

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Date: September 19, 2016

Memorandum To: Town Council
Town of Blackstone, Virginia

From: Robinson, Farmer, Cox Associates (RFC)

Regarding: Audit for fiscal year ended June 30, 2016

In planning and performing our audit of the financial statements of Town of Blackstone, Virginia for the year ended June 30, 2016, we considered the Town'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.

During our audit fieldwork, we noted certain matters involving the internal control structure and other operational matters that are presented herewith 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 operational efficiencies.

Purchasing Policy

The Town does not have a formal written purchasing policy. RFC recommends that the Town prepare a written purchasing policy and have it approved by Town Council. The purchasing policy should detail who can initiate purchases, who approves purchases, and who approves invoices for payment. The Town should also consider the need for written or verbal quotes of purchases over a desired dollar threshold.

This report is intended solely for the information and use of the Town Council, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.