



Dave Yost
Auditor of State



2014 Local Government Officials Conference

Bulletin Update

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Overview



Auditor of State Bulletins Review:

2013-002

2013-006

2013-007

2013-008

2014-001



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AOS Bulletin
2013-006



Proposed OMB Revisions to Circular A-133:

- ✓ Other Grants Management Requirements
- ✓ SF-SAC Data Collection Form



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AOS Bulletin 2013-006 (cont'd)
Proposed OMB Revisions to Circular A-133

Effective for audit periods that begin after 12/26/14:

- Single Audit Threshold
- Changes to auditor's major program determination, percentage of coverage rules and criteria for low-risk auditee status
- Reduction in types of compliance requirements auditors must test
- Reporting changes
- Data Collection Form requirements

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AOS Bulletin 2013-007

Bureau of Workers' Compensation (BWC) Rebate, clarified

- BWC annual return on invested contributions exceeded the expected return resulting in rebates
- Attributable to the 2011 policy year premiums

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AOS Bulletin 2013-008

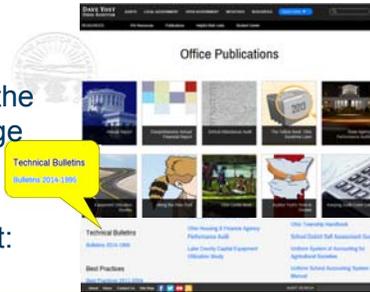
New Federal Audit Clearinghouse (FAC) Internet Data Entry System (IDES)

- ❖ FAC launched new IDES (11/15/13)
- ❖ Works in conjunction with new DCF discussed in Bulletin 2013-006

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More AOS Technical Bulletins

See More Technical Bulletins on the AOS webpage under Publications & Manuals at:



<https://ohioauditor.gov/publications.html>

AOS Bulletin 2013-002

Our Concern:

- (Annual) Salary from Restricted Funds
 - Two Questions:
 - Generally, when appropriate at all?, and
 - When appropriate, how much?

Not our Concern:

- Per Diem Pay
- Pay from General Fund



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AOS Bulletin 2013-002 (cont'd)

Pre - HB 153:

- Still permissible to be paid via annual salary
- Per Attorney General Opinion 2004-036, Fiscal Officers and Trustees required to document time spent on restricted funds
- e.g., calendars



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AOS Bulletin 2013-002 (cont'd)

HB 153:

- Now requires “certification” for Trustees and Fiscal Officers
 - “Shall” certify
 - Reflecting the amount of work performed



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AOS Bulletin 2013-002 (cont'd)

Auditing Requirements under new Certification Requirement:

- “shall” means no paycheck unless certification is submitted
- Certifying time spent ≠ 100% on any given restricted fund
 - ☞ Example: attending regular meetings

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AOS Bulletin 2013-002 (cont'd)

Other Compensation Problems:

- Increases in budgets and potential salary increases/decreases
- Effects of voluntarily accepting less-than-statutory compensation



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AOS Bulletin 2014-001

Subject:

Allocation of Bond Premiums

- Bond premiums shall be paid into the bond retirement fund (with exception for cost of issuance).

AOS Bulletin 2014-001

Example

Your township needs to raise funds for a permanent improvement. Voters approve a \$10m bond issuance. It just so happens, interest rates are historically low and no one will buy your bonds at 2% interest. So, you negotiate a higher interest rate, lower the principal to \$9m and receive a premium to cover the difference (i.e., so the premium + principal cover the total bond repayment).

AOS Bulletin 2014-001 (cont'd)

Example

- Can we use the premium to help cover the Project Fund?
- Can we later issue another \$1m in bonds, under the previously-approved \$10m vote?





Question

... and Answer

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