



Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 21, 2012

Nader Baroukh
Mayor
300 Park Ave., 3rd Floor, East wing
Falls Church, VA 22046

City of Falls Church

Dear Mr. Baroukh:

We have reviewed the Commonwealth collections and remittances of the Treasurer, Commissioner of the Revenue, and Sheriff of the locality indicated for the year ended June 30, 2012. Our primary objectives were to determine that the officials have maintained accountability over Commonwealth collections, established internal controls, and complied with state laws and regulations.

The results of our tests found the Treasurer, Commissioner of the Revenue, and Sheriff complied, in all material respects, with state laws, regulations and other procedures relating to the receipt, disbursement, and custody of state funds, except as follows.

The Treasurer did not maintain sufficient internal control over state funds as described below.

Properly Remit State Collections

The Treasurer delayed sending 2011 state income tax payments totaling \$151,668 to the Commonwealth for up to five days after collections. Section 2.2-806(A) of the Code of Virginia requires Treasurers to deposit payments within one banking day of receipt. The Treasurer should deposit state income tax payments as required by the Code of Virginia.

The Treasurer delayed sending Sheriff's fees to the Commonwealth for up to four weeks after collections. Additionally, the Treasurer did not send Sheriff's fees of \$160 to the Commonwealth. Section 2.2-806(B) of the Code of Virginia requires Treasurers to remit fees weekly, or twice each week when collections exceed \$5,000. The Treasurer should remit Sheriff's fees as required by the Code of Virginia.

We discussed this comment with the Treasurer on September 21, 2012 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

WJK:kwv

cc: F. Wyatt Shields, City Manager
Catherine A. Kaye, Treasurer
Thomas D. Clinton, Commissioner of the Revenue
Steven Bittle, Sheriff