

**COUNTY OF ROANOKE
REPORT ON COLLECTIONS
OF COMMONWEALTH REVENUES
BY LOCAL CONSTITUTIONAL OFFICERS**

**REPORT ON AUDIT
FOR THE YEAR ENDED
JUNE 30, 2011**



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Commonwealth of Virginia

Auditor of Public Accounts

Walter J. Kucharski
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

March 1, 2012

Joseph B. Church
Board Chairman
P.O. Box 29800
Roanoke, VA. 24018

County of Roanoke

Dear Mr. Church:

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, 2011. 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 Sheriff did not comply with state laws and regulations as described below.

Properly Maintain Accounting Records

The Sheriff does not have adequate internal controls over the manual receipts books used by the civil processors. We requested these manual receipts books for audit, however, an officer had destroyed the books without the Sheriff's knowledge or approval. The Sheriff is required to retain these records for a period of three years after audit as required by Section 15.2-1614 of the Code of Virginia. We recommend the Sheriff review the retention schedule of the accounting records with his staff and maintain all of his accounting records in accordance with the Code of Virginia.

We discussed these comments with the Sheriff on March 5, 2012 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

WJK: vlb

cc: B. Clayton Goodman, III, County Administrator
F. Kevin Hutchins, Treasurer
Nancy J. Horn, Commissioner of the Revenue
Michael G. Winston, Sheriff



STATE ACCREDITED

OFFICE OF THE SHERIFF



NATIONALLY ACCREDITED

MICHAEL G. WINSTON, SHERIFF

COUNTY OF ROANOKE, VIRGINIA

P.O. Box 510 Salem, VA 24153

540-387-6139 Fax 540-387-6203

March 6, 2012

Martha S. Mavredes
Auditor of Public Accounts
P.O. Box 1295
Richmond, Virginia 23218-1295

Dear Ms. Mavredes,

I have attached a copy of our Policy Manual (S.O.P. 7.01-pp 13-16), which refers to our new method of handling, processing and documenting all money transaction/receipts. I have also had correspondence with Mr. Randall Johnson, who has told me that this information will have to be sent to all Constitutional Officers, "so they won't be left off the distribution." I have asked "not" for them to be left off correspondence that applies to them, but I am asking again for you "not" to share our business with other agencies. Thank you for your assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "M. G. Winston", followed by a long horizontal line.

Michael G. Winston
Sheriff

3. The civil process deputy may utilize a MDT to enter court documents into the CPS system, as well as execute the court documents from the CPS system, and make any notations as to the specific service of the civil paper, as needed.

U. Civil Process Money Transactions

1. The Roanoke County Sheriff's Office, Civil Division receives money/ funds in the following method:
 - a. In person;
 - b. the mail;
 - c. court judgments;
 - d. sheriff's sales.
2. Method of payment for services or payment of a debt or judgment is by:
 - a. Cash;
 - b. money order;
 - c. certified check;
 - d. business check.
3. Service fees for serving civil process:
 - a. \$12.00 for In-State;
 - b. \$75.00 for Out-of-State.
4. Issuance of receipts
 - a. The Roanoke County Sheriff's Office Civil Division uses a two (2) part receipt. The top copy, white in color and the bottom copy, yellow in color. The receipts in the receipt book are numbered in chronological order, and when used, should be used in numerical order, without skipping receipts.
 - b. When the civil process clerk or deputy receives fees for the service of civil process or when a deputy collects funds from a debt or judgment, or when a deputy receives funds from a Sheriff's Sale, the clerk or deputy will immediately fill out a receipt showing the date that the monies were received, who the monies were received from, amount received, reason for the payment, case information and signature of the clerk or deputy filling out the receipt.

- c. Once the receipt is filled out completely, the clerk or deputy will supply the top/ white copy of the receipt to the payee, while the bottom, yellow copy remains in the receipt book.
- d. If the clerk or deputy is not able to give a copy of the receipt to the payee in person, (such as the payment being mailed to our Office), the clerk or deputy will staple the white copy of the receipt to the original served copy of the legal document. The original served copy, along with the receipt, will be mailed back to the payee.

5. Money Collected Verification Form

- a. The "Money Collected Verification Form" (MCVF) is a civil process form that is filled out by the deputy when money is collected from a judgment debtor. This form is required to be filled out when monies are collected by deputies while in the field.
- b. Upon receiving money, the receiving deputy will fill out the top portion of the MCVF showing the date, case information, type of Court Order demanding such monies and the amount of monies (cash or money order) received, or note if a check is written. The deputy will sign and date the form and if available, a witnessing deputy will also sign. Once the deputy completes this information, the form, along with the monies, will be given to the division Lieutenant or Captain as soon as possible for their review.
- c. Once the division Lieutenant or Captain receives the MCVF, the monies received will be verified. After the monies have been verified, the Lieutenant or Captain will sign and date the form and hand deliver the form to the civil process clerk.
- d. Upon receipt of the MCVF and monies, the civil process clerk will review the form and verify the amount received. Once verified, the clerk will sign and date the form, as well as place the same date on the "date deposited in bank account line," indicating when the monies were deposited in the bank.
- e. Once the MCVF and monies have been verified by all parties, the division Lieutenant will maintain this form, as well as copy of the court document, for audit purposes.

6. Voided Receipts

If for any reason a clerk or deputy, who in the process of filling out a receipt, makes a mistake on the receipt, the clerk or deputy will write "Void" across the top copy, and make sure that the word "Void" is legible through the bottom copy. If a receipt is filled out and then the white copy is torn out, but is later not used, the clerk or deputy will replace the torn out white copy, making sure that the word "Void" is legible on both copies. The torn copy should be placed back into the receipt book by taping or stapling back into its original place.

7. Bank Deposits

- a. Fees collected for the serving of a court document will be placed into the Civil Process System (CPS) at the time the court document is entered.
- b. Monies collected from a court ordered judgment will be documented on the MCVF
- c. All monies collected will be documented on a two-part bank deposit slip and placed in a deposit bag with the monies received for that day. When the money is deposited in the bank, the deputy should receive a copy of the original deposit slip.
- d. Once deposited, the deputy will give the money bag, along with the deposit slips, to the civil division clerk.
- e. All money shall be deposited on the same day in which it was received, if possible.

8. Checkbook

- a. A checkbook will be maintained by the Civil Division Lieutenant, who will be responsible for the balancing and the issuance of checks.
- b. All bank deposits for Sheriff's Office fees and judgments will be recorded into a checkbook.
- c. No Sheriff's Office checks will be written to any party until all outside checks have been received and deposited; and have cleared the bank with sufficient funds.
- d. A check will be written by the Division Captain or

Lieutenant, payable to the Roanoke County Treasurer's Office, for all Sheriff's Office fees and commissions received/collected during a one month period. The check will be submitted to the Treasurer's Office within three business days of the following month.

- e. All Sheriff's Office checks will be signed by two deputies, who are authorized to sign checks.
- f. At least monthly, the checkbook transactions will be reviewed and verified with the bank statement, by the LIDS/Budget Specialist. Once the LIDS/ Budget Specialist verifies the accuracy of the checkbook and bank statement, he/she will initial the back of the worksheet, indicating the checkbook is accurate and in compliance.

9. Audits

- a. The State Auditors of Public Accounts and a private Auditing Agency, chosen by the County of Roanoke, will audit the transactions of the Roanoke County Sheriff's Office Civil Division on an annual basis.
- b. Audit Period is from July 1st to June 30th of each fiscal year.
- c. The following will be provided to the auditors:
 - i. Checkbook;
 - ii. fee reports for each month;
 - iii. transmittal revenue for each month;
 - iv. bank statement for each month;
 - v. deposit slips for each month;
 - vi. court ordered judgments for that month, if any;
 - vii. Money Collected Verification Forms for each month, if any;
 - viii. receipt books used during that audit period
 - ix. unused receipt books, if requested.