



ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

Date: October 29, 2025

Memorandum To: Piedmont Regional Jail Authority

From: Robinson, Farmer, Cox Associates

Regarding: Audit for Year Ended June 30, 2025

In planning and performing our audit of the financial statements of Piedmont Regional Jail Authority for the year ended June 30, 2025, we considered the Authority'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 October 29, 2025 on the financial statements of Piedmont Regional Jail Authority. 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, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Statements of Economic Interest

Statements of Economic Interest were not provided for one member of the Authority board for the year under audit. The Code of Virginia §2.2-3115(A) and (B) specifies that Members of the governing body of any authority established in a county or city with the power to issue bonds or expend funds in excess of \$10,000 in any fiscal year must annually file a *Financial Disclosure Statement* ("short form"), unless required by their local governing body to file a Statement of Economic Interests ("long form"). We recommend that the clerk of the board review these requirements and ensure the forms are filed in accordance with State law. In addition, we recommend that a copy be retained on file for audit in order for us to perform review procedures as required by the *Auditor of Public Accounts Specifications for Audits of Authorities, Boards, and Commissions*.

Cross-Training

The Administrative Assistant handles payroll and the related VRS procedures. The Human Resources Manager is the designated backup to perform these procedures. However, due to turnover, the Human Resources Manager has not been trained to perform these backup procedures. We recommend that the Human Resources Manager be trained and actively perform the backup procedures on occasion in the event a backup is needed to perform payroll procedures in the Administrative Assistant's unexpected absence.

Commissary Account Purchases

The Authority's credit card was used to make purchases for both the operating and commissary accounts during the year. Revenue and expense accounts were created in the general ledger for the operating account to track commissary purchases in order to collect reimbursement. However, reimbursements were not made in full by year-end. We recommend that a separate credit card be used to make commissary purchases and that commissary activity not be commingled with the operating account.

Sams Club purchases were only supported by monthly statements. We recommend that commissary staff also include the order forms where verification of delivered items has been documented with the monthly statements to support that items were received at the facility.