



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

September 9, 2010

Roger A. Welch
Board Chairman
P. O. Box 519
Washington, VA 22747

County of Rappahannock

Dear Mr. Welch:

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 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 Sheriff did not maintain sufficient internal control over state funds or comply with state laws and regulations as described below.

Reconcile Bank Account

The Sheriff did not reconcile the work release bank account monthly as recommended by the Virginia Sheriff's Accounting Manual. Reconciliations are an essential internal control to ensure the proper accounting for funds and timely correction of errors. As stated in the Manual, supervisory review is the most effective control. The Sheriff should ensure the bank account is reconciled and the reconciliation reviewed monthly.

Stop Spending Funds without an Appropriation

This is the second year that the Sheriff is continuing to hold work release funds, now totaling \$38,170.31, and not depositing this money with the Treasurer as required by Section 15.2-1615 of the Code of Virginia. The Sheriff deposits these collections in a separate bank account and then makes purchases with the funds without an appropriation from the local governing body.

Roger A. Welch
Board Chairman
September 9, 2010
Page Two

Section 15.2-2506 of the Code of Virginia requires an appropriation for all expenditures. The Sheriff should transfer all funds to the Treasurer and obtain an appropriation from the local governing body before spending any more of these funds.

We discussed this comment with the Sheriff on September 13, 2010 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

WJK:clj

cc: John W. McCarthy, County Administrator
Frances A. Foster, Treasurer
Beverly S. Atkins, Commissioner of the Revenue
Connie C. Smith, Sheriff