

Item Number	Item	Significance Level
<u>Cover</u>		
A001	The report cover should indicate the name of the government and the state in which it is located. (GAAFR, page 591)	3
A002	The report cover should indicate the period covered (e.g. “for the fiscal year ended month, date, year). (GAAFR, page 591)	3
A003	If the government preparing the CAFR is a component unit of another government, the cover should identify the primary government. (GAAFR, page 591)	3
A004	If the report is identified as a “Comprehensive Annual Financial Report,” it should contain the required introductory and statistical sections. (GASB 2200.105)	2
	<i>(Note to reviewer: If the report is identified as a CAFR, it should contain all items listed in GASB 2200.105. If the report does not contain the introductory and statistical sections, the report should not be identified as a CAFR.)</i>	
A005	The CAFR of a governmental entity should contain: (GASB 2200.105)	CAFR1
A005a	Table of contents	CAFR1
A005b	Letter(s) of transmittal	CAFR1
A006	The following statistical tables should be included in the comprehensive annual financial report (CAFR) unless clearly inapplicable in the circumstances: (GASB 2200.105, 2800.105)	CAFR1
A006a	Financial Trends	CAFR1
A006a(1)	Net position by component, last ten fiscal years	CAFR1
A006a(2)	Changes in net position, last ten fiscal years	CAFR1
A006a(3)	Fund balances, governmental funds, last ten fiscal years	CAFR1
A006a(4)	Changes in fund balances, governmental funds, last ten fiscal years	CAFR1
A006b	Revenue Capacity	CAFR1
A006b(1)	Assessed value and actual value of taxable property, last ten fiscal years	CAFR1
A006b(2)	Direct and overlapping property tax rates, last ten fiscal years	CAFR1
A006b(3)	Principal property tax payers, current year and nine years ago	CAFR1
A006b(4)	Property tax levies and collections, last ten fiscal years	CAFR1
A006c	Debt Capacity	CAFR1
A006c(1)	Direct and Overlapping Debt	CAFR1
A006c(2)	Ratios of outstanding debt by type, last ten fiscal years	CAFR1
A006c(3)	Ratios of general bonded debt outstanding, last ten fiscal years	CAFR1
A006c(4)	Legal debt margin information, last ten fiscal years	CAFR1
A006c(5)	Pledged-revenue coverage, last ten fiscal years	CAFR1
A006d	Demographic and Economic Information	CAFR1
A006d(1)	Demographic and economic statistics, last ten fiscal years	CAFR1
A006d(2)	Principal employers, current year and nine years ago	CAFR1
A006e	Operating Information	CAFR1
A006e(1)	Full-time equivalent city government employees by function/program, last ten fiscal years	CAFR1
A006e(2)	Operating indicators by function/program, last ten fiscal years	CAFR1
A006e(3)	Capital asset statistics by function/program, last ten fiscal years	CAFR1
<u>Table of Contents</u>		
A007	The report should contain a table of contents. (GASB 2200.105; GAAFR, page 591)	CAFR
A008	The table of contents should list the auditor’s report (opinion of an independent public accounting firm) as the first item in the financial section of the report. (GASB 2200.105; GAAFR, pages 594)	CAFR

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A009	The table of contents should subdivide the financial section between 1) management's discussion and analysis (MD&A), 2) the basic financial statements, including the accompanying notes, 3) RSI other than MD&A, and 4) other contents of the financial section (combining and individual fund presentations and supplementary information). (GASB 2200.105; GAAFR, page 591 and 594)	CAFR
A010	The table of contents should identify each statement and schedule by its full title. (GAAFR, page 591)	3
A011	The table of contents should indicate the page number reference for each statement and schedule. If statements and schedules are identified by exhibit numbers, these also may be presented in the table of contents to supplement (but not replace) page number references. (GAAFR, page 591)	3
<u>Auditor's Report</u>		
B001	The report should include an opinion certifying or attesting to the reliability of the financial statements by a person, partnership, association or corporation holding a license as required by OCGA Sections 43-3-16 and 43-3-17. (OCGA 43-3-31)	1A
	<i>(Note to Reviewer: If this requirement is in question, status can be verified on the Georgia State Accounting Office website - www.sao.georgia.gov/gsba-quick-links.)</i>	
B002	The introductory paragraph of the auditor's report should refer to the audit of the financial statements of each opinion unit, even though some of those opinion units do not have distinct or separate financial statements. (AAG-SLV 14.14)	2
	<i>(Note to reviewer: AAG-SLV 14.103, Example A-1 illustrates the following for the introductory paragraph of the auditors report to meet this requirement: "We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Example, Any State, as of and for the year ended June 30, 20X1, and the related notes to the financial statements, which collectively comprise the city's basic financial statements as listed in the table of contents.")</i>	
B003	State law requires that audits of local governments be conducted in accordance with generally accepted government audit standards. (OCGA 36-81-7; GAS 4.18; AAG-GAS 4.49)	1A
	<i>(Note to reviewer: This item should be noted if one or more of the standards required has not been referenced in the auditor's report.)</i>	
B004	The auditor's report on the basic financial statements should include (AAG-GAS 4.48; AU-C 700.23 - .41):	2
B004a	a title that includes the word <i>independent</i> .	2
B004b	an addressee as required by the circumstances of the engagement.	2
B004c	when applicable, a section with the heading "Report on the Financial Statements" (this heading should be used when the report contains a separate section on other reporting responsibilities).	2
B004d	an introductory paragraph that should:	2
B004d(1)	identify the entity whose financial statements have been audited;	2
B004d(2)	state that the financial statements have been audited;	2
B004d(3)	identify the title of each statement that the financial statements comprise;	2
B004d(4)	specify the date or period covered by each financial statement that the financial statements comprise.	2
B004e	a section with the heading "Management's Responsibility for the Financial Statements."	2

Item Number	Item	Significance Level
B004f	a statement that management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.	2
B004g	a section with the heading "Auditor's Responsibility."	2
B004h	a statement that the responsibility of the auditor is to express an opinion on the financial statements based on the audit.	2
	<i>(Note: AAG-SLV 14.19 states that the auditor's responsibility is to express opinions on the financial statements based on the auditor's audit. Note there are cases in which there is only one opinion unit, in which case the reference would then be to opinion rather than opinions.)</i>	
B004i	a statement that the audit was conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in <i>Government Auditing Standards</i> , issued by the Comptroller General of the United States.	2
	<i>(Note: AAG-SLV 14.19 states that even though the auditor's report generally will provide more than one opinion, the auditor is conducting only one audit. Therefore, this section refers to only one audit.)</i>	
B004j	a statement that those standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.	2
B004k	a statement that:	2
B004k(1)	an audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements.	2
B004k(2)	the procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, the auditor expresses no such opinion.	2
B004k(3)	an audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.	2
B004l	a statement regarding whether the auditor believes that the audit evidence obtained is sufficient and appropriate to provide a basis for the auditor's opinion.	2
B004m	a section with the heading "Opinion."	2
	<i>(Note: AAG-SLV 14.22 states that this section should include the heading "Opinion" or "Opinions" if there are multiple opinion units.)</i>	
B004n	an opinion statement regarding whether the financial statements are fairly presented, in all material respects, in conformity with the applicable reporting framework.	2
B004o	the titles of the financial statements identified in the introductory paragraph of the auditor's report.	2
B004p	identification of the applicable reporting framework and its origin (for example, accounting principles generally accepted in the United States of America).	2
B004q	a section with the heading "Other Matters."	2

Item Number	Item	Significance Level
	<i>(Note: In some circumstances, the auditor may have additional responsibilities to report on other matters that are supplementary to the auditor's responsibility under GAAS to report on the financial statements. An example is the reporting on supplementary information (SI) when the auditor is engaged to provide an "in-relation-to" opinion on SI and also when explanatory language will be provided relating to other information (OI) when the auditor is disclaiming an opinion on the OI. The form and content of the "Other Matters" section of the auditor's report will vary depending on the nature of the auditor's other reporting responsibilities. Note that AU-C section 700, Forming an Opinion and Reporting on Financial Statements (AICPA, Professional Standards), states that the subtitle of this section of the report should be titled as appropriate to the content of the section.)</i>	
B004r	a section with a subheading "Supplementary Information."	2
	<i>(Note: The caption provided in this illustration is one way an auditor could title the section. Alternatively, the auditor could title it "Supplementary and Other Information," "Supplementary Information," or "Accompanying Information.")</i>	
B004s	a description of the other reporting responsibilities, one example of which is reporting on supplementary information.	2
B004t	a section with the heading "Other Reporting Required by Government Auditing Standards."	2
B004u	a statement that the auditor has issued a report dated [date of report] on the consideration of the entity's internal control over financial reporting and on the tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters.	2
B004v	a statement that the purpose of that report is to describe the scope of the testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance.	2
B004w	a statement that the report is an integral part of an audit performed in accordance with <i>Government Auditing Standards</i> in considering the entity's internal control over financial reporting and compliance.	2
B004x	the signature of the auditor (manual or printed) and the date of the auditor's report.	1A
B004y	the auditor's address (city and state).	2
B005	The auditor's standard report on a government's basic financial statements should state that the financial statements present fairly, in all material respects, the financial position, changes in financial position, and, where applicable, cash flows of each opinion unit in those financial statements in conformity with GAAP. (AAG-SLV 14.12)	2
	<i>(Note to reviewer: AAG-SLV 14.103, Example A-1 illustrates the following for the opinion paragraph of the auditors report to meet this requirement: "In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Example, Any State, as of June 30, 20X1, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.")</i>	
B006	Year-to-year changes in major funds should not be considered a change in accounting principles affecting consistency, and thus no modification to the auditor's report is needed. (AAG-SLV 14.52)	2

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B007	The omission of required supplementary information (RSI) or the presentation of RSI in a manner that does not meet the prescribed guidelines established by generally accepted accounting principles does not affect the auditor's conclusion regarding the fair presentation of the basic financial statements. (AAG-SLV 14.66)	2
	<i>(Note: AAG-SLV 14.71, footnote 21, states that if the government chooses to present required budgetary comparison information as a basic financial statement and presents only part of the required information, the omission constitutes a departure from GAAP in the basic financial statements that the auditor should consider in evaluating his or her opinions on the opinion units for which budgetary presentations are required but not made.)</i>	
B008	If the required budgetary comparison information is presented as a basic financial statement, the opinion paragraph should refer to the budgetary comparisons for those funds. (AAG-SLV 14.21)	2
B009	The auditor's report on the financial statements should either (1) describe the scope of the auditors' testing of internal control over financial reporting and of compliance with provisions of laws, regulations, contracts, and grant agreements and whether the tests they performed provided sufficient, appropriate evidence to support opinions on the effectiveness of internal control and on compliance or (2) refer to separate reports containing that information. When auditors report separately on internal control over financial reporting and on compliance with provisions of laws, regulations, contracts, and grant agreements, the report on the financial statements should state that they have issued the additional report. It should also state that the report on internal control over financial reporting and on compliance with provisions of laws, regulations, contracts, and grant agreements is an integral part of a Government Auditing Standards audit in considering the auditee's internal control over financial reporting and compliance. (AAG-GAS 4.08, 4.10 and 4.88, Example 4-1)	2
B010	When the group engagement partner decides to refer to the audit of a component auditor in the auditor's report on the group financial statements, the report on the group financial statements should clearly indicate that the component was not audited by the auditor of the group financial statements but was audited by the component auditor and should include the magnitude of the portion of the financial statements audited by the component auditor. (AU-C 600.28; AAG-SLV 14.36)	2
	<i>(Note to Reviewer: Example format is included in AU-C 600.A97. AU-C 600.A58 states that the disclosure of magnitude referred to above may be achieved by stating the dollar amounts or percentages of one or more of the following: total assets, total revenues, or other appropriate criteria, whichever most clearly describes the portion of the financial statements audited by a component auditor.)</i>	
B011	When the auditor modifies the opinion on the financial statements, the auditor should include a paragraph in the auditor's report that provides a description of the matter giving rise to the modification. The auditor should place this paragraph immediately before the opinion paragraph in the auditor's report and use a heading that includes "Basis for Qualified Opinion," "Basis for Adverse Opinion," or "Basis for Disclaimer of Opinion," as appropriate. When the auditor modifies the audit opinion, the auditor should use a heading that includes "Qualified Opinion," "Adverse Opinion," or "Disclaimer of Opinion," as appropriate, for the opinion paragraph. The opinion paragraph of the report should include the appropriate qualifying language and a reference to the basis for modification paragraph. (AU-C 705.17-.28; AAG-SLV 14.25-14.35)	2

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B012	A departure from GAAP in the financial statements for an opinion unit may lead the auditor to qualify the opinion or express an adverse opinion on that opinion unit. When the auditor expresses a qualified or adverse opinion, the auditor should include a basis of modification paragraph that explains, for each affected opinion unit, (a) all of the substantive reasons that have led him or her to conclude that there has been a departure from GAAP and (b) the principal effects of the subject matter of the qualification on the financial position, changes in financial position, or, where applicable, cash flows, if practicable, or a statement that the effects are not reasonably determinable. (AU-C 705.17-.28; AAG-SLV 14.32-14.35)	2
B013	The auditor should include an other-matter paragraph in the auditor's report on the financial statements to refer to the required supplementary information, <i>Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report</i> . The other-matter paragraph should include language to explain the following circumstance(s), as applicable (AAG-SLV 14.68; AU-C 730.07):	2
B013a	The required supplementary information is included, and the auditor has applied the procedures in paragraph .05 of this section.	2
B013b	The required supplementary information is omitted.	2
B013c	Some required supplementary information is missing and some is presented in accordance with the prescribed guidelines.	2
B013d	The auditor has identified material departures from the prescribed guidelines.	2
B013e	The auditor is unable to complete the procedures in paragraph .05 of this section.	2
B013f	The auditor has unresolved doubts about whether the required supplementary information is presented in accordance with prescribed guidelines.	2
	<i>(Note to reviewer: AAG-SLV 14.103 includes an example format of the explanatory paragraph.)</i>	
B014	If the entity has presented all or some of the required supplementary information, the other-matter paragraph should include the following element(s): (AU-C 730.08; AAG-SLV 14.69)	2
B014a	A statement that [identify the applicable financial reporting framework (for example, accounting principles generally accepted in the United States of America)] require that the [identify the required supplementary information] be presented to supplement the basic financial statements	2
B014b	A statement that such information, although not a part of the basic financial statements, is required by [identify designated accounting standards setter], who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context	2
B014c	If the auditor is able to complete the procedures in paragraph .05,	2
B014c(1)	a statement that the auditor has applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to the auditor's inquiries, the basic financial statements, and other knowledge the auditor obtained during the audit of the basic financial statements	2
B014c(2)	a statement that the auditor does not express an opinion or provide any assurance on the information because the limited procedures do not provide the auditor with sufficient evidence to express an opinion or provide any assurance	2
B014d	If the auditor is unable to complete the procedures in paragraph .05,	2

Item Number	Item	Significance Level
B014d(1)	a statement that the auditor was unable to apply certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States because [state the reasons]	2
B014d(2)	a statement that the auditor does not express an opinion or provide any assurance on the information	2
B014e	If some of the required supplementary information is omitted,	2
B014e(1)	a statement that management has omitted [description of the missing required supplementary information] that [identify the applicable financial reporting framework (for example, accounting principles generally accepted in the United States of America)] require to be presented to supplement the basic financial statements	2
B014e(2)	a statement that such missing information, although not a part of the basic financial statements, is required by [identify designated accounting standards setter], who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context	2
B014e(3)	a statement that the auditor's opinion on the basic financial statements is not affected by the missing information	2
B014f	If the measurement or presentation of the required supplementary information departs materially from the prescribed guidelines, a statement that although the auditor's opinion on the basic financial statements is not affected, material departures from prescribed guidelines exist [describe the material departures from the applicable financial reporting framework]	2
B014g	If the auditor has unresolved doubts about whether the required supplementary information is measured or presented in accordance with prescribed guidelines, a statement that although the auditor's opinion on the basic financial statements is not affected, the results of the limited procedures have raised doubts about whether material modifications should be made to the required supplementary information for it to be presented in accordance with guidelines established by [identify designated accounting standards setter]	2
B015	When the entity presents the supplementary information with the financial statements, the auditor should report on the supplementary information in either (a) an other-matter paragraph, <i>Emphasis-of-Matter Paragraphs and Other-Matter Paragraphs in the Independent Auditor's Report</i> , or (b) in a separate report on the supplementary information. The other-matter paragraph or separate report should include the following element(s) (AAG-SLV 14.77; AU-C 725.09):	2
B015a	A statement that the audit was conducted for the purpose of forming an opinion on the financial statements as a whole	2
B015b	A statement that the supplementary information is presented for purposes of additional analysis and is not a required part of the financial statements	2
B015c	A statement that the supplementary information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements	2
B015d	A statement that the supplementary information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America	2

Item Number	Item	Significance Level
B015e	If the auditor issues an unmodified opinion on the financial statements and the auditor has concluded that the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole, a statement that, in the auditor's opinion, the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole	2
B015f	If the auditor issues a qualified opinion on the financial statements and the qualification has an effect on the supplementary information, a statement that, in the auditor's opinion, except for the effects on the supplementary information of (refer to the paragraph in the auditor's report explaining the qualification), such information is fairly stated, in all material respects, in relation to the financial statements as a whole	2
	<i>(Note to reviewer: AAG-SLV 14.103 includes an example format of the explanatory paragraph.)</i>	
B016	When comparative financial statements are presented, the auditor's report should refer to each period for which financial statements are presented and on which an audit opinion is expressed. When expressing an opinion on all periods presented, a continuing auditor should update the report on the financial statements of one or more prior periods presented on a comparative basis with those of the current period. The auditor's report on comparative financial statements should not be dated earlier than the date on which the auditor has obtained sufficient appropriate audit evidence on which to support the opinion for the most recent audit. If comparative information is presented but not covered by the auditor's opinion, the auditor should clearly indicate in the auditor's report the character of the auditor's work, if any, and the degree of responsibility the auditor is taking. (AU-C 700.44-.47)	2
B017	When a change in the reporting entity results in financial statements that, in effect, are those of a different reporting entity, the auditor should include an emphasis-of-matter paragraph in the auditor's report that describes the change in the reporting entity and provides a reference to the entity's disclosure, unless the change in reporting entity results from a transaction or event. (AU-C 708.09-.11)	2
	<i>(Note to Reviewer - Refer to section Y of this checklist for a listing of entities determined to be component units which should be included in the government's financial statements.)</i>	
B018	When the entity presents the schedule of expenditures of federal awards with the financial statements, reporting using an other-matter paragraph is applicable when the schedule of expenditures of federal awards is reported on in the auditor's report on the financial statements. The following element(s) should be included in the other-matter paragraph or separate report (AAG-GAS 13.11):	2
B018a	A statement that the audit was conducted for the purpose of forming an opinion on the financial statements as a whole	2
B018b	A statement that the schedule of expenditures of federal awards is presented for purposes of additional analysis and is not a required part of the financial statements	2
B018c	A statement that the schedule of expenditures of federal awards is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements	2
B018d	A statement that the schedule of expenditures of federal awards has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with GAAS	2

Item Number	Item	Significance Level
B018e	If the auditor issues an unmodified opinion on the financial statements and the auditor has concluded that the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole, a statement that, in the auditor's opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.	2
	<i>(Note to Reviewer: If the schedule of expenditures of federal awards is not presented with the financial statements, consult AAG-GAS, par. 13.12 and 13.19.)</i>	
<u>Management's Discussion & Analysis (MD&A)</u>		
C001	The basic financial statements should be preceded by Management's Discussion and Analysis (MD&A), which is required supplementary information (RSI). (GASB 2200.106; GAAFR, page 567)	3
C002	The financial section should begin with the independent auditor's report on the financial statement audit. (GAAFR, page 594)	3
C003	Management's Discussion and Analysis (MD&A) should include a brief discussion of the basic financial statements, including the relationships of the statements to each other, and the significant differences in the information they provide. (GASB 2200.109; GAAFR, page 568)	3
C004	Management's Discussion and Analysis (MD&A) should contain condensed financial information derived from government-wide financial statements comparing the current year to the prior year. Governments should present the information needed to support their analysis of financial position and results of operations including the following element(s), if relevant (GASB 2200.109; GAAFR, pages 568-569):	3
C004a	Total assets, distinguishing between capital and other assets	3
C004b	Total deferred outflows of resources	3
C004c	Total liabilities, distinguishing between long-term liabilities and other liabilities.	3
C004d	Total deferred inflows of resources	3
C004e	Total net position, distinguishing among the net investment in capital assets; restricted amounts; and unrestricted amounts	3
C004f	Program revenues, by major source	3
C004g	General revenues, by major source	3
C004h	Total revenues	3
C004i	Program expenses, at a minimum by function	3
C004j	Total expenses	3
C004k	Excess (deficiency) before contributions to term and permanent endowments or permanent fund principal, special and extraordinary items, and transfers.	3
C004l	Contributions (to term or permanent endowments or permanent fund principal)	3
C004m	Special and extraordinary items	3
C004n	Transfers	3
C004o	Change in net position	3
C004p	Ending net position	3
C005	Whenever comparative financial statements are presented, MD&A needs to provide three years of comparative data. (GAAFR, page 569)	3

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C006	Management's Discussion and Analysis (MD&A) should include an analysis of the government's overall financial position and results of operations to assist users in assessing whether financial position has improved or deteriorated as a result of the year's operations. The analysis should address both governmental and business-type activities as reported in the government-wide financial statements and should include reasons for significant changes from the prior year, not simply the amounts or percentages of change. In addition, important economic factors, such as changes in the tax or employment bases, that significantly affected operating results for the year should be discussed. (GASB 2200.109; GAAFR, page 569)	3
C007	Management's Discussion and Analysis (MD&A) should include an analysis of balances and transactions of individual funds. The analysis should address the reasons for significant changes in fund balances or fund net position and whether restrictions, commitments, or other limitations significantly affect the availability of fund resources for future use. (GASB 2200.109; GAAFR, page 569)	3
	<i>(Note to reviewer: The government does not have to present condensed financial information for the funds, just a summary analysis. See GASB 2200.907)</i>	
C008	Management's Discussion and Analysis (MD&A) should include an analysis of significant variations between original and final budget amounts and between final budget amounts and actual budget results for the general fund. The analysis should include any currently known reasons for those variations that are expected to have a significant effect on future services or liquidity. (GASB 2200.109; GAAFR, page 570)	3
	<i>(Note to reviewer: The MD&A should also explain why the variances occurred (for example, the factors that contributed to expenditures exceeding budgeted amounts). The analysis may refer the reader to discussions of those reasons presented in other sections of the MD&A. (Comprehensive Implementation Guide, Question 7.5.11; GAAFR, page 570))</i>	
C009	Management's Discussion and Analysis (MD&A) should include a description of significant capital asset and long-term debt activity during the year, including a discussion of commitments made for capital expenditures, changes in credit ratings, and debt limitations that may affect the financing of planned facilities or services. (GASB 2200.109; GAAFR, page 570)	3
	<i>(Note to reviewer: This discussion should not repeat the information on capital assets and long-term debt provided in the notes to the financial statements. Rather, it should summarize that information. (GASB 2200, Footnote 9; GAAFR, page 570))</i>	
C010	Management's Discussion and Analysis (MD&A) should refer readers to the notes to the financial statements for more detail on capital asset and long-term debt activity. (GASB 2200, Footnote 9; GAAFR, page 570)	3
C011	Management's Discussion and Analysis (MD&A) should include a discussion by governments that use the modified approach (GASB 1400.105-.107) to report some or all of their infrastructure assets including (GASB 2200.109; GAAFR, page 570):	3
C011a	Significant changes in the assessed condition of eligible infrastructure assets from previous condition assessments	3
C011b	How the current assessed condition compares with the condition level the government has established	3
C011c	Any significant differences from the estimated annual amount to maintain/preserve eligible infrastructure assets compared with the actual amounts spent during the current period.	3

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C012	Information that does not address the required elements of Management’s Discussion and Analysis (MD&A) should not be included in the MD&A, but may be reported as supplementary information and could be discussed in the letter of transmittal. (GASB 2200.109, Footnote 8; Comprehensive Implementation Guide, Question 7.5.7)	3
C013	Management’s Discussion and Analysis (MD&A) should focus on the primary government. Comments in MD&A should distinguish between information pertaining to the primary government and that of its component units. When appropriate, the reporting entity’s MD&A should refer readers to the component unit’s separately issued financial statements. (GASB 2200.108; GAAFR, page 571)	3
C014	Management’s Discussion and Analysis (MD&A) should provide a description of currently known facts, decisions, or conditions that are expected to have a significant effect on financial position (net position) or results of operations (revenues, expenses, and other changes in net position). (GASB 2200.109; GAAFR, page 571)	3
	<i>(Note to reviewer: GASB 2200, Footnote 6 states that “currently known facts” are information that management is aware of as of the date of the auditor’s report.)</i>	
C15	The description of currently known facts, decisions or conditions included in Management’s Discussion and Analysis (MD&A) should address expected effects on both governmental and business-type activities. (Comprehensive Implementation Guide, Question 7.5.14; GAAFR, page 571)	3
<u>Basic Financial Statements – General</u>		
D001	Reports required for compliance with federal Single Audit Act or with provisions of the Official Code of Georgia Annotated should be placed following the introductory, financial, and statistical information, as applicable. (GAAFR, page 600, footnote 32)	3
D002	Each basic financial statement should contain a reference to the notes to the financial statements. (GAAFR, page 596)	3
D003	Governmental entities, including governmental external investment pools, should report investments at fair value in the basic financial statements. Money market investments and participating interest earning investment contracts that have a remaining maturity at the time of purchase of one year or less may be reported at amortized cost. Nonparticipating contracts, such as nonnegotiable certificates of deposit with redemption terms that do not consider market rates, should be reported using a cost-based measure. (GASB I50.105-.108; GAAFR, pages 537-538)	2
D004	If the government has multiple <i>major</i> discretely presented component units, the basic financial statements should present separate financial information on each as either 1) separate columns in the reporting entity’s statements of net position and activities, or 2) combining statements included within the basic financial statements after the fund financial statements, or 3) condensed financial statements in the notes to the financial statements. (GASB 2200.215, 2600.108; GAAFR, pages 83-84)	2
D005	The traditional distinction between operating transfers and residual equity transfers has been discontinued. Therefore all transfers should be recognized as <i>transfers</i> on the basic financial statements. (GASB 1800.102, GASBS 34, paragraph 88, 410, and 420)	2
D006	The basic financial statements have replaced the general purpose financial statements. Therefore, the term “general purpose financial statements” should not be used in the audit report. (GASB 2200.102(b), Comprehensive Implementation Guide, Question 7.3.1)	2

Item Number	Item	Significance Level
D007	Under the pre-GASBS 34 financial reporting model, certain columnar headings were labeled "memorandum only" to indicate that they were not GAAP presentations and not equivalent to a consolidated presentation. The primary reporting issue addressed by that requirement - combined financial statements with different measurement focuses and bases of accounting for different columns - does not exist in the government wide financial statements. Therefore, total column headings on any financial statements prepared in accordance with GASBS 34 should not be labeled "memorandum only". (GASB 2200.112, .162, .165; GASBS 34, paragraph 304)	2
D008	OCGA 36-81-7 requires an annual audit of the financial affairs and transactions of all funds and activities of the local government for each fiscal year of the local government. The audit report must contain financial statements prepared in conformity with generally accepted governmental accounting principles.	X
D009	GASB Statement 63 is effective for financial statements for periods beginning after December 15, 2011. All references to "net assets" should be replaced by "net position". (GASB Statement 63)	2
<u>Government-Wide Financial Statements</u>		
E001	Government-wide financial statements should be presented using the economic resources measurement focus and the accrual basis of accounting. (GASB 1600.103; GAAFR, pages 63, 101 and 295)	1A
E002	Separate rows and columns should be used to distinguish between the governmental and business-type activities of the primary government on the government-wide financial statements. In general, governmental activities include activities reported in the governmental fund financial statements, and business-type activities include activities reported as enterprise funds in the proprietary fund financial statements. (GASB 2200.113; GAAFR, pages 62 and 298)	2
	<i>(Note to reviewer: See Comprehensive Implementation Guide, Question 7.7.4 for additional guidance.)</i>	
E003	The government-wide financial statements should report information about the overall government without displaying individual funds or fund types. (GASB 2200.110)	2
E004	The government-wide financial statements should present a total column for the primary government. (GASB 2200.112, GAAFR, page 299)	2
E005	All internal balances (payables and receivables between governmental activities and business-type activities) must be eliminated from the total primary government column of the Statement of Net Position. (GASB 2200.152, GAAFR, page 299)	2
E006	Discretely presented component units should be presented in separate column(s) to the right of the total column for the primary government in the government-wide financial statements. (GASB 2200.110, .142; .910; GAAFR, page 299)	2
E007	The reporting entity's government-wide financial statements should display information about the reporting government as a whole, using separate rows and columns to distinguish between the total primary government and its discretely presented component units. (GASB 2100.110; Comprehensive Implementation Guide, Question 7.7.3)	2
E008	The government-wide financial statements should not include information about fiduciary activities, including component units that are fiduciary in nature. (GASB 2200.110; GAAFR, pages 62 and 295)	2
E009	Resource flows (except those that affect the statement of financial position only) between a primary government and its discretely presented component units should be reported as if they were external transactions- that is, as revenues and expenses. (GASB 2200.155; GAAFR, pages 53 and 86-87)	2

Item Number	Item	Significance Level
<u>Government-Wide Statement of Net Position</u>		
F001	The basic financial statements should include a government-wide Statement of Net Position. (GASB 2200.102, .105, .110; GAAFR, pages 295-296)	1A
F002	The government-wide statement of net position should report all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. Governments are encouraged to present the statement of net position in a format that displays <i>assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources equals net position</i> , although a balance sheet format (<i>assets plus deferred outflows of resources equals liabilities plus deferred inflows of resources plus net position</i>) may be used. (GASB 2200.115; GAAFR, pages 296-297)	2
F003	GAAP prescribe two approaches for ordering the presentation of assets and liabilities on the government-wide statement of net position. The preferred approach is to present assets and liabilities in the relative order of their liquidity. Alternatively, assets and liabilities may be classified simply as current or long-term. If a reported liability account has an average maturity greater than one year, GAAP requires that the current and noncurrent portions be reported separately within that reported liability account. (GASB 2200.116; GAAFR, pages 297-298)	2
F004	If assets and liabilities are presented in their relative order of their liquidity on the Statement of Net Position, a liability account that has an average maturity of greater than one year must separately report the current and noncurrent portions within that liability account. (GAAFR, page 298.)	3
F005	All capital and infrastructure assets associated with governmental activities should be reported in the governmental activities column on the government-wide statement of net position. (GASB 1400.114; GAAFR, page 96)	2
F006	Capital assets that are being or have been depreciated should be reported net of accumulated depreciation on the government-wide statement of net position. Accumulated depreciation may be reported on the face of the statement of net position or disclosed in the notes. (GASB 1400.112)	2
F007	Assets not being depreciated should be displayed separately from depreciable assets in the statement of net position. (GASB 1400.112; Comprehensive Implementation Guide, Question 7.11.3; GAAFR, pages 300 and 442)	2
F008	All intangible assets subject to the provisions of GASB Statement No. 51 should be classified as capital assets. Accordingly, existing authoritative guidance related to the accounting and financial reporting for capital assets, including the areas of recognition, measurement, depreciation (termed <i>amortization</i> for intangible assets), impairment, presentation, and disclosures should be applied to intangible assets, as applicable. An intangible asset should be recognized in the statement of net position (including the government-wide statement of net position, proprietary fund statement of fund net position, and if applicable, the statement of fiduciary net position) only if it is identifiable. (GASB 1400.140, .141; GAAFR, page 439)	2
F009	Amounts that are required to be reported as deferred outflows of resources should be reported in a statement of financial position in a separate section following assets. The total for deferred outflows of resources may be added to the total for assets to provide subtotals. (GASB 2200.172)	2
F010	All long-term liabilities associated with governmental activities should be reported in the governmental activities column on the government-wide statement of net position. (GASB 1500.103; GAAFR, page 96)	2

Item Number	Item	Significance Level
F011	The nature of an OPEB obligation is such that there is no amount that is “due” within one year, and therefore, the amount should be reported as a long-term liability. The OPEB obligation affects the actuarial calculation of future annual required contributions and thus does not represent a liability that is subject to a payment schedule with current and noncurrent installments. If the employer reports a net pension liability under Statement 68, the amount of the net pension liability that is “due” within one year is the amount of benefit payments expected to be paid within one year, net of the pension plan's fiduciary net position available to pay that amount. Therefore, there would be no amount that is “due” within one year unless the pension plan's fiduciary net position is less than the amount of benefit payments expected to be paid within one year. (Comprehensive Implementation Guide, Question 7.22.6)	3
F012	Amounts that are required to be reported as deferred inflows of resources should be reported in a statement of financial position in a separate section following liabilities. The total for deferred inflows of resources may be added to the total for liabilities to provide subtotals. (GASB 2200.172)	2
F013	For current refundings and advance refundings resulting in defeasance of debt reported by governmental activities, business-type activities, and proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt should be reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. (GASB D20.111 and .113)	2
F014	Prior to the expiration of the lease term, if a change in the provisions of a lease results from a refunding by the lessor of tax-exempt debt, including an advance refunding, in which (a) the perceived economic advantages of the refunding are passed through to the lessee and (b) the revised agreement is classified as a capital lease by the lessee, then the lessee should adjust the lease obligation to the present value of the future minimum lease payments under the revised lease. The adjustment of the lease obligation to present value should be made using the effective interest rate applicable to the revised agreement. The resulting difference should be reported as a deferred outflow of resources or a deferred inflow of resources. The deferred outflow of resources or the deferred inflow of resources should be recognized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. (GASB L20.116)	2
F015	Deferred inflows of resources should be reported when resources associated with imposed nonexchange revenue transactions are received or reported as a receivable before (a) the period for which property taxes are levied or (b) the period when resources are required to be used or when use is first permitted for all other imposed nonexchange revenues in which the enabling legislation includes time requirements. (GASB N50.115)	2
F016	Providers of resources in government-mandated or voluntary nonexchange transactions frequently establish eligibility requirements. Resources transmitted before the eligibility requirements are met (excluding time requirements) should be reported as assets by the provider and as liabilities by the recipient. Resources received before time requirements are met, but after all other eligibility requirements have been met, should be reported as a deferred outflow of resources by the provider and a deferred inflow of resources by the recipient. (GASB N50.116 and .118)	2

Item Number	Item	Significance Level
F017	In a sale of future revenues, the transferor government should report the proceeds as a deferred inflow of resources in both the government-wide and fund financial statements except for instances wherein recognition as revenue in the period of sale is appropriate as discussed in paragraph 14 of Statement 48. (GASB S20.111)	2
F018	When accounting for intra-entity sales of future revenues in accordance with paragraph 15 of Statement 48, a transferee government should not report an asset and related revenue until recognition criteria appropriate to that type of revenue are met. Instead, the transferee government should report the amount paid as a deferred outflow of resources to be recognized over the duration of the sale agreement. The transferor government should report the amount received from the intra-entity sale as a deferred inflow of resources in its government-wide and fund financial statements and recognize the amount as revenue over the duration of the sale agreement. (GASB S20.112)	2
F019	Debt issuance costs, except any portion related to prepaid insurance costs, should be recognized as an expense in the period incurred. Prepaid insurance costs should be reported as an asset and recognized as an expense in a systematic and rational manner over the duration of the related debt. (GASB I30.115)	2
F020	The gain or loss on the sale of property that is accompanied by a leaseback of all or any part of the property for all or part of its remaining economic life should be recorded as a deferred inflow of resources or a deferred outflow of resources, respectively, and recognized in a systematic and rational manner over the lease term in proportion to the recognition of the leased asset, if a capital lease, or in proportion to the related gross rental charged to expense/expenditure over the lease term, if an operating lease, subject to the exceptions in paragraphs 242a–242c of Statement 62. (GASB L20.156)	2
F021	Loan origination fees, except any portion related to points, should be recognized as revenue in the period received. Points received by a lender in relation to a loan origination should be reported as a deferred inflow of resources and recognized as revenue in a systematic and rational manner over the duration of the related loan. Direct loan origination costs defined in paragraph 435 of Statement 62 should be recognized as an expense in the period incurred. (GASB L30.105)	2
F022	If the loan is held for investment, loan origination fees, except any portion related to points, and the direct loan origination costs as specified in paragraph 22 of this Statement should be recognized as revenue or expense, respectively, in the period the loan is originated. Points received by a lender in relation to a loan held for investment should be reported as a deferred inflow of resources and recognized as revenue, in a systematic and rational manner over the duration of the related loan. If the loan is held for sale, origination fees, including any portion related to points, and direct loan origination costs should be recorded as a deferred inflow of resources and a deferred outflow of resources, respectively, until the related loan is sold. Once the related loan is sold, the amount reported as a deferred inflow of resources related to the loan origination fees, including any portion related to points, and the amount reported as a deferred outflow of resources related to the direct loan origination costs should be recognized as revenue and expense, respectively, in the period of sale. (GASB L30.131)	2

Item Number	Item	Significance Level
F023	Fees received for guaranteeing the funding of mortgage loans to borrowers, builders, or developers should be accounted for as prescribed in paragraph 23. Fees paid to permanent investors to ensure the ultimate sale of the loans (residential or commercial loan commitment fees) should be recognized as an expense in the period when the loans are sold to permanent investors or when it becomes evident the commitment will not be used. Prior to the sale of the loans, the fees paid to permanent investors should be recorded as a deferred outflow of resources until the sale of the loan occurs. (GASBL30.133)	2
F024	The use of the term deferred should be limited to items reported as deferred outflows of resources or deferred inflows of resources. (GASBS 65, ¶31)	2
F025	The residual amount on the government-wide statement of net position should be reported as <i>net position</i> , rather than net assets, proprietary or fiduciary fund balance, or equity. (GASB 2200.115)	2
F026	Net position represents the difference between all other elements in a statement of financial position and should be displayed in three components on the government-wide statement of net position: 1) net investment in capital assets, 2) restricted (distinguishing between major categories of restrictions), and 3) unrestricted. (GASB 2200.117; GAAFR, page 300)	2
F027	If the government has no debt or deferred inflows of resources, the term “Investment in Capital Assets” should be used rather than “Net Investment in Capital Assets”. (GAAFR, page 303; Comprehensive Implementation Guide, Question 7.23.7)	3
F028	The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also should be included in this component of net position. If there are significant unspent related debt proceeds or deferred inflows of resources at the end of the reporting period, the portion of the debt or deferred inflows of resources attributable to the unspent amount should <i>not</i> be included in the calculation of <i>net investment in capital assets</i> . Instead, that portion of the debt or deferred inflow of resources should be included in the same net position component (restricted or unrestricted) as the unspent amount. (GASB 2200.118; GAAFR, pages 300-301)	2
F029	Accrued interest on any capital-related debt generally should not be included in the computation of the net investment in capital assets component of net position. (Comprehensive Implementation Guide, Question 7.22.9)	3
F030	If debt is capital-related, the amounts of premiums, discounts, and deferred amounts from refundings would be included in the calculation of <i>net investment in capital assets</i> component of net position. If the debt is restricted for a specific purpose and the proceeds are unspent, the net proceeds would affect the <i>restricted component of net position</i> . If the debt proceeds are not restricted for capital or other purposes, the unamortized premiums, discounts, and deferred amounts from refundings would be included in the calculation of unrestricted net position. Unamortized debt issue costs should be included in unrestricted net position because those outlays do not acquire, construct, or improve capital assets. If the issuance costs were paid from bond proceeds, the portion of outstanding debt attributable to those issuance costs also should be included in the unrestricted net position. (Comprehensive Implementation Guide, Question 7.23.3; GAAFR, page 301, footnote 22)	3

Item Number	Item	Significance Level
F031	Restricted assets are sometimes set aside to make debt service payments on capital-related debt. In such cases, the assets themselves, <i>but not the related debt</i> , should be considered as part of the calculation of <i>restricted net position</i> . That is, capital-related debt is always properly taken into consideration as part of the calculation of <i>net investment in capital assets</i> . (Comprehensive Implementation Guide, Question 7.24.2; GAAFR, page 304)	3
F032	The <i>restricted</i> component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported. Net position should be reported as restricted when constraints placed on net position are either (GASB 2200.119):	2
F032a	Externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of <i>other</i> governments.	2
F032b	Imposed by law through constitutional provisions or enabling legislation.	2
	<i>(Note to reviewer: GASB 2200, Footnote 15 states that because different measurement focuses and bases of accounting are used in the government-wide statement of net position and in governmental fund statements, amounts reported as restricted fund balances in governmental funds may be different from amounts reported as restricted net position in the statement of net position.)</i>	
F033	The <i>unrestricted</i> component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position. (GASB 1800.162, 2200.124; GAAFR, page 305)	2
F034	Amounts reported in the funds as receivable from or payable to fiduciary funds should be included in the statement of net position as receivable from and payable to external parties. All internal balances should be eliminated in the total primary government column. (GASB 2200.152)	2
F035	Internal advances are not considered debt or other borrowing for purposes of calculating the net position components. Internal balances enter into the computation of unrestricted net position. (Comprehensive Implementation Guide, Question 7.23.11)	3
F036	No category of restricted net position can have a negative balance. The negative amount should be reported as a reduction of unrestricted net position. (GAAFR, pages 304-305; Comprehensive Implementation Guide, Question 7.24.13)	3
F037	A liability should be recognized for the net pension liability . The net pension liability should be measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service in conformity with the requirements of paragraphs 22–32 (total pension liability), net of the pension plan’s fiduciary net position. The pension plan’s fiduciary net position should be determined using the same valuation methods that are used by the pension plan for purposes of preparing its statement of fiduciary net position. The net pension liability should be measured as of a date (measurement date) no earlier than the end of the employer’s prior fiscal year, consistently applied from period to period. (GASBS 68, ¶20)	1A
F038	Whether pensions are provided through single-employer, agent, or cost sharing pension plans, liabilities for net pension liabilities associated with different pension plans may be displayed in the aggregate, and assets for net pension assets associated with different pension plans may be displayed in the aggregate in the financial statements. Aggregated pension liabilities should be displayed separately from aggregated pension assets. (GASBS 68, ¶21)	2

Item Number	Item	Significance Level
F039	Changes in the net pension liability should be recognized in pension expense in the current reporting period except as indicated below (GASBS 68, ¶33):	2
F039a	Each of the following should be recognized in pension expense, beginning in the current reporting period, using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan (active employees and inactive employees) determined as of the beginning of the measurement period :	2
F039a(1)	Differences between expected and actual experience with regard to economic or demographic factors (differences between expected and actual experience) in the measurement of the total pension liability	2
F039a(2)	Changes of assumptions about future economic or demographic factors or of other inputs (changes of assumptions or other inputs). The portion of (1) and (2) not recognized in pension expense should be reported as deferred outflows of resources or deferred inflows of resources related to pensions.	2
F039b	The difference between projected and actual earnings on pension plan investments should be recognized in pension expense using a systematic and rational method over a closed five-year period, beginning in the current reporting period. The amount not recognized in pension expense should be reported as deferred outflows of resources or deferred inflows of resources related to pensions. Deferred outflows of resources and deferred inflows of resources arising from differences between projected and actual pension plan investment earnings in different measurement periods should be aggregated and reported as a net deferred outflow of resources related to pensions or a net deferred inflow of resources related to pensions.	2
F039c	Contributions to the pension plan from the employer should not be recognized in pension expense.	2
F039d	Contributions to the pension plan from nonemployer contributing entities that are not in a special funding situation should be recognized as revenue.	2
F040	Contributions to the pension plan from the employer subsequent to the measurement date of the net pension liability and before the end of the reporting period should be reported as a deferred outflow of resources related to pensions. (GASBS 68, ¶34)	2
<u>Government-Wide Statement of Activities</u>		
G001	The basic financial statements should include a government-wide Statement of Activities. (GASB 2200.102, .105, .110; GAAFR, pages 295, 305)	1A
	<i>(Note to reviewer: According to GASB Ut5.104, "governments engaged only in business-type activities should present only the financial statements required for enterprise funds.")</i>	
G002	Expenses should be presented in a column before revenues on the government-wide statement of activities. (GASB 2200.126 and .142; GAAFR, page 305)	2
G003	The government-wide statement of activities should present governmental activities at a minimum at the functional level (i.e., general government, public safety, public works, engineering services, health and sanitation, etc.) (GASB 2200.127; GAAFR, page 306)	2
G004	The government-wide statement of activities should present business-type activities at least by different identifiable activities. (GASB 2200.127; GAAFR, page 306)	2
	<i>(Note to reviewer: GASB 2200, Footnote 19, states that an activity within an enterprise fund is identifiable if it has a specific revenue stream and related expenses and gains and losses that are accounted for separately. For example, providing natural gas is different from supplying water or electricity, even though all three are regarded as utility services.)</i>	

Item Number	Item	Significance Level
G005	Depreciation expense for capital assets such as a city hall or a state office building that essentially serves all functions of the government may be included as a separate line in the government-wide statement of activities or as part of the “general government” (or its counterpart) function. If a government uses a separate line in the statement of activities to report unallocated depreciation expense, it should clearly indicate on the face of the statement that this line item excludes direct depreciation expenses of the various programs. (GASB 2200.132; GAAFR, page 307)	2
G006	Depreciation expense for general infrastructure assets should not be allocated to the various functions on the government-wide statement of activities. It should be reported as a direct expense of the function (for example, public works or transportation) that the reporting government normally associates with capital outlays for, and maintenance of, infrastructure assets or as a separate line in the statement of activities. (GASB 2200.133; GAAFR, page 307)	2
G007	Interest on general long-term liabilities should be considered an indirect expense except in those limited instances when the borrowing is essential to the creation or continued existence of a program and it would be misleading to exclude. (GASB 2200.134; Comprehensive Implementation Guide, Question 7.30.1; GAAFR, pages 307-308)	2
	<i>(Note to reviewer: GAAFR page 308 states that a separate interest expense line should not be reported in connection with business-type activities.)</i>	
G008	GAAP permit governments to allocate their indirect expenses. If a government elects to do so, the statement of activities should present a separate column for this purpose. That column should present a decrease for each line that reports an expense to be allocated (such as general government) and a corresponding increase for each line to which that expense is being allocated (such as public safety). (GAAFR, pages 306-307)	3
	<i>(Note to reviewer: This column should net to \$0 in total.)</i>	
G009	The statement of activities should report three categories of program revenues, as appropriate: (a) charges for services, (b) program-specific operating grants and contributions, and (c) program-specific capital grants and contributions. (GASB 2200.136; GAAFR, page 310)	2
G010	<i>Program-specific grants and contributions</i> include revenues arising from mandatory and voluntary nonexchange transactions with other governments, organizations, or individuals that are restricted for use in a particular program. (GASB 2200.138)	2
G011	When earnings of the <i>invested accumulated resources</i> of a program are <i>legally restricted</i> to be used for that program, the net cost to be financed by the government’s general revenues is reduced, and those investment earnings should be reported as program revenues. (GASB 2200.139; Comprehensive Implementation Guide, Question 7.39.7)	2
G012	General revenues should be reported after total net expense of the government’s functions on the government-wide statement of activities. (GASB 2200.140; GAAFR, page 313)	2
G013	All taxes, even those levied for a specific purpose, are general revenues and should be reported by type of tax (for example, sales tax, property tax, franchise tax, and income tax) on the government-wide statement of activities. (GASB 2200.140; GAAFR, page 313)	2
G014	Fines and forfeitures should be treated as charges for services on the government-wide statement of activities. (GASB 2200.137; Comprehensive Implementation Guide, Question 7.33.4; GAAFR, page 311)	2
G015	Licenses and permits should be treated as charges for services on the government-wide statement of activities. (GASB 2200.137; Comprehensive Implementation Guide, Question 7.32.1)	2

Item Number	Item	Significance Level
G016	Special assessments should be shown as program revenues on the government-wide statement of activities. Operating special assessments should be presented as <i>charges for services</i> and capital-type special assessments should be presented as <i>capital grants and contributions</i> . (GASB 2200.137-.138; Comprehensive Implementation Guide, Questions 7.36.1 and 7.36.2; GAAFR, page 309)	2
G017	The government-wide statement of activities should report contributions to term and permanent endowments, contributions to permanent fund principal, special items and extraordinary items, and transfers separately from, but in the same manner as, <i>general revenues</i> . (GASB 2200.141; GAAFR, pages 313-315)	2
G018	Contributions to term endowments, permanent endowments and permanent fund principal should be reported as a separate line item on the government-wide statement of activities, immediately following general revenues. Special and extraordinary items should be reported on a separate line after endowment and permanent fund contributions (if special items and extraordinary items occur in the same period, the two should be reported separately within a single category, with special items reported before extraordinary items). Transfers is the last item reported on the government-wide statement of activities before the total change in net position. (GAAFR, pages 313-315)	3
G019	Only the net amount transferred between governmental and business-type activities should be reported on the statement of activities. (Comprehensive Implementation Guide, Question 7.47.16)	3
	<i>(Note to reviewer: GAAFR, page 313 states that the transfers between governmental activities and business-type activities may not appear in the primary government total column.)</i>	
G020	Generally, contributed capital assets would be reported as program revenues. Conceptually, the contribution of a specific capital asset should be reported in the same way as a contribution of financial resources restricted to purchase or construct that asset would be reported. However, there may be occasions when the contributed asset is such that its intended use is not obvious or limited and the government may have no immediate plans for how it will be used. In those circumstances, it would be more appropriate to report the donated assets as general revenue. (GAAFR, page 310; Comprehensive Implementation Guide, Question 7.34.7)	3
G021	Governments should disclose in the notes to financial statements any significant transactions or other events that are either unusual or infrequent but not within the control of management. (GASB 2200.144; GAAFR, page 382)	2
G022	A loss resulting from the impairment of a capital asset should be treated as a direct expense of the function that uses the asset (assuming the loss is not classified as a special or extraordinary item). A loss associated with the disposal of a capital asset, on the other hand, would be reported either as an expense of the general government, or as a direct expense of the related function or program, as appropriate, depending on the specific circumstances. (GAAFR, page 308)	3
G023	Extraordinary items are transactions or other events that are both unusual in nature and infrequent in occurrence. Significant transactions or other events <i>within the control of management</i> that are <i>either</i> unusual in nature <i>or</i> infrequent in occurrence are special items. (GASB 2200.143, .144; GAAFR, pages 114-115)	2
<u>Fund Financial Statements - General</u>		
H001	Interfund receivables and payables in the fund financial statements should be equal. (GASB 1300.120)	2

Item Number	Item	Significance Level
H002	Lender funds should report interfund loans as interfund receivables while borrower funds should report them as interfund payables. (GASB 1300.120; AAG-SLV 9.08; GAAFR, page 49)	2
H003	Due to other funds should not be shown for agency funds. If the agency fund is used as a clearing account to distribute financial resources to other funds of the government, as well as other entities, the portion of the clearing account balance that pertains to other funds of the county should not be reported in agency funds. Rather, it should be reported as assets in the appropriate funds. (GASB 2200.200; GAAFR, page 49)	2
H004	The fund financial statements should not include a fund type other than one of the eleven types normally used by state and local government. (GASB 1300.103)	2
H005	Discretely presented component units are included only in the government-wide financial statements, while fiduciary funds and fiduciary component units are excluded from those same government-wide financial statements. Component units that are fiduciary in nature, however, should be included only in the fund financial statements with the primary government's fiduciary funds. (GASB 2200.214; GAAFR, page 82)	2
H006	A combined total column should be presented in the governmental fund financial statements. (GASB 2200.162, .165; GAAFR, page 193)	2
H007	If aggregation in the summary reconciliation obscures the nature of the individual elements of a particular reconciling item, governments should provide a more detailed explanation in the notes to the financial statements. (GASB 2200.160; Comprehensive Implementation Guide, Question 7.57.3; GAAFR, page 347)	2
	<i>(Note to reviewer: GAAFR page 347 states that potential obscurity requiring note disclosure occurs whenever 1) a single reconciling item is a combination of several similar balances or transactions (e.g., different types of long-term liabilities) or 2) a single reconciling item is a net adjustment.)</i>	
H008	The fund reconciliations should be presented at the bottom of the fund financial statements or in an accompanying schedule. Alternatively, when space permits, reconciliations can be presented on the same page as, but to the right of, the fund financial statements, rather than at the bottom of the page. The "accompanying schedule" should be considered a continuation of the fund financial statement; therefore, the schedule should be on the page immediately following the statement it supports. (Comprehensive Implementation Guide, Question 7.57.2; GAAFR, page 194)	3
H009	The focus of governmental and proprietary fund financial statements is on <i>major</i> funds. Fund statements should present the financial information of each major fund in a separate column. Individual governmental and enterprise funds should be reported in separate columns as major funds based on the following criteria: (1) total of assets and deferred outflows of resources, the total of liabilities and deferred inflows of resources, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding element total (total assets and deferred outflows of resources, total liabilities and deferred inflows of resources, and so forth) for all funds of that category or type (that is, total governmental or total enterprise funds) <i>and</i> (2) the same element that met the 10 percent criterion in (a) is at least 5 percent of the corresponding element total for all governmental and enterprise funds combined. (GASB 2200.158, .159; GAAFR, pages 184, 231)	1A
	<i>(Note to reviewer: GASB 2200.159 states that "in addition to funds that meet the major fund criteria, any other governmental or enterprise fund that the government's officials believe is particularly important to financial statement users (for example, because of public interest or consistency) may be reported as a major fund.")</i>	

Item Number	Item	Significance Level
	<i>(Note to reviewer: Comprehensive Implementation Guide, Question 7.56.14 states “Statement 34 does not require any adjustments to the combined totals for assets, liabilities, revenues, and expenditures/expenses. However, because the major fund criteria focus on assets and liabilities separately, significant interfund balances could influence the outcome of the major fund test. Interfund balances should not be eliminated, but if there are significant interfund receivables and payables, governments may adopt a policy (and use it consistently from year to year) to use a single “net” amount for each fund. Those changes would carry over to the respective total columns so that the governmental and enterprise fund totals would include the combined “net” amounts from the individual funds. Use of the “netting” process should be limited to the determination of major funds. It should not be used for fund financial statement reporting purposes.”)</i>	
H010	Assets should be combined with deferred outflows of resources and liabilities should be combined with deferred inflows of resources for purposes of determining which elements meet the criteria for major fund determination. (GASB 2200.159)	2
H011	Nonmajor funds should be aggregated and displayed in a single column in the fund financial statements. (GASB 2200.158; GAAFR, pages 188, 232)	2
H012	If a government has only one nonmajor governmental fund, that fund will necessarily have to be reported in its own separate column on the governmental fund financial statements. The presentation of a separate column is <i>not</i> equivalent to classification as a major fund in such cases. To avoid potential misunderstandings, financial statement preparers are advised to use columnar labels that make it clear whenever a separate fund column is not a major fund. (Comprehensive Implementation Guide, Question 7.56.8; GAAFR, pages 188, 232)	3
H013	Nonmajor funds should be aggregated and presented in a single column. If a government wants to present a specific fund separately in the basic financial statements, even if it does not meet the percentage criteria, it should be reported as a major fund, rather than as a separate nonmajor fund. (Comprehensive Implementation Guide, Question 7.55.2)	3
H014	The main operating fund (the general fund or equivalent) should always be reported as a major fund in the fund financial statements. (GASB 2200.159; GAAFR, page 183)	1A
H015	Each local government is required to adopt and use the <u>Uniform Chart of Accounts for Local Governments in Georgia</u> . The reporting of the following funds is not consistent with the fund type specified in the Uniform Chart of Accounts (OCGA 36-81-3(e):	X
	<i>(Note to reviewer: The Uniform Chart of Accounts for Local Governments in Georgia is available for viewing on the website of the Georgia Department of Community Affairs – www.dca.ga.gov)</i>	
H016	Each local government is required to adopt and use the <u>Uniform Chart of Accounts for Local Governments in Georgia</u> . The Uniform Chart of Accounts specifies that, if a government finances a capital project from multiple funding sources and SPLOST is one of the funding sources, the SPLOST fund must be used for the total financing of the project. If the government is expending these tax proceeds in an enterprise fund, the government must report the tax revenue in this fund first and then transfer the proceeds to the enterprise fund. (OCGA 36-81-3(e))	X

Item Number	Item	Significance Level
H017	Nonreciprocal interfund activity is the internal counterpart to nonexchange transactions. It includes interfund transfers and interfund reimbursements. Interfund reimbursements are repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements should not be displayed in the financial statements. Interfund reimbursements are treated as an adjustment to expenses or expenditures; that is, an increase in expenditures or expenses in the reimbursing fund and a corresponding decrease in expenditures or expenses in the reimbursed fund. (GASB 1800.102(b)(2); GAAFR, page 53)	2
H018	When accounting for the transfer of capital and financial assets and future revenues within the same financial reporting entity, the transferee should recognize the assets or future revenues received at the carrying value of the transferor. (GASB S20.112)	2
H019	Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. (GASB 1300.105; GAAFR, pages 40-41)	2
	<i>(Note to reviewer: Governments should discontinue reporting a special revenue fund, and instead report the fund's remaining resources in the general fund, if the government no longer expects that a substantial portion of the inflows will derive from restricted or committed revenue sources. Per the Comprehensive Implementation Guide, Question Z.54.39, these resources could also be reported as part of another fund with a similar purpose that does meet the criteria to be reported as a special revenue fund.)</i>	
H020	Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. (GASB 1300.106; GAAFR, page 42)	2
	<i>(Note to reviewer: Per the Comprehensive Implementation Guide, Question Z.54.42, capital projects funds may include expenditures for items that are capital in nature but do not qualify for reporting as capital assets under the government's capitalization policy.)</i>	
H021	Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. (GASB 1300.107; GAAFR, pages 42-43)	2
H022	Permanent funds should be used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs – that is, for the benefit of the government or its citizenry. (GASB 1300.108; GAAFR, page 43)	2
Balance Sheet - Governmental Funds		
I001	The basic financial statements should include a governmental fund balance sheet. (GASB 2200.105,.161; GAAFR page 183)	1A
I002	The governmental fund financial statements should be presented using the current financial resources measurement focus and the modified accrual basis of accounting. (GASB 1600 Introduction and 1300.102; GAAFR, pages 63 and 101)	1A
I003	Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balances of governmental funds should be displayed in a balance sheet format (assets plus deferred outflows of resources equals liabilities plus deferred inflows of resources plus fund balance). (GASB 1300.102, 2200.162)	2

Item Number	Item	Significance Level
I004	Governmental funds focus on <i>current financial resources</i> . Accordingly, only financial assets are properly reported in governmental funds. An asset is considered financial if it is a form of <i>cash</i> , an asset that will be <i>converted to cash in the ordinary course of business</i> , <i>inventory</i> (materials or supplies), or a <i>prepayment</i> . (GASB 2200.162; GAAFR, pages 169-170)	2
I005	Unmatured long-term indebtedness (the portion of general long-term indebtedness that is not yet due for payment) should be reported as general long-term liabilities of the government, rather than as governmental fund liabilities. That requirement applies not only to formal debt issues such as bonds, but also to other forms of general long-term indebtedness, including capital leases, compensated absences, claims and judgments, pensions, termination benefits, landfill closure and postclosure obligations, pollution remediation obligations, and “other commitments that are not current liabilities properly recorded in governmental funds.” (GASB 1600.118,.122; GAAFR, page 174)	2
	<i>(Note to reviewer: GASB 1600.122 states that “governmental fund liabilities and expenditures for claims and judgments, compensated absences, termination benefits, landfill closure and postclosure care costs, and receipts of goods and services for pollution remediation should be recognized to the extent the liabilities are “normally expected to be liquidated with expendable available financial resources.”)</i>	
I006	Governmental funds report a liability for compensated absences only to the extent that there are pending payouts of unused leave owed to employees separated from active service as of the end of the reporting period. (GAAFR, pages 175 and 533)	3
I007	When an asset is recorded in governmental fund financial statements but the revenue is not available, the government should report a deferred inflow of resources until such time as the revenue becomes available. (GASBS 65, ¶30)	2
I008	Subtotals for liabilities and fund balance should be provided on the governmental balance sheet. (GASB 2200.915)	3
I009	The difference between assets and liabilities should be labeled <i>fund balance</i> . (GASB 2200.162, 1300.102; GAAFR, page 189)	2
I010	Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. (GASB 1800.165)	2
I011	The nonspendable fund balance classification should be used for amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact (GASB 1800.166; GAAFR, page 189)	2
I012	The amount that should be reported as nonspendable fund balance should be determined before classifying amounts in the restricted, committed, and assigned fund balance classifications. (GASB 1800.179)	2
	<i>(Note to reviewer: According to the Comprehensive Implementation Guide, question Z.54.18, the nonspendable amount would not be affected by deficits in the other fund classifications.)</i>	
I013	GASB Statement 34, paragraph 35, requires amounts that are “required to be retained in perpetuity” to be classified “non-expendable” within the restricted net position category. For fund balance reporting purposes, however, those amounts should be classified as nonspendable rather than restricted. (GASB 1800.167)	2
I014	Fund balance should be reported as restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation. (GASB 1800.168; GAAFR, page 190)	2

Item Number	Item	Significance Level
I015	Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority should be reported as committed fund balance. (GASB 1800.170; GAAFR, pages 190-191)	2
I016	Amounts that are constrained by the government's <i>intent</i> to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Assigned fund balance includes (a) all remaining amounts (except for negative balances) that are reported in governmental funds, other than the general fund, that are not classified as nonspendable and are neither restricted nor committed and (b) amounts in the general fund that are intended to be used for a specific purpose. (GASB 1800.173, .175; GAAFR, page 191)	2
I017	By reporting particular fund balance amounts that are not restricted or committed in a special revenue, capital projects, debt service, or permanent fund, the government has <i>assigned</i> those amounts to the purposes of the respective funds. (GASB 1800.175)	2
I018	Assignment of fund balance within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the government itself. However, governments should not report an assignment for an amount to a specific purpose if the assignment would result in a deficit in unassigned fund balance. (GASB 1800.175; GAAFR, page 192)	2
I019	Unassigned fund balance is the residual classification for the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. (GASB 1800.177; GAAFR, page 192)	2
I020	In a governmental fund other than the general fund, expenditures incurred for a specific purpose might exceed the amounts in the fund that are restricted, committed, and assigned to that purpose and a negative residual balance for that purpose may result. If that occurs, amounts assigned to other purposes in that fund should be reduced to eliminate the deficit. If the remaining deficit eliminates all other assigned amounts in the fund, or if there are no amounts assigned to other purposes, the negative residual amount should be classified as <i>unassigned</i> fund balance. In the general fund, a similar negative residual amount would have been eliminated by reducing unassigned fund balance. (GASB 1800.179; GAAFR, page 192)	2
I021	A negative residual amount should not be reported for restricted, committed, or assigned fund balances in any fund. (GASB 1800.179)	2
I022	Encumbrances should not be displayed on the face of the financial statements. (Comprehensive Implementation Guide, Question Z.54.27)	3
I023	For the purposes of reporting fund balance, stabilization [economic stabilization, revenue stabilization, budgetary stabilization, and other similarly intended (including "rainy-day") arrangements] is considered a <i>specific purpose</i> . Stabilization amounts should be reported in the general fund as restricted or committed if they meet the criteria set forth, based on the source of the constraint on their use. Stabilization arrangements that do not meet the criteria to be reported within the restricted or committed fund balance classifications should be reported as <i>unassigned</i> in the general fund. (GASB 1800.181; GAAFR, pages 190-192)	2
I024	The balance sheet for governmental funds should present a summary reconciliation at the bottom of the statement or accompanying schedule to reconcile total governmental fund balances to net position of governmental activities. (GASB 2200.160 and .164; GAAFR, page 194)	1A
I025	The summary reconciliation for the balance sheet for governmental funds should include, but is not limited to, the effects of (GASB 2200.164; GAAFR, page 270):	2
I025a	Reporting capital assets at their historical cost and depreciating them instead of reporting capital acquisitions as expenditures when incurred.	2

Item Number	Item	Significance Level
I025b	Adding general long-term liabilities not due and payable in the current period	2
I025c	Reducing deferred inflows of resources for those amounts that were not available to pay current period expenditures	2
I025d	Adding internal service fund net position balances	2
I026	In financial statements prepared using the current financial resources measurement focus and modified accrual basis of accounting, a net pension liability should be recognized to the extent the liability is normally expected to be liquidated with expendable available financial resources. Pension expenditures should be recognized equal to the total of (a) amounts paid by the employer to the pension plan and (b) the change between the beginning and ending balances of amounts normally expected to be liquidated with expendable available financial resources. Net pension liabilities are normally expected to be liquidated with expendable available financial resources to the extent that benefit payments have matured—that is, benefit payments are due and payable and the pension plan’s fiduciary net position is not sufficient for payment of those benefits. (GASBS 68, ¶36)	2
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds		
J001	The basic financial statements should include a statement of revenues, expenditures and changes in fund balances for governmental funds. (GASB 2200.105, .161; GAAFR, page 183)	1A
J002	The statement of revenues, expenditures, and changes in fund balances should present the following information in the following order: revenues; expenditures; excess (deficiency) of revenues over expenditures; other financing sources and uses; special items; extraordinary items; net changes in fund balance; and fund balance beginning and end of period. (GASB 2200.165; GAAFR, page 194)	2
J003	Revenues on the statement of revenues, expenditure and changes in fund balances should be classified by major source: taxes, licenses and permits, intergovernmental revenues, charges for services, fines and forfeits, and miscellaneous. (GASB 1800.131, 2200.166; GAAFR, page 194)	2
	<i>(Note to reviewer: GAAFR page 194 states that if overall investment income is negative in a given year, it should be reported as a “negative revenue,” rather than as an expenditure.)</i>	
J004	Expenditures on the statement of revenues, expenditures and changes in fund balances should be classified by character (current expenditures, capital outlays, debt service and intergovernmental) on the basis of the fiscal period they are presumed to benefit. (GASB 1800.136)	2
J005	Expenditures on the statement of revenues, expenditures, and changes in fund balances should be classified at a minimum by function. (GASB 2200.166; GAAFR, page 194)	2
J006	In practice, the <i>capital outlays</i> character classification typically is employed only for expenditures reported in capital projects funds. Routine capital expenditures in the general fund typically are included in the appropriate functional category (purchase of a new police vehicle included as part of <i>expenditures - public safety</i>). (GAAFR, page 195)	3
	<i>(Note to reviewer: GAAFR page 195, footnote 48 states that this practice is consistent with the nonauthoritative illustrative material provided in both NCGA Statement 1, example 2, and GASB 34 Statement No 34, illustrations C-2 and H-2.)</i>	
J007	The term “expenses” should not be used in connection with governmental fund types. (GASB 1800.101; GAAFR, page 100)	2
J008	Outlays associated with intangible assets subject to the provisions of GASB Statement No. 51 should be reported as expenditures when incurred in financial statements prepared using the current financial resources measurement focus. (GASB 1400.153)	2

Item Number	Item	Significance Level
J009	If a capital lease was initiated during the period, the net present value of the minimum lease payments should be shown as an expenditure and an other financing source on the governmental fund operating statement. (GASB 1800.128; GAAFR, page 158)	2
J010	Items that should be reported as other financing sources and uses include the face amount of long-term debt, issuance premium or discount, certain payments to escrow agents for bond refundings, transfers, and sales of capital assets (unless the sale meets the criteria for reporting as a special item). (GASB 2200.167, 1800.124 and .125; GAAFR, pages 155 and 161)	2
J011	Debt <i>proceeds</i> should not be reported as an other financing source. GASB Statement 34, paragraph 88, as amended, requires the face amount of long-term debt, rather than the proceeds, to be reported as an other financing source. That paragraph also includes issuance premium or discount among the items that should be reported as other financing sources or uses, and paragraph 87 of Statement 34 states that debt issuance costs paid out of debt proceeds, such as underwriter fees, should be reported as expenditures. (GASB 2200.166, .167; Comprehensive Implementation Guide 7.66.1; GAAFR, pages 155 - 157)	2
J012	For governmental funds, if all legal steps have been taken to refinance the bond anticipation notes and the intent is supported by an ability to consummate refinancing the short-term notes on a long-term basis in accordance with the criteria set forth in FASB Statement 6, they should be reported only as general long-term liabilities in the governmental activities column of the government-wide statement of net position. If the necessary legal steps and the ability to consummate refinancing criteria have not been met, then the bond anticipation note should be reported as a liability in the governmental fund receiving proceeds as well as in the government-wide statement of net position. (GASB B50.102; GAAFR, page 175)	2
J013	Revenue anticipation note and tax anticipation note proceeds should not be shown as an "other financing source." These notes should only be reflected on the balance sheet of the governmental funds. (GASB B50.102; GAAFR, page 175)	2
J014	For current and advance refundings resulting in defeasance of general long-term debt, the face amount of the new debt should be reported as an "other financing source - refunding bonds" in the governmental fund receiving the proceeds. For advance refundings, payments to the escrow agent from resources provided by the new debt should be reported as an "other financing use - payment to refunded bond escrow agent." Payments to the escrow agent made from other resources of the entity should be reported as debt service expenditures. (GASB D20.109, 1800.125; GAAFR, pages 473 - 475)	2
J015	The Statement of Revenues, Expenditures, and Changes in Fund Balances should provide a summary reconciliation at the bottom of the statement or accompanying schedule that reconciles total change in governmental fund balances to the change in net position of governmental activities. (GASB 2200.160, .169; GAAFR, page 196)	1A
J016	The summary reconciliation for the Statement of Revenues, Expenditures, and Changes in Fund Balances should include, but is not limited to, the effects of (GASB 2200.169; GAAFR, page 270):	2
J016a	Reporting revenues on the accrual basis	2
J016b	Reporting annual depreciation expense instead of expenditures for capital outlays	2
J016c	Reporting long-term debt proceeds in the statement of net position as liabilities instead of other financing sources; also, reporting debt principal payments in the statement of net position as reductions in liabilities instead of expenditures	2
J016d	Reporting other expenses on the accrual basis	2
J016e	Adding the net revenue (expense) of internal service funds	2

Item Number	Item	Significance Level
<u>Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General and Major Special Revenue Funds</u>		
	<i>(Note to Reviewer: If the budgetary comparison information is presented as a basic financial statement, the reviewer should evaluate it using the criteria in section K. The reviewer should evaluate budgetary comparison schedules presented as RSI using the criteria in section T.)</i>	
K001	A budgetary comparison statement must be presented for the general fund and for each major individual special revenue fund for which an annual budget is legally adopted. (GASB 1100.111, 1100, Footnote 2, 2200.206, 2400.102; GAAFR, page 196)	2
K002	OCGA 36-81-3(b) requires an annual balanced budget for the general fund, each special revenue fund, and each debt service fund and requires a project-length balanced budget for each capital projects fund.	X
K003	The required budgetary comparison information should be reported together. A government cannot present some information in the basic financial statements and the remainder in schedules as RSI. (Comprehensive Implementation Guide, Question 7.91.7)	3
K004	The budgetary comparison statement should present both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the government's budgetary basis. (GASB 2200.206, 2400.102; GAAFR, page 197)	2
	<i>(Note to Reviewer: Comprehensive Implementation Guide, Question 7.92.3 states that the final budget should incorporate amendments regardless of when signed into law or otherwise legally authorized, including amendments made to the budget after the fiscal year ends.)</i>	
K005	Governments do <i>not</i> have the option of presenting budgetary comparisons for other funds (capital projects, debt service, nonmajor special revenue funds, etc.) in conjunction with the basic financial statements. (GAAFR, page 196-197)	3
K006	A separate column on the budgetary comparison statement to report the variance between the final budget and actual amounts is encouraged, but not required. Governments may also report the variance between original and final budget amounts. (GASB 2200.206, 2400.102; GAAFR, page 198)	3
K007	The variance column on the budgetary statement should not be captioned favorable/unfavorable. (GAAFR, page 198)	3
	<i>(Note: GAAFR, page 198, footnote 66 suggests labeling the column simply "variance" or "difference".)</i>	
K008	The budgetary comparison statement should be accompanied by information (either on the face of the statement or notes to the financial statements) that reconciles differences between budgetary practices and GAAP attributable to basis, timing, perspective and entity differences. (GASB 2200.207, 2400.103; GAAFR, page 198)	2
K009	When the budgetary comparison is presented as part of the basic governmental fund financial statements, it is properly referred to as a statement. (GAAFR, page 197)	3
<u>Proprietary Fund Financial Statements</u>		
L001	Proprietary fund statements should be presented using the economic resources measurement focus and the accrual basis of accounting. (GASB 1300.102 and 1600.130; GAAFR, pages 63 and 101)	1A
L002	Proprietary fund statements should present the financial information for each major enterprise fund in a separate column. (GASB 2200.171; GAAFR, page 232)	2

Item Number	Item	Significance Level
L003	Nonmajor enterprise funds should be aggregated and displayed in a single column. (GASB 2200.171; GAAFR, page 232)	2
L004	A combined total column should be presented for all enterprise funds. (GASB 2200.171; GAAFR, page 233)	2
L005	Major fund reporting requirements do not apply to internal service funds. The combined totals for all internal service funds should be reported in separate columns on the face of the proprietary fund financial statements to the right of the total enterprise funds column. (GASB 2200.171; GAAFR, page 230)	2
L006	The government should refrain from using enterprise funds to report activities for which fees and charges are not a revenue source. (GASB 1300.109; GAAFR, page 44)	2
L007	Internal service funds should only be used if the reporting government is the predominant participant in the activity. Otherwise, the activity should be reported as an enterprise fund. (GASB 1300.110; GAAFR, page 45)	2
L008	For municipal solid waste landfills (MSWLF) reported in proprietary fund financial statements, a portion of the estimated total current cost of MSWLF closure and postclosure care should be recognized as an expense and as a liability in each period that the MSWLF accepts solid waste. Recognition should begin on the date the MSWLF begins accepting solid waste, continue in each period that it accepts waste, and be completed by the time it stops accepting waste. Estimated total current cost should be assigned to periods based on MSWLF use (cubic yards, airspace, or other measure) rather than on the passage of time. (GASB L10.106)	2
L009	Generally, the amounts reported as net position and changes in net position in the proprietary fund financial statements for total enterprise funds will be the same as net position and changes in net position of business-type activities in the government-wide statement of activities. However, if there are differences, they should be explained on the face of the fund statement (or in an accompanying schedule). (GASB 2200.194; GAAFR, pages 234 and 236)	2
<u>Statement of Fund Net Position/Balance Sheet - Proprietary Funds</u>		
M001	The basic financial statements should include a statement of net position for proprietary funds. (A balance sheet format may be used). (GASB 2200.105, .170; GAAFR, page 229)	1A
M002	Assets and liabilities should be classified as <i>current</i> and <i>long-term</i> on the statement of net position/balance sheet for proprietary funds. (GASB 2200.172; GAAFR, page 230)	2
	<i>(Note to Reviewer: GASB Statement No. 51 states that intangible assets should be recognized in the statement of fund net position only if identifiable and should be classified as capital assets. Existing authoritative guidance related to the accounting and financial reporting for capital assets should be applied to intangible assets, as applicable.)</i>	
M003	Amounts held in restricted accounts for the payment of current liabilities are properly classified as current assets. (GAAFR, page 230)	3
M004	Net position/equity should be subdivided into the following categories, as appropriate: 1) net investment in capital assets, 2) restricted (distinguishing between major categories of restrictions), and 3) unrestricted. (GASB 2200.173; GAAFR, page 234)	2
M005	Capital contributions should not be displayed as a separate component of net position on the statement of net position for proprietary funds. (GASB 2200.173)	2
M006	Designations of net position should not be reported on the face of the proprietary fund financial statements. (GASB 2200.173)	2

Item Number	Item	Significance Level
<u>Statement of Revenues, Expenses, and Changes in Fund Net Position/Equity</u>		
N001	The basic financial statements should include a statement of revenues, expenses, and changes in fund net position/equity for proprietary funds. (GASB 2200.105, .170; GAAFR, page 229)	1A
N002	The proprietary operating statement should distinguish between operating and nonoperating revenues and expenses. (GASB 2200.190; GAAFR, page 235)	2
N003	Transactions for which cash flows are reported as capital and related financing activities, noncapital financing activities, or investing activities normally would not be reported as components of operating income on the proprietary fund statement of revenues, expenses, and changes in fund net position/equity. (GASB 2200.192, Comprehensive Implementation Guide, Question 7.73.1))	2
N004	The statement of revenues, expenses, and changes in fund net position/equity should present a separate subtotal for <i>operating revenues, operating expenses, and operating income</i> . (GASB 2200.190-.191)	2
N005	Revenues should be reported by major source on the proprietary fund operating statement. (GASB 2200.190; GAAFR, page 236)	2
N006	The term “expenditures” should not be used in connection with proprietary fund types. (GASB 1800.101; GAAFR, page 100)	2
N007	Revenues from capital contributions and additions to the principal of permanent and term endowments, special and extraordinary items, and transfers should be reported separately, after nonoperating revenues and expenses. (GASB 2200.190)	2
N008	Capital assets of the general government reassigned to an enterprise fund would be shown on the government-wide statement of activities as a transfer between governmental activities and business-type activities. Such a transfer is not possible, however, at the fund level, because governmental funds did not report the capital assets being reassigned to begin with. Instead, the reassignment would be reflected at the fund level solely in the recipient enterprise fund, which would report a capital contribution. (GAAFR, page 52; Comprehensive Implementation Guide, Question 7.74.4)	3
N009	If capital assets of an enterprise fund are reassigned to the general government, there is nothing to report in the governmental funds. However, since capital contributions cannot, of their very nature, be negative, there is no option but to report the disposal of the capital asset by the enterprise fund as a nonoperating expense. In the statement of activities, the reassignment of the capital asset between governmental and business-type activities would be reported as a transfer, requiring a reconciling item in the governmental funds' reconciliation because a difference is created between the change in fund balances and the change in total net position. (Comprehensive Implementation Guide, Question 7.74.4; GAAFR, page 52)	3
N010	The Statement of Revenues, Expenses and Changes in Fund Net Position should provide a reconciliation of the beginning and ending net position that is directly related to the beginning and ending Statement of Net Position. (GASB 2200.191)	2
N011	For current refundings and advance refundings resulting in defeasance of debt reported by proprietary funds, the difference between the reacquisition price and the net carrying amount of the old debt should be deferred and amortized as a component of interest expense in a systematic and rational manner over the remaining life of the old debt or the life of the new debt, whichever is shorter. On the statement of net position, this deferred amount should be reported as a deduction from or an addition to the new debt liability. (GASB D20.111; GAAFR, pages 471-472)	2

Item Number	Item	Significance Level
N012	Just as governmental funds distinguish revenues from other financing sources, governmental funds also distinguish expenditures from other financing uses. The terminology “other financing sources/uses” is only appropriate for use in connection with governmental funds and should never be used in connection with proprietary funds. (GAAFR, page 155)	3
Statement of Cash Flows - Proprietary Funds Types		
O001	The basic financial statements should include a statement of cash flows for proprietary funds. (GASB 2200.105, .170; GAAFR, page 229)	1A
O002	A statement of cash flows should classify cash receipts and cash payments as resulting from operating, noncapital financing, capital and related financing, or investing activities. (GASB 2450.112; GAAFR, page 238)	2
O003	The direct method of presenting cash flows should be used. (GASB 2200.195, 2450.128; GAAFR, page 211)	1A
O004	Cash flows from operating activities reported using the direct method on the Statement of Cash Flows - Proprietary Funds should, at a minimum, separately report the following class(es) of operating cash receipts and payments (GASB 2450.128; GAAFR, page 238):	2
O004a	Cash receipts from customers	2
O004b	Cash receipts from interfund services provided	2
O004c	Other operating cash receipts, if any	2
O004d	Cash payments to employees for services	2
O004e	Cash payments to other suppliers of goods or services	2
O004f	Cash payments for interfund services used, including payments in lieu of taxes that are payments for, and reasonably equivalent in value to, services provided	2
O004g	Other operating cash payments, if any.	2
O005	A statement of cash flows should explain the change during the period in cash and cash equivalents regardless of whether there are restrictions on their use. (GASB 2450.105; GAAFR, page 241)	2
	<i>(Note to reviewer: GAAFR, page 237 states that “financial statement preparers have no flexibility in how they define cash (cash held in a restricted account must be included). They are free to set a narrower definition of a cash equivalent (for example, they may exclude otherwise qualifying items held in a restricted account).” See also Comprehensive Implementation Guide, Question 2.12.2)</i>	
O006	The statement should use a descriptive term such as “cash” or “cash and cash equivalents” rather than the term “funds.” (GASB 2450.105)	2
O007	The total amounts of cash and cash equivalents at the beginning and end of the period shown in the Statement of Cash Flows - Proprietary Funds, should be easily traceable to similarly titled line items or subtotals shown in the statements of financial position as of those dates. (GASB 2450.105; GAAFR, page 241)	2
O008	Cash flows from operating activities on the Combined Statement of Cash Flows - Proprietary Funds should include all transactions and other events that are not defined as capital and related financing, noncapital financing, or investing activities. Cash flows from operating activities generally are the cash effects of transactions and other events that enter into the determination of operating income. (GASB 2450.113; GAAFR, page 238)	2
O009	Cash inflows from operating activities include the following item(s) (GASB 2450.114):	2
O009a	Cash inflows from sales of goods or services, including receipts from collection of accounts receivable and both short- and long-term notes receivable from customers arising from those sales.	2
O009b	Cash receipts from interfund services provided.	2

Item Number	Item	Significance Level
O009c	Cash receipts from grants for specific activities that are considered to be operating activities of the grantor government. (A grant arrangement of this type is essentially the same as a contract for services.)	2
O009d	Cash receipts from interfund reimbursements.	2
O009e	All other cash receipts that do not result from transactions defined as capital and related financing, noncapital financing, or investing activities.	2
O010	Cash outflows from operating activities include the following item(s) (GASB 2450.115):	2
O010a	Cash payments to acquire materials for providing services and manufacturing goods for resale, including principal payments on accounts payable and both short-and long-term notes payable to suppliers for those materials or goods.	2
O010b	Cash payments to other suppliers for other goods or services	2
O010c	Cash payments to employees for services.	2
O010d	Cash payments for grants to other governments or organizations for specific activities that are considered to be operating activities of the grantor government.	2
O010e	Cash payments for taxes, duties, fines, and other fees or penalties.	2
O010f	Cash payments for interfund services used, including payments in lieu of taxes that are payments for, and reasonably equivalent in value to, services provided.	2
O010g	All other cash payments that do not result from transactions defined as capital and related financing, noncapital financing, or investing activities.	2
O011	Cash flows from operating activities include transactions of certain loan programs. Even though loan activities are usually classified as investing activities, certain loan programs are not intended to be investments, but are undertaken instead to fulfill a governmental responsibility. These “program loans” are made and collected as part of a governmental program, for example low-income housing mortgages. All loans made and collected (including interest) should be considered operating cash outflows and inflows, respectively. Any proceeds from bonds issued to finance the loan program and subsequent debt service payments (principal and interest) should be classified as noncapital financing activities. (GASB 2450.116; GAAFR, page 238)	2
O012	The borrowing of money for purposes other than to acquire, construct, or improve capital assets and the repayment of amounts borrowed, including interest, should be reported as noncapital financing activities on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.117-.119; GAAFR, pages 238-239)	2
O013	Cash receipts of grants or subsidies, except for those restricted for capital purposes or operating activities of the grantor government, should be reported as noncapital financing activities on the Statement of Cash Flows - Proprietary Funds. Cash paid as grants or subsidies to other governments or organizations, except for those considered to be operating activities of the grantor government, should be reported as noncapital financing activities. (GASB 2450.118 - .119; GAAFR, pages 238-239)	2
O014	Cash received from other funds, except (1) those amounts that are clearly attributable to acquisition, construction, or improvement of capital assets; (2) interfund services provided; and (3) interfund reimbursements, should be reported as cash inflows from noncapital financing activities on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.118; GAAFR, pages 238-239)	2
O015	Cash inflows from noncapital financing activities should include cash received from property and other taxes collected for the governmental enterprise and not specifically restricted for capital purposes. (GASB 2450.118; GAAFR, pages 238-239)	2
O016	Cash paid to other funds, except for interfund services used, should be reported as cash outflows for noncapital financing activities on the Combined Statement of Cash Flows - Proprietary Funds. (GASB 2450.119; GAAFR, pages 238-239)	2

Item Number	Item	Significance Level
O017	Proceeds from issuing or refunding bonds, mortgages, notes and other short- or long-term borrowing clearly attributable to the acquisition, construction, or improvement of capital assets should be reported as a cash inflow from capital and related financing activities on the Combined Statement of Cash Flows - Proprietary Funds. (GASB 2450.120-.121; GAAFR, page 239)	2
O018	Receipts from capital grants; contributions to defray the cost of acquiring, constructing, or improving capital assets; receipts from capital asset sales; insurance proceeds from stolen or destroyed capital assets; and receipts from special assessments, property, and other taxes levied to finance the construction, acquisition, or improvement of capital assets should be reported as cash inflows from capital and related financing activities on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.120-.121; GAAFR, page 239)	2
O019	Payments, repayments or refundings of amounts borrowed, principal payments to vendors who have extended credit, and cash payments to lenders and other creditors for interest specifically to acquire, construct or improve capital assets should be reported as a cash outflow for capital and related financing activities on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.120,.122; GAAFR, page 239)	2
O020	Receipts from collections of loans (except program loans) and sales of other entities' debt instruments (other than cash equivalents); receipts from sales of equity instruments and returns of investment in those instruments; interest and dividends received as returns on loans (except program loans), debt instruments of other entities, equity securities, and cash management or investment pools; and withdrawals from investment pools that are not being used as demand accounts should be reported as cash inflows from investing activities on the Combined Statement of Cash Flows - Proprietary Funds. (GASB 2450.124; GAAFR, page 239)	2
O021	Disbursements for loans (except program loans) made by the governmental enterprise and payments to acquire debt instruments of other entities (other than cash equivalents); payments to acquire equity instruments; and deposits into investment pools not being used as a demand account should be reported as cash outflows for investing activities on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.125; GAAFR, page 239)	2
O022	Debt that is not clearly attributable to capital construction, acquisition, or improvement should be considered noncapital debt, and the debt proceeds and subsequent payments of principal and interest should be classified as noncapital financing activities on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.126; GAAFR, pages 238-239)	2
O023	Principal and interest payments on debt that was issued to acquire, construct, or improve capital assets that have been sold or otherwise disposed of should remain classified as capital and related financing activities on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.126)	2
O024	The portion of a fee (tap fee, system development fee, connection fee) that is received to defray the operating costs associated with connecting a customer with a utility system and that is reported in operating income should be presented in the operating activities category of the Statement of Cash Flows – Proprietary Funds. Any portion of the fee that is to be used for the specific purpose of defraying the cost of acquiring, constructing, or improving capital assets should be presented in the capital and related financing activities category. (Comprehensive Implementation Guide, Question 2.24.4)	3

Item Number	Item	Significance Level
O025	A transaction that meets the criteria of GASB S20.103 whereby the receivables are considered to have been sold should report the cash flows from that sale on the Statement of Cash Flows – Proprietary Funds as cash flows from operations. If those criteria are not met, the transaction is considered to be a borrowing, and the cash flows would be classified in the noncapital or capital and related financing category, depending on the nature of the receivables. (Comprehensive Implementation Guide, Question 2.23.2)	3
O026	In a defeasance of debt, the proceeds of a refunding debt issue used to refund capital debt should be reported as a cash inflow in the capital and related financing category on the Statement of Cash Flows - Proprietary Funds. The payment to defease the existing capital debt should be reported as an outflow in that category. Similarly, subsequent principal and interest payments on the refunding debt should also be reported as cash outflows in the capital category. If the refunding issue is in excess of the amount needed to refund the existing capital debt, the total proceeds and the subsequent principal and interest payments should be allocated between the capital category and the noncapital financing category based on the amounts used for capital and noncapital purposes. (GASB 2450.126)	2
O027	The Statement of Cash Flows - Proprietary Funds should report net cash provided or used in each of the four categories, as well as the net effect of those flows on cash and cash equivalents during the period in a manner that reconciles beginning and ending cash and cash equivalents. (GASB 2450.127)	2
O028	A negative cash balance should be assumed to be zero. The increase to zero in the cash balance should be incorporated into the statement of cash flows by reporting an inflow in the noncapital financing activities category. (Comprehensive Implementation Guide, Question 2.11.3)	3
O029	Governmental enterprises should also provide - in an accompanying schedule or on the face of the statement - a reconciliation of operating income to operating cash flows on the Statement of Cash Flows - Proprietary Funds. (GASB 2450.129; GAAFR, page 241)	2
O030	Information about all investing, capital, and financing activities that affect recognized assets or liabilities but do not result in cash receipts or cash payments in the period should be reported in a separate schedule on the Statement of Cash Flows - Proprietary Funds which clearly describes the cash and noncash aspects of transactions involving similar items. Examples of noncash transactions are acquiring assets by assuming directly related liabilities, such as purchasing a building by incurring a mortgage to the seller; obtaining an asset by entering into a capital lease; and exchanging noncash assets or liabilities for other noncash assets or liabilities. (GASB 2450.132; GAAFR, page 241)	2
O031	The net appreciation/depreciation in the value of investments reported at fair value (but <i>not</i> classified as cash equivalents) is a noncash transaction that requires disclosure in a schedule to the Statement of Cash Flows – Proprietary Funds. (GAAFR, page 241)	3
O032	Cash contributed by developers and other individuals specifically to defray the cost of acquiring, constructing, or improving capital assets should be presented in the capital and related financing activities category of the Statement of Cash Flows – Proprietary Funds. Noncash transactions (such as the contribution of water and sewer lines by a developer) should be disclosed in a schedule to the Statement of Cash Flows – Proprietary Funds. (Comprehensive Implementation Guide, Question 2.24.3)	3

Item Number	Item	Significance Level
<u>Fiduciary Fund Financial Statements</u>		
P001	Fiduciary statements should only include the activity of pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds. Expendable and nonexpendable trust funds are required to be reclassified as special revenue and permanent funds and are therefore not reported in the fiduciary fund financial statements (unemployment compensation plans are enterprise funds). (GASB 1300.102; GASBS 34, paragraph 395)	1A
P002	Fiduciary fund statement should be presented using the economic resources measurement focus and the accrual basis of accounting. (GASB 1300.102 and 1600.138; GAAFR, page 101)	1A
P003	Fiduciary fund statements should only include those funds that report resources held by a governmental unit in a trustee or agent capacity for others. (GASB 1300.102; GAAFR, pages 46 and 251)	2
P004	The fiduciary fund statements should provide a separate column for each fund type - pension (and other employee benefit) trust funds, investment trust funds, private-purpose trusts, and agency funds. (GASB 2200.196; GAAFR, page 261)	2
P005	All component units that are fiduciary in nature should not be shown in a separate column, but combined with their appropriate fiduciary fund type. (GASB 2200.196, .214, Comprehensive Implementation Guide, Question 7.77.4; GAAFR, page 262)	2
P006	A governmental entity that sponsors one or more external investment pools (sponsoring government) should report the external portion of each pool as a separate investment trust fund (a fiduciary fund) that reports transactions and balances using the economic resources measurement focus and the accrual basis of accounting. (GASB I50.117; GAAFR, page 47)	2
	<i>(Note to reviewer: GASB I50.117 states that the external portion of an external investment pool is the portion that belongs to legally separate entities that are not part of the sponsoring government's financial reporting entity.)</i>	
P007	Any deferred compensation plan adopted under the provisions of Internal Revenue Code Section 457 should be reported as a pension trust fund in the fiduciary fund financial statements if the assets are held by the government in a fiduciary capacity. (GASB D25.101; GAAFR, pages 46-47)	2
<u>Statement of Fiduciary Net Position</u>		
Q001	The basic financial statements should include a statement of fiduciary net position. (GASB 2200.105, .196; GAAFR, page 261)	1A
Q002	The statement of fiduciary net position should include information about the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for each fiduciary fund type. (GASB 2200.197)	2
Q003	Assets for pension and other postemployment benefit trust funds should be subdivided into major categories (such as cash and cash equivalents, receivables, investments, assets used in operations) on the statement of fiduciary net position. (GASB Pe5.112; Po50.115, GAAFR, pages 262 and 644)	2
Q004	For pension and other postemployment benefit trust funds, investments and receivables should be subdivided into their major components on the statement of fiduciary net position. (GASB Pe5.112; Po50.115 GAAFR, pages 262 and 644)	2
Q005	If only agency funds are presented, the title of the statement should be "Statement of Fiduciary Assets and Liabilities" since agency funds do not have net position. (GASB 1300.114, 2200.922a)	2

Item Number	Item	Significance Level
Q006	The fiduciary fund statement of position must employ the net position format. (GASB 2200.197, .919; GAAFR, page 262)	2
Q007	If a pension trust fund is reported, the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources at the reporting date should be captioned <i>net position - restricted for pensions</i> . (GASB Pe5.118; GAAFR, pages 263 and 645)	2
Q008	If an other postemployment benefit trust fund is reported, the difference between total plan assets, deferred outflows of resources, total plan liabilities, and deferred inflows of resources at the reporting date should be captioned <i>net position - restricted for OPEB</i> . (GASB Po50.121; GAAFR, pages 263 and 645)	2
Q009	The difference between the external investment pool assets, deferred outflows of resources, liabilities, and deferred inflows of resources should be captioned <i>net position – amounts held in trust for pool participants</i> on the statement of fiduciary net position. (GASB I50.117; GAAFR, page 263)	2
Q010	Assets should equal liabilities in agency funds. (GASB 2200.199; GAAFR, page 252)	2
<u>Statement of Changes in Fiduciary Net Position</u>		
R001	The basic financial statements should include a statement of changes in fiduciary net position. (GASB 2200.105, .196; GAAFR, page 261)	1A
R002	The statement of changes in fiduciary net position should be divided into two sections: additions and deductions. (GASB 2200.198; GAAFR, pages 264 and 645)	2
R003	Agency funds should not be reported in the statement of changes in fiduciary net position. (GASB 2200.199; GAAFR, page 263)	2
R004	Additions for pension and other postemployment benefit trust funds should be classified into the following categories, as appropriate: <i>employer contributions, plan member contributions, other contributions, and net investment income</i> . (GASB Pe5.119, Po50.123; GAAFR, pages 264 and 645)	2
R005	Investment expense should be separately displayed in the <i>net investment income</i> addition category on the statement of changes in fiduciary net position. (GASB Pe5.119, Po50.123; GAAFR, pages 264 and 645)	2
	<i>(Note to reviewer: GASB Pe5.123 states that investment-related costs should be reported as investment expense if they are separable from (a) investment income and (b) the administrative expense of the pension plan.)</i>	
R006	Deductions for pension and other postemployment benefit trust funds should include separate amounts for 1) benefits and refunds paid to plan members and beneficiaries, and 2) total administrative expenses. (GASB Pe5.124, Po50.124; GAAFR, page 645)	2
R007	The difference between total additions and total deductions presented in the statement of changes in fiduciary net position should be reported as the net increase (or decrease) in net position. (GASB Pe5.126)	2
<u>Notes to Financial Statements</u>		
S001	The basic financial statements should include Notes to the Financial Statements. (GASB 2200.105, 2300.101; GAAFR, pages 323 and 345)	1A
S002	Because the notes are an integral part of the financial statements, they should distinguish between information pertaining to the primary government (including its blended component units) and that of its discretely presented component units. (GASB 2300.104, 2600.122; GAAFR, page 324 and 346)	2
S003	The Notes to the Financial Statements should be incorporated into the financial section as an integral part of the basic financial statements. (GASB 2300.102)	2

Item Number	Item	Significance Level
<u>Summary of Significant Accounting Policies</u>		
S004	The Notes to the Financial Statements should include a brief description of the component units of the financial reporting entity and their relationships to the primary government. (GASB 2300.106(a)(2) and 2600.121; GAAFR, page 324)	2
S005	The Notes to the Financial Statements should include a discussion of the criteria for including each component unit in the financial reporting entity and whether it is discretely presented, blended, or included in the fiduciary fund financial statements. Component units may be disclosed together if they have common characteristics as long as each component unit is separately identified. (GASB 2300.106(a)(2) and 2600.121; GAAFR, page 324)	CAFR
	<i>(Note to reviewer: GASB Statement 14, paragraph 61, states that "the notes to the reporting entity's financial statements should include a brief description of the component units of the financial reporting entity and their relationships to the primary government". According to the basis for conclusions to Statement 14, "... the Board concluded that the notes to the financial statements should contain a brief discussion of the reporting entity, including how the component units are included and why". In the absence of component units, consideration should be given to disclosing in the summary of significant accounting policies that the reporting entity consists of the primary government, the City of X/Y County.)</i>	
S006	The Notes to the Financial Statements should include information about how the separate financial statements for individual component units may be obtained. (GASB 2300.106(a)(2), 2600.121; GAAFR, page 325)	2
S007	The fiscal year of the component units included in the reporting entity should be consistent from year to year, and changes in fiscal years should be disclosed. (GASB 2600.120)	2
S008	If transactions between component units that have different fiscal years result in inconsistencies in amounts reported as due to or due from, and so forth, the nature and amount of those transactions should be disclosed in the Notes to the Financial Statements. (GASB 2600.120; GAAFR, page 327)	2
S009	If the entity is a component unit of another government, the notes to the financial statements should identify the primary government in whose financial reporting entity it is included and describe its relationship with the primary government. (GASB 2300.107(q), 2600.125)	2
S010	The Notes to the Financial Statements should disclose a description of the government-wide financial statements, noting that neither fiduciary funds nor component units that are fiduciary in nature are included. (GASB 2300.106(a)(1); Comprehensive Implementation Guide, Question 7.84.1; GAAFR, page 324)	2
S011	The Notes to the Financial Statements should include a description of the activities accounted for in each of the following columns – major funds, internal service funds, and fiduciary fund types – presented in the basic financial statements. (GASB 1300.125 and 2300.106(a)(3); GAAFR, pages 327-328)	2
	<i>(Note to reviewer: GASB 1300.125 states that with the exception of the general fund or its equivalent, the descriptions should be specific to the particular government, rather than general definitions that could describe any government. For example, activities of the road fund could be described as maintenance and preservation of local roads financed with local fuel taxes.)</i>	
S012	The classification of each major fund by fund type should be disclosed if not otherwise discernible. (GAAFR, pages 327-328)	3
	<i>(Note to reviewer: Be sure to identify the fund(s) in reviewer comments.)</i>	

Item Number	Item	Significance Level
S013	Governments should disclose in the notes to the financial statements the purpose for each major special revenue fund – identifying which revenues and other resources are reported in each of those funds. (GASB 1300.105, 2300.107(oo); GAAFR, page 328)	2
S014	The Notes to the Financial Statements should state that the flow of economic resources measurement focus is used for government-wide financial statements. (GASB 2300.106(a)(4), 1600.103)	2
S015	The Notes to the Financial Statements should state that the government-wide financial statements are accounted for on the accrual basis. (GASB 2300.106(a)(4), 1600.103; GAAFR, page 329)	2
S016	The Notes to the Financial Statements should state that governmental funds employ the current financial resources measurement focus. (APB 22 paragraph 12; GASB 1300.102, 2300.901)	2
S017	The Notes to the Financial Statements should state that governmental funds are accounted for on the modified accrual basis. (APB 22 paragraph 12; GASB 1300.102, 2300.901; GAAFR, page 329)	2
S018	The Notes to the Financial Statements should state that proprietary funds and fiduciary funds employ the economic resources measurement focus. (APB 22 paragraph 12; GASB 1300.102, 2300.901)	2
S019	The Notes to the Financial Statements should state that proprietary funds and fiduciary funds are accounted for on the accrual basis. (APB 22 paragraph 12; GASB 1300.102, 2300.901; GAAFR, page 329)	2
S020	The Notes to the Financial Statements should disclose the revenue recognition policies used in fund financial statements, including the length of time used to define <i>available</i> for purposes of revenue recognition in the governmental fund financial statements. (GASB 2300.106(a)(5), 1600.106; GAAFR, page 329)	2
S021	The Notes to the Financial Statements should disclose the <i>susceptible to accrual</i> criterion for major revenue sources. This disclosure should address the specific types of major revenue sources that meet this criterion. (GASB 1600.108)	2
S022	The Notes to the Financial Statements should disclose the significant encumbrances by major funds and nonmajor funds in the aggregate in conjunction with required disclosures about other significant commitments.. (GASB 1700.127(c); GAAFR, page 372)	2
S023	Encumbering amounts for specific purposes for which resources already have been restricted, committed, or assigned should not result in separate display of the encumbered amounts within those classifications. Encumbered amounts for specific purposes for which resources have not been previously restricted, committed, or assigned should not be classified as unassigned but, rather, should be included within committed or assigned fund balance, as appropriate. (GASB 1700.127; GAAFR, page 191)	2
S024	If cash flows reporting focuses on both <i>cash</i> and <i>cash equivalents</i> , the Notes to the Financial Statements should define cash equivalents. (GASB 2300.106(a)(11), 2450.108; GAAFR, page 331)	2
S025	Generally, only investments with original maturities of three months or less meet the definition of cash and cash equivalents. (GASB 2450.106; GAAFR, page 237)	2
S026	The Notes to the Financial Statements should describe the government’s policy for eliminating internal activity in the government-wide statement of activities. (GASB 2300.106(a)(6); Comprehensive Implementation Guide, Question 7.84.2; GAAFR, page 329)	2

Item Number	Item	Significance Level
S027	The Notes to the Financial Statements should disclose the accounting policy for capitalizing assets and for estimating the useful lives of those assets (used to calculate depreciation expense) and the method or methods used in computing depreciation with respect to major classes of depreciable assets. (GASB 2300.106(a)(8); Comprehensive Implementation Guide, Question 7.85.4; GAAFR, page 332)	2
	<i>(Note to reviewer: Phase 3 governments choosing not to retroactively report infrastructure should disclose that fact in the Notes to the Financial Statements. Comprehensive Implementation Guide, Question 7.85.5 states, "Phase 3 governments that do not elect to retroactively report infrastructure should include a statement in their summary of significant accounting policies on an ongoing basis such as "General infrastructure assets acquired prior to July 1, 2003 are not reported in the basic financial statements," "General infrastructure assets include all roads and bridges and other infrastructure assets acquired subsequent to July 1, 2003," or other language that indicates how infrastructure was capitalized.")</i>	
S028	Capitalization policies may include (a) capitalization thresholds, (b) the methods used for estimating historical cost or fair value, and (c) the extent of infrastructure capitalization including (for phase 1 and phase 2 governments) whether infrastructure acquired prior to fiscal years ended after June 30, 1980, are reported and (for phase 3 governments) whether infrastructure acquired prior to implementation of Statement 34 are reported. (Comprehensive Implementation Guide, Question 7.85.4; GAAFR page 332)	3
S029	If the government has elected to use the modified approach for one or more networks or subsystems of infrastructure assets, the Notes to the Financial Statements should describe the modified approach. (GASB 2300.106(a)(8); GAAFR, page 332)	2
S030	The Notes to the Financial Statements should disclose the approach to expenditure recognition for prepaids in governmental funds (i.e., when purchased or during the benefiting period). (APB 22 paragraph 12; GAAFR, pages 149 and 323)	2
S031	The Notes to the Financial Statements should disclose the valuation basis for investments. (APB 22 paragraph 12; GAAFR, page 352)	2
S032	For the various classifications of inventory items, the basis upon which their amounts are stated and, where practicable, indication of the method of determining the cost, for example, average cost, FIFO, and LIFO, should be disclosed in the notes to the financial statements. (GASB 2300.106(a)(7), I40.114; GAAFR, page 331)	2
S033	The Notes to the Financial Statements should describe the types of transactions that are reported as program revenues on the statement of activities. (GASB 2300.106(a)(9); GAAFR, page 336)	2
S034	The Notes to the Financial Statements should disclose the government's policy for defining operating and nonoperating revenues and expenses in proprietary funds. (GASB 2200.192 and 2300.106(a)(10), P80.115; GAAFR, pages 235 and 337)	2
S035	The Notes to the Financial Statements should disclose the policy for allocating indirect expenses to functions in the Statement of Activities. (GASB 2300.106a(9); GAAFR, page 336)	2
S036	The Notes to the Financial Statements should disclose the government's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. (GASB 2300.106(a)(12); Comprehensive Implementation Guide, Question 7.84.3; GAAFR, page 335)	2
S037	Governments should disclose the following about their fund balance classification policies and procedures in the notes to the financial statements: (GASB 1800.183, 2300.106(a)(13); GAAFR, pages 335-336 and 380)	2

Item Number	Item	Significance Level
S037a	For <i>committed</i> fund balance: (1) the government's highest level of decision-making authority and (2) the formal action that is required to be taken to establish (and modify or rescind) a fund balance commitment	2
S037b	For <i>assigned</i> fund balance: (1) the body or official authorized to assign amounts to a specific purpose and (2) the policy established by the governing body pursuant to which that authorization is given	2
S037c	For the classification of fund balances: (1) whether the government considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available and (2) whether committed, assigned, or unassigned amounts are considered to have been spent when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used	2
S038	If nonspendable fund balance is displayed in the aggregate on the face of the balance sheet, amounts for the two nonspendable components should be disclosed in the notes to the financial statements. (GASB 1800.185; GAAFR, page 380)	2
	<i>(Note to reviewer: It is not necessary to separately classify the components using the Statement 54 descriptions as long as amounts for the two components are discernible. For example, rather than presenting "Resources not in spendable form," governments could instead label that amount as "Inventories and prepaid amounts." Comprehensive Implementation Guide Z.54.6)</i>	
S039	If restricted, committed, or assigned fund balances are displayed in the aggregate, specific purposes information should be disclosed in the notes to the financial statements. (GASB 1800.185; GAAFR, page 380)	2
	<i>(Note to reviewer: Governments may display specific purpose details for some classifications on the face of the balance sheet and disclose the details for other classifications in the notes to the financial statements.)</i>	
S040	Governments that establish stabilization arrangements, even if an arrangement does not meet the criteria to be classified as restricted or committed, should disclose the following information in the notes to the financial statements: (GASB 1800.186; GAAFR, page 380)	2
	<i>(Note to reviewer: See Comprehensive Implementation Guide, Question Z.54.23 for description of the difference between a stabilization arrangement and a minimum fund balance policy.)</i>	
S040a	The authority for establishing stabilization arrangements (for example, by statute or ordinance)	2
S040b	The requirements for additions to the stabilization amount	2
S040c	The conditions under which stabilization amounts may be spent	2
S040d	The stabilization balance, if not apparent on the face of the financial statements	2
S041	If a governing body has formally adopted a minimum fund balance policy (for example, in lieu of separately setting aside stabilization amounts), the government should describe in the notes to its financial statements the policy established by the government that sets forth the minimum amount. (GASB 1800.187, 2300.107(nn); GAAFR, page 380)	2
S042	Balances of deferred outflows of resources and deferred inflows of resources reported in a statement of net position or a governmental fund balance sheet may be aggregations of different types of deferred amounts. Governments should provide details of the different types of deferred amounts in the notes to the financial statements if significant components of the total deferred amounts are obscured by aggregation. Disclosure in the notes to the financial statements is required only if the information is not displayed on the face of the financial statements. (GASB 2300.107(eee), .130; GAAFR, pages 368 and 380)	2

Item Number	Item	Significance Level
S043	In some situations, the amount reported for a component of net position (net investment in capital assets, restricted, and unrestricted) may be significantly affected by a transaction that has resulted in recognition of a deferred outflow of resources or deferred inflow of resources. If the difference between a deferred outflow of resources or deferred inflow of resources and the balance of the related asset or liability is significant, governments should provide an explanation of that effect on its net position in the notes to the financial statements. (GASB 2300.131; GAAFR, page 368 and 380)	2
	<i>(GASBS 63, ¶36 elaborates “For example, the balance of a deferred inflow of resources from an up-front payment in a service concession arrangement may significantly exceed any unspent cash from that payment – especially after the first years of the arrangement. In that circumstance, disclosure of the effects of the deferral amount would be required. Conversely, if there is not a significant difference between the deferred outflow of resources or deferred inflow of resources and the balance of the related assets or liabilities, no disclosure is required. For example, deferred outflows of resources of deferred inflows of resources related to a hedging derivative instrument will often be the same amount as the reported fair value of the derivative instrument itself. In this situation, there would be no significant effect on net position to disclose. Based on the provisions of Concepts Statement No. 3, Communication Methods in General Purpose External Financial Resources That Contain Basic Financial Statements, the Board believes that an explanation of a significant effect on net position constitutes ‘more detail about or explanations of amounts recognized in financial statements’ and, therefore, would be an appropriate disclosure in the notes to financial statements.”)</i>	
S044	If the government presents required budgetary comparisons as a basic financial statement, the Notes to the Financial Statements should disclose the budgetary basis of accounting (e.g., GAAP, GAAP plus encumbrances). (GASB 2400.103 and 2400, Footnote 5)	2
S045	If the government presents required budgetary comparisons as a basic financial statement, the Notes to the Financial Statements should disclose excesses of expenditures over appropriations in the general fund and annually budgeted major special revenue funds. (GASB 2400.103 and 2400, Footnote 5; GAAFR, pages 330-331; Comprehensive Implementation Guide, Question 7.93.1)	2
S046	"Legal level of control" means the lowest level of budgetary detail at which a local government's management or budget officer may not reassign resources without approval of the governing authority. The legal level of control shall be, at a minimum, expenditures for each department for each fund for which a budget is required. This does not preclude the governing authority of a local government from establishing a legal level of control at a more detailed level of budgetary control than the minimum required legal level of control. (OCGA 36-81-2(14))	X
S047	The Notes to the Financial Statements should disclose material violations of finance-related legal and contractual provisions and actions taken to address such violations. (GASB 1200.112, 2300.106(h), 2400.104; GAAFR, page 347; Comprehensive Implementation Guide, Question 7.93.1)	2
	<i>(Note to reviewer: According to the Comprehensive Implementation Guide’s question 7.93.1, disclosure of the excess of expenditures over appropriations is required for any fund, including nonmajor special revenue funds, capital projects funds, or debt service funds, if the overexpenditure constitutes a significant violation of finance-related legal and contractual provisions.)</i>	
S048	The Notes to the Financial Statements should disclose deficit fund balances or net position of individual nonmajor funds. (GASB 2300.106(n); GAAFR, page 348)	2

Item Number	Item	Significance Level
	<i>(Note to Reviewer: If there is only one nonmajor fund of a given fund type, this requirement is effectively met by presentation on the basic financial statements.)</i>	
<u>Assets *****</u>		
S049	The Notes to the Financial Statements should briefly describe the deposit policies that are related to custodial credit risk and foreign currency risk (if exposed). If a government has no custodial credit risk policy, the disclosure should indicate that fact. (GASB C20.109; GAAFR, page 350)	2
S050	If the government is exposed to custodial credit risk for its deposits at year end because they are uninsured and (a) uncollateralized, (b) collateralized with securities held by the pledging financial institution or (c) collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor-government's name, the Notes to the Financial Statements should disclose the amount of the bank balances exposed to custodial credit risk, indicate that the balances are uninsured, and explain whether the balances are exposed on the basis of either a, b, or c above. (GASB C20.107; GAAFR, page 350)	2
S051	The Notes to the Financial Statements should disclose separately the amount of deposits that are uncollateralized and the amount of deposits that are collateralized with securities held by the pledging financial institution or that are collateralized with securities held by the pledging financial institution's trust department or agent but not in the government's name. (Comprehensive Implementation Guide, Question 1.28.6)	3
S052	OCGA 45-8-12(c) requires public funds to be insured or collateralized at 110%.	X
S053	If a government's deposits are exposed to foreign currency risk, the government should disclose the U.S. dollar balances of such deposits, organized by currency denomination. (GASB C20.108; GAAFR page 350)	2
S054	Negotiable CDs are securities that normally are sold in \$1 million units and can be traded in a secondary market and should be treated as investments. Nonnegotiable CDS are time deposits that are placed by depositors directly with financial institutions and that generally are subject to a penalty if redeemed before maturity and should be treated as deposits. (Comprehensive Implementation Guide, Question 1.39.1)	3
S055	The Notes to the Financial Statements should disclose the investment policies concerning credit risk (including custodial credit risk), concentration risk, interest rate risk, and foreign currency risk when it is exposed to such risks. If a government does not have a policy that addresses one of these risks to which it is currently exposed, the disclosure should indicate that fact. (GASB I50.136; Comprehensive Implementation Guide, Questions 1.5.1 through 1.5.5; GAAFR, page 353)	2
	<i>(Note to reviewer: GAAFR, page 353 states that "for purposes of this disclosure, the term "policy" encompasses only limitations imposed either by the governing body or by contract. It does not embrace managerial policies or simple past practice".)</i>	
S056	The Notes to the Financial Statements should briefly describe the types of investments authorized by legal or contractual provisions. (GASB I50.134; Comprehensive Implementation Guide, Questions 1.6.1, 1.7.1 and 1.7.2; GAAFR, page 353)	2
	<i>(Note to Reviewer: OCGA 36-83-4 identifies authorized investments for local governments. In addition, OCGA 36-82-7 identifies authorized investments for bond proceeds and OCGA 47-20-83 and 84 identifies authorized investments of local government retirement system assets.)</i>	

Item Number	Item	Significance Level
	<i>(Note to Reviewer: Comprehensive Implementation Guide, Question 1.7.2 notes that the government is required to disclose authorized investment types and states that “one of the objectives of the Statement 3 disclosures is to inform financial statement users about potential future risk. Information about the government’s ability to invest in the instrument is important to a user’s evaluation of potential future risk”.)</i>	
S057	The Notes to the Financial Statements should disclose differences in authorized investment types if the types of investments authorized for different funds, fund types, blended component units, or discretely presented component units differ significantly from those authorized for the primary government, and those funds, fund types, or component units have material investment activity compared with the reporting entity’s investment activity. (GASB I50.134; Comprehensive Implementation Guide, Question 1.7.3)	2
S058	The following investment disclosure(s) should be made in the Notes to the Financial Statements (GASB I50.129; GAAFR, pages 352 and 354):	2
S058a	the methods and significant assumptions used to estimate the fair value of investments, if that fair value is based on other than quoted market prices	2
S058b	the policy for determining which investments, if any, are reported at amortized cost	2
S058c	for any investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool and whether the fair value of the position in the pool is the same as the value of the pool shares	2
S058d	any involuntary participation in an external investment pool	2
S058e	if an entity cannot obtain information from a pool sponsor to allow it to determine the fair value of its investment in the pool, the methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate.	2
S058f	any income from investments associated with one fund that is assigned to another fund	2
S058g	if an entity elects to report realized gains and losses, disclose:	2
S058g(1)	the calculation of realized gains and losses is independent of a calculation of the net change in the fair value of investments	2
S058g(2)	realized gains and losses on investments that had been held in more than one fiscal year and sold in the current year were included as a change in the fair value of investments reported in the prior year(s) and the current year	2
S059	If a government is exposed to custodial credit risk for its investments evidenced by securities at year end because they are neither insured nor registered in the government’s name and they are held by either 1) the counterparty, or 2) the counterparty’s trust department or agent but not in the government’s name, the Notes to the Financial Statements should disclose the investments’ type, the reported amount, and how the investments are held. (GASB I50.138; GAAFR, pages 354-355)	2
S060	The Notes to the Financial Statements should disclose the credit quality ratings of investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities as described by nationally recognized statistical rating organizations as of the date of their financial statements. If a credit quality disclosure is required and the investment is unrated, the disclosure should indicate that fact. (GASB I50.137; GAAFR page 353-354)	2
S061	The Notes to the Financial Statements should use one of the five approved methods (i.e., segmented time distribution, specific identification, weighted average maturity, duration, or simulation model) to disclose interest rate risk for positions in fixed-rate debt securities. Governments should also disclose the terms of investments with fair values that are highly sensitive to changes in interest rates. (GASB I50.140 and .141; GAAFR, pages 358-359)	2

Item Number	Item	Significance Level
S062	The Notes to the Financial Statements should disclose details of the property tax calendar, including lien dates, levy dates, due dates, and collection dates. (GASB P70.108; GAAFR, pages 336-337)	2
S063	Governments should provide details in the notes to the financial statements when significant components of receivables have been obscured by aggregation. Balances of receivables may also have different liquidity characteristics. Significant receivable balances not expected to be collected within one year of the date of the financial statements should be disclosed. (GASB 2300.107(ee), .125; GAAFR page 366)	2
S064	The capital asset disclosure in the Notes to the Financial Statements should provide information separately for each major class of capital assets (such as land, buildings, equipment, and infrastructure). Also, a clear distinction should be made between capital assets associated with business-type activities and governmental-type activities. Nondepreciable capital assets (such as land, art collections, and infrastructure using the modified approach) should be reported separately from depreciable assets. (GASB 2300.117; GAAFR, page 366)	2
S065	Information about major classes of capital assets should be disclosed in the Notes to the Financial Statements. This disclosure should include the following (GASB 2300.118; GAAFR, page 366):	2
S065a	Beginning- and end-of-year balances (regardless of whether beginning-of-year balances are presented on the face of the government-wide financial statements), with accumulated depreciation presented separately from historical cost.	2
S065b	Capital acquisitions	2
S065c	Sales or other dispositions	2
S065d	Current-period depreciation expense, with disclosure of the amounts charged to each of the functions in the statement of activities.	2
Liabilities *****		
S066	Governments should provide details in the notes to the financial statements when significant components of payables have been obscured by aggregation. Balances of receivables may also have different liquidity characteristics. Significant receivable balances not expected to be collected within one year of the date of the financial statements should be disclosed. (GASB 2300.107(ee), .125; GAAFR page 368)	2
S067	The Notes to the Financial Statements should disclose debt service requirements to maturity, presenting principal and interest separately for each of the five subsequent fiscal years and in five-year increments thereafter. Interest requirements for variable-rate debt should be determined using the rate in effect at the financial statement date. (GASB 1500.129(a); 2300.106(i); Comprehensive Implementation Guide, Question 7.85.7; GAAFR, page 376)	2
S068	The terms by which interest rates change for variable-rate debt should be disclosed in the Notes to the Financial Statements. (GASB 1500.129(b); GAAFR, page 376)	2
S069	The Notes to the Financial Statements should provide a brief description of each individual bond issue and capital lease outstanding as of the end of the reporting period. (GAAFR, page 375)	3
S070	The long-term debt disclosure in the Notes to the Financial Statements should provide information separately for each major class of long-term liabilities. Also, a clear distinction should be made between long-term liabilities associated with business-type activities and governmental-type activities. (GASB 2300.117; GAAFR, page 375)	2
S071	The Notes to the Financial Statements should disclose any amount of interest included in the direct expenses in the government-wide statement of activities. (GASB 2200.134, 2300.107(aa); GAAFR, page 381)	2

Item Number	Item	Significance Level
	<i>(Note to reviewer: GASB 2200.134 states that interest on general long-term obligations generally should be considered an indirect expense. However, interest on long-term debt should be included in direct expenses in those limited instances when borrowing is essential to the creation or continuing existence of a program.)</i>	
S072	The following information with respect to interest cost should be disclosed in the notes to the financial statements (GASB 1400.137; GAAFR, page 366):	2
S072a	For an accounting period in which no interest cost is capitalized, the amount of interest cost incurred and charged to expense during the period	2
S072b	For an accounting period in which some interest cost is capitalized, the total amount of interest cost incurred during the period and the amount thereof that has been capitalized.	2
	<i>(Note to reviewer: GASB Statement No. 62, paragraph 553 notes that GASB Statement No. 37 provides that construction-period interest on assets used in the governmental activities should not be capitalized.)</i>	
S073	The following information with respect to capital leases should be disclosed in the notes to the lessee's financial statements (GASB L20.126 and .127; GAAFR, page 374):	2
S073a	The future minimum payments for each of the five subsequent fiscal years and in five-year increments thereafter	2
S073b	The gross amount of assets recorded under capital leases as of the date of each set of financial statements presented by major classes according to nature or function. This information may be combined with the comparable information for owned assets.	2
S073c	The total of minimum sublease rentals to be received in the future under noncancelable subleases as of the date of the latest financial statements presented	2
S073d	Total contingent rentals actually incurred for each period for which a flows statement is presented.	2
S073e	Assets recorded under capital leases and the accumulated amortization thereon. Unless the expense resulting from amortization of assets recorded under capital leases is included with depreciation expense and the fact that it is so included is disclosed, the amortization expense should be disclosed in the notes to the financial statements.	2
S073f	A general description of the lessee's leasing arrangements including, but not limited to, the following:	2
S073f(1)	The basis on which contingent rental payments are determined	2
S073f(2)	The existence and terms of renewal or purchase options and escalation clauses	2
S073f(3)	Restrictions imposed by lease agreements, such as those concerning additional debt and further leasing.	2
S074	The Notes to the Financial Statements should disclose changes in long-term liabilities. This disclosure should include (GASB 2300.120; Comprehensive Implementation Guide, Question 7.85.6; GAAFR, pages 375-376):	2
S074a	Beginning- and end-of-year balances (regardless of whether prior-year data are presented on the face of the government-wide financial statements)	2
S074b	Increases and decreases (separately presented)	2
S074c	The portions of each item that are due within one year of the statement date	2
S074d	Which governmental funds typically have been used to liquidate other long-term liabilities (such as compensated absences and pension liabilities) in prior years	2
S075	Pension obligation bonds have been issued without certification from the State Auditor that the bonds comply fully with the provisions of OCGA 36-82-9. (OCGA 36-82-9(b))	X

Item Number	Item	Significance Level
	<i>(Note to reviewer: If pension obligation bonds have been issued, verify with the State Auditor or his designee that the required certification was obtained by the local government. If the required certification was NOT obtained, be sure to notify the State Auditor (or designee) directly that this situation has occurred.)</i>	
S076	The Notes to the Financial Statements should disclose details of short-term debt activity during the year, even if no short-term debt is outstanding at year end. Short-term debt results from borrowings characterized by anticipation notes, use of lines of credit, and similar loans. The details should include (GASB 2300.124; GAAFR, page 374):	2
S076a	A schedule of changes in short-term debt, disclosing beginning- and end-of-year balances, increases, and decreases	2
S076b	The purpose for which the short-term debt was issued.	2
S077	The governing authority of any county, municipality, or other political subdivision of this state may incur debt by obtaining temporary loans in each year to pay expenses. Such loans shall be payable on or before December 31 of the calendar year in which such loan is made. (OCGA Art. 9, Sec. 5, Para. 5)	X
S078	The following information with respect to noncancelable operating leases should be disclosed in the notes to the lessee's financial statements (GASB L20.126 and .127; GAAFR, page 374):	2
S078a	The future minimum payments for each of the five subsequent fiscal years and in five-year increments thereafter	2
S078b	For operating leases having initial or remaining noncancelable lease terms in excess of one year, the total of minimum rentals to be received in the future under noncancelable subleases as of the date of the latest financial statements presented.	2
S078c	For all operating leases, rental expense/expenditure for each period for which a flows statement is presented, with separate amounts for minimum rentals, contingent rentals, and sublease rentals. Rental payments under leases with terms of a month or less that were not renewed need not be included.	2
S078d	A general description of the lessee's leasing arrangements including, but not limited to, the following:	2
S078d(1)	The basis on which contingent rental payments are determined	2
S078d(2)	The existence and terms of renewal or purchase options and escalation clauses	2
S078d(3)	Restrictions imposed by lease agreements, such as those concerning additional debt and further leasing.	2
S079	The Notes to the Financial Statements should disclose a general description of the demand bond program; terms of any letters of credit or other standby liquidity agreements outstanding, commitment fees to obtain the letters of credit, and any amounts drawn on them outstanding as of the balance sheet date; and a description of the take out agreement including its expiration date, commitment fees to obtain that agreement, and the terms of any new obligation under that take out agreement. The notes should also disclose the debt service requirements to maturity that would result if the take out agreement were to be exercised. (GASB D30.111; GAAFR, page 378)	2
	<i>(Note to Reviewer: If the government reports demand bonds, the reviewer should consult GASB D30, especially sections .101 to .106 for explanation of terms used in the above requirement.)</i>	
S080	The Notes to the Financial Statements should disclose, in all periods following an advance refunding for which debt defeased in substance remains outstanding, the amount of that debt, if any, outstanding at period-end. (GASB D20.117; GAAFR, page 378)	2

Item Number	Item	Significance Level
S081	If the entity defeased debt through an advanced or current refunding, a general description of the transaction should be provided in the Notes to the Financial Statements in the year of the refunding. At a minimum, the disclosures should include (a) the difference between the cash flows required to service the old debt and the cash flows required to service the new debt and complete the refunding and (b) the economic gain or loss resulting from the transaction. (GASB D20.114, D20.118; GAAFR, page 377)	2
S082	The Notes to the Financial Statements should disclose the nature of the obligation, if any, for special assessment debt. This includes a description of any guarantee, reserve, or sinking fund established to cover defaults by property owners. The notes should disclose the amount of delinquent special assessment receivables (if not discernible on the face of the financial statements). Also, all other disclosures ordinarily required in connection with long-term debt should be given for special assessment debt. If there is no obligation for special assessment debt, the Notes to the Financial Statements should disclose the amount of debt outstanding and the fact that the government is acting in an agent capacity for the property owners. (GASB S40.126 - .127; GAAFR, page 377)	2
S083	The Notes to the Financial Statements should disclose bond, tax, or revenue anticipation notes excluded from fund or current liabilities (proprietary funds). (GASB 2300.107(o))	2
S084	Governments should disclose in the Notes to the Financial Statements the following details about interfund transfers reported in the fund financial statements (GASB 2300.127; GAAFR, page 384):	2
S084a	Amounts transferred from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type	2
S084b	A general description of the principal purposes of the government's interfund transfers	2
S084c	The intended purpose and the amount of significant transfers that meet either or both of the following criteria:	2
S084c(1)	Do not occur on a routine basis—for example, a transfer to a wastewater enterprise fund for the local match of a federal pollution control grant	2
S084c(2)	Are inconsistent with the activities of the fund making the transfer—for example, a transfer from a capital projects fund to the general fund.	2
S085	If the government is a recipient of an endowment, the Notes to the Financial Statements should disclose the following (GASB 2300.123; GAAFR, page 383):	2
S085a	Amounts of net appreciation on investments that are available for expenditure	2
S085b	Explanations about how available amounts are reflected in net position	2
S085c	The state law governing the ability to spend net appreciation	2
S085d	The policy for authorizing and spending investment income.	2
S086	The Notes to the Financial Statements should include the following disclosures relating to conduit debt obligations (GASB C65.102; GAAFR, page 379):	2
S086a	a general description of the conduit debt transactions	2
S086b	the aggregate amount of all conduit debt obligations outstanding at the balance sheet date.	2
S086c	a clear indication that the issuer has no obligation for the debt beyond the resources provided by related leases or loans.	2

Item Number	Item	Significance Level
	<i>(Note to Reviewer: The term “conduit debt obligations” refers to certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local government entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer’s financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued. See GASB C65.101)</i>	
S087	Governments should disclose in the Notes to the Financial Statements the following details about interfund balances reported in the fund financial statements (GASB 2300.126; GAAFR, page 381):	2
S087a	Amounts due from other funds by individual major fund, nonmajor governmental funds in the aggregate, nonmajor enterprise funds in the aggregate, internal service funds in the aggregate, and fiduciary fund type	2
S087b	The purpose for interfund balances	2
S087c	Interfund balances that are not expected to be repaid within one year from the date of the financial statements.	2
S088	If interfund loan repayment is not expected within a reasonable time, the interfund balances should be reduced and the amount that is not expected to be repaid should be reported as a transfer from the fund that made the loan to the fund that received the loan. (GASB 1800.102; GAAFR, page 50; Comprehensive Implementation Guide, Question 7.82.1)	2
Defined Benefit Pension Plans *****		
	<i>(Note to reviewer: This information is required for all defined benefit pension plans. This would include GMEBS and ACCG defined benefit plans.)</i>	
	<i>The defined benefit pension plan note in the notes to the financial statements should include the disclosures required by GASB Statement 68. GASB Statement 68 is effective for financial statements for fiscal years beginning after June 15, 2014.</i>	2
S089	The total (aggregate for all pensions, whether provided through single employer, agent, or cost-sharing pension plans) of the employer's pension liabilities, pension assets, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense/expenditures for the period associated with net pension liabilities should be disclosed if the total amounts are not otherwise identifiable from information presented in the financial statements. (GASBS 68, ¶37)	2
S090	The information identified in paragraphs 39-45 should be disclosed for benefits provided through each single-employer or agent pension plan in which the employer participates. Disclosures related to more than one pension plan should be combined in a manner that avoids unnecessary duplication. (GASBS 68, ¶38)	2
S091	In circumstances in which the employees of a primary government and its component units are provided with pensions through the same single-employer or agent pension plan, the note disclosures in the reporting entity's financial statements should separately identify amounts associated with the primary government (including its blended component units) and those associated with its discretely presented component units. (GASBS 68, ¶39)	2
Pension plan description		
S092	The following information should be disclosed about the pension plan through which benefits are provided (GASBS 68, ¶40):	2
S092a	The name of the pension plan, identification of the public employee retirement system or other entity that administers the pension plan, and identification of the pension plan as a single-employer or agent pension plan.	2

Item Number	Item	Significance Level
S092b	A brief description of the benefit terms, including (1) the classes of employees covered; (2) the types of benefits; (3) the key elements of the pension formulas; (4) the terms or policies, if any, with respect to automatic postemployment benefit changes, including automatic COLAs, and ad hoc postemployment benefit changes, including ad hoc COLAs; and (5) the authority under which benefit terms are established or may be amended. If the pension plan is closed to new entrants, that fact should be disclosed.	2
S092c	The number of employees covered by the benefit terms, separately identifying numbers of the following:	2
S092c(1)	Inactive employees (or their beneficiaries) currently receiving benefits	2
S092c(2)	Inactive employees entitled to but not yet receiving benefits	2
S092c(3)	Active employees.	2
S092d	A brief description of contribution requirements, including (1) the basis for determining the employer's contributions to the pension plan (for example, statute, contract, an actuarial basis, or some other manner); (2) identification of the authority under which contribution requirements of the employer, nonemployer contributing entities, if any, and employees are established or may be amended; and (3) the contribution rates (in dollars or as a percentage of covered payroll) of those entities for the reporting period. Also, the amount of contributions recognized by the pension plan from the employer during the reporting period (measured as the total of amounts recognized as additions to the pension plan's fiduciary net position resulting from actual contributions and from contributions recognized by the pension plan as current receivables), if not otherwise disclosed.	2
S092e	Whether the pension plan issues a stand-alone financial report (or the pension plan is included in the report of a public employee retirement system or another government) that is available to the public and, if so, how to obtain the report (for example, a link to the report on the public employee retirement system's website).	2
	Information about the net pension liability	
	Assumptions and Other Inputs	
S093	Significant assumptions and other inputs used to measure the total pension liability, including assumptions about inflation, salary changes, and ad hoc postemployment benefit changes (including ad hoc COLAs) should be disclosed. With regard to mortality assumptions, the source of the assumptions (for example, the published tables on which the assumption is based or that the assumptions are based on a study of the experience of the covered group) should be disclosed. The dates of experience studies on which significant assumptions are based also should be disclosed. If different rates are assumed for different periods, information should be disclosed about what rates are applied to the different periods of the measurement. (GASBS 68, ¶41)	2
S094	The following information should be disclosed about the discount rate (GASBS 68, ¶42):	2
S094a	The discount rate applied in the measurement of the total pension liability and the change in the discount rate since the prior measurement date, if any	2
S094b	Assumptions made about projected cash flows into and out of the pension plan, such as contributions from the employer, nonemployer contributing entities, and employees	2
S094c	The long-term expected rate of return on pension plan investments and a brief description of how it was determined, including significant methods and assumptions used for that purpose	2
S094d	If the discount rate incorporates a municipal bond rate, the municipal bond rate used and the source of that rate	2
S094e	The periods of projected benefit payments to which the long-term expected rate of return and, if used, the municipal bond rate applied to determine the discount rate	2

Item Number	Item	Significance Level
S094f	The assumed asset allocation of the pension plan's portfolio, the long-term expected real rate of return for each major asset class, and whether the expected rates of return are presented as arithmetic or geometric means, if not otherwise disclosed	2
S094g	Measures of the net pension liability calculated using (1) a discount rate that is 1-percentage-point higher than that required by paragraph 26 and (2) a discount rate that is 1-percentage-point lower than that required by paragraph 26.	2
The Pension Plan's Fiduciary Net Position		
S095	All information required by this and other financial reporting standards about the elements of the pension plan's basic financial statements (that is, all information about the pension plan's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fiduciary net position) should be disclosed. However, if (a) a financial report that includes disclosure about the elements of the pension plan's basic financial statements is available on the Internet, either as a stand-alone financial report or included as a fiduciary fund in the financial report of another government, and (b) information is provided about how to obtain the report, reference may instead be made to the other report for these disclosures. In this circumstance, it also should be disclosed that the pension plan's fiduciary net position has been determined on the same basis used by the pension plan, and a brief description of the pension plan's basis of accounting, including the policies with respect to benefit payments (including refunds of employee contributions) and the valuation of pension plan investments should be included. If significant changes have occurred that indicate that the disclosures included in the pension plan's financial report generally do not reflect the facts and circumstances at the measurement date, information about the substance and magnitude of the changes should be disclosed. (GASBS 68, ¶43)	2
Changes in the net pension liability		
S096	For the current reporting period, a schedule of changes in the net pension liability should be presented. The schedule should separately include the information indicated in subparagraphs (a)-(d), below. If the employer has a special funding situation, the information in subparagraphs (a)-(c) should be presented for the collective net pension liability. (GASBS 68, ¶44)	2
S096a	The beginning balances of the total pension liability, the pension plan's fiduciary net position, and the net pension liability	2
S096b	The effects during the period of the following items, if applicable, on the balances in subparagraph (a):	2
S096b(1)	Service cost	2
S096b(2)	Interest on the total pension liability	2
S096b(3)	Changes of benefit terms	2
S096b(4)	Differences between expected and actual experience in the measurement of the total pension liability	2
S096b(5)	Changes of assumptions or other inputs	2
S096b(6)	Contributions from the employer	2
S096b(7)	Contributions from nonemployer contributing entities	2
S096b(8)	Contributions from employees	2
S096b(9)	Pension plan net investment income	2
S096b(10)	Benefit payments, including refunds of employee contributions	2
S096b(11)	Pension plan administrative expense	2
S096b(12)	Other changes, separately identified if individually significant.	2
S096c	The ending balances of the total pension liability, the pension plan's fiduciary net position, and the net pension liability	2

Item Number	Item	Significance Level
S096d	If the employer has a special funding situation:	2
S096d(1)	The nonemployer contributing entities' total proportionate share of the collective net pension liability	2
S096d(2)	The employer's proportionate share of the collective net pension liability.	2
S097	In addition to the information required by paragraph 44, the following information should be disclosed, if applicable (GASBS 68, ¶45):	2
S097a	The measurement date of the net pension liability, the date of the actuarial valuation on which the total pension liability is based, and, if applicable, the fact that update procedures were used to roll forward the total pension liability to the measurement date	2
S097b	If the employer has a special funding situation, the employer's proportion (percentage) of the collective net pension liability, the basis on which its proportion was determined, and the change in its proportion since the prior measurement date	2
S097c	A brief description of changes of assumptions or other inputs that affected measurement of the total pension liability since the prior measurement date	2
S097d	A brief description of changes of benefit terms that affected measurement of the total pension liability since the prior measurement date	2
S097e	The amount of benefit payments in the measurement period attributable to the purchase of allocated insurance contracts, a brief description of the benefits for which allocated insurance contracts were purchased in the measurement period, and the fact that the obligation for the payment of benefits covered by allocated insurance contracts has been transferred from the employer to one or more insurance companies	2
S097f	A brief description of the nature of changes between the measurement date of the net pension liability and the employer's reporting date that are expected to have a significant effect on the net pension liability, and the amount of the expected resultant change in the net pension liability, if known	2
S097g	The amount of pension expense recognized by the employer in the reporting period	2
S097h	The employer's balances of deferred outflows of resources and deferred inflows of resources related to pensions, classified as follows, if applicable:	2
S097h(1)	Differences between expected and actual experience in the measurement of the total pension liability	2
S097h(2)	Changes of assumptions or other inputs	2
S097h(3)	Net difference between projected and actual earnings on pension plan investments	2
S097h(4)	If the employer has a special funding situation, changes in the employer proportion (paragraph 86) and differences between the employer's contributions (other than those to separately finance specific liabilities of the individual employer to the pension plan) and the employer's proportionate share of contributions (paragraph 87)	2
S097h(5)	The employer's contributions to the pension plan subsequent to the measurement date of the net pension liability	2
S097i	A schedule presenting the following:	2
S097i(1)	For each of the subsequent five years, and in the aggregate thereafter, the net amount of the employer's balances of deferred outflows of resources and deferred inflows of resources in subparagraph (h) that will be recognized in the employer's pension expense	2
S097i(2)	If the employer does not have a special funding situation, the amount of the employer's balance of deferred outflows of resources in subparagraph (h) that will be recognized as a reduction of the net pension liability	2

Item Number	Item	Significance Level
S097i(3)	If the employer has a special funding situation, the amount of the employer's balance of deferred outflows of resources in subparagraph (h) that will be included as a reduction of the collective net pension liability	2
S097j	The amount of revenue recognized for the support provided by nonemployer contributing entities (see paragraphs 33d and 90), if any.	2
	RSI—all single and agent employers	
S098	The required supplementary information identified in subparagraphs (a)-(d), as applicable, should be presented separately for each single-employer and agent pension plan through which pensions are provided. The information indicated in subparagraphs (a) and (b) should be determined as of the measurement date of the net pension liability and may be presented in a single schedule. The information in subparagraphs (c) and (d) should be determined as of the employer's most recent fiscal year-end. If a primary government and one or more of its component units provide pensions through the same single employer or agent pension plan, required supplementary information in the reporting entity's financial statements should present information for the reporting entity as a whole. (GASBS 68, ¶46)	3
S098a	A 10-year schedule of changes in the net pension liability that separately presents the information required by paragraph 44 for each year.	3
S098b	A 10-year schedule presenting the following for each year:	3
S098b(1)	If the employer does not have a special funding situation:	3
S098b(1)(a)	The total pension liability	3
S098b(1)(b)	The pension plan's fiduciary net position	3
S098b(1)(c)	The net pension liability	3
S098b(1)(d)	The pension plan's fiduciary net position as a percentage of the total pension liability	3
S098b(1)(e)	The covered-employee payroll	3
S098b(1)(f)	The net pension liability as a percentage of covered-employee payroll.	3
S098b(2)	If the employer has a special funding situation, information about the collective net pension liability:	3
S098b(2)(a)	The total pension liability	3
S098b(2)(b)	The pension plan's fiduciary net position	3
S098b(2)(c)	The collective net pension liability	3
S098b(2)(d)	The nonemployer contributing entities' total proportionate share (amount) of the collective net pension liability	3
S098b(2)(e)	The employer's proportionate share (amount) of the collective net pension liability	3
S098b(2)(f)	The covered-employee payroll	3
S098b(2)(g)	The employer's proportionate share (amount) of the collective net pension liability as a percentage of covered-employee payroll	3
S098b(2)(h)	The pension plan's fiduciary net position as a percentage of the total pension liability.	3
S098c	If an actuarially determined contribution is calculated, a 10-year schedule presenting the following for each year:	3
S098c(1)	The actuarially determined contribution of the employer. For purposes of this schedule, actuarially determined contributions should exclude amounts, if any, to separately finance specific liabilities of the individual employer to the pension plan.	3

Item Number	Item	Significance Level
S098c(2)	The amount of contributions recognized by the pension plan in relation to the actuarially determined contribution of the employer. For purposes of this schedule, contributions should include only amounts recognized as additions to the pension plan's fiduciary net position during the employer's fiscal year resulting from actual contributions and from contributions recognized by the pension plan as current receivables.	3
S098c(3)	The difference between the actuarially determined contribution of the employer and the amount of contributions recognized by the pension plan in relation to the actuarially determined contribution of the employer.	3
S098c(4)	The covered-employee payroll.	3
S098c(5)	The amount of contributions recognized by the pension plan in relation to the actuarially determined contribution of the employer as a percentage of covered-employee payroll.	3
S098d	If an actuarially determined contribution is not calculated and the contribution requirements of the employer are statutorily or contractually established, a 10-year schedule presenting the following for each year:	3
S098d(1)	The statutorily or contractually required employer contribution. For purposes of this schedule, statutorily or contractually required contributions should exclude amounts, if any, to separately finance specific liabilities of the individual employer to the pension plan.	3
S098d(2)	The amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution. For purposes of this schedule, contributions should include only amounts recognized as additions to the pension plan's fiduciary net position during the employer's fiscal year resulting from actual contributions and from contributions recognized by the pension plan as current receivables.	3
S098d(3)	The difference between the statutorily or contractually required employer contribution and the amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution.	3
S098d(4)	The covered-employee payroll.	3
S098d(5)	The amount of contributions recognized by the pension plan in relation to the statutorily or contractually required employer contribution as a percentage of covered-employee payroll.	3
Notes to Required Schedules		
S099	Significant methods and assumptions used in calculating the actuarially determined contributions, if any, should be presented as notes to the schedule required by paragraph 46c. In addition, for each of the schedules required by paragraph 46, information should be presented about factors that significantly affect trends in the amounts reported (for example, changes of benefit terms, changes in the size or composition of the population covered by the benefit terms, or the use of different assumptions). (The amounts presented for prior years should not be restated for the effects of changes—for example, changes of benefit terms or changes of assumptions—that occurred subsequent to the measurement date of that information.) (GASBS 68, ¶47)	3
<u>Single-Employer Defined Benefit Pension Plans*****</u>		
<i>(Note to reviewer: This information is required for governments that offer single-employer defined benefit pension plans. This would not include GMEBS and ACCG defined benefit pension plans.)</i>		

Item Number	Item	Significance Level
S100	The Notes to the Financial Statements should include the following when a defined benefit pension plan is included within the financial report of the employer. (GASB Pe5.127):	2
S100a	The name of the pension plan, identification of the public employee retirement system or other entity that administers the pension plan, and identification of the pension plan as a single-employer, agent, or cost-sharing pension plan.	2
S100b	The number of participating employers (if the pension plan is a multiple-employer pension plan) and the number of nonemployer contributing entities, if any.	2
S100c	Information regarding the pension plan's board and its composition (for example, the number of trustees by source of selection or the types of constituency or credentials applicable to selection).	2
S100d	Classes of plan members covered and the number of plan members, separately identifying numbers of the following:	2
S100d(1)	Inactive plan members (or their beneficiaries) currently receiving benefits	2
S100d(2)	Inactive plan members entitled to but not yet receiving benefits	2
S100d(3)	Active plan members. If the pension plan is closed to new entrants, that fact should be disclosed.	2
S100e	The authority under which benefit terms are established or may be amended and the types of benefits provided through the pension plan. If the pension plan or the entity that administers the pension plan has the authority to establish or amend benefit terms, a brief description should be provided of the benefit terms, including the key elements of the pension formulas and the terms or policies, if any, with respect to automatic postemployment benefit changes, including automatic cost-of-living adjustments (automatic COLAs), and ad hoc post-employment benefit changes, including ad hoc cost-of-living adjustments (ad hoc COLAs).	2
S100f	A brief description of contribution requirements, including (a) identification of the authority under which contribution requirements of employers, nonemployer contributing entities, if any, and plan members are established or may be amended and (b) the contribution rates (in dollars or as a percentage of covered payroll) of those entities for the reporting period. If the pension plan or the entity that administers the pension plan has the authority to establish or amend contribution requirements, disclose the basis for determining contributions (for example, statute, contract, an actuarial basis, or some other manner).	2
S100g	Investment policies, including:	2
S100g(1)	Procedures and authority for establishing and amending investment policy decisions	2
S100g(2)	Policies pertaining to asset allocation	2
S100g(3)	Description of significant investment policy changes during the reporting period.	2
S100h	A brief description of how the fair value of investments is determined, including the methods and significant assumptions used to estimate the fair value of investments if that fair value is based on other than quoted market prices.	2
S100i	Identification of investments (other than those issued or explicitly guaranteed by the U.S. government) in any one organization that represent 5 percent or more of the pension plan's fiduciary net position.	2

Item Number	Item	Significance Level
S100j	The annual money-weighted rate of return on pension plan investments calculated as the internal rate of return on pension plan investments, net of pension plan investment expense, and an explanation that a money-weighted rate of return expresses investment performance, net of pension plan investment expense, adjusted for the changing amounts actually invested. Pension plan investment expense should be measured on the accrual basis of accounting. Inputs to the internal rate of return calculation should be determined at least monthly. The use of more frequently determined inputs is encouraged.	2
S100k	Receivables—The terms of any long-term contracts for contributions to the pension plan between (1) an employer or nonemployer contributing entity and (2) the pension plan, and the balances outstanding on any such longterm contracts at the end of the pension plan's reporting period.	2
S100l	Allocated insurance contracts excluded from pension plan assets:	2
S100l(1)	The amount reported in benefit payments in the current period that is attributable to the purchase of allocated insurance contracts	2
S100l(2)	A brief description of the pensions for which allocated insurance contracts were purchased in the current period	2
S100l(3)	The fact that the obligation for the payment of benefits covered by allocated insurance contracts has been transferred to one or more insurance companies.	2
S100m	Reserves—In circumstances in which there is a policy of setting aside, for purposes such as benefit increases or reduced employer contributions, a portion of the pension plan's fiduciary net position that otherwise would be available for existing pensions or for pension plan administration:	2
S100m(1)	A description of the policy related to such reserves	2
S100m(2)	The authority under which the policy was established and may be amended	2
S100m(3)	The purposes for and conditions under which the reserves are required or permitted to be used	2
S100m(4)	The balances of the reserves.	2
S100n	Deferred retirement option program (DROP) balances—If a pension plan includes terms that permit a plan member to be credited for benefit payments into an individual member account within the pension plan while continuing to provide services to the employer and to be paid a salary:	2
S100n(1)	A description of the DROP terms	2
S100n(2)	The balance of the amounts held by the pension plan pursuant to the DROP.	2
S101	Single-employers plans should disclose the following information for each defined benefit pension plan. All information should be measured as of the pension plan's most recent fiscal year-end. (GASB Pe5.128)	2
S101a	The components of the liability of the employers and nonemployer contributing entities to plan members for benefits provided through the pension plan (net pension liability), calculated in conformity with the requirements of paragraphs .132-.143:	2
S101a(1)	The total pension liability	2
S101a(2)	The pension plan's fiduciary net position	2
S101a(3)	The net pension liability	2
S101a(4)	The pension plan's fiduciary net position as a percentage of the total pension liability.	2

Item Number	Item	Significance Level
S101b	Significant assumptions and other inputs used to measure the total pension liability, including assumptions about inflation, salary changes, and ad hoc postemployment benefit changes (including ad hoc COLAs). With regard to mortality assumptions, the source of the assumptions (for example, the published tables on which the assumption is based or that the assumptions are based on a study of the experience of the covered group) should be disclosed. The dates of experience studies on which significant assumptions are based also should be disclosed. If different rates are assumed for different periods, information should be disclosed about what rates are applied to the different periods of the measurement.	2
S101b(1)	The following information should be disclosed about the discount rate:	2
S101b(1)(a)	The discount rate applied in the measurement of the total pension liability and the change in the discount rate since the pension plan's prior fiscal year-end, if any	2
S101b(1)(b)	Assumptions made about projected cash flows into and out of the pension plan, such as contributions from employers, nonemployer contributing entities, and plan members	2
S101b(1)(c)	The long-term expected rate of return on pension plan investments and a description of how it was determined, including significant methods and assumptions used for that purpose	2
S101b(1)(d)	If the discount rate incorporates a municipal bond rate, the municipal bond rate used and the source of that rate	2
S101b(1)(e)	The periods of projected benefit payments to which the long-term expected rate of return and, if used, the municipal bond rate applied to determine the discount rate	2
S101b(1)(f)	The assumed asset allocation of the pension plan's portfolio, the long-term expected real rate of return for each major asset class, and whether the expected rates of return are presented as arithmetic or geometric means, if not otherwise disclosed	2
S101b(1)(g)	Measures of the net pension liability calculated using (i) a discount rate that is 1-percentage-point higher than that required by paragraph .137 and (ii) a discount rate that is 1-percentage-point lower than that required by paragraph .137.	2
S101c	The date of the actuarial valuation on which the total pension liability is based and, if applicable, the fact that update procedures were used to roll forward the total pension liability to the pension plan's fiscal year-end.	2
S102	Single-employer plans should disclose the following information for each defined benefit pension plan as required supplementary information. Information for each year should be measured as of the pension plan's most recent fiscal year-end. (GASB Pe5.129):	3
S102a	A 10-year schedule of changes in the net pension liability, presenting for each year (1) the beginning and ending balances of the total pension liability, the pension plan's fiduciary net position, and the net pension liability, calculated in conformity with paragraphs .132-.143, and (2) the effects on those items during the year of the following, as applicable:	3
S102a(1)	Service cost	3
S102a(2)	Interest on the total pension liability	3
S102a(3)	Changes of benefit terms	3
S102a(4)	Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability	3
S102a(5)	Changes of assumptions about future economic or demographic factors or of other inputs	3
S102a(6)	Contributions from employers	3

Item Number	Item	Significance Level
S102a(7)	Contributions from nonemployer contributing entities	3
S102a(8)	Contributions from plan members	3
S102a(9)	Pension plan net investment income	3
S102a(10)	Benefit payments, including refunds of plan member contributions	3
S102a(11)	Pension plan administrative expense	3
S102a(12)	Other changes, separately identified if individually significant.	3
S102b	A 10-year schedule presenting the following for each year:	3
S102b(1)	The total pension liability	3
S102b(2)	The pension plan's fiduciary net position	3
S102b(3)	The net pension liability	3
S102b(4)	The pension plan's fiduciary net position as a percentage of the total pension liability	3
S102b(5)	The covered-employee payroll	3
S102b(6)	The net pension liability as a percentage of covered-employee payroll.	3
S102c	A 10-year schedule presenting for each year the information indicated below, if an actuarially determined contribution is calculated for employers or nonemployer contributing entities. The schedule should identify whether the information relates to the employers, nonemployer contributing entities, or both.	3
S102c(1)	The actuarially determined contributions of employers or nonemployer contributing entities. For purposes of this schedule, actuarially determined contributions should exclude amounts, if any, to separately finance specific liabilities of an individual employer or nonemployer contributing entity to the pension plan.	3
S102c(2)	For cost-sharing pension plans, the contractually required contribution of employers or nonemployer contributing entities, if different from (1). For purposes of this schedule, contractually required contributions should exclude amounts, if any, to separately finance specific liabilities of an individual employer or nonemployer contributing entity to the pension plan.	3
S102c(3)	The amount of contributions recognized during the fiscal year by the pension plan in relation to the actuarially determined contribution in (1). For purposes of this schedule, contributions should include only amounts recognized as additions to the pension plan's fiduciary net position resulting from cash contributions and from contributions recognized by the pension plan as current receivables.	3
S102c(4)	The difference between the actuarially determined contribution in (1) and the amount of contributions recognized by the pension plan in relation to the actuarially determined contribution in (3).	3
S102c(5)	The covered-employee payroll.	3
S102c(6)	The amounts of contributions recognized by the pension plan in relation to the actuarially determined contribution in (3) as a percentage of covered-employee payroll in (5).	3
S102d	A 10-year schedule presenting for each fiscal year the annual money-weighted rate of return on pension plan investments calculated as required by paragraph 30b(4).	3

Item Number	Item	Significance Level
S103	Significant methods and assumptions used in calculating the actuarially determined contributions, if any, should be presented as notes to the requires supplementary information for the schedules included as RSI. In addition, for each of these RSI schedules, information should be presented about factors that significantly affect trends in the amounts reported (for example, changes of benefit terms, changes in the size or composition of the population covered by the benefit terms, or the use of different assumptions). (The amounts presented for prior years should not be restated for the effects of changes—for example, changes of benefit terms or changes of assumptions—that occurred subsequent to the end of the fiscal year for which the information is reported.) (GASB Pe5.131)	3
<u>Defined Contribution Pension Plans *****</u>		
<i>(Note to reviewer: This information is required only for defined contribution plans.)</i>		
S104	Employers should include the following information in the Notes to the Financial Statements for each defined contribution plan to which they are required to contribute (GASB P21.124; GAAFR, page 371):	2
S104a	Name of the plan	2
S104b	Identification of the public employee retirement system or other entity that administers the plan	2
S104c	Identification of the plan as a defined contribution plan	2
S104d	Brief description of the plan provisions and the authority under which they are established or may be amended	2
S104e	Contribution requirements (for example, the contribution rate in dollars or as a percentage of salary) of the plan members, employer, and other contributing entities and the authority under which the requirements are established or may be amended	2
S104f	The contributions actually made by plan members and the employer.	2
S105	The Notes to the Financial Statements should disclose the following for insured plans (GASB P21.121; GAAFR, pages 371-372):	2
S105a	a brief description of the insured plan, including the benefit provisions and the authority under which benefit provisions are established or may be amended.	2
S105b	The fact that the obligation for the payment of benefits has been effectively transferred from the employer to one or more insurance companies. Also disclose whether the employer has guaranteed benefits in the event of the insurance company's insolvency.	2
S105c	the current-year pension expenditures/expense and contributions or premiums paid.	2
<u>Postemployment Benefits *****</u>		
S106	GASB Statement 45 establishes standards of accounting and financial reporting for OPEB expense/expenditures and related OPEB liabilities or OPEB assets, note disclosures, and required supplementary information in the financial reports of state and local governmental employers. (GASBS 45, par. 4)	2
S107	A positive (negative) year-end balance in the net OPEB obligation should be recognized as the year-end liability (asset) in relation to the ARC. (GASB P50.119)	2
S108	The Notes to the Financial Statements should include the following information for each defined benefit other postemployment benefit (OPEB) plan in which they participate, regardless of the type of plan (GASB P50.122; GAAFR, page 369):	2
S108a	Name of the plan, identification of the public employee retirement system or other entity that administers the plan, and identification of the plan as a single employer, agent multiple-employer, or cost-sharing multiple employer defined benefit OPEB plan.	2

Item Number	Item	Significance Level
S108b	Brief description of the types of benefits and the authority under which benefit provisions are established or may be amended.	2
S108c	Whether the OPEB plan issues a stand-alone financial report or is included in the report of a PERS or another entity and, if so, how to obtain the report.	2
	<i>(Note to reviewer: GASB Po50 includes the requirements for notes to the financial statements (and schedules of RSI, if applicable) of OPEB plans reported as trust or agency funds in the employer's financial reports. When similar information is required by GASB P50 and GASB Po50, the employer should present the disclosures in a manner that avoids unnecessary duplication.)</i>	
S108d	Authority under which the obligations of the plan members, employer(s), and other contributing entities to contribute to the plan are established or may be amended.	2
S108e	Required contribution rate(s) of plan members. The required contribution rate(s) could be expressed as a rate (amount) per member or as a percentage of covered payroll.	2
S108f	Required contribution rate(s) of the employer in accordance with the funding policy, in dollars or as a percentage of current-year covered payroll, and, if applicable legal or contractual maximum contribution rates. If the plan is a single-employer or agent plan and the rate differs significantly from the annual required contribution, disclose how the rate is determined or that the plan is financed on a pay-as-you-go basis. If the plan is a cost-sharing plan, disclose the required contributions in dollars and the percentage of that amount contributed for the current year and each of the two preceding years, and how the required contribution rate is determined or that the plan is financed on a pay-as-you-go basis.	2
S109	Sole and agent employers should disclose the following information for each defined benefit OPEB plan (GASB P50.123; GAAFR, pages 369-371):	2
S109a	For the current year, annual OPEB cost and the dollar amount of contributions made. If the employer has a net OPEB obligation, also disclose the components of annual OPEB cost (ARC, interest on the net OPEB obligation, and adjustments to the ARC), the increase or decrease in the net OPEB obligation, and the net OPEB obligation at the end of the year.	2
S109b	For the current year and each of the two preceding years, annual OPEB cost, percentage of annual OPEB cost contributed for that year, and net OPEB obligation at the end of the year. For the first two years, the required information should be presented for the transition year, and for the current and transition years, respectively.)	2
S109c	Information about the funded status of the plan as of the most recent valuation date, including the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the unfunded actuarial liability (or funding excess) to annual covered payroll. The information should be calculated in accordance with the parameters. Employers that use the aggregate actuarial cost method should prepare this information using the entry age actuarial cost method for that purpose only.	2
	<i>(Note to reviewer: Employers that meet the criteria in GASB P50.107 may elect to use the alternative measurement method discussed in GASB P50.132 - .134.)</i>	
S109d	Disclosure of information about actuarial methods and assumptions used in valuations on which reported information about the ARC, annual OPEB cost, and the funded status and funding progress of OPEB is based, including the following:	2

Item Number	Item	Significance Level
S109d(1)	Disclosure that actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future, and that actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future.	2
S109d(2)	Disclosure that the required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.	2
S109d(3)	Disclosure that calculations are based on the types of benefits provided under the terms of the substantive plan at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. In addition, if applicable, the employer should disclose that the projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.	2
S109d(4)	Disclosure that actuarial calculations reflect a long-term perspective. In addition, if applicable, disclosure that, consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.	2
S109d(5)	Identification of the actuarial methods and significant assumptions used to determine the ARC for the current year and the information required by GASB P50.123c. The disclosures should include:	2
S109d(5)(a)	The actuarial cost method.	2
S109d(5)(b)	The method(s) used to determine the actuarial value of assets.	2
S109d(5)(c)	The assumptions with respect to the following. If the economic assumptions contemplate different rates for successive years (year-based or select and ultimate rates), the rates that should be disclosed are the initial and ultimate rates:	2
S109d(5)(c)(i)	the inflation rate	2
S109d(5)(c)(ii)	investment return (including the method used to determine a blended rate for a partially funded plan, if applicable)	2
S109d(5)(c)(iii)	postretirement benefit increases, if applicable	2
S109d(5)(c)(iv)	projected salary increases if relevant to determination of the level of benefits	2
S109d(5)(c)(v)	for postemployment healthcare plans, the healthcare cost trend rate	2
S109d(5)(d)	the amortization method (level dollar or level percentage of projected payroll) and the amortization period (equivalent single amortization period, for plans that use multiple periods) for the most recent actuarial valuation and whether the period is closed or open.	2
	<i>(Note to reviewer: Employers that use the aggregate actuarial cost method should disclose that because the method does not identify or separately amortize unfunded actuarial liabilities, information about funded status and funding progress has been prepared using the entry age actuarial cost method for that purpose, and that the information presented is intended to approximate the funding progress of the plan.)</i>	
S110	Sole and agent employers should disclose the following information for each defined benefit OPEB plan as required supplementary information for the most recent actuarial valuation and the two preceding valuations. If the aggregate actuarial cost method was used, this information should be prepared using the entry age actuarial cost method. (GASB P50.124; GAAFR, pages 581-582):	3
S110a	Actuarial valuation date	3

Item Number	Item	Significance Level
S110b	Actuarial value of plan assets	3
S110c	Actuarial accrued liability	3
S110d	Total unfunded actuarial liability or funding excess	3
S110e	Actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio)	3
S110f	Annual covered payroll	3
S110g	Ratio of the unfunded actuarial liability or funding excess to annual covered payroll	3
S110h	Factors that significantly affect the identification of trends in the amounts reported, including, for example, changes in benefit provisions, the size or composition of the population covered by the plan, or the actuarial methods and assumptions used. (The amounts reported for prior years should not be restated.)	3
S111	Employers should include the following information in the Notes to the Financial Statements for each defined contribution OPEB plan to which they are required to contribute (GASB P50.129; GAAFR, page 371):	2
S111a	Name of the plan	2
S111b	Identification of the public employee retirement system or other entity that administers	2
S111c	Identification of the plan as a defined contribution plan	2
S111d	Brief description of the plan provisions and the authority under which they are established or may be amended	2
S111e	Contribution requirements (for example, the contribution rate in dollars or as a percentage of salary) of the plan members, employer, and other contributing entities and the authority under which the requirements are established or may be amended	2
S111f	The contributions actually made by plan members and the employer.	2
S112	The Notes to the Financial Statements should disclose the following for insured OPEB plans (GASB P50.126; GAAFR, pages 371-372):	2
S112a	a brief description of the insured benefit, including the authority under which benefit provisions are established or may be amended.	2
S112b	the fact that the obligation for the payment of benefits has been effectively transferred from the employer to one or more insurance companies. Also disclose whether the employer has guaranteed benefits in the event of the insurance company's insolvency.	2
S112c	the current-year OPEB expense/expenditures and contributions or premiums paid.	2
<u>Additional Disclosures</u> *****		
S113	The Notes to the Financial Statements should disclose the following information relating to risk financing activities (GASB C50.145; GAAFR, pages 372-373):	2
S113a	A description of the risks of loss to which the entity is exposed and the way(s) in which those risks of loss are handled (for example, purchase of commercial insurance, participation in a public entity risk pool, risk retention). If commercial insurance is purchased in an amount that is insignificant to the entity's risk of loss, the entity is considered to have effectively retained that risk of loss.	2
S113b	A description of significant reductions in insurance coverage from coverage in the prior year by major category of risk.	2
S113c	Whether the amount of settlements exceeded insurance coverage for each of the past three years.	2
S113d	If the government is participating in a risk pool, a description of the nature of the participation, including the rights and responsibilities of both the government and the pool.	2
S113e	If the government retains the risk of loss:	2

Item Number	Item	Significance Level
S113e(1)	The basis for estimating the liabilities for unpaid claims, including the effects of specific, incremental claim adjustment expenditures/expenses, salvage, and subrogation, and whether over allocated or unallocated claim adjustment expenditures/expenses are included	2
S113e(2)	The carrying amount of liabilities for unpaid claims that are presented at present value in the financial statements and the range of discount rates used to discount those liabilities.	2
S113e(3)	The aggregate outstanding amount of claims liabilities for which annuity contracts have been purchased in the claimants' names and for which the related liabilities have been removed from the financial statements.	2
S113e(4)	A reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year, in the following tabular format:	2
S113e(4)(a)	Amount of claims liabilities at the beginning of each fiscal year.	2
S113e(4)(b)	Incurred claims, representing the total of a provision for events of the current fiscal year and any change in the provision for events of prior fiscal years.	2
S113e(4)(c)	Payments on claims attributable to events of both the current fiscal year and prior fiscal years.	2
S113e(4)(d)	Other changes, including an explanation of each material item	2
S113e(4)(e)	Amount of claims liabilities at the end of each fiscal year.	2
S114	The Notes to the Financial Statements should disclose the following information regarding landfill closure and postclosure care (GASB L10.115; GAAFR, page 379):	2
S114a	The nature and source of landfill closure and postclosure care requirements (federal, state, or local laws or regulations).	2
S114b	That recognition of a liability for closure and postclosure care costs is based on landfill capacity used to date.	2
S114c	The reported liability for closure and postclosure care at the balance sheet date (if not apparent from the financial statements).	2
S114d	The estimated total current cost of closure and postclosure care remaining to be recognized.	2
S114e	The percentage of landfill capacity used to date.	2
S114f	The estimated remaining landfill life in years.	2
S114g	How closure and postclosure care financial assurance requirements, if any, are being met.	2
S114h	Any assets restricted for payment of closure and postclosure care costs (if not apparent from the financial statements).	2
S114i	The nature of the estimates and the potential for changes due to inflation or deflation, technology, or applicable laws or regulations.	2
S115	The Notes to the Financial Statements should present the following segment information for governments that report enterprise funds or that use enterprise fund accounting to report their activities (GASB 2500.101; GAAFR, pages 384-385):	2
	<i>(Note: A segment is an identifiable activity reported as or within an enterprise fund or another stand-alone entity that has one or more bonds or other debt instruments outstanding with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. Segment disclosures are not required for an activity whose only outstanding debt is conduit debt for which the government has no obligation beyond the resources provided by related leases or loans. In addition, segment reporting is not required when an individual fund both is a segment and is reported as a major fund. (GASB 2500.101, 2500, Footnote 1)</i>	

Item Number	Item	Significance Level
S115a	Types of goods or services provided.	2
S115b	Condensed statement of net position:	2
S115b(1)	Total assets - distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or component units should be reported separately.	2
S115b(2)	Total deferred outflows of resources.	2
S115b(3)	Total liabilities - distinguishing between current liabilities and long-term liabilities. Amounts payable to other funds or component units should be reported separately.	2
S115b(4)	Total deferred inflows of resources.	2
S115b(5)	Total net position - distinguishing among net investment in capital assets, restricted (separately reporting expendable and nonexpendable components), and unrestricted.	2
S115c	Condensed statement of revenues, expenses, and changes in net position:	2
S115c(1)	Operating revenues (by major source).	2
S115c(2)	Operating expenses. Depreciation (including any amortization) should be identified separately.	2
S115c(3)	Operating income (loss).	2
S115c(4)	Nonoperating revenues (expenses) - with separate reporting of major revenues and expenses.	2
S115c(5)	Capital contributions and additions to permanent and term endowments.	2
S115c(6)	Special and extraordinary items.	2
S115c(7)	Transfers.	2
S115c(8)	Change in net position.	2
S115c(9)	Beginning net position.	2
S115c(10)	Ending net position.	2
S115d	Condensed statement of cash flows:	2
S115d(1)	Net cash provided (used) by operating activities.	2
S115d(2)	Net cash provided (used) by noncapital financing activities.	2
S115d(3)	Net cash provided (used) by capital and related financing activities.	2
S115d(4)	Net cash provided (used) by investing activities.	2
S115d(5)	Beginning cash and cash equivalent balances.	2
S115d(6)	Ending cash and cash equivalent balances.	2
S116	An external party should impose the separate segment accounting requirement. "Segment-like" information should not be included in the required segment disclosure but may be presented in a separate note or as supplementary information without referring to the condensed financial information as "segment" information. Also, segment reporting is not required when an individual fund is both a segment and is reported as a major fund. (Comprehensive Implementation Guide, Question 7.86.5, GASB 2500.101 footnote 1; GAAFR, page 385)	3
S117	The Notes to the Financial Statements should disclose significant contingent liabilities. (GASB 2300.106(d), 1500.125; GAAFR, pages 389)	2
S118	The Notes to the Financial Statements should disclose significant effects of subsequent events. (GASB 2300.106(e), C50.149; GAAFR, page 389)	2
S119	The Notes to the Financial Statements should disclose construction and other significant commitments. (GASB 2300.106(k); GAAFR, page 372)	2
S120	The following details should be disclosed in the Notes to the Financial Statements for major component units if the combining statements for these major component units are not included in the basic financial statements or if each major component unit is not included as a separate column on the entity's statements of net position and activities (GASB 2600.109; GAAFR, pages 386-387):	2

Item Number	Item	Significance Level
	<i>(Note to reviewer: Determining which component units are “major” should be based on the component unit’s nature and significance of its relationship to the primary government. (GASB 2600.108)</i>	
S120a	Condensed statement of net position:	2
S120a(1)	Total assets- distinguishing between current assets, capital assets and other assets. Amounts receivable from the primary government or from other component units should be reported separately.	2
S120a(2)	Total deferred inflows of resources.	2
S120a(3)	Total liabilities - distinguishing between current liabilities and long-term liabilities. Amounts payable to the primary government or to other component units should be reported separately.	2
S120a(4)	Total deferred inflows of resources.	2
S120a(5)	Total net position – distinguishing among net investment in capital assets, restricted (separately reporting expendable and nonexpendable components), and unrestricted.	2
S120b	Condensed statement of activities:	2
S120b(1)	Expenses (by major functions and for depreciation expense, if separately reported).	2
S120b(2)	Program revenues (by type).	2
S120b(3)	Net program (expense) revenue.	2
S120b(4)	Tax revenues.	2
S120b(5)	Other nontax general revenues.	2
S120b(6)	Contributions to endowments and permanent fund principal.	2
S120b(7)	Special and extraordinary items.	2
S120b(8)	Change in net position.	2
S120b(9)	Beginning net position.	2
S120b(10)	Ending net position.	2
	<i>(Note to reviewer: If all of the component units in a given discretely presented component units column are business-type activities, the combining statement may be presented in the statement of revenues, expenses, and changes in net position format with the combined totals recast into the reporting entity’s statement of activities. (Comprehensive Implementation Guide, Question 4.28.20))</i>	
S121	The Notes to the Financial Statements should disclose the nature of its accountability for related organizations. (GASB 2300.107(g), 2600.128; GAAFR, page 387)	2
S122	The Notes to the Financial Statements should include disclosures of related party transactions, other than compensation arrangements, expense/expenditure allowances, and other similar items in the ordinary course of operations. The disclosures should include (GASB 2250.103, .107-.108, 2300.107(f); GAAFR, page 388):	2
S122a	The nature of the relationship(s) involved	2
S122b	A description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which financial statements are presented, and such other information deemed necessary to gain an understanding of the effects of the transactions on the financial statements	2
S122c	The dollar amounts of transactions for each of the periods for which financial statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period	2
S122d	Amounts due from or to related parties as of the date of each statement of net position presented and, if not otherwise apparent, the terms and manner of settlement.	2

Item Number	Item	Significance Level
S123	The Notes to the Financial Statements should provide the following disclosures if the government is a participant in a joint venture, regardless of whether there is an equity interest (GASB J50.109; GAAFR, page 387):	2
S123a	A general description of each joint venture, including:	2
S123a(1)	a description of the participating government's ongoing financial interest or ongoing financial responsibility.	2
S123a(2)	information regarding whether the joint venture is accumulating significant financial resources or is experiencing fiscal stress that may cause an additional financial benefit to or burden on the participating government in the future.	2
S123a(3)	information about the availability of separate financial statements of the joint venture	2
S123b	Information on related party transactions involving the joint venture.	2
	<i>(Note to Reviewer: If a local government is a member of a Regional Commission, the appropriate disclosure should be provided.)</i>	
S124	The Notes to the Financial Statements should disclose the amount of the primary government's net position at the end of the reporting period that are restricted by enabling legislation. (GASB 1800.157, 2200.119, 2300.107(gg); GAAFR, page 380)	2
S125	The Notes to the Financial Statements should disclose, in the period in which an employer becomes obligated for termination benefits and in any additional period in which employees are required to render future service in order to receive involuntary termination benefits, a description of the termination benefit arrangement(s) – for example, information about the type(s) of benefits provided, the number of employees affected, and the period of time over which benefits are expected to be provided. (GASB T25.114; GAAFR, page 372)	2
	<i>(Note to Reviewer: GASB Comprehensive Implementation Guide, Question Z.47.1 states that "for financial accounting and reporting purposes, Consolidated Omnibus Budget Reconciliation Act (COBRA) benefits are considered a form of healthcare-related termination benefits ... However, the measurement requirements of Statement 47 distinguish healthcare-related termination benefits that are provided as a result of a large-scale, age-related event from those healthcare-related termination benefits that are not part of a large-scale, age-related event.)</i>	
S126	The Notes to the Financial Statements should disclose, in the period in which an employer becomes obligated for termination benefits, the cost of termination benefits if that information is not otherwise identifiable from information displayed on the face of the financial statements. To meet this requirement, an employer that provides termination benefits that affect defined benefit pension or OPEB obligations should disclose in the notes to the financial statements the change in the actuarial accrued liability for the pension or OPEB plan attributable to the termination benefits. (GASB T25.115; GAAFR, page 372)	2
S127	The Notes to the Financial Statements should disclose, in all periods in which termination benefits are reported, the significant methods (for example, whether termination benefits are measured at the discounted present value of expected future benefit payments) and assumptions (for example, the discount rate and healthcare cost trend rate, if applicable) used to determine the liabilities. (GASB T25.116; GAAFR, page 372)	2
S128	The Notes to the Financial Statements should disclose if a termination benefit that otherwise meets the recognition criteria of GASB Statement 47, <i>Accounting for Termination Benefits</i> , is not recognized because the expected benefits are not estimable. (GASB T25.117)	2

Item Number	Item	Significance Level
S129	The Notes to the Financial Statements should include disclosures related to future revenues that are pledged or sold (pledged revenues are those specific revenues that have been formally committed to directly collateralize or secure debt of the pledging government, or directly or indirectly collateralize or secure debt of a component unit). For each period in which the secured debt remains outstanding, pledging governments should disclose information about specific revenues pledged, including (GASB 2300.128, S20.118; GAAFR, pages 376-377):	2
S129a	Identification of the specific revenue pledged and the approximate amount of the pledge	2
S129b	Identification of, and general purpose for, the debt secured by the pledged revenue	2
S129c	The term of the commitment – that is, the period during which the revenue will not be available for other purposes	2
S129d	The relationship of the pledged amount to the total for that specific revenue, if estimable – that is, the proportion of the specific revenue stream that has been pledged	2
S129e	A comparison of the pledged revenues recognized during the period to the principal and interest requirements for the debt directly or indirectly collateralized by those revenues. For this disclosure, pledged revenues recognized during the period may be presented net of specified operating expenses, based on the provisions of the pledge agreement; however, the amounts should not be netted in the financial statements.	2
S130	The Notes to the Financial Statements should disclose, in the year of the sale of future revenue streams, information about the specific revenues sold, including (GASB 2300.129, S20.119; GAAFR, page 382):	2
S130a	Identification of the specific revenue sold, including the approximate amount, and the significant assumptions used in determining the approximate amount	2
S130b	The period to which the sale applies	2
S130c	The relationship of the sold amount to the total for that specific revenue, if estimable – that is, the proportion of the specific revenue stream that has been sold	2
S130d	A comparison of the proceeds of the sale and the present value of the future revenues sold, including the significant assumptions used in determining the present value.	2
S131	The Notes to the Financial Statements should disclose the following for recognized pollution remediation liabilities and recoveries of pollution remediation outlays (GASB P40.123; GAAFR, pages 379-380):	2
S131a	The nature and source of pollution remediation obligations (for example, federal, state, or local laws or regulations)	2
S131b	The amount of the estimated liability (if not apparent from the financial statements), the methods and assumptions used for the estimate, and the potential for changes due to, for example, price increases or reductions, technology, or applicable laws or regulations	2
S131c	Estimated recoveries reducing the liability	2
S132	For pollution remediation liabilities, or portions thereof, that are not yet recognized because they are not reasonably estimable, governments should disclose a general description of the nature of the pollution remediation activities. (GASB P40.124)	2
S133	If it is determined that there is substantial doubt about a governmental entity's ability to continue as a going concern, the notes to the financial statements should include disclosure of the following, as appropriate (GASB 2250.120; GAAFR, page 390):	2
S133a	Pertinent conditions and events giving rise to the assessment of substantial doubt about the government's ability to continue as a going concern for a reasonable period of time	2
S133b	The possible effects of such conditions and events	2
S133c	Government officials' evaluation of the significance of those conditions and events and any mitigating factors	2

Item Number	Item	Significance Level
S133d	Possible discontinuance of operations	2
S133e	Government officials' plans (including relevant prospective financial information)	2
S133f	Information about the recoverability or classification of recorded asset amounts or the amounts or classification of liabilities	2
S134	The following information should be disclosed in the notes to financial statements of transferors and governmental operators for service concession arrangements (GASB S30.112; GAAFR, page 383):	2
S134a	A general description of the arrangement in effect during the reporting period, including management's objectives for entering into it and, if applicable, the status of the project during the construction period	2
S134b	The nature and amounts of assets, liabilities, and deferred inflows of resources related to a service concession arrangement that are recognized in the financial statements	2
S134c	The nature and extent of rights retained by the transferor or granted to the governmental operator under the arrangement	2
S135	Some service concession arrangements may include provisions for guarantees and commitments. For example, a transferor may become responsible for paying the debt of the operator in the event of a default, or the arrangement may include a minimum revenue guarantee to the operator. For each period in which a guarantee or commitment exists, disclosures should be made about guarantees and commitments, including identification, duration, and significant contract terms of the guarantee or commitment. (GASB S30.113; GAAFR, page 383)	2
S136	When prior-period adjustments are recorded, the resulting effects on the change in net position of prior periods should be disclosed in the notes to the financial statements in the period in which the adjustments are made. When financial statements for a single period only are presented, the disclosure should indicate the effects of such restatement on the balance of net position at the beginning of the period and on the change in net position of the immediately preceding period. (GASB 2250.125; GAAFR, page 348)	2
S137	The nature of and justification for a change in accounting principle and its effect on beginning net position/fund net position should be disclosed in the financial statements of the period in which the change is made. The justification for the change should explain clearly why the newly adopted accounting principle is preferable. (GASB 2250.138; GAAFR, page 348)	2
S138	The effect on the change in net position/fund net position of the current period should be disclosed for a change in estimate that affects several future periods, such as a change in service lives of depreciable assets or actuarial assumptions affecting pension costs. (GASB 2250.148; GAAFR, page 348)	2
	<i>(Note to reviewer: GASB 2250.148 states that disclosure of the effect on the change in net position/fund net position is not necessary for estimates made each period in the ordinary course of accounting for items such as uncollectible accounts or inventory obsolescence.)</i>	
S139	The financial statements of the period of a change in the reporting entity should describe the nature of the change and the reason for it. In addition, the effect of the change on beginning net position/fund net position should be disclosed for all periods presented. (GASB 2250.150; GAAFR, page 348)	2
S140	The nature of an error in previously issued financial statements and the effect of its correction on the change in net position/fund net position should be disclosed in the period in which the error was discovered and corrected. (GASB 2250.152; GAAFR, page 348)	2

Item Number	Item	Significance Level
S141	Accounting changes adopted to conform to the provisions of GASB Statement 65 should be applied retroactively by restating financial statements, if practical, for all periods presented. If restatement is not practical, the cumulative effect of applying this Statement, if any, should be reported as a restatement of beginning net position or fund balance, as appropriate, for the earliest period restated. In the period this Statement is first applied, the financial statements should disclose the nature of any restatement and its effect. Also, the reason for not restating prior periods presented should be explained. (GASBS 65, ¶34)	2
<u>Required Supplemental Information</u>		
T001	Required supplementary information consists of schedules, statistical data, and other information that the GASB has determined are an essential part of financial reporting and should be presented with, but are not part of, the basic financial statements of a governmental entity. With the exception of Management’s Discussion and Analysis (MD&A), all other required supplementary information (as required by various Codification sections) should be presented immediately following the notes to the basic financial statements. Other RSI may include budgetary comparison schedules for the general fund and for each major special revenue fund that has a legally adopted annual budget, information about the modified approach for reporting infrastructure assets, and employee benefit related information. (GASB 2200.205; GAAFR, page 577)	2
	<i>(Note to Reviewer: Only the items required to be RSI by GASB should be reported as RSI. Or in other words, don't include something as "Required" Supplementary Information in the RSI section -- it belongs somewhere else.)</i>	
T002	All Required Supplementary Information (RSI), other than the Management’s Discussion and Analysis (MD&A), should immediately follow the notes to the financial statements. (GASB 2200.105, .205; GAAFR, page 577)	2
	<i>(Note to Reviewer: RSI should not be included within the notes to the financial statements. For example, the schedule of funding progress should not be included in the pension note.)</i>	
T003	Budgetary comparisons should be presented for the general fund and for each major individual special revenue fund for which an annual budget is legally adopted. OCGA 36-81-3(b) requires an annual balanced budget for the general fund, each special revenue fund, and each debt service fund and requires a project-length balanced budget for each capital projects fund. (GASB 1100.111, 2200.206, 2400.102; GAAFR, page 578)	3
T004	A budgetary comparison is required for the general fund and for each major special revenue fund that has a legally adopted annual budget. The legally adopted requirement applies to the general fund as well as the major special revenue funds. “Legally adopted” refers to the notion that the government has no legal authority to spend resources until the budget is adopted. The intent of the legally adopted reference is that the budget provides legal authority to spend resources. A government may formally adopt an operating budget, but if they have the legal authority to spend resources without it, it does not constitute a legally adopted budget as contemplated in the standards. (GASB 2400.102; Comprehensive Implementation Guide, Questions 7.91.13 and 7.91.14)	3
T005	The required budgetary comparison information – for the general fund and each major special revenue fund that has a legally adopted budget - should be reported together. A government cannot present some information in the basic financial statements and the remainder in schedules as RSI. (Comprehensive Implementation Guide, Question 7.91.7)	3
T006	Budgetary comparisons presented as RSI should be referred to as <i>schedules</i> rather than <i>statements</i> . (GASB 2400.102, 2200.206; GAAFR, page 578)	3

Item Number	Item	Significance Level
T007	The budgetary comparison schedule should present both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the government's budgetary basis. (GASB 2400.102, 2200.206; GAAFR, page 578)	3
	<i>(Note to Reviewer: Comprehensive Implementation Guide, Question 7.92.3 states that the final budget should incorporate amendments regardless of when signed into law or otherwise legally authorized, including amendments made to the budget after the fiscal year ends.)</i>	
T008	Governments do not have the option of presenting budgetary comparisons for other funds (capital projects, debt service, nonmajor special revenue funds, etc.) in conjunction with the basic financial statements or RSI. (Comprehensive Implementation Guide, Questions 7.91.5 and 7.91.6; GAAFR, page 578)	3
T009	A separate column on the budgetary comparison schedule to report the variance between the final budget and actual amounts is encouraged but not required. Governments may also report the variance between original and final budget amounts. (GASB 2200.206, 2400.102; GAAFR, page 579)	3
T010	The variance column on the budgetary schedule should not be captioned <i>favorable/unfavorable</i> . (GAAFR, page 579)	3
	<i>(Note to reviewer: GAAFR, page 579, footnote 17 suggests labeling the column simply "variance" or "difference" or "over/under".)</i>	
T011	The budgetary comparison schedule should be accompanied by information (either in a separate schedule or notes to RSI) that reconciles differences between budgetary practices and GAAP attributable to basis, timing, perspective and entity differences. (GASB 2200.207, 2400.103; GAAFR, page 579)	3
T012	If the government presents required budgetary comparisons as RSI, the Notes to RSI should disclose the budgetary basis of accounting (e.g., GAAP, GAAP plus encumbrances). (GASB 2400.103; GAAFR, page 580)	3
T013	If the government chooses to present the budgetary comparison as RSI, then the budgetary expenditures in excess of appropriations, the budgetary basis of accounting, and the reconciliation between the budgetary basis of accounting and GAAP should be presented as notes to RSI rather than as notes to the financial statements. (GAAFR, pages 579-580)	3
	<i>(Note to Reviewer: The disclosure of material violations of finance-related legal and contractual provisions clearly includes violations of the annual appropriated budget, if material, even for funds other than the general fund and major special revenue funds. This disclosure would always be included in the notes to the financial statements. (Comprehensive Implementation Guide, Question 7.93.1))</i>	
T014	Governments should present the following schedule(s), derived from asset management systems, as required supplementary information (RSI) for all eligible infrastructure assets that are reported using the modified approach (GASB 1400.118; GAAFR, pages 580-581):	3
T014a	The assessed condition, performed at least every three years, for at least the three most recent complete condition assessments, indicating the dates of the assessments	3
T014b	The estimated annual amount calculated at the beginning of the fiscal year to maintain and preserve at (or above) the condition level established and disclosed by the government compared with the amounts actually expensed for each of the past 5 reporting periods	3
T015	Governments that use the modified approach for infrastructure assets should disclose the following in the notes to RSI (GASB 1400.119; GAAFR, page 581):	3

Item Number	Item	Significance Level
T015a	The basis for the condition measurement and the measurement scale used to assess and report condition. For example, a basis for condition measurement could be distresses found in pavement surfaces. A scale used to assess and report condition could range from zero for a failed pavement to 100 for a pavement in perfect condition.	3
T015b	The condition level at which the government intends to preserve its eligible infrastructure assets reported using the modified approach.	3
T015c	Factors that significantly affect trends in the information reported in the required infrastructure schedules, including any changes in the measurement scale, the basis for condition measurement, or the condition assessment methods used during the periods covered by the schedules should be presented in the notes to RSI.	3
T015d	If there is a change in the condition level at which the government intends to preserve eligible infrastructures assets, an estimate of the effect of the change on the estimated annual amount to maintain and preserve those assets for the current period also should be disclosed in the notes to RSI.	3
<u>Combining and Individual Fund Statements</u>		
U001	A combining balance sheet should be presented for all nonmajor governmental fund types where more than one individual fund of a generic fund type is reported on the face of the fund financial statements. (GASB 2200.208; GAAFR, pages 596-598)	CAFR
U002	A combining statement of revenues, expenditures and changes in fund balance should be presented for all nonmajor governmental fund types where more than one individual fund of a generic fund type is reported on the face of the fund financial statements. (GASB 2200.208; GAAFR, pages 596-598)	CAFR
U003	A combining statement of net position should be presented for all nonmajor enterprise and internal service funds where more than one individual fund of a generic fund type is reported on the face of the fund financial statements. (GASB 2200.208; GAAFR, pages 596-598)	CAFR
U004	A combining statement of revenues, expenses and changes in fund net position should be presented for all nonmajor enterprise and internal service funds where more than one individual fund of a generic fund type is reported on the face of the fund financial statements. (GASB 2200.208; GAAFR, pages 596-598)	CAFR
U005	A combining statement of cash flows should be presented for all nonmajor enterprise and internal service funds where more than one individual fund of a generic fund type is reported on the face of the fund financial statements. (GASB 2200.208; GAAFR, pages 596-598)	CAFR
U006	A combining statement of fiduciary net position should be presented for all fiduciary funds where more than one individual fund is reported on the face of the fund financial statements. (GASB 2200.208; GAAFR, pages 596-598)	CAFR
U007	A combining statement of changes in fiduciary net position should be presented for all fiduciary funds where more than one individual fund is reported on the face of the fund financial statements. (GASB 2200.208; GAAFR, pages 596-598)	CAFR
U008	A combining statement of changes in assets and liabilities should be presented for all agency funds. (GASB 2200.208; GAAFR, pages 597-598)	CAFR
	<i>(Note to Reviewer: GAAFR, page 598 states that "if the government reported only a single agency fund, this presentation would be included with the individual fund financial statements rather than with the combining financial statements".)</i>	
U009	Combining financial statements for nonmajor discretely presented component units should be included using the same methodology as combining (and individual fund) statements of the nonmajor funds of the primary government as supplemental information. (GASB 2200.209, 2600.108; GAAFR, pages 596-598)	CAFR

Item Number	Item	Significance Level
U010	Total columns of combining statements of nonmajor governmental and enterprise funds and for internal service and fiduciary funds should agree with the appropriate aggregated column in the fund financial statements. (GASB 2200.208)	CAFR
U011	Combining and individual fund presentations should not refer to the notes to the financial statements if they are covered by an in-relation-to opinion from the independent auditor. (GAAFR, page 599)	3
U012	Individual fund budgetary comparison statements should be included for nonmajor special revenue funds, debt service funds, and capital project funds in the combining and individual fund section. (GASB 2400.105; GAAFR, page 607)	CAFR
	<i>(Note to Reviewer: GAAFR, page 609 states that the supplementary budgetary comparisons do not have to present the original budget and do not have to be accompanied by a reconciliation between the basis of budgeting and GAAP, if the two are different.)</i>	
U013	Budgetary comparisons included in the combining and individual fund section should be described as schedules rather than as statements. (GAAFR, page 197)	3
Report Required for Audits Performed in Accordance With Government Auditing Standards		
V001	The auditor's standard report on internal control over financial reporting and on compliance and other matters based on an audit of the financial statements in accordance with Government Auditing Standards should include (AAG-GAS 4.54):	2
V001a	A title that includes the word independent.	2
V001b	An appropriate addressee.	2
V001c	A statement that the auditor has audited the financial statements of the auditee and a reference to the auditor's report on the financial statements (including the title of each statement the financial statements comprise) and a description of any departure from the standard report. The period covered by the report and the date of the auditor's report should be stated.	2
	<i>(Note: AAG-GAS 4.78 states that when a group auditor refers to the work of a component auditor in the report on an entity's financial statements, the group auditor also should acknowledge the involvement of the component auditor in the report on internal control over financial reporting and compliance and other matters issued as part of the financial statement audit performed in accordance with Government Auditing Standards.)</i>	
V001d	A statement that the audit was conducted in accordance with GAAS and an identification of the United States of America as the country of origin of those standards (for example, auditing standards generally accepted in the United States of America or U.S. generally accepted auditing standards) and with the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.	2
V001e	A section with the heading "Internal Control Over Financial Reporting."	2
V001f	A statement that in planning and performing the audit of the financial statements, the auditor considered the entity's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, the auditor does not express an opinion on the effectiveness of the entity's internal control.	2
V001g	The definitions of <i>deficiency in internal control</i> , <i>significant deficiency</i> , and <i>material weakness</i> .	2
V001h	If no significant deficiencies or material weaknesses have been identified:	2

Item Number	Item	Significance Level
V001h(1)	a statement that the auditor's consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.	2
V001h(2)	a statement that, given the limitations, during the audit the auditor did not identify any deficiencies in internal control that are considered to be material	2
V001h(3)	a statement that material weaknesses may exist that have not been identified.	2
V001i	If significant deficiencies have been identified (but none are considered to be material weaknesses):	2
V001i(1)	a statement that the auditor's consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore material weaknesses or significant deficiencies may exist that were not identified.	2
V001i(2)	a statement that given these limitations, during the audit the auditor did not identify any deficiencies in internal control that were considered to be material weaknesses.	2
V001i(3)	a statement that certain deficiencies in internal control over financial reporting were identified that the auditor considers to be significant deficiencies.	2
V001i(4)	a description of the significant deficiencies identified, including the title of the schedule in which the findings are reported. (Alternatively the findings may be listed in this report.)	1A
V001j	If material weaknesses and significant deficiencies have been identified:	2
V001j(1)	a statement that the auditor's consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.	2
V001j(2)	a statement that certain deficiencies in internal control over financial reporting were identified that the auditor considers to be material weaknesses and significant deficiencies.	2
V001j(3)	a description of the material weaknesses, including the title of the schedule in which the findings are reported. (Alternatively the findings may be listed in this report.)	1A
V001j(4)	a description of the significant deficiencies identified, including the title of the schedule in which the findings are reported. (Alternatively the findings may be listed in this report.)	1A
V001k	A section with the heading "Compliance and Other Matters."	2
V001l	A statement that as part of obtaining reasonable assurance about whether the entity's financial statements are free from material misstatement, the auditor performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of the audit, and accordingly, the auditor does not express such an opinion.	2
V001m	If no instances of noncompliance or other matters have been identified that are required to be reported, a statement that the results of tests disclosed no instances of noncompliance or other matters that are required to be reported under <i>Government Auditing Standards</i> .	2

Item Number	Item	Significance Level
V001n	If instances of noncompliance or other matters have been identified that are required to be reported, a statement that the results of the tests disclosed instances of noncompliance or other matters that are required to be reported under <i>Government Auditing Standards</i> and which are described in the accompanying [include the title of the schedule in which the findings are reported].	1A
V001o	If applicable, a statement that additional matters were communicated to the auditee in a written communication.	2
V001p	If material weaknesses, significant deficiencies, or reportable instance of noncompliance or other matters are identified, a section with the heading "[Name of entity]'s Response to Findings."	2
V001q	A statement that the audited entity's response to the findings identified in the audit are described in the accompanying [include the title of the schedule in which the findings are reported or "previously" if findings and responses are included in the body of the report]. [Name of Entity]'s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, the auditor does not express an opinion on it.	2
V001r	A section with the heading "Purpose of this Report."	2
V001s	A statement that the purpose of the report is solely to describe the scope of the testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with <i>Government Auditing Standards</i> in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.	2
V001t	The manual or printed signature of the auditor's firm.	1A
V001u	Auditor's city and state.	2
V001v	The date of the auditor's report. (Because the report on internal control over financial reporting and on compliance and other matters relates to the audit of the financial statements and is based on the GAAS audit procedures performed, it should carry the same date as the auditor's report on the financial statements.)	2
V002	The AICPA's Audit Guide: Government Auditing Standards and Circular A-133 Audits recommends combining into one report the reporting required by Government Auditing Standards on the scope and results of testing of the auditee's internal control over financial reporting and compliance with laws, regulations, provisions of contract or grant agreements and other matters which concern certain fraud or abuse. (AAG-GAS 4.53)	3
V003	A Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards must be submitted to the State Auditor before the audit report can be accepted.	1A
V004	Circular A-133 requires the schedule of findings and questioned costs to include all findings, including those required to be reported under Government Auditing Standards. Accordingly, the report on internal control over financial reporting and on compliance and other matters should refer to the schedule of findings and questioned costs, which should describe the findings required to be reported under Government Auditing Standards. (AAG-GAS 13.36)	2

Item Number	Item	Significance Level
<u>Reports Required by the Single Audit Act and OMB Circular A-133</u>		
W001	Entities expending \$500,000 or more of federal awards in a fiscal year are subject to the Single Audit Act and OMB Circular A-133 and, therefore, must have a single or program-specific audit. Entities expending awards under only one program may elect to have a program-specific audit if the program's laws, regulations, or grant agreements do not require a financial statement audit. Entities that expend less than \$500,000 in a fiscal year in federal awards are exempt from audit requirements in the Single Audit Act and Circular A-133. However, those entities are not exempt from other federal requirements (including those to maintain records) concerning federal awards provided to the entity. (AAG-GAS 5.08) The following information should be included in the audit report or submitted to the State Auditor under separate cover. (AAG-GAS 13.05 – 13.08)	1A
W001a	Supplementary Schedule of Expenditures of Federal Awards	1A
W001b	Summary Schedule of Prior Audit Findings	1A
W001c	Schedule of Findings and Questioned Costs	1A
W001d	Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over Compliance in Accordance with Circular A-133	1A
	<i>(Note to Reviewer: AAG-GAS, paragraph 5.39 states that Circular A-133 requires the auditee to submit a data collection form (SF-SAC) that provides information about the auditee, its federal programs, and the results of the audit. This form is not part of the reporting package. The auditor is also required to complete certain sections of the form and electronically certify an auditor statement provided on the form. Additional guidance on the data collection form and the submission process is included in chapter 13 of the Audit Guide.)</i>	
W002	The following information should be included in the Schedule of Expenditures of Federal Awards (AAG-GAS 7.20):	2
W002a	list of individual federal programs by federal agency. For federal programs included in a cluster of programs, list individual federal programs within a cluster of programs.	2
W002b	for federal awards received as a subrecipient, the name of the pass-through entity and the identifying number assigned by the pass-through entity	2
W002c	the total federal awards expended for each individual federal program	2
W002d	the CFDA (Catalog of Federal Domestic Assistance) number or other identifying number when the CFDA information is not available	2
W002e	notes that describe the significant accounting policies used in preparing the schedule	2
W002f	the total amount provided to subrecipients by pass-through entities from each federal program. (see AAG-GAS, chapter 12 for a further discussion of the audit consideration of federal pass-through awards)	2
	<i>(Note 1 to Reviewer: AAG-GAS 12.37 states, in part “if a pass-through entity is unable to identify amounts provided to subrecipients, the auditor should consider whether a significant deficiency or a material weakness in internal control over compliance should be reported. The auditor should also consider whether material noncompliance (for subrecipient monitoring) has occurred which should be reported as an audit finding.)</i>	
	<i>(Note 2 to Reviewer: AAG-GAS 7.38, footnote 8 indicates that this information may be included in the notes to the schedule or on the face of the schedule as a separate column or section.)</i>	

Item Number	Item	Significance Level
W002g	the value of federal awards expended in the form of noncash assistance, the amount of insurance in effect during the year, and loans or loan guarantees outstanding at year end. This information should be presented either in the schedule or a note to the schedule.	2
	<i>(Note to Reviewer: See AAG-GAS 7.30 which states, in part, “in determining the value of total non-cash awards expended for loans and loan guarantees, auditees should include the balances of loans from previous years in the schedule of expenditures of federal awards if the federal government imposes continuing compliance requirements.... Communication with the federal agency’s Office of Inspector General may be appropriate if there is any question about an auditee’s determination of whether continuing compliance requirements are significant enough to require inclusion of the balances of prior loans or loan guarantees.”)</i>	
W003	The Summary Schedule of Prior Audit Findings should (AAG-GAS 5.34 and 13.45):	2
W003a	report the status of all audit findings included in the prior audit’s schedule of findings and questioned costs relative to federal awards.	2
W003b	include audit findings reported in the prior audit’s summary schedule of prior audit findings, except audit findings that have been corrected or are no longer valid	2
W003c	include the reference numbers the auditor assigns to audit findings in the schedule of findings and questioned costs. This numbering (or other identification) should include the fiscal year in which the finding initially occurred	2
W004	OMB Circular A-133 requires the auditor to prepare a schedule of findings and questioned costs, which should include the following three sections (AAG-GAS 13.33):	2
W004a	a summary of the auditor’s results	2
W004b	findings related to the financial statements that are required to be reported in accordance with Government Auditing Standards	2
W004c	findings and questioned costs for federal awards	2
W005	The auditor is required to issue a schedule of findings and questioned costs for every single audit, regardless of whether any findings or questioned costs are noted. This is because Circular A-133 requires that one section of the schedule summarize the audit results. In a situation in which there are no findings or questioned costs, the auditor should prepare the summary of auditor’s results section of the schedule and either omit the other sections or include them, indicating that no matters were reported. (AAG-GAS 13.43)	2
W006	Circular A-133 requires the schedule of findings and questioned costs to contain a summary of the auditor’s results, which must include (AAG-GAS 13.34):	2
W006a	the type of report the auditor issued on the financial statements of the auditee (that is, unmodified opinion, qualified opinion, adverse opinion, or disclaimer of opinion)	2
	<i>(Note to Reviewer: Footnote 24 to AAG-GAS, par. 13.34 states “as explained in the AICPA Audit and Accounting Guide State and Local Governments, the auditor generally expresses or disclaims an opinion on a government’s basic financial statements by providing an opinion or disclaimer of opinion on each opinion unit required to be presented in those financial statements. Therefore, the schedule of findings and questioned costs may need to indicate multiple types of opinions on a government’s basic financial statements”.)</i>	
W006b	where applicable, a statement that significant deficiencies or material weaknesses in internal control were disclosed by the audit of the financial statements	2
W006c	a statement on whether the audit disclosed any noncompliance that is material to the financial statements of the auditee	2
W006d	where applicable, a statement that significant deficiencies or material weaknesses in the internal control over major programs were disclosed by the audit	2

Item Number	Item	Significance Level
W006e	the type of report the auditor issued on compliance for major programs (that is, unmodified opinion, qualified opinion, adverse opinion, or disclaimer of opinion)	2
W006f	a statement on whether the audit disclosed any audit findings that the auditor is required to report under section 510(a) of Circular A-133	2
	<i>(Note to Reviewer: See also AAG-GAS 13.38.)</i>	
W006g	an identification of major programs	2
W006h	the dollar threshold used to distinguish between type A and type B programs as described in section 520(b) of Circular A-133	2
	<i>(Note to Reviewer: Although the June 27, 2003 revisions to OMB Circular A-133 raised the threshold for the applicability of the Single Audit Act from \$300,000 to \$500,000, it did not change the \$300,000 threshold for identifying Type A programs.)</i>	
W006i	a statement on whether the auditee qualified as a low-risk auditee under section 530 of Circular A-133	2
W007	AU-C section 265, Communicating Internal Control Related Matters Identified in an Audit, precludes an auditor from issuing a written report representing that no significant deficiencies were noted during an audit. Therefore, use of the term "none reported" is recommended in the Schedule of Findings and Questioned Costs to indicate that no significant deficiencies were included in the auditor's report (versus "none", which would imply that there were no significant deficiencies). (AU-C 265.16, AAG-GAS 13.34, footnote 25)	3
	<i>(Note to Reviewer: See W006b and W006d above.)</i>	
W008	Circular A-133 requires the schedule of findings and questioned costs to include a section that presents the detail of findings related to the financial statements. This section of the schedule should include all findings related to the audit of the financial statements that are required to be reported by GAAS (generally accepted auditing standards) and Government Auditing Standards in a Circular A-133 audit. (AAG-GAS 13.36 to 13.37)	2
W009	Auditors should place their findings in perspective by describing the nature and extent of the issues being reported and the extent of the work performed that resulted in the finding. To give the reader a basis for judging the prevalence and consequences of these findings, auditors should, as appropriate, relate the instances identified to the population or the number of cases examined and quantify the results in terms of dollar value or other measures. If the results cannot be projected, auditors should limit their conclusions appropriately. (GAS, paragraph 4.29; AAG-GAS 4.61)	2
W010	Government Auditing Standards provides that when presenting findings such as deficiencies in internal control, fraud, noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse, auditors should develop the elements of the findings to the extent necessary, including findings related to deficiencies from the previous year that have not been remediated. The elements of an audit finding are: criteria, condition, cause, and effect or potential effect. Clearly developed findings assist management or oversight officials of the auditee in understanding the need for taking corrective action and assist auditors in making recommendations for corrective action. If auditors sufficiently develop the elements of a finding, they may provide recommendations for corrective action. (GAS, paragraph 4.11-4.14 and 4.28; AAG-GAS 4.57 and 4.60)	2

Item Number	Item	Significance Level
W011	When performing an audit in accordance with Government Auditing Standards, if the auditor's report discloses deficiencies in internal control, fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse, the auditor should obtain and report the views of responsible officials of the auditee concerning the findings, conclusions, and recommendations, as well as any planned corrective actions. (AAG-GAS 4.63; GAS, paragraph 4.33)	2
W012	Audit findings that relate to both the financial statements and the federal awards should be reported in both sections of the schedule. However, the reporting in one section of the schedule may be in summary form, with a reference to a detailed reporting in the other section of the schedule. (AAG-GAS 13.34)	2
W013	Circular A-133 requires the schedule of findings and questioned costs to include a section that reports the findings relating to federal awards which should include (AAG-GAS 13.38):	2
W013a	significant deficiencies and material weaknesses in the internal control over major programs	2
W013b	material noncompliance with the provisions of laws, regulations, contracts, or grant agreements that are related to a major program	2
W013c	known questioned costs that are greater than \$10,000 for a type of compliance requirement for a major program	2
W013d	known questioned costs when likely questioned costs are greater than \$10,000 for a type of compliance requirement for a major program. Although the auditor is not required to report the estimate of the total questioned costs, the auditor should include information to provide proper perspective for judging the prevalence and consequences of the questioned costs	2
W013e	known questioned costs that are greater than \$10,000 for programs that are not audited as major	2
W013f	the circumstances concerning why the auditor's report on compliance for major programs is other than an unmodified opinion, unless such circumstances are otherwise reported as audit findings in the schedule of findings and questioned costs for federal awards (for example, a scope limitation that is not otherwise reported as a finding)	2
W013g	known fraud affecting a federal award, unless such fraud is otherwise reported as an audit finding in the schedule of findings and questioned costs for federal awards. Circular A-133 does not require the auditor to make an additional reporting when the auditor confirms that the fraud was reported outside of the auditor's reports under the direct reporting requirements of Government Auditing Standards	2
W013h	instances where the results of audit follow-up procedures disclosed that the summary schedule of prior audit findings prepared by the auditee in accordance with section 315(b) of Circular A-133 materially misrepresents the status of any prior audit finding	2
W014	The auditor's standard report on compliance with requirements that could have a direct and material effect on each major program and on internal control over compliance in accordance with OMB Circular A-133 should include (AAG-GAS, paragraph 13.26):	2
W014a	A title that includes the word independent.	2
W014b	An addressee appropriate for the circumstances of the engagement.	2
W014c	A section titled "Report on Compliance for Each Major Federal Program."	2
W014d	An introductory paragraph that includes the following:	2
W014d(1)	A statement that the auditor has audited the auditee's compliance with the types of compliance requirements described in the <i>OMB Circular A-133 Compliance Supplement (Compliance Supplement)</i> that could have a direct and material effect on each of its major federal programs.	2

Item Number	Item	Significance Level
W014d(2)	Identification of the period covered by the report.	2
W014d(3)	A statement that the auditee's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.	2
W014e	A subheading titled "Management's Responsibility" that includes a statement that compliance with the requirements of laws, regulations, contracts, and grants applicable to the auditee's federal programs is the responsibility of the auditee's management.	2
W014f	A subheading titled "Auditor's Responsibility" that includes the following:	2
W014f(1)	A statement that the auditor's responsibility is to express an opinion on compliance for each of the entity's major federal programs based on the audit of the types of compliance requirements.	2
W014f(2)	A statement that the compliance audit was conducted in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in <i>Government Auditing Standards</i> issued by the Comptroller General of the United States and Circular A-133.	2
W014f(3)	A statement that those standards and Circular A-133 require that the auditor plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements that could have a direct and material effect on a major federal program occurred.	2
W014f(4)	A statement that an audit includes examining, on a test basis, evidence about the entity's compliance with those requirements and performing such other procedures as the auditor considered necessary in the circumstances.	2
W014f(5)	A statement that the auditor believes that the compliance audit provides a reasonable basis for the auditor's opinion.	2
W014f(6)	A statement that the compliance audit does not provide a legal determination of the auditee's compliance with those requirements.	2
W014g	When the auditor is expressing an unmodified opinion on all major programs, a subheading titled "Opinion on Each Major Federal Program" that contains a statement that in the auditor's opinion the entity complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs for the year ended [specify date].	2
W014h	If instances of noncompliance for a major program are noted that result in an opinion qualification, a subheading titled, "Basis for Qualified Opinion on [Name of Major Federal Program]" that includes the following:	2
W014h(1)	A statement that, as described in the accompanying schedule of findings and questioned costs, the auditee did not comply with requirements regarding [identify the major federal program and associated finding number(s) matched to the type(s) of compliance requirements].	2
W014h(2)	a statement that compliance with such requirements is necessary, in the auditor's opinion, for the auditee to comply with the requirements applicable to the program(s).	2
W014i	If instances of noncompliance are noted that result in an opinion qualification for one or more major programs, a subheading with an appropriate title (for example, "Qualified Opinion on [Name of Major Federal Program]") that includes the auditor's opinion on whether the auditee complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs.	2

Item Number	Item	Significance Level
	<i>(Note: If instances of noncompliance are noted that result in an opinion qualification on one or more major programs, but there are other major programs receiving an unqualified opinion, the subheading to the opinion paragraph relating to the unqualified opinion(s) (see item g) may be modified to, "Unmodified Opinion on Each of the Other Major Federal Programs" to be more clear about the programs receiving an unqualified opinion.)</i>	
W014j	If other non-compliance is identified that does not result in a modified opinion but that is required to be reported in accordance with Circular A-133, a subheading titled "Other Matters" containing	2
W014j(1)	a reference to the schedule of findings and questioned costs in which the instances of non-compliance are described, including the reference number(s) of the finding(s).	2
W014j(2)	a statement that the auditor's opinion on each major federal program is not modified with respect to the matters.	2
W014j(3)	a statement that the auditee's response to the noncompliance findings identified are described in the accompanying [insert name of document containing management's response to the auditor's findings, for example "schedule of findings and questioned costs and/or corrective action plan."]	2
W014j(4)	a statement that the auditee's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, the auditor expresses no opinion on the response.	2
W014k	A section heading "Report on Internal Control Over Compliance" that includes the following statements and definitions:	2
W014k(1)	A statement that the auditee's management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements.	2
W014k(2)	A statement that in planning and performing the compliance audit, the auditor considered the auditee's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.	2
W014k(3)	A statement that the auditor is not expressing an opinion on the effectiveness of internal control over compliance.	2
W014k(4)	The definitions of <i>deficiency in internal control over compliance</i> , <i>material weakness in internal control over compliance</i> , and <i>significant deficiency in internal control over compliance</i> .	2
W014k(5)	A statement that the auditor's consideration of internal control over compliance was for the limited purpose described in the first paragraph of the section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies.	2
W014k(6)	If no material weaknesses in internal control over compliance were identified, a statement that the auditor did not identify any deficiencies in internal control over compliance that are considered to be material weaknesses.	2
W014k(7)	A statement that material weaknesses may exist that have not been identified. (For situations where significant deficiencies or material weaknesses are identified, this statement is revised to indicate that material weaknesses or significant deficiencies may exist that have not been identified.)	2

Item Number	Item	Significance Level
W014k(8)	If significant deficiencies in internal control over compliance were identified, a statement that no deficiencies in internal control over compliance were identified that are considered to be material weaknesses, however deficiencies in internal control over compliance were identified that are considered to be significant deficiencies, and a description of the significant deficiencies in internal control over compliance or a reference to the accompanying schedule of findings and questioned costs, including the reference number(s) of the finding(s).	1A
W014k(9)	If material weaknesses in internal control over compliance were identified, a statement that deficiencies in internal control over compliance were identified that are considered to be material weaknesses and a description of the material weaknesses in internal control over compliance or a reference to the accompanying schedule of findings and questioned costs, including the reference number(s) of the finding(s).	1A
W014k(10)	If applicable, a statement that the auditee's written response to the findings identified in the audit are described in the accompanying schedule of findings and questioned costs, and that the auditee's written response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, expresses no opinion on it.	2
W014k(11)	A separate paragraph at the end of the section stating that the purpose of the report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the result of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.	2
W014l	The manual or printed signature of the auditor's firm.	1A
W014m	The city and state where the auditor practices.	2
W014n	The date of the auditor's report.	2
W015	If a separate single audit package is issued, the required reporting on the schedule of expenditures of federal awards should be incorporated in the report issued to meet the requirements of Circular A-133. (AAG-GAS 13.27)	2
W016	According to the Schedule of Expenditures of Federal Awards, total expenditures of federal awards were reported as \$X. The reporting package submitted to our office was prepared in accordance with the provisions of OMB Circular A-133, except for any items noted elsewhere in this letter. It is important to note that Section 230(b) of Circular A-133 states that the cost of auditing a non-Federal entity which has Federal awards expended of less than \$500,000 per year shall not be charged to a Federal award.	3
Reports Required by State Law		
X001	The audit report must include the following for Special Purpose Local Option Sales Tax (Note: The auditor shall verify and test expenditures sufficient to provide assurances that the schedule is fairly presented in relation to the financial statements.) (OCGA 48-8-121):	X
X001a	A schedule should be included in each annual audit which shows for each project in the resolution or ordinance calling for imposition of the tax the original estimated cost, the current estimated cost if it is not the original estimated cost, amounts expended in prior years, and amounts expended in the current year	X
X001b	The auditor's report on the financial statements shall include an opinion, or disclaimer of opinion, as to whether the Schedule of Special Purpose Local Option Sales Tax is presented fairly in all material respects in relation to the financial statements taken as a whole.	X

Item Number	Item	Significance Level
X002	An opinion on the Schedule of Special Purpose Local Option Sales Tax issued in a report separate from the auditor's report on the financial statements is considered a report on special-purpose financial presentation to comply with regulatory provisions as defined by AU-C 800.21. This special-purpose report must contain the required elements of AU-C 800.22.	2
X003	OCGA 48-8-121 states that the auditor's report on the financial statements shall include an opinion, or disclaimer of opinion, as to whether the Schedule of Special Purpose Local Option Sales Tax is presented fairly in all material respects in relation to the financial statements taken as a whole. This requirement is met by the reference to the schedule in the auditor's report on page X. Therefore, the opinion on the Schedule of Special Purpose Local Option Sales tax included on page XX is unnecessary and could be removed.	3
X004	SPLOST proceeds shall be used exclusively for the purpose or purposes specified in the resolution or ordinance calling for imposition of the tax. Such proceeds shall be kept in a separate account from other funds of such county and each qualified municipality receiving proceeds of the sales and use tax and shall not in any manner be commingled with other funds of such county and each qualified municipality receiving proceeds of the sales and use tax prior to the expenditure. (OCGA 48-8-121)	X
X005	For counties and municipalities levying and collecting a hotel/motel tax in accordance with the provisions of OCGA 48-13-51, the determination as to whether a county or municipality has complied with the expenditure requirements of this Code section should be prominently reflected in the audit required under Code section 36-81-7 and shall disclose (i) the amount of funds expended or contractually committed for expenditure as provided within the Code section during the fiscal year; and (ii) the amount of tax receipts under this Code section during such fiscal year, and (iii) expenditures as a percentage of tax receipts. A county or municipality contractually expending funds to meet the expenditure requirements of this Code section shall require the contracting party to provide audit verification that the contracting party makes use of such funds in conformity with the requirements of the Code section. If the audit required by Code Section 36-81-7 identifies noncompliance with the applicable expenditure requirements of this code section, such noncompliance shall be reported in accordance with paragraph (2) of subsection (c) of Code Section 36-81-7. (OCGA 48-13-51(a)(9)(B))	X
	<i>(Note to Reviewer: Further guidance can be found on the Department of Community Affairs website.)</i>	
X006	For counties and municipalities levying and collecting an excise tax on rental motor vehicles in accordance with the provisions of OCGA 48-13-93, as a part of the audit report required under Code section 36-81-7, the auditor should include, in a separate schedule, a report of the revenues and expenditures pertaining to the tax. (OCGA 48-13-96)	X
X007	Each grant of state funds to a recipient local government from the Governor's Emergency Fund or from a special project appropriation is conditioned upon the receipt by the state auditor of a properly completed Grant Certification Form. The Grant Certification Form requires certification by the local government and by the local government auditor (auditor certification is required only on grant awards exceeding \$5,000) that the grant funds were used solely for the express purpose or purposes for which the grant was made. The Grant Certification Form must be filed with the State Auditor in conjunction with the annual audit required under OCGA 36-81-7 for each year in which the grant funds are expended or remain unexpended by the local government. Failure to comply results in forfeiture of the grant and return to the state of any grant funds received by the local government. (OCGA 36-81-8.1)	X

Item Number	Item	Significance Level
X008	Any local government collecting or expending any 9-1-1 charges or wireless enhanced 9-1-1 charges in any fiscal year beginning on or after July 1, 2005, shall document the amount of funds collected and expended from such charges. Any local government collecting or expending 9-1-1 funds shall certify in their audit, as required under Code Section 36-81-7, that 9-1-1 funds were expended in compliance with the expenditure requirements of this Code section. (OCGA 46-5-134(m)(1))	X
	<i>(Note: Information on the E-911 report can be found on our website at http://www.audits.ga.gov/NALGAD/9-1-1_information.html)</i>	
X009	O.C.G.A. §36-81-3(e) requires local governments to adopt and use the Uniform Chart of Accounts for Local Governments in Georgia (UCOA) established and maintained by the Georgia Department of Community Affairs. The UCOA specifies that the operations of E-911 Centers be accounted for in the Emergency 911 telephone fund, a special revenue fund, unless a government's E-911 program is integrated within its telecommunications activity, in which case E-911 must be accounted for within the Telecommunications fund, an enterprise fund. Furthermore, O.C.G.A. §46-5-134 identifies allowable expenditures of E-911 revenue collections. Based upon our review of the audited financial statements and/or the Annual Report of E-911 Collections and Expenditures, the following noncompliance with the above referenced Code sections was noted:	X
X009a	According to the information provided on the E-911 report, E-911 funds are being transferred to the General Fund. All revenues and expenditures related to operating an E-911 Center should be accounted for in the E-911 Fund.	X
X010	In 2011, the General Assembly passed two bills that revised the E-911 reporting requirements. House Bill 280 modified the allowable uses of E-911 funds received. Under Senate Bill 156, there is no requirement to submit local government auditor certification that funds were expended in compliance with the expenditure requirements of O.C.G.A. §46-5-134. In addition, there is no requirement to report the amount of E-911 funds collected. The new Certification of 911 Expenditures template is available on the Local Government Audit and Accounting Resource Library page of the Department's website.	3
<u>Entity Determination</u>		
Y001	The Georgia Department of Audits and Accounts has determined that the following entity(ies) should be reported as follows within the financial statements of the local government:	2
	<i>(Note to Reviewer: The basis for conclusions on entity determinations can be found within the Local Government Section of the Department of Audits and Accounts web site - www.audits.ga.gov)</i>	
Y001a	City Business Improvement District - part of primary government	2
Y001b	County Board of Health - discretely presented component unit	2
Y001c	Downtown Development Authority - discretely presented component unit	2
Y001d	Housing Authority - related organization (note disclosure only)	2
<u>Other Common Recommendations</u>		
Z001	2010 Senate Bill 296 changed the name of the "Office of Treasury and Fiscal Services" to the "Office of State Treasurer".	3
Z002	When disclosing the details of the property tax calendar, the levy date is typically shown as the date that the millage rate is set or established.	3
Z003	2008 House Bill 1216 changed Regional Development Centers to Regional Commissions. The note should reference the Regional Commission.	3
Z004	The term "capital assets" should be used rather than the term "fixed assets".	3

Item Number	<u>Item</u>	Significance Level
Z005	The type of audit report issued should be described as unmodified rather than unqualified.	3
Z006	The term “restricted” should be used for fund balance rather than the term “reserved”.	3
Z007	With the implementation of GASBS 65, the notes should no longer state that bond issuance costs are reported as deferred charges and amortized over the term of the related debt.	3
Z008	The amounts of net position reported on the Statement of Activities should agree with the amounts reported on the Statement of Net Position and the prior year.	3
Z009	The carrying amount of cash disclosed in the notes should agree with the amount reported on the statements.	3