

2015 Act 51
Training

Agenda

- **Guidance on completing the Report in ADARS**
- **Extensions for filing the Act 51 report**
- **Allowable non-motorized expenditures**
- **Asset Management Information**
- **What is expected for Section 18j**
- **How GASB 54 pertains to street funds**
- **PA 298 of 2012 Performance Audit Information**

Guidance on Completing the Report in ADARS

City/Village Reports

Report Contact Screen

- This is new starting in May of 2015
- Uses Bing auto complete address tool

The screenshot shows the MDOT Department of Transportation Report Contact form. The form is titled "Report Contact" and is part of the "ADARS Home" system. It includes a navigation menu with links for "Michigan.gov Home", "ADARS Home", "Contacts", "FAQs", and "Help". The form is divided into several sections:

- Required Fields:** City/Village Name (Addison), Agency Type (Village).
- Note:** The fields in the box will open for data entry after you select City/Village Name.
- City/Village Information:** Population (605), Major Mileage (2.67), Local Mileage (2.42).
- Administrators:** Street Administrator (Richard J. Burke), Clerk/Treasurer (Julie Hackett), and Report Preparer (Julie Hackett). Each has a phone number and an email address.
- Addresses:** City/Village Street Address (103 1/2 W Main Street), City/Village Mailing Address, and City/Village Street Address Line 2.
- City/State/Zip:** City (Addison), State (MI), Zip Code (49220).
- DUNS Number:** DUNS Number (?), with a checkbox for "I have no DUNS Number".
- Buttons:** Save, Form 2012.

Assets Screen – Page 1

- Two-month accrued MTF earned but not received during the fiscal year.

The screenshot shows the MDOT Department of Transportation Assets Screen. The page title is "ASSETS - Page 1". The main content area is divided into two columns: "Major Street Fund" and "Local Street Fund". The "Due From State" section is highlighted with red circles, indicating the two-month accrued MTF earned but not received during the fiscal year.

ASSETS - Page 1	Major Street Fund	Local Street Fund
1. Cash: [?]		
2. Investments: [?]		
3. Receivables		
a. Accounts: [?]		
b. Due From Other Governmental Units: [?]		
c. Special Assessments: [?]		
d. Interest: [?]		
e. Other: [?]		
4. Due From State		
a. Michigan Transportation Fund (MTF): [?]		
b. Trunkline Preservation: [?]		
c. Road Projects: [?]		
d. Other: [?]		
5. Due From Federal Government		
a. Federal Highway Administration (FHWA): [?]		
b. Other: [?]		

Subledger section:

Subledger
Account: [?]
Description: [?]
Amount: [?]
Add Subledger

Details table:

Account	Description	Amount
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Buttons: Save, Generate Report, Delete Subledger, Update Subledger

Page 1, 2 of 2

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Revenues Screen

- Snow Payment
- MTF Revenue
 - MTF Distribution History Program www.michigan.gov/act51
- PA 34 of 2014 and PA 252 of 2014
 - Local Agency Disbursement

The screenshot displays the MDOT Department of Transportation Revenues screen. The main content area is titled 'STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE'. It features two columns: 'Major Street Fund' and 'Local Street Fund'. The 'REVENUES' section includes items such as '19. Tax Levies', '16. Federal Grants', '17. State Grants', '18. State Trunkline Preservation', '19. Interest', '20. Special Assessments', '21. Contributions From Counties', '22. Contributions From Adjacent Governmental Units', '23. Miscellaneous', and '24. Total Revenues'. The 'Total Revenues' row shows '\$0.00' for both funds. A 'SUBLEDGER' section is visible on the right, showing a table with columns for 'Account', 'Description', and 'Amount'. The 'Amount' column shows '\$0.00'. The 'Details' section shows a table with columns for 'Account', 'Description', and 'Amount', with one row showing 'Other' and '\$0.00'. The page includes navigation links at the top and bottom, and a copyright notice for 2015 State of Michigan.

Expenditures Screen

- Definition of Construction
- Winter Maintenance expenditures
- Administration, Engineering & Record Keeping
- Debt Service

MDOT Department of Transportation

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Notices | Report Status | Report Contact | Verify/Submit Report | Change Agency FY | Approve/Reject Report | CV of: Adrian | FY End: 06/30/14

Assets | Liabilities | Revenues | **Expenditures** | Other Financing | Non-Motorized | Capital Assets | Long Term Debt | Asset Management

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

EXPENDITURES	Major Street Fund	Local Street Fund
25. Construction - Streets (Incl. Eng. & R.O.W.): [?]		
26. Construction - Structures (Incl. Eng. & R.O.W.): [?]		
27. Preservation - Streets: [?]		
28. Preservation - Structures: [?]		
29. Traffic Services - Streets and Structures: [?]		
30. Winter Maintenance - Streets and Structures: [?]		
31. Administration, Engineering & Record Keeping: [?]		
32. Roadside Parks (Major Street Only): [?]		
33. Contributions To Adjacent Governmental Units: [?]		
34. State Trunkline Preservation (Must show revenue on line 18): [?]		
35. State Trunkline Construction - City Village Share: [?]		
36. Miscellaneous: [?]	\$0.00	\$0.00
DEBT SERVICE		
37. Principal: [?]		
38. Interest and Bank Fees: [?]		
39. Total Expenditures: [?]	\$0.00	\$0.00

Subledger

Account: []
Description: []
Amount: []

Add Subledger

Details

<input type="checkbox"/>	Account	Description	Amount

Delete Subledger | Update Subledger

Save | Generate Report

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Other Financing Screen

- Negative transfers
- Transfers between Major and Local Street funds

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Assets | Liabilities | Revenues | Expenditures | **Other Financing** | Non-Motorized | Capital Assets | Long Term Debt | Asset Management

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

OTHER FINANCING SOURCES (USES)	Major Street Fund	Local Street Fund
40. General Fund: [?]		
41. Municipal Street Fund: [?]		
42. Capital Improvement Fund: [?]		
43. Transfer - Major To Local: [?]		\$0.00
44. Transfer - Local To Major: [?]	\$0.00	
45. Bond Proceeds: [?]		
46. Equipment Installment Purchase Proceeds: [?]		
47. Other: [?]		
48. TOTAL OTHER FINANCING SOURCES (USES): [?]	\$0.00	\$0.00
49. Excess of Revenues and Other Sources Over/Under Expenditures and Other Uses: [?]	\$0.00	\$0.00
50. Fund Balance at Beginning of Year: [?]	\$22,412.00	\$16,157.00
51. Prior Period Adjustment: [?]		
52. Adjusted Fund Balance at Beginning of Year: [?]	\$22,412.00	\$16,157.00
53. Fund Balance at End of Year: [?]	\$22,412.00	\$16,157.00

Save | Generate Report

SUBLEDGER

Subledger Account: [?]
Description: [?]
Amount: [?]
Add Subledger

Details

Account	Description	Amount
---------	-------------	--------

Delete Subledger | Update Subledger

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County Reports

County Reports

- MTF funds reported match ADARS database.
- Infrastructure is reported separately in equities section.
- No transfers from Primary or Local to County Funds on line 137.
- Deficit Fund Balance.

County Reports

- Administrative expenses do not exceed 10% of revenues.
- Check errors/warnings screen.
- Ensure reported information matches audited financial statements.
- Check for audit findings.

Extensions for City/Village Reports

Street Financial Report Due Date

MCL Section 247.665(3) of PA 51 of 1951, as amended, also known as Section 15(3), states:

- “... each city and village shall file with the director of MDOT, not more than 120 days after the end of its fiscal year, on forms provided by the director, a report showing the disposition of funds appropriated, apportioned, or allocated under this act to the city or village ...”

Due Date of Audited Financial Statements

MCL Section 141.2303(1) of PA 34 of 2001, as amended, also known as Section 303(1) states:

- “Each municipality shall file an audit report annually with the department within 6 months from the end of its fiscal year or as otherwise provided in the uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to 141.440a.”

Snow Payment

- MCL 247.663(2) states: “... A city or village that does not submit a ... by December 31 shall be ineligible for the winter maintenance payment...”
- If your report is not in Submitted status by December 31 you will forfeit the snow payment distributed in February of the following year.

Extension Requests

You must request an extension in writing from:

Michigan Department of Transportation

Financial Operations Division

P.O. Box 30050

Lansing, MI 48909

E-mail: MDOT-Outreach@michigan.gov or colel@michigan.gov

Fax: (517) 373-6266

- Requests must be received at least one business day before the actual due date of your SFR because ADARS will not allow an extension to be given on the actual due date.

Extensions for County Reports

County Financial Report Due Date

MCL 247.665(1) of PA 51 of 1951, as amended, also known as Section 15(1) states:

- “Before May 2 of each year, each county road commission ... shall file with the director of the state transportation department ... on forms to be provided by the director, a report showing the disposition of funds appropriated, apportioned, or allocated under this act ... including the funds expended for road construction and heavy maintenance in each township in the county ... except funds appropriated under section 10b.”

Extension Requests

- An extension can be requested in writing at least one day before May 1 (which is the due date) to:

Michigan Department of Transportation

Financial Operations Division

P.O. Box 30050

Lansing, MI 48909

E-mail: MDOT-Outreach@michigan.gov or

cumberworthm@michigan.gov

Fax: (517) 373-6266

Non-Motorized Screen

- Question go to

Joshua DeBruyn, Bicycle & Pedestrian Coordinator

MDOT, Bureau of Transportation Planning

(517) 335-2918

debruynj@michigan.gov

Asset Management Screen

- For questions contact:

Frank Kelley, Interim Asset
Management Council
Coordinator

Michigan Department of
Transportation, Bureau of
Transportation Planning

(517) 373-2111

kellyf@michigan.gov

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Notices Report Status Report Contact Verify/Submit Report Change Agency FY Approve/Reject Report CV of: Battle Creek FY End: 06/30/14

Assets Liabilities Revenues Expenditures Other Financing Non-Motorized Capital Assets Long Term Debt Asset Management

ASSET MANAGEMENT

No Data/Project Exist for the Reporting Period

The Total Project Cost is required for work completed to open the road to traffic during the fiscal year (i.e. no other work needs to be done for this project number).
Improvement Type: This will be the most significant for the project (i.e. multiple improvement type could be done for the project).
This page must be completed for fiscal years ending after September 30, 2014.
For more information about the Asset Management page please [click here](#).

Improvement Type	Project ID *	Total Project Cost	Date Open To Traffic	Pavement Type
Reconstruct Non Freeway	0-24	\$0.00	11/01/2013	Asphalt
Cold Milling & Bituminous Overlay (< 40mm)	0-20	\$0.00	09/01/2013	Asphalt
Cold Milling & Bituminous Overlay (< 40mm)	0-21	\$0.00	09/01/2013	Asphalt
Single Course Micro-Surfacing	0-22	\$0.00	09/01/2013	
Single Course Micro-Surfacing	0-23	\$0.00	09/01/2013	
Fog Seal	0-25	\$0.00	09/01/2013	

Update Grid Generate Report

Section 18j Annual Certification of Employee Conditions

Section 18j

- Certification date
- New Form 2068
- Frequently Asked Questions

PUBLIC ACT 51, SECTION 18j, MCL 247.668j
**Annual Certification of Employee-related
Conditions**

CERTIFICATION YEAR _____

CITY OR VILLAGE NAME _____

Beginning September 30, 2015, and annually each September 30 thereafter, certification must be made for compliance to Section 18j(1) of Public Act 51 of 1951, MCL 248.668j(1). A local road agency must certify that it has (a) developed an employee compensation plan for its employees as described OR (b) the local road agency must certify that medical benefits are offered to its employees or elected public officials in compliance with the publicly funded health insurance contribution act, 2011 PA 152, MCL 15.561 to 15.569, or, that it does not offer medical benefits to its employees or elected public officials.

- Compliance with (1)(a)
I certify compliance with MCL 247.668j(1)(a).
Our compensation plan for employees meets the minimum criteria of MCL 247.668j (a)(i - iv).
- Compliance with (1)(b)
I certify compliance with MCL 247.668j(1)(b), and as such, offer one of the following:
- I certify that medical benefits are offered to employees or elected public officials in compliance with the publicly funded health insurance contribution act, 2011 PA 152, or
- I certify that the local road agency has exempted itself from the publicly funded health insurance contribution act, 2011 PA 152, or
- I certify that medical benefits are not offered to employees or elected public officials.
- Non-compliance with (1)(a) or (1)(b)
I certify that we are not in compliance with MCL 247.668j(1).
I understand that failure to comply with certification of (a) or (b) of MCL 247.668j(1) may result in the withholding of all or part of the distributions made to this local road agency from the Michigan Transportation Fund.

This form must be signed by the Street Administrator and the Treasurer or Financial Director.

SIGNATURE		SIGNATURE	
PRINTED NAME		PRINTED NAME	
TITLE	DATE	TITLE	DATE

Due Each September 30

Return the completed form to:

Michigan Department of Transportation, Financial Operations Division, P.O. Box 30050, Lansing, MI 48909, OR

Email to: MDOT-Outreach@michigan.gov, OR

Fax to: (517) 373-6266

Clear Form

GASB 54

GASB 54

- GASB 54 allows the merging of special revenue funds for reporting purposes.
- Act 51 Major and Local Street funds.

PA 298 of 2012

Steps Expected for a Performance Audit

- Evaluate internal control to ensure that MTF is spent in compliance with Act 51
- Determine the scope of related testing
- Document related audit exceptions
- Reach a conclusion regarding compliance with Act 51
- Write applicable audit findings, in compliance with GAGAS

Financial Audits Regarding Time Cards

- County agencies rely on time cards to support, as *a fundamental accounting record*, the amount billed for labor, equipment and materials.
- The accountability that comes with the signatures by the workers and their superiors are critical to the applicable key management assertions:

Financial Audits Regarding Time Cards

- Key Management Assertions
 - Transaction assertions – occurrence, completeness, accuracy, and cutoff
 - Account Balances assertions – completeness and valuation/allocation (State v. local)
 - Financial Statement's Presentation assertions – occurrence, rights/obligations, completeness, classification and accuracy

GAGAS Audit

- To be considered a GAGAS audit, unless there are effectively designed and implemented compensating controls, it is extremely likely that auditors will need to write audit findings that recommend that staff sign and supervisors approve documentation for time, equipment and materials.
- It is conceivable that audit opinions might also be affected depending on the relative materiality of applicable labor, equipment and materials costs.

MDOT'S ACT 51 WEBSITE

MDOT's Act 51 Website

www.michigan.gov/act51



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Have a safe and happy Fourth of July!

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Legislative

The Michigan Department of Transportation (MDOT) is one of many state departments within Michigan's Executive Branch. The department's primary functions are the construction, improvement, and maintenance of the state transportation system, and the administration of other state transportation programs. The laws and regulations concerning MDOT, as well as the transportation industry, are set forth by the Michigan Legislature.

MDOT's [Office of Governmental Affairs](#) represents the department's interests as new legislation develops or moves through the legislative process.

ADARS-Act 51

MTF

PA 34 of 2014

PA 252 of 2014

PA 298 of 2012

Section 18J



Quick Links

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Resources

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- [Administrative Rules](#)
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MTF Distribution History Program

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This application allows the user to search the MTF payments distribution to counties, cities & villages by specifying a date range.

* = Required Fields

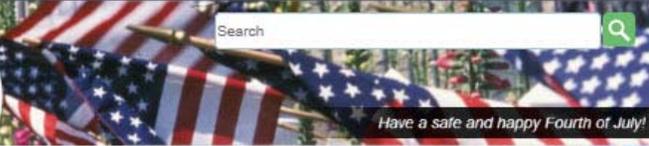
* Search By: County CityVillage

* County
Alcona
Alger
Allegan
Alpena

* Begin Date: 
(mm/dd/yyyy)

* End Date: 
(mm/dd/yyyy)

MTF Reports
(Act 51 Allocations)



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Title VI Nondiscrimination

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MDOT > DOING BUSINESS

MTF Gas and Registration Tax Payments

Michigan Transportation Fund (MTF) revenue, allocations and breakdown information related to individual monthly payments to incorporated cities, villages and county road commissions pursuant to ACT 51.

City/Village MTF Revenue Data

- City/Village Allocation Factors, 05/15
- City/Village Average Unit Value, 05/15
- City/Village MTF Payment Breakdown, 05/15
- City/Village Allocation Factors, 04/15
- City/Village Average Unit Value, 04/15
- City/Village MTF Payment Breakdown, 04/15
- Estimated City/Village MTF Revenue, FY 2016 (Rev. 2/9/2015)
- Estimated City/Village MTF Revenue, FY 2016
- Estimated City/Village MTF Revenue, FY 2015 (Rev. 2/9/2015)
- Estimated City/Village MTF Revenue, FY 2015

County MTF Revenue Data

- County Allocation Factors, 05/15
- County Average Unit Values, 05/15
- County MTF Payment Breakdown, 05/15
- County Allocation Factors, 04/15
- County Average Unit Values, 04/15
- County MTF Payment Breakdown, 04/15
- Estimated County MTF Revenue, FY 2016 (Rev. 2/9/2015)
- Estimated County MTF Revenue, FY 2016
- Estimated County MTF Revenue, FY 2015 (Rev. 2/9/2015)
- Estimated County MTF Revenue, FY 2015

MTF Distribution Reports

- MTF Receipts & Distributions, 05/15
- MTF Receipts & Distributions, 04/15
- Report 139 Schedule A, FY 2014
- Report 139 Schedule B, FY 2014
- Report 139 Schedule C, FY 2014
- Report 139 Schedule D, FY 2014

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