



# STATE CONTROLLER'S BULLETIN

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State Controller

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Administrative & Financial Services

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Bulletin #FY11-07


## **SUBJECT: Fiscal Year End Closing Package for GAAP Reporting and Financial Disclosure Certificate**

**DATE: May 16, 2011**

**TO: All Departments and Agencies Financial Officers**

**FROM: Terry Brann, State Controller**

Title 5 MRSA §1547, subsection 4 requires agencies to provide all financial information necessary for the State's financial report to the Office of the State Controller no later than September 1 following the close of the fiscal year. In order to expedite the financial reporting process, every effort should be made to make your submissions prior to the September 1<sup>st</sup> deadline. The law also states that the Controller's Office must provide all financial reports, etc. to the Department of Audit by November 1st. The State of Maine is scheduled to issue this year's audited CAFR no later than December 31, 2011 in accordance with statutory requirements. This will require the Controller's Office to accelerate the financial reporting process this year. **It is imperative that all agencies submit financial information as soon as it is available and no later than the statutory deadline of September 1.** Accordingly, we have developed a *GAAP Financial Statements Closing Package* to provide guidance to agencies regarding information necessary to convert Advantage data from the budgetary basis of accounting to the GAAP basis used for financial reporting. Information has been added to address new GASB statements effective for the 2011 reporting period. Note that sections of this closing package do not apply to all agencies. The first section includes general information, which applies to everyone. The second section is agency-specific. All affected State agencies should send accruals and other financial information identified in the closing package, along with the GAAP information checklist on pages 37 and 38, to the Office of the State Controller, Financial Reporting & Analysis Division, by September 1 (electronic transmission is preferable).



In addition to the closing package checklist, all agencies are required to complete a *Financial Disclosure Certificate*, which can be found at the end of the closing package and in Section 90.30 of the State Administrative & Accounting Manual. As required by audit standards, the Office of the State Controller (OSC) provides, on behalf of the State, a letter of representation to the State Auditor's Office certifying certain financial, compliance, and internal control information. To enable OSC to make the representations required in that letter, each Agency Head and Chief Financial Officer must certify, to the best of their knowledge, that the statements on the Financial Disclosure Certificate are true for their agency. Any exceptions to the certifications are to be attached with a narrative detailing the variance(s) and any proposed or completed corrective actions.

To assist in the timely submission and completion of the required financial information, each agency's liaison will be in contact with them shortly to schedule a time to review the GAAP Financial Statements Closing Package. Your agency liaison will also be available to help you interpret the closing package instructions and to assist you in developing methodologies for compiling information in order to meet the September 1 deadline. Agencies are responsible for preparing, submitting and retaining copies of auditable supporting documentation for all of the GAAP information submitted. Any changes or corrections to information originally submitted must also be sent to your agency liaison in the Controller's Office. Additionally, agencies should identify primary contacts for follow-up questions from the Controller's Office and the Department of Audit.