



Ira A. Jackson  
COMMISSIONER

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CAMBRIDGE MASS.  
THE COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF REVENUE  
DIVISION OF LOCAL SERVICES  
EDWARD J. COLLINS, JR.  
DEPUTY COMMISSIONER

BUREAU OF ACCOUNTS  
INFORMATIONAL GUIDELINE

RELEASE No. 84-01

SUBJECT:

CHANGES IN FEDERAL REVENUE  
SHARING REQUIREMENTS

CHANGES: GENERAL REVENUE SHARING - 1983 - 1986

On November 30, 1983, President Reagan signed Public Law 98-185 authorizing a three year extension of the Federal Revenue Sharing Program through September 30, 1986.

The funding is \$4.57 billion per year -- the current level.

PAYMENTS:

The current year designated Entitlement Period 15, will have four quarterly payments as in the past. In addition to the January 9, 1984 entitlement already received, you can expect the remaining payments on April 6, July 9 and October 5, 1984.

PUBLIC HEARING:

Only one public hearing is now required. In the past, a public hearing on the "proposed use" of Revenue Sharing Funds was necessary. This "proposed use" hearing is no longer required. However, recipient governments must hold at least one Revenue Sharing budget hearing before the adoption of a budget so that interested persons will continue to have the opportunity to suggest possible alternative uses of such funds. This budget hearing is to be held by the legislative branch (city council or town meeting) wherein the actual binding vote of the use of Revenue Sharing funds will be taken.

PUBLICATION:

The requirement to publish a summary of the proposed budget in a local newspaper at least ten days prior to the "budget hearing" is still mandatory. This budget summary should include a detail of the source of funding for all departments. This detail should include where Revenue Sharing funds will be used. This public notice should also invite written or oral suggestions as to the budget and suggest that the citizens attend the "budget hearing".

Within 30 days following the enactment of the budget it is still necessary to publish a notice of the actual vote taken, in addition to specifying the use made of the Revenue Sharing funds. This notice should also state where citizens can see a copy of the enacted budget.



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AUDIT REQUIREMENTS:

Governments receiving \$100,000 or more per year in revenue sharing must be audited annually. Those receiving between \$25,000 and \$100,000 are subject to the current requirement for an audit once every three years. Those audits of all financial statements need only cover one year and must be conducted in accordance with generally accepted government auditing standards issued by the Comptroller General and must be available for public inspection. This new requirement is effective in FY 85 (July 1, 1984 through June 30, 1985).

The audit requirement for municipalities receiving at least \$25,000 but not more than \$100,000 in Revenue Sharing funds in each of three consecutive fiscal years has not been changed. These municipalities are still required to have one audit every three years which must be made in accordance with generally accepted auditing standards.

The Secretary of the Treasury still has waiver authority, but the new law eliminates the option for those receiving less than \$25,000 a year to use an audit required by state or local law to meet the revenue sharing audit requirement.

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Comm. from Edward J. Collins, Jr. Deputy  
Commissioner, Mass. Dept. of Revenue, Div.  
of Local Services Re: changes in Federal  
revenue sharing requirements.

In City Council,

April 9, 1984

4/9/84

Placed on file