



Accomack County
Audit Committee Minutes
February 22, 2024
5:00 p.m.

Location: Accomack County Administrator's Conference Room

1. Open Meeting

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

3. Meeting Minutes

~~3.1. Consider Minutes from January 24, 2024 Meeting~~

Note: Minutes for the 1/24/2024 Meeting were not available.

4. New Business

4.1. Receive audit update from Brown Edwards, Katie Babb - Ms. Babb stated that on the school's side, they are waiting for an accrued payroll entry. Once that is resolved, it will be the final open item, then the county can proceed with reconciling their fund balance. Mr. Belote noted that progress has been made since the last meeting. Mr. Mason noted that after reconciliation, Brown Edwards will start on the actual statement and report writing. Mr. Mason also noted that he will need the basic financial statements to be able to complete the MD&A. Ms. Babb agreed to provide Mr. Mason with the statements for this purpose.

4.2. Statutory Deadline for Issuance of ACFR has passed (12/15/2023) - Mr. Belote asked Ms. Babb for the estimated turn-around and Ms. Babb responded she will refer to Danielle Nikolaisen at Brown Edwards, as it will go through multiple layers of review and they are currently working on other audits that have a March 31st deadline. Dr. Johnson asked when can an update be given from Ms. Nikolaisen on the estimated turn-around time for the report and Ms. Babb responded that she can see what Danielle says and email Mr. Mason as early as Monday. Mr. Mason noted that all is subject to change on a daily basis so the best-case scenario will be the end of March. Dr. Johnson noted that since we have been on a "hurry up and wait", so it is important that all questions are understood.

4.3. Identify remaining open items (if any)

4.3.1. Establish deadlines for completion of remaining open items (if any) - Mr. Mason noted that we have missed our deadline for Brown Edwards' staff to be solely committed to the engagement which means we are competing with other Brown Edwards engagements. Mr. Mason remarked that this is the reality of what happens when we miss the statutory deadline. Dr. Johnson asked Mr. Mason for clarity on the March time frame and if this is the first time that we were not able to meet the completion deadline. Mr. Mason responded that a couple of years ago, the ACFR was completed later than March but last fiscal year it was completed in February. Mr. Belote noted that the earliest that the report would go to the BOS will be in the April meeting. Mr. Belote asked how the County is on the FY25 budget process and Ms. Major responded that we are on schedule, if not ahead, and the budget public hearing is scheduled for March 25, 2024.

4.4. Discuss timetable for issuance of report and next steps - Dr. Johnson asked for

more clarity on the process and Mr. Mason explained that there is just one item (school accrued payroll entry) to be resolved which Ms. Babb previously spoke of earlier in the meeting. Once it is addressed, the county will make a few adjustments and it will be entirely in the realm of the auditors to get it to a point where the county can finish. Dr. Johnson asked that when the School Board was updated on Tuesday, February 20th, was it the update as of that day? Ms. Onley responded that it was a follow-up on an accrued payroll entry that Amy Ford, Deputy Finance Director, was assisting with and that there was back and forth responses with Ms. Babb.

5. Old Business

5.1. ERP status update, County and Schools - Mr. Mason noted that until the County Finance Director position is filled, the County ERP project is on hold. Mr. Belote asked if we were looking for a new vendor and Mr. Mason replied that we are looking to issue a new RFP. Mr. Mason noted that the position had been posted but no one has applied. Mr. Mason also noted that due to the County's recently completed classification and compensation study, a much higher salary will be advertised than 4 years ago.

Ms. Onley noted that ACPS is progressing on its ERP implementation but they are having challenges and having to pool all resources. They are supposed to start testing in May 2024 and come in and teach all users how to use the program so it would be a challenge to get it all done by July 2024. Ms. Onley noted that it is their timeline, not ACPS' timeline. Mr. Belote asked how many users do they have and Ms. Onley responded that are going to limit each school to one, maybe two because they are not doing time entry, and will continue using 'Frontline' for time management. It will be an interface so there will not be any training on that. The biggest number of users will be for the schools to generate purchase orders and the biggest challenge will be the expenditure coding methods.

5.2. Bank reconciliation issues - Mr. Lilliston left a copy of a report of bank reconciliation items. Most have to do with the check fraud and there were some bad dates on payables that were prepared in January 2024 but incorrectly impacted June 2023. Ms. Onley noted that on the October's bank rec, \$2,000 of the \$2,500 outstanding issues have been found. Their biggest problem was void checks and the void process, but it should all be recorded in February.

6. Other business to come before the Committee - There was no other business to discuss.

7. Adjournment (Next Meeting 3/14/24 5pm) - Being no further business, the meeting was adjourned at 5:20 p.m., moved by Mr. Belote and seconded by Ms. Major.