

# Fall District Meeting

Indiana League of Municipal Clerks & Treasurers  
October 2019

Indiana State Board of Accounts



## State Board of Accounts

**Audit Reports**

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STATE BOARD OF ACCOUNTS  
302 West Washington Street  
Room E418  
INDIANAPOLIS, INDIANA 46204-2769

### Mission Statement

We are dedicated to providing the citizens of the State of Indiana with complete confidence in the integrity and financial accountability of state and local government

[www.in.gov/sboa](http://www.in.gov/sboa)



## Enhanced Regulatory Basis

- Elements of GAAP Reporting
- Note Disclosures
- Financial Statement



## SBOA Website Information

Hot Topics ▾

2019 Gateway - Annual Financial Report (AFR)  
Changes

Local units should review these changes carefully as they will need to ensure they are collecting the information required for the updated AFR submission.

[Schedule of Regulatory Changes](#)

[www.in.gov/sboa](http://www.in.gov/sboa)



# Schedule of Regulatory Changes

| Current Regulatory   | Regulatory for 2019 Calendar Year Units  | Regulatory for 2020 Calendar Year Units   |
|--|--|---|
| <p><b>FINANCIAL STATEMENTS</b></p> <p>Statement of Receipts, Disbursements, and Cash and Investment Balances</p> <ul style="list-style-type: none"> <li>- Shows total receipts, disbursements, and ending balance for each fund</li> </ul> | <p><b>FINANCIAL STATEMENTS</b></p> <p>Statement of Receipts, Disbursements, and Cash and Investment Balances</p> <ul style="list-style-type: none"> <li>- The Combining Schedules from the supplementary information will be shown as the Statement of Receipts, Disbursements, and Cash and Investment Balances</li> <li>- Shows detailed, instead of total, receipts and disbursements for each fund and ending balance (i.e. receipts from taxes, charges for services, intergovernmental, etc.)</li> </ul> | <p><b>FINANCIAL STATEMENTS</b></p> <p>Statement of Receipts, Disbursements, and Cash and Investment Balances</p> <ul style="list-style-type: none"> <li>- Financial statement will show fund type classifications. The information submitted in Gateway will be aggregated and presented in the appropriate fund type classification.</li> <li>- Fund types shown will be as follows: General, Special Revenue, Capital Projects, Debt Service, Permanent, Enterprise, and Fiduciary</li> </ul> |
| <p><b>NOTES TO THE FINANCIAL STATEMENTS</b></p> <p>Summary of Significant Accounting Policies</p> <ul style="list-style-type: none"> <li>- Reporting entity</li> <li>- Basis of accounting</li> <li>- Cash and investments</li> </ul>      | <p><b>NOTES TO THE FINANCIAL STATEMENTS</b></p> <p>Summary of Significant Accounting Policies</p> <ul style="list-style-type: none"> <li>- No changes to existing accounting policy notes</li> <li>- Added a section for capitalization thresholds to indicate what qualifies as a capital asset</li> </ul>  | <p><b>NOTES TO THE FINANCIAL STATEMENTS</b></p> <p>Summary of Significant Accounting Policies</p> <ul style="list-style-type: none"> <li>- No changes</li> </ul>  |

Visit [www.in.gov/sboa](http://www.in.gov/sboa) to view the entire document



# Example Regulatory Report

City/Town - Regulatory Report

[www.in.gov/sboa](http://www.in.gov/sboa)

## Example Reports

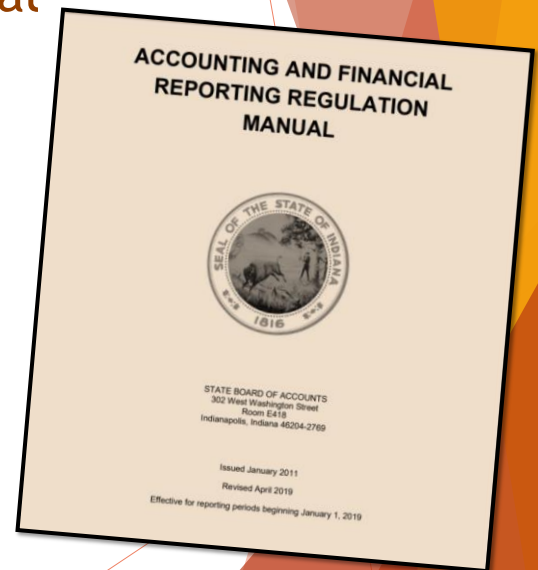
The financial information filed within the AFR is used in the units' financial reports that are audited by the State Board of Accounts. These example reports show the format of what the unit's financial statement will look like with these new changes. Local officials may want to compare these reports to their most recent audit report to obtain a better understanding of the changes.





## Accounting and Financial Reporting Regulation Manual - 2019

[www.in.gov/sboa](http://www.in.gov/sboa)



## 2019 Enhanced Regulatory Summary of Updates

### Financial Statement

Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis

### Supplementary Information

Schedule of Capital Assets  
 Schedule of Payables and Receivables (*removed*)  
 Schedule of Debt and Leases (*removed*)  
 Schedule Receipts, Disbursements, and Cash and Investment Balances (*removed*)

### Note Disclosures

Long Term Debt  
 Leases  
 Interfund Transfers  
 Deficit Balances  
 Pensions and OPEB  
 Significant Contingent Liabilities  
 Significant Commitments  
 Subsequent Events



# 2019 Gateway Updates Annual Financial Report

- ▶ IC 5-11-1-4
- ▶ Due February 29, 2020



## Financial Data by Fund 2019 AFR - No Changes

### Financial Data by Fund ?

Save All Work Return to AFR Main Menu

Enter or change basic financial information for the year. This includes adding or deleting funds, entering beginning cash and investment balances, receipts and disbursements for each fund. **Beginning Balance Investments** and **Beginning Balance Cash** fields may be edited by clicking directly on the grid.

Make sure to press the ENTER key on the keyboard after entering a number to make sure it is saved!

#### Governmental Activities (Add a fund to this grid)

| Delete | Edit | Local Fund Name  | Beginning Balance Investments | Ending Balance Investments | Beginning Balance Cash | Receipts                           | Disbursements                      | Ending Balance Cash |
|--------|------|--|-------------------------------|----------------------------|------------------------|------------------------------------|------------------------------------|---------------------|
| X      |      | 004 - CUMULATIVE CAPITAL IMP.<br>104049 Cumulative Capital Improvement | \$0.00                        | \$0.00                     | \$181,778.59           | \$0.00<br><a href="#">Add/Edit</a> | \$0.00<br><a href="#">Add/Edit</a> | \$181,778.59        |
| X      |      | 005 - CUMULATIVE SEWER<br>900005 CUMULATIVE SEWER                      | \$0.00                        | \$0.00                     | \$84,291.86            | \$0.00<br><a href="#">Add/Edit</a> | \$0.00<br><a href="#">Add/Edit</a> | \$84,291.86         |
| X      |      | 006 - LOCAL ROAD & STREET<br>102002 Local Road And Street              | \$0.00                        | \$0.00                     | \$174,760.78           | \$0.00<br><a href="#">Add/Edit</a> | \$0.00<br><a href="#">Add/Edit</a> | \$174,760.78        |
| X      |      | 009 - CUMULATIVE FIRE<br>104026 Cumulative Fire                        | \$0.00                        | \$0.00                     | \$218,018.83           | \$0.00<br><a href="#">Add/Edit</a> | \$0.00<br><a href="#">Add/Edit</a> | \$218,018.83        |
|        |      | 011 - OPO GRANT FUND (DUI)   | \$0.00                        | \$0.00                     | \$0.00                 | \$0.00                             | \$0.00                             | \$0.00              |



# 2019 Gateway Updates Long-term Debt Schedule

Debt Schedule

## Governmental Activities

Add Row

| Delete | Debt Class               | Description or Purpose                             | Beginning Principal Balance as of Jan. 1, 2018 | Additions       | Reductions      | Ending Principal Balance as of Dec. 31, 2018 | Principal and Interest Due in 2019 |
|--------|--------------------------|--|--|-----------------|-----------------|--|------------------------------------|
| X      | Revenue Bonds            | Taxable Economic Development Bonds of 2007         | \$510,000.00                                   | \$50,000.00     | \$5,000.00      | \$555,000.00                                 | \$168,200.00                       |
| X      | Revenue Bonds            | Taxable Increment Revenue Bonds of 2011, Series A  | \$895,000.00                                   | \$100,000.00    | \$20,000.00     | \$975,000.00                                 | \$116,886.00                       |
| X      | Revenue Bonds            | Taxable Economic Development Revenue Bonds of 2011 | \$265,000.00                                   | \$0.00          | \$7,500.00      | \$257,500.00                                 | \$75,000.00                        |
| X      | General Obligation Bonds | Sanitary District Bond of 2012                     | \$3,740,000.00                                 | \$150,000.00    | \$15,000.00     | \$3,875,000.00                               | \$3,814,800.00                     |
| X      | Notes and Loans Payable  | EMS Pumper 2013 28-3611                            | \$166,125.00                                   | \$0.00          | \$10,000.00     | \$156,125.00                                 | \$170,162.00                       |
| X      | Notes and Loans Payable  | EMS Ladder Truck 2013 28-3882                      | \$221,693.00                                   | <i>Required</i> | <i>Required</i> | \$221,693.00                                 | \$114,834.00                       |



# 2019 Gateway Updates Inter-fund Transfers

## AFR Unit Questions ?

12. Did your unit make interfund transfers during the year?

Yes  No



# 2019 Gateway Updates Inter-fund Transfers

## Other Disbursements

| Disbursement Classification                     | Amount     |
|---|------------|
| Payments To or On Behalf of Beneficiaries       |            |
| Payment of Taxes and Other Payroll Withholdings |            |
| Distributions to Other Governmental Entities    |            |
| Transfer Out - Transferred To Another Fund      | \$1,200.00 |

## Other Receipts

| Receipt Classification  | Amount     |
|---|------------|
| Sale of Investments   |            |
| Earnings on Investments and Deposits                          |            |
| Proceeds from Tax Anticipation Warrants                       |            |
| Proceeds from Borrowings other than Tax Anticipation Warrants |            |
| Sale of Capital Assets  |            |
| Refunds and Reimbursements                                    |            |
| Benefit Plan Contributions                                    |            |
| Donations, Gifts, and Bequests                                |            |
| Payroll Fund and Clearing Account Receipts                    |            |
| Transfers In - Transferred from Another Fund                  | \$1,200.00 |



# 2019 Gateway Updates Inter-fund Transfers

## Transfer Schedule

Add Row

| Delete | Transfer_From                    | Transfer_To                          | Amount       |
|--------|----------------------------------|--------------------------------------|--------------|
| ✗      | 0000001186 Rainy Day             | 0000001000 General                   | \$5,000.00   |
| ✗      | 0000001176 Motor Vehicle Highway | 0000009001 Community Crossings Grant | \$300,000.00 |
| ✗      | 0000001169 Local Road and Street | 0000009001 Community Crossings Grant | \$10,000.00  |

### Data Posted

### Additional Information

Indicate any transfers either that do not occur on a routine basis or are inconsistent with the activities of the fund making the transfer.

**Total: \$315,000.00**



# 2019 Gateway Updates Inter-fund Transfers

## Transfer Schedule

Add Row

| Delete | Transfer_From                    | Transfer_To                          | Amount       |
|--------|----------------------------------|--------------------------------------|--------------|
| X      | 0000001186 Rainy Day             | 0000001000 General                   | \$5,000.00   |
| X      | 0000001176 Motor Vehicle Highway | 0000009001 Community Crossings Grant | \$300,000.00 |
| X      | 0000001189 Local Road and Street | 0000009001 Community Crossings Grant | \$10,000.00  |

|  |  |  |  |
|--|--|--|--|
| 0000001152 Emergency Planning/Right to Know        |  |  |  |
| 0000001155 Extradition and Sheriff's Assistance    |  |  |  |
| 0000001156 Firearms Training                       |  |  |  |
| 0000001158 General Drain Improvement               |  |  |  |
| 0000001159 Health                                  |  |  |  |
| 0000001180 Identification Security Protection      |  |  |  |
| 0000001188 Local Health Maintenance                |  |  |  |
| 0000001189 Local Road and Street                   |  |  |  |
| 0000001170 LOIT Public Safety - County Share       |  |  |  |
| 0000001175 Misdemeanant                            |  |  |  |
| 0000001176 Motor Vehicle Highway                   |  |  |  |
| 0000001178 Park Nonreverting Capital               |  |  |  |
| 0000001179 Park Nonreverting Operating             |  |  |  |
| 0000001186 Rainy Day                               |  |  |  |
| 0000001189 Recorder's Records Perpetuation         |  |  |  |
| 0000001192 Sex and Violent Offender Administration |  |  |  |
| 0000001200 Supplemental Public Defender Services   |  |  |  |
| 0000001201 Surplus Tax                             |  |  |  |



# 2019 Gateway Updates Pensions

## Pensions ?

1. Please indicate if your unit offers any of these pension plans to your Employees. Check all that apply.

- Public Employees Retirement Fund
- 1925 Police Pension Fund
- Teachers Retirement Fund
- 1937 Firefighter's Pension Fund
- Police Pension Fund - First Class Cities
- 1977 Police and Firefighter's Pension Fund

2. Does your unit have any other pension plans where the employer makes contributions to the plan or funds any part of the benefits?

Yes  No

Add a plan entry in the table below for each additional plan the unit has.

3. When complete, mark the form as completed.

This form is complete

Save This Form

Return To the Main Menu





## 2019 Gateway Updates Pensions

Name of the Pension Plan

Type/Class of Employees Covered by the Plan

Type of Pension Plan

Select the IN Code that Applied to this Plan

Does the Plan Have Terms Related to Vesting  Yes  No

If Yes, list the terms that must be met to vest:



## 2019 Gateway Updates Pensions

Does the Plan have any terms related to forfeitures (i.e. benefits payable to a plan member must be forfeited in the event the member is convicted of a crime)?  Yes  No

If Yes, please upload a file with the policy (jpg, pdf, gif, tif, png):  No file chosen  
[View File](#)

Select the Benefits Provided Under this Plan  Retirement Income  Death Benefits  Life Insurance  Disability Benefits  Other

If Other, please specify

Upload the Actuarial Report  No file chosen  
 [View File](#)



## 2019 Gateway Updates - OPEB

\*Name of the OPEB Plan

\*Type of OPEB Plan

\*Select the benefits provided under this OPEB plan:

Medical 
  Dental 
  Vision 
  Hearing 
  Death Benefits 
  Life Insurance 
  Disability 
  Long-term Care 
  Other

**Plan Administrator**

\*Company Name

\*Street Address

\*City

\*State

\*Zip (e.g. 99999)

\*Contact Person

\*Phone (e.g. 999-999-9999)

\*e-mail (e.g. example@example.com)

\*Employer Sponsoring the Plan



## 2019 Gateway Updates - OPEB

### Current Number of Participants

\*Inactive employees or beneficiaries current receiveing benefit payments

\*Inactive employees entitled to but not yet receiving benefits

\*Active Employees

### Actuarial Information

\*Has there been an actuarial valuation done for this plan?  Yes  No

\*When are you planning to have an actuarial valuation done?

Next Year 
  Two Years 
  More then Two Years 
  More then Two Years 
  Do not intend to have an actuarial valuation done



## 2019 Gateway Updates - OPEB

### Contribution Rates(as a Percentage of Payroll)

\*Employer (e.g. 99.99)

\*Plan Members (e.g. 99.99)

\*Annual Covered Payroll (e.g. 9999.99)

\*Cost Method for Funding Purposes

- Unit Credit
- Projected Unit Credit
- Entry Age Normal(% Salary)
- Entry Age Normal (Level Dollar)
- Aggregate
- Attained Age Normal
- Individual Aggregate
- Frozen Initial Liability
- Individual Level Premium
- Pay as you go
- Other(Please specify)

The Indiana Gateway for Government Units pr  
to the [State Board of Accounts](#). It is maintaine



## 2019 Enhanced Regulatory Capital Assets - *reminder*

- Capital Asset Additions and Reductions
- Supplementary Information for 2019
- Financial Statement Note Disclosure 2020



## 2019 Gateway Updates Capital Assets

### Governmental Activities

| Government or Enterprise | Beginning Balance as of January 1, 2018 | Additions      | Reductions   | Ending Balance as of December 31, 2018 |
|--------------------------|---|----------------|--------------|--|
| Books                    | \$0.00                                  | \$0.00         | \$0.00       | \$0.00                                 |
| Building                 | \$7,956,144.00                          | \$50,000.00    | \$10,000.00  | \$7,996,144.00                         |
| Construction             | \$8,000,000.00                          | \$0.00         | \$0.00       | \$8,000,000.00                         |
| Improvement              | \$106,252,812.96                        | \$6,000,000.00 | \$0.00       | \$112,252,812.96                       |
| Infrastructure           | \$4,985,671.45                          | \$0.00         | \$150,000.00 | \$4,835,671.45                         |
| Land                     | \$15,757,139.18                         | \$200,000.00   | \$90,350.00  | \$15,866,789.18                        |
| Machinery                | \$23,615,963.75                         | \$60,000.00    | \$20,200.00  | \$23,655,763.75                        |

### WASTEWATER

| Government or Enterprise | Beginning Balance as of January 1, 2018 | Additions   | Reductions | Ending Balance as of December 31, 2018 |
|--------------------------|---|-------------|------------|--|
| Building                 | \$2,645,107.00                          | \$75,000.00 | \$0.00     | \$2,720,107.00                         |
| Construction             | \$400,000.00                            | \$0.00      | \$0.00     | \$400,000.00                           |

### Total Capital Assets

| Government or Enterprise | Beginning Balance as of January 1, 2018 | Additions             | Reductions          | Ending Balance as of December 31, 2018 |
|--------------------------|---|-----------------------|---------------------|--|
| <b>Grand total</b>       | <b>\$409,421,603.03</b>                 | <b>\$7,685,000.00</b> | <b>\$360,550.00</b> | <b>\$416,746,053.03</b>                |



## 2020 Enhanced Regulatory Capital Assets - *reminder*

- ▶ Removed from Supplementary Information section
- ▶ Added to Notes to Financial Statements section
- ▶ Beginning Balance, Additions, Reductions, Ending Balance by Activity and Class as in 2019
- ▶ Accumulated Depreciation for depreciable assets



## Recap Schedule of Regulatory Changes

| Current Regulatory   | Regulatory for 2019 Calendar Year Units  | Regulatory for 2020 Calendar Year Units   |
|--|--|---|
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## End of Year Duties

- Annual Financial Report – Gateway
- Form 100-R – Gateway
- Annual Uploads – Gateway
- Appropriation Transfers
- Encumbered Appropriations
- Cancellation of Warrants
- Names & Addresses to County Treasurer
- Internal Control Considerations



## End of Year Duties Annual Financial Report

Required by IC 5-11-1-4

Due 60 days after year end  
\* *February 29, 2020* \*

Updated for Enhanced Regulatory  
Internal Control Considerations

The screenshot displays the 'Annual Financial Report Main Menu' on the Indiana Gateway website. The page includes a navigation bar with 'Home', 'About', 'Annual Settings', 'Clear Cookies', and 'Logout'. Below the navigation bar, there are dropdown menus for 'County' (Madison County), 'Unit' (State City Unit), and 'Year' (2017). The main content area is titled 'Annual Financial Report Main Menu' and contains a table of sections with their respective descriptions and completion status.

| Section  | Description   | Status          |
|--|---|-----------------|
| <b>Unit Information</b>                                  |   |                 |
| <b>Unit Questions</b>                                    | The answers to these questions determine what forms are available in the system.  | Not Completed   |
| <b>Monthly Expenses</b>                                  | Identify your offices and other organizations that operate like a business. Expenses include: Public Transportation, Convention Centers, Printing Services, Interest, Interest Services, etc. | 3 Completed     |
| <b>Departments</b>                                       | Identify departments that are in use and provide local names for some departments.  | 14 Completed    |
| <b>Schedule of Offices</b>                               | Enter information regarding offices and contact information.  | Not Completed   |
| <b>Core Reporting</b>                                    |   |                 |
| <b>Financial Data By Fund</b>                            | Enter or change basic financial information for the year. This includes adding or deleting funds, writing supporting costs and treatment balances, receipts and disbursements for each fund.  | 56 of 60 Funds  |
| <b>Capital Assets</b>                                    | Using your Capital Asset module complete the Schedule of Capital Assets (land, building, equipment, etc.) as of the end of the year.  | 50 of 60 Assets |
| <b>Grants</b>  | Complete the Grant Schedule for grants you received or disbursed money from during the year.  | 1 Grants        |
| <b>Accounts Payable Receivable</b>                       | Accounts Payable/Receivable   | Not Completed   |
| <b>Debt</b>  | Complete the Debt Schedule (bond issues, line of credit, etc.) as of the end of the year.   | 3 Reporting     |
| <b>Leases</b>  | Amount of lease payments in force as of end of year.  | 1 Reporting     |
| <b>Financial Assistance to Non-Governmental Entities</b> | Enter financial assistance that your unit has given to entities such as: Volunteer Fire Dept, YMCA, Senior Center, etc.   | 1 Reporting     |
| <b>Pensions</b>  | Information about what pension plans the unit administers or participates in.   | Not Entered     |
| <b>Risk Assessment</b>                                   | Annual questions to assess or monitoring risk.  | Not Completed   |
| <b>Unaudited Official</b>                                |   | Not Entered     |
| <b>Support Bonds</b>                                     | Per IC 5-4-1-5-1-1 upload a copy of bonds filed.  | Not Completed   |
| <b>System Functions</b>                                  |   |                 |
| <b>Upload Data</b>                                       | Uploading is an option for those government units with vendors and who choose to prepare a portion of their report by uploading files.  | Not Completed   |
| <b>Annual Report Outputs</b>                             | Reports may be viewed as PDFs or Excel spreadsheets.  | Available       |
| <b>Report Submission</b>                                 | Resend any submission entries or warnings.  | Available       |



## End of Year Duties Annual Financial Report

Gather information / post/reconcile records to complete information for

- ✓ Financial Data By Fund
- ✓ Capital Assets
- ✓ Grants
- ✓ Long-term Debt
- ✓ Leases
- ✓ Financial Assistance to Non-Governmental Entities
- ✓ Pensions
- ✓ Inter-fund Transfers
- ✓ Risk Assessment Questions



# End of Year Duties Annual Financial Report

## Financial Assistance to Non Governmental Entities

- If Answer “yes” on Unit Questions
- Enter information of financial assistance given to non governmental entities
  - ✓ Volunteer Fire Departments
  - ✓ YMCA
  - ✓ Youth Leagues
  - ✓ Senior Citizen Center

| Delete | Name                             | Federal Tax ID<br>##-#### | Street Address       | Suite No. | City       | State<br>Abr. |
|--------|----------------------------------|---------------------------|----------------------|-----------|------------|---------------|
| X      | Council for Economic Development | 35-1854127                | One Courthouse Plaza |           | Greenfield | In            |
| X      | Boys & Girls Club                | 35-0979327                | 715 E Lincoln Street |           | Greenfield | In            |
| X      | Hancock County Senior Services   | 31-0938007                | 312 E Main Street    |           | Greenfield | In            |
| X      | Sister City of Greenfield Inc    | 35-2068418                | 110 S State Street   |           | Greenfield | In            |
| X      | Kenneth Butler Soup Kitchen      | 80-0321185                | 202 E Main Street    |           | Greenfield | In            |



Cities and Towns Bulletin, September 2016 [www.in.gov/sboa](http://www.in.gov/sboa)



# End of Year Duties Annual Financial Report

## Risk Assessment Questions

- 7. Does anyone review the completed bank statements?
- 24. Have items included in the most recent SBOA report been adequately corrected?



## End of Year Duties Certified Report of Names, Duties, & Compensation (100R)

- Required by IC 5-11-13-1
- Due during the month of January for the preceding year  
\* **January 31, 2020** \*
- No Changes to the Reporting
- Internal Control Considerations



## End of Year Duties Monthly Uploads in Gateway

Required Monthly Uploads, *January through December:*

- Bank Reconciliation
- Board Minutes
- Funds Ledger





## End of Year Duties Annual Uploads in Gateway

### Bank Statement

- December 2019 statement for each bank account
- Does not require images of checks
- No reconciliation here – it will be with the monthly uploads

#### Annual

Year End Bank Statement  
 Year End Outstanding Checklist  
 Year End Investment Statements  
 Detail of receipt activity  
 Detail of disbursement activity  
 Current Year Salary Ordinance  
 Annual Vendor History Report



## End of Year Duties Annual Uploads in Gateway

### Outstanding Checklist

- Detailed list
- Checks written but not cleared bank
- Total should agree to reconciliation
- Include
  - check date
  - check number
  - check amount

#### Annual

Year End Bank Statement  
 Year End Outstanding Checklist  
 Year End Investment Statements  
 Detail of receipt activity  
 Detail of disbursement activity  
 Current Year Salary Ordinance  
 Annual Vendor History Report



## End of Year Duties Annual Uploads in Gateway

### Investment Statements

- Similar to checking account statement
- December 2019 account statement
- For all investment accounts

#### Annual

Year End Bank Statement  
 Year End Outstanding Checklist  
 Year End Investment Statements  
 Detail of receipt activity  
 Detail of disbursement activity  
 Current Year Salary Ordinance  
 Annual Vendor History Report



## End of Year Duties Annual Uploads in Gateway

### Detail of Receipt Activity

- Does not apply if hand-posted records
- Listing of all receipts issued & posted
- Include receipt numbers

#### Annual

Year End Bank Statement  
 Year End Outstanding Checklist  
 Year End Investment Statements  
 Detail of receipt activity  
 Detail of disbursement activity  
 Current Year Salary Ordinance  
 Annual Vendor History Report



## End of Year Duties Annual Uploads in Gateway

### Detail of Disbursement Activity

- Does not apply if hand-posted records
- Listing of all non-payroll disbursements issued & posted
- Include check numbers & vendor names

#### Annual

Year End Bank Statement  
 Year End Outstanding Checklist  
 Year End Investment Statements  
 Detail of receipt activity  
 Detail of disbursement activity  
 Current Year Salary Ordinance  
 Annual Vendor History Report



## End of Year Duties Annual Uploads in Gateway

### Current Year Salary Ordinance

- Scan & upload 2018 salary ordinance(s)  
in effect at end of year

#### Annual

Year End Bank Statement  
 Year End Outstanding Checklist  
 Year End Investment Statements  
 Detail of receipt activity  
 Detail of disbursement activity  
 Current Year Salary Ordinance  
 Annual Vendor History Report



## End of Year Duties Annual Uploads in Gateway

### Vendor History Report

- Does not apply if hand-posted records
- Detailed listing of all vendors to whom checks were issued during the year
- Should show a total by vendor

#### Annual

Year End Bank Statement  
 Year End Outstanding Checklist  
 Year End Investment Statements  
 Detail of receipt activity  
 Detail of disbursement activity  
 Current Year Salary Ordinance  
 Annual Vendor History Report



## End of Year Duties Appropriation Transfers

Indiana Code 6-1.1-18-6: Transfers of appropriations

Transfers from one major budget classification to another within a department or office if:

- It is determined that the transfer is necessary;
- The transfer does not require the expenditure of more money than the total amount set out in the budget;
- The transfer is made at a regular public meeting and by proper ordinance **or resolution**.
- Such a transfer can be made without notice and without approval of DLGF



## End of Year Duties Encumbrances

### Encumbered Appropriations:

Those items under purchase order or contract are to be added for each appropriation account and the total carried to the new 2020 corresponding account.

The actual unpaid amount of the purchase orders or contracts should be totaled and shown as a separate amount on the appropriation ledger for 2020 (with proper explanation) and added to the 2020 appropriation for the same purpose.



## End of Year Duties Encumbrances

### Encumbered Appropriations

By carrying out this procedure, the 2020 budget will not be expected to stand any expense not anticipated in making the budget.

We recommend:

- *the proper city/town officials make a listing of these encumbered items*
- *make it a part of their minutes in their last business meeting of the year*



## End of Year Duties Encumbrances

The appropriations encumbered and carried forward can be used for no other purpose other than the purchase order or contract for which they were appropriated.



## End of Year Duties Cancellation of Warrants

Indiana Code 5-11-10.5

### Old Outstanding Checks

- All checks outstanding and unpaid for a period 2 years as of December 31 of each year shall be declared cancelled.

#### **Example – At December 31, 2019;**

- Check #1234 was written on February 27, 2017 and has not cleared the bank and is on the outstanding check list. At 12/31/19, it would be considered “cancelled”.
- Check #9876 was written on November 2, 2018 and has not cleared the bank and is on the outstanding check list. At 12/31/19, this check would *not* be considered “cancelled” and should remain on the outstanding check list.



## End of Year Duties Cancellation of Warrants

Indiana Code 5-11-10.5

- ✓ March 1 – fiscal officer prepares list of all outstanding checks for 2 years or more
- ✓ File list of checks with Council
- ✓ Fiscal officer keeps a copy

“Old” (or stale) checks are receipted back to your ledger into the fund(s) from which they were originally drawn and removed from the outstanding check list. If fund(s) can't be determined – put in General fund.



## End of Year Duties Names & Addresses to County Treasurer

- June 1 & December 1
- Disbursing officer shall certify
  - name
  - address
 of each person who has money due to them from the city/town.
- County Treasurer shall search their records to ascertain if anyone on the list is delinquent in payment of property taxes. [IC 6-1.1-22-14]



## End of Year Duties Names & Addresses to County Treasurer

IC 6-1.1-22-15

If the county treasurer finds that a person whose name is certified to him is delinquent in the payment of taxes, the treasurer shall certify the name of that person and the amount of delinquency to the official of the political subdivision who is to make payment to the person.

The disbursing officer shall periodically make deductions from money due the person and shall pay the amount of these deductions to the county treasurer. (*our emphasis*).



## End of Year Duties - Internal Controls Adoption/Training/Certifications

Indiana Code 5-11-1-27(g)

- ▶ “After June 30, 2016, the legislative body of a political subdivision shall ensure that:
  - 1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and
  - 2) **personnel receive training** concerning the internal control standards and procedures adopted by the political subdivision.”





## End of Year Duties - Internal Controls Adoption/Training/Certifications

Indiana Code 5-11-1-27(c) defines "personnel":

*"As used in this section, "personnel" means an officer or employee of a political subdivision whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to funds that belong to the federal government, state government, a political subdivision, or another governmental entity."*



## End of Year Duties - Internal Controls Adoption/Training/Certifications

### **Remember:**

- ✓ Council should adopt minimum standards - if they haven't already
- ✓ Provide training for any new employees in 2019
- ✓ Certify on the AFR in Gateway correctly



## End of Year Duties - Internal Controls Adoption/Training/Certifications

### AFR Unit Questions

The following must be filed with the Annual Report per IC 5-11-1-27 (h).

I certify that my unit has adopted the minimum internal control standards as required per IC 5-11-1-27(e).

Yes  No

If yes, I certify that all personnel defined by IC 5-11-1-27(c) received training concerning the internal control standards adopted by my unit.

Yes  No

***Make sure you answer these questions correctly*** 



## End of Year Duties Internal Control Evaluation

- ✓ Review and Document Procedures
- ✓ Review for evidence of procedures being performed as intended
- ✓ Evaluate effectiveness
- ✓ Change accordingly



## End of Year Duties Nepotism Annual Certification

Indiana Code 36-1-20.2-16:

“Each elected officer of the unit shall annually certify *in writing*, subject to the penalties for perjury, that the officer has not violated this chapter. An officer shall submit the certification to the executive of the unit not later than December 31 of each year.” *[emphasis added]*



## End of Year Duties Contracting with a Unit Annual Certification

Indiana Code 36-1-21-6:

“Each elected officer of the unit shall annually certify *in writing*, subject to the penalties for perjury, that the officer is in compliance with this chapter. An officer shall submit the certification to the executive of the unit not later than December 31 of each year.” *[emphasis added]*



## Change in Office

- ▶ Internal Control Information
  - ▶ Ordinance
  - ▶ Personnel training certifications
  - ▶ Written Procedures
- ▶ Personnel Policies, Purchasing Policies, Travel Policies, etc.
- ▶ Salary Ordinance
- ▶ Bank Account Information & Up-to-date Reconciliation
- ▶ Board Minutes
- ▶ Ledgers
- ▶ Encumbrance Information
- ▶ Annual Financial Report Information
- ▶ 100R Information
- ▶ Petty Cash & Cash Change Fund
- ▶ Claims due and Taxes Due
- ▶ Key Contacts
- ▶ Keys to the Office
- ▶ Email
- ▶ Tax Information and ID numbers



Any Questions???



## Contact Information

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