audit Period: July 1, 2009 through June 30, 2010
Court System: County of Wythe
Judicial District: Twenty-seventh
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 Deposit Funds

Magistrate Rowlett delayed depositing funds into his official bank account. Specifically we tested eight receipts and noted the following errors: one receipt totaling \$5,000 held two days, one receipt totaling \$2,000 held three days and another receipt totaling \$1,000 held two days before depositing into the official bank account. Not depositing funds into the bank promptly is a risk which could lead to loss of those funds. We recommend the magistrate deposit funds into the bank by the next business day as required by Chapter 7 of the Magistrate Manual.

Properly Reconcile Bank Account

Magistrate Whitlock delayed up to seven months performing her bank reconciliation for the months of August through December, 2009 and January, March, April and June, 2010. 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. We recommend the magistrate perform monthly bank reconciliations upon receiving the bank statements as required by Chapter 7 of the Magistrate Manual.

Elizabeth L. Snead Combs
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We acknowledge the cooperation extended to us by the Magistrates during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK: bw

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