

Management Letter
City of Rockville, Maryland
June 30, 2013

October 31, 2013

To The Honorable Mayor, Members of the City Council and City Manager
City of Rockville, Maryland

Ladies and Gentlemen:

In planning and performing our audit of the financial statements of City of Rockville, Maryland (the City), we considered the City's internal control in order to determine our auditing procedures for the purpose of expressing an opinion on the financial statements and not to provide assurance on internal control. We refer you to our Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated October 30, 2013.

In the course of the audit, CohnReznick did become aware of a matter that is an opportunity for strengthening internal controls and operating efficiency. We offer the following comment for your consideration:

Removal of Temporary Employees from Human Resource/Payroll System

While performing our audit, we noted that the City has temporary employees in the human resource/payroll system that have not performed work for the City for an extended period of time (greater than one year). The City should consider implementing a policy for removal of these temporary employees after a reasonable period of inactivity to ensure that the employee roster is considered up to date with only current employees.

Management Response:

Management is aware that the process to terminate temporary employees has been inconsistent. Management will formalize and implement a policy effective January 2014, that will ensure timely termination of temporary employees when the employee has been inactive for a period of time.

We have already discussed this comment with various City personnel, and we will be pleased to discuss them in further detail at your convenience. We appreciate the courtesies extended to us during our engagement by the City's personnel and look forward to a continued mutually beneficial relationship.

This letter is intended solely for the information and use of the City's management and the City Council and is not intended to be and should not be used by others.

Very truly yours,

A handwritten signature in black ink that reads "CohnReznick LLP". The signature is written in a cursive, flowing style.

CohnReznick, LLP