

**Purpose**

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The Year-End Report No. 22, Statement of Contingent Liabilities, is used to report all contingent liabilities not accrued by the department. This includes estimated liabilities such as federal audit exceptions, other audit exceptions, and pending litigation.

**Reference Documents**

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- SAM Section [7980](#)
- State Controller's Office (SCO) Year-End Financial Reports Procedure Manual (Budgetary/Legal Basis)
- Year-End Financial Reports Checklist

**How to Prepare**

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Report No. 22 is an input document that is manually prepared by departments. A sample of Report No. 22 is shown in SAM [7980 Illustration](#) and can be used to create a new Microsoft Word document.

Departments shall save the report in PDF and submit in the fund's year-end financial reports package submission to SCO. Avoid scanning the document in a manner that results in blurry images.

**Instructions**

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The instructions below are followed by an illustration of the completed Report No. 22. Each numbered item in the instructions references a corresponding numbered field in [Illustration - Governmental/General Fund](#).

<b>1</b>	Enter the department name, business unit, fund name, fund number, and as of June 30, 20XX.
<b>2</b>	Enter the name and telephone of the department's legal, audit, or personnel officer preparing Report No. 22.
<b>3</b>	List potential obligations that may occur in the future, such as contingencies for federal audit exceptions, other audit exceptions, and pending litigation.  If there are no contingent liabilities to report, Report No. 22 is not required. The Certification Letter must disclose "no activity to report."  <b>Note: If the liability is likely to occur and the amount can be reasonably estimated, the liability should be accrued and not listed on Report No. 22.</b>
<b>4</b>	Enter the 'Estimated Amount' of the potential obligation.  <b>Note: There is no minimum amount when reporting a contingent liability.</b>
<b>5</b>	Enter the 'Estimated Date of Payment' by fiscal year.
<b>6</b>	A legible signature, printed name, and title of the department's legal, audit, or personnel officer's certifying Report No. 22.

# Report Preparation Guide

## Year-End Report No. 22 – Statement of Contingent Liabilities

**Illustration - Governmental/General Fund**

**REPORT 22 - STATEMENT OF CONTINGENT LIABILITIES**  
**1**  
 Department of Training - 1234  
 General Fund - 0001  
 As of June 30, 20XX

Prepared By: **2** \_\_\_\_\_  
 Telephone Number: \_\_\_\_\_

<b>3</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>5</b>
Type of Contingent Liability	Reference or Identification	Estimated Amount	Estimated Date of Payment	Comments
Alleged overpayment of Fees	1	\$ 2,000,000.00	FY 20XX-XX	Settlement Pending
Damages for alleged discrimination	2	\$ 1,500,000.00	FY 20XX-XX	Settlement Pending
Attorney's fees	3	\$ 1,000,000.00	FY 20XX-XX	Settlement Pending
Attorney's fees	4	\$ 1,000,000.00	FY 20XX-XX	Settlement Pending

I CERTIFY (OR DECLARE) UNDER PENALTY OF PERJURY THAT THE ATTACHED REPORTS ARE TRUE, ACCURATE AND COMPLETE, AND WERE PREPARED FOLLOWING THE APPLICABLE LAWS, REGULATIONS, POLICIES, PROCEDURES, AND INSTRUCTIONS. I HAVE NOT VIOLATED ANY OF THE PROVISIONS OF ARTICLE 4, CHAPTER 1, DIVISION 4, TITLE 1, GOVERNMENT CODE (COMMENCING WITH SECTION 1090) AND ARTICLE 2, CHAPTER 1, PART 3, DIVISION 3, TITLE 2, GOVERNMENT CODE (COMMENCING WITH SECTION 13030).

SUBSCRIBED AND EXECUTED THIS \_\_\_\_ DAY OF AUGUST, 20XX AT SACRAMENTO, CALIFORNIA.

**6**

Signature of Officer \_\_\_\_\_

Type or print name of Officer \_\_\_\_\_

Title of Officer \_\_\_\_\_