



May 2021

2021 Fiscal Year-End Update

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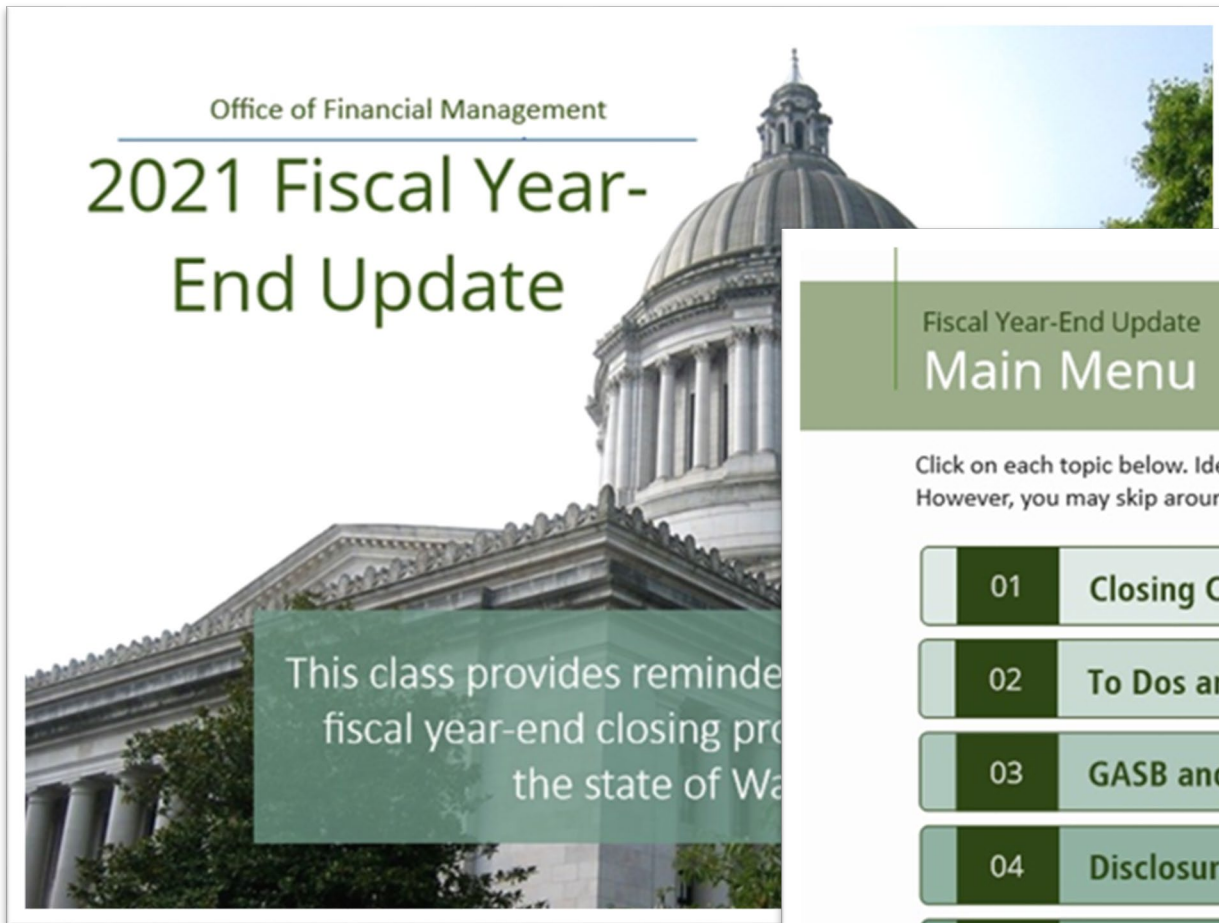
OFM Statewide Accounting

OFM

OFFICE OF FINANCIAL MANAGEMENT



2021 Fiscal Year-End Update eLearning



Fiscal Year-End Update Main Menu

Click on each topic below. Ideally, each topic should be completed in order. However, you may skip around to topics you are most interested in as well.

01 Closing Calendar

02 To Dos and Reminders

03 GASB and SAAM Updates

04 Disclosure Form Changes

05 Resources & Course Completion

For more detail on the fiscal-year end close process, complete the Fiscal Year-End Workshop Course on the OFM Accounting Training Website.

Fiscal Year-end Workshop

Office of Financial Management

Fiscal Year-End E-Learning

The lessons in each module cover the fiscal year-end process and are not current.

Modules 1-12

Fiscal Year End E-Learning



Enter your first name below prior to beginning the exercises:

TYPE YOUR FIRST NAME HERE

1 - Year End Basics (18 min)

2 - General Ledgers (26 min)

3 - Cash & Prior Period Adjustments (25 min)

4 - Revenue & Related Accruals (17 min)

5 - Unearned/Unavailable Revenue (13 min)

6 - Expenditures & Related Accruals (20 min)

7 - Accounting Estimates (13 min)

8 - Interagency Accrual Basics (18 min)

9 - Interagency & Interfund Accrual (19 min)

10 - Phase 2 Activities (18 min)

11 - More Phase 2 Activities (15 min)

12- Even More Phase 2 Activities (25 min)

Conclusion & Exercise Results

Please note that the estimated time to complete each module factors in an additional 10 minutes per module to complete the exercises that follow.

<https://ofm.wa.gov/accounting/training-accounting-and-budget-staff>

Agenda

- FY20 recap
- FY21 Closing Calendar
- To dos and Reminders
- GASB and SAAM Updates
- Disclosure form Changes
- FY21 Federal Update
- Resources

Fiscal Year 2020 recap

- Some of the things we were dealing with...
 - Teleworking
 - COVID-19 Response
 - Unemployment
 - Increase in Federal Awards
 - Layoffs/furloughs

Fiscal Year 2020 recap

The Fiscal Year 2020
Annual Comprehensive
Financial Report
was published on
December 17, 2020

The **goal** for publishing the
Fiscal Year 2021
Annual Comprehensive
Financial Report is
November 19, 2021

Comprehensive Annual Financial Report

FOR THE FISCAL YEAR ENDED JUNE 30, 2020

State of Washington
Office of Financial Management
December 2020



THANK YOU

We appreciate the time and effort of our state fiscal staff at all agencies and the State Auditors Office ACFR team for helping us meet our ACFR timeline

Fiscal Year 2020 Federal Recap

- 2020 Statewide Single Audit Report
- We expect the report to be published on our website around the second week of June.
- <https://ofm.wa.gov/accounting/financial-audit-reports/single-audit-report>

Total Federal Expenditures

Amounts in Billions

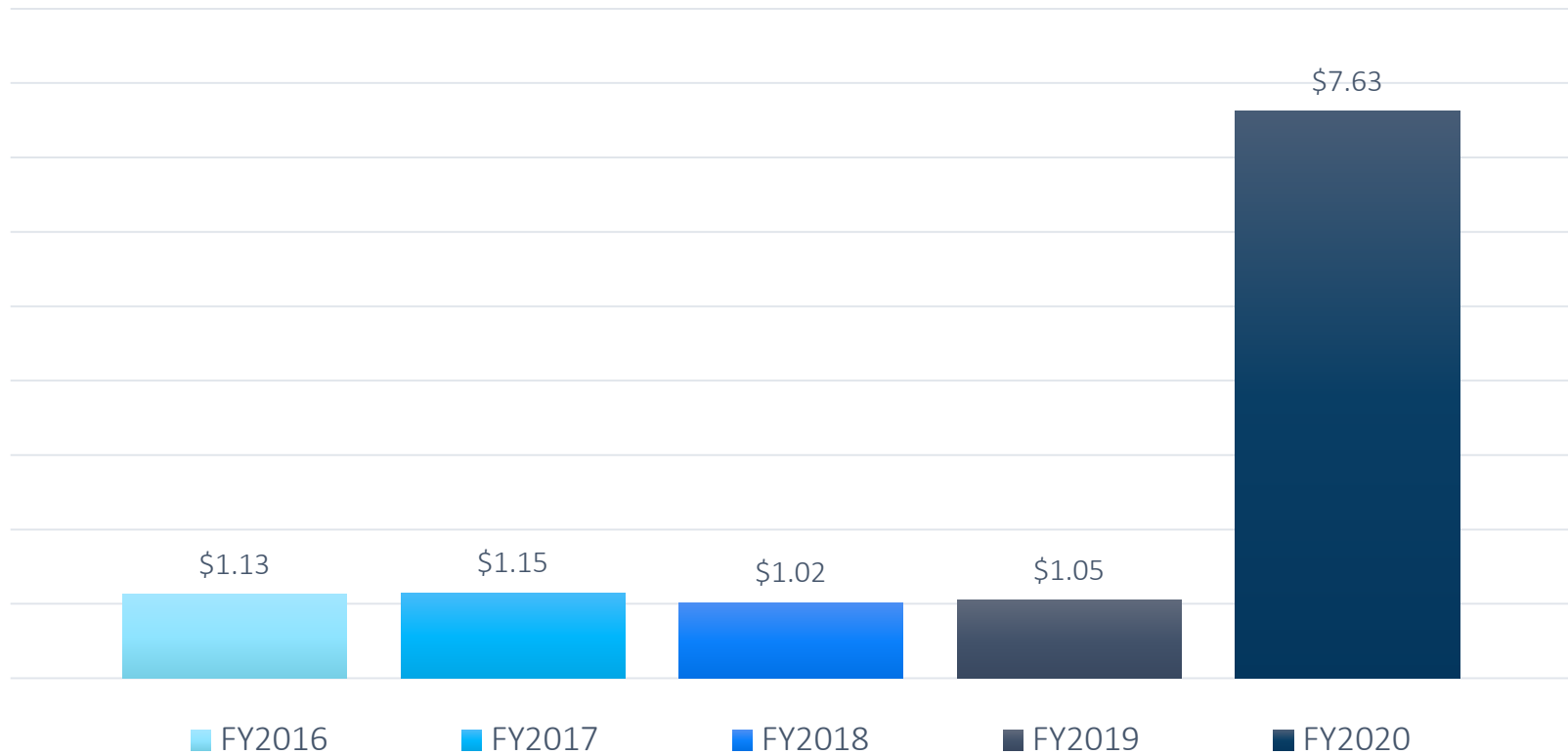


\$7.97 Billion increase in federal expenditures in FY20

<https://ofm.wa.gov/accounting/financial-audit-reports/single-audit-report>

U.S. Department of Labor – Unemployment Insurance

Amounts in Billions



**\$6.57 Billion increase in federal expenditures in FY20
CFDA 17.225 (Unemployment Insurance)**

<https://ofm.wa.gov/accounting/financial-audit-reports/single-audit-report>

Department of Treasury – Coronavirus Relief Fund (CRF)

Amounts in Millions

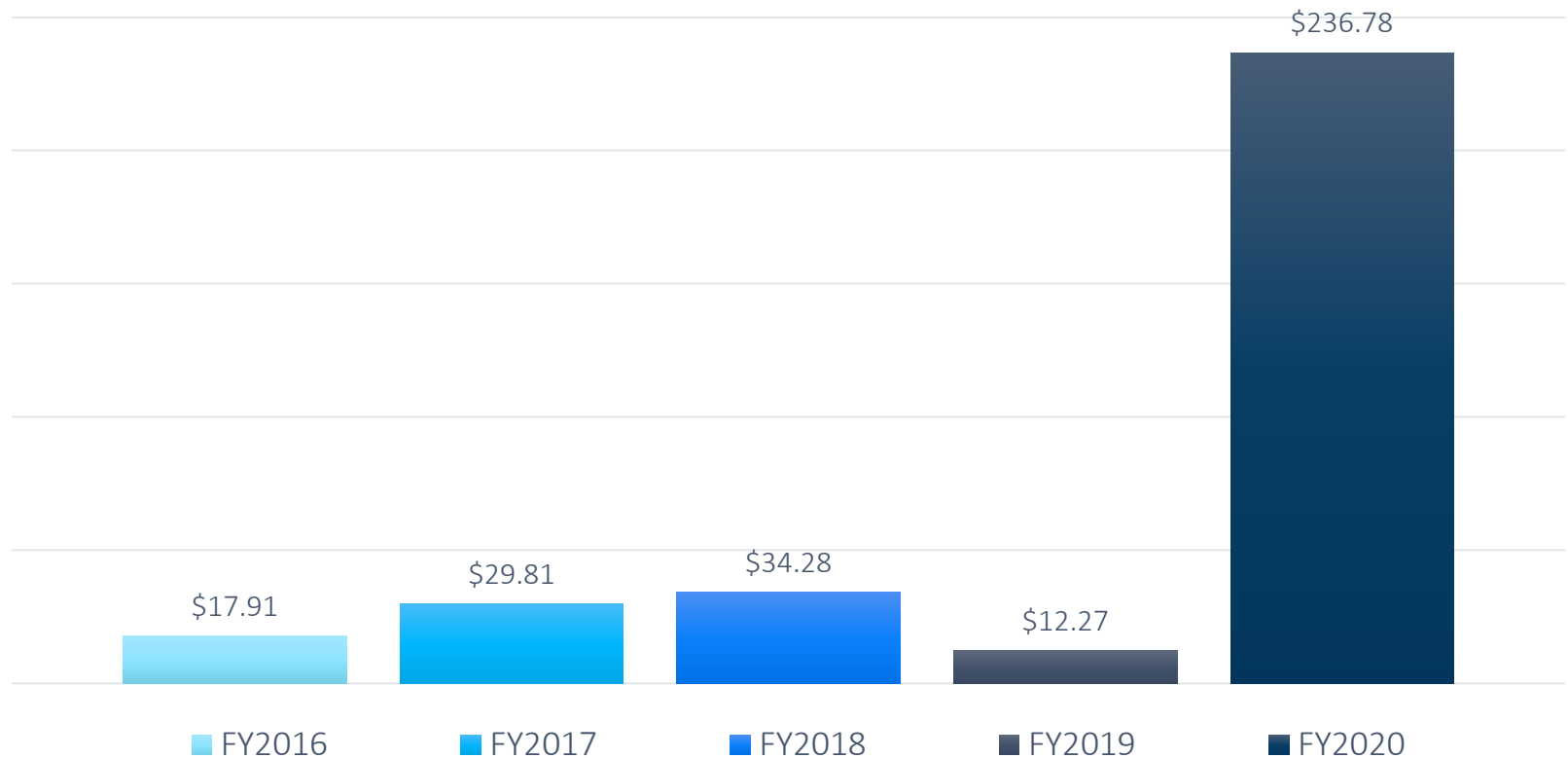


\$339 Million increase in federal expenditures in FY20
CFDA 21.019 (Coronavirus Relief Fund)

<https://ofm.wa.gov/accounting/financial-audit-reports/single-audit-report>

Homeland Security – Disaster Grants - Public Assistance

Amounts in Millions



\$224.51 Million increase in federal expenditures in FY20
CFDA 97.036 (Disaster Grants – Public Assistance)

<https://ofm.wa.gov/accounting/financial-audit-reports/single-audit-report>

FY21 Closing Calendar



FY21 Closing Calendar

June 30 th	Cash Cut-off <ul style="list-style-type: none">• AFRS EFTs – June 29 by 12 p.m.• Warrants and IAP/IFT – June 29 by AFRS cutoff• JVs and cash receipts – June 30 by 3 p.m.
July 12 th	Disclosure Form Application Opens
July 16 th	Interagency billings mailed
July 30 th	Phase 1 Closes <ul style="list-style-type: none">• Record all revenue and expenditure accruals
August 20 th	Phase 1B Closes <ul style="list-style-type: none">• Interagency receivable/payables balancing due• Certain state disclosure forms due• Pollution remediation site status report due• Asset retirement obligation report due
September 3 rd	Phase 2 closes <ul style="list-style-type: none">• Agency adjustments completed• All remaining state and federal disclosure forms are due• Disclosure form application closes
September 14 th	State disclosure certification form is due
February 28 th	Federal assistance certification is due

What happens after Phase 2 closes?

- **OFM Statewide Accounting**
 - Analyzes accounting data
 - Reviews disclosure forms
 - Prepares the ACFR
- **State Auditors Office (SAO)**
 - Audits the accounting data
 - Audits the ACFR
- **Agencies**
 - Answer OFM and SAO questions
 - Prepare AFRS corrections
 - Correct disclosure forms

OFM must approve all entries after Phase 2 closes. If you or your auditor find a material adjustment or error after phase 2 close contact your OFM Accounting Consultant.

To do's and Reminders



Reconciliations

- ALL General Ledgers should be reconciled before Phase 2 close
- What does GL reconciliation mean:
 - Knowing what makes up the balance in each GL
 - Ensure that GL balances tie to subsidiary records
 - Having a plan for any action that is needed to correct the balance

Per the State Certification:

Data has been recorded in the financial system to support proper recording of all transactions in the financial records.

Review Appropriations

- Are there any overspent appropriations?
- Are there any EA codes with no expenditures that should have them?
- Are there any EA codes that hasn't been fully spent, but should be?
- Are all revenues and expenditures recorded in the correct fiscal year?
 - Goods and services must be received by June 30 to be recorded as a FY21 expenditure.

Balance Interagency Receivables and Payables

- Most of last year's balances should be liquidated
 - FEMA Exception Due from MIL (245000)
- Interagency billings must be mailed by July 16th
- SAAM 90.20.50
- Phase 1B August 20, 2021
- OFM year end resource site for the interagency receivable payable contact list.

<https://ofm.wa.gov/sites/default/files/public/resources/yearend/YE20InteragencyRecPayContactList.pdf>

Review Balances and Activity

- **Complete an Analytical Review**
 - In terms of a dollar change or a percentage change, does the current GL balance appear reasonable?
- **Review your Trial Balance**
 - Have prior year short term receivables and payables been liquidated?
 - Do I have all GL activity reported in the correct GL?
 - Do the balances agree with supporting documentation or internal systems?

Review Enterprise Reporting(ER) Reports

- Financial Reports → Accounting → Exceptions
- Run them daily and clear all variances
- The “Report purpose” at the bottom of each report contains more information about:
 - Report criteria (GLs, Revenue Sources, Subobjects, etc)
 - What needs to be to be done and by when
 - Applicable SAAM sections

Report purpose: To identify balances in Major Source 09 “Non-Revenue Activities”. Agencies need to reclassify balances at the major source, source level within each account prior to fiscal year end. Includes: GL 32xx for Major Source/Source 09xx with a debit and credit net balance not equal to zero. Refer to SAAM 90.20.70.b.

Other To-Do's and Reminders

For the complete list of To-Dos and Reminders please take the complete **State Update eLearning Class** located on our website.

This includes information about:

- In-process
- Additional details about Interagency Payables
- Transfers
- Capital assets
- Accruals
- Corrections
- Unearned and Unavailable Revenue
- Administering Agencies
- And more!

<https://ofm.wa.gov/accounting/training-accounting-and-budget-staff>

GASB Updates



GASB Standards – FY21

- GASB 84 – Fiduciary Activities
- GASB 90 – Majority Equity Interest
- Exposure Draft – Renaming the Comprehensive Annual Financial Report
 - Comprehensive Annual Financial Report will now be Annual Comprehensive Financial Report (ACFR)

GASB Standards – FY22

GASB 87 – Leases

- <https://ofm.wa.gov/accounting/administrative-accounting-resources/leases-gasb-87>

GASB 89 – Accounting for Interest Cost Incurred before the End of a Construction Period

GASB 92 – Omnibus 2020

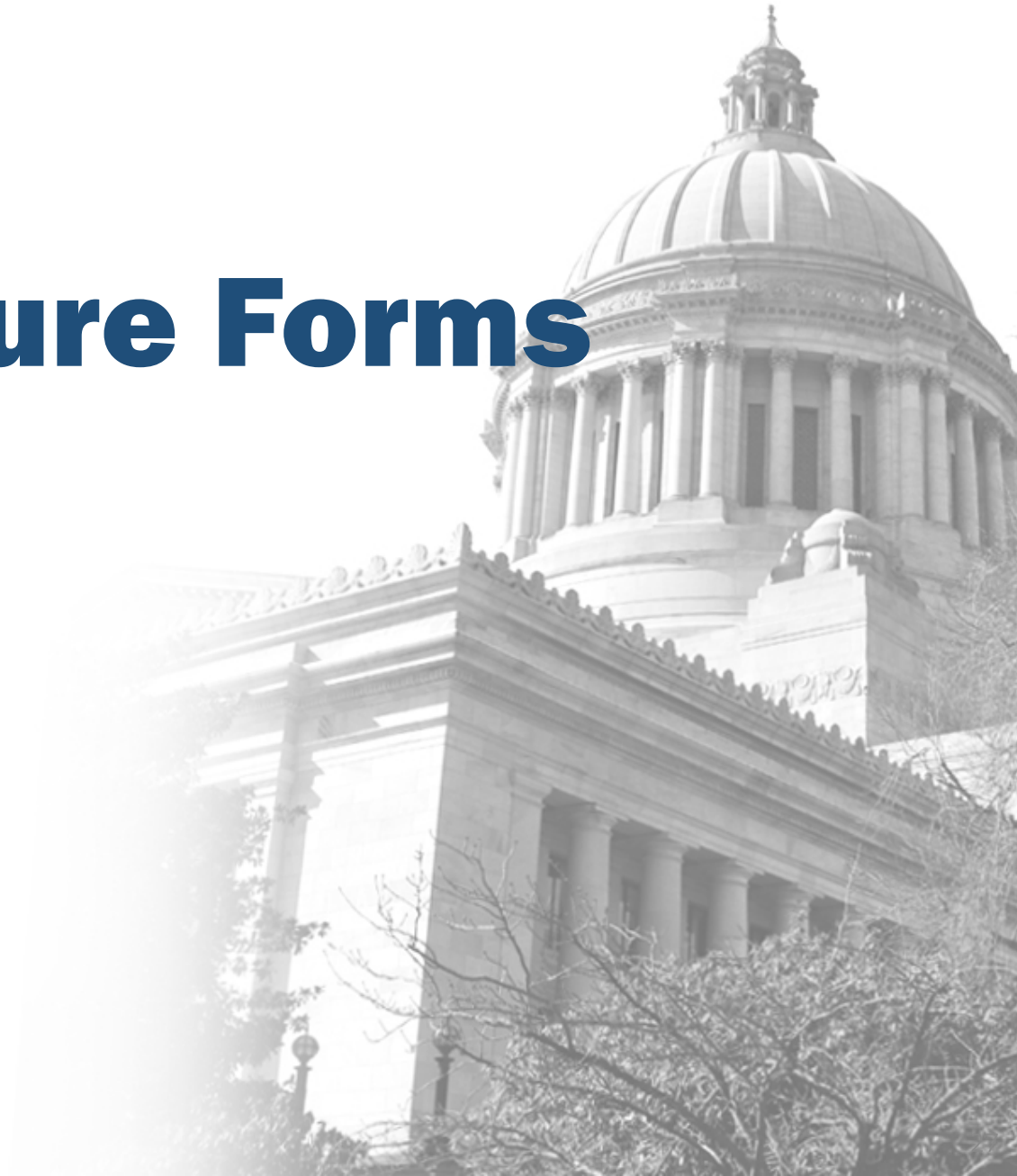
GASB 93 – Replacement of Interbank Offered Rates

GASB Standards – FY23 and Beyond

- GASB 91 – Conduit Debt Obligations
- GASB 94 – Public-Private and Public-Public Partnership and Availability Payment Arrangements
- GASB 96 – Subscription-Based Information Technology Arrangements
- Major Projects
 - Revenue and Expense Recognition
 - Financial Reporting Model
 - Disclosure Framework

<https://www.gasb.org/home>

Disclosure Forms



Disclosure Form Security

- Each agency has one Security Administrator
 - Can add new users
 - Edit user access
- To designate your agency Security Administrator
 - This form can be found by clicking on 'Help' on the main log on page.
http://swfs.ofm.wa.gov/disclosure_form_qa/DFsecurityform.pdf
 - Allows electronic signature

Disclosure Forms - General

- Only complete forms that apply to your agency
 - May not have any transactions
 - Some forms are specific to certain agencies
- There are 4 forms that are required to be completed by all agencies:
 - Cash and Investments Restricted Disclosure
 - Miscellaneous Disclosure
 - Internal Control/Internal Audit Questionnaire
 - State Financial Disclosure Certification
- SAAM Section 90.40 has detailed instructions for each form.

Disclosure Forms Due Dates

- Phase 1B – Certain disclosure are due 8/20/2021
 - 4 Cash & Investment forms,
 - 3 Bond forms,
 - 2 COP forms,
 - The Internal Control/Internal Audit Questionnaire, and
 - The Miscellaneous Disclosure.
- Completion of disclosure forms require all related AFRS entries are also complete by this date.
- Phase 2 - All remaining forms are due 9/3/2021

Disclosure Form Changes FY21

Form	Detail of Change
Security Administrator Form	Fillable Supports Electronic signature
Lead Sheet	Clarified when the application is available to enter data
Miscellaneous form	Can save partially completed form
Cash and Investment General form	The term derivative was changed to derivative instrument due to the GASB 92 Implementation.
Cash and Investment Restricted form	Reworded question 5, Other Externally Restricted Cash & Investments, to help clarify information requested
All Federal forms	Improved the CFDA drop down menu, which will allow you to type in the CFDA number rather than scrolling through the whole list
Certification Forms	Updated the dates

State Financial Disclosure Certification

- Read all 29 statements on the form
- Prepare any required attachments
- Signed by Agency Director and CFO
 - OFM will accept official electronic signatures
 - Agencies must follow their own internal policies
- Email signed copy with attachments
 - Due 9/14/2021
 - OFMAccounting@OFM.WA.GOV
- Re-sign and re-submit if material changes are made after original submission.

FY21 Federal Update

- Coronavirus Relief Fund (CRF) CFDA 21.019
- Disaster Grants – Public Assistance (FEMA)
- American Rescue Plan (ARPA) – Coronavirus State and Local Fiscal Recovery Funds \$4.4 Billion
- Direct funding to agencies
- Lost Revenue
- Disclosure forms- COVID-19 Reporting
- Contact your OFM Accounting Consultant if you have any questions about a federal award.

Resources

- OFM's Year-End Accounting Resource Site
 - Closing Calendar
 - Online Training
 - Common Year-End Transaction Codes
 - OST Year-End Cash Cut-Off Memo
 - Interagency Receivables/Payables contact list
 - **NEW** – Year-end Reference Guide
- Contact your agency's accounting consultant
 - <https://ofm.wa.gov/accounting/about-statewide-accounting/find-your-ofm-accounting-consultant>



FOR MORE INFORMATION:

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