



**Certification Page
Regular and Emergency Rules**
Revised June 2013

Emergency Rules *(After completing all of Sections 1 and 2, proceed to Section 5 below)*

Regular Rules

1. General Information			
a. Agency/Board Name Department of Audit			
b. Agency/Board Address Herschler Building, 3rd Floor East		c. City Cheyenne	d. Zip Code 82002
e. Name of Contact Person Charles Schmechel		f. Contact Telephone Number 307-777-6394	
g. Contact Email Address charles.schmechel@wyo.gov		h. Adoption Date November 5, 2013	
i. Program Public Funds			
2. Rule Type and Information: For each chapter listed, indicate if the rule is New, Amended, or Repealed.			
If "New," provide the Enrolled Act numbers and years enacted: SEA 022, Chapter 45 (2013)			
c. Provide the Chapter Number, Short Title, and Rule Type of Each Chapter being Created/Amended/Repealed <i>(Please use the Additional Rule Information form for more than 10 chapters, and attach it to this certification)</i>			
Chapter Number: 4	Short Title: Special District Financial Reporting General	<input checked="" type="checkbox"/> New	<input checked="" type="checkbox"/> Amended <input type="checkbox"/> Repealed
Chapter Number: 5	Short Title: Special District Informational Reporting	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input checked="" type="checkbox"/> Repealed
Chapter Number: 6	Short Title: Special District Financial Control Reporting	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input checked="" type="checkbox"/> Repealed
Chapter Number: 9	Short Title: Audit Reporting Requirements for Governmental Entities	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input checked="" type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input type="checkbox"/> Repealed
Chapter Number:	Short Title:	<input type="checkbox"/> New	<input type="checkbox"/> Amended <input type="checkbox"/> Repealed
d. <input checked="" type="checkbox"/> The Statement of Reasons is attached to this certification.			
e. If applicable, describe the emergency which requires promulgation of these rules without providing notice or an opportunity for a public hearing: N/A			

3. State Government Notice of Intended Rulemaking

a. Date on which the Notice of Intent containing all of the information required by W.S. 16-3-103(a) was filed with the Secretary of State: **September 3, 2013**

b. Date on which the Notice of Intent and proposed rules in strike and underscore format and a clean copy were provided to the Legislative Service Office: **September 3, 2013**

c. Date on which the Notice of Intent and proposed rules in strike and underscore format and a clean copy were provided to the Attorney General: **September 3, 2013**

4. Public Notice of Intended Rulemaking

a. Notice was mailed 45 days in advance to all persons who made a timely request for advance notice. Yes No N/A

b. A public hearing was held on the proposed rules. Yes No

if "Yes:"	Date: October 28, 2013	Time: 9:00 AM	City: Cheyenne	Location: Herschler Building, Room B63
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5. Final Filing of Rules

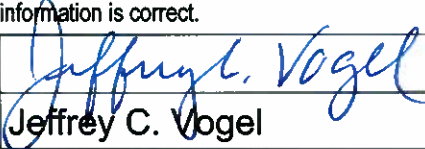
a. Date on which the Certification Page with original signatures and final rules were sent to the Attorney General's Office for the Governor's signature: **November 5, 2013**

b. Date on which final rules were sent to the Legislative Service Office: **November 5, 2013**

c. Date on which a PDF of the final rules was electronically sent to the Secretary of State: **November 5, 2013**

6. Agency/Board Certification

The undersigned certifies that the foregoing information is correct.

Signature of Authorized Individual <i>(Blue ink as per Rules on Rules, Section 7)</i>	
Printed Name of Signatory	Jeffrey C. Vogel
Signatory Title	Director
Date of Signature	November 5, 2013

7. Governor's Certification

I have reviewed these rules and determined that they:

1. Are within the scope of the statutory authority delegated to the adopting agency;
2. Appear to be within the scope of the legislative purpose of the statutory authority; and, if emergency rules,
3. Are necessary and that I concur in the finding that they are an emergency.

Therefore, I approve the same.

Governor's Signature

Date of Signature

Attorney General: 1. Statement of Reasons; 2. Original Certification Page; 3. Summary of Comments (regular rules); 4. Hard copy of rules: clean and strike/underscore; and 5. Memo to Governor documenting emergency (for emergency rules only).

LSO: 1. Statement of Reasons; 2. Copy of Certification Page; 3. Summary of Comments (regular rules); 4. Hard copy of rules: clean and strike/underscore; 5. Electronic copy of rules: clean and strike/underscore; and 6. Memo to Governor documenting emergency (for emergency rules only).

SOS: 1. PDF of clean copy of rules; and 2. Hard copy of Certification Page as delivered by the AG.

STATEMENT OF PRINCIPAL REASONS

PROPOSED RULE CHANGES , DEPARTMENT OF AUDIT, PUBLIC FUNDS DIVISION

These rule changes are being proposed for several reasons. First, pursuant to Wyo. Stat. § 9-1-507(a)(viii) (Senate Enrolled Act 22 (2013)), the Department of Audit is required to establish by rule the format of the budgetary reports that special districts shall file with the Department. Second, the Department is amending these rules in an effort to simplify and clarify existing rules pursuant to the Governor's streamlining government initiative.

Specifically, the Department is amending Chapter 4 by adding new sections (sections 5 and 6) establishing the format of the budgetary report. The Department is establishing the report format by requiring special districts to use an online electronic budget form and instructions provided by the Department on its website. The Department is also consolidating its special district rules by moving portions of Chapters 5 and 6 to Chapter 4. The Department is then repealing Chapters 5 and 6, in their entirety. The Department is also repealing Chapter 9 because it is redundant and obsolete.

CHAPTER 4

SPECIAL DISTRICTS FINANCIAL REPORTING GENERAL DEPARTMENT OF AUDIT, PUBLIC FUNDS

Section 1. Authority.

The statutes require the Director to promulgate rules under which special districts shall prepare and file an annual report of their books and also be subject to different levels of oversight, depending upon total revenues or expenditures of the district during the fiscal year. [W.S. 9-1-507 (a)(iii), (vii) & (viii)]. These rules are adopted to implement procedures and processes necessary for the Director to fulfill the statutory duties and responsibilities, to determine the financial reports to be filed, to determine when audits and specified procedures shall be required, and to establish the format for additional reporting by special districts.

Section 2. Scope.

These rules apply to all special districts having authority to levy taxes or impose assessments, or receiving funds from special districts, municipalities, or towns. Sections 5 and 6 do not apply to special districts created by and subject to administration by the courts. The Department shall provide forms, guidance, and direction for local governments requesting assistance.

Section 3. Purpose.

Accurate and uniform reporting of financial information is necessary to determine the level of supervisory oversight necessary for special districts. The Department is required to provide accurate financial information to the legislature and to other state, federal, and private agencies, regarding the cost of operating and maintaining state and local government, special districts, and specific government programs. The reports and reporting methods required by these rules are to ensure uniformity and accuracy in reporting revenues, expenditures, and financial activities by the reporting entities in order for the Department to fulfill its supervisory and audit responsibilities.

Section 4. Definitions, as used in these rules:

- (a) "AICPA" means the American Institute of Certified Public Accountants.
- (b) "Annual Report Summary" means the checklist on the department of audit, public funds website which requires certification by two authorized representatives of the entity. The checklist shall contain a certification statement. The authorized representatives shall verify under oath the information contained in the report is a true, accurate, and complete presentation of the financial activities of the reporting entity.
- (c) "Bank reconciliation" means a specified procedure to determine if all cash assets shown on the financial records reconcile and agree to the amounts reported by the financial institutions.
- (d) "CPA" means a certified public accountant licensed or authorized to practice in the State of Wyoming.

- (e) “Department” means the state department of audit.
- (f) “Director” means the director of the state department of audit.
- (g) “Electronic Budget Form” means the form and instructions used to complete reporting as required by W.S. 9-1-507(a)(viii). The electronic budget form can be found on the department of audit, public funds website.
- (h) “Entity” means any entity as listed in W.S. 16-12-103.
- (i) “Fiscal year” means the period beginning July 1, and ending June 30.
- (j) “Government Auditing Standards” means the standards published by the Comptroller General, United States Government Accountability Office, Current Revision.
- (k) “Independent auditor” means a certified public accountant who follows the Government Auditing Standards.
- (l) “Independent third party” means a person having a basic understanding of the purpose of the reporting entity and the nature of its business, with sufficient knowledge of bookkeeping or accounting to understand the financial transactions of the entity. The independent third party cannot be a person or an immediate family member of a person who has management authority over the reporting entity or is a signor of the entity’s checks.
- (m) “Internal control evaluation”, as it relates to the audit and review procedures, means and includes:
 - (i) A documented analysis of the procedures established by the reporting entity to assure that financial transactions are properly recorded (see guidance on department of audit, public funds website regarding special districts).
 - (ii) Tests of the system sufficient to determine whether the system, and compliance with its procedures, provides reasonable assurance that the entity’s assets are safeguarded and that liabilities are accounted for; to test that public funds are used in accordance with laws, regulations, and policies; that resources are safeguarded against waste, loss, or misuse; and in internal controls that reliable data are obtained, maintained, and fairly disclosed in reports.
 - (iii) A written summary of deficiencies in internal control significant in context to the audit objectives discovered and corrective measures, which should be implemented.
 - (iv) For the internal control self-evaluation of those entities not required to have an independent accountant (CPA) audit or review, the Internal Control Evaluation Worksheet as provided by the Department and updated on an annual basis, may be used in fulfillment of this procedure.
- (n) “Officer” or “official” means the chairman of the official board, whether appointed or elected, the treasurer of the special district or other local government entity, or if no position is specified, any member of the Official Board.
- (o) “Oversight” means and includes the reports, procedures and processes established by rules and regulations of the Department to ensure that the Director may comply with the statutory requirement to supervise the financial accounting of the special district entities in this state.

(p) “Proof of Cash” means a procedure much like a bank reconciliation, except more extensive and detailed. It is used to verify the “books of the entity” are in agreement with the cash transactions which have been recorded by the bank. The form is available on the department of audit, public funds website. This procedure shall be performed by an independent third party.

(q) “Revenue” for the purpose of reporting, means and includes all revenues from all outside sources, as well as, all debt proceeds and grants received during the reporting fiscal year. If the entity normally reports on a cash basis, the report shall conform to cash revenues received. If the entity normally reports on an accrual or modified accrual basis, the report shall be consistent with whichever accounting basis is normally used.

(r) “Review level engagement” means a procedure which complies with the AICPA professional standards. Footnotes to financial statements shall disclose all known commitments as of the date of the financial statements that are material to the financial statements, including construction commitments.

(s) “Self audit” means an analysis conducted internally by any official not involved in the daily transactions of the entity or by an independent third party, with the assistance of the entity, and certified by an officer, to verify the correctness of transaction recording and to provide management with reasonable assurance that assets are adequately safeguarded. Guidance is available on the department of audit, public funds website.

(t) “Special District” means any entity as listed in W.S. 16-12-103.

(u) “Specified procedures” means a procedure which complies with the AICPA professional standards.

Electronic Budget Reporting

Section 5. Instructions for Reporting Budget Form.

The reporting entity shall comply with the electronic budget form and associated instructions found on the department of audit, public funds website. The format shall include at least a budget message, budget summary, statements of cash available, revenue forecasts, and expenditure plan. The Director shall provide specific instructions for completion of the online budget reporting form. The reporting entity shall submit electronically the electronic budget form, the date of the budget hearing, and the date of the budget approval to the Department and the board of county commissioners of the county where the special district is located.

Section 6. Time For Filing Online Budget Reports.

The proposed budget reports shall be filed online with the Director and to the board of county commissioners of the county where the special district is located by June 1st of each year.

Annual Census Reporting

Section 7. Use of Annual Census Report Information.

To avoid duplication of effort, the annual census report currently being filed with the federal bureau of the census, or with the Department, by all entities required to report to the Department, shall be utilized by the Department to the extent possible to obtain the required revenue, expenditure, and financial activity

information. The Department shall seek approval from the appropriate federal authority for modification of the annual census report form, if necessary, to provide the information required by the Department. However, refusal of the federal authority to modify the census report form shall not alter the obligation of the reporting entity to provide the Department with the required information.

Section 8. Census Report Forms.

(a) The census report form to be used is the Survey of Local Government Finances. Single purpose special districts shall use form F-32, and multi-purpose districts shall complete and return the census form for major special agencies, form F-66-WY4.

(b) A copy of the appropriate form may be obtained from the Department and is posted on the department of audit, public funds website.

(c) If the Director requires additional or supplemental information, the Department shall provide the necessary forms for uniform reporting.

Section 9. Instructions For Reporting.

(a) It is recognized the reported census financial data may not always agree with audited financial statements or with accounting entries made in accordance with Generally Accepted Accounting Principles (GAAP).

(b) The Director shall provide specific instructions for completion of each reporting form to ensure financial data reported to the Department is uniformly identified, grouped, and reported. The reporting entity shall comply with the Director's instructions, even though compliance requires modification of internal accounting programs, procedures, or reports. The Department shall provide information and assistance to the reporting entities.

Section 10. Time For Filing Census Reports.

The required census reports shall be filed with the Director by September 30.

Special District Financial Control Reporting, Determining Risk and Required Levels of Oversight, Due Date for Filing

Section 11. Risk Assessment.

The entities, whose financial accounts and records are subject to supervision by the Director, shall be classified according to their relative risk assessment. The higher of the total revenues received, or expenditures made, by the district during the fiscal year under review, subject to the limitations set forth in W.S. 9-1-507(a)(iii)(A-D), shall determine the level of risk assessment. The level of risk assessment shall determine the type of oversight or supervision required of the entity, unless special audit requirements imposed by other state or federal laws, rules, regulations, contracts, or agreements require a different type or level of oversight or supervision. The level of risk assessment for each entity shall be determined each fiscal year.

Section 12. Levels of Risk Assessment.

(a) Using the required reports as a basis for assessment and depending upon the higher of the total revenues received, or expenditures made, by the district during the fiscal year under review subject

to the limitations set forth in W.S. 9-1-507(a)(iii)(A-D), there shall be a total of five levels for special districts. There are three levels with oversight prescribed in the statutes and two additional levels between \$100,000 and \$1,000,000 for special districts, with oversight as defined in these rules. The complete list is as follows:

- (i) Level A - \$1,000,000 and over.
- (ii) Level B - \$500,000 to \$999,999.99.
- (iii) Level C - \$100,000 to \$499,999.99.
- (iv) Level D - \$25,000.01 to \$99,999.99.
- (v) Level E - \$25,000 or less.

(b) Level A is the highest risk assessment level and requires the highest level of supervision and oversight. Level E is the lowest level of risk assessment and requires the lowest level of supervision and oversight.

(c) Federal and state grants shall be included in revenues for the fiscal year in which the grant is received, for purposes of determining the assessed level of risk.

(d) An entity classified at Level A shall have a CPA audit in accordance with Government Auditing Standards.

(e) An entity classified at Level B shall have a review level engagement, or a higher level of audit service, such as an audit, at the special districts option, and the following additional procedures.

(i) The notes shall disclose any failure to comply with state statutes requiring documentation of a depository relationship between the entity and any depository; and

(ii) Other procedures which may be required or approved by the Director and are identified prior to the commencement of the engagement.

(f) An entity classified at Level C shall have a self-audit, a proof of cash, and an annual report summary and shall submit them to the Director.

(g) An entity classified at Level D shall have a proof of cash and an annual report summary and shall submit them to the Director.

(h) An entity classified as Level E shall only be required to provide the census report as described in section 8.

Section 13. Procedures Required Annually.

Each entity is required to perform the level of procedures required for their respective risk level, or a greater level of assurance (at their option) at the close of each fiscal year. Completion of the procedures performed shall be certified under oath by the officials of the entity. The certification shall be filed with the Department no later than December 31. A copy of the certification form is included on the department of audit, public funds website.

Section 14. Due Dates For Filing Additional Procedures.

All applicable reporting, based on level of risk shall be due to the Department by December 31.

CHAPTER 4

SPECIAL DISTRICTS FINANCIAL REPORTING GENERAL DEPARTMENT OF AUDIT, PUBLIC FUNDS

~~Authority, Scope and Definitions~~

Section 1. Authority.

The statutes require the ~~director of the department of audit~~ Director to promulgate rules under which special districts shall prepare and file an annual report of their books and also be subject to different levels of oversight, depending upon total revenues or expenditures of received by the district during the fiscal year, [W.S. 9-1-507 (a)(iii), (vii) & (viii)]. These rules are adopted to implement procedures and processes necessary for the ~~director~~ Director to fulfill the statutory duties and responsibilities, to determine the financial reports to be filed, and to determine when audits and specified procedures will shall be required, and to establish the format for additional reporting by special districts. These rules will also define certain oversight requirements for special districts with annual revenues of at least one hundred thousand dollars (\$100,000) but less than one million dollars (\$1,000,000).

Section 2. Scope.

These rules apply to all special ~~purpose~~ districts having authority to levy taxes or impose assessments, including joint powers boards or receiving funds from tax assessments, from special districts, or from municipalities, or towns. [W.S. 9-1-507 (a) and 16-4-104 (f)]. Sections 5 and 6 do not apply to special districts created by and subject to administration by the courts. The Department shall provide forms, guidance, and direction for local governments requesting assistance.

Section 3. Purpose.

Accurate and uniform reporting of financial information is necessary to determine the level of supervisory oversight necessary for special districts. The Department is required to provide accurate financial information to the legislature and to other state, federal, and private agencies, regarding the cost of operating and maintaining state and local government, special districts, and specific government programs. The reports and reporting methods required by these rules are to ensure uniformity and accuracy in reporting revenues, expenditures, and financial activities by the reporting entities in order for the Department to fulfill its supervisory and audit responsibilities.

~~Section 3:~~ **Section 4. Definitions, as used in these rules:**

- (a) "AICPA" means the American Institute of Certified Public Accountants;
- (b) "Annual Report Summary" means the checklist on the department of audit, public funds website which requires certification by two authorized representatives of the entity. The checklist shall contain a certification statement. The authorized representatives shall verify under oath the information contained in the report is a true, accurate, and complete presentation of the financial activities of the reporting entity.
- (b)(c) "Bank reconciliation" means a specified procedure to determine if all cash assets shown

on the financial records reconcile and agree to the amounts reported by the financial institutions;

~~(e)~~(d) “CPA” means a certified public accountant licensed or authorized to practice in the State of Wyoming;

~~(d)~~(e) “Department” means the state department of audit;

~~(e)~~(f) “Director” means the director of the state department of audit;

(g) “Electronic Budget Form” means the form and instructions used to complete reporting as required by W.S. 9-1-507(a)(viii). The electronic budget form can be found on the department of audit, public funds website.

~~(f)~~(h) “Entity” means any entity special purpose district or downtown development authority [W.S.15-9-2-18];as listed in W.S. 16-12-103.

~~(g)~~(i) “Fiscal year” means a period of twelve consecutive calendar months that the entity has established as their fiscal year, regardless of when such period begins and ends the period beginning July 1, and ending June 30.

~~(h)~~(j) “Government Auditing Standards” means the standards published by the Comptroller General, United States Government Accountability Office, Current Revision;

~~(i)~~(k) “Independent auditor” means a certified public accountant who follows the Government Auditing Standards;

~~(j)~~(l) “Independent third party” means a person having a basic understanding of the purpose of the reporting entity and the nature of its business, with sufficient knowledge of bookkeeping or accounting to understand the financial transactions of the entity, but who does not have authority to issue or sign checks or warrants of the entity; The independent third party cannot be a person or an immediate family member of a person who has management authority over the reporting entity or is a signor of the entity’s checks.

~~(k)~~(m) “Internal control evaluation”, as it relates to the audit and review procedures, means and includes:

(i) A documented analysis of the procedures established by the reporting entity to assure that financial transactions are properly recorded; ~~(see guidance in the current update of the Wyoming Special District Accounting Handbook) and contained on its website;~~ (see guidance on department of audit, public funds website regarding special districts).

(ii) Tests of the system sufficient to determine whether the system, and compliance with its procedures, provides reasonable assurance that the entity’s assets are safeguarded and that liabilities are accounted for; to test that public funds are used in accordance with laws, regulations, and policies; that resources are safeguarded against waste, loss, or misuse; and in internal controls that reliable data are obtained, maintained, and fairly disclosed in reports;

(iii) A written summary of deficiencies in internal control significant in context to the audit objectives discovered and corrective measures, which should be implemented;

(iv) For the internal control self-evaluation of those entities not required to have an

independent accountant (CPA) audit or review, the Internal Control Evaluation Worksheet as provided by the ~~department of audit~~ Department and updated on an annual basis, may be used in fulfillment of this procedure.

~~(n)~~(n) “Officer” or “official” means the chairman of the official board, whether appointed or elected, the treasurer of the special district or other local government entity, or if no position is specified, any member of the Official Board.

~~(m)~~(o) “Oversight” means and includes the reports, procedures and processes established by rules and regulations of the ~~department~~ Department to ensure that the ~~director~~ Director may comply with the statutory requirement to supervise the financial accounting of the special district entities in this state.

(p) “Proof of Cash” means a procedure much like a bank reconciliation, except more extensive and detailed. It is used to verify the “books of the entity” are in agreement with the cash transactions which have been recorded by the bank. The form is available on the department of audit, public funds website. This procedure shall be performed by an independent third party.

~~(n)~~(q) “Revenue” for the purpose of reporting, means and includes all revenues from all outside sources, as well as, all debt proceeds and grants received during the reporting fiscal year. If the entity normally reports on a cash basis, the report ~~will~~ shall conform to cash revenues received. If the entity normally reports on an accrual or modified accrual basis, the report ~~will~~ shall be consistent with whichever accounting basis is normally used.

~~(r)~~(r) “Review level engagement” means a procedure which complies with the AICPA professional standards. ~~The financial statements should also contain a schedule of state financial assistance as identified by the department of audit, received by the entity, if any.~~ Footnotes to financial statements ~~must~~ shall disclose all known commitments as of the date of the financial statements that are material to the financial statements, including construction commitments.

~~(s)~~(s) “Self audit” means an analysis conducted internally by any official not involved in the daily transactions of the entity or by an independent third party, with the assistance of the entity, ~~following procedures set forth in the section titled AUDITS of the Wyoming Special District Accounting Handbook~~ and certified by an officer, to verify the correctness of transaction recording and to provide management with reasonable assurance that assets are adequately safeguarded. Guidance is available on the department of audit, public funds website.

(t) “Special District” means any entity as listed in W.S. 16-12-103.

~~(u)~~(u) “Specified procedures” means a procedure which complies with the AICPA professional standards.

~~(v)~~—“Wyoming Special District Accounting Handbook” means the reference and instructional manual published March 17, 1993 and as updated by the Department of Audit, Public Funds, State of Wyoming and contained on its website.

Electronic Budget Reporting

Section 5. Instructions for Reporting Budget Form.

The reporting entity shall comply with the electronic budget form and associated instructions found on the

department of audit, public funds website. The format shall include at least a budget message, budget summary, statements of cash available, revenue forecasts, and expenditure plan. The Director shall provide specific instructions for completion of the online budget reporting form. The reporting entity shall submit electronically the electronic budget form, the date of the budget hearing, and the date of the budget approval to the Department and the board of county commissioners of the county where the special district is located.

Section 6. Time For Filing Online Budget Reports.

The proposed budget reports shall be filed online with the Director and to the board of county commissioners of the county where the special district is located by June 1st of each year.

Annual Census Reporting

Section 7. Use of Annual Census Report Information.

To avoid duplication of effort, the annual census report currently being filed with the federal bureau of the census, or with the Department, by all entities required to report to the Department, shall be utilized by the Department to the extent possible to obtain the required revenue, expenditure, and financial activity information. The Department shall seek approval from the appropriate federal authority for modification of the annual census report form, if necessary, to provide the information required by the Department. However, refusal of the federal authority to modify the census report form shall not alter the obligation of the reporting entity to provide the Department with the required information.

Section 8. Census Report Forms.

(a) The census report form to be used is the Survey of Local Government Finances. Single purpose special districts shall use form F-32, and multi-purpose districts shall complete and return the census form for major special agencies, form F-66-WY4.

(b) A copy of the appropriate form may be obtained from the Department and is posted on the department of audit, public funds website.

(c) If the Director requires additional or supplemental information, the Department shall provide the necessary forms for uniform reporting.

Section 9. Instructions For Reporting.

(a) It is recognized the reported census financial data may not always agree with audited financial statements or with accounting entries made in accordance with Generally Accepted Accounting Principles (GAAP).

(b) The Director shall provide specific instructions for completion of each reporting form to ensure financial data reported to the Department is uniformly identified, grouped, and reported. The reporting entity shall comply with the Director's instructions, even though compliance requires modification of internal accounting programs, procedures, or reports. The Department shall provide information and assistance to the reporting entities.

Section 10. Time For Filing Census Reports.

The required census reports shall be filed with the Director by September 30.

**Special District Financial Control Reporting, Determining
Risk and Required Levels of Oversight, Due Date for Filing**

Section 11. Risk Assessment.

The entities, whose financial accounts and records are subject to supervision by the Director, shall be classified according to their relative risk assessment. The higher of the total revenues received, or expenditures made, by the district during the fiscal year under review, subject to the limitations set forth in W.S. 9-1-507(a)(iii)(A-D), shall determine the level of risk assessment. The level of risk assessment shall determine the type of oversight or supervision required of the entity, unless special audit requirements imposed by other state or federal laws, rules, regulations, contracts, or agreements require a different type or level of oversight or supervision. The level of risk assessment for each entity shall be determined each fiscal year.

Section 12. Levels of Risk Assessment.

(a) Using the required reports as a basis for assessment and depending upon the higher of the total revenues received, or expenditures made, by the district during the fiscal year under review subject to the limitations set forth in W.S. 9-1-507(a)(iii)(A-D), there shall be a total of five levels for special districts. There are three levels with oversight prescribed in the statutes and two additional levels between \$100,000 and \$1,000,000 for special districts, with oversight as defined in these rules. The complete list is as follows:

- (i) Level A - \$1,000,000 and over.
- (ii) Level B - \$500,000 to \$999,999.99.
- (iii) Level C - \$100,000 to \$499,999.99.
- (iv) Level D - \$25,000.01 to \$99,999.99.
- (v) Level E - \$25,000 or less.

(b) Level A is the highest risk assessment level and requires the highest level of supervision and oversight. Level E is the lowest level of risk assessment and requires the lowest level of supervision and oversight.

(c) Federal and state grants shall be included in revenues for the fiscal year in which the grant is received, for purposes of determining the assessed level of risk.

(d) An entity classified at Level A shall have a CPA audit in accordance with Government Auditing Standards.

(e) An entity classified at Level B shall have a review level engagement, or a higher level of audit service, such as an audit, at the special districts option, and the following additional procedures.

(i) The notes shall disclose any failure to comply with state statutes requiring documentation of a depository relationship between the entity and any depository; and

(ii) Other procedures which may be required or approved by the Director and are identified prior to the commencement of the engagement.

(f) An entity classified at Level C shall have a self-audit, a proof of cash, and an annual

report summary and shall submit them to the Director.

(g) An entity classified at Level D shall have a proof of cash and an annual report summary and shall submit them to the Director.

(h) An entity classified as Level E shall only be required to provide the census report as described in section 8.

Section 13. Procedures Required Annually.

Each entity is required to perform the level of procedures required for their respective risk level, or a greater level of assurance (at their option) at the close of each fiscal year. Completion of the procedures performed shall be certified under oath by the officials of the entity. The certification shall be filed with the Department no later than December 31. A copy of the certification form is included on the department of audit, public funds website.

Section 14. Due Dates For Filing Additional Procedures.

All applicable reporting, based on level of risk shall be due to the Department by December 31.

CHAPTER 5

SPECIAL DISTRICT INFORMATIONAL REPORTING
DEPARTMENT OF AUDIT, PUBLIC FUNDS

(Repealed)

CHAPTER 5
SPECIAL DISTRICT INFORMATIONAL REPORTING
DEPARTMENT OF AUDIT, PUBLIC FUNDS

~~Purpose, Instruction and Due Dates~~

~~Section 1. Purpose. Accurate and uniform reporting of financial information is necessary to determine the level of supervisory oversight necessary for special districts. The department is required to provide accurate financial information to the legislature and to other state, federal and private agencies, regarding the cost of operating and maintaining state and local government, special districts, and specific government programs. The reports and reporting methods required by these rules are to ensure uniformity and accuracy in reporting revenues, expenditures and financial activities by the reporting entities in order that the department may fulfill its supervisory and audit responsibility/authority.~~

~~Section 2. Use of Annual Census Report Information. To avoid duplication of effort, the annual census report currently being filed with the federal bureau of the census, or with the department, by all entities required to report to the department, will be utilized by the department to the extent possible to obtain the required revenue, expenditure and financial activity information. The department will seek approval from the appropriate federal authority for modification of the annual census report form, if necessary, to provide the information required by the department. However, refusal of the federal authority to modify the census report form will not alter the obligation of the reporting entity to provide the department with the required information.~~

~~Section 3. Census Report Forms.~~

~~(a) The census report form to be used is the Survey of Local Government Finances. Single purpose special districts will use F-32, and multi-purpose districts will complete and return the Census form for major special agencies F-66-WY4.~~

~~(b) A copy of the appropriate form may be obtained from the department of audit, public funds.~~

~~(c) If the director requires additional or supplemental information, the department will provide the necessary forms for uniform reporting.~~

~~Section 4. Instructions For Reporting: Compliance Required.~~

~~(a) It is recognized that reported census financial data may not always agree with audited financial statements or with accounting entries made in accordance with Generally Accepted Accounting Principles (GAAP). The department will provide information and assistance to the reporting entities in this reporting.~~

~~(b) To ensure that financial data reported to the department is uniformly identified, grouped and reported, the director shall provide specific instructions for completion of each reporting form. The reporting entity must comply with the director's instructions, even though compliance requires modification of internal accounting programs, procedures or reports. [W.S. 9-1-510 (a)].~~

~~Section 5. Time For Filing Financial Reports. The required census reports shall be filed in the office of the director of the department of audit within 90 days of the entity's fiscal year end. [W.S. 9-1-510 (b)].~~

CHAPTER 6

SPECIAL DISTRICT FINANCIAL CONTROL REPORTING
DEPARTMENT OF AUDIT, PUBLIC FUNDS

(Repealed)

CHAPTER 6

SPECIAL DISTRICT FINANCIAL CONTROL REPORTING DEPARTMENT OF AUDIT, PUBLIC FUNDS

Determining Risk and Required Levels of Oversight, Due Date for Filing

~~Section 1. Application. The rules for reporting under Chapter 6 of these rules apply to those special districts and entities described in W.S. 9-1-507 (a)(iii). The department of audit will provide guidance and direction for local governments requesting assistance and forms will also be provided as needed, for the procedures required.~~

~~Section 2. Risk Assessment. The entities whose financial accounts and records are subject to supervision by the director shall be classified according to their relative risk assessment. total revenues received by the entity in a fiscal year shall determine the level of risk assessment. The level of risk assessment shall determine the type of oversight or supervision required of the entity, unless special audit requirements imposed by other state or federal laws, rules, regulations, contracts or agreements require a different type or level of oversight or supervision. The level of risk assessment for each entity shall be determined each fiscal year.~~

~~Section 3. Levels of Risk Assessment.~~

~~(a) Using the required reports as a basis for assessment, and using the total revenue received as the measurement, there shall be a total of five levels for special districts. These are: the three levels with oversight prescribed in the statutes [W.S. 9-1-507 (a)(iii)(A)] and two (2) additional levels between \$100,000 and \$1,000,000 for special districts, with oversight as defined in these rules. The complete list is as follows:~~

- ~~(i) Level A—\$1,000,000 and over in total revenues;~~
- ~~(ii) Level B—\$500,000 to \$1,000,000 in total revenues;~~
- ~~(iii) Level C—\$100,000 to \$500,000 in total revenues;~~
- ~~(iv) Level D—under \$100,000 in total revenues but more than \$25,000;~~
- ~~_____ (v) Level E under \$25,000.~~

~~(b) Level A is the highest risk assessment level and requires the highest level of supervision and oversight. Level E is the lowest level of risk assessment and requires the lowest level of supervision and oversight.~~

~~(c) — Federal and state grants shall be included in revenues for the fiscal year in which the grant is received, for purposes of determining the assessed level of risk.~~

~~(d) — An entity classified at Level A shall have a CPA audit in accordance with Government Auditing Standards, [W. S. 9-1-509 (a)(iii)(A)].~~

~~(e) — An entity classified at Level B shall have a review level engagement, or a higher level of audit service, such as an audit, at the special districts option, and the following additional procedures.~~

~~(i) — The notes must disclose any failure to comply with state statutes requiring documentation of a depository relationship between the entity and any depository;~~

~~(ii) — A compliance report letter which provides positive assurance on items tested and~~

negative assurance on items not tested as it relates to the following items:

- (A) that any board or council is legally constituted;
- (B) that the treasurer is properly bonded;
- (C) that the entity has a system of fixed asset inventory;
- (D) that the entity has filed all necessary federal and state payroll tax reports, workers compensation and unemployment insurance reports;
- (E) that minutes reflect compliance with public meeting requirements and;
- (F) that no loans or donations have been made to private individuals, associations or corporations.

(iii) Other procedures which may be required or approved by the director and are identified as a part of the auditor procurement bidding process, prior to the commencement of the engagement.

(f) An entity classified at Level C shall have a self-audit procedure performed by any official not involved in the daily transactions of the entity, or by an independent third party under the direction of such officials. In addition, the district officials shall complete a self-assessment of internal control procedures and a proof of cash procedure which shall be performed by an independent third party, will be required. The procedures shall be conducted in compliance with the procedures and standards set forth in the Wyoming Special District Accounting Handbook. Performance of the procedures and the findings shall be certified, by the officials of the entity, and a report shall be made to the director of the department of audit.

(g) An entity classified at Level D shall have a proof of cash procedure performed by an independent third party. Documentation of the procedures followed in performing the proof of cash shall be made and retained. The officials of the entity shall certify that, to the best of their knowledge, the proof was performed in accordance with the documented procedures, and a report was made to the director of the department of audit.

(h) An entity classified as Level E shall only be required to provide an annual report of district revenues, expenses and ending cash balance.

Section 4. Procedures Required Annually; Certification. Each entity is required to perform the level of procedures required for their respective risk level, or a greater level of assurance (at their option) at the close of each fiscal year. Completion of the procedures performed shall be certified under oath by the officials of the entity. The certification shall be filed with the department of audit, public funds, no later than December 31 of the year in which the fiscal year ends, or within six months of the fiscal year end if other than a June 30 fiscal year end. A copy of the certification form is included in the accounting handbooks.

Section 5. Special Oversight Procedures; Approval. A request for special procedures or relief from required procedures of oversight shall be made, within 90 days after the entity's fiscal year end, to the director, in writing. A separate request shall be made each year that special procedures or relief is requested. Each request shall be evaluated and determined on an individual basis, and approved or disapproved by the director, by December 31 of the year in which the fiscal year ends, or within 150 days of the entity's fiscal year end. A record of the request and the disposition made shall be kept on file in the department, subject to disposal as provided by law for public records.

Section 6. Certification of Reporting. Each Local Government Annual Report Summary shall

~~contain a certification statement, signed by the appointed or elected chairman or president and the treasurer of the special district. The certificate shall verify under oath, that the information contained in the reports is a true, accurate and complete presentation of the financial activities of the reporting entity.~~

~~Section 7. Audits, Review Level Engagements and Specified Procedure Reports; Due Dates. The Local Government Annual Report Summary along with the required audit, review, specified procedures or proof of cash reports, will be due in the department of audit by December 31, of the year in which the fiscal year ends, or six months after the close of the entity's fiscal year end if other than a June 30 fiscal year end.~~

CHAPTER 9

AUDIT REPORTING REQUIREMENTS FOR GOVERNMENTAL ENTITIES
DEPARTMENT OF AUDIT, PUBLIC FUNDS

(Repealed)

Chapter 9

AUDIT REPORTING REQUIREMENTS FOR GOVERNMENTAL ENTITIES DEPARTMENT OF AUDIT, PUBLIC FUNDS

~~Section 1. Purpose. Statutes require the department to supervise the books, financial accounts and financial records of governmental entities within the state; to require correction of faults or erroneous systems of accounting; and to report violations of state law to the attorney general. Nothing in these rules shall be deemed to impose requirements for audit procedures in excess of those required by standards promulgated by current government auditing standards or standards of the AICPA.~~

~~Section 2. Authority. The statutes grant the department of audit the authority to promulgate rules and regulations to carry out audit procedures performed for governmental entities. (W.S. 9-1-507(h)). The statute authorizes the director to accept audits performed by a certified public accountant. (W.S. 9-1-507(a)(v)). The statute requires the department to notify the attorney general of any indication of violation of state law noted during the review of audit reports. (W.S. 16-4-123(b)).~~

~~Section 3. Scope. These rules apply to audit reports issued on any governmental entity in the State of Wyoming.~~

~~Section 4. Definitions. As used in these rules:~~

~~ˆAICPAˆ means the American Institute of Certified Public Accountants;~~
~~ˆAuditˆ means an examination performed under the requirements of state statutes, Government Auditing Standards or standards established by the AICPA;~~
~~ˆCPAˆ means a certified public accountant licensed or authorized to practice in the State of Wyoming;~~
~~ˆDepartmentˆ means the department of audit;~~
~~ˆDirectorˆ means the director of the department of audit;~~
~~ˆGovernment Auditing Standardsˆ means the standards promulgated by the Comptroller General, United States General Accounting Office;~~
~~ˆGovernmental entityˆ means any state agency, University of Wyoming or any other local government;~~
~~ˆLocal Governmentˆ means cities and towns, counties, school districts, joint powers boards, public entities, community college districts, special districts and their governing bodies, all political subdivisions of the state, and their agencies, instrumentalities and institutions.~~
~~(i) ˆReviewˆ means an examination performed in accordance with the Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants~~

~~Section 5. Management Letter. Any management letter or other written correspondence submitted to the audited entity regarding the results of the audit shall also be submitted to the department as an accompaniment to the auditor's report.~~

~~Section 6. Comparative Memorandum Totals. For audits of the financial statements of local governments, comparative memorandum totals shall be included in the balance sheet when an audit of the prior year's financial statements was not performed.~~

