



Martha S. Mavredes, CPA
Auditor of Public Accounts

Commonwealth of Virginia

Auditor of Public Accounts

P.O. Box 1295
Richmond, Virginia 23218

December 2, 2014

Teel Goodwin
Board Chairman
P. O. Box 644
Orange, VA 22960

County of Orange

Dear Mr. Goodwin:

We have reviewed the Commonwealth collections and remittances of the Treasurer, Commissioner of the Revenue, Sheriff, and Commonwealth's Attorney of the locality indicated for the year ended June 30, 2014. 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, Sheriff, and Commonwealth's Attorney 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 maintain sufficient internal control over state funds or comply with state laws and regulations as described below.

Perform Monthly Reconciliations

The Treasurer did not perform adequate monthly reconciliations of the accounting records to the Commonwealth Accounting and Reporting System (CARS) reports provided by the Department of Accounts. Timely and complete monthly reconciliations are a significant internal control and are essential for determining the reliability of information.

The Treasurer should reconcile assessments, collections (including Sheriff's fees), 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.

Teel Goodwin, Board Chairman
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Promptly Remit State Collections

The Treasurer did not remit state income tax payments to the Commonwealth timely. There is currently an unremitted balance of \$1,240 in 2013 Estimated Taxes. Section 2.2-806(A) of the Code of Virginia requires Treasurers to deposit state income tax payments within one banking day of receipt. The Treasurer should deposit state income tax payments in accordance with the Code of Virginia.

Remit Sheriff's Fees Promptly (Repeat Finding)

The Treasurer delayed sending Sheriff's fees of \$1,156 to the Commonwealth. Section 2.2-806(B) of the Code of Virginia requires fees be remitted weekly or twice each week when collections exceed \$5,000. The Treasurer should promptly remit Sheriff's fees as required by the Code of Virginia.

The Commonwealth's Attorney did not comply with state laws and regulations as described below.

Remit Excess Collection Fees (Repeat Finding)

The Commonwealth's Attorney did not appropriately calculate fees to be remitted from the in-house collection program to the Commonwealth for fiscal year 2013. The Commonwealth's Attorney should notify the Treasurer of the recalculated amount to send to the Commonwealth and send an amended Fiscal Year 2013 Collection of Fines and Fees Report to the Compensation Board.

We discussed this comment with the Treasurer and the Commonwealth's Attorney on November 21, 2014 and we acknowledge the cooperation extended to us during this review.

Sincerely,

Auditor of Public Accounts

MSM: clj

cc: R. Bryan David, County Administrator
Phyllis M. Yancey, Treasurer
Renee L. Pope, Interim Commissioner of the Revenue
Mark A. Amos, Sheriff
Diana H. Wheeler, Commonwealth's Attorney