

# ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

**DATE:** December 8, 2016

**MEMORANDUM TO:** Board of Supervisors  
County of Northumberland  
Northumberland, Virginia

**FROM:** Robinson, Farmer, Cox Associates (RFC)

**REGARDING:** FY 16 Audit of County of Northumberland, Virginia

In planning and performing our audit of the financial statements of the County of Northumberland, 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 December 8, 2016 on the financial statements of the County of Northumberland, Virginia.

We have already discussed these comments and recommendations with appropriate members of management and we will review the status of these comments during our next audit engagement.

## **RECONCILIATION OF SCHOOL BOARD PAYROLL EXPENDITURES:**

As part of our audit procedures, we compared the overall salary, FICA, VRS, group life and health care credit expenditures per the School Board's year-end expenditure summary to the quarterly 941's filed with the Internal Revenue Service and the monthly reports filed with the Virginia Retirement System. The total retirement and related expenditures did not reconcile to the aforementioned VRS reports. In the future, we recommend the School Board provide the auditor with a reconciliation expenditures to year end summaries for both VRS and 941's in order to assist with substantiating the amounts reported. Lack of a VRS reconciliation has been reported as Financial Statement Finding number 2016-002 on page 129 of the audit report.

## **SCHOOL BOARD OPEB REPORT:**

The School Board is required to include OPEB (other postemployment benefits) data in the annual audited financial statements. The data is actuarially determined and has to be updated every 2 to 3 years depending on the number of employees reported. The last actuarial was performed as of January 1, 2013 and included expected benefit payments through December 31, 2015. We recommend the School Board begin compiling FY17 data now in order to receive an updated actuarial as of June 30, 2017.

This report is intended solely for the information and use of the County, management, and others within the organization and is not intended to be and should not be used by anyone other than these specified parties.