



# Chatham County, NC

## Legislation Details (With Text)

<b>File #:</b>	18-2555	<b>Version:</b>	1
<b>Type:</b>	Contract	<b>Status:</b>	Passed
<b>File created:</b>	3/23/2018	<b>In control:</b>	Finance
<b>On agenda:</b>	4/16/2018	<b>Final action:</b>	4/16/2018
<b>Title:</b>	Vote on a request to approve the 2018 Audit Contract with Martin Starnes & Associates, CPAs, PA and increase the Finance budget by \$15,000 to cover additional compliance testing		
<b>Sponsors:</b>			
<b>Indexes:</b>			
<b>Code sections:</b>			
<b>Attachments:</b>	1. Martin Starnes Contract for FY 2018, 2. 2018 Single Audit Engagement Letter		

Date	Ver.	Action By	Action	Result
4/16/2018	1	Board of Commissioners	approved	Pass

Vote on a request to approve the 2018 Audit Contract with Martin Starnes & Associates, CPAs, PA and increase the Finance budget by \$15,000 to cover additional compliance testing

Action Requested: Approve the 2018 Audit Contract with Martin Starnes & Associates, CPAs, PA and increase the Finance budget by \$15,000 to cover additional compliance testing

Introduction & Background: The County has its accounts audited annually by an independent certified public accountant certified by the Local Government Commission in accordance with General Statute 159-34. The new contract for these services is increasing substantially due in large part to compliance changes issued by the State.

Federal and State regulators have increased scrutiny and testing over all DHHS program compliance in general. The Office of the State Auditor has also determined that the federal direct benefit amounts for the split eligibility programs will no longer be reported on the Schedule of Expenditures of Federal and State Awards. This reduces the major program threshold which in turn requires more program testing for both federal and state programs. Some of these programs may have never been audited for Chatham County, therefore placing them in a high risk category and requiring more file testing. All of these changes will require significantly more staff hours and auditor hours to complete the required compliance portion of the County audit.

Budgetary Impact: The total contract amount is \$75,000.

Recommendation: Approve the 2018 Audit Contract with Martin Starnes & Associates, CPAs, PA and increase the Finance budget by \$15,000 to cover additional compliance testing