

Financial Assistance to Non-Governmental Entities


Gateway Reporting by the County and the Non-Governmental Entity

Procured Audit Services - Personnel

- Leann W. Tinsley, CPA
 - SBoA employee since 1981
 - Prior audit experience includes cities, schools, hospitals, townships, counties, and universities.
 - Email address – ltinsley@sboa.in.gov
- Ashley Palmer
 - SBoA employee since 2014
 - Instrumental in the introduction of our online E-1 reporting process starting in 2015.
 - Email address – AsPalmer@sboa.IN.gov
- Chase Lenon, CPA
 - SBoA employee since 2013
 - Experience auditing State agencies and the State CAFR.
 - Email address – Clenon@sboa.in.gov

Procured Audit Services - Personnel

- Counties in which Leann has either performed or managed an audit
- 32 out of 92



Procured Audit Services - Responsibilities

- IC 5-11-1-7 allows the State Examiner to authorize or designate an independent public accountant to perform the examination/audit that is the responsibility of the State Board of Accounts
 - Currently independent public accountants perform audits for the following:
 - Housing authorities
 - Military reuse authorities
 - Certain Quasi Agencies

Procured Audit Services - Responsibilities

- IC 5-11-1-4 requires annual financial reports from entities
 - ✓ Gateway is the method to file
- IC 5-11-1-9 defines "entities" and requires audits if the disbursement level of public funds meet statutory thresholds
- Thresholds requiring an audit: \$200,000 of governmental funds disbursed **AND** 50% of entity's **total** disbursements being government funds.

- For-profit corporations
- Not-for-profit corporations
- Unincorporated:
 - Associations
 - Organizations
 - Individuals

October 2016 County Bulletin

FINANCIAL ASSISTANCE TO NON-GOVERNMENTAL ENTITIES

Counties providing financial assistance to non-governmental entities are required to notify those entities annually in writing the following information:

- 1) The Entity Annual Report (E-1) filing requirement established by IC 5-11-1-4 and the audit requirement established by IC 5-11-1-9;
- 2) The source(s) of the funding provided;
 - a) Local and/or state funds (in the case of subsidies, contributions, or general aid).
 - b) Federal grants passed through including the formal name of the program and CFDA number, or
 - c) Fee for service arrangements,

October 2016 County Bulletin, (cont.)

- 3) The State Board of Accounts may request documentation to support the categorization of the financial assistance,
- 4) The E-1 is not to be confused with the Secretary of State's Business Entity report, and
- 5) The entity may obtain additional information from the State Board of Accounts at notforprofit@sboa.in.gov

Fee for Service vs Financial Assistance

Fee for Service	Financial Assistance
<ul style="list-style-type: none"> ➤ Amount paid is predetermined per unit of service performed ➤ Claims for payment submitted after service performed with units of service provided documented ➤ Total amount paid in contract period not subject to adjustment if actual cost of providing service is different from agreed upon price 	<ul style="list-style-type: none"> ➤ Claims for payments are scheduled as to when provided – monthly, quarterly, etc. or assistance is provided in advance potentially with additional reporting requirements ➤ Total amount paid in contract period can vary subject to any maximums stipulated or other funding mechanisms agreed upon

Financial Assistance – Additional Characteristics

- Amount paid provides a service to the public on behalf of the County
- Service provided often not easily measured
- Relationship between County and entity more like a partnership or joint venture with shared purpose rather than vendor/vendee relationship
- Each party heavily dependent on the other for success and continuation of program or objective

County's reporting of Financial Assistance to Non-Governmental Entities – Annual Financial Report



Select Application	Deadline	Due Prior to Account (DPA)	Due Date
Annual Financial Report (E-1)	Mar 31	None	Mar 31
Annual Financial Report	None	Annual Financial Report	None
State City for CMV and Fee ID	None	County of Interest Declaration	02 Aug after first quarter of the reporting period
Cost Management	None	Cost Management Reporting	02 Aug after first quarter of the reporting period
Contract Management Reporting	Mar 31	02 Aug Annual Report	02 Aug after first quarter of the reporting period
State Procurement System	Mar 31	02 Aug Annual Report	02 Aug after first quarter of the reporting period
02 Management	Apr 15	02 Aug Report	Aug 15

All financial assistance given to non-governmental entities is reported here under Core Reporting



Information Requested

- 1) Entity Name
- 2) Federal Tax ID
- 3) Address
- 4) County
- 5) Name of Operating Officer
- 6) Telephone Number
- 7) Description of Funding
- 8) Amount of Funding
- 9) Type of Nongovernmental entity

In Future Years

Description of funding (# 7) on the prior slide will be a required item:

The following types of assistance will be available from a drop-down box:

- 1) Federal grant passed through State or Local Government
- 2) Fee for Service
- 3) State and Local

E-1 Information Requested

- 1) Section I – Entity Information: pre-populated with information previously obtained
 - a) If changes are needed, email us at Notforprofit@sboa.in.gov
 - b) Please provide the independent public accountant's email address
- 2) Section II – Financial Information: Lines 1 and 2 auto-fill from the records placed in Section III, but you must enter the entity's total disbursements on line 3 first.

E-1 Information Requested

- 3) Section III – Detail of Government funds, add as many records as needed. Information requested includes:
 - a) Gov't agency name and address
 - b) Program title
 - c) Amount received and disbursed
 - d) CFDA number
 - e) Sources of Government Funds from a drop-down menu:
 - 1) Direct federal grant
 - 2) Federal grant passed through State or Local Government
 - 3) Fee for Service
 - 4) State and Local

You will receive an email after State Board of Accounts personnel review your E-1.

- An audit is required
- Tentative audit waiver is given with additional information requested
- Reclassification Notice Sent
 - Amounts inputted into Section III have been reclassified based upon the source and nature of government funds received.



Even More Information

- All requested documentation is to be uploaded into Gateway
- If you qualified for a waiver in the prior year and believe you will again, upload the same supporting information for the current year as in the prior year when filing the E-1

