

Process	Sub-Process	What (Objective)	Why (Risk or Exposure)	RETURN TO MENU	How (Applicable Controls)	Control Number	
J Finance	J3 Specific Accounting Practices	Intercountry (e.g., tourism, school board) transaction out-of-balances are appropriately classified on the balance sheet.	Intercountry accounts may not be in balance and result in inaccurate financial reporting.		Intercountry imbalances are reviewed to ensure correct financial statement classification.	J3-1.1.1	
					All intercountry transactions are reconciled in accordance with County policy.	J3-1.1.2	
					Out-of-balances between all intercountry transactions are investigated monthly to determine root cause and fix problems.	J3-1.1.3	
		Intercountry payments / settlements are made accurately and timely.	Lack of settlement of intercountry payables / receivables within defined payment terms may result in incorrect financial reports.		Intercountry aging reports are reviewed monthly to ensure all past due invoice disputes are resolved and invoices are paid timely.		J3-2.1.1
		Highly complex accounting and actuarial work related to pensions and OPEBS is properly performed, recorded and reported.	Financial statements and/or disclosures may be materially misstated if this accounting and actuarial work is not performed correctly.		Sufficient actuarial and accounting expertise is in place for the execution and accounting for pension and OPEB related transactions and disclosures.		J3-3.1.1
		Footnote disclosure for pension meets requirements of applicable accounting standards.	Benefit obligation and expense may not be properly calculated and reported.		Plan participant data is reconciled and reviewed for reasonableness and consistency.		J3-4.1.1
					Actuarial assumptions for measuring pension obligations are selected according to actuarial standards, reviewed and approved by management.		J3-4.1.2
					Benefit obligations are calculated using the actuarial cost method, prescribed in pension accounting standards, and plan provisions, amendments, and activities effective during the measuring period.		J3-4.1.3
					Significant events are monitored throughout the year and plan expense and disclosures are adjusted as necessitated by these events.		J3-4.1.4
					Calculations to develop benefit obligation, pension expense and disclosure are reviewed annually and when remeasurement occurs in accordance with applicable accounting standards.		J3-4.1.5
		Disclosure for pension and OPEBS meets requirements of applicable accounting standards.	Pension and OPEBS footnote disclosure may not meet the requirements of applicable accounting standards.		Treasury and controllership reviews quarterly that the total County pension and OPEBS footnote meets the requirements of applicable accounting standards.		J3-5.1.1
					Actuarial certifications of the results of the calculations are made for pension and OPEBS to demonstrate that valuation by internal staff have been performed in accordance with the actuarial standards.		J3-5.1.2
		Accrued liabilities and earnings charges related to post retirement benefits other than pension (OPEBS) are calculated correctly and in accordance with accounting standards.	Benefit obligations and earnings charges may not be calculated appropriately.		OPEBs demographic data is reconciled and reviewed for reasonableness and consistency.		J3-6.1.1
					Actuarial assumptions are reviewed and agreed by management.		J3-6.1.2
					Baseline claim matrix is developed according to standard actuarial procedures and methodology.		J3-6.1.3
					Benefit obligations are calculated accurately based on applicable accounting standards.		J3-6.1.4
					Benefit obligations are compared with prior year results and any adjustments made for general consistency and reasonableness are documented.		J3-6.1.5
					Significant events are monitored throughout the year, and disclosure and expense are adjusted if necessary.		J3-6.1.6
					Plan disclosure and benefit expense are calculated and reviewed in accordance with applicable accounting standards.		J3-6.1.7
		Accrued liabilities and earnings charges related to post employment benefits are calculated correctly and in accordance with applicable accounting standards.	Benefit obligations and earnings charges may not be calculated appropriately.		Actuarial assumptions used in developing benefit obligation and expense are in accordance with applicable accounting standards, and are reviewed and approved by management.		J3-7.1.1
Benefit obligations and expense are calculated in accordance with applicable accounting standards. Results are compared with prior year's for reasonableness and consistency.					J3-7.1.2		
"Incurred but not reported" (IBNR) claims reserve for claims incurred, but not reported for active employees is sufficient and adequate.	Reserve levels may be inappropriate and result in inaccurate reporting of earnings and liability.		IBNR reserve is calculated according to standard actuarial procedures and methodology. Results are compared with prior year's for reasonableness and consistency.		J3-8.1.1		
IBNR claims reserve for claims incurred, but not reported for active employees is sufficient and adequate.	Reserve levels may be inappropriate and result in inaccurate reporting of earnings and liability.		Reserve balance is periodically reviewed versus actual claims expense to determine adequacy.		J3-9.1.1		
Plan assets, liabilities and accumulated other comprehensive income are properly displayed on the balance sheet.	Benefit Plan presentation on the balance sheet may not be in accordance with applicable accounting standards.		Finance / Accounting uses information provided by the actuaries to ensure proper entries are recorded and that benefit plan information is presented in the financial statements in accordance with applicable accounting standards.		J3-10.1.1		
			Financial statement presentation related to benefit plans is reviewed by management.		J3-10.1.2		
The Chief Financial Officer complies with the North Carolina Local Government Budget and Fiscal Control Act.	The County fails to comply with the North Carolina Local Government Budget and Fiscal Control Act. County accounting and financial matters may not be properly executed, recorded and reported.		The Chief Financial Officer complies with the North Carolina Local Government Budget and Fiscal Control Act.		J3-11.1.1		