

2019 Compliance Guides **CITY COMPLIANCE GUIDE**

		Non-compliance Noted/FY	FY19				FY20				FY21					
	Category		Selected	Done By	WP Ref	Remarks	Selected	Done By	WP Ref	Remarks	Selected	Done By	WP Ref	Remarks		
			<u>Risk:</u> H M L					<u>Risk:</u> H M L					<u>Risk:</u> H M L			
<b>INVESTMENTS:</b>																
1. Determine if the City has adopted a written investment policy which complies with the provisions of Chapter 12B.10B of the Code of Iowa.	1															
2. Determine changes to the investment policy comply with the provisions of Chapter 12B.10B of the Code of Iowa and have been approved by the City Council.	1															
3. Determine investment transactions complied with the written investment policy.	1															
4. Determine all investments are authorized and comply with statutory provisions of Chapter 12B.10 of the Code of Iowa, as applicable.	1															
5. Determine the underlying collateral of repurchase agreements consists of authorized investments and the City has taken delivery of the collateral either directly or through an authorized custodian as provided in Chapter 12B.10(5)(a)(5) of the Code of Iowa.	3															
6. Determine investment income was received and recorded in the proper fund.																
Specifically, in accordance with Chapter 12C.9(2) of the Code of Iowa, interest earned on the proceeds of notes, bonds, refunding bonds and other evidence of indebtedness and funds being accumulated for the payment of principal and interest or reserves (debt service/TIF) is:																

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<b>INVESTMENTS (continued):</b>																
a. Used to pay the principal or interest as it comes due on the indebtedness (credited to Debt Service or TIF Funds).	3															
b. Credited to the Capital Projects Fund for which the indebtedness was issued.	3															
7. Test interest rates to determine whether rates are in accordance with statutory rates established by the State Rate Setting Committee.	1															
8. Identify the outside persons who invested public funds, provided advice on the investing of public funds, directed the deposit or investment of public funds or acted in a fiduciary capacity for the City.	1															
a. Determine the contracts or agreements with outside persons require the outside person to notify the City in writing of the existence of material weaknesses in internal control or regulatory orders or sanctions regarding the type of services being provided under the contracts or agreements.	1															
b. Obtain and review the following:																
1) The most recent audited financial statements and related report on internal control of outside persons involved in investing activities for the City.	1															
2) The most recent annual report to shareholders, call reports or the findings pursuant to a regular examination under state or federal law of a bank, savings and loan or credit union.	1															

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INVESTMENTS (continued):	1															
3) The most recent annual report to shareholders of an open-end management investment company, unincorporated investment company or investment trust registered with the SEC.																