



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

June 28, 2019

Daniel J Murray, Jr.
Board Chairman
220 N. Commerce Avenue, Suite 100
Front Royal, VA 22630

County of Warren

Dear Mr. Murray:

We have reviewed the Commonwealth collections and remittances of the Treasurer, Commissioner of the Revenue, Sheriff, and Commonwealth's Attorney of the locality indicated for the year ended June 30, 2019. 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 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 comply with state laws and regulations as described below.

Properly Update and Calculate Interest

Repeat: No

The Treasurer did not update interest information in the automated system for income taxes when the rate increased from seven to eight percent in January 2019. While the financial impact of this condition was negligible, the Treasurer should have a procedure in place to ensure that the interest rate is updated in the system as those updates occur to ensure interest on state income tax is calculated appropriately. The Treasurer should immediately implement procedures, such as reviewing the quarterly on-line Tax Bulletins, to update the automated system promptly with correct interest rates whenever the Department of Taxation changes the interest rates.

Daniel J. Murray, Jr.
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We discussed this comment with the Treasurer on June 28, 2019 and we acknowledge the cooperation extended to us during this review.

Sincerely,

A handwritten signature in black ink, appearing to read "Nathan S. Mansueti".

Auditor of Public Accounts

MSM:vks

cc: Douglas P. Stanley, County Administrator
Wanda F. Bryant, Treasurer
Sherry T. Sours, Commissioner of the Revenue
Mike Arnold, Interim Sheriff