



**BETTY T. YEE**  
**California State Controller**

November 8, 2019

**SUBJECT: 2018-19 Counties Financial Transactions Report**

Dear Auditor-Controller:

This letter provides information regarding the 2018-19 Counties Financial Transactions Report (FTR). Government Code (GC) section 53891 requires that the financial transactions of each local agency be submitted to the State Controller's Office (SCO) within seven months after the close of the fiscal year. The report must contain underlying data from audited financial statements prepared in accordance with generally accepted accounting principles (GAAP), if this data is available.

The financial reports are due January 31, 2020. Please submit the following documents to SCO:

- Financial Transactions Report
- U.S. Bureau of the Census survey form

Blended component units (BCUs), although legally separate entities, are, in substance, part of county operations. According to GAAP, the financial data from BCUs should be integrated into the appropriate county funds for reporting purposes. The financial data of BCUs must be included in the Counties FTR.

Special districts, as defined in GC section 12463(d)(2), that meet the requirements to be BCUs of the County must separately prepare and submit the Special Districts FTR to SCO. Financial data reported on the Counties FTR and Special Districts FTR is housed in two different reporting systems and published on two different webpages of the By-The-Numbers website, therefore, the financial data reported is not duplicated.

Reporting instructions and information are available on the SCO website at [https://sco.ca.gov/ard\\_locinstr\\_counties\\_forms.html](https://sco.ca.gov/ard_locinstr_counties_forms.html).

To file your report, visit <https://lgrsonline.sco.ca.gov>.

Please mail the U.S. Bureau of the Census form to:

State Controller's Office  
Local Government Programs and Services Division  
Local Government Reporting Section  
P.O. Box 942850  
Sacramento, CA 94250

Please note that in accordance with GC section 12464, if the reports are not made in the time, form, and manner required—or there is reason to believe that a report is false, incomplete, or incorrect—SCO is authorized to conduct an investigation to obtain the required information. Any costs incurred by SCO as a result of such an investigation shall be borne by the county.

Each year, SCO presents an Award for Counties Financial Transactions Reporting to those counties that meet the award criteria. This award recognizes the professionalism demonstrated by counties in preparing accurate and timely FTRs; it will be presented at the 2020 Fall State Controller's Conference with County Auditors. A description of the award criteria is on the SCO website to provide guidance on preparing your FTR.

If you have any questions, please contact the Local Government Reporting Unit at [LGRsupport@sco.ca.gov](mailto:LGRsupport@sco.ca.gov) or (916) 322-9672; or contact Wendy Dear at [wdear@sco.ca.gov](mailto:wdear@sco.ca.gov) or (916) 324-4074.

Sincerely,

*(Original signed by)*

DANG NGUYEN  
Supervisor  
Local Government Reporting Unit