

County Extension Annual Report Procedures

This is an overview of the procedures for completing the Annual Financial Report. It is important that you follow these instructions to ensure the legal requirements are met for closing the fiscal year and creating the required reports.

The County Extension Law (Code of Iowa, Chapter 176A) requires a complete report of the financial transactions for the 12-month period, July 1 through June 30. The following documents must be generated:

1. Published Report
2. Reconciliation Statement
3. Carry-Over Report Calculation (CB 1)
4. Director's Revenue & Expense Report

The law specifies that the Extension Council is to publish a full and detailed financial report prior to August 1st in two newspapers of general circulation in the district. All financial transactions for the fiscal year, up to and **including June 30**, must be included in the published report.

All County Agricultural Extension Districts are expected to use the following accounting principles:

1. There should be a Fiscal Policy on file approved by the Extension District Council which provides the structure for the Extension District Operating Fund and Agency Fund.
2. The Extension District Operating Fund includes all public funds. (See your county's Fiscal Policy for the definition of public funds.) All grants and contracts the county received as well as all Extension program user fee income and expenses (including all 4-H programming monies) should be handled through the Extension District Operating Fund.
3. The Agency Fund should only include dollars that "are not under Extension's control". The Agency Fund(s) will be audited using the same principles as for agency funds in other governmental agencies.

Financial Report Preparation

This year's instructions have been put into a checklist format. The process covered by the checklist **includes work that can be done before June 30th**. Read over the material and decide what can be done now to prepare for the report. The actual report **cannot be created until all** transactions for June 30th have been completed which means it cannot be done until after July 1st.

June Financial Actions

1. At the regular June meeting, the bills should be handled as usual with special attention to year-end projections. You can use the current year Budgeting Worksheet (CB-1) to help make accurate year-end predictions. All monthly bills should be reviewed to be sure 12 payments are made in this fiscal year, i.e. rent, wages, utilities, Partnership-share, etc.
2. A ruling from the **State Auditor's Office does not allow pre-payment** of either office rent or Partnership-share that would normally be due in the next fiscal year.
3. If funds are not available to cover all June bills or if you are in danger of over-spending your approved annual budget or should it be necessary to return funds to the County Treasurer, contact your Area Director.
4. The maximum amount that can be carried over to July 1st is an amount equal to one-half of the current year expenditures. The Carry-Over Calculation (CB 1) will provide the carryover balance.
5. If funds are to be returned to the County Treasurer, it should to be the last check written for the fiscal year, and **is not** to be used to calculate the maximum carry-over balance. Please contact your Area Director as soon as it has been determined that funds are to be returned to the County Treasurer.
6. A special meeting of the County Extension Council in the last part of the month of June is necessary only if there are extraordinary expenditures that need to be approved prior to the end of the fiscal year. The annual report cannot be created or approved until after all transactions for June 30th have been completed.

Reports

The Published Report is to be signed by the chair and treasurer of the Extension Council and notarized.

Ask the newspapers to provide the District with two certified copies of the published report.

File with your County Auditor one copy of the following:

1. Published Report
2. Proof of publication in two newspapers
3. Reconciliation Statement

Send two copies of the following to your Area Director:

1. Published Report
2. Reconciliation Statement
3. Carry-Over Calculation (CB 1)
4. Director's Revenue & Expense Report
5. Balance Sheet
6. County Balancing Spreadsheet

Area Directors will forward one copy of the following to the Extension Finance Office:

1. Published Report
2. Reconciliation Statement
3. Carry-Over Calculation (CB 1)
4. Director's Revenue & Expense Report
5. Balance Sheet
6. County Balancing Spreadsheet

Retain all originals of each document for your county permanent financial record files.

If you have a general question, please contact your Area Director or Shel Mourlam (515-294-6490).