

# Audit Wrap-up

## Guilford County

**Eddie Burke, CPA**  
*Relationship Audit Partner*

**November 17, 2016**



*Your guide forward*



# Agenda

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Client Service Team

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Role of External Auditor

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Key Highlights - Results

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Internal Controls

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Significant Audit Areas

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Financial Results

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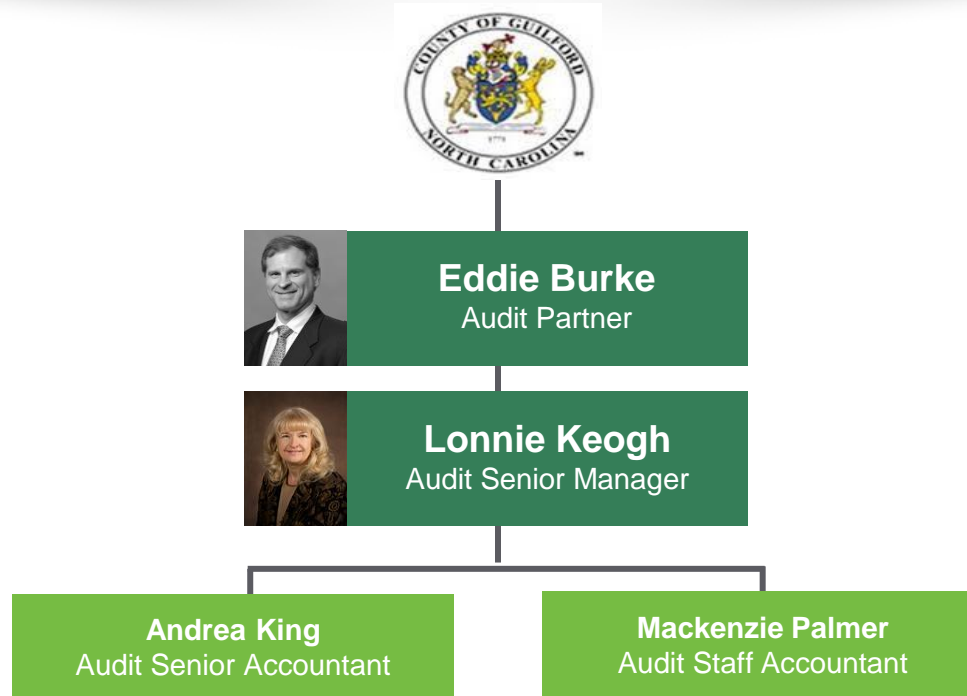
Summary

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Questions and Comments

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# Client Service Team



# Role of the External Auditor

## Actions

Plan

Perform

## Results

Express  
Opinion

## Communication

Independence

Changes

# Key Highlights

## Results

### Opinion

Unmodified Opinion –  
Financial Statements

Unmodified Opinion – Yellow  
Book

Unmodified Opinion – State &  
Federal Single Audit

### Internal Controls

No Significant Deficiencies  
or Material Weaknesses

### Single Audit

- 2016-001 Significant Deficiency-  
Quality Review of Case Files – Low  
Income Energy Assistance Program
- 2016-002 Nonmaterial  
Noncompliance-Eligibility ST&P – Low  
Income Energy Assistance Program
- 2016-003 Nonmaterial  
Noncompliance-Eligibility – Medical  
Assistance
- 2016-004 Nonmaterial  
Noncompliance-Eligibility – NC Health  
Choice
- 2016-005 Nonmaterial  
Noncompliance-Eligibility –  
Temporary Assistance for Needy  
Families

### AU-260

GASB Implementation  
GASB 72 Fair Value  
GASB 73 LEOSSA Trust Fund  
GASB 67 & 68 Amendments

Management Estimates  
-No difficulties completing  
our audit  
-No corrected misstatements  
-One PAJE-Grant Receivable  
-No disagreement with  
management  
-No management  
consultations with other  
accountants

### Other Matters

Prior Period Restatement  
due to GASB 73 – LEOSSA  
pension liability

# Internal Controls

## Financial Statements

### Significant Cycles

- Payroll
- Financial Close and Reporting
- Cash Disbursements
- Cash Receipts
- Managing of Investments
- Grants

### Testing of Controls

- Payroll

### AJEs

- Active Data

### IT Controls

- IT Entity Level
- Backup & Recovery
- Access & Security
- Network Security
- Change Management
- System Development Life Cycle

# Significant Audit Areas

## Financial Statements

### Assets/Revenues

- Property Tax Receivable
- Revenues
- Accrued Interest on Property Tax
- Due from Governmental Units and Agencies

### Liabilities/Expenditures

- Expenses
- Payroll

### Other Items

- Net Position
- Related Parties
- Estimates
- Legal

# Significant Audit Areas

## Internal Controls & Compliance – Single Audit

### Federal Major Programs

- Temporary Assistance to Needy Families Cluster
- NC Health Choice
- Medicaid Cluster
- Subsidized Child Care Cluster
- Low Income Home Energy Assistance

- Administrative Controls
- Monitoring Reports
- Compliance Matrix
- Compliance Testing



# Significant Audit Areas

## Internal Controls & Compliance – Single Audit

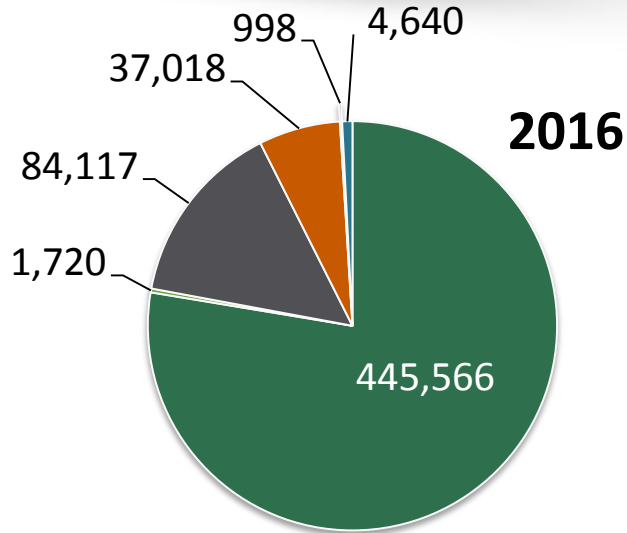
### State Major Programs

- Smart Start
- Juvenile Crime Prevention Council Programs

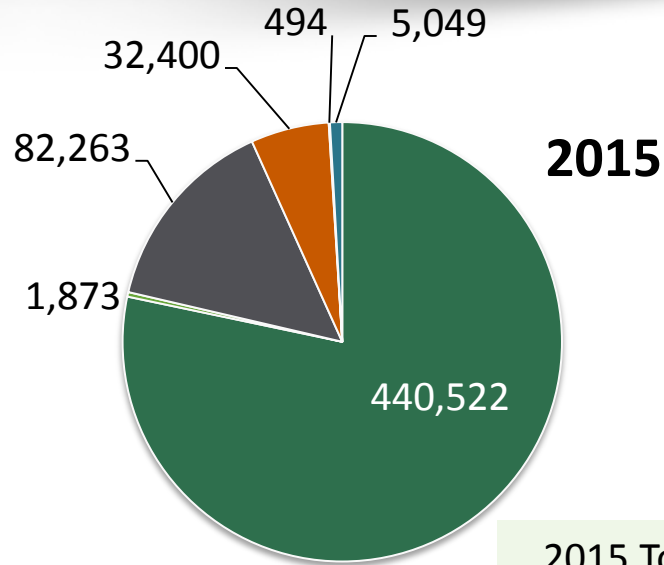
- Administrative Controls
- Monitoring Reports
- Compliance Matrix
- Compliance Testing

# Financial Results

## General Fund Revenues (thousands)



2016 Total: 574,059



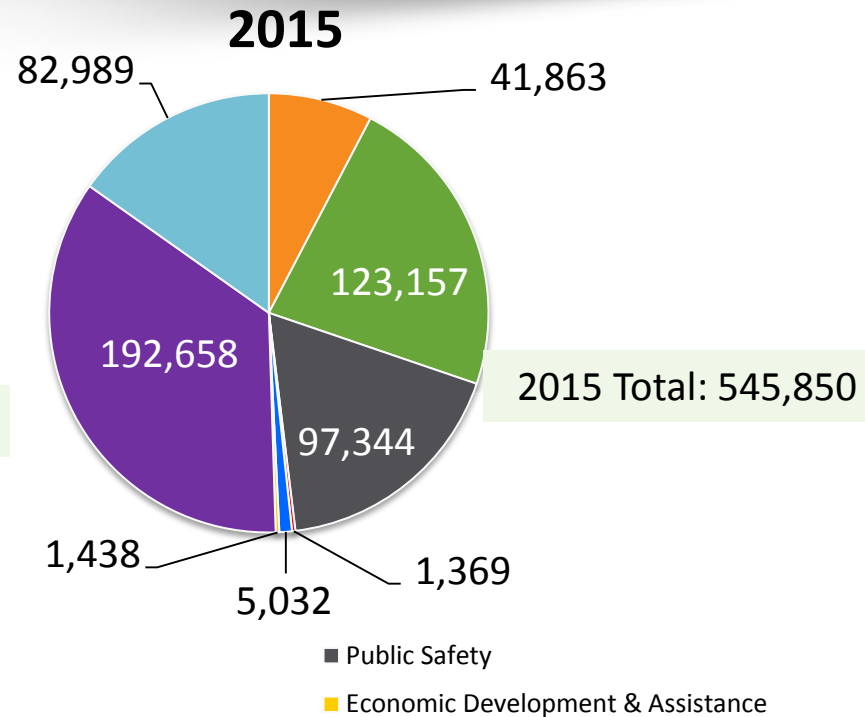
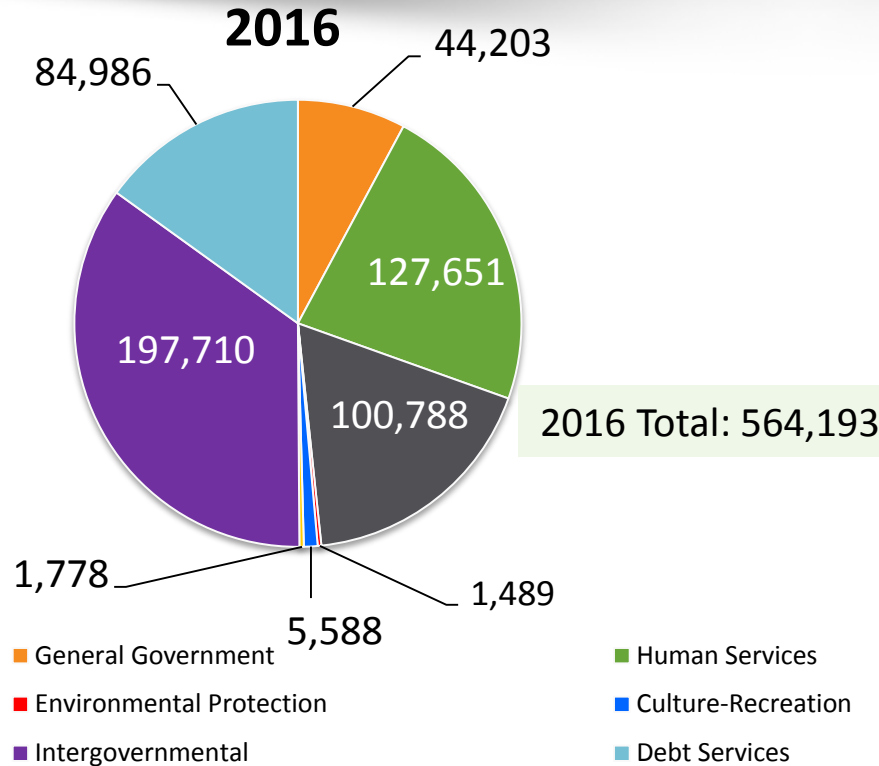
2015 Total: 562,601

- Taxes
- Intergovernmental
- Investment Earnings

- Licenses and Permits
- Charges for Services
- Other

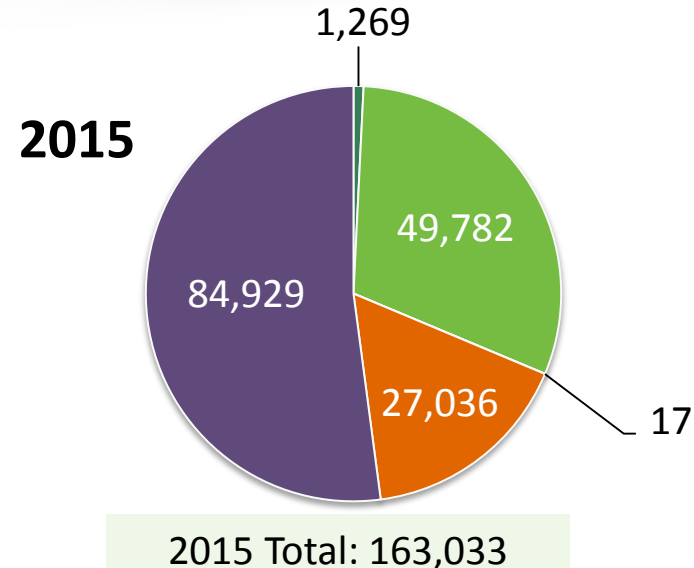
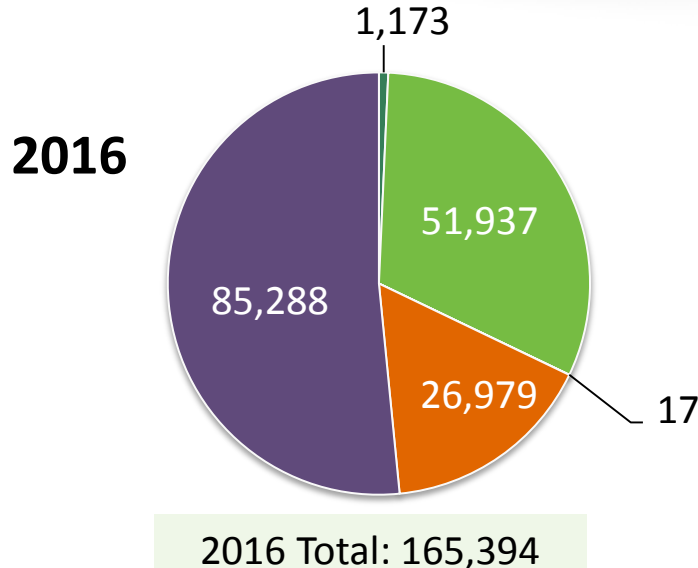
# Financial Results

## General Funds Expenses (thousands)



# Financial Results

## General Fund – Fund Balance (thousands)

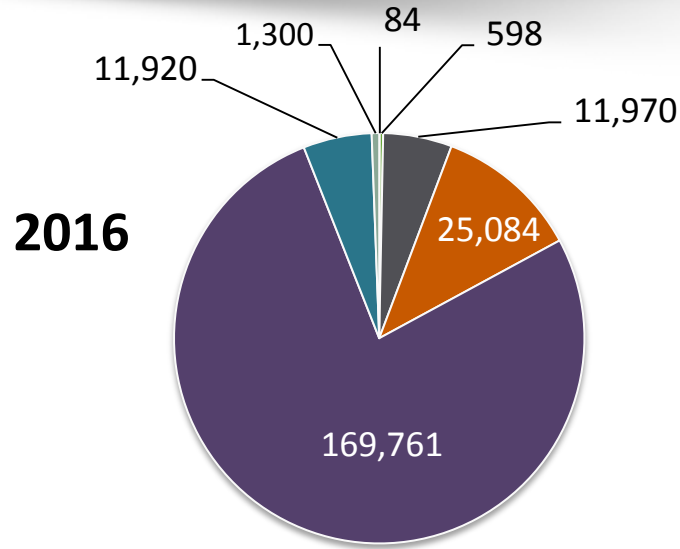


■ Non Spendable   ■ Restricted   ■ Committed   ■ Assigned   ■ Unassigned

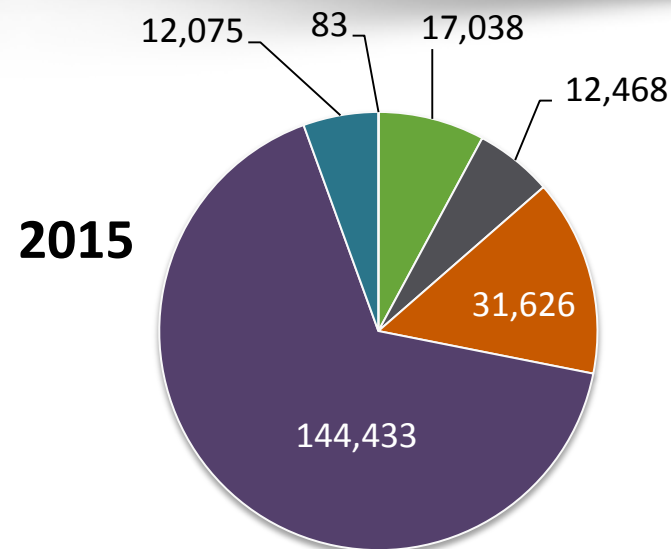
# Financial Results

## Cash and Investments

### Government Wide – Governmental (thousands)



2016 Total: 220,717



2015 Total: 217,723

■ Petty Cash/Cash on Hand

■ Certificates of Deposit

■ LEOSSA Trust Fund

■ Demand Deposits

■ Investments

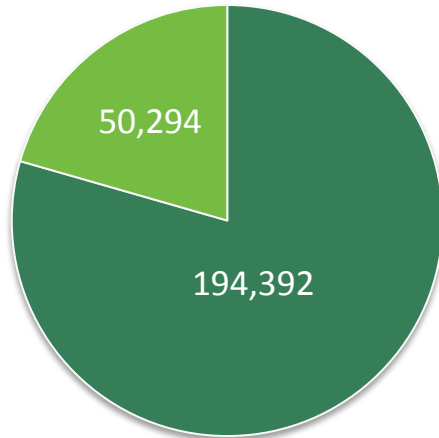
■ Public Funds Money Market Accounts

■ OPEB Trust Funds

# Financial Results

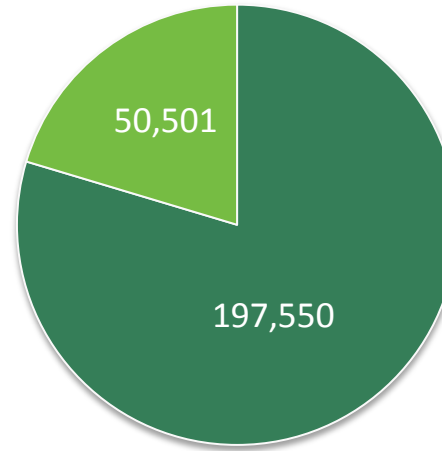
Capital Assets (thousands)

**2016**



2016 Total: 244,686

**2015**



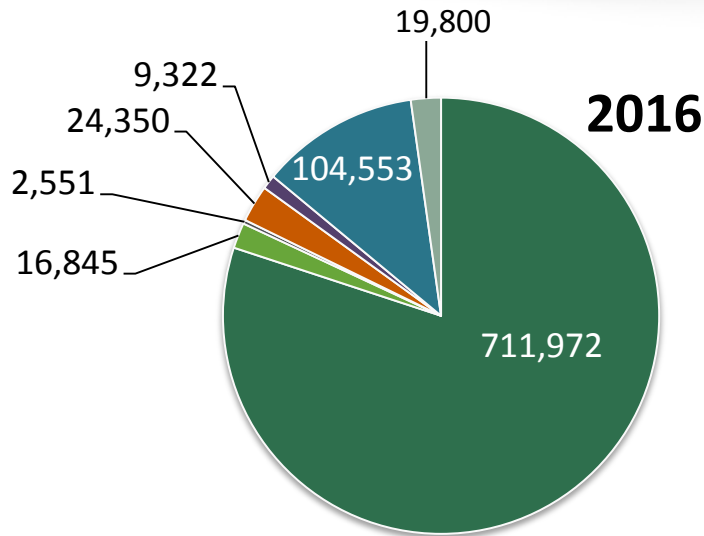
2015 Total: 248,051

■ Buildings and other Depreciable Assets

■ Land, Construction in Progress and Intangibles Non Depreciable

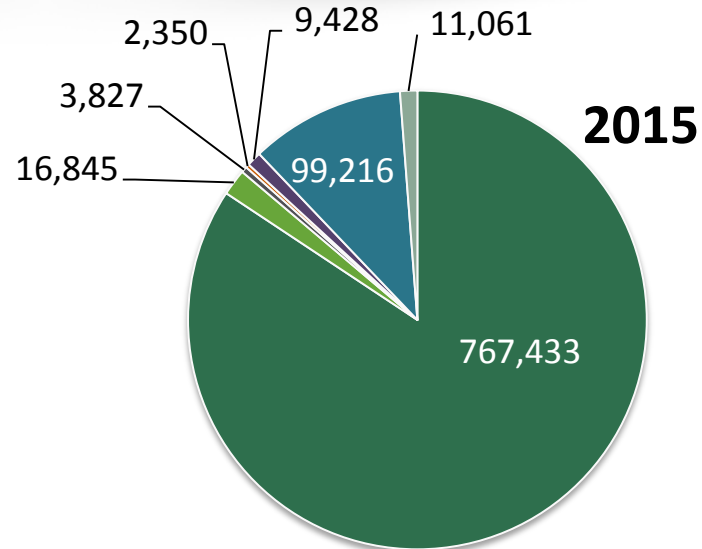
# Financial Results

## Long Term Debt (thousands)



**2016 Total: 889,393**

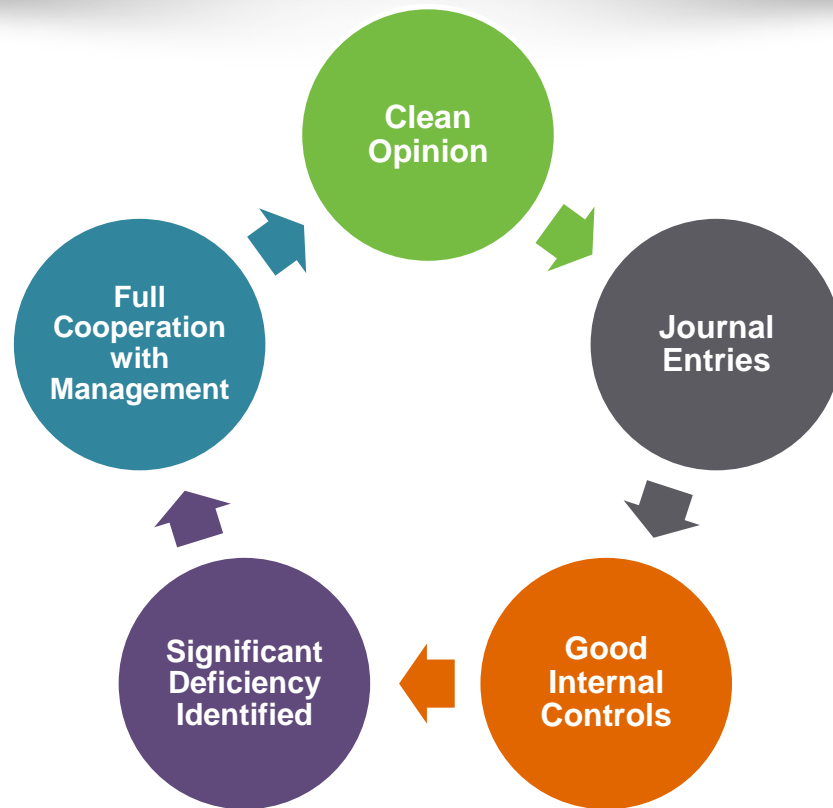
- Bonds
- Capital Leases & Installment Financings
- Compensated Absences
- Pension



**2015 Total: 910,160**

- Limited Obligation Bonds
- Bond Anticipation Notes
- OPEB

# Summary





# Questions & Comments?

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