



ROBINSON, FARMER, COX ASSOCIATES, PLLC

Certified Public Accountants

Date: July 13, 2026

Memorandum To: Board of Supervisors
County of Buckingham, Virginia

From: Robinson, Farmer, Cox Associates

Regarding: Audit for fiscal year ended June 30, 2025

In planning and performing our audit of the financial statements of County of Buckingham, Virginia as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the County's internal control over financial reporting (Internal Control) as a basis for designing auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

However, during our audit we became aware of deficiencies in internal control other than significant deficiencies and material weaknesses and matters that are opportunities for strengthening internal controls and operating efficiency. This memorandum summarizes our comments and suggestions regarding those matters.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Accruals and Audit Entries (County Finance) (Repeat Comment)

Issue

Several audit adjustments were proposed during the course of the audit to record accruals such as depreciation expense on capital assets in the water and sewer funds, adjusting retainage payable on construction contracts, recording transfers to zero out the school operating and VPA fund balances as well as deficit cash balances in the debt service and EMS funds, lease and subscription adjustments, etc. Auditing standards describe significant audit adjustments as a sign of internal control deficiencies that may rise to the level of a significant deficiency or material weakness.

Recommendation

Management should review the audit entries proposed during the course of the audit in an effort to record routine journal entries and correct errors prior to audit fieldwork. In the year-end closing procedures and preparation for audit, account reconciliations and a comparison of current to prior account balances should be performed to determine whether all activity is properly reflected in the general ledger and appropriate journal entries made. Efforts should focus on reducing the number and significance of general ledger adjustments proposed by the auditors.

Utility Receivables Reconciliation (County Finance and Utilities) (Repeat Comment)

Issue

Monthly reports are generated for water and sewer receivable balances. The general ledger amounts are recorded on the reports but the differences are not reconciled, researched or explained. Management contacted BAI and found that the reports are not pulling accurate information to facilitate the monthly reconciliations; however, they have not pursued identifying how to obtain more reliable information for performing the reconciliations.

Recommendation

Management should create policies and procedures detailing routine financial duties that must be performed. Discrepancies noted on the monthly reconciliations of receivable balances should be researched and corrected, as appropriate, each month and reconciliations should be formally reviewed by the Finance Director. BAI should be consulted in order to obtain accurate reports to be used for reconciliations. The allowance for uncollectible receivables should be reviewed and adjusted accordingly based on a review of outstanding balances. In addition, the overpayments accounts should be reviewed for appropriateness. For example, the SW overpayments account in fund 501 has carried the same balance for numerous years.

Statements of Economic Interest (County Administration) (Repeat Comment)

Issue

One member of the Planning Commission did not file an annual financial disclosure form, as required. Inquiries revealed that County Administration follows up with individuals on several occasions about any missing forms. County staff has reached out to the State for instructions on how to proceed with members refusing to file the required forms.

Recommendation

We recommended that the County continue to educate appointed members of the various boards about filing requirements and take the necessary procedures to obtain the forms.

Payroll and Vendor File Change Logs (County Finance) (Repeat Comment)

Issue

The County has a small Finance department, and the Data Processing Manager handles payroll and also periodically processes payables. She also has access to make changes to the BAI general ledger system. There is currently no review of the vendor or payroll system master file change log, showing all changes made to vendor and payroll information, to ensure it reflects accurate and complete information.

Recommendation

To mitigate the risk of the small staff in Finance and limited segregation of duties, we recommend that the Finance Director periodically review BAI master change logs. This should assist in identifying unauthorized changes made within the system.

Credit Card Fuel Receipts (County)

Issue

According to the County's credit card policy, all fuel receipts must be submitted to the County Finance Department. For the Tiger Fuel invoice dated 2/28/25 and paid in March 2025, receipts were missing for 21 out of 27 charges by EMS personnel.

Recommendation

We recommend that EMS personnel remit fuel receipts and that the Finance Department verify that all credit card charges have valid receipts.

Contract Procurement (County)

Issue

The Virginia Public Procurement Act (VPPA) specifies certain criteria that local governments must adhere to in awarding contracts. One stipulation is that contracts of \$200,000 or more for construction of highways, roads, streets, bridges, parking lots, demolition, clearing, grading, excavating, paving, pile driving, miscellaneous drainage structures, and the installation of water, gas, sewer lines and pumping stations where portions of the contract price are to be retained, the bid proposal should include an option for the contractor to use an escrow account procedure for utilization of the political subdivision's retainage funds. The contract for water and sewer line extension did not include an escrow option as referenced in the VPPA.

The County's procurement policy requires that informal solicitation of a minimum of four vendors be obtained for purchases ranging from \$50,001 to \$100,000. During fiscal year 2025, a \$69,000 project was completed for the EMS parking lot without obtaining bids or a formal contract.

Recommendation

We recommend that staff and management review and adhere to the procurement policy and VPPA prior to awarding contracts for the purchase of goods and services.

Segregation of Duties (County and Social Services)

Issue

Due to turnover during fiscal year 2024 and early in fiscal year 2025, the County and Department of Social Services had limited segregation of duties for certain finance functions. The County Administrator was fulfilling responsibilities of the Finance Director in addition to his regular duties and the DSS Office Assistant stepped into the role of Office Manager without an assistant, filling in duties for both roles.

Recommendation

We recommend that personnel hired for the vacancies continue to be trained on their job duties in order to enhance segregation of duties over various finance functions.

State Compliance (Social Services)

Issue

The *Specifications for Audits of Counties, Cities, and Towns* issued by the Auditor of Public Accounts requires that certain compliance requirements be audited on an annual basis. Among those items is timely removal of access for terminated employees. When a user leaves the local DSS, their access privileges must be immediately removed from all systems they were authorized to use. For two out of five people selected for testing, access was not removed within three working days of employment termination. One employee's access was terminated 30 days after termination and the other's access was terminated 37 days after termination.

Recommendation

We recommend that policies related to compliance matters be reviewed by the Office Manager and procedures be implemented or followed to ensure that requirements are being met.

EBT Card Access (Social Services)

Issue

Inquiries revealed that individuals with authorization authority also have access to the storage location for EBT cards.

Recommendation

We recommend that vault access be restricted for those with authorization authority access. Only those with issuance and inventory responsibility should have access to EBT card storage.

Financial Documentation (Social Services)

Issue

The Office Manager was unable to provide a few items selected for testing, such as 941s for in-home companion services and an amended 941 for quarter 3 of 2024.

Recommendation

Financial records and supporting documentation should be maintained in an organized manner and made available for audit, upon request.

Leave Policy (Social Services)

Issue

The current leave policy does not reflect the agency's practice of accruing sick leave.

Recommendation

We recommend that the leave policy be reviewed, and amended, as appropriate, to reflect the current practice in place and approved by the Board.

Travel Reimbursement (Social Services)

Issue

Check number 362700 reimbursing travel expenses for a conference included two meals charges totaling \$205.73 that were missing itemized receipts.

Recommendation

We recommend that itemized receipts be remitted with credit card slips and that individual charges be reviewed to ensure costs were allowable and reasonable for the number of people involved.

Federal Grant Accounting (School Board)

Issue

Title I funds are coded to several programs including 091, 104, and 114 as well as code 104 and 114 for the School Improvement Grant (SIG). During the year, the School Board received both Title I SIG and non-Title I SIG funds, which were coded to the same programs.

Recommendation

We recommend that individual grant expenditures be better segregated so that expenditures can be reconciled to revenue accounts for the different types of grants.