

DATE: May 30, 2018

TO: Agency Addressed (No. 35, 2017-2018)

FROM: Paul Whitfield, Director
Division of Accounting & Auditing
Department of Financial Services

SUBJECT: STATEWIDE FINANCIAL REPORTING FISCAL YEAR 2017-18
COMPREHENSIVE ANNUAL FINANCIAL REPORT (CAFR)

This memorandum provides information related to the preparation and audit of the Florida Comprehensive Annual Financial Report for the fiscal year ending June 30, 2018. Section 216.102, Florida Statutes, requires the Chief Financial Officer (CFO) to prepare the State's Comprehensive Annual Financial Report (CAFR) using generally accepted accounting principles. To comply, the state agencies must prepare and submit financial and other necessary information to the CFO as required.

1) Component Unit Information Request – Due June

The State of Florida's schedule for implementation of new statements established by the Governmental Accounting Standards Board (GASB) is stated on the [GASB Implementation Schedule 2018](#). Provide this to your agency's component unit(s) and include Statewide Financial Reporting Section (SFRS) in the notification by **June 12, 2018**. Effective dates for new statements are set forth in the statements themselves and sometimes permit smaller governments to implement them at a later date than larger governments. As a result, the State and its component units may have different effective dates for new GASB statements. Therefore, component units with an effective date subsequent to the State's are encouraged to early implement the statement(s) or may be required to provide additional information to SFRS to permit consistent reporting in the CAFR.

The [Component Unit List](#) identifies the component unit(s) for which your agency is responsible. If your agency has any new component units, a "[DFS-A1-1833, Reporting Entity Determination](#)" form must be completed and submitted to SFRS. Additionally, please review the list for accuracy and if there are any changes, notify SFRS. Your agency's responsibility includes obtaining audited financial statements for these entities, submitting the component unit forms, and entering financial data into the Florida Accounting Information Resource (FLAIR) or submitting post-closing adjustments to SFRS.

Component units with a fiscal year-end of June 30, 2018, must submit all required information to SFRS by **September 28, 2018**. Component units with a fiscal year-end prior to June 30, must submit all required information by your **agency closing date**.

2) Consideration of Fraud Certification Request – Due July

Department of Financial Services (DFS) must address requirements in Statement on Auditing Standards (SAS) No. 122 AU-C Section 240 - *Consideration of Fraud in a Financial Statement Audit*. SAS 122 requires certain communications regarding potential financial misstatements as a result of fraud. To address SAS 122 requirements, a certification by your agency head is required by completing the "[DFS-A1-1834 Consideration of Fraud in Financial Reporting Certification \(SAS 122\)](#)" form and submit as a PDF version to SFRS by **July 13, 2018**.

3) Statewide Financial Statement Compliance Checklist – Due October

Each state agency is required to complete the "[DFS-A1-1831 Statewide Financial Statements Compliance Checklist](#)" (checklist) and is used in conjunction with the [Statewide Financial Statement Guidance](#) which contains additional detail and guidance on completing individual checklist items.

Each checklist item contains a drop-down box to indicate your agency response for each item. Checklist Attachment A must be completed and submitted for each checklist item with an agency response of “no”.

Please note that due dates vary among checklist items and compliance should be noted on the checklist **on or before** each applicable due date. The checklist requires certification by the chief fiscal officer or equivalent of and submit as a PDF version to SFRS by **October 10, 2018**.

4) Agency Representations for Financial Statements and Federal Awards – Due November

In connection with the annual audits of the State of Florida’s statewide financial statements and federal awards, the CFO is required to make certain written representations to the Auditor General which relate to the fairness of presentation of the financial statements and the state’s compliance with laws, regulations, and provisions of contracts and grant agreements governing the administration of federal awards for the fiscal year ending June 30, 2018. Your assistance in providing written representations relevant to your agency is necessary to support the CFO’s representations to the auditors.

Templates for the Agency Representations will be available on the [DFS website](#) by the end of August. These templates must be used and printed on agency letterhead. **Please note that these are standard letters and changes should not be made to the letters.** Additional information or comments may be provided using the form titled “Agency Representations - Attachment for Additional Information” also available on the website. The agency head’s signature is required on the completed letters.

Although the representations are made in writing to the CFO as of November 1, 2018, the period covered by these representations extends to issuance of the audit reports applicable to the 2017-18 fiscal year. You must notify the CFO prior to the issuance of the audit reports if any changes should be made to your written representations.

For your reference, a job aid applicable to these requests is available at the following link:
<http://www.myfloridacfo.com/Division/AA/Training/JobAids-StateAgency.htm>.

Please execute each letter **on or after November 1, 2018**, and submit by **November 5, 2018**, as follows:

- The Agency Representations for Financial Statements should be emailed to sfrs@myfloridacfo.com
- The Agency Representations for Federal Awards should be emailed to fedreporting@myfloridacfo.com

Please direct any questions to the following:

SFRS sfrs@myfloridacfo.com (850) 413-5511

Website links

Forms - <https://www.myfloridacfo.com/Division/AA/Forms/default.htm>

Other Documents - <https://www.myfloridacfo.com/Division/AA/Links/default.htm>