



Financial Reporting Updates

Accounting Policy Meeting
Aug. 17, 2023

Financial Reporting Section
Fiscal Management Division

Agenda and Presenters



Preparing for Fiscal Year-End Close

Presenter: **Laurel Mulkey**
systems analyst

USAS System-Generated Lapse

Presenter: **Shantel Jackson**
appropriation control officer

88th Legislature Bills of Interest

Presenter: **Ben Strauser**
appropriation control officer

SEFA Updates and Guidelines

Presenters: **Dina Fletcher & Irma Toth**
SEFA reporting analysts

SPTR Updates and Guidelines/AFR Final Review

Presenter: **Alton Gamble & Megan Toliver**
financial reporting analyst

Questions/Adjournment

Presenter: Appropriation Control, Financial Reporting and
Statewide Fiscal Programs sections

Being Informed on FMX



Resources

- [FMX](#) —Fiscal Management’s website
 - ❖ FMX Quick Links flyout menu
- [FMXtra](#) — Fiscal Management’s weekly e-newsletter
 - ❖ How to subscribe
- [Accounting Policy Meetings](#) webpage
 - ❖ Agenda
 - ❖ Handout
 - ❖ Q&A’s

What is Fiscal Year-End Close?



Fiscal Year-End Close (FYEC) begins the evening of Aug. 31 after the regular USAS cycle.

- If Aug. 31 falls on a weekend, FYEC occurs the Friday before.

Note: For the purpose of this presentation, we are using Aug. 31 as the date to represent when FYEC occurs.

- Process final sweeps:
 - ❖ Unappropriated Receipts (Appropriation 99906)
 - ❖ Local Sales Tax Receipts (Appropriation 99907)
 - ❖ Sale of Surplus Property (Appropriation 99908)
 - ❖ Earned Federal Funds (Appropriation 70000)
 - ❖ Hotel Occupancy Tax Refunds

What is Fiscal Year-End Close? (Cont.)



- Close balances in preparation for the closing year's financial reporting process.
 - ❖ Close nominal activity to fund balance/net position GLs.
 - ❖ Close cash to posting (GLs 0045 and 0052).
 - Cash cannot be posted to closed fiscal year (no backdating).
 - Prior year non-cash posting allowed in the new fiscal year with appropriate security and transactions.
- Prepare USAS financial tables for the new (incoming) fiscal year.
 - ❖ Create financial tables for new fiscal year.
 - ❖ Roll closing year's balances forward to new fiscal year's tables.
- USAS may be down on Sept. 1 – plan accordingly!
 - ❖ Prompt payment law still in effect.

How it all Fits Together



Several annual processes relate to closing out the fiscal year and/or preparing for the new (incoming) fiscal year:

- **Profile Rollover** (3rd weekend of June) – Creates the profiles for the incoming year.
- **Financial Table Archive** (3rd weekend of August) – Archives the prior year's financial tables in preparation for the incoming year.
- **Automated Lapses** (Aug. 31) – Processes the system-generated lapse transactions for expiring appropriations.
- **Fiscal Year-End Close** (Aug. 31) – Hard cash close, final sweeps, closes nominal activity.
- **Financial Reporting Period** (Sept. – Feb.) – Preparation of Cash Report, agency AFRs and statewide ACFR.
- **GL Close** (April – May) – Closes the prior fiscal year's final nominal activity to fund balance/net position GLs.

FYEC Frequently Asked Questions



- **Question:** Is USAS online available all day on Aug. 31?
 - ❖ **Answer:** Yes. USAS is available from 7:00 a.m. to 7:00 p.m. per the usual system availability schedule.
- **Question:** Is there a normal nightly cycle run on Aug. 31?
 - ❖ **Answer:** Yes. A regular USAS cycle runs as usual after USAS goes down at 7 p.m. After the regular cycle completes, the FYEC process begins.
- **Question:** Are payments generated during the Aug. 31 cycle?
 - ❖ **Answer:** Yes. Payments are generated during that final cycle and available for distribution the next business day.

FYEC Frequently Asked Questions (Cont.)



- **Question:** When Aug. 31 falls on a weekend and FYEC occurs on the Friday before, are additional cycles run on that Saturday or Sunday?
 - ❖ **Answer:** No. A regular cycle runs as usual on Friday, which is then followed by the FYEC process. Additional cycles are not run over the weekend. Once FYEC is complete, USAS online is available.
- **Question:** Are reports generated during the Aug. 31 cycle?
 - ❖ **Answer:** Yes. Reports are generated, like during any other cycle. Depending on how long the FYEC process takes, reports may not be available to pickup as early as usual.

FYEC Frequently Asked Questions (Cont.)



- **Question:** Are all transactions processed during FYEC included in the Aug. 31 History Extract (HX) file?
 - ❖ **Answer:** Yes. The HX file for Aug. 31 includes all transactions processed during the regular cycle (plus all the transactions processed during year-end close, including the final sweep transactions).
Contact your agency's IT section *first* for assistance with accessing your agency's HX files.

- **Question:** Are there certain transactions or processes that must be done prior to FYEC?
 - ❖ **Answer:** Yes. Check out the [2023 Master Schedule of Fiscal Year-End Close Events](#) for all things year-end close!

Scheduling Payments Around FYEC



Payments Using Appropriation Year (AY) 2023 or Prior

- For payments due on Aug. 31, 2023 (Thursday): Transactions should be entered and ready by Monday, Aug. 28.
- For payments due on Sept. 1, 2023 (Friday): Transactions should be entered and ready by Tuesday, Aug. 29.
- Data entry by those suggested dates allows time to correct any errors, obtain final approvals, or perform last-minute releases.

Scheduling Payments Around FYEC (Cont.)



Payments Using AY 2024

- AY 2024 funds cannot be used for payments until Sept. 1, 2023.
- Payment transactions cannot *process* using a future Effective Date.

Note: Review the Transaction Code Decision Profile (28A), FUTMY field to verify if the transaction can be future dated:

```
TEXAS S28A                UNIFORM STATEWIDE ACCOUNTING SYSTEM      MM/DD/YY HH:MM AM
LINK TO:                   TRANSACTION CODE DECISION PROFILE          PROD
ACTION: R (A=ADD, C=CHANGE, D=DELETE, N=NEXT, R=RECALL)
TRAN CODE: 225 TITLE: ESTABLISH VOUCHERS PAYABLE
GENERAL LEDGER DR-1: 5501 CR-1: 1009 DR-2:          CR-2:
POSTING DR-3:          CR-3:          DR-4:          CR-4:
TRANS DOCD PDDT R SVDT I CDOC I RDOC MODI N AGCY R IDX PCA R COBJ R
ED IND: AOBJ RVRS PDT CI 1099 WARR INVC R VNUM I VNAM R VADD
RQDT DMETH R APN# R FUND R GLA N AGL N GRNT SUBG PROJ MULT DI#
POST SEQ: 1 REG NO: 2 WW IND: 1 D/I: D WAR CANCL TC: 951 PYTC: FUTMY: N
GEN TC:          GEN ACCR TC:          GEN TC2:          INTERFACE IND: 1 B
PAY LIQ TC: 380 BALTC:          AFRTC:          INTTC: 387
          A/S BT MATCH GLA DOC          A/S BT MATCH GLA DOC
DF:
FILE AP: + 17
POSTING AB: + 17
INDS: CC:
      GP: + 17
      PJ: + 17
      CF: + 17
          STATUS CODE: A
EFF START DATE: 09011994 EFF END DATE:          LAST PROC DATE: 06212005
Z06 RECORD SUCCESSFULLY RECALLED
F1-HELP F3-END F4-INTERRUPT F6-PROCESS F10-28B PROFILE F11-28C DESC
```

Scheduling Payments Around FYEC (Cont.)

Payments Using AY 2024 (Cont.)

➤ Cannot *process* in USAS prior to Sept. 1 — but can be **entered** prior to Sept. 1:

❖ For Input Record (In Rec) Files

USAS In Rec File	Field Name	Value
Batch Header	Effective Date	20230901
Document Header	Document Transaction Year	24
Detail Transaction	Effective Date	20230901

❖ For online data entry

• On the Batch Header Entry (500) screen, enter:

BATCH EDIT MODE = **0**

EFFECTIVE DATE = **090123**

```

TEXAS S500          UNIFORM STATEWIDE ACCOUNTING SYSTEM   MM/DD/YY HH:MM PM
LINK TO:          BATCH HEADER ENTRY                      PROD

      BATCH AGENCY: XXX          (SIGN ON AGENCY)
      BATCH DATE: 083021        (MMDDYY, DEFAULTS TO TODAYS DATE)
      BATCH TYPE: 4
      BATCH NUMBER: 001
      BATCH EDIT MODE: 0

      BATCH COUNT:              BATCH AMOUNT:

      PAYMENT DIST TYPE:        (MUST BE VALID IN D53 TITLES PROFILE)
      DISB METH IND:            (H, M, R, E, C OR SPACE)
      EFFECTIVE DATE: 090123    (MMDDYY, DEFAULTS TO TODAYS DATE)
      FAST ENTRY:              (M/S/ )
      USER ID: LMUL523          MULKEY, LAUREL
      USER CLASS: 79
      ACTION CODE AGENCY:
      ACTION CODE:

F1-HELP F3-END F4-INTERRUPT
    
```



Scheduling Payments Around FYEC (Cont.)

Payments Using AY 2024 (Cont.)



- On the Pre-Enc/Enc/Expend Transaction Entry (505) screen, enter:

EFF DATE = **090123**

```
TEXAS S505          UNIFORM STATEWIDE ACCOUNTING SYSTEM   MM/DD/YY HH:MM PM
LINK TO:           PRE-ENC/ENC/EXPEND TRANSACTION ENTRY   PROD

BATCH: AGENCY XXX DATE 083021 TYPE 4 NO 001 SEQ NO 00001 MODE MASTER EDIT ONLY
DOC DATE:          EFF DATE: 090123   PMT DUE DATE: 042921   SERV DATE: 080121
DOC/SFX: 9XXXXXXX 001 REF DOC/SFX:                                DISC DATE:
TRAN CODE: 225                                           IC: N       RQD PMT DATE:
INDEX:                                           MOD:       AGENCY: XXX AY: 22
PCA: 60070                                           PCC:       REQ NO:
COMP/AGY OBJ: 7102                                           NACUBO SUBFUND:
AMOUNT: 00000000010.00 RVS:   DISC: 00000000000.00 1099:   FO:   PDT: DF
DOC COUNT: 00001 DOC AMT: 00000000010.00 DOC AGY: XXX CI:   PROP #:
INV NO:                                           INV DT:   CONF: Y
DESC:
DESC:
VEND/MC: 3XXXXXXXXXX 001 NM: VENDOR NAME
APPN NO: 00000           FUND: 0001           ORIG PMT DATE:
CONT NO:           WARR NO:
GL AC/AGY:
GRANT NO/PH:           SUB GRANTEE:           PROJ NO/PH:
MPCD:           AGY CD-1:   2:           3:           DI:           RTI:

F1-HELP F3-END F4-INT F8-FORWARD F11-DETAILS F12-ADDR
```

- The document transaction year defaults to the value based on the effective date of the transaction.

IMPORTANT: Release or pre-release these batches!

Ordering August Monthly Reports



August monthly reports will run on Friday, Sept. 1, 2023 (so we will be in the new fiscal year when the August reports are run).

During the week of Aug. 28:

- On your Agency Control (25) Profile for FISCAL YEAR **24**, set the REPORTING INDS-MO to **Y**:

```
TEXAS S025 UNIFORM STATEWIDE ACCOUNTING SYSTEM MM/DD/YY HH:MM PM
LINK TO: AGENCY CONTROL PROFILE PROD
ACTION: R (A=ADD, C=CHANGE, D=DELETE, N=NEXT, R=RECALL)
AGENCY: XXX FISCAL YEAR: 24

COST CA RUN: CA TYPE: NO STEPS: LAST STEP:
ALLOCATION- CA BY IDX: CA BY PROJ: CA BY GRANT: CA POST:
CA RANGE FROM: TO:
BILLING DEF- IDX: PCA: EXP COMP/AGY OBJ:
DEFAULT- IDX: PCA: REV COMP/AGY OBJ:

ENC DOC MATCH LVL: 0 (LEVEL OF DOCUMENT MATCH:0=NONE,1=APPN,2=ALL)
PRE ENC DOC MATCH LVL: 0 (LEVEL OF DOCUMENT MATCH:0=NONE,1=APPN,2=ALL)
ENC INDICATOR: N (Y OR N; REDUCE AUTHORITY/CASH)
PRE ENC INDICATOR: N (Y OR N; REDUCE AUTHORITY/CASH)
AGENCY OBJECT IND: N (R=REV, E=EXP, B=BOTH, N=NONE)
LAST MONTH CLOSED: 00 AGY BUD BY ORG IND: N (Y OR N)
LAST YEAR CLOSED: 21 AGY BUD BY PGM IND: N (Y OR N)
REPORTING INDS- MO: Y QTR: N YR: N PY OPEN: N FA CONTROL: N
GRANT/PROJ BILLING RUN: N FA DEP RUN: N STATUS CODE: A
EFF START DATE: 09011992 EFF END DATE: LAST PROC DATE: 03312021
Z06 RECORD SUCCESSFULLY RECALLED
PLEASE ENTER FUNCTION
F1-HELP F3-END F4-INTERRUPT F6-PROCESS
```

Ordering August Monthly Reports (Cont.)



- On Report Request (91) Profile(s), verify the:
 - ❖ PERIOD is set to **PM**.
 - ❖ FREQUENCY is set to **MONTHLY**.
 - ❖ STATUS CODE is set to **A**.

```
TEXAS S091          UNIFORM STATEWIDE ACCOUNTING SYSTEM          MM/DD/YY HH:MM PM
LINK TO:          REPORT REQUEST PROFILE                          PROD

ACTION: R (A=ADD,  C=CHANGE,  D=DELETE,  N=NEXT,  R=RECALL)

      AGENCY: XXX      REQUESTOR: AAAA      REPORT ID: DAFR9670 REQUEST NO: 01
      APPN YEAR:          PERIOD: PM          FY:          FREQUENCY: MONTHLY

LEVEL -   ORG: 2 PROGRAM:   OBJECT:   FUND: 4 NACUBO FUND:   GL ACCT:
      GRANT:   PROJECT:

AGENCY GROUP:          CONFIDENTIAL INFO: N ( P,T,B,N )
SPECIAL SELECTS -
      AGENCY: XXX          ORG CODE:
PROGRAM CODE:          NACUBO FUND:
APPROP FUND:          FUND:
COMP OBJECT:          AGY OBJECT:
      GL ACCT:          AGY GL ACCT:
      GRANT:          PROJECT:
      SPEC SEL 1:          SPEC SEL 2:
LST RUN DATE:          LINES:          STATUS CODE: A
EFF START DATE: 06132002  EFF END DATE:          LAST PROC DATE: 10102020

F1-HELP      F3-END      F4-INTERRUPT      F6-PROCESS
```

General Internal Transaction (IT) File Reminders



- All fiscal 2023 transactions should be successfully processed, paid and written to history by Aug. 31.
- Cash transactions (post to GLs 0045 or 0052) should process off the IT file **prior to** Aug. 31.

Note: Cash transactions that fail to process on Aug. 31 must be deleted and re-entered with a current (fiscal 2024) `EFFECTIVE DATE`.

- Research and correct your batch errors daily.

Note: Remember to balance and release the corrected batches.

- **Never** make any changes or deletions to system-generated batch types (these are the “alpha” batch types).

Note: Changing data elements on these batches can cause appropriation, fund and/or system imbalances.

- Submit [Super Security Delete Requests](#) (SSD) for batches older than 30 days *now*.

Remember: SSDs must be submitted **by 4 p.m.** to ensure same-day processing.

- Submit SSD requests on Aug. 31 by **noon** (or before) to ensure same-day processing.

Ordering August Monthly Reports (Cont.)

Review the USAS 530 Screen



The [View Batch Headers \(530\) screen](#) (the “53 screen”) provides clues for why a batch is still pending and what corrective actions are needed.

Use the SORT field to sort batches in a particular order (such as by date, batch type, balancing indicator or status).

```
TEXAS  S530                UNIFORM STATEWIDE ACCOUNTING SYSTEM      MM/DD/YY HH:MM AM
LINK TO:                    VIEW BATCH HEADERS                                PRD

ACTION: N (F=FIRST PAGE, N=NEXT PAGE, S=SELECT BATCH)
SORT: (D=DATE T=TYPE N=NMBR S=STATUS B=BAL M=MODE F=FPP BLANK=DEFAULT)
BATCH AGENCY: 123
...BATCH ID...
S  DATE TYP NO  STA BAL MD FPP  EFF  ENTERED  ENTERED  COMP  COMP
   DATE TYP NO  STA BAL MD FPP  DATE  COUNT  AMOUNT  COUNT  AMOUNT
051222 4 501 P  Y  4  # 051222 00005 00000167600.00 00005 00000167600.00
060822 4 501 P  Y  4  060822 00001 00000010000.00 00001 00000010000.00
060922 4 501 P  Y  4  * 060922 00005 00000049550.57 00005 00000049550.57
061722 4 501 P  Y  4  061722 00004 00000035052.00 00004 00000035052.00
062022 4 501 P  Y  4  062022 00002 00000091671.85 00002 00000091671.85
062322 2 608 H  Y  3  062322 00022 00116009746.52 00022 00116009746.52
062322 2 609 H  N  3  062322 00070 00000000697.68 00070 00000000697.68
062322 4 379 H  Y  3  062322 00001 00000000577.04 00001 00000000577.04
062422 4 698 H  N  1  062422 00015 00004231629.82 00015 00004231629.82
062422 2 608 R  Y  0  062422 00018 00002604421.68 00018 00002604421.68
062422 2 609 R  Y  0  062422 00086 00000000209.18 00086 00000000209.18
062422 2 611 R  Y  0  062422 00002 00000004635.24 00002 00000004635.24
* = FAILED PAYMENT PROCESSING (FPP) ERRORS; # = NEGATIVE BALANCE ERROR(S)

TO VIEW ADDITIONAL SUMMARY RECORDS, PRESS ENTER
F1-HELP F3-END F4-INTERRUPT F8-DOC/TRACK F9-BALANCING F10-RECALL F11-DETAILS
```

General Internal Transaction (IT) File Reminders (Cont.)

Review the USAS 530 Screen (Cont.)

Refer to the following columns for specific batch information:

- STA – Batch Status indicator:
 - ❖ Verify if the batch on hold or needs an approval.
 - If STA = H and MD not = 4, release the batch.
 - Batches in Edit Mode (MD) 4 do not need to be balanced or released.
 - If STA = A, the batch is awaiting approvals.
 - Review the STATUS, RQ ACT and REQUIRED REAPPROVAL ACTIONS fields on the [Document Tracking \(37\) screen](#).



General Internal Transaction (IT) File Reminders (Cont.)

Review the USAS 530 Screen (Cont.)



- BAL – Batch Balance indicator. If unbalanced, verify if:
 - ❖ Batch has been released. Batches that have never been released will also be “unbalanced.”
 - ❖ ENTERED BATCH COUNT **and** ENTERED BATCH AMOUNT **match the** COMPUTED BATCH COUNT **and** COMPUTED BATCH AMOUNT.
 - To update, use the [Change Batch Header \(511\) screen](#).
 - ❖ The Document Amount matches the absolute total of the transaction amounts within the document.
 - ❖ The total of cash transactions nets to zero.
 - ❖ AGLs are not out of balance.

General Internal Transaction (IT) File Reminders (Cont.)

Review the USAS 530 Screen (Cont.)



- MD – Batch Edit Mode indicator:
 - ❖ 0 – No data or funding edits have been done.
 - ❖ 1 – Data edits done online but must go through cycle for funding edits and posting to occur.
 - ❖ 2 – Data and funding edits done online and batch has posted.
 - ❖ 3 – Transactions are in error status and cannot process until fixed.
 - ❖ 4 – Transactions have posted but have not finished or paid.

General Internal Transaction (IT) File Reminders (Cont.)

Review the USAS 530 Screen (Cont.)



- FPP – Failed Payment Processing Error indicator:
 - ❖ *Failed payment processing errors.
 - In general, these are due to failed funding edits.
 - Indicates the payment has not been issued.
 - ❖ # Negative payment processing errors.
 - USAS cannot issue negative payments.
 - Net negative payment transactions stay on the IT file until sufficient positive payment transactions are processed.
 - Negative payments mean the state is owed money and, each day that a negative payment sits on the IT file, the state loses potential interest revenue.
 - If the negative payment(s) cannot process and you need assistance with collecting the overpayment, see [Accounting for Uncollectible Accounts \(APS 027\) \(FPP C.001\)](#).

Helpful DAFRS



Use daily control DAFRs to help identify transaction statuses and errors:

- **Batch/Document Processing Summary (DAFR2021)** – Displays whether Input Records submitted to USAS from another accounting system, including CAPPS, were accepted by USAS for processing.
- **Agency Batch Error Report (DAFR2151)** – Displays transactions with funding and/or data-related errors detected during cycle.
- **USAS Transaction Aging Report (DAFR2221)** – Displays outstanding batches and each batch's processing status.
- **USAS IT Status Report (DAFR3331)** – Displays documents with errors detected during cycle, including funding and data element errors and documents requiring approval.

Helpful DAFRS (Cont.)



- **Payment Error Comparison Report (DAFR3521)** – Displays payment processing errors such as payments not generated due to future payment due dates or fatal funding errors.
- **Transactions Cancelled for Negative Balances (DAFR3601)** – Displays transactions that were cancelled (not paid and remaining on the IT file) due to a negative payment balance.
- **Fund Control Errors Occurring During Pmt Processing (DAFR3631)** — Displays transactions in which funding, vendor and/or document errors were detected during the payment processing cycle.

IT File Helpful Hints



- If you enter **C** (change) on the Recall a Batch for Correction (510) screen, USAS puts the batch on hold and it must be re-released – **even if no changes were made to the transactions!**
 - ❖ Enter **V** (view) if you just want to review the transactions.
- Use caution when correcting or deleting transactions from “balancing” documents in edit mode 3.
 - ❖ For example, transactions using T-code pairs 246/903, 247/904 or 264/905.
 - ❖ Once these documents are balanced and partially posted, it can be difficult to rebalance.
 - ❖ When in doubt, email USAS Maintenance at usas.maintenance@cpa.texas.gov.

Being Informed on FMX (Resources)



- [USAS System](#) (index page)
- [USAS Documentation](#)
- [USAS Batch Posting Sequence](#)
- [USAS FAQs](#)
- [System Outages and Holidays Calendar](#)
- [USAS Annual Close Process \(FPP Q.004\)](#)
- [Master Schedule of Fiscal Year-End Close Events](#)
- [Payment Scheduling Information](#) (on eXpendit)
- [Prompt Payment Information](#) (on eXpendit)
- [USAS Comptroller Objects That Require Pre-Payment Audit and/or Descriptive/Legal Text for Purchase Documents \(FPP I.008\)](#)
- [USAS Internal Transaction File Maintenance and Super Security Delete Process \(FPP Q.001\)](#)
- [USAS Document Tracking Screens](#)

Questions?



Topic	Section	Contact Information
<ul style="list-style-type: none"> • Budget Revisions • Journal Vouchers 	Appropriation Control	Appropriation Control Directory
<ul style="list-style-type: none"> • Purchase and Travel Pre-Payment Audit Approvals • Payment Due Dates and AY Determination 	Expenditure Assistance	Expenditure Assistance Directory or call (512) 475-0966
<ul style="list-style-type: none"> • Payroll (SPRS/HRIS) 	SPRS/HRIS Help Desk	(512) 463-4008
<ul style="list-style-type: none"> • CAPPS Financials or HR/Payroll 	CAPPS Help Desk	(512) 463-2277
<ul style="list-style-type: none"> • Texas Identification Number System (TINS) • Reinstated Warrant Cancellations – USAS 	Payment Services	(512) 936-8138
<ul style="list-style-type: none"> • Treasury Deposits 	Banking and Electronic Processing	(512) 463-6385
<ul style="list-style-type: none"> • Warrant Cancellations – Treasury 	Treasury	(512) 475-3288
<ul style="list-style-type: none"> • Super Security Deletes 	Fiscal Systems Analysis	usas.maintenance@cpa.texas.gov
<ul style="list-style-type: none"> • USAS Year-End Close Process 	Fiscal Systems Analysis (Laurel Mulkey)	laurel.mulkey@cpa.texas.gov or call (512) 463-4584

Encumbrance Report and Lapsing of Appropriations



Encumbrance Report and Lapsing of Appropriations APS 018 (FPP A.019)

- [FPP A.019](#) is available on FMX.
- Texas Government Code, Section 403.021(b), requires agencies to report all binding encumbrances and payables in USAS for the first three quarters (of the current AY) within 30 days after the close of each quarter.
- Fiscal year-end binding encumbrances and payables must be reported annually by Oct. 30 to:
 - ❖ Comptroller's office
 - ❖ SAO
 - ❖ LBB
- The report must contain:
 - ❖ All appropriation years (AYs)
 - ❖ All appropriated funds (whether received as a direct appropriation or a transfer)

Encumbrance Report and Lapsing of Appropriations (Cont.)



Impact on Economic Stabilization Fund (ESF)

- At the end of each biennium, **half of the unencumbered positive General Revenue Fund balance is transferred to the ESF**, as per the Texas Constitution, Article III, Section 49-g.
- Entering binding encumbrances and payables in USAS by the deadline is crucial in determining the amount that will be transferred to the ESF (as required by the Texas Constitution).

Impact on Biennial Revenue Estimate (BRE)

- Accurate encumbering and lapsing of appropriations are also critical in the creation of the BRE.
- The BRE is used by the Legislature to determine available resources for appropriations to state agencies and institutions of higher education during each legislative session.

Encumbrance Report and Lapsing of Appropriations (Cont.)

Annual Automatic Lapse



- Texas Government Code, Section 403.021(d), states that on Nov. 1 of each fiscal year, the Comptroller shall lapse all unencumbered, non-construction appropriation balances for all prior appropriation years based on the payables and binding encumbrances reported in USAS.
- The Automatic Lapse algorithm is designed to examine each balance type (BT) in USAS as of:
 - ❖ The end of the prior fiscal year (08/32/23)
 - ❖ **Oct. 30** of the current fiscal year (10/30/23)
- The algorithm follows a logical sequence that incorporates several assumptions — ultimately calculating a committed and collected lapse amount that posts in **Edit Mode 2** as early as the **Nov. 1** nightly cycle.

Encumbrance Report and Lapsing of Appropriations (Cont.)

Assisting Agencies



Appropriation control officers assist agencies with budgetary screen cleanup for the entire fiscal year — especially throughout the month of October. This includes advising agencies to:

- Reduce appropriation revisions where necessary (for example: T-codes 006R/009R).
- Move fund cash forward (to unappropriated) or to the sweep (as appropriate).
- Ensure all encumbrances/accruals are properly entered and backdated to the prior fiscal year (where appropriate).
- Ensure all unexpended balances (UBs) and lapses calculated by the agency are entered in USAS.

Encumbrance Report and Lapsing of Appropriations (Cont.)

Assisting Agencies (Cont.)



- Ensure excess revenue collections are properly posted (*meaning that BT 11 + BT 13 = BT 12*). If there are errors, work to correct them before the end of October (*usually with T-code 179R/195 or 195R/179*).
- Ensure that USAS D23 profiles are active in the current fiscal year for any funds subject to lapse.

The algorithm uses a key calculation throughout the logic: “accrued or encumbered amounts available for expenditure as of 10/30,” which is calculated as follows:

- BT 16 – Cash Reserved for Payroll
- BT 17 – Accrued Expenditures
- BT 18 – Encumbrances Outstanding

Note: Total accruals as of fiscal month 13.

Encumbrance Report and Lapsing of Appropriations (Cont.)

Assisting Agencies (Cont.)



- BT 15 – Expenditures as of 10/30
 - ❖ **Less:** BT 15 – Expenditures as of fiscal month 13.
Change in expenditures between fiscal month 13 and 10/30.
- Total accruals as of FM 13
 - ❖ **Less:** Change in Expenditures between fiscal month 13 and 10/30.
Accrued or encumbered amounts available for expenditure as of 10/30.

Bills of Interest from the 88th Legislature



Recap/General Appropriations Act (GAA)

- [Changes to Article IX of the GAA and Other Bills of Interest to State Agencies \(FPP F.008\)](#)
- 8,046 Bills filed; 1,246 sent to the Governor (15% passage rate).
- 14 constitutional amendments will be voted on 11/7.
- \$14.1B in available general revenue-related funds remaining.
- General Appropriations [HB 1](#) contains:
 - ❖ Biennial appropriations of \$321.3 billion in all funds, a 29% increase from the 2022-23 biennium
 - ❖ New requirement for Benefits Paid Proportional by Method of Finance (Article IX, Section 6.08)
 - ❖ Changes to transfers and capital budgets (Article IX, Sections 14.01 and 14.03)
 - ❖ Salary increase for state employees (Article IX, Section 17.16)

Bills of Interest from the 88th Legislature (Cont.)



Benefit/Salary Changes

- No changes in retirement eligibility or calculation of benefits for current employees in ERS or TRS.
- Employee and state contribution rate for TRS employees will increase to 8.25% in fiscal 2024-25.
- New retirement annuity option under ERS ([HB 1393](#)).
- Salary of certain employees who transfer within a state agency ([HB 2157](#)).
- One-time payment and COLA for some TRS retirees ([SB 10](#) & [HJR 2](#)).
- Paid Parental Leave ([SB 222](#)).
- Employment preference for spouses of military members ([SB 1376](#)).

Bills of Interest from the 88th Legislature (Cont.)



Standard Legislation

- Funds consolidation ([HB 3461](#))

See [Funds Consolidation: Limits on New General Revenue Accounts, Special Funds and Dedications of Revenue \(FPP A.046\)](#).

- Miscellaneous claims ([HB 4041](#))

- Supplemental appropriations ([SB 30](#))

See [Processing Supplemental Appropriations and Reductions \(FPP A. 047\)](#).

- Agencies under sunset review ([SB 1659](#))

Bills of Interest from the 88th Legislature (Cont.)



Miscellaneous Legislation

- Notice of certain proposed rules ([HB 139](#))
- IT credential for state employees ([HB 584](#))
- Changes to certain research funds ([HB 1595](#) & [HJR 3](#))
- Warrant hold change ([HB 2691](#))
- Exemption for certain procurement notice requirements ([HB 3013](#))
- Administration of electric state business daily ([HB 4012](#))
- AFR deadline and recovery audit changes ([HB 4510](#))
- Security incident procedures ([SB 271](#))

SEFA Annual Certification Due Dates, Reminders and Upcoming Changes



Schedule of Expenditures of Federal Awards (SEFA)

- Agencies must report federal financial assistance expended directly from federal agencies and/or indirectly from pass-through entities.
- On the AFR website:
 - ❖ See the [Schedule of Expenditures of Federal Awards \(SEFA\)](#) on the AFR website for detailed information on SEFA reporting requirements.
 - ❖ Select **AFR Web Applications** in the right-hand toolbox menu to access the SEFA web application.
 - ❖ [SEFA Timeline](#)

Date	Description
Sept. 1	Initial Certification
Sept. 19-27	Interagency Federal Pass-Through Reconciliation
Sept. 28	Pass-Through Certification
Nov. 1	Final Certification

SEFA's Required Data



- See AFR's [SEFA – Required Data](#).
- Identify all federal assistance received by the federal grantor agency by federal program.
- Categorize all federal assistance received as either Direct programs or Pass-Through From programs.
- Categorize all federal assistance expended as either:
 - ❖ **Expenditures**
 - OR–
 - ❖ **Pass-Through To** expenditures

Full Reporting Agencies (FRAs)



SEFA FRAs are responsible for:

- Supporting agencies with SEFA additions, issues and reporting.
- Completing various reports and with agency input provide variance explanations.
- Submitting all applicable notes and reports to SAO for audit.
- Updating entries in the SEFA web application for SAO audit adjustments.
- Submitting the final SEFA report to SAO by **Feb.15**.
- Uploading the final SEFA report to [Federal Audit Clearinghouse](#) (FAC).

SEFA Web Application



- Contact your agency's security coordinator to request access to the SEFA web application.
- Report any error messages in the SEFA web application to the new email at: sefa.texas@cpa.texas.gov.
- SEFA Report allows agencies to run by agency.
- For more SEFA reporting information, see the [Instructions for the SEFA Web Application](#) on the AFR website.
- [Step 8 – Entering Notes to SEFA](#) includes procedures for Note 12 Funding Sources CCDF Cluster and Note 13 EHV Program Funding.

Updates to SEFA Notes



- AFR's [Notes to SEFA](#)
- Whitehouse.gov's [Office of Federal Financial Management](#) (Federal Compliance Supplement), Issued May 2023 (2 CFR Part 200, Appendix XI)
- [Note 3: Student Loans](#)
- [Note 8: Disaster Grants – Public Assistance \(Presidentially Declared Disasters\) \(ALN 97.036\)](#)
 - ❖ Lists official FEMA declared disasters.
 - ❖ Disclose prior year project expenditures approved by FEMA in current fiscal year.
 - ❖ To add new FEMA disaster declarations, email requests to: sefa.texas@cpa.texas.gov.

Updates to SEFA Notes (Cont.)



- [Note 12: Funding Sources within the CCDF Cluster](#) (ALN 93.575 and ALN 93.596)
 - ❖ Report by CCDF funding source the amount of CCDF direct revenues + NSE pass-through revenue received.
- [Note 13: EHV Program Funding](#) (ALN 14.871)
 - ❖ Report Emergency Housing Voucher (EHV) direct revenue or NSE pass-through revenue.

Note: Verify the reported amounts for Notes 12 and 13 equal the amounts reported in the SEFA Schedule.

Unique Entity ID (UEI)



- Agencies must use the UEI to register to do business with the federal government on [SAM.gov](https://sam.gov) before applying for a federal award.
- Agencies must maintain an active registration status.
- If your agency is only reporting as a sub-awardee, complete registration may not be required.
- The UEI does not expire. Registrations must be updated and renewed each year.
- The UEI is required for final SEFA certification and for Federal Funding Accountability and Transparency Act (FFATA) reporting.

Note: “Active registration” is required if your agency receives direct federal award funds. Additionally, it allows your agency to bid on federal awards as a prime awardee.

Non-State Entity (NSE)



NSE is a local government, non-profit organization or a for-profit organization that receives financial assistance from a state agency or provides funding to state agencies.

- NSE's that conduct business with a state agency (such as receiving or awarding funds) need to have a contract and AL number (ALN).
- Federal awards expended as a prime recipient or a subrecipient are subject to audit.
- NSE's must have a UEI for FFATA reporting.

Note: The payments received for goods or services provided as a contractor are not considered federal awards and are not reported in SEFA.

For more information, see AFR's [Distinguishing between Subrecipients and Contractors \(Vendors\)](#).

Generic ALNs



ALNs are the federal grantor agency's prefix number followed by a period and three zeroes (example: 84.00).

- Verify your agency ALNs are listed in [SAM.gov](https://sam.gov).
- If the federal program number is unknown, contact the federal grantor agency and request the ALN.
- If an ALN is not assigned, the agency may use the federal generic ALN, as an alternative option.

Note: Use of generic ALNs may result in an audit finding.

For more information, see AFR's [Data Elements](#) page.
(within SEFA's tab)

Federal Funding Accountability and Transparency Act (FFATA)



- FFATA requires:
 - ❖ Recipients of grants or cooperative agreements to report first-tier subawards to non-state entities (NSEs) of \$30,000 or more.
 - ❖ Each state agency or institution of higher education to report grants to NSEs in the **Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS)** on a monthly basis.
- To comply with the FFATA requirements and the uniform guidance in CFR (Title 2, Part 200):
 - ❖ Each state agency and institution of higher education must retroactively report all its prior fiscal 2023 months' NSE activity (Sept. 1, 2022 – June 30, 2023) in FSRS by Aug. 31.

Federal Funding Accountability and Transparency Act (FFATA) (Cont.)



- Failure to meet these reporting requirements may result in an audit finding in the preparation of the *State of Texas Annual Comprehensive Financial Report (ACFR)* and the State of Texas Federal Portion of the Statewide Single Audit Report.

Note: The Comptroller's office intends to develop and enhance the SEFA web application for future fiscal year reporting of the NSE activity between agencies.

For more information, see the **Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS)** website's [FAQs](#) page.

Common SEFA Errors



- [Step 10. SEFA Agency Pass-Through Reconciliation](#) – Verify amounts between state agencies match for:
 - ❖ Pass-Through amounts
 - ❖ Special indicators for R&D and COVID
 - ❖ USAS accruals – Receiving agency determines the accrual amounts
- Discrepancies between SEFA Notes and Schedule.
- Discrepancies between SEFA web application and USAS.
- Note 2 is not reconciled.
- Reporting service contracts.
- Not reporting expenditures for grant awards state agency classified as service contracts.
- SEFA Certification Errors – Notes requiring entry:
 - ❖ Note 2: Reconciliation
 - ❖ Note 8: Disaster Grants – Public Assistance (Presidentially Declared Disasters) (ALN 97.036)
 - ❖ Note 9: Economic Adjustment Assistance (ALN 11.307)
 - ❖ Note 10: 10% de Minimis Indirect Cost Rate
 - ❖ Note 11: Donations from Federal Assistance
 - ❖ Note Verification C – NSE Information and ID Number Verification

Potential SAO SEFA Findings



- Reporting expenditures outside of the SEFA current fiscal year.
- Incorrect reconciling items reported in Note 2.
- Classification of expenditure errors between direct vs. pass-through.
- Incorrect classification of expenditures between federal programs.
- Incorrect classification of R&D and COVID funds.
- If the SAO submits a SEFA adjustment to the Comptroller's office, the adjustment will most likely become an audit finding.

Resources



- [Schedule of Expenditures of Federal Awards \(SEFA\)](#)
- [Definitions](#)
- [Instructions for the SEFA Web Application](#)
- [SAM.gov](#) — the System for Award Management
- [Federal Funding Accountability and Transparency Act](#)
- [Federal Funding Accountability and Transparency Act Subaward Reporting System \(FSRS\)](#)

If you have SEFA reporting questions, email requests and inquiries to sefa.texas@cpa.texas.gov.

State Pass-Through Grant Reporting



Resources

- [Reporting Requirements for State Pass-Through Grants](#)
- [State Pass-Through Reporting \(SPTR\) web application](#)
- [Instructions for the SPTR Web Application](#)
- [FMQuery](#) (includes pass-through grant recon reports)
- [Accounting Policy Meetings](#)
 - ❖ Agenda
 - ❖ Handout
 - ❖ Q&A's

State Pass-Through Grant Reporting (Cont.)



Pass-Through Grant Definition

Pass-through grants are those grants that are received by a recipient government to transfer to or spend on behalf of a secondary recipient. See [GASB 24](#).

State grant pass-throughs between agencies occur when agencies have an appropriation with the authority to grant a fund to another agency and retain the administrative responsibilities. See AFR's [State Pass-Throughs](#) page.

General Guidelines

- Grantor and Grantee agencies must coordinate pass-through activities with each other.
- The recurring transaction index (RTI) process is required in recording pass through activities.
- Agencies may reconcile pass-through transactions using one of the following reports:
 - ❖ Interagency/Interfund Activity
 - ❖ PT201 – State Pass-through activity by GL Account
 - ❖ PT202 – State Pass-through Activity

State Pass-Through Grant Reporting (Cont.)



Responsibilities

- Grantor agency is responsible for determining the classification of interfund activity:
 - ❖ State Pass-Through vs. Vendor Activity.
 - ❖ State Pass-Through vs. Federal Pass-Through.
- Grantee agency must:
 - ❖ Record transactions as determined by the disbursing agency.
 - ❖ Determine the accrual amount.

State Pass-Through Grant Reporting (Cont.)



Classification

Characteristics of a State Grant Pass-through From/To Another State Agency	Characteristics of Vendor Activity Between State Agencies (Vendor Payment)
The paying/grantor agency received an appropriation with the authority to grant that money to another agency.	The receiving agency has contracted to perform as service for, or on behalf of, the paying agency but they did not apply for or receive a grant.
The receiving agency was granted the dollars based on meeting specific qualifications.	The paying/grantor agency receives services that are quantifiable based on time, piece completed, etc.
The paying/grantor does not directly receive any consideration or benefit in exchange for the funds.	The paying/grantor agency receives some direct benefit for exchange of funds.
Report these funds in AFR line item "State Grant Pass-Through Revenue/Expense".	Report these funds in AFR line item "Other Sales of Goods and Services".

COBJs

There are only 4 COBJs used to report State Pass-Through Grants:

- 7614 – State Grant Pass-Through Expenditure, Non-operating
- 7615 – State Grant Pass-Through Expenditure, Operating
- 3725 – State Grant Pass-Through Revenue, Non-Operating
- 3842 – State Grant Pass-Through Revenue, Operating

State Pass-Through Grant Reporting (Cont.)



Fiscal Year-End Review

- Grantor agency COBJ 7614 or 7615 state grant pass-through expenditure **must equal** grantee agency COBJ 3725 or 3842 state grant pass-through revenue.
- COBJ 7614 or 7615 and COBJ 3725 or 3842 **must equal** the state grant pass-through amount on Combined Statement of Revenues, Expenditures, and Changes in Fund Balances or Combined Statement of Revenues, Expenses, and Changes in Net Position.
- All the state grant pass-through transactions **must** have the proper agency general ledger account (AGL). Transactions without the proper AGL do not post to the financial tables and must be corrected prior to fiscal year-end.

SPTR Web Application



Adding Grants to SPTR

- When sending a request to add grants to SPTR, keep in mind that the SPTR analyst will look to confirm that:
 - ❖ The grants are State Pass-Through Grants.
 - ❖ The agency making the request is the grantor agency and not the grantee agency.
 - ❖ There is a signed grant agreement.
 - ❖ The exact title of the grant is as it should appear in SPTR.
- Batch Entry Web Application Update.
- Grant-level Reconciliation Report.
- USAS Reconciliation Report.

SPTR Web Application (Cont.)



Batch Entry Web Application Update

The **Batch Entry** option is located on the SPTR home page, under the **Data Entry** section.

The screenshot shows the SPTR web application interface. At the top, there is a green header with the text "State of Texas — Annual Financial Reporting" and "State Pass-Through Reporting (SPTR)". Below the header, there is a navigation menu with three items: "Main Menu", "Agency Titles and Contacts", and "Calendar". The "Main Menu" item is highlighted. Below the navigation menu, there is a section titled "State of Texas - State Pass-through Reporting" with a date of "August 3, 2023". Below this, there is a dropdown menu for "Select Agency/University:" with a list of agencies and a text input field for "Enter Agy No:". The "Data Entry" section is highlighted, and the "Batch Entry" option is circled in red. A red arrow points to the "Batch Entry" option.

State of Texas — Annual Financial Reporting
State Pass-Through Reporting (SPTR)

State of Texas - State Pass-through Reporting
Main Menu
August 3, 2023

Main Menu | **Agency Titles and Contacts** | **Calendar**

State of Texas - State Pass-through Reporting

Select Agency/University:
- OR - Enter Agy No:

012 - Texas State Affordable Housing Corporation
013 - Correctional Managed Health Care Committee
014 - Texas A&M Research Foundation (Blended Component Unit)
016 - Texas Council on Alzheimer's Disease and Related Disorders
020 - OneStar National Service Commission
099 - Security Shell Agency - Central Use Only
101 - Senate
102 - House of Representatives

Data Entry | **Certification** | **Reports**

- Revenue
- Expenditures
- Batch Entry**

- Initial Certification
- Final Certification

- Schedule 1B
- Grant Reconciliation Report
- USAS Reconciliation Report

SPTR Web Application (Cont.)



Batch Entry Web Application Update (Cont.)

Once **Batch Entry** is selected, the user will be navigated to a new page containing instructions for how to submit the records using the **Batch Entry Screen** box.

Main Menu	Agency Titles and Contacts	Calendar
------------------	-----------------------------------	-----------------

State Pass-through Batch Entry

- Paste all records into the box provided, using CSV format. [\[See below for more complete instructions.\]](#)
- Click Submit
- If any errors are found, then none of the records will be written to the database. Instead, you will be given a description of the errors, and you'll need to edit and re-submit.
- If all data is correct, the submitted list will ***append*** to previously entered records for the agency. If the batch entry method is used to correct errors, the user will need to first delete the incorrect records using the "Record List" screen and then upload the corrected records.
- A batch entry upload will **NOT replace** any previously entered records

Batch Entry Screen:

SPTR Web Application (Cont.)



Grant-Level Reconciliation Report

Navigate to the **Grant-Level Recon Report** tab to verify that the amounts recorded in SPTR by the Grantor Agency and the Grantee Agency reflect a difference of zero.

State of Texas - State Pass-through Reporting
Grant Reconciliation Report
 August 13, 2021 2:23 PM

Main Menu	Agy 320 Revenue List	Agy 320 Expenditure List	Agy 320 Schedule 1B Report	Agy 320 Grant-Level Recon Report	Agy 320 USAS Recon Report	Agency Titles and Contacts	Calendar
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Agency 320 - Texas Workforce Commission
 Grant-level Detail

Agency 320 State Pass-through Revenue

Grantor Agy	Grantee Agy	Grant ID	Title	Amounts Reported		Difference
				Amount Reported by Grantor	Amount Reported by Grantee	
Totals:				\$0.00	\$0.00	\$0.00
Totals per USA:				\$0.00	\$0.00	\$0.00
Difference:				\$0.00	\$0.00	\$0.00

Agency 320 State Pass-through Expenditures

Grantor Agy	Grantee Agy	Grant ID	Title	Amounts Reported		Difference
				Amount Reported by Grantor	Amount Reported by Grantee	
320 - TWC	711 - TAMU	320.0005	State Leadership - AEL	634,408.19	-	634,408.19
320 - TWC	716 - TEEK	320.0003	Skills Development	17,756.76	-	17,756.76
320 - TWC	719 - TSTC-System	320.0002	Workforce Development - HB939	153,884.23	-	153,884.23
320 - TWC	719 - TSTC-System	320.0003	Skills Development	273,105.30	-	273,105.30
320 - TWC	787 - LSC-O	320.0001	Apprenticeship	305,774.31	-	305,774.31
320 - TWC	787 - LSC-O	320.0003	Skills Development	368,520.63	-	368,520.63
320 - TWC	788 - LSC-PA	320.0003	Skills Development	20,000.00	20,000.00	-
320 - TWC	789 - LIT	320.0002	Workforce Development - HB939	245,955.00	-	245,955.00
Totals:				\$2,019,404.42	\$20,000.00	\$1,999,404.42
Totals per USA:				\$2,019,404.42	\$3,301,881.49	\$-1,282,177.07
Difference:				\$0.00	\$-3,281,581.49	\$-3,281,581.49

Amount Reported by the Grantor and **Grantee** columns must balance with the **Totals per USAS** amount.

SPTR Web Application (Cont.)



USAS Reconciliation Report

Navigate to the **USAS Recon Report** tab to verify that the amounts recorded in USAS by the **Grantor Agency** and the **Grantee Agency** reflect a difference of zero.

State of Texas - State Pass-through Reporting
USAS Reconciliation Report
 August 13, 2021 2:31 PM

Main Menu	Agy 320 Revenue List	Agy 320 Expenditure List	Agy 320 Schedule 1B Report	Agy 320 Grant-Level Recon Report	Agy 320 USAS Recon Report	Agency Titles and Contacts	Calendar	Logout
---------------------------	--------------------------------------	--	--	--	---	--	--------------------------	------------------------

Agency 320 - Texas Workforce Commission
USAS Summary

Agency 320 State Pass-through Revenue

Grantor Agy	Grantor GAAP Fund Type	Grantor GAAP Fund	Grantee Agy	Grantee GAAP Fund Type	Grantee GAAP Fund	USAS Total per Grantor	USAS Total per Grantee	Difference
Totals per USAS:						\$0.00	\$0.00	\$0.00
Totals per Grant-Level Reporting:						\$0.00	\$0.00	\$0.00
Difference:						\$0.00	\$0.00	

Agency 320 State Pass-through Expenditures

Grantor Agy	Grantor GAAP Fund Type	Grantor GAAP Fund	Grantee Agy	Grantee GAAP Fund Type	Grantee GAAP Fund	USAS Total per Grantor	USAS Total per Grantee	Difference
320 - TWC	01	0001	711 - TAMU	05	7999	634,408.19	634,408.19	-
320 - TWC	-	5026	711 - TAMU	05	7999	-	1,132,547.54	-1,132,547.54
320 - TWC	01	0001	716 - TEEEX	05	7999	17,756.76	-862.31	18,619.07
320 - TWC	01	0001	719 - TSTC-System	05	7999	426,989.53	439,378.78	-12,389.25
320 - TWC	-	5026	744 - UTHSC-Houston	05	7999	-	155,859.35	-155,859.35
320 - TWC	01	0001	787 - LSC-O	05	7999	674,294.94	674,294.94	-
320 - TWC	01	0001	788 - LSC-PA	05	7999	20,000.00	20,000.00	-
320 - TWC	01	0001	789 - LIT	05	7999	245,955.00	245,955.00	-
Totals per USAS:						\$2,019,404.42	\$3,301,581.49	-\$1,282,177.07
Totals per Grant-Level Reporting:						\$2,019,404.42	\$20,000.00	\$1,999,404.42
Difference:						\$0.00	\$3,281,581.49	

SPTR Web Application (Cont.)



Deadlines

- Initial Certification — due on Sept. 1, 2023
- Final Certification — due on Sept. 28, 2023

Exception – Component Universities

- Component universities do not enter USAS entries for state grant pass-throughs **made between component universities within the university system.**
- However, component universities must report the state grant pass-throughs within the university system in SPTR.
- Financial reporting analysts responsible for SPTR will certify for component universities (per their request) if the difference between USAS and grant-level report is related to intra-system activities.

SPTR Web Application (Cont.)

Component Universities – Example 1



The **Amount Reported by Grantor** column reflects a difference when compared to the **Totals per USAS** amount. The **Difference** equals the amount of the Intra-System Transfers.

Agency 711 - TEXAS A&M UNIVERSITY
Grant-level Detail

Agency 711 State Pass-through Revenue				Amounts Reported		Difference
Grantor Agy	Grantee Agy	Grant ID	Title	Amount Reported by Grantor	Amount Reported by Grantee	
300 - Governor-Fiscal	711 - TAMU	300.0027	GUURI - GR Fund 5161	8,203,257.62	8,203,257.62	-
320 - TWC	711 - TAMU	320.0005	State Leadership - AEL	2,266,879.20	2,266,879.20	-
457 - TSBPA	711 - TAMU	457.0001	Fifth Year Accounting Student Scholarship Program	42,168.00	42,168.00	-
537 - DSHS	711 - TAMU	537.0038	Texas Youth Tobacco Awareness Program	4,462.71	4,462.71	-
542 - CPRIT	711 - TAMU	542.0023	PP170015-Dissemination of CPRIT-Funded Cancer Control Interventions	8,289.10	8,289.10	-
542 - CPRIT	711 - TAMU	542.0049	PP180110-Dissemination of CPRIT-Funded Cancer Control Interventions	164,023.48	164,023.48	-
542 - CPRIT	711 - TAMU	542.0207	RP170797-High-Impact/High-Risk Research Awards	28,636.07	28,636.07	-
542 - CPRIT	711 - TAMU	542.0325	RP190560-High Impact/High Risk	14,924.87	14,924.87	-
542 - CPRIT	711 - TAMU	542.0386	RR150038-Recruitment of First-Time, Tenure-Track Faculty Members	27,356.12	27,356.12	-
582 - TCEQ	711 - TAMU	582.0100	Support for the Technical functions of the TCEQ on an as needed basis, in carrying out programs, as specified with the clean air act	-2,641.26	-2,641.26	-
608 - DMV	711 - TAMU	608.0004	608-19-TAMU0001	13,673.00	13,673.00	-
701 - TEA	711 - TAMU	701.0047	Award Student Achievement and Ed Excellence	183,005.07	183,005.07	-
720 - UT-System	711 - TAMU	720.0002	Joint Admission Medical Program (JAMP)	39,781.80	39,781.80	-
721 - UT-Austin	711 - TAMU	721.0019	subcontract activity under CPRIT prime PP160080	52,602.68	52,602.68	-
729 - UTSMCD	711 - TAMU	729.0033	RP180178 Canine Prostate Magnetic Resonance Imaging with a Novel Contrast Compound	62,005.62	62,005.62	-
734 - Lamar Univ	711 - TAMU	734.0090	Testing HYSPLIT as a Standard Air Quality Hindcast and Forecast Tool for Incidence Response Teams in Texas	167.93	167.93	-
781 - Higher Ed Coord	711 - TAMU	781.0008	TEXAS Grant Program	35,368,413.00	35,368,413.00	-
781 - Higher Ed Coord	711 - TAMU	781.0023	College Work Study Program	200,930.00	200,930.00	-
781 - Higher Ed Coord	711 - TAMU	781.0040	Developmental Education Program	37,500.00	37,500.00	-
781 - Higher Ed Coord	711 - TAMU	781.0066	Advise Texas	989,996.44	989,996.44	-
781 - Higher Ed Coord	711 - TAMU	781.0067	Autism - Parent Direct Treatment	368,440.92	368,440.92	-
781 - Higher Ed Coord	711 - TAMU	781.0068	Autism - BCBA Training	333,047.92	333,047.92	-
781 - Higher Ed Coord	711 - TAMU	781.0075	Educational Aide Program	12,195.00	12,195.00	-
Intra-system Transfers						
709 - TAMU-HSC	711 - TAMU	709.0020	Cyanine-Conjugated Kinase Inhibitors (Cy-Kis) as Potential Glioblastoma Theranostics	72,344.93	72,344.93	-
710 - SAGO	711 - TAMU	710.0003	Need Based Scholarships	171,000.00	171,000.00	-
Totals:				\$48,662,460.22	\$48,662,460.22	\$0.00
Totals per USAS:				\$48,419,115.29	\$48,419,115.29	\$0.00
Difference:				\$243,344.93	\$243,344.93	

SPTR Web Application (Cont.)



Component Universities – Example 2

For component universities, it is incorrect for either the Grantor or the Grantee to record Intra-system Transfers in USAS. This eliminates the **Difference**.

Do NOT report Intra-system Transfers USAS.

State of Texas - State Pass-through Reporting
USAS Reconciliation Report
 December 7, 2020 12:26 PM

Agency 716 - TEXAS ENGINEERING EXTENSION SERVICE
USAS Summary

Agency 716 State Pass-through Revenue						USAS Total per Grantor	USAS Total per Grantee	Difference
Grantor Agy	Grantor GAAP Fund Type	Grantor GAAP Fund	Grantee Agy	Grantee GAAP Fund Type	Grantee GAAP Fund			
320 - TWC	01	0001	716 - TEEEX	05	7999	13,668.13	13,668.13	-
405 - DPS	01	1001	716 - TEEEX	05	7999	131,002.71	131,002.71	-
405 - DPS	01	7905	716 - TEEEX	05	7999	206,865.82	206,865.82	-
Intra-system Transfers								
575 - TDEM	05	2599	716 - TEEEX	05	7999	1,550,321.51	1,550,321.51	-
Totals per USAS:						\$1,901,858.17	\$1,901,858.17	\$0.00
Totals per Grant-level Reporting:						\$1,901,858.17	\$1,901,858.17	\$0.00
Difference:						\$0.00	\$0.00	

Intra-system Transfers should not be reported in USAS.

Agency 716 State Pass-through Expenditures						USAS Total per Grantor	USAS Total per Grantee	Difference
Grantor Agy	Grantor GAAP Fund Type	Grantor GAAP Fund	Grantee Agy	Grantee GAAP Fund Type	Grantee GAAP Fund			
Totals per USAS:						\$0.00	\$0.00	\$0.00
Totals per Grant-level Reporting:						\$0.00	\$0.00	\$0.00
Difference:						\$0.00	\$0.00	

AFR Final Review



Reporting Requirements Toolbox

Use the right-hand toolbox menu to access additional information.

- In the **References** section:
 - ❖ [Deadlines](#)
 - ❖ [Submission Requirements](#)
- In the **Resources** section:
 - ❖ [Agency Fiscal Year-End USAS Adjustments and AFR Checklist](#)
- In the **Tools** section:
 - ❖ [Templates & Sample Exhibits](#)
 - ❖ [Working Papers](#)
 - ❖ [AFR Web Applications](#)
 - ❖ [AFR Ad Hoc Review Reports](#)

References

[Contact Information](#)
[Deadlines](#)
[AFR Submission Method](#)
[Submission Requirements](#)

Resources

[Agency Fiscal Year-End USAS Adjustments and AFR Checklist](#)
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Tools

[Templates & Sample Exhibits](#)
[Working Papers](#)
[AFR Web Applications](#)
[AFR Ad Hoc Review Reports](#)

Training/Work Sessions

[AFR Work Sessions](#)
[AFR Training](#)

Agency Requirements



- Each agency is responsible for:
 - ❖ Making any necessary entries to ensure USAS accurately reflects the agency's financial position.
 - ❖ Submitting all applicable notes and schedules and certifying through the various [AFR web applications](#).
- GR Consolidated Agencies (GCA) must submit the:
 - ❖ Completed **GCA Closing Package** Excel file ([AFR Working Papers](#)) to frs@cpa.texas.gov by **Sept. 15**.
 - ❖ Completed AFR by **Oct. 1**.
- Full Reporting Agencies (FRA) must submit the:
 - ❖ Complete **FRA Fluctuation Analysis** Excel file (found in the [AFR Working Papers](#)) then upload through the ONDSS web application.
 - New working paper reflects all five [SIRS](#) reports.
 - ❖ Completed AFR by **Nov. 20**.

Note: Submit independent auditor's financial report by **Dec. 20** (if applicable).

Due Date Changes Effective for Fiscal 2024



[HB 4510](#), 88th Legislature, Regular Session, amended [Texas Government Code, Section 2101.011](#). Changes include:

- Unaudited AFRs are due **Nov. 1**.
 - ❖ GCA AFRs still due no later than **Oct. 1**.
- Higher Education AFRs are due **Nov. 20**.
- Audited AFRs are due **Dec. 15**.

Note: USAS entry for the [FA Control Field](#) on the Agency Control Profile (25) screen will be changed to **C** accordingly.

- **Fiscal 2023** reports due in 2023 fall:
 - ❖ No change in the due dates/deadlines.
 - ❖ Follow the AFR Deadlines currently listed.
- **Fiscal 2024** reports due in 2024 fall:
 - ❖ ***Deadlines to be determined:*** All current submission deadlines are subject to change.

AFR Ad Hoc Review Reports



Ad hoc reports are electronically transmitted **daily** to each agency Sept. 2 – Nov. 20 and are:

- Sent with DAFR reports
- Located behind Ad Hoc reports banner page (cover page)

Note: Reports are manually generated each weekday afternoon, rather than system-generated during nightly USAS cycle.

- Displaying exceptions that must be corrected during AFR preparation.

Note: Most reports tie to the GR Reconciliation web application. See AFR's [Step 2 – Gather More Information](#).

- Containing a footer explaining its purpose.

See [AFR Ad Hoc Review Reports](#) for a list of reports included in the daily transmissions.

Common AFR Issues to Avoid



AFR Web Application Certifications

- ALL agencies are required to submit a certification within each web application by the applicable due dates (**even if there is no activity**).

Exception: No certification is required in **SEFA** if there is no activity.

Note: SEFA and SPTR initial certification closes on Sept. 1.

- Web applications with multiple certifications:
 - ❖ CNRC — **three** certifications (Disclosure, USAS and Global)
 - ❖ SEFA — **three** certifications (Initial, Pass-thru and Final)
 - ❖ SPTR — **two** certifications (Initial and Final)
- All AFR web applications are open for current fiscal year entry no later than **Sept. 1**.

Update Agency Contacts



- Access the [FM Contacts](#) page.
- Use the **Contact List Update Form** to update agency personnel (*located on right-hand side*).
 - ❖ Agencies may update their contacts at any time.
 - ❖ Contacts listed for “AFR” and “CFO” positions will receive FRS correspondence for financial reporting matters (such as GASB Questionnaires or web application certifications).
- Use the **Contact Fiscal Management** section (*located on left-hand side*) to locate CPA personnel by agency assignment or topic.

Important email addresses:

frs@cpa.texas.gov (Financial Reporting section inbox)

sefa.texas@cpa.texas.gov (SEFA inbox)

Updates within AFR Reporting Requirements



GASB 96 (SBITAs) – implemented fiscal 2023

- **AFR Tabs** affected include:
 - ❖ [Leases/SBITAs](#) (formerly titled Leases)
 - ❖ [Capital Assets](#)
 - ❖ [Notes & Samples](#): Impact to Notes 2, 5 and 8
- **Web applications** affected include:
 - ❖ CANSS
 - ❖ LTLN
 - ❖ LNSS

GASB 94 (PPPs & APAs) – implemented fiscal 2023

- Impact to Note 5 and 27 disclosures

GASB 91 (Conduit Debt Obligations) – implemented fiscal 2023

- Impact to Note 30 disclosure

Hint: Use the **search box** located above right-hand toolbox menu to identify references within the AFR website.

Updates within AFR Reporting Requirements (Cont.)



Right-hand Toolbox Menu

➤ Resources:

- ❖ Updated [FAQs](#) page to include implementation of GASB 94 & 96
- ❖ Updated the [Definitions](#) page

➤ Tools:

- ❖ Updated [Templates and Sample Exhibits](#)
- ❖ Updated [Working Papers](#)
 - Main page is grouped by subject matter
 - Updated [Long-Term Liabilities Basis Conversion \(FT12\) Instructions](#)
 - Updated [Long-Term Liabilities Proprietary Funds \(FT05\) Instructions](#)

Note: Both sets of Long-Term Liabilities instructions are subsections under the Working Papers menu option.

LeaseQuery



- GASB 87, Leases – implemented fiscal 2022
- GASB 96, *SBITAs* – implemented fiscal 2023
 - ❖ FRS performed initial data load on behalf of agencies
 - ❖ Agencies are responsible for upkeep of LeaseQuery data:
 - Adding new leases
 - Modifying existing leases
 - Termination of leases

Exception: Information above applies to agencies utilizing the LeaseQuery license purchased by CPA. Some agencies have elected to purchase their own lease accounting software and are solely responsible for upkeep of that system.

Reminder: All agencies must ensure USAS accurately reflects their financial position.

Questions?



If you have financial reporting questions, contact your agency's assigned:

- [financial reporting analyst](#)
- [appropriation control officer](#)