



**Accomack County**  
**Audit Committee Minutes**  
**December 4, 2023**  
**5:00 p.m.**

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

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**1. Open Meeting**

**2. Adoption of Agenda** Dr. Holden motioned that the agenda be adopted and seconded by Ms. Major. All signified aye and the agenda was adopted.

**3. Meeting Minutes**

**3.1. Consider Minutes from November 9, 2023 Meeting** Dr. Holden moved the November 9, 2023 minutes be approved and seconded by Ms. Major. All signified aye and the minutes were approved.

**4. New Business**

**4.1. Review audit update from Brown Edwards, Katie Babb** Ms. Babb commented that she, Mrs. Lindsey and Mr. Mason participated that morning in the weekly audit check in call. Ms. Onley was emailed and asked to follow-up on the items needed from schools in lieu of being on the weekly Monday call. Ms. Babb stated that there were no new findings and as they do not have the staff to work on the County's audit full time, they will continue work as staff time allows. Dr. Holden asked where we are on the larger open items. Ms. Babb replied there are receivable schedules from the schools; variance explanations needed from schools including those for accounts payable, revenue and expenditure variances and posting of lease and subscription entries from Debt Book and some sample test items for the Single Audit. For the County, Lease/Subscription entries needed final balancing item for capital assets and the SEFA reconciliation from the County.

**4.2. Receive audit update from County and Schools – remaining open items** Mrs. Lindsey gave an update on the status of balancing capital assets with one more category, machinery & equipment, for all of County's capital assets to balance between what the detail list from finance software and what the general ledger reports. Lease entries and one final subscription entry are being worked on as time permits. Fund balance designations cannot be finalized until Schools have final numbers. As discussed at the September Audit Committee meeting, County finance needs entries for School grant fund and Title I grant fund to zero fund balance (with the offset to deferred or unearned revenue). Dr. Holden asked what deadlines have been set and Mrs. Lindsey replied that she asked for a check-in for no later than end of day December 5, 2023. Also, a "to do" list has been shared to finance staff for things that can be completed at this time. Mrs. Lindsey stated that on the Board's consent agenda for the December Board of Supervisors meeting is an item to recognize that the 12/15 deadline will not be met. Mrs. Lindsey stated that she talked to the Library Director and they have not received a draft audit. The firm that does the library also does the PDC's audit which has received a draft report. Both Harbor's compilations are signed and issued and did not receive any review comments.

There was no School update.

**4.3. Receive status report on corrective actions taken to resolve FY22 Material Weaknesses and Significant Deficiencies as well as management letter comments for improvement. (*Filtered List of Open Items*), if needed**

**4.3.1. County Comments** Mrs. Lindsey stated that December's Correction Action meeting was canceled with Mr. Mason out of town. There are no new action items from 2023 and the remaining open item from FY 22, bank reconciliations, is being worked on.

**4.3.2. School Comments - None**

**4.3.3. Treasurer Comments – status update of bank reconciliations** Mr. Lilliston stated that on the County's side the reconciliation for accounts payable, is in August and for the County's and School's payroll, Treasurer's staff are stuck in September. Some entries with Food Services' PNC and Truist accounts were not done by Schools staff as required. October's transfers or journal entries have not been put in by school staff. Mrs. Lindsey mentioned that some processing has changed and Mr. Lilliston agreed. Mr. Lilliston stated that staff may not be familiar with the entry process and have reached out to Finance on how to complete and correct entries and not make double entries. Dr. Holden asked what is the future solution? Mr. Lilliston replies that when we get the new ERP system, the process will be easier but we are a long way from that right now and is looking for suggestions from staff. Dr. Holden stated that with no resources to help, it is difficult. Mrs. Lindsey stated that having a vacant position for over 18 months is part of the County's issue because it would allow handoff to the new person as appropriate.

**4.4. Recent change over to payee positive pay and new payables bank account status**

Mr. Lilliston stated that everything on his end is ready to go as far as using the new process. Mrs. Lindsey stated that the control plan in the existing software is set to the existing bank account in use and that there is a need to change this feature to allow the software to push through to a different bank account within the accounting system. It will be revisited with Avenu support staff and finance department staff in conjunction with the Treasurer.

**5. Old Business**

**5.1. ERP status update, County and Schools** Mrs. Lindsey stated that we are still working through security protocols. A small hiccup with the vendor that is part of the whole solution for payroll and they do not have a certain level of "audit report" within their entity so it is paused until it can be resolved or have potential alternative payroll vendors who already have that level of "audit reporting".

**6. Other business to come before the Committee** This will be the last meeting for Dr. Holden. Another person will be appointed at the next meeting. January 11, 2024 was determined for the next meeting. Dr. Holden was thanked very much for his service.

**7. Adjournment (Next Meeting 1/11/24 5pm – note this will also require appointment of a new School Board member beginning with the January 2024 meeting.)** The meeting was adjourned at 5:30 p.m., moved by Dr. Holden and seconded by Ms. Major.