

**Internal Audit Report on  
Sheriff's Office  
Professional and Other Contractual Services**

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**County of Henrico**



*Proud of our progress;  
Excited about our future*

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**Internal Audit Report #300  
February 6, 2026**

HENRICO COUNTY INTERNAL AUDIT  
<http://henrico.gov/audit>  
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P.O. BOX 90775, HENRICO, VIRGINIA 23273-7032

# Internal Audit Report on Sheriff's Office Professional and Other Contractual Services



Report #300  
February 6, 2026










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## Summary

- Scheduled Audit
  - Conclusions on Audit Objectives (see legend below):
    -  Examine and report on adequacy of controls over Professional and Other Contractual Services (e.g., adherence to policy, monitoring contractual compliance, etc.).
    -  Test expenditures for proper procurement and appropriate documentary support for payments
    -  Review invoices to assure proper agreed-upon charges for services rendered and the appropriateness of rate changes and new service charges.
    -  Ensure there are documents and records regarding contract compliance, revision, and dispute resolution, as applicable.
  - Exception-oriented
  - 1 reportable Issue and 2 other observations
  - Management Action Plans have been developed to address all risks identified
-  Insufficient-Immediate Attention     Improvement Needed     Sufficient





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## Contents

- Introduction and Background
- Scope, Internal Controls, and Methodology
- Conclusions on Audit Objectives
- Issues, Other Observations, and Management Action Plans
- Closing and Report Distribution





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## Introduction

- Joyce Aikor-Richardson, Audit Manager, performed audit work
- Used professional auditing standards
- Examined controls and tested for selective compliance
- All exceptions given to Agency
- Reported control design issues and significant test exceptions
- Work for same government we audit



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## Background

- The Sheriff is an elected constitutional officer.
- The Sheriff's Office is responsible for maintaining the safety and security of the jails and courthouses and serving civil process and court ordered documents.
- The **Code of Virginia** establishes minimum standards for local correctional facilities in **Chapter 3 of Title 53.1 (§53.1-68 to §53.1-133.9)**.



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## Background

- The Sheriff's Office operates two separate facilities. The Henrico County Regional Jail West is located in the western section of Henrico County and has a capacity of **329** inmates.  
Actual capacity (including double bunking) - 715
- The Henrico County Regional Jail East is a cooperative effort between Henrico, Goochland and New Kent that was constructed in New Kent County in 1996. The facility has a capacity of **528** inmates.  
Actual capacity (including double bunking) - 632
- Both facilities house male and female inmates.




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## Scope

<b>Professional Services</b>	
Medical Services	\$ 11,379,561.44
Accounting And Auditing Services	\$ 17,374.00
Professional Education Services	\$ 762,985.60
Other Professional Services	\$ 114,811.98
<b>Total Professional Services</b>	<b>\$ 12,274,733</b>
<b>Other Contractual Services</b>	
Printing and Binding	\$ 8,767.60
Advertising	\$ 5,495.04
Laundry and Dry Cleaning	\$ 1,324.00
Other Contractual Services	\$ 3,342,739.44
Weed and Pest Control	\$ 515.92
Medical Supplies	\$ 179,245.63
<b>Total other contractual services</b>	<b>\$ 3,538,088</b>
<b>Total professional and other contractual services</b>	<b>\$ 15,812,821</b>



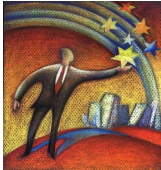

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## Internal Controls *Objectives*

- Reliability and integrity of information
- Compliance with policies, procedures, laws and regulations
- Safeguarding of assets
- Effectiveness and efficiency of operations

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## Internal Controls Cont'd


### *General Limitations of any Controls*

- Errors and irregularities may go undetected
- Inherent limitations in any control structure
- Limitations include resource constraints, legislative restrictions, etc.
- Projection to future subject to risk of change in effectiveness
- Compliance may deteriorate




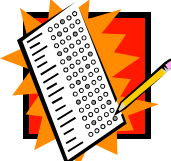
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## Audit Methodology

- Determined expenditure-related processes and control procedures
- Evaluated strengths and weaknesses of control procedures
- Randomly sampled recorded transactions and traced to supporting documents for accuracy and compliance with policy



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## Conclusions on Audit Objectives


- Examine and report on adequacy of controls over Professional and Other Contractual Services (e.g., adherence to policy, monitoring contractual compliance, etc.). *Issue 1*
- Test expenditures for proper procurement and appropriate documentary support for payments *Other Observations 1 and 2*
- Review invoices to assure proper agreed-upon charges for services rendered and the appropriateness of rate changes and new service charges.
- Ensure there are documents and records regarding contract compliance, revision, and dispute resolution, as applicable.

● Insufficient-Immediate Attention    ▲ Improvement Needed    ■ Sufficient



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## Issues

Issue

1. Lacked Internal Controls and Procedures over Contract/Purchase Order Monitoring


Other Observations

1. Ensure Invoices Submitted for Attachment into the G/L Indicate Review and Accountability
2. Ensure Invoices are Paid Timely




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# Issue

## Lacked Internal Controls and Procedures over Contract/Purchase Order Monitoring




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**Issue 1**

# Condition



Vendor	Total Purchase order	Total Payments
Vendor 1	\$1,510,000	\$1,673,740
Vendor 2	\$2,450,000	\$5,305,596
Vendor 3	\$3,000,000	\$3,342,739
Vendor 4	\$1,018,094	\$2,523,272

Percentage payments over purchase order: Vendor1= 11% Vendor 2 =117% Vendor 3 =11% Vendor 4 148%



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Issue 1


## Condition

A vendor is still being paid travel stipends related to Short Term COVID Contract terms.

Short Term COVID Contracts (Max 13 weeks) Pay and Bill Rate Chart (Non-benefitted)							
	Offeror's Proposed Pay Rate (~ \$10/hr increase)	Offeror's Proposed Markup (%)	Offeror's Proposed Billing Rate	Offeror's Proposed Overtime/Holiday Pay Rate	Offeror's Proposed Markup (%)	Offeror's Proposed Overtime/Holiday Billing Rate	Weekly Travel Stipend (As qualified)
LPN (Day)	\$ 43.87	64%	\$ 71.95	\$ 65.81	48%	\$ 97.13	\$ 746.75
LPN (Nights/Weekends)	\$ 46.21	64%	\$ 75.78	\$ 69.32	48%	\$ 102.31	\$ 746.75

To qualify for the weekly travel stipend/per diem, nurses must have a tax home greater than 60 miles away from the site contracted (Henrico East or West) per google maps. These nurses will not be eligible for PTO, bereavement pay or any additional hourly COVID crisis or critical bonuses for current long term staff. Local short term contractors will only receive the increased rate listed in the above table (\$10/hr pay increase), no weekly housing stipend.

\* Any use of Crisis or Critical hourly incentives must be approved by Henrico Sheriff's office in writing prior to implementing and will only be utilized for as long as crisis or critical staffing event is impacting the County. A crisis or critical event is defined as any event that is going to lead to an unstable or dangerous situation affecting the medical staffing and safe operation of either or both Henrico County Jails. The severity of the event will dictate use of crisis or critical rate and the ultimate decision is that of the Sheriff.


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Issue 1


## EFFECT AND CAUSE


Effect

Staff in the Sheriff's Office did not monitor the contract/purchase order effectively resulting in payment of **\$4,867,252** over the purchase order amount for four vendors (80% of expenditures for professional and other contractual services).


Cause

Blanket purchase order was not increased to finish fiscal year.




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Issue 1

## CRITERIA

Sheriff Office staff is responsible for effectively monitoring contracts/purchase orders for professional and other contractual services.



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Issue 1


## Recommendation

The Sheriff's Office staff should strengthen its oversight and monitoring over contracts/purchase orders to ensure proper contracting and purchasing procedures are followed and compliance with contract terms is maintained.



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**Issue1**


## Management Action Plan

Available Purchase Order balances will be reviewed more frequently as well as estimated FY spending to ensure there is adequate funding against appropriate Purchase Orders before FY end closure of Purchase Order adjustments.

The office is following up with the third party being paid the travel stipend related to COVID contract terms. The third party hasn't yet fully responded, stating that they are discussing with upper management.


**By Whom:** Controller

**Expected Completion Date:** 11/21/2025 (related to purchase orders and 2/28/26 (related to third-party follow-up)




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## Other Observations

The following slides include additional observations noted during our audit which were considered less critical in reaching our conclusions on our audit objectives.



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*Other Observation 1*


### Ensure Invoices Submitted for Attachment into the G/L Indicate Review and Accountability

Invoices were not initialed on the support scanned into the G/L but were check-marked to indicate review for goods and services received prior to payment.

- Direct pay invoice expenditures - Nine (9) of 158 (6%) of transactions sampled were PCard payments (\$1,178 of \$2,771,388 or 0% of dollar sampled) which were not initialed on the support scanned into the G/L, but were check-marked to indicate review for goods and services received prior to payment.


### Recommendation

Sheriff's Office staff should initial and date invoices to indicate review and accountability for goods and services received prior to payment, before they are submitted to be scanned and attached into the G/L.



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*Other Observation 1*

## Management Action Plan

PCard transactions receipt/verification/processing steps will reflect the same procedures performed for invoices processed within the accounting system AP Module. The Supervisor will perform stamping (Received, Verified), the Controller will stamp Approved and Supervisor will attach document to PCard Module as supporting documentation


**By Whom:** Controller and Supervisor

**Expected Completion Date:** 11/21/2025



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*Other Observation 2*


## Ensure Invoices are Paid Timely

Invoices were paid more than 45 days after the invoice date; however, no late payment penalties were assessed as follows:

Direct pay invoice expenditures – Two (2) of 158 Direct pay invoices (1%) sampled were paid late (\$274 of \$2,771,388 or 0% sampled), but no late payments were paid.


### Recommendation

Sheriff's Office staff should ensure prompt payment of vendor invoices defined as the due date or, if no due date, then not more than 45 days from the invoice date.



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*Other Observation 2*

## Management Action Plan

Invoices were processed when received. Monthly Statements are requested from Regularly used Vendors. Outstanding Approved Spending spreadsheet is reviewed monthly.

**By Whom:** Controller, Supervisor and Account Clerk

**Expected Completion Date:** Ongoing





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## Closing

Shared issues and draft  
Appreciate Agency's cooperation  
Follow up will be scheduled




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## Report Distribution

Audit Committee (Mr. Cooper, Mr. Schmitt, County Manager)	Board of Supervisors, Non-Committee Members
Sheriff	
Internal Audit Staff	



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## Audit Contact Information

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