Financial Reporting Updates

Accounting Policy Meeting
July 18, 2024

Financial Reporting Section
Fiscal Management Division

Agenda and Presenters

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

Presenter: Aurora Ramirez

Appropriation Control supervisor

Fiscal Year-End Close

Presenter: Laurel Mulkey

systems analyst

GASB 70, 94 & 99 Questionnaires & Lease Note Submission System (LNSS) Updates

Presenter: Lisa Parks

Financial Reporting team lead

Miscellaneous Topics & Updates

Presenter: David Haecker

Financial Reporting supervisor

Questions/Adjournment

Presenters: Financial Reporting & Appropriation Control staff

Being Informed on FMX

Resources

- **FMX** —Fiscal Management's website
  - **What's New?** on FMX (available on the home page and topic pages). FMX's **"What's New" Archive** tab includes everything that's been posted to *What's New?* for the past two years — so you never have to worry about missing something.
  - **FMX Quick Links** flyout menu shortcuts.

- *FMXtra* — Fiscal Management's weekly *FMXtra* e-newsletter. Sign up or Manage your FMXtra subscription and stay up-to-date on policies, procedures and other important information from Fiscal Management.

- Accounting Policy Meetings, each including:
  - Registration (to attend meetings via Webex)
  - Agenda
  - Meeting Materials (PDF)
  - Q&A's (posted a month or so after the meeting, if applicable.)

- *Reporting Requirements for the Annual Financial Reports of State Agencies and Universities (FPP A.036)*

APS 018

Introduction

➢ APS 018 provides guidelines for state agencies and institutions of higher education on reporting binding encumbrances and payables for appropriated funds.

➢ Timely and accurate reporting is crucial for determining the Economic Stabilization Fund (ESF) transfer and creating the Biennial Revenue Estimate (BRE).

Key Reporting Requirements

➢ State agencies and institutions of higher education must report binding encumbrances and payables in USAS within 30 days after the close of each of the first three quarters.

➢ Year-end binding encumbrances and payables must be reported to the Comptroller's office, State Auditor's office and Legislative Budget Board annually by Oct. 30 (Sept. 30 for GR consolidated agencies).

➢ Reporting must include all active appropriation years and all appropriated funds.

Impact on Economic Stabilization Fund (ESF)

➢ The"rainy day fund" (ESF)

➢ The Texas Constitution requires half of the unencumbered positive General Revenue fund balance to be transferred to the ESF at the end of each biennium.

➢ Entering binding encumbrances and payables in USAS by the deadline directly affects the amount transferred to the ESF.

Impact on Biennial Revenue Estimate (BRE)

➢ Accurate encumbering and lapsing of appropriations are critical for creating the BRE.

➢ The Texas Legislature uses the BRE to determine available resources for appropriations to state agencies and institutions of higher education during each legislative session.

Annual Automatic Lapse Process

➢ On Nov. 1 of each fiscal year, the Comptroller's office lapses all unencumbered non-construction appropriation balances for prior years based on reported payables and encumbrances.

➢ The Automatic Lapse algorithm examines each USAS balance type (BT) as of Aug. 31 and Oct. 30, following a logical sequence to calculate committed and collected lapse amounts.

How do Appropriation Control Officers Assist Agencies?

➢ Advise on reducing appropriation revisions where necessary (T-codes 006R/009R).

➢ Advise proper entry and backdating of encumbrances/ accruals.

➢ Confirm/approve the agency-calculated and entered unexpended balances (UBs) and lapses in USAS.

➢ Advise on correcting excess revenue collections errors (errors occur when BT 11 + BT 13 ≠ BT 12). Error correction is usually with T-code 179R/195 or 195R/179.

➢ Advise on moving fund cash forward (to unappropriated) or to the sweep (as appropriate).

➢ Ensure that USAS D23 profiles are active in the current fiscal year for all funds subject to lapse.

Key Lapsing Algorithm

The lapsing algorithm uses the logic of "*accrued or encumbered amounts available for expenditure as of Oct. 30,*" which is calculated as:

- BT 16 – Cash Reserved for Payroll

- BT 17 – Accrued Expenditures

- BT 18 – Encumbrances Outstanding

  Total accruals as of fiscal month 13.

- BT 15 – Expenditures as of Oct. 30

  - ❖ *Less:* BT 15 – Expenditures as of fiscal month 13

  Change in expenditures between fiscal month 13 and Oct. 30.

- Total accruals as of fiscal month 13

  - ❖ *Less:* change in expenditures between fiscal month 13 and Oct. 30

  Accrued or encumbered amounts available for expenditure as of Oct. 30.

Agency Action Items

➢ Review and clean up budgetary screens, especially in October.

➢ Accurately report binding encumbrances and payables by the deadlines.

➢ Work with your appropriation control officer to address any issues or questions.

➢ Ensure compliance with APS 018 to support the state's financial management processes.

Resources and Contacts

➢ *Encumbrance Reporting and Lapsing of Appropriations (APS 018) (FPP A.019)* on FMX.

➢ Contact your appropriation control officer for assistance.

➢ Email Kevin Muir, or call him at (512) 463-2068, with questions or concerns about APS 018.

Fiscal Year-End Close

Background

- Fiscal Year-End Close (FYEC) begins the evening of Aug. 31, after the regular USAS cycle.
  - ❖ When Aug. 31 falls on a weekend, FYEC occurs the Friday before.

    Note: This year, Aug. 31 falls on a weekend, so FYEC occurs on Friday, Aug. 30.

- 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

Background (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 incoming fiscal year:
  - ❖ Create financial tables for new fiscal year.
  - ❖ Roll closing year's balances forward to new fiscal year's tables.
- ➢ USAS may not be available from 7 p.m. on Aug. 30 (Friday) to 7 a.m. on Sept. 3 (Tuesday) – plan accordingly!
  - ❖ Prompt payment law still in effect.

FYEC – How it all Fits Together

Several annual processes relate to closing out the fiscal year and/or preparing for the 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. 30) – Processes the system-generated lapse transactions for expiring appropriations.

➤ **Fiscal Year-end Close** (Aug. 30) – 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 the day of FYEC?

❖ **Answer:** Yes. USAS is available from 7 a.m. to 7 p.m. per the usual system availability schedule.

➢ **Question:** Is there a normal nightly cycle run the night of FYEC?

❖ **Answer:** Yes. A regular USAS cycle runs just like usual after USAS goes down at 7 p.m. After the regular cycle completes, the FYEC process begins.

➢ **Question:** Are payments generated during the regular cycle run the night of FYEC?

❖ **Answer:** Yes. Payments are generated during that final cycle and available for distribution the next business day.

➢ **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 is run like 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 will be available.

➢ **Question:** Are reports generated the night of FYEC?

❖ **Answer:** Yes. Reports are generated just like during any other cycle. Depending on how long the FYEC process takes, reports may not be available to pickup as early as usual.

➢ **Question:** Are all transactions processed during FYEC included in the History Extract (HX) file?

❖ **Answer:** Yes. The HX file generated for that night's processing includes all transactions processed during the regular cycle, plus all the transactions processed during year-end close, including the final sweep transactions.

Note: 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 2024 Master Schedule of Fiscal Year-End Close Events for all events associated fiscal year-end close!

Scheduling Payments Around FYEC

Payments Using Appropriation Year (AY) 2024 or Prior

- Enter all transactions by Tuesday, Aug. 27 for payments due on:
  - Aug. 31 (Saturday)
  - Sept. 1 (Sunday)
  - Sept. 2 (Monday – Labor Day)

- Payment distribution is not available on:
  - Saturday, Aug. 31
  - Sunday, Sept. 1
  - Monday, Sept. 2 (Labor Day)

  Note: Payments due on those days are distributed on Friday, Aug. 30.

- Data entry by the suggested date allows time to:
  - Correct any errors
  - Obtain final approvals
  - Perform last-minute releases.

Payments Using Appropriation Year (AY) 2025

➤ AY 2025 funds cannot process in USAS until Tuesday, Sept. 3, 2024.

> **Note:** This is the first business day of fiscal 2025.

➤ Payment transactions cannot process using a future `EFFECTIVE DATE`.

❖ On the Transaction Code Decision Profile (28A) screen, review the `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:                                              AGY GL:
 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
```
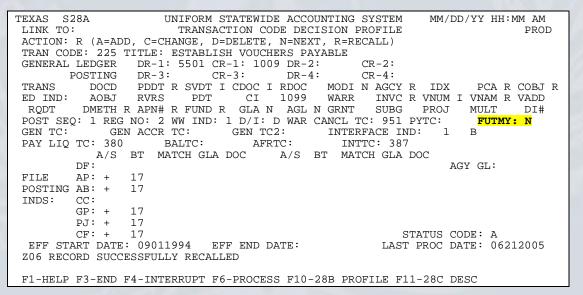
Payments Using Appropriation Year (AY) 2025 (Cont.)

➢ Payments cannot *process* in USAS prior to Sept. 3, but they can be *entered* prior to Sept. 3.

❖ For Input Record (In Rec) Files:

USAS In Rec File	Field Name	Value
Batch Header	EFFECTIVE DATE	20240901
Document Header	DOCUMENT TRANSACTION YEAR	25
Detail Transaction	EFFECTIVE DATE	20240901

❖ For online data entry, on the Batch Header Entry (500) screen, enter:

BATCH EDIT MODE = **0**

EFFECTIVE DATE = **090124**

```
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: 083024        (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: 090124       (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
```

Payments Using Appropriation Year (AY) 2025 (Cont.)

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

`EFF DATE` = **090124**

```
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: 090124   PMT DUE DATE: 090124      SERV DATE: 080124
   DOC/SFX: 9XXXXXXX 001  REF DOC/SFX:                          DISC DATE:
 TRAN CODE: 225                                    IC: N     RQD PMT DATE:
     INDEX:                                        MOD:       AGENCY: XXX   AY: 25
      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 based on the effective date of the transaction.

IMPORTANT: Release or pre-release these batches!

For payments due on Sept. 1, 2024, transactions should be entered and ready by Wednesday, Aug. 28.

Ordering August Monthly Reports

August monthly reports run on Friday, Sept. 6, 2024 (so we'll be in the new fiscal year when the August reports run).

During the week of Sept. 2:

➢ On the Agency Control (25) Profile for `FISCAL YEAR` **25**, 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: 25

    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
```

➢ If using <u>relative</u> fiscal periods, on your Report Request (91) Profile(s), verify the:

❖ PERIOD field is set to **PM.**

❖ FREQUENCY field is set to **MONTHLY.**

❖ STATUS CODE field 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
```

➢ If using **specific** fiscal periods on the Report Request (91) Profile(s) screen, verify the:

❖ PERIOD is set to **12.**

❖ FY is set to **24.**

❖ 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: 12              FY: 24  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
```

Internal Transaction File

General Internal Transaction (IT) File Reminders

➢ All fiscal 2024 transactions should be successfully processed, paid and written to history by Aug. 30.

➢ Cash transactions (post to GLs 0045 or 0052) should process off the IT file *prior to* Aug. 30.

> Cash transactions that fail to process on Aug. 30 must be deleted and re-entered with a current (fiscal 2025) 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.

General **Internal Transactions (IT)** File Reminders (Cont.)

➢ Submit [Super Security Delete (SSD) Request](#) (form 73-310) *now* for batches older than 30 days.

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

➢ On **Aug. 30**, submit SSD requests on (or before) **noon** to ensure same-day processing to assist Fiscal Management's preparation for fiscal year-end close.

Review the USAS 530 Screen

The 530 View Batch Headers screen (the "53 screen") provides clues for why a batch is still pending and what corrective actions are necessary.

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                          PROD

 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                                        PRINTER ID:
   ...BATCH ID...              EFF   ENTERED    ENTERED     COMP        COMP
 S  DATE TYP NO  STA BAL MD FPP DATE  COUNT     AMOUNT      COUNT      AMOUNT
   051224 4  501  P   Y   4  # 051224 00005 00000167600.00 00005  00000167600.00
   060824 4  501  P   Y   4    060824 00001 00000010000.00 00001  00000010000.00
   060924 4  501  P   Y   4  * 060924 00005 00000049550.57 00005  00000049550.57
   061724 4  501  P   Y   4    061724 00004 00000035052.00 00004  00000035052.00
   062024 4  501  P   Y   4    062024 00002 00000091671.85 00002  00000091671.85
   062324 2  608  H   Y   3    062324 00022 00116009746.52 00022  00116009746.52
   062324 2  609  H   N   3    062324 00070 00000000697.68 00070  00000000697.68
   062324 4  379  H   Y   3    062324 00001 00000000577.04 00001  00000000577.04
   062424 4  698  H   N   1    062424 00015 00004231629.82 00015  00004231629.82
   062424 2  608  R   Y   0    062424 00018 00002604421.68 00018  00002604421.68
   062424 2  609  R   Y   0    062424 00086 00000000209.18 00086  00000000209.18
   062424 2  611  R   Y   0    062424 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
```

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 does 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 37 Document Tracking Inquiry screen.

Review the USAS 530 Screen (Cont.)

➢ `BAL` – Batch Balance indicator — if unbalanced, verify if the:

❖ 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`. Update on the 511 Change Batch Header screen.

❖ Document Amount matches the absolute total of the transaction amounts within the document.

❖ Total of cash transactions nets to zero.

❖ AGLs are not out of balance.

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.

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 net negative payment amount.

➢ **Fund Control Errors Occurring During Payment 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 when the batch is in edit mode **3**.

❖ For example, transactions that use 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.

Fiscal Year-End Close Resources

➢ The [Uniform Statewide Accounting System (USAS)](#) index page

➢ [USAS Documentation](#)

➢ [USAS Batch Posting Sequence](#)

➢ [USAS Frequently Asked Questions (FAQs)](#)

➢ [System Outages and Holidays Calendar](#)

➢ [USAS Annual Close Process](#) (FPP Q.004)

➢ [2024 Master Schedule of Fiscal Year-End Close Events](#)

➢ eXpendit's [Payment Scheduling](#)

➢ eXpendit's [Prompt Payment](#)

➢ [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](#)

Annual GASB Questionnaires

Background

- All agencies (including institutions of higher education) are required to complete and submit every GASB questionnaire each fiscal year.

- GASB Questionnaires opened on July 1.

- All GASB Questionnaires are due on (or before) Aug. 15.

- PDF previews are provided — use them to see what information is required before beginning the online questionnaire.

Resources

- [Reporting Requirements for the Annual Financial Reports of State Agencies and Universities](#) (FPP A.036) website

- [GASB Questionnaires](#)

- [Current GASB Pronouncements](#)

Which GASB Statements Have Questionnaires?

- ➢ GASB 14/39/61/80/90 Component Units
- ➢ GASB 47 Accounting for Termination Benefits
- ➢ GASB 49 Pollution Remediation Obligations
- ➢ GASB 69 Government Combinations and Disposals of Government Operations
- ➢ GASB 70 and GASB 99 Financial Guarantees
- ➢ GASB 94 Public-Private and Public-Public Partnerships and Availability Payment Arrangements

Note: All GASB Questionnaires (and PDF previews) are available on FMX.

GASB 70 and GASB 99 Questionnaire

GASB 70 and GASB 99 require reporting and disclosing when an agency has extended certain financial guarantees for obligations of:

➢ Another agency

➢ Another government

➢ A not-for-profit organization

➢ A private entity or individual

...with **or** without directly receiving equal value in exchange.

For more information, see:

➢ GASB Statement No. 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*

➢ GASB Statement No. 99, *Omnibus 2022* references *Exchange or Exchange-Like Financial Guarantees*

➢ Note 30 — Financial Guarantees

Agency Responsibilities

➢ Ensure proper accounting and reporting under GASB 70 and GASB 99.

➢ Analyze agency operations for financial guarantees on at least an annual basis.

➢ Submission of the *GASB 70 and GASB 99 Financial Guarantees* questionnaire serves as an "*Acknowledgement of Review*" of the agency's operations for non-exchange and exchange or exchange-like financial guarantees.

For more information, see:

➢ Non-Exchange Financial Guarantees

➢ Exchange and Exchange-Like Financial Guarantees

GASB 94 Questionnaire

GASB Statement & AFR Notes

➢ GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*

➢ Note 27 – Public-Private and Public-Public Partnerships

➢ Note 5 – Long-Term Liabilities

Public-Private and Public-Public Parternships (PPPs)

➢ GASB 94 Questionnaire examines PPP arrangements between a state agency (the transferor) and a governmental or non-governmental entity (the operator) to provide public services.

➢ Public services are performed for the benefit of the public or its institutions and are offered or controlled by a government.

➢ In a PPP arrangement, the state agency receives payments from the operator.

For more information, see Public-Private and Public-Public Partnerships.

Availability Payment Arrangements (APAs)

➢ The questionnaire also examines APAs in which a state agency procures a capital asset or service by compensating an operator for activities. These activities may include:

❖ Designing

❖ Constructing

❖ Financing a capital asset

❖ Maintaining and operating an underlying nonfinancial asset

➢ In an APA, the operator receives compensation from the state agency based entirely on the asset's availability and not the actual performance of a public service.

For more information, see Availability Payment Arrangements.

Purpose of the Questionnaire

To identify:

➢ Contracts for large dollar amounts

➢ Total population of PPPs and APAs

➢ PPPs and APAs that were new contracts in fiscal 2024

➢ PPPs and APAs that have a contract in place but have not yet been disclosed

Disclosures Required for PPPs

➢ Arrangement name

➢ Construction status

➢ PPP term (in years)

➢ PPP dates (fiscal begin date and fiscal end date)

Disclosures Required for APAs

➢ Arrangement name

➢ Construction status

➢ APA term (in years)

➢ APA dates (fiscal begin date and fiscal end date)

LNSS Web Application

What is included in LNSS?

- ➢ Lessee Leases

- ➢ Lessor Leases

- ➢ Regulated Leases

- ➢ Subscription-based IT Arrangements (SBITAs)

- ➢ PPPs

For more information, see [Instructions for the LNSS Web Application](#).

Updates to LNSS

➢ Upload Note 8, *Leases and SBITAs*, on the home page

➢ Upload Note 27, PPPs, on the home page (not ONDSS)

➢ LNSS, CANSS, LTLN and USAS must agree to certify

➢ PPP Installment Receivable schedule

Lease Income

Lease Income Receivable schedule:

➢ Current – GL 0256, Current Asset Lease Receivable

➢ Non-Current – GL 0479, Non-Current Lease Receivable

➢ Must match USAS to certify

For more information, see the:

➢ Leases – Recognitions and Measurements' For Lessors

➢ Annual Financial Report Working Papers for Right to Use Lease Lessor Activities, Record (Excel)

PPP Installment Receivable

PPP Installment Receivable schedule:

➢ Current – GL 0291, *Current Asset PPP Installment Receivable*

➢ Non-Current – GL 0491, *Non-Current PPP Installment Receivable*

➢ Must match USAS to certify

For more information, see Public-Private and Publis-Public Partnerships menu for:

➢ Recognitions & Measurements

➢ Types & Examples of PPP Contracts

➢ Annual Financial Report Working Papers for Public-Private and Public-Public Partnership Installment Receivable, Record (Excel)

PPP & APA GL Accounts

PPP GL Accounts

- ➤ GL 0490, Non-Current PPP Asset Receivable (BTA)
- ➤ GL 0690, BC Non-Current PPP Asset Receivable (Gov)
- ➤ GL 1490, Deferred Inflow of Resources – PPP (Prop/Fid)
- ➤ GL 1990, BC Deferred Inflow of Resources – PPP (Gov)
- ➤ Coming Soon, Deferred Inflow of Resources – PPP (Gov)
- ➤ SOCF GL 4849, Inc/(Dec) In Deferred Inflows PPP

APA GL Accounts

- ➢ GL 1190, Current Liability APA Obligations (BTA)
- ➢ GL 1290, Non-Current APA Obligations (BTA)
- ➢ GL 1690, BC Current Liability APA Obligations (Gov)
- ➢ GL 1790, BC Non-Current APA Obligations (Gov)

For more information, see:

- ➢ Availability Payment Arrangements
- ➢ Annual Financial Report Working Papers for:
  - ❖ Availability Payment Arrangements Business Type Activities, Record (Excel)
  - ❖ Availability Payment Arrangements Governmental Activities, Record (Excel)

Upcoming Meetings

Next Accounting Policy Meeting is schedule for Thursday, **Aug. 15** (10 a.m.–12 p.m. CDT)

Attendees can choose to attend the currently scheduled Accounting Policy meetings one of two ways:

➢ **Attend in person**:
Barbara Jordan Building, Room 2.034
1601 Congress Ave., Austin, TX 78701

➢ **Attend online**:
Register (via Webex) for the specific meeting date listed on FMX's Accounting Policy Meetings page. Each meeting has a registration link specific to that meeting/date.

Note: The Webex registration and the agenda for each meeting will be available approximately two weeks prior to the meeting.

Questions?

Topic	Section	Contact Information
• Budget Revisions • Journal Vouchers	Appropriation Control	[Appropriation Control Directory](#)
• Purchase and Travel Pre-Payment Audit Approvals • Payment Due Dates and AY Determination	Expenditure Assistance	[Travel and Purchase Directory](#) or (512) 475-0966
• Payroll (SPRS/HRIS)	SPRS/HRIS Help Desk	(512) 463-4008
• CAPPS Financials or HR/Payroll	CAPPS Help Desk	(512) 463-2277
• Texas Identification Number System (TINS) • Reinstated Warrant Cancellations – USAS	Payment Services	(512) 936-8138
• Treasury Deposits	Banking and Electronic Processing	(512) 463-6385
• Warrant Cancellations – Treasury	Treasury	(512) 475-3288
• Super Security Deletes	Fiscal Systems	usas.maintenance@cpa.texas.gov
• USAS Year-End Close Process	Fiscal Systems (Laurel Mulkey)	laurel.mulkey@cpa.texas.gov or (512) 463-4584