



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

July 2, 2019

Stephen A. Bennett
Board Chairman
6800 Rich Patch Road
Covington, VA 24426

County of Alleghany

Dear Mr. Bennett:

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, 2019. 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 Treasurer did not comply with state laws and regulations as described below.

Perform Monthly Reconciliations

Repeat: No

The outgoing Treasurer did not perform complete and adequate monthly reconciliations of estimated income taxes to the Commonwealth accounting system. The outgoing Treasurer remitted \$1,000 in locality funds to the Commonwealth as estimated income taxes. This error went undetected for three months. Proper and complete monthly reconciliations are a significant internal control and are essential for determining the reliability of financial information and the proper disposition of funds.

The incoming Treasurer should reconcile the estimated income taxes to the Commonwealth's accounting system monthly as required by § 58.1-3168 of the Code of Virginia and submit correction requests timely. Proper procedures will ensure complete and accurate recording of collections.

Stephen A. Bennett, Board Chairman
July 2, 2019
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We discussed this comment with the Treasurer on July 2, 2019 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

MSM: clj

cc: Jonathan Lanford, County Administrator
Wanda H. Simpson, Treasurer
Valerie N. Bruffey, Commissioner of the Revenue
Kevin W. Hall, Sheriff