

# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Date: November 21, 2016

Memorandum to: B. Clayton Goodman III, County Administrator

From: Robinson, Farmer, Cox Associates

Regarding: Audit Recommendations

In planning and performing our audit of the financial statements of the County of Craig, Virginia for the year ended June 30, 2016, we considered the County's internal 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 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.

## County:

### Conflict of Interest Statements:

During our review of conflict of interest statements, we noted 4 of 28 were not submitted or were incomplete for the December 15, 2015 deadline. In addition, although the State only requires constitutional officers to file the forms online we recommend a hard copy be submitted to the Board clerk as well. We are required by the Auditor of Public Accounts to review the forms and did not have access to the June 2016 online submissions.

### Sheriff Hooked on Fishing Account:

During our review of the Sheriff's bank accounts we noted the "Hooked on Fishing" account was properly documented but was not insured under the Virginia Public Deposits Act as required by the Virginia Sheriff's Accounting Manual.

## School Board:

### Federal Programs:

During our review of reimbursement requests, we noted that many items were being requested months after the expenses had been incurred for the most of the federal programs. We recommend that a timelier process be put in place to request reimbursement for these programs.

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**School Board: (continued)**

**Semi-Annual Payroll Certifications:**

Federal regulations require more extensive documentation than a teacher contract for payroll reimbursement requests related to federally funded programs. We recommend the School Board implement a semi-annual payroll certification as common with VDOE federal programs. In addition, if employees are split between programs timesheets should be maintained documenting the time spent on the corresponding program.

**Social Services:**

**Board Approval of Expenditures:**

During our reconciliation of LASER reports we noted expenditures are occasionally posted after the date of the Board meeting and not included in the monthly Board packet. Those expenditures are not provided in the subsequent meeting and therefore, go unapproved by the DSS Board. We recommend all expenditures be approved by the Board.

**Special Welfare:**

During our audit of special welfare, we noted the Treasurer is not being reimbursed on a monthly basis. We recommend all refunds and reimbursements be performed in a timely manner.

In addition, we noted DSS is not reconciling their ledger with the Treasurer's office. The ledger did not agree to the bank reconciliation by \$413.75. We recommend special welfare be reconciled with the Treasurer's office each month.