

1 State of Arkansas  
2 91st General Assembly  
3 Regular Session, 2017  
4

# A Bill

HOUSE BILL 1652

5 By: Representative Speaks  
6 By: Senators B. Johnson, Flippo  
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## For An Act To Be Entitled

9 AN ACT TO AMEND THE LAW CONCERNING THE COUNTY FISCAL  
10 YEAR AND COUNTY ACCOUNTING PROCEDURES; AND FOR OTHER  
11 PURPOSES.  
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## Subtitle

14 TO AMEND THE LAW CONCERNING THE COUNTY  
15 FISCAL YEAR AND COUNTY ACCOUNTING  
16 PROCEDURES.  
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:  
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22 SECTION 1. Arkansas Code § 14-71-101 is amended to read as follows:

23 14-71-101. ~~Counties~~ County fiscal year – Accounting method for county  
24 budget and treasury audit purposes – Definition.

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

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

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

36 (B) Revenues and expenditures are accruable to the fiscal



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

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

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

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

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16 **APPROVED: 03/20/2017**  
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