Soil & Water Conservation District Workshop

Farm Bureau Building
Indianapolis
December 12, 2018

Contact Information

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317-232-2513

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

- Annual Financial Report - Gateway
- Form 100-R - Gateway
- Monthly/Annual Uploads – Gateway
- Live Demo in Gateway
- Cancellation of Warrants
- 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
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>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$8,750.00</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>$4,955.82</td>
<td>$0.00</td>
</tr>
</tbody>
</table>
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

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you anticipate that you will produce GAAP statements for your unit as a whole and require an audit of these statements?</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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.

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
Strategic Vision 2020

Remote Auditing
How Do We Get There
Direct Request
Uploading Document

Preliminary Planning & Audit Work
- Perform preliminary planning and audit work prior to the start of an audit
- Increase efficiency in audit processes

Remote Auditing
- Conduct more audit procedures from a remote location
- Less time spent on site at the local units
- Increase efficiency and collaboration among our audit teams

Real Time Audit Procedures
- Conduct audit procedures in real time to provide quick assistance
- Conduct timely and effective risk assessments
Strategic Vision – How Do We Get There

- Secure Document Upload Portal
- Implement Monthly & Annual Secure Document Uploads for all governmental units
- Conduct a pilot project on non federal audit engagement to finalize process

Direct Request

- SBOA sends direct request to unit through secure portal
- Unit is notified by email a direct request has been submitted
- Unit uploads direct request documents
- SBOA receives direct request documents
- Remote Testing procedures are performed
UPLOAD DOCUMENTS

**Monthly**
- Bank Reconcilements
- Approved Board Minutes
- Funds Ledger

**Annually**
- Year End Bank Statement
- Year End Outstanding Check List
- Year End Investment Statements
- Salary Ordinance
- Detail of Receipts and Disbursements for the year
- Annual Vendor History Report

**Monthly Uploads in Gateway**

Indiana State Board of Accounts 2018
**Monthly** Uploads – When Due

- January monthly files – March 15th
- February monthly files – April 15th
- March monthly files – May 15th
- April monthly files – June 15th
- May monthly files – July 15th
- June monthly files – August 15th
- July monthly files – September 15th
- August monthly files – October 15th
- September monthly files – November 15th
- October monthly files – December 15th
- November monthly files – January 15th
- December monthly files – February 15th

**Monthly** Uploads in Gateway

**Bank Reconciliation**

- Each month’s reconciliation
- For each bank account you have
- Does not require copy of bank statements, images of checks, or list of outstanding checks
- Just the reconciliation
**Monthly Uploads in Gateway**

**Board Minutes**
- Minutes from each Board meeting
- If not signed/approved before due date, upload unsigned and replace when approved.
- If not monthly, indicate so

**Funds Ledger**
- List of funds from your ledger
- Includes:
  - Beginning balance
  - Receipts for month
  - Disbursements for month
  - Ending fund balance
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
**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
**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

**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
Annual Employee Earnings Record
• Will not be required

Current Year Salary Ordinance/Resolution
• Scan & upload 2018 salary schedule
• Shows the approved salary of employees
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

Questions on Reports

➢ Engagementstrategies@sboa.in.gov
or
➢ Help Desk – gateway@sboa.in.gov
or
➢ Todd or Susan – specialdistricts@sboa.in.gov
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.

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.
Internal Controls – Year End Considerations

Internal Controls

Indiana State Board of Accounts

2018
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.”
Internal Controls – Adoption/Training/Certifications

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

Indiana State Board of Accounts 2018
THANK YOU FOR LISTENING

ANY QUESTIONS?

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