



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

September 21, 2016

Karen Hodock
Board Chairman
P. O. Box 510
Bland, VA 24315

County of Bland

Dear Ms. Hodock:

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, 2016. 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 the 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

The Treasurer did not perform adequate monthly reconciliations of the accounting records to the Commonwealth Accounting and Reporting System (CARS) reports provided by the Department of Accounts. Timely and complete monthly reconciliations are a significant internal control and are essential for determining the reliability of information.

The Treasurer should reconcile assessments, collections (including Sheriff's fees), and uncollected balances to CARS on a monthly basis as required by Section 58.1-3168 of the Code of Virginia and submit correction requests timely. Proper procedures will ensure complete and accurate recording of tax assessments and collections.

Karen Hodock, Board Chairman
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Properly Remit Sheriff's Fees

The Treasurer did not retain the correct amount of Sheriff's fees due to the locality during the audit period as required by Section 15.2-1609.3 of the Code of Virginia. This resulted in the Treasurer over-remitting fees of \$264 to the Commonwealth. The Treasurer should retain this amount during fiscal year 2017 and ensure proper accounting for Sheriff's fees in the future, as this will ensure compliance with Code of Virginia requirements.

The Sheriff did not maintain sufficient internal control over state funds as described below.

Promptly Remit Sheriff Fees

The Sheriff delayed remitting sheriffs fees to the Treasurer for up to 28 days. Having cash or checks on hand is a risk that could lead to a loss of funds. The Sheriff should follow the best practices outlined in the Virginia Sheriff's Accounting Manual, which recommend the Sheriff deposit all collections in the Sheriff's official bank account or directly with the local Treasurer, either weekly or when collections exceed \$200.

We discussed these comments with the Treasurer on September 19, 2016 and the Sheriff on September 21, 2016 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

MSM: clj

cc: Eric Workman, County Administrator
John F. Goins, Treasurer
Cindy U. Wright, Commissioner of the Revenue
Tom Roseberry, II, Sheriff