



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Iowa City Community
School District**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Certificate of Achievement For Excellence in Financial Reporting

Summary of Grading

Name of Unit: Iowa City Community School District

Fiscal Year of Report FY2014

Report # 701.00

The Certificate of Achievement Program Special Review Committee (SRC) has completed its review of your comprehensive annual financial report (CAFR). Listed below are the grading categories used and a summary of the SRC's evaluation of your CAFR. The detailed comments and suggestions for reporting improvements on the attached listing are grouped under similar grading categories. Any category which received a grade of "Needs Significant Improvement" indicates an area of particular concern to the SRC and the related comments and suggestions for improvement in this category should be given special attention. An indication is provided on the list by the specific comments(s) or category(ies) that were the cause of receiving this grade. For each item, the notation also states whether it is 1) the basis or part of the basis for the CAFR not receiving the Certificate of Achievement, 2) a serious deficiency which will almost certainly preclude the awarding of the Certificate of Achievement if it is not corrected in your next CAFR, or 3) a deficiency, that if not corrected in future CAFRs, could result in the Certificate of Achievement not being awarded.

Grading Category

Grade

Cover, table of contents, and formatting	Proficient
Introductory section	Proficient
Report of the independent auditor	Proficient
Management's discussion and analysis (MD&A)	Proficient
Basic financial statements (preliminary considerations)	Proficient
Government-wide financial statements	Proficient
Fund financial statements (general considerations)	Proficient
Governmental fund financial statements	Proficient
Proprietary fund financial statements	Proficient
Fiduciary fund financial statements	Proficient
Summary of significant accounting policies (SSAP)	Proficient
Note disclosure (other than the SSAP and pension-related disclosures)	Proficient
Pension-related note disclosures	Proficient
Required supplementary information (RSI)	Proficient
Combining and individual fund information and other supplementary information	Proficient
Statistical section	Proficient
Other considerations	Proficient

Certificate of Achievement For Excellence in Financial Reporting Detailed Listing of Comments and Suggestions for Improvement

Name of Unit: Iowa City Community School District

Fiscal Year of Report FY2014

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106 - Government-wide financial statements

Additional Comment:

Pages 17-18 - Consider using the caption "state-wide sales taxes - unrestricted," if applicable.

In most cases, intergovernmental revenues are classified as program revenues because their use typically is restricted to specific functions or activities. Please clarify. [GASB-S34: 50; Q&A 7.34.5 and 7.35.1; GAAFR, pages 309-311]

113 - Pension-related note disclosures

Checklist Question: 13.2i4

Page 48 - Separately disclose the "general inflation rate" assumption for the OPEB plan. This comment was provided the last two years and not implemented.

For single-employer and agent multiple-employer postemployment defined benefit plans, the notes should disclose the assumptions regarding the inflation rate, investment return, projected salary increases, post-retirement benefit increases, and, in the case of postemployment healthcare plans, the healthcare cost trend rate. [GASB-S27: 21c; GASB-S45: 25d; GAAFR, page 371]

118 - Statistical section

Additional Comment:

Refer to page 75 and to the response to a comment provided last year. If additional valuations become part of the tax obligation, the government should adjust the original tax levy for that tax year. These adjustments can be displayed in a column separate from the original levy with a caption such as "subsequent adjustments." The total collections to date should be based on the total adjusted levy (i.e., the total original tax levy adjusted by the additional valuation). [Q&A 9.23.3]

118 - Statistical section

Additional Comment:

Pages 76-77 - Refer to page 41. Include the "premium on general obligation bonds."

The amounts presented in the debt capacity schedules should be the same amounts reported in the basic financial statements (net of related premiums, discounts, and adjustments). Similarly, the amounts shown for deep-discount debt should agree with the accreted amounts reported in the basic financial statements. [Q&A 9.24.6; GAAFR, page 627]

118 - Statistical section

Checklist Question: 18.1k

Page 76 - Refer to page 16, if applicable.

If resources have been externally restricted for the repayment of the principal of debt, the ratio of general bonded debt per capita should focus on net bonded debt rather than total bonded debt. [GASB-S44: 25 and 88; Q&A 9.28.2; GAAFR, pages 627-628]

The GASB has issued the following Statements since the government's previous submission.

1. Statement No. 67, "Financial Reporting for Pension Plans; an amendment of GASB Statement No. 25," which replaces the requirements of Statements No. 25 and No. 50 related to pension plans that are administered through trusts or equivalent arrangements. The requirements of Statements No. 25 and No. 50 remain applicable to pension plans that are not administered through trust or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2013.
2. Statement No. 68, "Accounting and Financial Reporting for Pensions; an amendment of GASB Stement No. 27." This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts and equivalent arrangements. The requirements of Statements No. 27 and No. 50 remain applicable for pensions that are not administered as trusts or equivalent arrangements. The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2014.
3. Statement No. 69, "Government Combinations and Disposals of Government Operations." The requirements of this Statement should be applied prospectively and are effective for government combinations and disposals of government operations occurring in financial reporting periods beginning after December 15, 2013. Earlier application of the Statement is encouraged.
4. Statement No. 70, "Accounting and Financial Reporting for Nonexchange Financial Guarantees." The requirements of this Statement are effective for financial statements for fiscal years beginning after June 15, 2013.
5. Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date; an amendment of GASB Statement No. 68." The provisions of this Statement are required to be applied simultaneously with the provisions of Statement No. 68. The requirements of this Statement are effecitve for financial statements for fiscal years beginning after June 15, 2014.

For the original pronouncements, please visit GASB's website www.gasb.org.

***** END OF COMMENTS FOR REPORT # 701.00 / FY2014 *****