

Audit Wrap Up & Presentation

Durham County, North Carolina

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Overview

Audit of Financial Statements

We have completed our audit of the financial statements of the County for the year ended June 30, 2019.

Our audit was conducted in accordance with:

- Auditing standards generally accepted in the United States of America (**GAAS**)
- Standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (**GAS**)
- *Uniform Guidance, Audits of States, Local Governments, and Non-Profits*
- State Single Audit Implementation Act

This audit of the financial statements does not relieve management or those charged with governance of their responsibilities.

We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management with the oversight of those charged with governance are presented fairly, in all material respects, in conformity with generally accepted accounting principles.

The objective of our audit was to obtain reasonable - not absolute - assurance about whether the financial statements are free from material misstatements. The scope of the work performed was substantially the same as that described to you in our engagement letter.

Audit Areas of Focus

Compliance with new GAAP (GASB) regulations – Debt Disclosures and Asset Retirement Obligations	Debt Liabilities
Cash and Investments (including the swap)	Debt, including pension and OPEB
Receivables and Revenue (Governmental & Proprietary)	Single audit: <ul style="list-style-type: none">• DSS Crosscutting• Medicaid• Temporary Assistance for Needy Families• Low-Income Home Energy Assistance Program• Foster Care & Adoption• Public School Building Capital Fund• Juvenile Crime Prevention Programs• Food Stamps Cluster
Capital Assets	Litigation
Accounts Payable and Expenses	Management's Judgments and Accounting Estimates

Results on Financial Statements

Category	Definition
Opinions	Both Financial Statement & Yellowbook opinions were unmodified.
Internal Control	No findings noted.
Statutory Compliance	No instances of noncompliance noted.

Results on OMB Uniform Guidance Audit

Category	Definition
Opinion	Unmodified

Finding 2019-001: Medical Assistance Program – Eligibility

Category	Severity
Internal Control	1 significant deficiency (Repeat Finding) No material weaknesses noted.
Statutory Compliance	No compliance issued noted.

Results on State Single Audit

Category	Definition
Opinion	Unmodified

Finding 2019-001: Medical Assistance Program – Eligibility

Category	Severity
Internal Control	1 significant deficiency (Repeat Finding) No material weaknesses noted.
Statutory Compliance	No compliance issued noted.

Required Communications

Matters Required to be Reported to Those Charged with Governance

Requirement	Discussion Points
Adoption of a change in accounting principle	None noted.
Material, corrected misstatements brought to the attention of management by the auditor	None noted.
Uncorrected misstatements, other than those the auditor believes to be trivial	None noted.
Other Matters	None noted.

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