

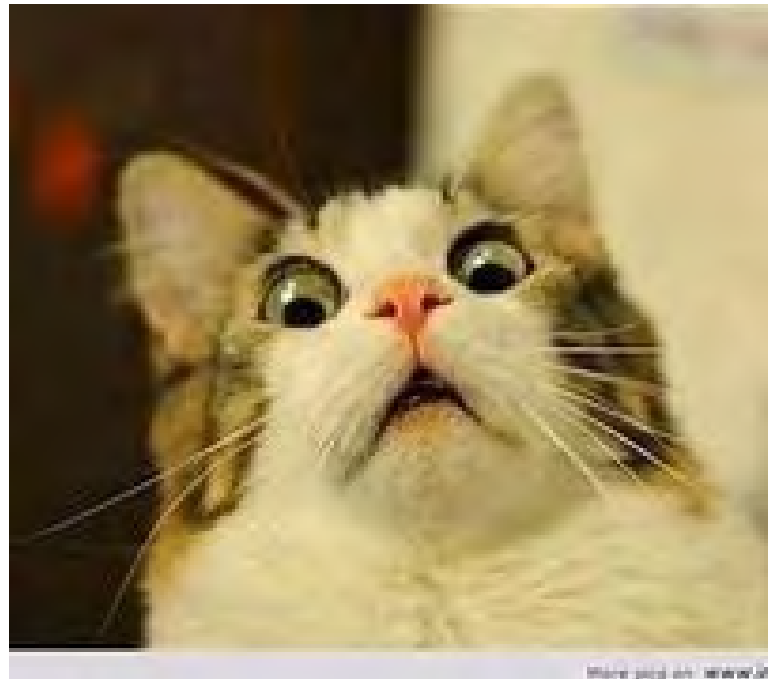
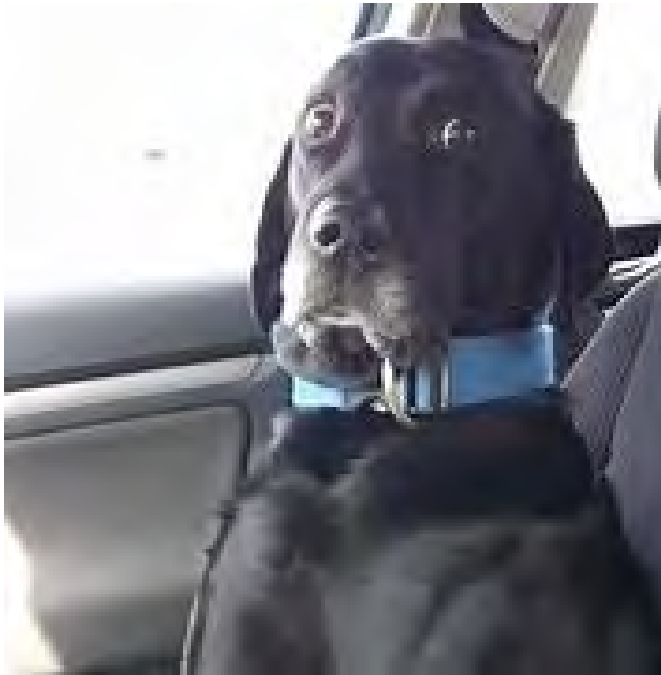
# Faster ACFR Issuance: South Carolina's Journey in Speeding Up its ACFR Issuance Times

South Carolina Comptroller General's Office

Reporting

David Starkey, CPA

# Fiscal Year-End is Coming Soon?



# Speeding Up Your ACFR Issuance

- ▶ Items to Start/Finish Early
  - ▶ Portions of Transmittal Letter
  - ▶ Portions of Management Discussion & Analysis
  - ▶ Statistical Tables
  - ▶ Required Supplemental Information
  - ▶ Portions of Notes

# Speeding Up Your ACFR Issuance

- ▶ Items to Start/Finish Early (Continued)
  - ▶ Debt & Other Liabilities
  - ▶ Interfund Transfers & Balances
  - ▶ Monitoring General Ledger
  - ▶ Rolling Forward Previous Year's Workpapers

# Speeding Up Your ACFR Issuance

- ▶ Communication Throughout the Year with Your Auditors
  - ▶ Using SharePoint
  - ▶ Implementation of New GASBs

# Speeding Up Your ACFR Issuance

- ▶ Getting Ahead of Potential Slowdowns
  - ▶ Managing Audited Financial Statements Flowing Into Your ACFR
  - ▶ Educating Decentralized Agencies
- ▶ Recruiting and Managing Staff

# Goal: Drinking Less From the Firehose During Busy Season



# Items to Start/Finish Early

- ▶ Transmittal Letter, MD&A, Notes, RSI, and Statistical Tables
  - ▶ Start early with demographic data
    - ▶ Previous Year & Calendar Year Data
      - ▶ Document, document, document
      - ▶ Create semi-complete portions
      - ▶ Forward backup and early draft information to your auditors



# Items to Start/Finish Early

## ▶ Debt

- ▶ Cooperate with debt-issuing agencies
  - ▶ Update debt workpapers as debt is issued
  - ▶ Keep GL updated for new issuances, early payoffs, defeasances, etc.
  - ▶ Once your last FY debt issuance and payments are made, the related MD&A, notes, and statistical tables should be completed

# Items to Start/Finish Early

- ▶ Pension & OPEB

- ▶ Once the prior year liabilities and deferred outflows/inflows split-outs are ready:

- ▶ Complete and/or start related workpapers journal entries ASAP

- ▶ Complete and/or start the related portions of notes and RSI

# Items to Start/Finish Early

- ▶ Interfund Transfers & Balances
  - ▶ Monitor GL and eliminate transfers within the same funds throughout the year
  - ▶ Start related note

# Items to Start/Finish Early

- ▶ Monitor Your GL Constantly
  - ▶ Ensure your funds are balanced and look right
  - ▶ Keep Cash Flows updated
  - ▶ Flag large variances for future auditor variance explanations or for corrections

# Items to Start/Finish Early

- ▶ Roll forward your workpapers early
  - ▶ Keeps items to correct fresher in your head
  - ▶ Improve documentation
  - ▶ Look at materiality

# Communication With Your Auditors



# Communication With Your Auditors

- ▶ Feed backup and complete or partially complete workpapers to the auditors year-round
  - ▶ Use SharePoint or related software
    - ▶ Helps auditors in their downtime
    - ▶ Speed up test selections

# Communication With Your Auditors

## ▶ With new GASBs

- ▶ Create drafts of notes, etc. early for your auditors to review
  - ▶ It's OK if they're not fully complete
  - ▶ Helps auditors and helps you prevent surprises during the worst of busy season



# Getting Ahead of Potential Slowdowns



# Getting Ahead of Potential Slowdowns

- ▶ Other financial statements included in your ACFR
  - ▶ Create and enforce deadlines
    - ▶ Consider having Legislature write deadlines into annual budgets or law
    - ▶ Email deadlines and guidance to financial statement agencies in the winter or spring

# Getting Ahead of Potential Slowdowns

- ▶ Educating outside agencies
  - ▶ Dealing with accountants without any accounting background
    - ▶ Hold education classes or one-on-one sessions in the offseason
    - ▶ Educate these accountants VERY early on new GASBs coming out in future years
  - ▶ Get with your IT Departments early for any changes that need to be made
    - ▶ New GASBs
    - ▶ Previous year's issues that need to be corrected

# Managing & Recruiting Staff



# Managing & Recruiting Staff

- ▶ If possible, have a staff solely dedicated to creating your ACFR
  - ▶ Can keep up with upcoming and potential GASBs
  - ▶ Can educate agencies for year-end reporting and to keep the GL cleaner

# Managing & Recruiting Staff

- ▶ For Retention & Recruiting
  - ▶ Create a comp time system for more condensed and overtime-filled busy seasons
  - ▶ If you want and want to keep CPAs
    - ▶ It's cheaper to pay for quality
    - ▶ Provide the CPEs
      - ▶ Good and relatively inexpensive employee perk
      - ▶ Your ACFR will thank you!

# Most Importantly

- ▶ Go Lady Gamecocks!



Questions ?