



# Monterey County Office of Education

Leadership, Support, and Service to Prepare All Students for Success

Dr. Nancy Kotowski  
County Superintendent of Schools

Finance and Business Services

Bulletin No. 13-005

**TO:** Chief Business Officials, Business Managers, and Fiscal Directors  
**FROM:** Karen Hennessy, Director of District Advisory and Financial Services, and  
Ashraf Demian, Director of Auditing and Accounting Services  
**DATE:** August 31, 2012  
**RE:** Reporting Annual Taxes

Effective FY 2011-12, the County Auditor-Controller has changed the accounting method used for reporting annual property taxes. MCOE was not notified of this change in their accounting method until August 28, 2012.

- In previous years both the County Auditor and MCOE reported taxes received in the year that they were received, and those numbers were used to compile the annual tax report. This included tax receipts received by the County Auditor by June 30 and received by MCOE by July 15. All tax receipts for June 30 that were received after July 15 were posted in the current year to prior year taxes.
- The County Auditor this year has recorded **all** taxes related to FY 2011-12 that were received after June 30, 2012 retroactively as of June 30, 2012, and included them on the annual tax report. This includes tax receipts received through August 23.
- MCOE is not able to post any transactions as of June 30, 2012 that are received from the County Auditor after July 19, 2012.
- Until August 28, we were not informed that some tax receipts back dated by the Auditor-Controller were included in the annual tax report and some were not. It is therefore necessary for MCOE staff to reconcile each of the tax receipts from the County Auditor-Controller to determine if they are included in the annual report.
- As a result of this, districts will now have postings to Object Codes 9200 and 9500 in 2012-13 and will need to set up a receivable or payable in 2011-12 for those entries to balance to the annual tax report.

The annual tax report is prepared from data provided the auditor-controller's office. We are working with the County Auditor to correct as soon as possible those discrepancies which have resulted from this miscommunication, and to prevent any future discrepancies in this process. We apologize for the inconvenience this has caused. Please feel free to contact our office for assistance.