

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

DATE: December 16, 2016

MEMORANDUM TO: County of Prince Edward, Virginia

FROM: Robinson, Farmer, Cox Associates

REGARDING: FY 2016 Audit

In planning and performing our fieldwork as part of the audit of the financial statements of the County of Prince Edward, Virginia ("County") for the year ended June 30, 2016, 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. This letter does not affect our report dated December 16, 2016 on the financial statements of the County of Prince Edward, Virginia. Our comments and recommendations are intended to improve the internal control structure or result in other amounts that are normally operating efficiencies. We will be pleased to discuss these comments in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Update on Prior Year Comment (Fiscal Year 2015) - Bank Reconciliations

The following is a copy of the prior year comment:

A critical component of the County's system of internal controls over cash balances and cash receipts is the monthly reconciliations of the bank accounts to the County's general ledger. Our audit procedures disclosed that the Treasurer's Office did not perform the monthly bank reconciliations in a timely manner during fiscal year 2015. More specifically, the June 2015 bank reconciliation was prepared approximately five months after the month-end. An accurate bank reconciliation should be prepared for each bank account on a monthly basis. Timeliness and accuracy of the bank reconciliations is a key factor in the internal controls over cash. We recommend the Treasurer's Office examine the procedures over this critical function.

Current year update - The Treasurer's Office has worked to complete bank reconciliations more timely. The overall process improved during fiscal year 2016. However, we do recommend the Treasurer's Office continue to improve the timeliness and completeness of the bank account reconciliations. Lastly, we recommend the Treasurer's Office consider cross-training two employees in completing accurate reconciliations.