

Katie Hobbs
Governor



Elizabeth
Alvarado-Thorson
Cabinet Executive Officer
Executive Deputy Director

ARIZONA DEPARTMENT OF ADMINISTRATION

GENERAL ACCOUNTING OFFICE
100 NORTH FIFTEENTH AVENUE • SUITE 302
PHOENIX, ARIZONA 85007
(602) 542-5601

DATE: April 8, 2024

TO: All Agencies
ATTN: Chief Financial Officers and Agency Coordinators

FROM: Angela Dillard
Statewide Chief Financial Officer

RE: Fiscal Year-End 2023-2024 Closing Instructions

Attached are the closing instructions for fiscal year-end 2023-2024 (FYE24). These instructions should be carefully read and followed to ensure that the FYE24 closing processes are handled as smoothly as possible. The following are some key notes for this fiscal year-end.

- The dates provided in this memo are the last processing dates for various types of transactions. If multiple steps are required before a transaction can be fully posted, you must consider all the steps and ensure that the last step takes place according to the dates on that list.
- The month of June will soft close on July 6, 2024. This is to allow for clearing any remaining bank files and other interfaces with June record dates.
- **There will not be a 13th month for processing claim transactions.** Payments for Fiscal Year 2024 obligations must be made as administrative adjustments in AZ360 beginning July 6, 2024. Agencies can also make payments for these obligations between June 29 and July 5, 2024, but must record them as June (Accounting Period 12) transactions.
- **There will be a 13th month for processing adjustments and transfers.** Adjustments and transfers for Fiscal Year 2024 that are not successfully processed by 8:00 p.m. July 5, 2024 will be allowed until July 12, 2024 and must be recorded as 13th month transactions (Accounting Period 13).
- Transfers for use tax payments to Department of Revenue for Fiscal Year 2024 that are not processed by June 30, 2024 will be allowed until 3:00 p.m. on July 2, 2024. These transfers must be recorded as June (Accounting Period 12) transactions.
- Agencies are given the option to choose their department budget loading method for Fiscal Year 2025. The options are: Auto-Generate Budget, Roll-Forward Budget with Prior Year's Budget Amounts in Final/Submit Status or Roll-Forward Budget in Draft Status. The Agency Budget Structure Elections document can be found on the Operations/Operations Resources page on the GAO website. This document details agency selections for the BFY24 department budget loading process. **If your agency does not need any changes, no response is required. The BFY25 department budget loading structure will default to the same department budget loading structure that was set up for BFY24.**
- These fiscal year-end procedures do not address most payroll related transactions. The GAO Central Payroll team will provide detailed year-end procedures, including critical deadlines, during their biweekly Agency Payroll Check In meetings on May 22, 2024 and June 5, 2024. For an invitation to the meetings, email your request to Central.Payroll@azdoa.gov.

Fiscal Year End 2023-2024 Closing Instructions

April 8, 2024

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There will be a Virtual Fiscal Year-End Question and Answer Meeting via Google Meets on May 13, 2024 from 2:00 p.m. to 3:00 p.m. to answer questions from the agencies and to provide clarification to fiscal-year end due dates and processes.

Fiscal year-end closing instructions can be found on the GAO website at www.gao.az.gov under Operations/Operations Resources. For a more detailed explanation of the activities that will be conducted this fiscal year-end, please see the attachment. If you have any questions or need clarification on these instructions, please contact your AZ360 liaison. An updated AZ360 liaison listing is available on the GAO website under Operations/Operations Resources/GAO Agency Liaison Contacts.

AD:bn

Attachments: Fiscal Year-End Closing Instructions

Fiscal Year-End 2023-2024 Closing Instructions Table of Contents

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SUMMARY DATE SCHEDULES

FISCAL YEAR-END TASKS	SCHEDULED AZ360 RUN DATES	DEADLINE TO ENTER/RELEASE TRANSACTIONS ON-LINE	DEADLINE TO DELIVER TRANSACTIONS/ REQUESTS TO GAO/CSB FOR INPUT/RELEASE
Create new year profiles (NYTI process)	4/19/2024 (beginning at 4:00 p.m.)		
Departmental budget structures load	5/11/2024		4/26/2024 (unless exception granted)
Appropriations Loads (Fiscal Year 2025)	Ongoing (dependent on chaptered Feed Bill)	Ongoing (dependent on chaptered Feed Bill)	
Appropriation Transfers (Fiscal Year 2024)			6/14/2024 by 2:00 p.m.
Encumbrances for Fiscal Year 2024 obligations		6/30/2024 by 8:00 p.m.	6/21/2024 by 4:00 p.m.
Pending or draft FA, FD, FI, FM, FT fixed asset transactions cleanup before the fourth quarter of Fiscal Year 2024 mass depreciation run		6/28/2024 by 8:00 p.m.	6/21/2024 by 4:00 p.m.
Fourth quarter of Fiscal Year 2024 mass depreciation run	6/29/2024		
Deposit to State Treasurer or at Financial Institution no later than 6/30/2024		7/5/2024 by 2:00 p.m.	7/6/23 by 4:00 p.m.
Federal Funds Draw-Downs with the State Treasurer		7/5/2024 by 2:00 p.m.	7/3/2024 by 4:00 p.m.
June soft close	7/6/2024		
June monthly reports available in infoAdvantage	7/7/2024		
Transaction error corrections		Keep current daily	
13 th month close (Fiscal Year 2024 soft close)	7/13/2024	7/12/2024 by 8:00 p.m.	
Clear Transaction Catalog for Fiscal Year 2024 transactions		7/12/2024 by 8:00 p.m.	
Statutory encumbrances lapse	7/13/2024		
Appropriation lapse	7/20/2024		
Encumbrances balance roll forward	8/3/2024		
Fiscal Year 2024 hard close	TBD		

CREATE NEW YEAR PROFILES

The new Chart of Accounts (COA) structure will be established in AZ360 on April 19, 2024. This is done via the New Year Table Initialization (NYTI) process. The NYTI process affects a subset of COA profiles with Fiscal Year (FY) and Budget Fiscal Year (BFY) as part of the key fields. These profiles are copied from the current fiscal year and established in the new fiscal year if the profiles are active. After the new profiles are created, agencies may start making changes to

these profiles to meet the appropriation and budget loading requirements as well as their own reporting and budget tracking needs.

The following are key notes of the profile roll process:

- COA structures with end dates will be established in the new fiscal year. Setting an end date will not affect whether or not the element rolls into the next fiscal year.
- Program (i.e. Grant and Project) related COA structures will not be rolled because FY and BFY are not part of the key fields.
- The NYTI process requires more than one step.
 - The Department, Unit structures and any associated roll-ups (i.e. Branch, Cabinet, Division, Group, Section, District, and Bureau) will begin at 4:00 p.m. on Friday, April 19, 2024 and will complete prior to the beginning of the nightly batch cycle. A system bounce is then required for these changes to be applied, which will occur at the beginning of the nightly batch cycle on April 19.
 - The remaining chart of accounts and tables (as per Appendix A) will be completed on Saturday, April 20, 2024.
- **In order to prevent a COA in the Unit structure from rolling to the next FY, it must be inactivated prior to 4:00 p.m. on April 19, 2024. All other COA elements not needed for FY25 must be inactivated prior to 8:00 p.m. on April 19, 2024. Please do not inactivate any FY24 COA if it is currently being used and needs to be used until the end of FY24. In addition, please do not inactivate any FY24 COA that is inferred by on a Function inference if the Function is still being utilized.**
- Agencies are responsible for validating their FY25 COA structures after the NYTI process is completed. Once the new fiscal year appropriations are loaded, changes should not be made to the related profile structures.

AZ360 profile reports can be found in infoAdvantage under 1-Statewide Reports/Profiles folder. Most of these reports are designed to run for two years so that agencies can easily compare COAs loaded in each year. A full list of tables and page names included in the NYTI process is available on the GAO website under Operations/Operations Resources/Tables and Pages Included in the NYTI.

HRIS LABOR DISTRIBUTION

Labor distribution determines how payroll expenditures are posted to AZ360. The accounting elements that are to be used for the HRIS labor distribution must first be entered into AZ360 using:

- A value of 'HRIS' or 'HRLG' in the Function Type roll-up on the FUNC (Function) table for HRIS Accounting Unit
- A value of 'HRIS' in the Activity Type roll-up on the ACTV (Activity) table for HRIS Account Category (DTA and EVA only)
- A value of 'HRIS' in the Activity Type roll-up on the ACTV (Activity) table for HRIS Activity (FOA only)
- A value of 'HRS' in the Location Class roll-up on the LOC (Location) table for HRIS Activity (EVA only)
- CAS or CAM transactions to set up the structure for Program/Program Period for HRIS Activity and HRIS Account Category
- CAS or CAM transactions to set up the structure for Program/Program Phase for HRIS Activity (DTA only)

For all of the above methods, HRIS is updated during the nightly batch run with the new additions or modifications. Once the new elements have been interfaced to HRIS, the agencies may update the position labor distribution information on the applicable HRIS forms (screens) using the new elements where applicable.

The first pay date charged to FY25 is July 11, 2024. Since the first payroll compute of the new fiscal year will take place on July 9, 2024, any new FY25 Labor Distribution profiles should be set up in AZ360 no later than June 20, 2024, to allow for timely updates of the HRIS Accounting Units, Activities, and Account Categories. The GAO will upload all new FY25 Labor Distribution Elements on June 21, 2024 to allow for timely updates to ETE (Employee Time Entry) Account Templates on June 24, 2024.

Starting June 25, 2024, only FY25 COA elements will be included on the accounting elements interfaces to HRIS; FY24 COA elements will no longer be interfaced to HRIS. If your agency has a situation, in which a FY24 COA element(s) needs to be interfaced to HRIS after the June 25, 2024 deadline, please contact your AZ360 liaison.

The GAO will update the HRIS Sub-Account from 2024 to 2025 as well as the labor distribution elements (if requested by agency) on all active Positions (XP02 or ZP02 form) on June 29 and June 30, 2024. The GAO will change the Sub-account for Payroll Distribution records (XR23.3), if applicable, on June 28, 2024.

For more information about HRIS Labor Distribution, or if your agency has a situation in which the labor distribution Sub-Account should not be changed to the new fiscal year, please email gaosystemsupport@azdoa.gov.

EMPLOYEE REIMBURSEMENT CLAIMS PROCESSED AFTER JUNE 25, 2024 (HRIS)

There will be two options available for processing employee reimbursement claims (including travel) in HRIS after the June 25, 2024 compute. These options are for employee reimbursement claims that need to be charged to Fiscal Year 2024 and contain reverting type appropriations:

1. Reimbursement transactions entered in HRIS after June 25, 2024, that are to be processed with the normal payroll cycle will be charged to the new fiscal year in both HRIS and AZ360. The agency will then need to process an administrative adjustment in AZ360 to transfer the charges to the correct BFY during the administrative adjustment period.
2. Agencies may also input reimbursement transactions in HRIS from June 26, 2024 through June 28, 2024 as handwrites. However, agencies must ensure the labor distribution in HRIS reflects the proper accounts as defined for FY24.

If you have questions about processing reimbursement transactions, please contact your AZ360 liaison.

FIRST PAYROLL OF THE NEW FISCAL YEAR

The first payday charged to the new fiscal year is July 11, 2024. Agencies can begin entering time records in HRIS for the first payroll of new fiscal year beginning on July 1, 2024. Agencies are not to enter time records prior to July 1, 2024. Any time records entered prior to the Position form (XP02 or ZP02) labor distribution update will be deleted.

Employee Time Entry (ETE) provides the ability for employees to enter their time card electronically via the Y.E.S. website. Agencies utilizing ETE can begin entering time records **after 12pm** on June 24, 2024 to allow for necessary updates to the ETE Templates. ETE Time records will be loaded into HRIS on the morning of June 24, 2024. Please review the ETE Time Record Extract Report (ZS535.prt), the ETE Time Record Extract Error Report (ZS535.error), the ETE Time Record Interface Report (ZR530.prt) and the ETE Time Record Interface Error Report (ZR530.error) as early as July 8, 2024 to ensure the accuracy of time records and to correct any errors that may have occurred.

YEAR-END PURCHASING/CONTRACTING

Similar to last fiscal year, there will be no 13th month processing of claims. The month of June will remain open until July 5, 2024. Any claims for goods and services received on or before June 30, 2024 but not paid on or before July 5, 2024 will need to be paid as administrative adjustments. BFY24 claims may be processed in AZ360 using a GAX transaction until 8:00 p.m. on July 5, 2024, but must use Accounting Period 12. BFY24 claims may also be processed in Arizona Procurement Portal (APP), but will need to be administrative adjustments after June 30, 2024.

The following table demonstrates different payment process criteria.

PAYMENT PROCESSED IN/TRANSACTION	CALENDAR DATE	BFY FOR CLAIM	FY/PERIOD/RECORD DATE
APP – GAXIV1	≤ 7/5/2024	2024	FY = 2024 Accounting Period = 12 Record Date ≤ 6/30/24
APP – GAXIV1	≥ 7/6/2024	2024 (Administrative Adjustment)	FY = 2025 Accounting Period ≥ 1 Record Date = Current date
APP – GAXIV1	≥ 7/1/2024	2025	FY = 2025 Accounting Period ≥ 1 Record Date = Current date
AZ360 – GAX	≤ 7/5/2024	2024	FY = 2024 Accounting Period = 12 Record Date ≤ 6/30/24
AZ360 – GAX	≥ 7/6/2024	2024 (Administrative Adjustment)	FY = 2025 Accounting Period ≥ 1 Record Date = Current date
AZ360 – GAX	≥ 7/1/2024	2025	FY = 2025 Accounting Period ≥ 1 Record Date = Current date

While A.R.S § 35-191.A allows some flexibility in this area of year-end purchasing and contracting, these procedures should be followed:

- A. Goods and/or services should be procured with the intent to receive them on or before **June 30**.
- B. Generally, goods and/or services ordered by June 30, but received on or after **July 1**, may be paid out of the old fiscal year appropriation only IF **all four** of the following conditions are met:
 1. The expenditure is valid for the old fiscal year appropriation.
 2. The contractual liability relating to the claim was created on or before June 30. This means that the goods and/or services must have been ordered and an encumbrance recorded in AZ360 **on or before June 30**. Additionally, there must be intent and supporting documentation that delivery was expected on or before June 30.
 3. When the invoice arrives, there must be sufficient spending authority remaining in the appropriation in order to make the payment.
 4. If it is known that the goods and/or services will NOT be received by June 30, the approval of the Director of the Department of Administration must be obtained before the obligation is created (prior to July 1). Please complete the Administrative Adjustment Request Form located on the GAO website under Publications and then Forms. The request must specify:
 - a) Purchase order number
 - b) Vendor name
 - c) Description of the Goods and/or Services
 - d) The dollar amount of the Goods and/or Services
 - e) When the goods and/or services were ordered

- f) When the goods and/or services are expected to be received, and
- g) Reasons why the goods and/or services will not be received by June 30

C. When it is anticipated that goods and/or services will not be received on or before June 30, and a claim cannot be processed until after **June 30, 2024**, the claim may be processed as an administrative adjustment and paid out of the prior fiscal year appropriation if both of the following conditions are met:

1. All of the conditions set forth in B. 1– 4 above are met.
2. In accordance with A.R.S § 35-151 and § 35-191, all expenditures to be paid as administrative adjustments in AZ360 must be encumbered **regardless of the dollar amount**. These encumbrances are required to be entered and processed in AZ360 by **June 30, 2024**. There may be facts and circumstances that do not fit within this policy. If so, please contact your AZ360 liaison to coordinate the resolution. Please review the State of Arizona Accounting Manual, Topic 45, Section 46 on Fiscal Year-End Contracting for more details.

ENCUMBRANCES ESTABLISHED IN FISCAL YEAR 2024

Agencies can continue to use open encumbrances established in FY24 for June (Accounting Period 12) disbursement transactions processed between July 1 through July 5, 2024 and for the administrative adjustment period beginning on July 6, 2024.

Encumbrance balances impact fund balance and budget. Agencies are responsible for monitoring and closing open and unused encumbrances timely to ensure sufficient appropriations and allotments are available to clear outstanding transactions, especially payroll expenditure transactions (PEDF1), which must be cleared by July 5, 2024. Agencies may use the FIN-AZ-GL-N648 Encumbrances report in the Statewide General Ledger folder to find open encumbrances by appropriation, fund or programmatic chart of accounts.

Encumbrance balances created in FY24 will be rolled forward to FY25 on August 3, 2024. The balance roll forward will not impact agencies ability to use open encumbrances established in FY24 beginning July 1, 2024. The roll forward process includes the BFY used on the encumbrances to properly impact fund balance and budget of the prior and new fiscal years. Please review Topic 45, Section 46 of the State of Arizona Accounting Manual on Year-End Contracting for more details.

ADMINISTRATIVE ADJUSTMENTS

Payments for FY24 obligations can be processed in AZ360 as administrative adjustments beginning on July 6, 2024. All administrative adjustments will require an encumbrance to be referenced on the transaction.

APPROPRIATION TRANSFERS

Appropriation transfers for the fiscal year ending June 30, 2024 should be submitted through AZ360 workflow via a BGA60 transaction by 2:00 p.m. June 14, 2024. Any appropriation transfer transactions for the old fiscal year received after this date will be processed as soon as possible on a first-in, first-out basis. There is, however, no guarantee that they can be processed by the June 30th statutory deadline. In addition, please ensure that you give adequate consideration for any appropriations requiring review by the Governor’s Office of Strategic Planning and Budgeting (OSPB) and/or the Joint Legislative Budget Committee (JLBC). If you have any additional questions regarding this process, please email GAOAFR@azdoa.gov.

CREDIT CARD CLEARING FUND (FUND 2600)

For agencies currently accepting credit card payments using the Credit Card Clearing Fund (Fund 2600), Fund 2600 must be reconciled by the last business day of the fiscal year. Please take the necessary steps to ensure that transactions posting to this fund are transferred out to the applicable fund(s) in a timely manner. Refer to the CBALDQ (Cash Balance Detail) or CBALSQ (Cash Balance Summary) to check the cash balance in Fund 2600 and reconcile against the Favorable and Unfavorable Credit Card adjustments that have been processed by the State Treasurer’s Office.

YEAR END DEPOSITS

Fiscal Year 2024, Accounting Period 12

For deposits to be processed in the fiscal year ending June 30, 2024, Accounting Period 12:

- Cash and check deposits prepared in bank bags can be delivered to the Treasurer's Office by **June 26, 2024 at 3:00 p.m.** *Deposits brought in on June 27-28, 2024 will be processed as a Prior Fiscal Year Deposit. See section below.*
- Wires and ACH deposits received in the State's account on or before **June 28, 2024.**
- Deposits processed at financial institutions in the State's account on or before **June 26, 2024.** *Deposits processed at financial institutions on June 27-29, 2024 will be processed as a Prior Fiscal Year Deposit. See section below.*

All **AZ360 CR** transactions must have a blank record date field and must be emailed to agencydeposit@aztreasury.gov by **June 28, 2024 at 1:00 p.m.** The CR transaction will be approved once the funds have been deposited at the bank. If the deposits are entered by the CSB, then all transactions must be delivered to the CSB by the stated deadline listed the **Summary Date Schedules** (page 1). In all cases, the deposits should be prepared and delivered as monies are received.

PRIOR FISCAL YEAR DEPOSITS

Fiscal Year 2024, Accounting Period 13

For deposits to be processed in the fiscal year ending June 30, 2024, Accounting Period 13:

- Cash and check deposits prepared in bank bags and delivered to the Treasurer's Office on or before **June 28, 2024, 3:00 p.m.**
- Wires and ACH deposits received in the State's account on or before **June 28, 2024.**
- Deposits processed at financial institutions in the State's account on or before **June 28, 2024.**

Agencies must have the AZ360 CR transaction entered and approved by the agency and emailed to the Treasurer's Office **no later than July 5, 2024 at 2:00 p.m.**

For the week of June 29, 2024 through July 5, 2024, the Accounting Period and Fiscal Year fields on the header of the CR transaction will be unmasked to allow for FY24 processing. The Accounting Period and Fiscal Year fields on the accounting line will be masked during this time to prevent multiple fiscal years from being processed in one transaction. **CR transactions for prior year deposits (FY24) must contain FY24 information only, have FY 2024 and Accounting Period of 13 on the header and the header Record Date field left blank.**

Any transaction received with current and prior fiscal year monies within one transaction will be rejected and returned to the agency. **Please include "FY24" for prior year deposits in the subject line of the email to agencydeposit@aztreasury.gov.**

NEW FISCAL YEAR DEPOSITS

Fiscal Year 2025, Accounting Period 1

For FY25 deposits, continue to leave the Accounting Period and Record Date fields on the header blank for CR type transactions.

Any transaction received with current and prior fiscal year monies within one transaction will be rejected and returned to the agency. **Please include "FY25" for current year deposits in the subject line of the email to agencydeposit@aztreasury.gov.**

The following table demonstrates the AZ360 information based on when funds were deposited at the bank. ***Deposit bags brought into our office are not guaranteed to be deposited the same day at the bank. This may cause the agency to process the AZ360 transaction in a different accounting period/fiscal year, based on bank deposit date.***

BANK DEPOSIT DATE	AZ360 APPROVAL DATE	FY/PERIOD/RECORD DATE
≤ 6/30/2024	≤ 6/30/2024	FY = BLANK Accounting Period = BLANK Record Date = BLANK
≤ 6/30/2024	≥ 6/29/2024 to ≤ 7/5/2024	FY = 2024 Accounting Period = 13 Record Date = BLANK
≥ 7/1/2024	≥ 7/1/2024	FY = 2025 Accounting Period = BLANK Record Date = BLANK

DIVESTMENTS AND INVESTMENTS

The process for investing and divesting funds is done via the SWEEP table. Agencies who invest with the State Treasurer must set the minimum required cash balance (for general ledger account 0070) on this table. Based on this minimum amount, funds are either divested or invested in the nightly batch cycle. Cash balances can be viewed in AZ360 using the BBALS (ITD Balance Sheet Detail), CBALDQ (Cash Balance Detail) or CBALSQ (Cash Balance Summary) screens. Cash Balances (as of the beginning of the business day) may also be found using many reports in infoAdvantage including: FIN-AZ-GL-N649 Balance Sheet Account Inquiry, FIN-AZ-GL-N605 BSA Balances by Month, FIN-AZ-CM-N502 Monthly Cash Balance Report, and FIN-AZ-CM-N502s Monthly Cash Balance Report by Sub fund.

FEDERAL FUNDS DRAW-DOWN

Federal funds under single letters of credit deposited with the Bank of America on or before the last business day of the fiscal year ending June 30 will be considered prior year transactions. As with all deposits, they must be delivered to the Treasurer’s Office by the June deadline.

NEW FISCAL YEAR (FY) APPROPRIATIONS

FY25 appropriations will be entered into AZ360 in accordance with the chaptered General Appropriations Act(s) using Budget Structure 60 (BGA60 transaction code). Generally, each line item in the act will have one appropriation number, but the line item may have more than one funding source.

For the General Fund portion of any Lump Sum appropriation, there is no change to the quarterly allotment percentages (30%, 22%, 22%, and 26%). All other appropriations are allotted 25% per quarter. If different quarterly allotments are necessary, a letter must be sent as soon as known and identified to the Director of the Governor’s Office of Strategic Planning & Budgeting (OSPB) and the State Comptroller of the Department of Administration. The letter must state (1) why a different allotment amount needs to be available in the first quarter or otherwise allocated differently, and (2) how the agency will provide for operations throughout the rest of the year. Please note that the OSPB Director and the State Comptroller or Statewide CFO of the Department of Administration must approve allotment adjustment requests. Agencies must note proposed allotment changes by using Event Type BGE1 and attach the allotment adjustment request letter to the corresponding Appropriation and Allotment Budget Transaction (BGA60).

JUNE CLOSING

The month of June will be soft closed on July 6, 2024. June monthly reports will be available in infoAdvantage on July 7, 2024.

CASH BALANCE

Cash balances in AZ360 are tracked on an inception-to-date basis, and the balances are no longer needed to be available in both FY24 and FY25 as required in legacy AFIS. Sufficient cash balance in a fund and/or sub fund combination is validated at the time a financial transaction is processed. Adjustments and transfers are allowed during the 13th month, so agencies will need to plan for sufficient cash if they need to process any of these types of transactions during this period. Cash Balances (as of the beginning of the business day) may also be found using many reports in infoAdvantage including: FIN-AZ-GL-N649 Balance Sheet Account Inquiry, FIN-AZ-GL-N605 BSA Balances by Month, FIN-AZ-CM-N502 Monthly Cash Balance Report, and FIN-AZ-CM-N502s Monthly Cash Balance Report by Sub fund.

13TH MONTH (ADJUSTMENT) PERIOD

There will not be a 13th month this fiscal year-end for payments to vendors. Payments for FY24 obligations made after July 5, 2024 must be made as administrative adjustments.

There will be a 13th month this fiscal year-end for adjustments and transfers for the general AZ360 user community. The soft close of the 13th month is scheduled for July 13, 2024.

PURCHASE CARD (P-CARD) AND CENTRAL TRAVEL ACCOUNT (CTA) CLAIMS

The charges on the July P-Card and/or CTA statement are likely to include charges that apply to both the fiscal year ending June 30 and the fiscal year beginning July 1. Agencies can start making ACH/EFT payments for these charges beginning July 1, using the appropriate BFY for charges for goods and services received through June 30, 2024 and the appropriate BFY for goods and services received on or after July 1, 2024.

FEDERAL GRANT YEAR-END INSTRUCTIONS

Agencies that receive federal assistance are required to complete the [H] Federal Grants Closing Package, consisting of various forms, to ensure proper recording of grant information. Refer to Federal Closing Package Quick Reference Guide on the GAO website under Financials/Federal & Cost Accounting for guidance on filling out the Federal Grants Closing Package.

Each agency must reconcile its internal accounting records to AZ360 on a monthly basis per State of Arizona Accounting Manual (SAAM) Topic 05, Section 05. The agency's monthly reconciliation of federal grants must be documented. Any errors should be corrected prior to June 28, 2024.

The financial activity in AZ360 will be used to compile the Schedule of Expenditures of Federal Awards (SEFA). It is essential that the information be properly stated. SEFA information will be listed by Assistance Listing Number (ALN) (formerly CFDA) and can be verified by reviewing the infoAdvantage report FIN-AZ-GM-C083. Please verify that each ALN is correct for each corresponding grant. This report should agree with your agency's "in-house" records (i.e., grant structure, expenditures for grant awards, and ALNs). Federal grantors and pass through agencies are required by the 2 Code of Federal Regulations Part 200 to provide the ALN in award notices. A complete list of Assistance Listings can be found on <https://sam.gov/content/assistance-listings>. Incorrect ALNs must be fixed in AZ360 as soon as possible. If you do not know the correct ALN, refer to your grant award materials or contact your grantor. Contact GAO at FederalGrants@azdoa.gov if there is no known ALN for the federal assistance received.

The compilation of the SEFA includes a breakout of the total amount passed through to sub recipients from the total expenditures reported. This amount is captured by the use of specific objects within object class 6800.

As described in the SAAM, Topic 70, Section 55, compliance with the Federal Cash Management Improvement Act (CMIA) requires that “The timing and amount of Federal draws must be as close as is administratively feasible to the actual cash outlay by the State for direct program costs and the proportionate share of any allowable indirect costs.” Therefore, cash should not be drawn down in June in anticipation of payments during July 2024. Instead, draws should be timed as close to the actual payment as possible (i.e. immediate cash needs). Please email FederalGrants@azdoa.gov with any questions.

TRANSACTION CATALOG AND DISBURSEMENT REQUEST PAGE

The Transaction Catalog serves as a repository for all of the transactions created in AZ360. It is the central location where all transactions can be queried and processed. Each agency is responsible for clearing its transactions residing on the Transaction Catalog. **All payroll expenditure transactions (PEDF1) for FY24 must be cleared by July 5, 2024.** All other transactions should be cleared on a regular basis and ideally by July 12, 2024.

All outstanding payment requests on the Disbursement Request (DISRQ) Page that were drawn from an appropriation with the effective end date of equal to or less than June 30, 2024 must be cleared by June 28, 2024.

If you need assistance with clearing these outstanding items, please contact your AZ360 liaison.

WARRANT CANCELLATION

Warrant cancellation requests on or after July 1, 2024 for warrants issued in FY24 will be processed as FY25 transactions with the appropriate prior BFY.

INFOADVANTAGE

Agencies will continue to be able to view and generate reports from AZ360 using infoAdvantage based on security permissions. The infoAdvantage Reports Dictionary, located on the GAO website under the Operations/Operations Resources Section, is a useful summary reference for statewide reports. A training video explaining how to use AZ360 Financial infoAdvantage can be found on the GAO Training Resources page under Additional Resources. For any questions related to infoAdvantage, please email FINreports@azdoa.gov.

LAPSING AND CONTINUING APPROPRIATIONS

Appropriation balances in AZ360 are carried forward if the effective end date on the Appropriation and Allotment Profile (BQ60LV1) is greater than June 30, 2024. Appropriations will be available for expenditure in AZ360 beginning July 1, 2024. Appropriation balances in AZ360 are lapsed if the effective end date on the Appropriation and Allotment Profile (BQ60LV1) is equal to or less than June 30, 2024.

BUDGET LOADING

Several options are available for agencies loading their new fiscal year Departmental budgets. Agencies must review the Agency Budget Structure Elections document and request any changes, if needed, to the GAO Budget Team at GAOAFR@azdoa.gov no later than April 26, 2024. The Agency Budget Structure Elections document can be found on the Operations/Operations Resources Section on the GAO website. This document details agency selections for the BFY24 department budget loading process. **If your agency does not need any changes, no response is required. The BFY25 department budget loading structure will default to the same department budget loading structure that is set up for BFY24.** Please review the below details for the budget options available.

Auto-Generate Budget: This method may be used for budget structures 62, 63 and 65. The auto-generate function tracks an agency’s spend without requiring a budget to be loaded. If elected, FY24 budget will not roll into FY25. Instead, the applicable budget screen will be populated as spend increases for the agency. This method relaxes the budget transaction requirement and will allow an agency to enter the projected budget amounts at a later date. The budgets generated using

the Auto-Generate method will not show up on Budget related reports in infoAdvantage. However, expenditure tracking can still be obtained from infoAdvantage reports. The aforementioned Reports Dictionary is a useful resource to identify statewide reports with budget and expenditure data. Agencies may also view the budget information using the online screens such as BQ62LV4.

Roll-Forward Budget with Prior Year’s Budget Amounts: This method may be used for budget structures 61, 62, 63, 64 and 65. The roll-forward budget with prior year’s budget amount option will roll FY24 budgets to FY25 with a status of final. The Current Budget amount will be the only amount rolled forward. The agency will need to manually create budget modification transactions, if changes are needed to budgeted dollar values.

Roll-Forward Budget in Draft Status: This method may be used for budget structures 61, 62, 63, 64 and 65. The roll-forward budget option will roll FY24 budgets to FY25 with a status of draft. Agencies will then need to update the amounts in the budget transactions and submit the transactions to workflow.

Agencies utilizing the Program structure must manually enter related budgets for those structures. There are several program budget structures available for agencies to use with varying levels of detail and control options. The auto-generate option is **NOT** available for program budgets.

Budget Constraints: All constraints are turned off for budget structures 62, 63 and 65, but agencies can still choose to manually change the constraints for these structures. Agencies can look at the BUDLCON table to review the constraints.

Budget Interface Upload: This option is only available for those agencies that were approved for FY25. This method can be used for all budget structures and can be combined with the other budget options.

For questions about processing budgets in AZ360, please email GAOAFR@azdoa.gov.

FIXED ASSETS

Fixed assets must be updated in AZ360 in a timely manner. Acquisitions should be recorded within one calendar month from the date of issuing the payment for the capital asset. Disposals should be recorded within 10 business days after receiving an approved Surplus Property Removal Request from the Surplus Property Management Office (SPMO).

Agencies must update AZ360 prior to the close of the fiscal year with the information related to the assets that are received on or before June 28, 2024 and paid for on or before June 28, 2024. Please refer to the infoAdvantage reports FIN-AZ-AM-N542 Asset Exp by Period and FIN-AZ-AM-N599 Fixed Asset Acquisitions for your agency’s fixed asset additions activity.

Agencies that do not have all of their fixed assets on AZ360, or whose fixed asset listing is not current as of the close of the fiscal year, will be required to make adjustments to their Closing Package for fixed assets. **This will require the agency to provide to the GAO a listing of their fixed assets with the associated depreciation schedules in addition to the other schedules currently required in the Fixed Asset Closing Package.**

The Closing Package for fixed assets is identified as the XXX AM-N598 FY24 Closing Package where ‘XXX’ is the agency code. Agencies can obtain a copy of their agency’s Excel AM-N598 Report for FY24 by accessing a subfolder within the Statewide Asset Management folder that will be placed there after the soft close and will be named: AM-N598 for FY24. Before this time, agencies should review their fixed asset activity by using the FIN-AZ-AM-N626 Fixed Assets Summary snapshot which provides an up to date summary of their fixed assets and associated accumulated depreciation.

For additional information on this subject, please refer to the State of Arizona Accounting Manual, Topic 25, Long-Lived Resources or to enter a new asset, see the “Acquire a New Fixed Asset” Quick Reference Guide (QRG) on the GAO’s website. Additionally, there’s a “Monthly Financial Review – Fixed Asset Management” QRG that provides guidance on reconciling fixed assets. For assistance with fixed asset reporting related issues, please email ACFR@azdoa.gov.

GOVERNMENTAL ACCOUNTING STANDARDS BOARD (GASB) STATEMENTS

The GASB establishes standards for financial accounting and reporting for state and local governments. Agencies that submit audited financial statements should ensure that financial information provided to the GAO for inclusion in the Annual Comprehensive Financial Report is in accordance with these standards. New standards that are effective for the Fiscal Year 2024 reporting period are GASB Statement No. 99, *Omnibus 2022 (paragraphs 4 – 10 relating to Financial Guarantees and Classification of Derivatives)* and GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. Please send any GASB related questions to the GAO at ACFR@azdoa.gov.

CLOSING PACKAGE

All agencies must complete and submit the General Survey and Checklist (Form 60) to the GAO - GAAP Section by July 5, 2024. State agencies that submit audited financial statements prepared using the accrual basis of accounting to the GAO do not need to complete any part of the closing package. A separate letter will be sent to those agencies. It is important that agency auditors are informed that they must complete their audit report and submit it to the GAO by the requested date. Specific information on the closing package may be found on the GAO website at <https://gao.az.gov/financials/acfr>. For additional information on this subject and for assistance with closing package related issues, please email ACFR@azdoa.gov.

REVOLVING FUNDS

You may use your revolving fund as specified by the State of Arizona Accounting Manual and by statute until June 30, 2024. Consistent with regular disbursement policies and procedures, claims to reimburse revolving funds are to be charged to the fiscal year in which the expenditure was incurred (when goods or services were received). **A copy of the June 30 bank and revolving fund reconciliation must be submitted to the GAO at GAOAFR@azdoa.gov as required by the State of Arizona Accounting Manual, Topic 20, Section 11, Policy number 36 through 36.4.2. no later than August 1, 2024.**

USE TAX PAYMENTS TO DEPARTMENT OF REVENUE (DOR)

Use tax transfers (IETUT and IETAT transactions) for Fiscal Year 2024 are allowed until 3:00 p.m. July 2, 2024. These transactions must specify BFY24 (or prior BFY depending on your agency's spending availability), FY24 and Accounting Period 12. Please contact Angela Crossley at ACrossley@azdor.gov or Sherri Goodman at SGoodman@azdor.gov for questions related to use tax.