



STATE CONTROLLER'S BULLETIN

Edward Karass
State Controller

Rebecca M. Wyke, Commissioner
Administrative & Financial Services

Bulletin #FY04-16

SUBJECT: Fiscal Year End Closing Package for GAAP Reporting

DATE: June 2, 2004

TO: All Component Units of the State of Maine

FROM: Edward Karass, State Controller

Title 5 MRSA §1547, subsection 5 requires component units of the State to provide audited financial statements to the Office of the State Controller no later than October 15 following the close of the State's fiscal year. The law also states that the Controller's Office must provide all financial reports, etc. to the Department of Audit by November 1st. The State of Maine is scheduled to issue this year's audited CAFR no later than December 31, 2004 in accordance with statutory requirements. This will require the Office of the State Controller to accelerate the financial reporting process this year. **It is imperative that all component units submit financial reports by the statutory deadline of October 15.** Accordingly, we ask that you arrange for your auditors to schedule fieldwork in time to meet this deadline. We have developed a [Guidance Package for Component Units](#) to provide information necessary to successfully incorporate component unit data into the State's CAFR. This year's closing package contains numerous changes, the most significant of which are described below.

Transmittal Letter

Because some component units' financial reports will not be approved by their Board of Trustees by the October 15th deadline, we request that you submit a copy of the draft financials to us. The draft must be represented to the Office of the State Controller as ready for acceptance by the Board of Trustees. To facilitate this, we are requesting that you sign a Draft [Financial Statements Transmittal Letter](#). A copy of this letter is included in the attached Guidance Package for Component Units.

GASB 34 Statement of Activities

In order for the State of Maine to comply with applicable GAAP reporting requirements, we need to have you submit an audited GASB 34 Statement of Activities with your financial report. This is necessary even if your financial statements are in compliance with GASB 34 without it. The Statement of Activities can be submitted as part of the financial statements, or as a supplemental schedule, but it should be included by your auditors as part of their opinion.

14 State House Station
Burton M. Cross Building, 4th Floor
Augusta, ME 04333-0014

Phone: (207)626-8420
Fax: (207)626-8422

www.maine.gov



GASB 39 Implementation

The State of Maine will implement GASB 39 “Determining Whether Certain Organizations are Component Units” for the fiscal year ending June 30, 2004. The changes required by this statement primarily affect private foundations that are potential component units. Please review the status of any private foundations or other entities related to your organization to determine if they will need to be included as component units, under this new guidance, on your own financial statements for this fiscal year.

Standardized Reporting Package

To simplify reporting, this year we are distributing an Excel file containing forms to be completed for footnote disclosure information. Please use these standardized forms to submit this information, which in the past has been submitted differently by each component unit. [Hard copy versions of the forms](#) are also included in the attached Guidance Package for Component Units.

All affected component units should send financial information identified in the closing package to the Office of the State Controller, Financial Reporting & Analysis Division, by October 15 (electronic transmission is preferable). Additionally, component units should identify primary contacts for follow-up questions from the Controller’s Office and the Department of Audit. Please direct any questions you may have to Heather Perreault, CPA in the Controller’s office. She is available to help you interpret the closing package instructions and to assist you in developing strategies for compiling information in order to meet the October 15 deadline.