



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

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STATE EXAMINER DIRECTIVE 2015-4

EFFECTIVE DATE: March 19, 2015

GENERAL SUBJECT: Audits and Examinations of Financial Statements Prepared on the GAAP (Generally Accepted Accounting Principles) Basis.

AUTHORITY: IC 5-11-1

APPLICATION: This Directive applies to all Indiana local officers, public officials, and public employees of governments subject to examination under IC 5-11-1.

FROM: Paul D. Joyce, CPA, State Examiner

Because the State Board of Accounts is dedicated to providing the audit and attest services needed by the taxpayers and local governments, it is and will remain our policy to audit or examine financial statements based on Generally Accepted Accounting Principles (GAAP) provided by the local government for that purpose. We encourage those governments that foresee a benefit to GAAP statements to maintain their records in accordance with GAAP and prepare full GAAP statements for audit.

If a local government prefers financial reporting based on GAAP, the entity may prepare and present those statements for audit or examination from their records maintained on that same basis. Our opinion will be given on the GAAP statements presented to us at the time of audit or examination.

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Entities providing their financial statements through the Gateway that do not present GAAP statements and maintain GAAP records at the time of audit or examination will have an audit or examination of the regulatory statements presented through Gateway.

A handwritten signature in black ink that reads "Paul D. Joyce". The signature is written in a cursive style with a clear, legible font.

Paul D. Joyce, CPA
State Examiner