

**Minnesota County Engineers (MCE) -  
Minnesota County Highway Accountant (MCHA)  
Task Force  
Proposed Final Recommendations  
June 17, 2009**

- 1) Engineers participate on the current software vendor enhancement committees and meet at least semi annually to discuss software enhancements, report capabilities, cost controls and annual maintenance fees.
  - A) ACS
    - I) Currently 1 accountant from every district participates on the committee. We recommend 3 engineers be appointed for a term of 3 years. Preferably accountants and engineers would be from different counties.
  - B) Costrite
    - I) Currently all Costrite users participate on the committee. We recommend 3 engineers be appointed for a term of 3 years.
  
- 2) Engineers participate on the SAF Accounting Task Force (ATF) and meet at least annually to keep abreast of current accounting rules and principles as well as engineering concerns for tracking costs and reporting needs.
  - A) We recommend 3 engineers be appointed for a term of 3 years. Preferably accountants and engineers would be from different counties.
  
- 3) Engineers and accountants meet jointly at least annually in district meetings to discuss pertinent issues.
  - A) Minimum of 1 meeting annually. The county engineer should coordinate the annual meeting and the DSAE should ensure that these meetings take place starting in 2010.
  
- 4) SAF will include engineers in their educational plan on an individual or group basis. This would include reference materials.
  - A) Primer for Engineers
    - I) Explain the differences between cost and cash expenditures.
    - II) Explain why equipment value and depreciation is different in the cost accounting system and the county's financial statements.
    - III) Explain the difference between cost recovery and financial statements
  - B) Accountants Reference Guide
    - I) Add a section for FEMA and ER and recommend processes for tracking this type of information.
  - C) SAF participate as needed in the annual engineer's conference (winter).

- 5) On-site training by SAF includes a joint meeting with the engineer and accountant to discuss expectations. Training critique completed by both the county engineer and the accountant upon completion of the training.
- 6) On-site visits to every county by SAF on an advisory level to meet with engineers and accountants to discuss accounting practices every two to three years.
- 7) Monthly closing and reconciliation by county highway accountants by the 15<sup>th</sup> of the following month. Year-end closing should occur by the fourth month of the new year provided the County Auditor/Treasurer has supplied the reconciled balances to the Highway Department.
- 8) Each county is strongly advised to develop an Internal Operations Manual covering their unique office procedures in the event of vacancies or other unexpected events. Each county should contact their software vendor to get input on processes within their costing systems. SAF will develop some basic guidelines for processes that are common amongst most counties.
- 9) The Proposed Final Report contains elements which should be used to update the Accounting Manuals and Website.