

Accounting for Investments

Treasurers Annual Conference
August, 2019

State Board of Accounts
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.

Internal Controls

Objectives

- Operations
- Compliance
- Reporting



Internal Controls

IC 5-11-1-27

- Control Environment
- Risk Assessment
- Control Activities
- Information and Communication
- Monitoring



Board of Finance

IC 5-13-7

Indiana Code 5-13-7

- County: Board of Commissioners and County Treasurer

Duties

- Annual meeting/ elect officers
- Investment policy
- Review of Investment Report






Board of Finance

IC 5-13-8

Indiana Code 5-13-8

- Designation of Depositories
 - <https://www.in.gov/tos/deposit/2377.htm>
- Revocation of commission of depository
- Number of Depositories



Deposit of Public Funds

IC 5-13-6

- Timely Deposit of Receipts
- Taxes collected by County Treasurer
 - Advance Draws

Investment of Public Funds

IC 5-13-9

- CD's and other Investments
- Posting a purchased investment
- Posting interest




Investment Officers' Duties

IC 5-13-9

- Investment policy
- Investments that mature after 2 years
- Contracts for Advisors






Notes to the Financial Statements:
Regulatory Report Format

Note 1. Summary of Significant Accounting Policies

C. Cash and Investments

Investments are stated at cost. Any changes in fair value of the investments are reported as receipts in the year of the sale of the investment.



Notes to the Financial Statements:
Regulatory Report Format

Note 4. Deposits and Investments

Deposits, made in accordance with state statute (IC 5-13), with financial institutions in the State of Indiana, at year end, should be entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statutes authorize the County to invest in securities including, but not limited to, the following: federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

Audit Expectations

- Review of Internal Controls
- Compliance - Statute & Local Policy
- Annual Financial Report
- Investment Statements



SBOA Resources

- Website: www.in.gov/sboa
- Director of Audit Services
- Manuals and Bulletins

