

COUNTY OF APPOMATTOX

REPORT ON COLLECTIONS

OF LOCAL CONSTITUTIONAL OFFICERS

REPORT ON AUDIT

FOR THE YEAR ENDED

JUNE 30, 2010



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Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

September 30, 2010

Gary W. Tanner
Board Chairman
P. O. Box 863
Appomattox, VA 24522

County of Appomattox

Dear Mr. Tanner:

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, 2010. 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 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 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.

We discussed these comments with the Commissioner of the Revenue on September 15, 2010 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

WJK:clj

cc: Aileen Ferguson, County Administrator
Janet M. Belter, Treasurer
Sara Henderson, Commissioner of the Revenue
O. Wilson Staples, Sheriff

COMMISSIONER OF THE REVENUE
P. O. BOX 125
APPOMATTOX VA 24522
PHONE (434) 352-7450

SARA HENDERSON, COMMISSIONER

September 27, 2010

Management Recommendation
Attention: Linda Gray

Dear Ms. Gray:

I would like it to be noted in the Audit that the Commissioner of the Revenue's office handled the cash payment for State Income Tax Payables and Estimated Taxes correctly. Those taxpayers were sent to the Treasurer's office with the cash. The only time that a receipt was written was when a taxpayer demanded a receipt showing that we received the tax return in our office. As I discussed with the Auditor that was here, I will be using a different system for receipt of the tax return. Thank you for your consideration to this request.

Respectfully,

A handwritten signature in cursive script, appearing to read "Sara Henderson", written in dark ink.

Sara Henderson
Commissioner of the Revenue
Appomattox County