

**ADMINISTRATIVE SERVICES DEPARTMENT[11]**

**Adopted and Filed**

**Rule making related to the annual comprehensive financial report**

The Administrative Services Department hereby amends Chapter 40, “Offset of Debts Owed State Agencies,” and Chapter 110, “Inventory Guidelines for State of Iowa Personal and Real Property,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code sections 8A.104, 17A.3 and 17A.4.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code sections 8A.111, 8A.502 and 8A.504.

*Purpose and Summary*

2022 Iowa Acts, House File 2126, renamed a report compiled by the Department to the Annual Comprehensive Financial Report (ACFR). The name was originally changed by the Government Accounting Standards Board (GASB). These amendments comport with 2022 Iowa Acts, House File 2126.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on December 14, 2022, as **ARC 6752C**. No public comments were received. No changes from the Notice have been made.

*Adoption of Rule Making*

This rule making was adopted by the Department on January 18, 2023.

*Fiscal Impact*

This rule making has no fiscal impact to the State of Iowa.

*Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

*Waivers*

The Department will not grant waivers under the provisions of these rules, other than as may be allowed under Chapter 9 of the Department’s rules concerning waivers.

*Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

*Effective Date*

This rule making will become effective on March 15, 2023.

The following rule-making actions are adopted:

ITEM 1. Amend rule **11—40.1(8A)**, definition of “Public agency,” as follows:

“*Public agency*” or “*agency*” means a board, commission, department, including the department of administrative services, or other administrative office or unit of the state of Iowa or any other state entity reported in the Iowa ~~comprehensive annual financial report~~ Annual Comprehensive Financial Report, or a political subdivision of the state, or an office or unit of a political subdivision, or a clerk of district court. However, “public agency” or “agency” does not mean any of the following:

1. The office of the governor;
2. The general assembly, or any office or unit under its administrative authority; or
3. The judicial branch, as provided in Iowa Code section 602.1102 other than the clerk of the district court. Offset procedures uniquely applicable to debts owed to clerks of the district court are set forth in rules 11—40.10(8A) to 11—40.15(8A).

ITEM 2. Amend rule 11—110.3(7A) as follows:

**11—110.3(7A) Accounting for items in aggregate.** Personal property may be accounted for in aggregate. If accounting in aggregate as defined in 110.2(2), one item or component of the item shall be tagged with a prenumbered tag and all other items or components marked with an unnumbered tag or other identifiable markings.

Any item that is accounted for in the aggregate whose individual values are less than \$5000 will not be included in the ~~Comprehensive Iowa Annual Comprehensive Financial Report (CAFR) for the state (ACFR)~~, even if the amount in the aggregate exceeds the minimum level for capitalization. If a department chooses to account for items in aggregate, or report items at a level that is more restrictive than \$5000, then the department must recognize that these items will be reconciling items when reporting for the ~~CAFR~~ ACFR.

To ensure proper accountability for these items, each department will prepare written policies and procedures for tracking and recording items accounted for in aggregate.

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 2/8/23.