



**Accomack County**  
**Audit Committee Minutes**  
**October 12, 2023**  
**5:00 p.m.**

**Location: Accomack County Administrator's Conference Room**

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1. **Open Meeting** Chairman Belote called the meeting to order at 5:00 p.m.
2. **Adoption of Agenda** Ms. Major moved adoption of the agenda and Dr. Holden seconded, with all approving.
3. **Meeting Minutes**
  - 3.1. Consider Minutes from September 14, 2023 Meeting (no July or August 2023 meetings) With no changes to the minutes, Dr Holden moved to accept with Ms. Major seconding, and they were approved as written.
4. **New Business**
  - 4.1. **Receive audit update** from Brown Edwards, Katie Babb – Mrs. Babb gave an update on where the annual audit stands with specific items being: scheduled to start final work the week of Oct 16 then planning to come out for in person field work the week of the 23<sup>rd</sup>. Touching base regarding the readiness of the GL on Friday, the 13<sup>th</sup> to determine in person field work firm dates. Chair Belote asked Mrs. Babb how do we compare to prior year in terms of “where we are” and making the December 15 deadline as required. She responded she believes interim work last year and this year are similar in comparison. Chair Belote inquired about any new findings, and she responded there were none. Mr. Mason inquired regarding the P’card issue for the Treasurer, similar to prior year with the Commissioner of the Revenue matter. Mrs. Babb confirmed it was just one transaction for the Treasurer that didn’t have a second approval. That concluded the Brown Edwards update for October.
  - 4.2. **Receive year end preparation update from County and Schools**

County reported still a long list of items to complete, and the focus will be on any work that may create an entry at the fund level. Specifically, the County is waiting on the landfill information, and then also property tax prepaid items and allowance for doubtful accounts and capital asset reconciliation work will cause entries. Mrs. Lindsey spoke with Ms. Nikoliasen and Mrs. Babb who assisted in prioritizing those items and acknowledged that the trial balance could come to them without the Debtbook entries for leases and SBITA’s, as well as finishing the fixed asset reconciliations. Mrs. Lindsey spoke to the open items on the organizer and noted there are still requests to be responded to for the County. Chair Belote asked re: the landfill issues from prior year, and Mrs. Lindsey recounted the corrections DEQ had the County make for FY 22 reporting. Mrs. Lindsey spoke to the need for new information for cell 7, opened in fall of FY 23, and Mr. Mason spoke to prior information complexity from years past as well related to aerial survey, and remaining life in the active cell.

Ms. Onley reported that School’s capital assets are complete and County finance staff provided the depreciation work earlier this week for their items. Ms. Onley updated on the Schools’ SBITA work with Debtbook, and a meeting is scheduled on Monday, the 16<sup>th</sup> for further work. Ms. Onley further commented they have work to be done for items requested in the organizer. Mr. Mason commented to the committee that Brown Edwards will make an assessment regarding in person work timing which has been planned for October 23 week, but with a fall back to the

following week. Brown Edwards has indicated some schedule issues due to the Halloween family time for staff, but a determination will be forthcoming after further review with County and BE internal staff. Mrs. Lindsey inquired about Schools' need to zero certain funds (either move items to deferred or unearned revenue and the related impact on the Schools' general fund). Ms. Onley responded that certain federal programs are on extension, thus the need to move these funds to deferred or on the balance sheet as per Generally Accepted Accounting Principles (GAAP) reporting. Ms. Onley indicated that this type of entry made for financial reporting versus annual school report reporting causes an issue for her.

Mr. Mason asked for clarification re: schools financial reporting versus annual school reporting as federal programs and made clear this isn't a request of the County but is required by GAAP. Mr. Mason indicated some options for going forward and finishing the work needed for the audit.

#### **4.3. Planning Communication Letter Presented to the Committee**

Committee Chair Belote asked regarding the Planning Communication Letter, and Mrs. Lindsey indicated that the letter does go to the full Board, and the County wanted to introduce it to the Audit committee prior to sending to the full Board. Mrs. Lindsey explained the need for a direct communication to the Board and then back to the auditors if needed.

**4.4. Review of County Resolution Establishing the Audit Committee** – Mr. Mason explained the purpose for the audit committee and shared the original resolution and emphasized the need for a reporting hotline, with the County's already in place. At this time, the School's have not developed any process similar. Mr. Mason then spoke to the audit report issued by the Auditor of Public Accounts regarding the Clerk of Circuit Court and its findings. Mr. Mason spoke to the audit committee's responsibilities and clearly defined the rolls and that the audit committee does not have oversight into state monies and their treatment. Chair Belote asked regarding the terms for members of the committee and Mr. Mason explained those. Ms. Major was reappointed recently by the County Board of Supervisors, for three more years.

### **5. Old Business**

#### **5.1. Receive Update on Actions by the County and ACPS to prepare for implementation of GASB 96 SUSCRPTION-BASED INFROMATION TECHNOLOGY ARRANGEMENTS (Covered in item4.2)**

**5.2 ERP Update** – Mr. Mason commented for the County's progress with their work toward a new ERP system, in that he will brief the Board of Supervisors at the October meeting and request their approval to sign a contract upon certain conditions. Mr. Mason shared a few of the slides that are part of the Board's agenda for October's meeting, including the costs involved.

Ms. Onley spoke on behalf of the schools indicating they have signed a contract with Power Schools, a vendor they currently use for non-ERP student information systems. This additional module/processing will integrate with existing student information systems. Chair Belote asked both Mr. Mason and Ms. Onley regarding timelines. The County's currently planning core financials excluding payroll with a July 1, 2024 go live and payroll and HR and time entry as go live of January 1, 2025. Mr. Mason shared the existing proposed timeline for both financials and payroll/HR portion which overlaps slightly with the core financial work. Ms. Onley indicated for Powerschool, they anticipate a go live with all systems on July 1, 2024. Ms. Major addressed concerns of the change forthcoming for staff and the anticipated learning curve. Mr. Mason responded in particular that the County currently doesn't have very many

users, whereas the new system will allow departments to more self-sufficient.

**6. Other business to come before the Committee**

Mr. Mason indicated Mr. Lilliston was unable to be in attendance, and Mr. Mason has been assisting with the tax bill production in his absence. Mrs. Lindsey updated on the new AP bank account and positive pay routine.

**7. Adjournment (Next Meeting 11/9/23 5pm)**

Being no further business the meeting was adjourned at 5:35 p.m. on a motion by Dr. Holden, seconded by Ms. Major.