

Financial Recognitions

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association (or GFOA) is a professional association of approximately 17,500 state, provincial, and local government finance officers in the United States and Canada. GFOA is headquartered in downtown Chicago. This highly recognized group was instrumental in the formation of our current accounting and reporting standards as administered through the Governmental Accounting Standards Board (GASB).

The Certificate of Achievement for Excellence in Financial Reporting has been awarded to the Iowa City Community School District by the GFOA for our comprehensive annual financial report (CAFR). The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The Iowa city Community School District CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive “spirit of full disclosure” to clearly communicate its financial story and motivate potential users or user groups to read the CAFR.

The District Financial Services Department has received this GFOA recognition for each of the following years:

Fiscal Year Ending: 2006; 2007; 2008; 2009; 2010; 2011; 2012



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, 2012

Executive Director/CEO

**CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING
COMMENTS AND SUGGESTIONS FOR IMPROVEMENTS**

The detailed comments and suggestions for improvements are comprised of: 1) an indication above the comment that provides either the specific certificate program checklist question to which the item directly relates or the notation "Additional Comment" to indicate the comment does not directly relate to a specific checklist question and 2) text that generally identifies the location of the item in your CAFR, the reason for the comment, and the particular item you should address. Following is the legend for the references to specific authoritative literature that are provided for the majority of comments.

<i>Audits of State and Local Governments</i>	-	<i>Audits of State and Local Governments</i> , American Institute of Certified Public Accountants, March 1, 2012
GAAFR	-	<i>Governmental Accounting, Auditing, and Financial Reporting</i> , GFOA 2012
GASB - I	-	GASB Interpretation
GASB - S	-	GASB Statement
GASB - TB	-	GASB Technical Bulletin
Q&A	-	<i>2012-2013 Comprehensive Implementation Guide</i> , GASB
NCGA - I	-	National Council on Governmental Accounting Interpretation
NCGA - S	-	National Council on Governmental Accounting Statement

All references listed above, except those for "GAAFR," "Q&A," and *Audits of State and Local Governments*, are followed by the number of the pronouncement, if applicable, and the specific paragraph(s), footnote(s), or appendix (appendices) within the publication that is being referenced. The references to "GAAFR" are to pages in that publication. For "Q&A," the references are to the applicable chapters and questions in that publication. For *Audits of State and Local Governments*, the references are to the chapter and specific paragraph.

Certificate of Achievement For Excellence in Financial Reporting

Summary of Grading

Name of Unit: Iowa City Community School District

Fiscal Year of Report FY2012

Report # 1,109.00

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

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Detailed Listing of Comments and Suggestions for Improvement

Name of Unit: Iowa City Community School District

Fiscal Year of Report FY2012

Report # 1,109.00

104 - Management's discussion and analysis (MD&A)

Additional Comment:

Page 9 - In the analysis of the business-type activities.

The term "expenditure" should not be used in connection with the government-wide statements. [NCGA-S1: 100; GAAFR, page 29, note 100]

111 - Summary of significant accounting policies (SSAP)

Checklist Question: 11.21

Page 35.

The notes should disclose the policy used by the governing body to authorize the assignment of fund balance. [GASB-S54: 23b; GAAFR, page 335-336]

113 - Pension-related note disclosures

Checklist Question: 13.2i4

Page 46 - Separately disclose the inflation rate assumption for the OPEB plan. This comment is provided as a reminder.

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 the District's response to a related comment provided last year. On page 77, subsequent adjustments to a levy can be shown in a separate column next to the column presenting the amounts levied for each period. If this approach is used, a "total adjusted levy" column should be added that sums the original levy and the subsequent adjustments. The percentage of the levy collected within the period of the levy should continue to be calculated as (amount collected within the period of the levy ÷ original amount levied for the period). However, the total collections percentage would be calculated as (total collections to date ÷ total adjusted levy), rather than as a percentage of the original levy. [Q&A 9.23.3]

120 - New Pronouncements

Additional Comment:

The GASB has issued Statement No. 60, "Accounting and Financial Reporting for Service Concession Arrangements." This Statement establishes guidance for accounting and financial reporting for service concession arrangements (SCAs). These arrangements are often referred to as public-private partnerships or public-public partnerships (PPP). The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011.

120 - New Pronouncements

Additional Comment:

The GASB has issued Statement No. 61, "The Financial Reporting Entity: Omnibus; an amendment of GASB Statements No. 14 and No. 34." This Statement modifies existing requirements for the assessment of potential component units in determining what should be included in the financial reporting entity, the display of component units (blending vs. discrete presentation, and certain disclosure requirements. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2012.

120 - New Pronouncements

Additional Comment:

The GASB has issued Statement No. 62, "Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements." This Statement codifies into GASB accounting and financial reporting standards the "legacy" standards from the private-sector. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011.

120 - New Pronouncements

Additional Comment:

The GASB has issued Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position." This Statement establishes standards for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position and also requires related disclosures. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2011.

120 - New Pronouncements

Additional Comment:

The GASB has issued Statement No. 65, "Items Previously Reported as Assets and Liabilities." This Statement specifies the items that were previously reported as assets and liabilities that should now be reported as deferred outflows of resources, deferred inflows of resources, outflows of resources, or inflows of resources. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012.

120 - New Pronouncements

Additional Comment:

The GASB has issued Statement No. 66, "Technical Corrections - 2012; an amendment of GASB Statements No. 10 and No. 62." The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2012.

120 - New Pronouncements

Additional Comment:

The GASB has issued Statement No. 68, "Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27." This Statement replaces the requirements of Statements No. 27 and No. 50 related to pension plans that are administered through trusts or 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.

***** END OF COMMENTS FOR REPORT # 1,109.00 / FY2012 *****