



# Commonwealth of Virginia

## Auditor of Public Accounts

Staci A. Henshaw, CPA  
Auditor of Public Accounts

P.O. Box 1295  
Richmond, Virginia 23218

September 1, 2022

Dr. Alan W. Edwards  
Board Chairman

County of Southampton

Dear Dr. Edwards:

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, 2022. 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 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 and comply with state laws and regulations as described below.

### **Properly Perform Monthly Reconciliations**

**Repeat: No**

The Treasurer is not reconciling the locality's internal financial system reports to the Commonwealth's accounting and financial reporting system. Instead, the Treasurer is reconciling a listing of deposit certificates that exists outside of the locality's financial system to the Commonwealth's accounting and financial reporting system, opening the possibility that errors or updates to financial information in the locality's financial system will not be detected. 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 procedures will ensure complete and accurate recording of tax assessments and collections.

Dr. Alan W. Edwards, Board Chairman  
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**Properly Remit Sheriff's Fees**

**Repeat:** No

The Treasurer did not retain the correct amount of Sheriff's fees due to the locality during the audit period as required by § 15.2-1609.3 of the Code of Virginia. The Treasurer retained \$1,625 more than the locality was due. The Treasurer has corrected this error and, going forward, should ensure proper accounting for Sheriff's fees as this will ensure compliance with Code of Virginia requirements.

**Promptly Remit State Collections**

**Repeat:** No

The Treasurer did not remit state income tax payments to the Commonwealth timely. We noted two delayed state income tax payments out of five tested (40%). 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 collections in accordance with the Code of Virginia.

We discussed these findings with the Treasurer on August 23, 2022, and we acknowledge the cooperation extended to us during this review.

Sincerely,

Staci A. Henshaw  
Auditor of Public Accounts

LJH:vks

cc: Brian Thrower, County Administrator  
Cynthia J. Edwards, Treasurer  
Amy B. Carr, Commissioner of the Revenue  
J.A. Wyche, Sr., Sheriff  
Eric A. Cooke, Commonwealth's Attorney  
Kimberly Jackson, Partner  
Creedle, Jones and Alga