

# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

Date: January 8, 2019

Memorandum to: Suzanne Adcock, Finance Director  
Alleghany County, Virginia

From: Corbin Stone

Regarding: Audit Recommendations

In planning and performing our audit of the financial statements of the County of Alleghany, 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.

## **Annual Disclosure Forms:**

Annual disclosure forms (economic interest forms) were not completely filed out by several individuals (County and School Board). We recommend that the County and School Board have someone review these forms when filed to determine if all applicable questions have been answered.

## **Special Welfare Ledger:**

The Social Services Department holds funds for third parties in their special welfare account. This bank account should be reconciled monthly against the special welfare ledger that details how much is held for each individual/fund in the account. The Department has not been preparing a monthly reconciliation of the ledger to the bank account (held by the Treasurer). The Department should begin preparing a monthly reconciliation of the ledger to the bank statement.

## **Social Services Accounting:**

The Social Services Department request reimbursements monthly from the State based on actual expenditures of the Department. During our review of the Department, we noted that monthly reconciliations of expenditures to reimbursement requests were not performed for several months. We strongly recommend that the Department begin reconciling expenditures to reimbursement requests each month.

BLACKSBURG OFFICE

CORBIN STONE, C.P.A., Managing Director

108 SOUTHPARK DRIVE  
BLACKSBURG, VIRGINIA 24060

TELEPHONE: (540) 552-7322  
FAX: (540) 552-0338

E-MAIL: [cstone@rfca.com](mailto:cstone@rfca.com)  
INTERNET: [www.rfca.com](http://www.rfca.com)



**Water and Sewer Reconciliation:**

During our comparison of water and sewer billings to collections, we noted that collections were approximately 2.5% lower than anticipated. We recommend that the County begin preparing monthly reconciliations of billings to collections taking into account changes in the receivable balances and any adjustments due to write off or erroneous meter readings.

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