

We believe our analysis provides an objective summary of financial reports provided to Internal Audit for evaluation. However, as required by Government Auditing Standards (2011 Revision) section 2.12 issued by the U.S. Government Accountability Office, we must communicate this evaluation does not constitute an audit conducted in accordance with generally accepted government auditing standards (GAGAS). Should you have any questions, or if we can be of further assistance, please call Lora Holland at extension 1240.

RESULTS SUMMARY

Fire & EMS provided seven reports received from six volunteer fire and rescue organizations in calendar year 2018 for evaluation. Evaluation detail by organization is provided beginning on page three and noted:

- Unmodified CPA opinion (all organizations/reports).
- Provided report was not for the most recently completed fiscal year (2 organizations).
- Concentration risk, significant support from limited number of sources (1 organization).

Copy: Edward “Loy” Senter, Jr., Fire Chief
James E. Fitch, II, Assistant Fire Chief
Sherry Dunbar, Financial Manager

#	Organization Name	Financial Statement Period	Unmodified CPA Audit Opinion [Y/N]	Evaluation Provided to Fire & EMS ¹ [Y/N]	Potential Concerns/ Further Details
VOLUNTEER FIRE DEPARTMENTS:					
1	Bon Air	6/30/2017	Y	7/19/2018	
2	Enon ²	12/31/2015 & 12/31/2016	Y	3/5/2018	Required FY17 report was not provided; we did evaluate the submitted FY15 & FY16 report. As an organization that submits bi-annual audit reports, they should have provided an unaudited FY17 financial statement or report, as required by Fire & EMS Finance Procedure #01 - <i>Annual Financial Audit Report for Volunteer Fire & EMS Departments.</i>

#	Organization Name	Financial Statement Period	Unmodified CPA Audit Opinion [Y/N]	Evaluation Provided to Fire & EMS ¹ [Y/N]	Potential Concerns/ Further Details
VOLUNTEER RESCUE SQUADS:					
1	Bensley-Bermuda	12/31/2016	Y	3/5/2018	Required FY17 report was not provided; we did evaluate the submitted FY16 report. Financial statements Note E (p. 11) discloses concentration risk due to 68% of support and revenues coming from a memorandum of understanding with Chesterfield Fire & EMS and Chesterfield County. "The receivables from this memorandum were \$37,011 as of December 31, 2016."
2	Ettrick-Matoaca	12/31/2017	Y	8/2/2018	
3	Forest View	12/31/2017	Y	11/29/2018	
4	Manchester	12/31/2016 & 12/31/2017	Y	5/7/2018 & 11/29/2018	Required FY16 report was not provided timely. Two audited financial statement reports (FY16 and FY17) were submitted and evaluated during calendar year 2018.

Footnote(s):

¹Upon notification of volunteer fire and rescue organization audit reports received, Internal Audit evaluated the reports and emailed results to Fire & EMS.

²This organization submits bi-annual audit reports covering a two-year period. The Fire and EMS Department's *Finance Procedure #01 - Annual Financial Audit Report for Volunteer Fire & EMS Departments* states: "The CPA must audit the organization's records on an annual or biannual basis. If a volunteer company or squad elects to submit a bi-annual audit, they must submit a letter to the Chesterfield County Fire and EMS Finance Manager indicating their intention of doing so at the beginning of their fiscal year. During the year in which they do not submit an audit, the volunteer company or squad must still submit an unaudited financial statement or report to Chesterfield County Fire and EMS Finance Manager in order to qualify for county funds."