



ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

Date: April 24, 2025

Memorandum to: Catherine Ballard, Finance Director

From: Robinson, Farmer, Cox Associates

Regarding: Audit Recommendations

In planning and performing our audit of the financial statements of the County of Giles, Virginia for the year ended June 30, 2024, we considered the County's internal control structure to plan our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control structure.

However, during our audit, we noted certain matters involving the internal control structure and other operational matters that are presented for your consideration. Our comments and recommendations, all of which have been discussed with appropriate members of management, are intended to improve the internal control structure or result in other operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience.

Budget Documents:

In reviewing School Board and County budget data, we noted that the School Board budget (as reported in the School Board's accounting system) did not agree with the budget for the School Board in the County's accounting system. We recommend that the County and School Board reconcile their budget entries to ensure that the budgets in both systems agree (at least in total).

Special Welfare:

We compared the special welfare ledger (maintained by the DSS Department) to the special welfare fund (accounting maintained by the Treasurer's Office) and the two did not agree with one another. As the ledger should mirror activity in the fund, we recommend that the Social Services Department begin reconciling the ledger to the Treasurer's records on a monthly basis.

Budget:

Our test of appropriations disclosed that the Water Fund's expenditures exceeded its appropriations. We recommend that the County transfer appropriations, as necessary, to cover expenditures as allowed in the appropriations resolution.

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School Board Federal Funding:

During our review of federal programs, we attempted to reconcile expenditures posted to federal expenditure line items against revenues requested and received under the federal programs. We noted variances in these reconciliations. We recommend that the System post federal grant expenditures to dedicated departments within the accounting system and periodically reconcile reimbursement requests to the dedicated departments. This will ensure that all funds available for recovery have been considered in requesting reimbursements and will also ensure that expenditures are not requested for reimbursement under more than one program.