



ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

DATE: March 26, 2026

MEMORANDUM TO: Board of Supervisors
County of Sussex
Sussex, Virginia

FROM: Robinson, Farmer, Cox Associates

REGARDING: FY25 Audit of County of Sussex, Virginia

In planning and performing our audit of the financial statements of County of Sussex, Virginia for the year ended June 30, 2025, 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 March 26, 2026, on the financial statements of County of Sussex, Virginia.

We have already discussed these recommendations with appropriate members of management and we will review the status of these comments during our next audit engagement.

EMPLOYEE LEAVE TRACKING:

Due to the complexity of GASB 101, *Compensated Absences*, we recommend that the County payroll department tracks employee leave (hours earned, hours taken, hours accrued at year end) for all county departments, including constitutional officers. The new GASB statement can cause significant increases in the compensated absence liability and having the data needed to create accurate estimates are critical in reporting accurate in the financial statements.

CHART OF ACCOUNTS:

The Virginia Auditor of Public Accounts *Uniform Financial Reporting Manual* (UFRM) sets the requirements for Virginia local government for Comparative Reporting data. This manual helps provide a uniform system of accounts (chart of accounts) for Virginia local governments. Sussex County currently utilizes a system of accounts that does not follow the UFRM. We recommend that the system of accounts be updated utilizing the guidance provided in the UFRM.