Commonwealth of Virginia

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

Walter J. Kucharski, Auditor

October 24, 2006

Steve Spradlin, Chairman
Board of Supervisors
755 Roanoke Street, Suite 2E
Christiansburg, VA 24073

Dear Mr. Spradlin:

We have reviewed the Commonwealth collections and remittances of the Treasurer, Commissioner of the Revenue, Sheriff and Commonwealth's Attorney of the County of Montgomery for the year ended June 30, 2006. 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 constitutional officers 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 former Commonwealth's Attorney did not maintain sufficient internal control over state funds as described below.

Properly Remit Excess Collection Fees

The former Commonwealth's Attorney miscalculated the amount of collection fees the Treasurer should have received by $608 for fiscal year 2005. The county treasurer sends these fees to the Commonwealth. The former Commonwealth's Attorney did not reconcile his manual records with the actual amount of fees sent to the local Treasurer by the courts. Subsequent to the audit, the current Commonwealth's Attorney remitted the fees to the Commonwealth and sent an amended report to the Compensation Board.

We discussed this comment with the Commonwealth's Attorney on October 20, 2006, and we acknowledge the cooperation extended to us during this audit.

Sincerely,

Auditor of Public Accounts

WJK:kwv

cc: B. Clayton Goodman, County Administrator
W. Richard Shelton, Treasurer
Sharon E. Gilbert, Commissioner of the Revenue
J. T. Whitt, Sheriff
Bradley W. Finch, Commonwealth's Attorney