

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Date: November 28, 2018

Memorandum to: Terri Morris, County Administrator

From: Robinson, Farmer, Cox Associates

Regarding: Audit Recommendations

In planning and performing our audit of the financial statements of the County of Floyd, Virginia for the year ended June 30, 2018, 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. 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.

Treasurer's Office

Virginia Security for Public Deposits Act:

During our review of the new School Board health insurance bank account, we noted that it was not set up as a public deposit account. Please review the bank account and ensure it is in compliance with the Act.

Social Services

LASER Reconciliations:

During our testing, we found one instance that DSS issued a check twice but properly only claimed the expenditure once. In addition, we found one instance of health insurance being claimed twice but paid only once. The health insurance double claim was subsequently corrected after we discussed with staff. We recommend the monthly LASER submission be reconciled against the expenditures and that reconciliation be reviewed for accuracy.

Credit Card Purchases:

During our testing, we found several purchases lacked proper detailed receipts. We recommend all credit card purchases be supported by proper documentation detailing each item purchased.

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School Board

Fuel Procurement:

During our review of procurement of goods we found the School is not obtaining bids/quotes for fuel purchases. We recommend the School Board implement a procedure to ensure they are obtaining the best price for fuel in compliance with the Virginia Public Procurement Act.

Sheriff

Virginia Security for Public Deposits Act:

During our review of the new narcotics bank account, we noted that it was not set up as a public deposit account. Please review the bank account and ensure it is in compliance with the Act.

EDA

Virginia Security for Public Deposits Act:

During our review of the savings bank account, we noted that it was not set up as a public deposit account. Please review the bank account and ensure it is in compliance with the Act.