



## **ACCOUNTING, AUDITING AND FINANCIAL REPORTING**

1. The City's accounting and financial reporting systems will comply with the standards established by the Arkansas Legislative Audit Division. The City's books will be maintained in conformance with those set by the Governmental Accounting Standards Board (**GASB**) and the American Institute of Certified Public Accountants (AICPA), and the United States Government Accountability Office, when applicable as noted in ACA 14-58-101.
2. The Division of Legislative Audit will perform an annual audit. The auditor's findings and the administration's response will be published within 10 business days after the final audit report is made available, in accordance to Arkansas law.
3. The Finance department shall prepare financial statements on a fund basis and those conforms to GASB and provide full disclosure of all financial activities, minimize ambiguities and avoid misleading inference.
4. The Finance department shall assist the Mayor in preparing the City's budget to be submitted to the City Council by December 1 of each year, in accordance to A.C.A 14-58-201. The budget should satisfy criteria as a financial and program policy document, as a comprehensive financial plan, as an operations guide for all city departments and agencies.
5. The Finance department shall prepare a report of budgeted expenditures compared to actual, and be presented to the City Council monthly. The reports shall be made available to the public upon request.
6. The Finance department shall report any and all amendments to the budget on a monthly basis as Required Supplemental Information.
7. Financial systems will be maintained to monitor revenues, expenditures and program performance on an ongoing basis.
8. Each Department Head is responsible to monitor the progress of their budget to actual results. All budget variances shall be reviewed with the Mayor and Finance Director.
9. The Finance department shall prepare detailed monthly and quarterly reports presented to the City Council, on a timely basis.
10. The Finance department shall prepare or cause to have published financial statements two times each year in accordance with ACA 14-59-116. The first published report will cover the first six months of the calendar year, and to be published in the local newspaper by September 1. The second will cover the last six months of the calendar year to be published by March 1.
11. The Mayor must prepare a complete report on the City's finances and administrative activities of the city during the previous fiscal year, within 45 days after the end of the fiscal year per A.C.A 14-58-302.
12. The Finance Director/Treasurer shall submit a copy of the bank reconciliations to the City Council each month, as prescribed by ACA 14-59-115. Any adjustments that require a write off of funds to balance the books must be approved by the City Council.