

**Fiscal Year-End 2024 Virtual Q & A  
Section  
May, 13 2024**

# Important Reminders – AZ360 FIN Operations

## Brian Nguyen

- Create new year profiles (NYTI process): 4/19
  - Be mindful of changing and/or inactivating any FY 2024 COAs inferred on Function Inference if Function still used in FY25
- Clear pending or draft FA, FD, FI, FM, FT fixed asset transactions: 6/28
- FA Depreciation Run for Q4 of FY 2024: 6/29
- Encumbrances for Fiscal Year 2024 obligations: 6/30
  - Refer to the Year-End Purchasing/Contracting section starting on page 3 for the FYE memo for more details.

# Important Reminders – AZ360 FIN Operations

## Brian Nguyen

- Deposits with State Treasurer for FY24:
  - regular deposit: 7/5 by 2:00 pm
  - direct and wire deposit: 7/5 by 2:00pm
- June soft close: 7/6
- 13<sup>th</sup> month soft close: 7/13
- Transaction Catalog Clearing: 7/12/2024
  - Several transaction detail and transaction creation reports are available in InfoADV/Statewide Reports/Document Message folder to assist agencies with clearing outstanding transactions on the Transaction Catalog.
  - FY 24 payroll transactions, PEDF1 transactions, must be cleared by 7/5/2024.
- Disbursement Request (DISRQ): outstanding payment requests drawn from an appropriation ends June 30, 2024: 6/30
- Statutory Encumbrances Lapse: 7/13
- Statutory Appropriation Lapse: 7/20

# Important Reminders – AZ360 FIN Operations

## Brian Nguyen

- Encumbrances and Pre-Encumbrances Balance Roll Forward: 8/3
  - Review outstanding encumbrance balances and liquidate those without any activity and/or not needed before 8/3.
- Fiscal Year 2024 hard close: TBD depending on the successful completion of the Encumbrances & Pre-Encumbrances Roll Forward job
- AZ360 FIN Weekend Availability during FYE close:
  - Unavailable the weekends of 7/13, 7/20 and 8/3 for FYE job executions.
- BSA review: Review BSAs and clear balances in a timely manner

# Important Reminders – AZ360 Security

## John Valentine

- First Pay Date charged to FY25: 7/11, Payroll Compute on 7/9
- New FY25 COA (utilized for HRIS Labor Distribution) profiles set up in AZ360: by 6/20
- All FY25 COA (utilized for HRIS Labor Distribution) elements upload to HRIS : 6/21
- Last nightly interface of FY24 AZ360 elements to HRIS: 6/24
- Nightly interface FY25 AZ360 elements to HRIS: beginning 6/25
- HRIS Subaccount (AZ360 BFY) on all active Positions (XP02/ZP02) changes from 2024 to 2025: weekend 6/29 & 6/30
- HRIS Subaccount (AZ360 BFY) on all Multiple Labor Distribution (XR23.3) records changes from 2024 to 2025: 6/28

# Important Reminders – AZ360 Security

## John Valentine

- Two options for processing employee reimbursement claims related to FY24 reverting appropriations:
  - After 6/25, process claims in HRIS with normal payroll cycle, and process an administrative adjustment transfer in AZ360 to transfer the charges to the correct Budget Fiscal Year (BFY)
  - Claims as handwrites in HRIS on 6/26 & 6/27
- Clear all rejected PEDF1 transactions for FY 24 in AZ360: by 7/5

# Important Reminders – AZ360 Budget & Reporting

## Celine Baker

- 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 FY24: Beginning 7/6
- Administrative Adjustments for FY23: 6/30
- Appropriation Transfers for FY24: 6/14 by 2:00 pm
- Continuing Appropriation (BQ60LV1 with Effective End Date > 6/30/24): available for expenditure in AZ360 FIN beginning 7/1
- Copy of June 30 bank & revolving fund reconciliation to GAO: 8/1

# Important Reminders – AZ360 Budget & Reporting

## Celine Baker

- InfoADV reports that may be helpful during FYE:
  - FIN-AZ-GL-N648 Encumbrances - Input controls on the "Open Encumbrances" tab allows users to section the data by Fund, Appropriation, or Cost Accounting Structure. Many input controls on the "Doc Detail" tab provide users with extensive capability for dynamic analysis of supporting detail.
  - FIN-AZ-BG-N550 Appropriation Expenditures and Balance by Month - For an up-to-date status on Appropriations (including prior year activity)



# Important Reminders – AZ360 Federal & Cost Accounting

## Amanda Compton

- General Survey & Checklist are due to GAO-GAAP: 7/10
- Agencies that receive Federal Financial Assistance must submit the Federal Financial Assistance Checklist (Form 15) as part of the Federal Grants Closing Package H due 7/22
- Federal grants should be reconciled and any errors corrected prior to 6/30
- Federal Closing Package Quick Reference Guide
- Federal draws should be as close to actual cash outlay as possible

# Financial Reporting – Financial Reporting GAAP Group

## Neil Broadstock

New GASB standards – For those agencies who submit audited financial statements

- GASB Standard effective for the FY24 ACFR
  - GASB 99, Omnibus 2022 (Paragraphs 4-10)
    - Financial Guarantees
      - A government that has extended an exchange or exchange-like financial guarantee should apply the provisions of GASB 70 for the recognition of a liability and an expense or expenditure related to the exchange or exchange-like financial guarantee, along with the disclosure requirements.
    - Derivative instruments
      - Classification and reporting of derivative instruments within the scope of GASB 53 that do not meet the definition of an investment derivative instrument or a hedging derivative instrument.
    - Termination of hedge accounting – if hedging derivative instruments cease to be effective, the balance of deferrals should be reported on the flows statement separately from investment revenues.

# Financial Reporting – Financial Reporting GAAP Group

## Neil Broadstock

- GASB 100, Accounting Changes and Error Corrections
  - Defines Accounting Changes – Change in accounting principle; change in accounting estimate; and change to or within the financial reporting entity.
  - Addresses corrections of errors in previously issued financial statements
  - Prescribes the accounting and financial reporting for each type of accounting change and error corrections.
  - Requires the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position be displayed by reporting unit within the financial statements.
  - Requires disclosure in notes to the financial statements about the accounting changes and error corrections.
  - Addresses how information that is affected by a change in accounting principle or error correction should be presented in the required supplementary information (RSI) and supplementary information (SI).

# Financial Reporting – Financial Reporting GAAP Group

## Melody Dickinson

- Fixed Asset Reminders
  - As stated earlier, complete all fixed asset transactions by June 28<sup>th</sup> (instead of June 30<sup>th</sup>, assuming that nothing will be added on the weekend), so the mass depreciation can run accurately.
    - If you are unable to add or dispose of assets by that date, you will need to accrue the assets and the depreciation on your fixed asset closing package.
  - The fixed asset closing package should be available for agencies two or three days after fiscal year-end soft close and will be located under the statewide reports as a subfolder within the Asset Management folder.
  - Every agency with a gross fixed asset amount greater than or equal to \$100,000 is required to fill out a fixed asset closing package.
    - Even if all your assets are fully depreciated, we still need a closing package from your agency. If your agency is required to fill one out and we don't receive one, we will reach out to your agency to obtain the fixed asset closing package.
  - Make sure your additions reconcile to your expenditures.
  - If you have any questions, 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).

# Financial Reporting – Financial Reporting GAAP Group

## Janette Wallin

- Subscription Based IT Arrangements (SBITAs)
  - Because SBITAs are treated differently than owned software for accounting purposes, it is important to determine at the outset if your IT arrangement is a SBITA or not.
  - The SBITA Decision Form will continue to be available in Section O of the Closing Package (<https://gao.az.gov/financials/acfr>) year-round, so feel free to download and refer to it whenever you have a new agreement.
  - If the agreement will be a SBITA, there are certain Object Codes we recommend using for tracking your SBITA costs (implementation and subscription):
    - 7160 – Other External Computer Processing, Hosting, Subscriptions, Maintenance and Support Costs – Use this object code for all subscription payments.
    - 8485 – SBITA Implementation – This is a Capital Outlay Object Code. Use this for Capitalizable SBITA Implementation costs.

# Financial Reporting – Financial Reporting GAAP Group

## Janette Wallin

- If you determine that you have a SBITA that meets the materiality threshold and will have capitalizable implementation costs, please DO NOT capitalize it in AZ360. This will be done manually outside of AZ360 because the subscription costs and a present value calculation must be done and added to the implementation costs before it can be capitalized.
- For owned software (not a SBITA), please continue to follow the prescribed capitalization procedures, using the Capital Outlay objects listed below.
  - 8483 – Development in Progress for implementation costs of owned software.
  - 8481 – Purchased or perpetually licensed software/website for purchase of software that is over the capitalization threshold but does not require additional implementation costs.
  - 8581 – Purchased or perpetually licensed software/website for purchase of software that is below the capitalization threshold.

# Questions and Answers