



IDAHO ASSOCIATION OF COUNTY RECORDERS AND CLERKS

3100 South Vista Avenue, Suite 200 | Boise, Idaho | 208.345.9126

Jason Dixon
IACRC President

Kim Keeley
IACRC Vice-President

Trent Tripple
IACRC Treasurer

To: Committee on Uniform Accounting and Transparency
From: Idaho Association of County Records and Clerks (IACRC)
Date: September 19, 2024
Subject: Interim Uniform Accounting and Reporting Manual

The Idaho Association of County Records and Clerks (IACRC), representing Idaho's 44 county elected clerks, wishes to submit the following comments to the Committee on Uniform Accounting and Transparency regarding the draft Interim Uniform Accounting and Reporting Manual. The comments represent suggestions that address concerns that have been raised by elected county clerks as they have reviewed the draft manual.

Comment 1: We are concerned with the tone of language on page 4, stating that it is needed so “entities can improve financial data, and comply with regulatory requirements.” Additionally, “facilitating better management and oversight of public funds...”. Counties, like all other local units of government are required to comply with audit and accounting standards. Furthermore, counties are fiscally sound, comply with state and federal audit and accountability requirements, and operate in an environment of transparency. We are concerned that the tone of the introduction may lead policymakers and the public in general to question the trustworthiness of counties.

Comment 2: Is there a reason for calling out the specific GASB statements on pages 7-8 and GAAP principles on pages 9-10? All GASB and GAAP standards are important and should be adhered to. Calling out specific standards may create confusion and lead to other important standards either not being followed or forgotten. We recommend striking the reference to specific standards and link to GASB and GAAP standards and principles so the end user references those standards directly. Secondly, if GASB specific standards change or are removed, the manual will be out of date. Referencing the GASB and GAAP standards by weblink ensures that local officials are viewing current standards and practices.

Comment 3: On page 12, the table needs to be updated to include the new taxing district type for an Ambulance District formed under 31-3911. This reflects statute that requires future ambulance districts to be self-governing and independent of the board of county commissioners.

Comment 4: On page 15, section (iv), the manual grants the SCO with broad authority to collect local financial information beyond the scope of what is laid out in statute, including “Any other information required”. One of the primary concerns counties have raised is the frequency with which certain financial information is reported, including quarterly salary information and proof that a budget was adopted (i.e.: resolution of the board of county commissioners). The statute does not require proof of resolution to be submitted with budget information nor does it require salary information to be reported. Furthermore, there is inconsistency in the frequency of salary reporting among taxing district types. Some districts, like cities and counties, are required to report quarterly, while other districts are required to report annually. If salary data is required, it should only be reported annually, not quarterly.

Comment 5: In the reporting timelines beginning on Page 16, please amend the salary reporting requirements for counties and cities from quarterly to annually. For a more efficient process, this information should be reported at the same time that annual budget and audit information is reported. It would result in greater efficiencies at the local reporting level and lessen the burden on smaller jurisdictions that do not have staff or IT support to assist with more frequent reporting intervals.

Comment 6: Similar to comment 5 above, for the reporting calendar/due dates beginning on page 16, please find ways to streamline all reporting requirements so all information is uploaded once a year at the same time rather than at various points during the year. This will lead to greater efficiency and less confusion at the local level.

Comment 7: Page 33 includes the reporting requirements for the Annual Financial Transparency Report (AFTR). Initially the AFTR was designed in collaboration with the original county pilot group. It has since expanded to include other items and has become more complicated and difficult to comply with. With each change, county IT providers must update and recode reports to comply with the changes. This is both time and cost intensive. Prior to making future changes, please work collaboratively with county clerks and county IT professionals.

Comment 8: On page 35, some revenue fields are included with the expenses. Please remove revenue fields from the expense definition table.

Comment 9: On page 35, the original expenditure fields developed by the pilot counties were those outlined in Idaho Code and the IAC Uniform Accounting Manual. The Interim Accounting & Reporting Manual includes many more fields that either aren't commonly used by counties, are expenditure

categories of other taxing districts not germane to counties or require additional manual entry by counties. These requirements have further complicated the reporting process, require additional resources that smaller counties do not have, may increase the likelihood of reporting errors, and makes comparing county budgets more challenging.

Comment 10: On pages 42-138, a vast amount of revenue and expenditure information is required of smaller taxing districts. These districts lack staff, IT support, and in many cases, the resources to report on the level of information being requested. We recommend a scaled back approach to financial reporting for small taxing districts more in line with what is reported in the annual L2 report submitted to the state tax commission. Because smaller taxing districts have limited staff support, they often turn to counties to submit reports on their behalf. County clerks no longer have the band width to submit reports on behalf of smaller districts. Simplifying the reporting requirements for smaller districts would allow them to submit reports without assistance from the county. Furthermore, districts like highway districts already submit in depth revenue and expenditure reports to the state in the form of their annual road and street reports. We recommend using this report for highway districts rather than requiring them to submit additional revenue and expenditure information to a different state office.

Comment 11: Page 139 establishes requirements for counties and cities to provide quarterly financial reports. As mentioned in previous comments, Idaho law does not require local taxing districts to report salary information to the SCO. Idaho code should be amended to reflect the types and frequency of salary information to be reported prior to including the requirement in the reporting manual. If salary reporting is required in the manual, it should be consistent among all taxing districts and be required annually, not quarterly. Furthermore, the reports should be due at the same time that other financial information is reported to the SCO to streamline reporting.

Comment 12: On pages 140-141 regarding salary reporting fields, job titles among the various counties are not consistent, making it difficult to accurately compare job types among different counties and taxing districts. Also, months of service is more difficult to track and report on. Furthermore, it is easier for the public to understand years of services vs months of service. Please consider requiring years of service to be reported and not months of service.

As elected clerks, we appreciate the opportunity to provide comments to the Committee. We hope you consider amending the interim manual to reflect our comments. Please don't hesitate to follow up with your county clerk with any questions.