



COUNTY OF FAIRFAX

REPORT ON COLLECTIONS OF COMMONWEALTH REVENUES BY LOCAL CONSTITUTIONAL OFFICERS

FOR THE YEAR ENDED

JUNE 30, 2013

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Commonwealth of Virginia

Auditor of Public Accounts

Martha S. Mavredes, CPA
Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

December 19, 2013

Sharon Bulova
Board Chairman
12000 Government Center Parkway, #530
Fairfax, VA 22035

County of Fairfax

Dear Ms. Bulova:

We have reviewed the Commonwealth collections and remittances of the Director of Finance and Sheriff of the locality indicated for the year ended June 30, 2013. 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 Director of Finance 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 Director of Finance did not comply with state laws and regulations as described below.

Promptly Remit Sheriff's Fees

The Director of Finance delayed sending \$14,162 in Sheriff's fees to the Commonwealth after collection. Section 2.2-806(B) of the Code of Virginia requires the Director of Finance to remit fees weekly, or twice each week when collections exceed \$5,000. The Director of Finance should remit sheriff's fees as required by the Code of Virginia.

The former Sheriff did not comply with state laws and regulations as described below.

Deposit Sheriff's Fees Timely

The Sheriff did not deposit Sheriff's fees into his official checking account timely, as required by the Virginia Sheriff's Accounting Manual and did not disburse proceeds and commissions on Sheriff's sales promptly. The Sheriff should follow the best practices for processing fees outlined in the Virginia Sheriff's Accounting Manual, which recommend the Sheriff deposit all civil process fees at least weekly, or daily when collections exceed \$200. Additionally, the Sheriff should disburse proceeds and commissions of sheriff sales to the appropriate parties in a timely manner as required by Section 8.01-499 of the Code of Virginia.

We discussed this comment with the Director of Finance and the Sheriff on November 20, 2013, and December 13, 2013, respectively and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

MSM:kwv

cc: Edward L. Long, Jr., County Executive
Victor L. Garcia, Director of Finance
Stacey Kincaid, Sheriff



County of Fairfax, Virginia

To protect and enrich the quality of life for the people, neighborhoods, and diverse communities of Fairfax County

December 30, 2013

Ms. Martha S. Mavredes
Auditor of Public Accounts
PO Box 1295
Richmond, VA 23218

Dear Ms. Mavredes:

This letter is to respond to the audit finding associated with the audit of the Treasurer/Director of Finance of Fairfax County dated October 22, 2013. The finding is as follows:

“The Director of Finance delayed sending \$24,562 of Sheriff’s fees to the Commonwealth. Section 2.20806(B) of the Code of Virginia requires the Director of Finance to remit fees weekly, or twice each week when collections exceed \$5,000. The Treasurer should remit sheriff’s fees as required by the Code of Virginia.”

The Auditor of Public Accounts (APA) staff found ten instances of delayed payments totaling \$24,562. Of these ten, we do not concur with seven. The three with which we do concur total \$1,308. An itemized listing of the instances of noncompliance as cited by APA staff and Fairfax County’s response to each is provided at the end of this letter.

It is our position that any delay that results from delinquent notification by the court or agency is beyond the control of the Treasurer, and should be addressed in the audits of the individual courts or agency. Even though EDI notifications from the Commonwealth are sent directly to the Treasurer, the amounts represent several different fees being transmitted together. The Treasurer has no way of knowing how much of the EDI is related to Sheriff’s fees without the Form DC-14 or other appropriate support provided by the court. The Treasurer does not have access to the state’s system to obtain the breakdown of fees. Without this breakdown, the Treasurer does not know how much of the EDI should be returned to the Commonwealth. This would be akin to Fairfax County not providing the required Form 800 Treasury (Deposit Certificate) for each of our remittances to the Department of the Treasury, which provides a distribution of deposits made to the Treasury as well as providing a unique identifying number for reconciliation by the Department of the Treasury.

I would appreciate you considering the additional information provided here before issuing your final report. If the finding remains unchanged, then please incorporate this response into the final report.

Department of Finance

12000 Government Center Parkway, Suite 214

Fairfax, Virginia 22035

703-324-3120; TTY 711

www.fairfaxcounty.gov/finance

Court/ Agency	Month	Amount	Date Deposited with Treasurer	Date Treasurer Notified by Court/ Agency	Date Transmitted to Common- wealth	Concur/Do Not Concur	Explanation
JDRDC	Oct 2012	696.00	9/28/2012	10/10/2012	10/12/2012	Do Not Concur	The delay was on the part of the JDRDC communicating to the Treasurer the breakdown of funds deposited by EDI. Once notified, the Treasurer transmitted the funds within 2 business days.
JDRDC	Nov 2012	783.00	10/30/2012	11/6/2012	11/8/2012	Do Not Concur	The delay was on the part of the JDRDC communicating to the Treasurer the breakdown of funds deposited by EDI. Once notified, the Treasurer transmitted the funds within 2 business days.
JDRDC	May 2013	1,068.00	2/28/2013	5/1/2013	5/2/2013	Do Not Concur	The delay was on the part of the JDRDC communicating to the Treasurer the breakdown of funds deposited by EDI. Once notified, the Treasurer transmitted the funds within 1 business day.
JDRDC	May 2013	1,524.00	4/26/2013	5/28/2013	5/31/2013	Do Not Concur	The delay was on the part of the JDRDC communicating to the Treasurer the breakdown of funds deposited by EDI. Once notified, the Treasurer transmitted the funds within 3 business days.
JDRDC	Jun 2013	1,500.00	5/24/2013	5/31/2013	6/5/2013	Do Not Concur	The delay was on the part of the JDRDC communicating to the Treasurer the breakdown of funds deposited by EDI. Once notified, the Treasurer transmitted the funds within 3 business days.
Sheriff's Office	Jul 2012	8,066.00	7/2/2012	7/12/2012	7/13/2012	Do Not Concur	The delay was on the part of the Sheriff's Office communicating to the Treasurer that the funds had been deposited. Once notified, the Treasurer transmitted the funds to the Commonwealth within 1 business day. The Treasurer has no way of identifying these amounts other than through communication from the Sheriff's Office.
Sheriff's Office	Oct 2012	9,617.00	10/4/2012	10/4/2012	10/10/2012	Do Not Concur	Notification from the Sheriff's Office was received late in the day on Thu., 10/4. It was not possible to process, print, and deposit to the Commonwealth in less than 1 business day. The paperwork was processed on Tue., 10/9 (Monday was a holiday), and the check was cut and deposited on Wed., 10/10 - within 3 business days of receipt by the Treasurer and within the requirements of the <i>Code of Virginia</i> .
WCC	Nov 2012	444.00	10/5/2012	N/A	11/29/2012	Concur	
WCC	Apr 2013	432.00	4/11/2013	N/A	4/26/2013	Concur	
WCC	Jun 2013	432.00	6/11/2013	N/A	6/21/2013	Concur	

Sincerely,


Victor L. Garcia, Director

VLG/tdb

cc: Barbara S. Moran, Clerk of the Court, JDRDC
Dana S. Thompson, Administration for Human Services/JDRDC
Stacey A. Kincaid, Sheriff
Ray A. Vanneman, Sheriff's Office
Christopher Pietsch, Finance
Sherry L. Ali, Finance
Tanya D. Burrell, Finance