

**Resolution of the Carrboro Town Council's Acknowledgement and Response to Late Submission of FY 2021 Audit to the NC Local Government Commission**

WHEREAS, the Carrboro Town Council has been briefed by the Finance Officer on the submission of the Town's FY 2021 Audit to the North Carolina Local Government Commission (LGC) after December 1, 2021, the required due date for submission; and,

WHEREAS, the audit was filed late because of the need for a single audit identified in late November 2021 by independent auditor's management review of the audit file due to errors in the preliminary Schedule of Expenditures of Federal and State Awards; and,

WHEREAS, independent auditor is required by 20 NCAC 03.0508 to present to the governing board any Finance Performance Indicator(s) of Concern (FPICs); and,

WHEREAS, the governing board is required to respond to any FPIC within 60 days after audit presentation by the independent auditor; and,

WHEREAS, the independent auditor in its presentation to the governing board on February 21, 2022 did not identify that a FPIC had been issued by the LGC; and,

WHEREAS, the Finance Officer has identified steps to prevent a recurrence of the late filing of financial statements.

NOW THEREFORE BE IT RESOLVED by the Carrboro Town Council that:

1. The Carrboro Town Council acknowledges and accepts the FPIC issued by the LGC.
2. The financial statements for FY 2021 were in fact submitted to the LGC after the required deadline.
3. To prevent a recurrence of late filing of financial statements, the Finance Officer shall review the Schedule of Expenditures of Federal and State Awards with the independent auditors prior to the start of yearend audit fieldwork; and the independent auditor shall communicate to the Finance Officer any required corrections in this Schedule prior to the start of yearend audit fieldwork.
4. This resolution is effective immediately.