Audit adjustments in FY2015 and FY2016

There were six audit adjustments recorded for the FY2015 year end. See Table 1 for the nature and magnitude of audit adjustments for the FY2015.

**Table 1: Nature and Magnitude of Audit Adjustments for FY2015.**

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| --- | --- | --- |
| **DESCRIPTION** | **Fund** | **ADJUSTMENT AMOUNT** |
| Rental tax revenue was overstated because it was included within motor tax fuel as well as recorded separately. Revenue and receivables were reversed across three funds. | Transportation Fund, Special Fund, Fish & Wildlife Fund | $367,000 |
| Errors were made when recording transfers from the Unemployment Trust Fund to the Catamount Health Care Fund. Reclassified revenue from fee revenue to special assessment revenue. | Special Fund | $1,361,000 |
| The receivables reported for captive insurance registration and captive exam were prepared based upon cash collections in 2015, rather than the receivable due at 6/30/15. The entire receivable, deferred inflow of resources, and special assessment revenue was reversed. | Special Fund | $2,254,000 |
| The receivable for the Medical Assistance Program was overstated because the Cash Management Improvement Act interest owed reconciliation was not performed prior to the finalization of the receivable. An intergovernmental receivable and federal revenue was reversed. | Federal Revenue Fund | $5,161,000 |
| The drug rebate receivable for Medicaid was misstated because during the transition from one PBM to another, the existing drug rebate receivables were not recorded in the new vendor’s system. 1. Drug rebate receivable and associated deferred inflow of resources were reduced at 6/30/2015. 2. Deferred inflow of resources and accounts receivable were reduced. | Federal Revenue Fund  Global Commitment Fund | 1. $136,000  2. $3,110,000 |
| The State overpaid its graduate medical education payment to UVM Medical Center. 1. Accounts receivable was reduced and a deferred inflow of resources was established. 2. An intergovernmental payable was established and federal revenue reduced. | Global Commitment Fund | 1. $554,000  2. $313,000 |

There was one audit adjustment recorded for the FY2016 year end. See Table 2 for the nature and magnitude of audit adjustment for the FY2016.

**Table 2: Nature and Magnitude of Audit Adjustments for FY2016.**

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| --- | --- | --- |
| **DESCRIPTION** | **Fund** | **ADJUSTMENT AMOUNT** |
| The receivable reported by the Center for Crime Victims’ services was understated because it only related to FY16 billings. Other receivables, deferred inflow of resources, and revenue was recorded to correct the understatement. | Special Fund  General Fund | $2,247,000 |