



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

September 20, 2006

Linda T. Johnson
Mayor
P.O. Box 1858
Suffolk, VA 23439

Dear Ms. Johnson:

We have reviewed the Commonwealth collections and remittances of the Treasurer, Commissioner of the Revenue, and Sheriff of the City of Suffolk for the year ended June 30, 2006. 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 did not maintain sufficient internal control over state funds as described below.

Remit Tax Collections Timely

The Commissioner of Revenue delayed remitting state tax collections to the Treasurer for up to thirty-one business days for seven of fifteen days tested. Section 58.1-307B of the Code of Virginia requires Commissioners of Revenue to send payments accompanied by tax returns to the Treasurer within two banking days of receipt. The Commissioner of Revenue should remit all state tax collections as required.

We discussed this comment with the Treasurer on September 15, 2006 and we acknowledge the cooperation extended to us during this audit.

Sincerely,

Auditor of Public Accounts

WJK:kwv

cc: Robert Herbert, City Manager
Ronald H. Williams, Treasurer
Thomas A. Hazelwood, Commissioner of the Revenue
Raleigh H. Isaacs Sr., Sheriff