

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

DATE: November 11, 2016

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

FROM: Robinson, Farmer, Cox Associates

REGARDING: FY 16 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, 2016, 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 November 11, 2016 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.

YEAR-END CLOSE OF ACCOUNTING SOFTWARE

In FY2016, the accounting system was closed before the posting of current year accruals and reversing of prior year accruals. In the past, these amounts have always been posted prior to the year-end close. These amounts were provided to the auditor for posting in FY2016, however we recommend that these amounts always be posted to the accounting system prior to audit. Additionally, we would recommend that a year-end checklist be implemented to make sure all necessary year-end items are completed prior to the close of the accounting system.

CREDIT CARD POLICY

There is not currently a Board-approved credit card policy at the County. We recommend that a formal credit card policy be derived that addresses all facets of credit card usage. This would include identifying which individuals may use credit cards, who maintains them, what credit card purchases are allowable, and who is responsible for approving credit card statements and transactions. Additionally, we recommend that the purpose of all credit card transactions be clearly noted on the receipt being remitted or other supporting documentation attached to the receipt.

SCHOOL BOARD CONFLICT OF INTEREST STATEMENTS

Conflict of Interest Statements are to be completed and filed with the School Board Clerk by June 15th and December 15th of each year. Three of six School Board members did not file conflict of interest statements at the 12/15/2015 due date and three of six did not file at the 6/15/2016 due date. We recommend that all School Board members file conflict of interest statements by the due dates noted. Further, if conflict of interest statements are not filed by the due dates, then it is the responsibility of the School Board to then notify the Commonwealth Attorney to ensure that the applicable civil penalty has been assessed.