



Commonwealth of Virginia

Walter J. Kucharski, Auditor

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

October 12, 2010

Hugh W. Rosser
Chairman
P. O. Box 100
Rustburg, VA 24588

County of Campbell

Dear Mr. Rosser:

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 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 uncollected balances from her accounting records to the Commonwealth Accounting and Reporting System (CARS) reports provided by the Department of Accounts. Timely monthly reconciliations are a significant internal control which is essential for determining the reliability of information. The Treasurer should reconcile assessments, collections, 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.

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

Promptly Deposit Sheriff Fees

The Sheriff did not promptly deposit fees into an official bank account. Specifically, we noted five bank deposits in three months which were up to three days late. Having cash and checks on hand increases the risk that these funds could be misplaced or lost.

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The Sheriff should follow the accounting best practices for fees as outlined in the Virginia Sheriff's Accounting Manual, which recommends the Sheriff deposit all collections daily, when receipts total \$200 or more, either into the Sheriff's official bank account or directly with the Treasurer. When receipts total less than \$200 in a day, the Sheriff should accumulate daily receipts until they total \$200, but always deposit no less frequently than weekly.

We discussed these comments with the Treasurer and the Sheriff on October 19, 2010 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

WJK:kwv

cc: R. David Laurrell, County Administrator
Robin F. Jefferson, Treasurer
Calvin C. Massie, Jr., Commissioner of the Revenue
Terry E. Gaddy, Sheriff