



City of Chandler Financial Policies

Accounting, Auditing, and Financial Reporting

Updated 2/8/2024 Resolution No. 5768

The purpose of this Accounting, Auditing, and Financial Reporting Policy is to set guidelines on how the City will account for its financial resources and be accountable for making financial information available to the public.

Accounting and Internal Control

The City's accounting and financial reporting systems will be maintained in conformance with Generally Accepted Accounting Principles (GAAP), standards of the Governmental Accounting Standards Board (GASB), and the Government Finance Officers Association (GFOA).

Financial systems will be maintained to monitor operating and capital revenues, expenditures, and program performance on an ongoing basis.

The City will maintain a system of internal control to safeguard its assets against loss, check the accuracy and reliability of its accounting data, promote operational efficiency, and encourage adherence to prescribed managerial policies.

Independent Audit

An annual audit (Section 5.10, City of Chandler Charter) of the City will be performed by an independent public accounting firm with an audit opinion to be included in the City's published Annual Comprehensive Financial Report (ACFR). An electronic copy of the ACFR will be posted online in compliance with State statutes. Annual audits will also be performed by an independent public accounting firm for the Health Care Benefits Self-Insurance Trust Fund (City Code, Section 2-15.1(d)) and the Workers Compensation and Employer Liability Self-Insurance Trust Fund (City Code, Section 2-16.1(d)).

Financial Reporting

External Financial Reporting: As an additional independent confirmation of the quality of the City's financial reporting, the City will annually seek to obtain the GFOA Certification of Achievement for Excellence in Financial Reporting. The ACFR, in conformity with GAAP, will be presented in a way designed to effectively communicate with citizens about the financial affairs of the City.

As an additional independent confirmation of the quality of the City's budget document, the City will annually seek to obtain the GFOA Distinguished Budget Presentation Award. The budget will satisfy criteria as a financial and programmatic policy document, a comprehensive financial plan,

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an operations guide for all organizational units, and a communication device. The Adopted Budget and Auditor General Budget forms will be posted online in compliance with State statutes.

Internal Financial Reporting: Monthly (General fund) and Quarterly (major funds) budget to actual financial reports will be presented to the City Council throughout the Fiscal Year. Such reports will enable the City Council to be constantly informed of the financial status of the City. These reports will be available online for viewing by residents as well.