

Alcohol, Drug, Addiction and Mental Health Services (ADAMH) Board

Instructions for Preparing the Regulatory Cash Basis Annual Financial Report

Foreword

These instructions are provided for the regulatory cash basis annual financial report for your entity's financial activity. The regulatory cash basis of accounting is defined in Auditor of State (AOS) Bulletin 2015-007. These shells have not been modified to conform to the display requirements of generally accepted accounting principles (GAAP). Excel files are available on the Auditor of State's web site at:

<https://ohioauditor.gov/references/shells/regulatory.html>

Please refer to Auditor of State (AOS) Bulletin 2015-007 for guidance related to required annual financial statement filings by public offices and other entities:

<https://ohioauditor.gov/publications/bulletins/2015/2015-007.pdf>

Section 117.38, Revised Code provides that the annual financial report shall be filed with the Auditor of State within sixty days after the close of the fiscal year. Per AOS Bulletin 2015-007, ADAMH Boards to file utilizing the Auditor of State's Hinkle Annual Financial Data Reporting System (Hinkle System). Section 117.38 also provides that the chief fiscal officer shall publish a notice of the completion of the report and the fact that the report is available at the office of the fiscal officer in a newspaper in the political subdivision or taxing district and, if there is no such newspaper, then in a newspaper of general circulation in the political subdivision or taxing district. The Board is required to upload a PDF file of the full financial statement package, including notes to the financial statements. There is specific filing information available in the Frequently Asked Questions in the Quick Guide available on the AOS website at:

<http://www.ohioauditor.gov/financialreporting/default.html>

Once the financial report is submitted through the Hinkle Annual Financial Data Reporting System, it is the report that will be audited per AOS bulletin 2015-007.

If it is your desire to prepare the GASB look-alike (OCBOA) financial statements that conform to the GAAP display requirements, the Excel files for the financial statements and sample notes to the financial statements are available on the Auditor of State's web site at:

<https://ohioauditor.gov/references/shells/gasb34ocboa.html>

Submission of the statements and notes to the financial statements that conform to the GAAP display requirements will satisfy your government's annual filing requirement.

Section 117.38, Revised Code also provides that any public institution or taxing district whose financial report is not filed at the time required by this section shall pay to the Auditor of State twenty-five dollars for each day the report remains unfiled after the filing date, provided the penalty payments shall not exceed the sum of seven hundred fifty dollars. The Auditor of State may waive all or any part of the penalty assessed under the section upon the filing of the past due financial reports.

The following set of statements/schedules represents the Regulatory Cash Basis Annual Financial Report of the Board referred to as the regulatory basis financial statements. The financial report contains the same types of financial statements for the same categories and types of funds for all public funds in the State of Ohio. Such conformity will enhance the comparability of financial reporting.

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General Instructions

Introduction The regulatory cash basis annual financial report for Special Districts has been revised to provide a vehicle for a more concise and professional presentation of your financial information.

Financial Statements The report is composed of the following types of financial statements:

- Combining Financial Statements
- Combined Financial Statements

Combining Statements A Combining Statement is required to be prepared for each of the following groups of funds:

- Special Revenue Funds
- Debt Service Funds
- Capital Projects Funds
- Permanent Funds

Once the information has been completed and summarized on the combining statements, the summarized information will be transferred to the combined statements.

Note: Since the General Fund is the only fund which ADAMH Boards establish within the General Fund group, no combining statement is required for this fund.

Combined Statements The combined statements will reflect fund groups rather than individual fund information.

Classifying Your Funds

To assist you in determining the appropriate worksheets and statement for each fund, you should review your chart of accounts, which identifies the individual fund groups.

Proprietary and Fiduciary Funds The templates for the ADAMH Board include only governmental funds. Templates for proprietary and fiduciary funds can be found under generic special purpose government -- use the "financial statement" link. Edit the entity name and expenditure category on each page.

How to Proceed

Review the funds which have been established for your Board. Identify the number of funds which exist within each fund group.

Assemble a sufficient supply of the combining statements.

The combining and combined statements have blank lines for the subcategories under the expenditure category. These can be filled in with program (department or activity type) classifications. If program classifications aren't available, objects can also be used. Limit objects to salaries, employee fringe benefits, purchased and contracted services, supplies and materials, capital outlay, and other.

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Transfer the financial information from your accounting records to the appropriate combining statement. Once all detail has been transferred, determine where the subtotals and totals have been requested and provide this information. Review the completed combining statement for accuracy.

Review the Combining Statements you have prepared to determine which Combined Statements the information should be transferred to next.

The Combined Statement for Governmental Funds will be used to summarize the information for the General Fund and the Combining Statements for the special revenue, debt service, capital projects and permanent fund types.

Once all the necessary information has been transferred, provide the necessary totals and review for accuracy.

Complete the cash reconciliation statement. A portion of this information will be extracted from your combining and combined statements. The remainder of the information should be extracted from your monthly bank reconciliation. An alternate form providing the same information is acceptable.

For the Comparison of Budgeted and Actual Receipts – All Budgeted Funds and the Comparison of Cash Disbursements and Encumbrances with Expenditure Authority – All Budgeted Funds, an alternate form providing the same information is acceptable.

Complete the remainder of the financial report. No major changes have been made to these pages. The forms are self-explanatory as to their requirements.

Once the Regulatory Cash Basis Annual Financial Report has been completed, the statements/schedules will fall into one of two categories:

1. ***To be Submitted.*** ADAMH Boards are to file their annual financial report utilizing the Auditor of State's Hinkle System. The statements/schedules which may include information to be entered into the Hinkle System are captioned "To be submitted." Once the information has been filed via the Hinkle System, these statements/schedules are to be retained by the fiscal officer.
2. ***Completed and Retained.*** These statements/schedules are to be completed and retained by the fiscal officer for audit purposes. They do not typically contain information to be submitted via the Hinkle System.

Reminders

The financial report should be rounded to the nearest whole dollar. No decimal or cents should be included.

Negative amounts should be shown in parenthesis (\$x,xxx).

Other Financing Disbursements and Non-Operating Disbursements should be shown in parenthesis.

At the time the report is filed with the Auditor of State, the fiscal officer must publish in the newspaper notice of the completion of the report and indicate the report is available at the office of the fiscal officer. See AOS Bulletin 2015-007 for further instructions.

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Questions concerning the preparation of this report may be directed to the Local Government Services Division of the Auditor of State's Office at 1-800-345-2519.

Instructions for Excel and Word Files

Excel files and word files are available on the Auditor of State's web site at:

<https://ohioauditor.gov/references/shells/regulatory.html>

The excel files contains a shell which includes only the "To be Submitted" statement. No numbers should be entered into this tab as all the amounts will be pulled forward from the second tab which is labeled "Report Master." All dollar amounts should be entered into the "Report Master" tab. Both tabs have a heading that should be completed. The notes to the financial statements are required to be completed and combined with the "to be submitted" financial statement into a single pdf document that is required to be uploaded into the Hinkle System. The red tabs identify the "To be Submitted" statement that will need to be included in the pdf document required to be uploaded into the Hinkle System.

The excel files are set up to print to acrobat; however, slight adjustments to scaling may be needed for printing. If columns or rows are added or deleted or other formatting changes are made, including changes to row height, the ability to print the document may be affected. Printing and creating the pdf of the financial statements and notes to be filed is the responsibility of the fiscal officer.

PDF File for Submission

Create a pdf file from the shells that are located on the links provided above. The PDF file will be uploaded into the Hinkle System, and should include:

1. All pages from the excel workbook labeled "To be Submitted" (once completed):
 - a. Combined Statement of Receipts, Disbursements and Changes in Fund Balances (Regulatory Cash Basis), All Governmental Fund Types
2. Notes to the basic financial statements (once completed)

A quick guide related to the creation and merging of electronic files may be viewed at:

https://ohioauditor.gov/docs/QG/QuickGuide_PDF_Merging_Resizing.pdf