

# Important Reminders – AFIS Operations

## Brian Nguyen

- Create new year profiles (NYTI process): 4/21 & 4/22
  - Review FY 2024 COAs before 7/1. Several statewide profiles in infoAdvantage Report folders are to assist with the COA review
- Pending or draft FA, FD, FI, FM, FT fixed asset documents cleanup: 6/23
- FA Depreciation Run for Q4: 7/1
- Encumbrances for Fiscal Year 2023 obligations: 6/30
- Deposits with State Treasurer for FY23:
  - regular deposit: 7/7 by 2:00 pm
  - direct and wire deposit: 7/7 by 2:00pm
- June soft close: 7/8

# Important Reminders – AFIS Operations

## Brian Nguyen

- 13<sup>th</sup> month soft close: 7/15
- Disbursement Request (DISRQ)
  - Outstanding payment requests drawn from appropriations end June 30, 2023 must be cleared by 6/30
  - Payment requests older than 30 days shall be researched and cleared
- Document Catalog Clearing: 7/14
- Statutory encumbrances lapse: 7/8
- PO Liquidation/Closing in APP
  - Statewide FIN-GL-N648 Encumbrance by Fund Report is to assist agencies to identify outstanding & unused POs and liquidate them in APP. Manual liquidation requests should be minimum. Refer to the Manual Liquidation Requests of Purchase Orders Created in APP web story for more details.
- PO staging for FY 2024 in APP: Tentatively scheduled for 6/15 through 6/22

# Important Reminders – AFIS Operations

## Brian Nguyen

- Appropriation lapse: 7/15
- Encumbrances and pre-encumbrances balance roll forward: 7/29
  - This is the most time-consuming FYE job that determines the timing of the actual Fiscal Year 2023 hard close. Agencies are to review outstanding encumbrance balances and liquidate outstanding & unused POs before 7/29 to help GAO to complete this FYE job timely. Statewide FIN-GL-N648 Encumbrance by Fund Report is to assist agencies to identify outstanding & unused encumbrances, including POs created from APP.
- BSA review: Review BSAs and clear balances in a timely manner
- Fiscal Year 2023 hard close: TBD
  - Depending on how the successful completion of the Encumbrances & Pre-Encumbrances Roll Forward job

# Important Reminders –Systems Integrations

## John Valentine

- First Pay Date of FY24: 7/13, Payroll Compute on 7/11
- New FY24 COA (utilized for HRIS Labor Distribution) profiles set up in AFIS: by 6/22
- All FY24 COA (utilized for HRIS Labor Distribution) elements upload to HRIS : 6/23
- Last nightly interface of FY23 AFIS elements to HRIS: 6/26
- Nightly interface FY24 AFIS elements to HRIS: beginning 6/27
- HRIS Subaccount (AFIS BFY) on all active Positions (XP02/ZP02) changes from 2023 to 2024: weekend of 7/1 & 7/2
- HRIS Subaccount (AFIS BFY) on all Multiple Labor Distribution (XR23.3) records changes from 2023 to 2024: 6/30

# Important Reminders –Systems Integrations

## John Valentine

- Two options for processing employee reimbursement claims related to FY23 reverting appropriations:
  1. After 6/27, process claims in HRIS with normal payroll cycle. Process an administrative adjustment transfer in AFIS to transfer the charges to the correct Budget Fiscal year (BFY)
  2. Claims as handwrites in HRIS on 6/28 & 6/29
- Clear all rejected PEDF1 documents in AFIS: by 7/7

# Important Reminders – AFIS Budget & Reporting

## Richard Evitch

- Departmental budgets review and changes: 4/21
- If goods and/or services will NOT be received by June 30, must submit the Administrative Adjustment Request Form located on the GAO website under Publications, Forms.
- Administrative Adjustments for FY23: Beginning 7/8
- Administrative Adjustments for FY22: 6/30
- Appropriation Transfers for FY23: 6/16 by 2:00pm
- Continuing Appropriation (BQ90LV1 with Effective End Date > 6/30/23): available for expenditure in AFIS beginning 7/1
- Copy of June 30 bank & revolving fund reconciliation to GAO: 8/1

# Important Reminders – AFIS Federal & Cost Accounting

## Amanda Compton

- General Survey & Checklist are due to GAO-GAAP: 7/7
- Agencies that receive Federal Financial Assistance must submit the Federal Financial Assistance Checklist (Form 15) as part of the Closing Package
- Federal grants should be reconciled and any errors corrected prior to 6/30
- Federal draws should be as close to actual cash outlay as possible

# Financial Reporting – GAAP Group

## Neil Broadstock

- GASB Standards – Effective for the FY23 ACFR
  - GASB 91, Conduit Debt Obligations
    - Provides single method of reporting conduit debt obligations by issuers and eliminate diversity in practice.
    - Clarifies existing definition of a conduit debt obligation.
    - Establishing that a conduit debt obligation is not a liability of the issuer.
    - Establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations.
    - Improves footnote disclosures.

# Financial Reporting – GAAP Group

## Neil Broadstock

- GASB 94, Public-Private and Public-Public Partnerships (P3s) and Availability Payment Arrangements (APA)
  - A P3 is an arrangement in which a government (the transferor) contracts with an operator (governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction.
  - An APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction.

# Financial Reporting – GAAP Group

## Neil Broadstock

### – GASB 96, Subscription-Based Information Technology Arrangements (SBITAs)

- Defines SBITAs – as a contract that conveys control of the right to use another party’s (a SBITA vendor’s) information technology software, alone or in a combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction.
- Establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability.
- Provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA.
- Requires note disclosures regarding a SBITA.

# Financial Reporting – GAAP Group

## Neil Broadstock

### – GASB 99, Omnibus 2022

- Clarifications on several GASB standards – GASB 34, 53, 63, 87, 94, 96.
- LIBOR extension.
- Accounting for distribution of benefits relating to the Supplemental Nutrition Assistance Program (SNAP).
- Disclosures related to nonmonetary transactions.
- Pledges of future revenues when resources are not received by the pledging government.

See [www.gasb.org](http://www.gasb.org) for all GASB statements (listed under Pronouncements).

Also, refer to Implementation Guidance (IG), including the latest IG 2021-1 – Update.

Send all GASB related questions to GAO at [gaogasb@azdoa.gov](mailto:gaogasb@azdoa.gov)

# Financial Reporting – GAAP Group

## Janette Wallin

- **End of Year Closing Packages – CHANGES**
  - Service Concession Arrangements (SCAs) will change to Public-Private or Public-Public Partnerships (P3s) which includes SCAs. This will include:
    - An Overview of GASB 94
    - A Decision Tree to determine if your agency currently has a P3 arrangement (either as a Transferor or an Operator)
    - Because there are many variables for reporting, a member of the GAAP Group will contact you to gather the needed information if you determine that your agency DOES have a P3 arrangement
  - Financed Purchases will now include Availability Payment Arrangements (APAs) as well as contracts previously reported as Capital Leases

# Financial Reporting – GAAP Group

## Janette Wallin

- New section for SBITAs (software subscriptions). This will include:
  - An overview of GASB 96
  - Decision Forms & Collection Forms for already active SBITAs and new SBITAs entered into during FY23
  - SBITA Activity for the FY (new and existing SBITAs) to include any modifications (extensions, terminations, other), and payments made including where they were posted (Agency, Fund, Object). What did you actually do vs. what the contract says?

# Financial Reporting – GAAP Group

## Melody Dickinson

- **Fixed Assets Reminder**

- Fully process all Updates to AFIS prior to June 30, 2023. This includes additions, modifications, and disposals. This will ensure the mass depreciation will run properly on 7/1/2023.
  - If you are unable to process these updates by June 30, 2023, please refrain from processing them the first week into FY24.
- The Fixed Asset report, AM-N598 FY23 Closing Package will be available for agencies two or three days after Fiscal Year-End Soft Close. This will be under the statewide reports as a subfolder within the Asset Management folder.

# Financial Reporting – GAAP Group

## Melody Dickinson

- Every agency should review their N598 report when available and if your total gross fixed assets is greater than or equal to \$100,000, you are required to fill out a fixed asset closing package.
  - Please do not forget to reconcile your 49 Additions tab to your grand total fixed asset additions.
- Recommend agencies review their fixed asset activity beforehand using the report, FIN-AZ-AM-N626 Fixed Assets Summary Snapshot (you may need to schedule this report)
  - If you have any questions or issues, please do not wait until your fixed asset package due date to reach out. We are here to assist you at [ACFR@azdoa.gov](mailto:ACFR@azdoa.gov).