



Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

November 7, 2012

Teel Goodwin
Board Chairman
8089 Moormont Road
Rapidan, VA 22733

County of Orange

Dear Mr. Goodwin:

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, 2012. 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, Sheriff, and Commonwealth's Attorney 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 as described below.

Perform Monthly Reconciliations

The Treasurer did not perform adequate monthly reconciliations of the estimated income taxes to the Commonwealth Accounting and Reporting System (CARS) reports provided by the Department of Accounts. Monthly reconciliations are a significant internal control that is essential for determining the reliability of information.

The Treasurer should reconcile assessments, collections, and uncollected balances in the general ledger to CARS on a monthly basis as required by Section 58.1-3168 of the Code of Virginia and properly submit correction requests. Proper procedures will ensure complete and accurate recording of tax assessments and collections.

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Page Two

We discussed this comment with the Treasurer on November 7, 2012 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

WJK:kwv

cc: Julie G. Summs, County Administrator
Phyllis M. Yancey, Treasurer
Donna H. Chewning, Commissioner of the Revenue
Mark A. Amos, Sheriff
Diana H. Wheeler, Commonwealth's Attorney