



# Oregon Secretary of State – Audits Division

## Instructions: Report in Lieu of Audit

### General information and instructions

- Oregon law (ORS 297.435) requires every municipality exempt from an annual audit or review to file financial statements with the Secretary of State Audits Division. Those statements are due within 90 days of the end of the municipality's accounting (fiscal or calendar) year on this form.
- **Municipalities must complete this report each year regardless of whether they budget on an annual or biennial basis.**
- An officer of the municipality — usually the secretary, treasurer or board chair/president — must sign the report. For reports submitted electronically without a written signature, type in the name of the publicly elected official responsible for the information contained in the report.
- Enter all dollar amounts as whole numbers.
- This form will help you meet reporting requirements. You may access an electronic version of the Report in Lieu of Audit form on our website at <http://sos.oregon.gov/audits/Pages/muniaudits.aspx> by selecting “Municipal Forms and Plan of Action Templates.”

### Software

For best experience, please **save** the [Report in Lieu of Audit](#) form to your desktop. Then open it in the free software “Adobe Acrobat Reader.” You may also use Internet Explorer 10+ if your Adobe Acrobat Reader plugin is up-to-date. You can download the latest version of Adobe Acrobat Reader at <https://get.adobe.com/reader>.

### Definitions

In the RLA form, you can click on or hover over  icons for more information.

### Municipal customer number

Find your municipal customer number online by:

- Visiting <https://secure.sos.state.or.us/muni/public.do>
- Entering your municipality's name in the “Municipality name” field.
- Selecting any year and clicking the “Search” button.
- Locating your customer number to the right of the search results.

### Fiscal year reported

This should be the municipality's fiscal year. Some common fiscal periods are July 1, 20X1 through June 30, 20X2, and Jan. 1, 20X1 through Dec. 31, 20X1.

### Registered agent

Oregon law (ORS 198.340) requires special districts to designate a registered office and a registered agent. The registered agent receives official notices on behalf of the district. The address of the registered agent must be the same as the district's registered office. You can find the form used to designate a registered agent on our website at <http://sos.oregon.gov/audits/Pages/muniaudits.aspx> by selecting “Municipal Forms and Plan of Action Templates.”

### Officers

The officers listed should include those that governed during the reporting period.

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## Definitions, cont.

### Fidelity or performance bond

To remain exempt from audit requirements under ORS 297.435(2)(c), the municipality must maintain a fidelity or faithful performance bond for its principal responsible official(s). **The amount must be at least equal to the total amount of money the municipal corporation received during the year (Part A total).** The certificate of insurance does not need to be filed with this report. The Secretary of State Audits Division will request the certificate if needed.

### Budgeted and actual transactions

Use this schedule to report the budgeted and actual revenues/receipts and expenditures/disbursements for the fiscal year. The municipality can report its general operating fund and up to two additional funds if necessary. Please fill in the names of additional budgeted funds (reserve, capital projects, debt service, etc.). If the municipality budgets more than three funds, copy a blank schedule to report the others. Municipalities with more than three funds will need to manually total all pages to ensure total revenues and total expenditures are accurately reported. Leave blank any accounts (line items) that do not apply to your organization.

The budget columns on this schedule should report the final budgeted amounts, including all supplemental budgets and transfers. The actual columns should report receipts and disbursements during the year. If your organization is exempt from the requirements of the Local Budget Law (ORS 294), you are not required to complete the budget columns; however, you still must complete the actual columns. Add the actual amount for each fund across the row, and enter the total on the far right column.

### Transfers between funds

Transfers between funds and interfund loans are noted separately below the schedule. These transactions are common among municipalities with multiple funds. However, these amounts are not used in calculating the \$150,000 threshold to determine which report type should be filed with the Secretary of State at the end of the fiscal year. **Finally, transfers between funds should always net out to zero in the far-right column; transfers-out should always be equal to transfers-in.**