



Staci A. Henshaw, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

December 5, 2024

Julie Slye
Treasurer

Gerald Gwaltney
Commissioner of the Revenue

James R. Clarke, Jr.
Sheriff

Locality: County of Isle of Wight

We have reviewed the Commonwealth collections and remittances of the Commissioner of the Revenue and Sheriff of the locality indicated for the year ended June 30, 2024. We also reviewed the Commonwealth collections and remittances of the Treasurer of the locality indicated, for the period January 1, 2024, through June 30, 2024. 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. We limited our work to the collection of Commonwealth revenues. Local governments hire certified public accountants to audit all other financial activities of the locality and these firms issue separate reports on the results of their audits.

The results of our tests found the Treasurer, Commissioner of 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.

Promptly Remit State Collections

Repeat: No

The Treasurer did not remit state income tax payments to the Commonwealth within one banking day of receipt as required by § 2.2-806(A) of the Code of Virginia. We noted five delayed state income tax payments out of ten tested (50%). The Treasurer should deposit state collections in accordance with the Code of Virginia.

Julie Slye, Treasurer
Gerald Gwaltney, Commissioner of the Revenue
James R. Clarke, Jr., Sheriff
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Promptly Remit Sheriff's Fees

Repeat: No

The Treasurer did not remit Sheriff's fees to the Commonwealth timely during the audit period. We noted eight out of 21 remittances (38%) were delayed by up to two months. Additionally, we noted the Treasurer has not remitted collections totaling \$1,881 from April and May 2024 to the Commonwealth. Section 2.2-806 of the Code of Virginia requires fees to be remitted weekly or twice each week when collections exceed \$5,000. The Treasurer should remit all fees she is currently holding and, going forward, should promptly remit Sheriff's fees as required by the Code of Virginia.

Properly Perform Monthly Reconciliations

Repeat: No

During the audit period, the Treasurer did not reconcile the locality's internal financial system reports to the Commonwealth's accounting and financial reporting system. Proper monthly reconciliations are a significant internal control and are essential for determining the reliability of information. The Treasurer should reconcile assessments, collections, and uncollected balances per the locality's financial system to the Commonwealth's reports monthly as required by § 58.1-3168 of the Code of Virginia and submit correction requests timely. Proper reconciliation procedures will ensure complete and accurate recording of tax assessments and collections.

Promptly Record Manual Transactions

Repeat: No

The Treasurer did not promptly record manual receipts in the financial accounting system. We noted the Treasurer delayed recording three of the five manual receipts tested (60%) by up to five days. The Treasurer should record manual transactions in the financial accounting system as soon as possible after the transaction occurs to better safeguard funds collected and ensure all transactions are properly recorded.

Julie Slye, Treasurer
Gerald Gwaltney, Commissioner of the Revenue
James R. Clarke, Jr., Sheriff
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We discussed these findings with the Treasurer on November 4, 2024, and acknowledge the cooperation extended to us during this review.

Sincerely,

Staci A. Henshaw
Auditor of Public Accounts

LJH:vks

cc: Joel C. Acree, Board Chair
Randy R. Keaton, County Administrator
Aaron B. Hawkins, Member
Robinson, Farmer, Cox Associates