



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

September 28, 2009

John Staelin
Chairman
101 Chalmers Court
Berryville, VA 22611

County of Clarke

Dear Mr. Staelin:

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, 2009. 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, 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 Commissioner of the Revenue did not maintain sufficient internal control over state funds as described below.

Revise Method of Acknowledging Payments Received with Tax Returns

The Commissioner of the Revenue uses a manual cash receipt book to provide taxpayers a receipt when receiving a tax return and a taxpayer requests a receipt. This makes it appear the Commissioner is performing certain collections and other duties, which the Treasurer and the Virginia Department of Taxation (Tax) actually perform. While we commend the Commissioner for wanting to assist taxpayers, the use of a manual receipt book is not the best method.

We recommend the Commissioner immediately stop issuing manual cash receipts. If a taxpayer wants a payment receipt, the Commissioner should send these taxpayers to the Treasurer's office. If the taxpayer wants some acknowledgement of the receipt of their return, the Commissioner should use another means of providing that information.

John Staelin
Chairman
September 28, 2009
Page Two

We discussed this comment with the Commissioner of the Revenue on October 5, 2009 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

WJK:kwv

cc: David L. Ash, County Administrator
Sharon E. Keeler, Treasurer
Warren A. Arthur, Commissioner of the Revenue
Anthony W. Roper, Sheriff