



STATE OF ARIZONA  
CLOSING PACKAGE  
**J - RELATED PARTY**  
**Overview**

**Purpose and Objectives**

The purpose of this closing package is to gather information needed to disclose related party transactions in the State's financial statements. A *related party* is one that can exercise control or significant influence over the management and/or operating policies of another party, to the extent that one of the parties may be prevented from fully pursuing its own separate interests. Activity identified under the requirement of ARS §38-503 should be included in your agency's review of transactions that may need to be reported. GAAP requires that related party transactions be disclosed in the financial statements to fairly present the State's financial position, cash flows, and results of operation.

**Agency Action Required**

- Only complete this closing package if your agency had related party transactions equal to \$1,000,000 or more.
- Complete the Related Party Form and return the Form to the Division of Business and Finance (DBF) **no later than the date shown in Section A.3 - Due Dates.**

**Accounting Principles and Policies**

Governmental Accounting Standards Board Codification Section 2300.107 requires the State to disclose related party transactions.

**Working Papers**

*All working papers may be subject to audit.* The agency should keep a copy of the completed Form. In addition, the agency should retain all documents pertaining to related party transactions.

**General Instructions**

- Carefully read the instructions and definitions that apply to this closing package.
- Be sure to include all related party items that meet the definitions in **Section X - Glossary.**
- Prepare and complete a Related Party Summary Form for your agency.
- Please send questions regarding the closing package to [ACFR@azdoa.gov](mailto:ACFR@azdoa.gov).



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**Instructions - Form 51**

Related Party - Form 51

- Enter your agency ID Code (three-character) and agency name.
- Complete all information regarding the preparation and approval of this Form. If the DBF should contact someone other than the preparer about questions that may arise, please enter that person's name, title, and contact information. Keep a copy of the Form.
- Enter the nature of the relationship of the related parties.
- Enter a description of the transactions, including amounts and other pertinent information necessary for an understanding of the effects of the related party transactions for the fiscal year.
- Enter the amounts due to and due from related parties at June 30.
- Round all dollar amounts to the nearest whole dollar.



STATE OF ARIZONA  
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J - RELATED PARTY  
Summary - At June 30, 2022

Section J  
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Form 51

Agency:	<input type="text"/>	<input type="text"/>		
	ID Code	Agency Name		
Prepared:	<input type="text"/>	By:	<input type="text"/>	<input type="text"/>
	Date		Employee Name	Title
			<input type="text"/>	<input type="text"/>
			Phone	Email
Approved:	<input type="text"/>	By:	<input type="text"/>	<input type="text"/>
	Date		Name/Title	Email

1. The nature of the relationship of the related parties:

2. A description of the transactions, including amount and other pertinent information necessary for an understanding of the effects of the related party transactions for the fiscal year:

3. The amount due to related parties at the end of the fiscal year:

4. The amount due from related parties at the end of the fiscal year: