

Miscellaneous

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PAUL D. JOYCE, CPA STATE EXAMINER

Indiana's State Examiner and the agency head for the State Board of Accounts, Paul Joyce coordinates and manages the post-audits and examinations of over 4,000 state and local governmental entities in Indiana.

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Financial Institutions Tax (FIT) / Commercial Vehicle Excise Tax (CVET)

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FIT/CVET Distributions

- May now be deposited into any fund maintained by the taxing unit.
- Funds can be used for any legal purpose.
- Units must ensure proper tracking to avoid audit issues.
- During audit:
 - Must be able to identify the fund receiving the distributions.
 - General Fund – no formal action is required
 - Other Fund - legislative body must identify the fund via ordinance, resolution, or vote.

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Engagement Costs

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Engagement Costs

OIC 5-11-4-3

ORates

OAmened annual and submitted to the audit committee for review

ONo change to upcoming fiscal year

OCan be found on our website:

<https://www.in.gov/sboa/about-us/our-rates/>



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Engagement Costs - Continued

Statement of Engagement Costs

- ☐ Sent to each political subdivision
- ☐ Includes:
 - ☐ Number of days spent on the audit
 - ☐ Daily/hourly rate
 - ☐ Any report processing fees
- ☐ NOT an invoice to be paid by the entity

Certified Statement

- ☐ Sent to each county
- ☐ Certified by the State Examiner
- ☐ Includes
 - ☐ Amount chargeable to each taxing unit within the county for the audit expenses
- ☐ Paid by the County
- ☐ County Auditor will reimburse General Fund (for examination of records) during the next settlement

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Engagement Costs - Continued

Has the county collected enough taxes to cover the examination of records?

- | | |
|---|---|
| <input type="radio"/> Yes <ul style="list-style-type: none"> <input type="radio"/> County will then pay the examination of records | <input type="radio"/> No <ul style="list-style-type: none"> <input type="radio"/> County <u>does not</u> pay the examination of records. <input type="radio"/> County Auditor will send the certified statement to the taxing unit to pay costs. <input type="radio"/> Taxing unit will then contact SBOA to arrange payment of examination of records |
|---|---|

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Dormant Funds

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Dormant Funds

- IC 36-1-8-5 – allows any remaining and unrestricted balances in county funds—collected through a levy on all taxable county property—to be moved to the county’s general fund or rainy day fund, given council approval.
- IC 5-1-13-2 – closing out of surplus bond proceeds
- Things to consider:
 - Are there dormant funds?
 - Should this fund be closed out?
 - What is it used for?
 - Where does the revenue come from?



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Capital Asset Tracking and Reporting

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Capital Asset Tracking & Reporting

○ Capital Asset Management governed by:

○ I.C. 5-11-1-27 & I.C. 5-11-1-27 – mandate SBOA to establish UCGs

○ Uniform Compliance Guidelines (UCGs) – provide guidelines for accounting for capital assets

○ County Ordinances – many counties adopt their own capital asset policies to comply with SBOA requirements



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Capital Asset Tracking & Reporting – Continued

- County Auditor primary elected official responsible.
- Duties include, but not limited too:
 - Oversee the maintenance of asset records (include acquisition date, cost (or appraised value), location, and description).
 - Ensures compliance with SBOA compliance guidelines and local policies.
 - Coordinates physical inventories (must be done at least every 2 years).
 - Facilitates accurate financial reporting for audits including asset valuation and depreciation.

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Capital Asset Tracking & Reporting – Continued

- Additional responsibilities could be adopted locally through a local policy by the Board of Commissioners.
- Local policies help to facilitate capital asset tracking and reporting at the department level, such as;
 - Departments maintain & update inventory lists
 - Perform physical inventories
 - Inform Auditor of changes

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Transfers

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Transfers

- Transfers should only be done when there is a statutory authority to do so.
- Review the statute.
- If the statute does not specifically authorize a transfer from the fund, then no transfers should be made from the fund.



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THANK YOU

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