



Commonwealth of Virginia

Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218

Walter J. Kucharski, Auditor

April 30, 2008

Chester Stribling
Chairman
10 Hotel Street, Suite 208
Warrenton, VA 20186

Dear Mr. Stribling:

We have reviewed the Commonwealth collections and remittances of the Treasurer, Commissioner of the Revenue, and Sheriff of the County of Fauquier for the year ended June 30, 2007. 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 constitutional officers 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 Commissioner of Revenue and Sheriff did not maintain sufficient internal control over state funds as described below.

Remit Collections Timely

The Commissioner of Revenue delayed remitting state tax collections to the Treasurer for 14 of 20 assessments tested for up to eight business days, totaling \$776,982.02. Section 58.1-307(B) of the Code of Virginia requires the Commissioner to remit payments accompanied by tax returns to the Treasurer within two banking days of receipt. The Commissioner of the Revenue should remit all state tax collections as required.

Properly Safeguard Sheriff Fees

The Sheriff does not promptly deposit sheriff fees into an official bank account or promptly remit them to the local Treasurer. Instead, the Sheriff holds the funds in his office and deposits the sheriff fees periodically with the local treasurer. Having cash and checks on hand increases the risk that these funds could be misplaced or lost.

Section 15.2-1615 of the Code of Virginia requires the Sheriff to deposit intact and promptly with the Treasurer all money received. The Virginia Sheriff's Accounting Manual recommends certain best practices to safeguard funds, including depositing funds collected into an official account or with the Treasurer weekly

or when funds reach \$200 The Sheriff should remit all collections to the Treasurer weekly or establish a bank account to deposit all funds and remit to the Treasurer no later than the 10th of the month following the month they were collected.

We discussed these comments with the Commissioner of Revenue and with the Sheriff on April 21, 2008 and we acknowledge the cooperation extended to us during this audit.

Sincerely,

Auditor of Public Accounts

WJK:alp

cc: Paul McCulla, County Administrator
Elizabeth A Ledgerton, Treasurer
Ross W. D'Urso, Commissioner of the Revenue
Charlie Ray Fox, Jr., Sheriff