



Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

November 15, 2021

Michael J. Hipple
Board Chairman
County of James City

Dear Mr. Hipple:

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, 2021. 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 and comply with state laws and regulations as described below.

Perform Monthly Reconciliations

Repeat: Yes (first issued 2020)

The Treasurer did not perform adequate monthly reconciliations of her accounting records to the Commonwealth's accounting and financial reporting system records. As a result, an over-remittance of \$1,957 in Sheriff fees and a \$77 miscoding error between penalty and interest went unresolved during the audit period. Timely and complete monthly reconciliations are a significant internal control and are essential for determining the reliability of information.

The Treasurer should reconcile collections to the Commonwealth's reports monthly as required by § 58.1-3168 of the Code of Virginia. Proper procedures will ensure complete and accurate recording of Commonwealth collections.

Michael J. Hipple, Board Chairman
November 15, 2021
Page Two

Promptly Remit Sheriff's Fees

Repeat: No

The Treasurer did not remit \$945 in Sheriff's fees to the Commonwealth promptly. We noted delays of up to six weeks. Section 2.2-806 of the Code of Virginia requires fees be remitted weekly or twice each week when collections exceed \$5,000. The Treasurer should promptly remit Sheriff's fees as required by the Code of Virginia.

We discussed this comment with the Treasurer on October 20, 2021, and we acknowledge the cooperation extended to us during this review.

Sincerely,

Staci A. Henshaw
Auditor of Public Accounts

SAH: clj

cc: Scott Stevens, County Administrator
Jennifer Tomes, Treasurer
Richard W. Bradshaw, Commissioner of the Revenue
David Hardin, Sheriff