

August 10, 2023

To the Board of Commissioners
County of Carroll, New Hampshire

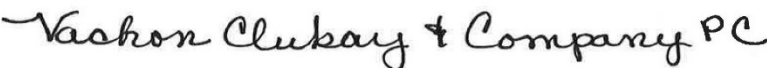
In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the County of Carroll, New Hampshire for the year ended December 31, 2021, we considered the County of Carroll, New Hampshire's internal control structure to determine our audit procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control structure.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding these matters. We previously reported on the County of Carroll, New Hampshire's internal control structure in our report dated August 10, 2023. This letter does not affect that report or our report on the financial statements dated August 10, 2023.

We have already discussed these comments and recommendations with County personnel, and we will be pleased to discuss them in further detail at your convenience, to perform an additional study of the matters, or to assist you in implementing the recommendations.

The purpose of this letter is to provide constructive and meaningful recommendations to you.

Sincerely,



Vachon Clukay & Company PC

RESIDENT FUND DISBURSEMENTS

Observation

A separate checking account is maintained for the monies that belong to the individual residents. These funds are available for the residents to use to purchase items such as snacks and hairdresser services. In performing our audit, we selected a sample of disbursements paid out of this account during the year ended December 31, 2021 and noted several instances in which funds were disbursed without any formal authorization from either the resident or the power of attorney to release such funds.

Implication

The controls over cash for the resident fund account are weakened. There is an increased risk that unauthorized payments may be written from this resident fund account.

Recommendation

We recommend that all monies disbursed from this separate resident fund account be supported with documentation that is formally approved either by the resident or the durable power of attorney.

County Response

All resident funds being disbursed are accompanied by appropriate backup. We will ensure that all disbursements are authorized by a resident or by the power of attorney for the respective resident prior to disbursement of those funds. If the disbursement is a recurring disbursement, we will have a letter from the resident or power of attorney that authorizes the regular disbursement of these funds for its specific purpose. For example, Resident A has a standing hair appointment each Friday. The approval letter would state that resident funds may be disbursed for the regular hair appointment of Resident A until authorization is revoked.

CREDIT CARD LATE FEES

Observation

As part of our audit procedures over disbursements, we examine credit card purchases for proper documentation and propriety of expenditures. During this process, we noted that late fees were incurred during the year on the credit card statements applicable to the Sheriff's department.

Implication

Unnecessary late fees are being incurred by the County and included as expenditures.

Recommendation

We recommend that procedures be implemented to ensure that monthly payments to the credit card companies are paid in a timely manner to avoid paying late fees.

County Response

The Sheriff's and all County departments take all precautions necessary to avoid late charges by paying invoices received and due each week; however, there are times that departments need to make decisions for the ultimate good of the finances and department.