



Winston-Salem/Forsyth County Schools - Board October 28, 2025

GOVERNMENT

Agenda

1. Audit Timeline
2. Significant Open Items
3. Review of Draft Financial Information
4. Compliance Audit



01

Audit Timeline



Audit Timeline

1. Execution of Engagement Letter – June 25, 2025
2. Interim Testing Performed – July/August 2025
3. Final fieldwork procedures – September/October/??
4. Draft of Financial Statements/Completion Procedures/Conclude on Audit Findings
5. Engagement Executive/Engagement Quality Reviews
6. Approval/Release of the Audit



LGC Audit Deadline – December 31, 2025

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Significant Open Items



Significant Open Items

- **Open items still required from WS/FCS**
- **OMB Compliance Supplement**
 - Draft was released in August 2025
 - Final has not been released
- **Dental OPEB Valuation Report – Third Party**
- **Internal Control “Engagement”**

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Financial Highlights



Fund Balance – Exhibit 3 – Governmental Funds

Winston-Salem/Forsyth County Board of Education
 Balance Sheet
 Governmental Funds
 June 30, 2025

Exhibit 3
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 DRAFT

	Major Funds						Total Governmental Funds
	General	State Public School	Individual Schools	Capital Outlay	Special Revenue	Federal Grants	
ASSETS							
Cash and investments	\$ 1,918,467	\$ -	\$ 7,849,298	\$ (91,983)	\$ 1,630,850	\$ -	\$ 11,306,632
Receivables							
Forsyth County	-	-	-	4,795,511	-	-	4,795,511
State of North Carolina	758,655	-	-	24,686	3,189	-	786,530
Federal and other	175,609	-	-	-	2,433,622	-	2,609,231
Due from other funds	-	-	-	2,006	-	-	2,006
Inventories	601,643	-	-	-	-	-	601,643
Total Assets	\$ 3,454,374	\$ -	\$ 7,849,298	\$ 4,730,220	\$ 4,067,661	\$ -	\$ 20,101,553
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ 33,796,949	\$ -	\$ -	\$ 4,822,608	\$ 266,941	\$ -	\$ 38,886,498
Due to other funds	-	-	651,181	-	14,577	-	665,758
Unearned revenues	535,549	-	-	2,477,716	3,906,940	-	6,920,205
Total Liabilities	34,332,498	-	651,181	7,300,324	4,188,458	-	46,472,461
Fund Balances (Deficit)							
Nonspendable							
Inventories	601,643	-	-	-	-	-	601,643
Restricted							
Stabilization by State Statute	934,264	-	-	(2,570,104)	-	-	(1,635,840)
Individual schools	-	-	7,198,117	-	-	-	7,198,117
Unassigned	(32,414,031)	-	-	-	(120,797)	-	(32,534,828)
Total Fund Balances (Deficit)	(30,878,124)	-	7,198,117	(2,570,104)	(120,797)	-	(26,370,908)
Total Liabilities and Fund Balances (Deficit)	\$ 3,454,374	\$ -	\$ 7,849,298	\$ 4,730,220	\$ 4,067,661	\$ -	\$ 20,101,553

Statement of Revenues, Expenditures, and Changes in Fund Balances – Exhibit 4 – Governmental Funds

	Major Funds						Total Governmental Funds
	General	State Public School	Individual Schools	Capital Outlay	Special Revenue	Federal Grants	
Revenues							
Forsyth County	\$ 169,257,926	\$ -	\$ -	\$ 44,708,473	\$ -	\$ -	\$ 213,966,399
State of North Carolina	-	403,740,799	-	506,209	26,934	-	404,273,942
Federal	-	-	-	-	4,732,075	64,430,103	69,162,178
Other	2,371,769	-	9,585,765	100,647	15,178,130	-	27,236,311
Total Revenues	171,629,695	403,740,799	9,585,765	45,315,329	19,937,139	64,430,103	714,638,830
Expenditures							
Current							
Instructional services							
Regular instructional	57,450,359	232,775,465	-	-	3,631,078	6,592,698	300,449,600
Special populations	8,464,637	74,293,697	-	-	2,152,653	15,296,811	100,207,798
Alternative programs	5,628,360	8,438,351	-	-	2,942,276	34,210,205	51,219,192
School leadership	27,633,879	29,434,310	-	-	140,138	167,692	57,376,019
Co-curricular	4,340,167	-	10,150,416	-	572,959	-	15,063,542
School-based support	20,622,859	24,859,647	-	-	914,440	4,196,845	50,593,791
System-wide support services							
Support and development	3,052,036	836,334	-	-	1,297,606	139,066	5,325,042
Special population support and development	343,215	1,197,717	-	-	-	441,208	1,982,140
Alternative programs and support services and development	726,916	412,064	-	-	2,324	1,156,074	2,297,378
Technology support	5,132,182	1,520,269	-	-	(8,627)	-	6,643,824
Operational support	47,657,165	26,519,310	-	-	3,023,488	132,824	77,332,787
Financial and human resource	13,855,293	2,402,793	-	-	35,205	804,246	17,097,537
Accountability	889,926	296,186	-	-	881,360	3,738	2,071,210
System-wide pupil support	1,811,389	147,162	-	-	205,615	-	2,164,166
Policy, leadership and public relations	4,638,876	562,494	-	-	1,937,699	-	7,139,069
Ancillary services	49,665	45,000	-	-	188,746	-	283,411
Nonprogrammed charges	12,820,178	-	-	-	159,728	1,288,696	14,268,602
Capital outlay							
Real property and buildings	-	-	-	46,542,678	-	-	46,542,678
Furniture and equipment	-	-	-	1,573,259	-	-	1,573,259
Buses and motor vehicles	-	-	-	342,542	-	-	342,542
Debt service							
Principal	(59,555)	-	-	241,820	-	-	182,265
Interest	-	-	-	-	-	-	-
Total Expenditures	215,057,547	403,740,799	10,150,416	48,700,299	18,076,688	64,430,103	760,155,852
Revenues over (under) Expenditures before Other Financing Sources (Uses)	\$ (43,427,852)	\$ -	\$ (564,651)	\$ (3,384,970)	\$ 1,860,451	\$ -	\$ (45,517,022)
Net Change in Fund Balance	(43,427,852)	-	(564,651)	(3,384,970)	1,860,451	-	(45,517,022)
Fund Balances							
Beginning of year	12,727,553	-	7,762,768	814,866	(1,981,248)	-	19,323,939
Decrease in reserve for inventories	(177,825)	-	-	-	-	-	(177,825)
End of Year	\$ (30,878,124)	\$ -	\$ 7,198,117	\$ (2,570,104)	\$ (120,797)	\$ -	\$ (26,370,908)

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Compliance Audit



Compliance Audit

Federal Programs

- Title I
- Special Education
- Supporting Effective Instruction

State Programs

- State Public School Fund

Questions?

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