

State of Arkansas
91st General Assembly
Regular Session, 2017

A Bill

HOUSE BILL 1652

By: Representative Speaks
By: Senators B. Johnson, Flippo

For An Act To Be Entitled

AN ACT TO AMEND THE LAW CONCERNING THE COUNTY FISCAL YEAR AND COUNTY ACCOUNTING PROCEDURES; AND FOR OTHER PURPOSES.

Subtitle

TO AMEND THE LAW CONCERNING THE COUNTY FISCAL YEAR AND COUNTY ACCOUNTING PROCEDURES.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 14-71-101 is amended to read as follows:

14-71-101. ~~Counties~~ County fiscal year – Accounting method for county budget and treasury audit purposes – Definition.

(a) The fiscal year ~~of the affairs~~ of the counties of the ~~State of Arkansas~~ state, covering each period of twelve (12) months, ~~shall begin~~ begins on January 1 of each year and ~~shall end~~ ends at the close of business on December 31 of the same year.

(b)(1) Counties shall use the modified accrual accounting basis for audit purposes.

(2)(A) For county government and the regulatory basis of accounting under § 10-4-412(b)(2), "modified accrual accounting basis" is defined as an accounting system that recognizes revenues at the time revenues become available and measurable and expenditures at the time liabilities are incurred.

(B) Revenues and expenditures are accruable to the fiscal



year as provided in subsection (c) of this section.

(c)(1) Obligations incurred by a county on or before the end of the fiscal year that are not issued an accounts payable claim until the following fiscal year shall be posted to the prior fiscal year appropriations journal when paid within the first two (2) months of the following fiscal year.

(2) Revenues collected and owed to a county treasury before the end of the fiscal year and not remitted to the county treasury until the following fiscal year are accruable to the prior fiscal year when receipted by the county treasurer within the first two (2) months of the following fiscal year.

(d) The finance officers of the county shall keep and maintain records as required by law to account for accruable receivables or payables for audit purposes.

APPROVED: 03/20/2017