Fall Bookkeeping Workshop

Indiana State Library
November 2018

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 Refreshers/Reminders
Annual Financial Report – Gateway

- Required by IC 5-11-1-4
- Due 60 days after end of year
  *March 1, 2019*
- No Major Changes to the Reporting / Gateway

Annual Financial Report – Miscellaneous

**Capital Assets**
- Report asset amounts as of December 31st
- Make sure your Capital Asset Register is updated through year end

<table>
<thead>
<tr>
<th>Government or Enterprise</th>
<th>Land</th>
<th>Infrastructure</th>
<th>Building</th>
<th>Improvements Other Than Buildings</th>
<th>Machinery, Equipment, and Vehicles</th>
<th>Construction In Progress</th>
<th>Books and Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities</td>
<td>$150,000.00</td>
<td>$0.00</td>
<td>$5,220,000.00</td>
<td>$200,000.00</td>
<td>$1,865,180.00</td>
<td>$0.00</td>
<td>$1,831,750.00</td>
</tr>
</tbody>
</table>
Debt Schedule
• Report debt amounts as of December 31st
  ➢ Debt Classification (revenue bonds, general obligations, etc.)
  ➢ Description of Debt
  ➢ Ending Principal Balance @ 12/31/18
  ➢ Principal and Interest Due in 2019

### Governmental Activities

<table>
<thead>
<tr>
<th>Debt Class</th>
<th>Description or Purpose</th>
<th>Ending Principal Balance as of Dec 31, 2017</th>
<th>Principal and Interest Due in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Obligation Bonds</td>
<td>2009 Refunding Bonds</td>
<td>$5,535,000.00</td>
<td>$2,212,388.00</td>
</tr>
<tr>
<td>General Obligation Bonds</td>
<td>2010 Refunding Bonds</td>
<td>$11,290,000.00</td>
<td>$2,697,074.00</td>
</tr>
<tr>
<td>General Obligation Bonds</td>
<td>2011 Refunding Bonds</td>
<td>$6,075,000.00</td>
<td>$893,220.00</td>
</tr>
<tr>
<td>General Obligation Bonds</td>
<td>2012 Refunding Bonds</td>
<td>$0.00</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

Accounts Payable/Receivable
• Report Accounts Payable at December 31
• Report Accounts Receivable at December 31

<table>
<thead>
<tr>
<th>Government or Enterprise</th>
<th>Accounts Payable</th>
<th>Accounts Receivable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Governmental Activities</td>
<td>$5,445,976.00</td>
<td>$348,346.00</td>
</tr>
</tbody>
</table>
Financial Assistance to Non Governmental Entities

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

Unit Questions – GAAP financial statements

- New this year
- Majority will answer “no”. Only “yes” if you will be producing financial statements on the GAAP basis

10. Do you anticipate that you will produce GAAP statements for your unit as a whole and require an audit of these statements?

As a reminder, only regulatory statements are compiled from AFR gateway data submissions. The unit is responsible for compilation of GAAP statements, either through its own employees or contract, and must have these statements available at the time of audit.

If not, but your unit has a utility, will the utility have GAAP statements that require audit?
Form 100-R – Certified Report of Names, Duties, & Compensation

- Required by IC 5-11-13-1
- Due during the month of January for the preceding year *January 31, 2019*
- No Changes to the Reporting

Annual Uploads in Gateway

**Bank Statement**
- December 2018 statement
- For each bank account you have
- Does not require images of checks
- No reconcilement here – it will be with the monthly uploads
Annual Uploads in Gateway

**Outstanding Checklist**
- Detailed list
- Checks written but not cleared bank
- Total should agree to amount on the reconcilement
- Include
  - check date
  - check number
  - check amount

**Investment Statement**
- Similar to checking account statement
- December 2018 account statement
- For all investment accounts
Annual Uploads in Gateway

**Detail of Receipt Activity**
- Does not apply if hand-posted records
- Listing of all receipts issued and posted during the year
- Most systems have a “history” function that should provide this information
- May need to contact your vendor
- Include receipt numbers

Annual Uploads in Gateway

**Detail of Disbursement Activity**
- Does not apply if hand-posted records
- Listing of all non-payroll disbursements issued and posted during the year
- Most systems have a “history” function that should provide this information
- May need to contact your vendor
- Include check numbers & vendor names
Employee Earnings Record
- Does not apply if hand-posted records
- Listing of all payroll checks issued by employee
- Most systems have a “history” function that should provide this information
- May need to contact your vendor
- Include check numbers & employee names

Current Year Salary Resolution
- Scan & upload 2018 salary resolution in effect at end of year
- Used to do this in Risk Assessment; no longer required there
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
• Most systems have a “history” function that should provide this information
• May need to contact your vendor

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 resolution.
- Such a transfer can be made without notice and without approval of DLGF
**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 2019 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 2019 (with proper explanation) and added to the 2019 appropriation for the same purpose.

---

**Encumbrances**

**Encumbered Appropriations:**

By carrying out this procedure, the 2019 budget will not be excepted to stand any expense not anticipated in making the budget.

We recommend:

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

Cancellation of Warrants

Indiana Code 5-11-10.5: Cancellation of Warrants

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, 2018;

- Check #1234 was written on February 27, 2016 and has not cleared the bank and is on the outstanding check list. At 12/31/18, it would be considered “cancelled”.

- Check #9876 was written on November 2, 2017 and has not cleared the bank and is on the outstanding check list. At 12/31/18, this check would not be considered “cancelled” and should remain on the outstanding check list.
Cancellation of Warrants

Indiana Code 5-11-10.5: Cancellation of Warrants

- March 1 – fiscal officer prepares list of all outstanding checks for 2 years or more
- File list of checks with Board
- 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.

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 library.

- 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]
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).
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.”

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.”
Remember:

✓ Board should adopt minimum standards - if they haven’t already

✓ Training for any new employees in 2018

✓ Certify on the AFR in Gateway correctly

www.amreading.com/2016/09/18/video-how-to-remember-what-you-read

Make sure you answer these questions correctly
Contact Information

Todd Caldwell    Susan Gordon, CPA
Directors of Audit Services

libraries@sboa.in.gov

317-232-2513

Indiana State Board of Accounts
302 W. Washington St., Rm E418
Indianapolis, IN 46204