

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

DATE: November 10, 2017

MEMORANDUM TO: Board of Supervisors
County of Northampton

FROM: Robinson, Farmer, Cox Associates

REGARDING: FY17 Audit of County of Northampton, Virginia

In planning and performing our audit of the financial statements of the County of Northampton, Virginia for the year ended June 30, 2017, 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 controls of the County.

However, during our audit, we noted certain matters that are opportunities for strengthening internal controls and operating efficiencies. Said matters are not deemed to be material weaknesses or significant deficiencies in internal control. Further, this letter does not affect our report dated November 10, 2017 on the financial statements of the County of Northampton, Virginia. We have already discussed these comments and recommendations with appropriate members of management and we will review the status of these comments during our next audit engagement.

Sheriff's Department Compliance with County Policies

During our audit of County checks issued, we noted that some of the Sheriff's Department checks selected for testing were not in substantial compliance with the County Procurement policy relative to obtaining purchase orders and documenting quotes or bids obtained. The County's Procurement policy is specific as to when purchase orders and/or quotes and bids should be obtained. We recommend that all Departments comply with written County policies.

Sheriff's Travel Reimbursements from Petty Cash

RFC examined several checks issued from the Sheriff's Petty Cash account at the Eastern Shore Regional Jail. There were several petty cash payments made for either meal per diems or meal reimbursements that were not supported by detailed receipts or otherwise in compliance with the County's newly adopted Travel, Lodging and Per Diem Policy. We recommend that all Departments comply with written County policies.

FLSA compliance

The Fair Labor Standards Act (FLSA) establishes minimum wage, over-time pay and recordkeeping standards affecting full-time and part-time workers. RFC recommends that the County review the provisions of the FLSA, new and old, to ensure that they are in compliance with the standard. All employee positions should be classified under the FLSA based on their job descriptions and this classification should be noted in writing. Currently, this determination is documented in New World rather than in employee personnel files or written job descriptions.

Parks and Recreation Receipts

During our audit of cash receipts, we examined a remittance of funds from the Northampton Parks and Recreation (P & R) Department to the Treasurer's office. Remittances are summarized on a transmittal form with no individual receipts attached. RFC obtained receipt books maintained by the P & R Department. Inquiry revealed that there are two receipt books in use and that receipts are not always given to the payee and never remitted to the Treasurer's office with the transmittal form. RFC recommends that receipts be issued for all amounts received, with 1 copy of the receipt given to the payee, 1 copy given to the Treasurer's office with the remittance of funds and the remaining copy maintained in the receipt book. This procedure would help document that all funds are being remitted to the Treasurer's office timely and intact. *Repeat comment.*

RFC also recommends that deposits be made with the Treasurer on a weekly basis so that funds are not being held at the Parks and Recreation office over the week-end. Consideration should be given to purchasing a point of sale system (cash register) or utilizing a recreation management software product such as Rec Trac for additional accountability.