



Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

August 26, 2024

Betty A. Davis
Treasurer

Kristen Andrews Foster
Commissioner of the Revenue

Walter Holmes
Sheriff

Locality: County of Essex

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, 2024. 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. We limited our work to the collection of Commonwealth revenues. Local governments hire certified public accountants to audit all other financial activities of the locality and these firms issue separate reports on the results of their audits.

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 Sheriff did not maintain sufficient internal control over state funds or comply with state laws and regulations as described below.

Promptly Deposit Sheriff's Fees

Repeat: No

The Sheriff did not promptly deposit funds into an official bank account. We noted delayed deposits in two of eight receipts tested (25%). Having cash or checks on hand is a risk that could lead to a loss of funds. The Sheriff should follow the best practices outlined in the Virginia Sheriff's Accounting Manual, which recommends the Sheriff deposit all collections in the Sheriff's official bank account either weekly or when collections exceed \$200.

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Remit Collections Timely

Repeat: No

The Sheriff did not remit collections to the Treasurer timely. We noted delays of up to nine months in eight of nine remittances (89%). Code of Virginia § 15.2-1609.3 requires sheriffs to remit collections on or before the tenth of the month succeeding that in which the fees were collected. The Sheriff should remit all collections to the Treasurer within the time frame prescribed by statute.

Review Monthly Bank Reconciliations

Repeat: No

The Sheriff does not review the monthly reconciliations of the sheriff's fee account. Reconciliations are an essential control to ensure the proper accounting of funds and timely correction of errors. Further, a supervisory review is the most effective control to ensure the reconciliation is complete and accurate. The Sheriff or his designee should review the bank reconciliation monthly.

We discussed these findings with the Sheriff on August 26, 2024. We acknowledge the cooperation extended to us during this review.

Sincerely,

Staci A. Henshaw
Auditor of Public Accounts

LJH: clj

cc: Rob Akers, Board Chair
April Rounds, County Administrator
Taylor Stover, Member
Robinson, Farmer, Cox Associates