

Miscellaneous Accounting FAQs

1. How should local governments account for the Monsanto settlement on their day-to-day books?
 - A For this settlement, local governments should establish a separate fund and track projects based on their established plan with different account codes/cost centers (or other reasonable tracking mechanisms), rather than placing in the General Fund. If the established plan includes enterprise projects, it is reasonable the amounts received for those enterprise specific activities be placed in separate cost centers within the respective enterprise fund(s) or tracked in a separate enterprise fund based on the activity (then reported on the financial statements together with the respective enterprise activity). However, it is also acceptable for all settlement amounts to be recorded in the separately established governmental fund and for the local government to use reimbursement accounting (as outlined in our COVID bulletin) for enterprise activity. [2021-004_rev.pdf \(ohioauditor.gov\)](#) We anticipate the amounts will be insignificant and may be recorded as miscellaneous revenue. (See below for update beginning in 2024.) Governments would need to consider if the amounts were significant warranting a separate classification on the financial statements.

As this fund is created under Ohio Rev. Code § 5705.09(F), local governments do not need to seek AOS approval for establishing this new fund.

Beginning in 2024, UAN users should use the newly created Court Related Settlements receipt code (Townships receipt code 404 and Villages receipt code 618) to record the Monsanto settlement.

Beginning with 2024 Village financial statements, the governmental funds revenue account “Fines, License and Permits” will be split into two accounts “Fines, Forfeitures and Settlements” reporting revenue accounts 611 through 619 and “Licenses, Permits and Fees” reporting revenue accounts 621 through 690. Beginning with the 2024 Township financial statements, the governmental funds revenue account, “Fines and Forfeitures” will be updated to “Fines, Forfeitures, and Settlements.” These updates will be automatic within UAN.