MICHIGAN DEPARTMENT OF TREASURY

UNIFORM REPORTING FORMAT FOR LOCAL UNITS OF GOVERNMENT

Revised June 2026

Background

The Uniform Reporting Format for Financial Audits of Local Units of Government in Michigan is issued pursuant to the requirements of Public Act 2 of 1968, as amended, and Public Act 71 of 1919, as amended.

The Governmental Accounting Standards Board (GASB) establishes uniform reporting requirements for local units of government. The purpose of this document is to set forth additional requirements for local government financial statements in the state of Michigan. The Michigan Department of Treasury (Treasury) requires all financial statements of local units of government to comply with Generally Accepted Accounting Principles (GAAP) and additional requirements promulgated by Treasury. The official who, by law or charter, is charged with the responsibility for the financial affairs of the local unit shall ensure that local unit financial statements are maintained and kept in accordance with these standards. Noncompliance with the Uniform Reporting Format may result in a rejection of the audit reporting package.

In addition to this manual, there are several other documents that the governmental financial officials must follow to adequately prepare an annual financial report for a local unit of government in Michigan. Consult with your auditing firm or Treasury for further instruction.

These materials include:

- Michigan Department of Treasury Numbered Letters
- Michigan Uniform Chart of Accounts
- Michigan Accounting Procedures Manual
- Michigan Budget Manual
- Michigan Audit Manual
- Government Finance Officers Association, *Governmental Accounting, Auditing, and Financial Reporting* (Blue Book)
- Governmental GAAP Guides published by private publishing companies

Effective Date

This reporting format is effective for fiscal years ending June 30, 2026, and after.

Reporting Entity

The entity being reported on must include all funds, commissions, and authorities of the local governmental unit (regardless of extraneous facts such as the U.S. Census Bureau treating an entity as an autonomous agency). For detailed requirements, please refer to GASB Codification Sections 2100–2600.

Formatting of the Reports

All audit files must be searchable. This means the text and figures should be selectable for copying and pasting. Please refer to Michigan Department of Treasury issued Numbered Letters 2020-3, *Financial Reports Filing Standard,* for detailed requirements.

Reporting Requirements

Current GASB requirements call for a range of options in preparing local unit financial statements, from a "minimum requirement" to an "annual comprehensive financial report," as well as options for many disclosures and presentations, such as reporting individual component units. In addition, Treasury is issuing additional reporting requirements.

Reporting Option 1

The table below outlines the minimum reporting requirements for financial statements prepared under GASB.

Section	**GASB Requirements**	**Treasury Additional Requirements**
Management's Discussion and Analysis (MD&A)	See GASB Codification Section 2200	Most recent two years audited information should be compared if a local unit is not audited every year.
Government-wide Financial Statements	See GASB Codification Section 2200	No additional requirements.
Governmental Fund Financial Statements	See GASB Codification Section 2200	No additional requirements.
Proprietary Fund Financial Statements	See GASB Codification Section 2200	No additional requirements.
Fiduciary Fund Financial Statements	See GASB Codification Section 2200	No additional requirements.

Section	GASB Requirements	Treasury Additional Requirements
Component Unit Combining Financial Statements	See GASB Codification Section 2200	No additional Requirements.
Notes to the Financial Statements	See GASB Codification Section 2300	See below for Treasury Additional Requirements for Notes Disclosures
Required Supplementary Information (RSI) (other than MD&A) "Under GASB Statement No. 103, budgetary comparison information is presented as RSI"	See GASB Codification Section 2200 & GASB Codification Section 2400	Treasury requires that the General Fund budget be adopted at minimum at the activity level for expenditures and by revenue source for revenues. General Fund only: Treasury requires that detailed revenues by source, at the revenue sub-control account level (see the Uniform Chart of Accounts for details), be presented in the General Fund budget-to-actual comparison schedules. Local governments may decide how much additional detail to include based on their operations. General Fund only: Treasury requires that expenditures be reported at least at the activity level in the General Fund budget-to-actual comparison schedules. Local units may include the additional General Fund information required by Treasury in either required supplementary information (RSI) or supplementary information (SI).
Supplementary Information (SI): Combining Statements and Individual Fund Statements and Schedules	See GASB Codification Section 2200	Combining financial statements are required when a government has more than one non-major governmental or proprietary fund (including internal service funds), or more than one type of fiduciary fund (including fiduciary component units). Local units may include the additional General Fund information required by Treasury in either required supplementary information (RSI) or supplementary information (SI).
Deficiencies reported	N/A	When there are deficiencies reported, including any recommendations, improvements, or comments, a deficiency report must be filed separately online.

Reporting option 2

The following table provides the reporting requirements for audits performed under comprehensive annual financial reporting requirements.

Please note that all the requirements in table 1 should apply to audits performed under reporting option 2.

Section	GASB Requirements	Treasury Additional Requirements
Introductory Section	GASB Codification Section 2200	No additional requirements.
Same as all sections from Option 1 as applicable for each Local Unit	Option 2 incorporates Option 1 in full	All requirements in Table 1 apply; no additional requirements beyond those specified under Reporting Option 1.
Statistical Section	GASB Codification Section 2800	No additional requirements.

Treasury Additional Requirements for Notes Disclosures

Property Tax Levies

Numbered Letter 2001-14 Revenue Recognition of Property Taxes formerly known as MCGAA Statement No. 9, requires note disclosure of the property tax calendar, including lien date, levy date, due date, collection dates and other relevant information such as taxable value and the millage rates levied." An example is as follows:

The Local Governmental Unit property tax is levied each December 1 on the taxable valuation of property (as defined by state statute) located in the Local Governmental Unit as of the preceding December 31.

Although the Local Governmental Unit's 20X1 ad valorem tax is levied and collectible on December 1, 20X1, it is the Local Governmental Unit's policy to recognize revenue from the current tax levy in the subsequent year or the current year when the proceeds of this levy are budgeted and made "available" for the financing of operations. "Available" means collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period (60 days).

The 20X1 taxable valuation of the Local Governmental Unit totaled $XX.X million, on which Ad valorem taxes levied consisted of X. XXXX mills for the Local Governmental Unit operating purposes, X. XXXX mills for ambulance services, X.XXXX mills for debt service, raising $XX.X million for operating, $X.X million for ambulance services, and $X.X million for debt service. These amounts are recognized in the respective General fund, Special Revenue fund and Debt Service fund financial statements as taxes receivable-- current or as tax revenue.

Construction Code Activities

Treasury Numbered Letter 2000-2, item #3, requires construction code revenue to be compared to related expenditures. This may be done in one of the following forms: separate fund, schedules as supplementary information, or footnotes to the financial statements.

Long-Term Debt

Principal and interest requirements to maturity must be presented separately for each of the five subsequent fiscal years and in five-year increments thereafter for Governmental Activities, Business-Type Activities, and Discretely Presented Component Units. Treasury requires the totals of principal and interest for each column to be included. Displaying this information for each debt issuance is optional.

Fund Deficits

Deficits should be disclosed under the statutory non-compliance section of notes to the financial statements. For these purposes, the term “fund deficit” refers to the negative unrestricted fund balance (the total of committed, assigned, and unassigned fund balances) for governmental funds or negative fund unrestricted net position for proprietary funds. Deficits in each individual fund (not fund type) are to be considered when applying this section. Materiality should not be a determining factor in deciding which fund deficits are to be disclosed. If a fund deficit or surplus arises because of a change in GAAP, an appropriate note disclosure should be made.

Actuarially Determined Contributions (ADC) for Other Postemployment Benefit (OPEB) Systems

For plans with a qualifying trust or equivalent arrangement, GAAP requires the disclosure of the ADC in the Required Supplementary Information (RSI) section of the audited financial statements in accordance with GASB No. 75. OPEB plans that are not administered through trusts are not required by GAAP to disclose the ADC in the RSI section of the financial statements; those plans should disclose this information in the notes to the financial statements instead of the RSI. Failure to calculate the ADC in compliance with the Numbered Letter 2018-3 will be considered in statutory noncompliance and shall be reported in the notes to the financial statements. Auditors shall also issue a finding for statutory noncompliance.

Acknowledgments

We appreciate the assistance of the Michigan Committee on Accounting and Auditing (MCGAA) in the review of this guidance. A current listing of members of this committee may be found on Treasury's MCGAA Membership Information page.

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