



FMC Presentation

Thursday, May 23, 2024

Kris Martins



Agenda

- Workforce Strategy Initiative (WSI)
- BCR Reminders
- Revenue Collections
- Leases & SBITAs
- ACFR Year-End Forms
- NextGen
- Single Audit
- GASB Updates
- Miscellaneous Items
- Questions

Workforce Strategy Initiative (WSI)

- Created to support workforce development strategies and career paths for key occupation areas in state government.
- Identifying strategies to boost the workforce pipeline and promote retention by partnering with the Board of Regents of the University System of Georgia, the Georgia Department of Education (GaDOE), the Technical College System of Georgia (TCSG), and the University of Georgia Carl Vinson Institute of Government
- Target career paths that cross multiple agencies
- Reinforce linked education and internship programs
- Intern links at DOAS:
 - <https://careers.georgia.gov/internships>
 - <https://doas.ga.gov/human-resources-administration/enterprise-talent-management-services/internship-pipeline-initiative>

If interested in joining the WSI team for accounting, reach out to kris.martins@sao.ga.gov

Budgetary Compliance Report (BCR) & Revenue Collection Fund

BCR BFB Tie Status as of 5/10/2024

- 34 agencies tied in (as of 5/10/2024)

Agency	Agency
Accounting Office, State	Judicial - Judicial Council
Administrative Services, Department of	Judicial - Juvenile Courts
Audits and Accounts, Department of	Judicial - Prosecuting Attorneys
Banking and Finance, Department of	Judicial - Supreme Court
Behavioral Health and Dev. Disb., Dept. of	Juvenile Justice, Department of
Community Affairs, Department of	Labor, Department of
Community Supervision, Department of	Law, Department of
Corrections, Department of	Natural Resources, Department of
Defense, Department of	Pardons and Paroles, State Board of
Forestry Commission, Georgia	Public Health, Department of
General Assembly Joint Offices	Public Safety, Department of
Georgia House of Representatives	Public Service Commission
Georgia Senate	Revenue, Department of
Governor, Office of the	Secretary of State
Insurance, Commissioner of	Transportation, Department of
Investigation, Georgia Bureau of	Veterans Service, State Department of
Judicial - Appeals	Workers' Compensation, State Board of

- 7 agencies are not tied in
- 10 non TeamWorks agencies

Fund Balance Appropriated Form (FBAF)

New for FY 24:

- There have been improvements in the formulas in the PCA columns of the Fund Balance Appropriations Form (FBAF).
- New PCA Approval Form

Statement of Acknowledgement Post Closing Adjustment (PCA) Signed by agency CFO	
Agency Number: <input type="text"/>	Agency Name: <input type="text"/>
Please provide a brief explanation for the necessity of the PCA(s), along with the PCA number(s). For any additional PCA(s) a new statement of acknowledgement is required.	
PCA Number: <input type="text"/>	PCA Description: <input type="text"/>
PCA Number: <input type="text"/>	PCA Description: <input type="text"/>
PCA Number: <input type="text"/>	PCA Description: <input type="text"/>
PCA Number: <input type="text"/>	PCA Description: <input type="text"/>
PCA Number: <input type="text"/>	PCA Description: <input type="text"/>
By signing below, I hereby acknowledge that I have reviewed and agree with the above Post Closing Adjustments. Please email signed acknowledgement to SAO_Reporting@sao.ga.gov .	
Name: <input type="text"/>	
(Please print)	
Signature: <input type="text"/>	Date: <input type="text"/>

Non-Compliance with Budget

- SAO will be sending draft BCRs as follows:
 - **Last week of period 12 close: Monday and Wednesday**
 - **Week of 998 close: Monday and Thursday**
- Goal of this exercise:
 - To avoid agencies having more expenditures than revenue and to give agencies a chance to review data in SAO format and make necessary adjustments in TeamWorks before 998 close
 - Reduce the number of PCAs

Revenue Collections

- **FY2024 Change** - New account 750002 being created for Revenue Collections transfers out to OST.
 - Please begin to use this 750002 account **and reclass any FY2024 Revenue Collections Fund 10200 transfers out to OST YTD activity to this new account prior to FY2024 year-end close.**
- When confirming transfers with OST in mid-July, ensure account 750002 (*new account*) ties to the amount confirmed. Or provide PCA's to aide in tying out (not preferable).
- **If during YE closeout, the amount changes from what was confirmed in mid July with OST, reach back out to OST to notify them of the change:**
 - Appropriations Receivable
 - Appropriations Revenue
 - Return of Surplus
 - Transfers
 - Early Return of Surplus to OST

Leases & Subscription Based IT Arrangements (SBITA)

Updated Lease/SBITA Software

- **SAO has procured a new Lease (Lessee and Lessor) & SBITA Accounting Software starting in FY2024 called “GASB Lite”**
- GASB Lite:
 - Workiva product
 - SWAR currently working on implementation
 - Agencies will no longer submit EZLease Lease Agreement Data and SBITA forms in Excel
 - Will instead complete questionnaire online within GASB Lite
 - Will be easier to complete compared to year-end forms
 - Will not allow users to report agreements that do not meet the definition of a lease or SBITA per GASB 87 & 96
 - Each agency will have unique URL to access their questionnaire and will also have “view only” access to their database of leases and SBITAs.
 - Agencies will still submit changes/revisions to leases/SBITA to SWAR
 - Agencies will be able to submit new leases via the questionnaire throughout the year
 - SWAR will continue PY data confirmations during February/March each year

Updated Lease/SBITA Software



State of Georgia - TEST GASB 87 Input Form

GASB 87 Decision Tree - 40700

1. Lease ID (Short Name) *

40700lease01

38 characters remaining

The Lease ID should be your agency's 5 digit Business Unit Number & Lease number combined. For example, the State Accounting Office would list a lease ID such as: 40700lease01.

2. Lease Description

Building on 3rd Street

Enter a description of the lease

3. Lease Type *

☒ Lessee

☐ Lessor

Specify whether the lease is for the lessee or lessor.

4. Does the contract meet any of the exclusions below? [GASB 87, ¶18] *

- a. Leases of intangible assets, including rights to explore for or exploit natural resources, such as oil, gas, and minerals and similar nonregenerative resources; licensing contracts for items such as motion picture films, video recordings, plays, manuscripts, patents, and copyrights; and licensing contracts for computer software. In sublease transactions, however, GASB 87 does apply to the intangible right-to-use assets that are created by the original leases of tangible underlying assets.
- b. Leases of biological assets, including timber, living plants, and living animals.
- c. Leases of inventory.
- d. Contracts that meet the definition of a service concession arrangement (refer to GASB Statement 60, paragraph 4).
- e. Leases in which the underlying asset is financed with outstanding conduit debt, unless both the underlying asset and the conduit debt are reported by the lessor.
- f. Supply contracts, such as power purchase agreements.

☐ Yes

☒ No

Next

Updated Lease/SBITA Software

5. Does the contract *

a. transfer ownership of the underlying asset to the lessee by the end of the contract

AND

b. does not contain termination options, but may contain a fiscal funding or cancellation clause that is not reasonably certain of being exercised? [GASB 87, ¶19]

☐ Yes

☒ No

6. At the commencement of the lease term, is the maximum possible term of the lease contract 12 months or less, including any options to extend, regardless of their probability of being exercised? [GASB 87, ¶¶16-18] *

☐ Yes

☒ No

Note: For a lease that is cancelable by either the lessee or the lessor, such as a rolling month-to-month lease or a year-to-year lease, the maximum possible term is the noncancelable period, including any notice periods. [GASB 87, ¶¶16-18]

7. Does a contract exist that conveys control of the right to use another entity's non-financial asset for a period of time in an exchange or exchange-like transaction? [GASB 87, ¶14] *

☒ Yes

☐ No

8. Does the contract specify that equal or near-equal value is exchanged for the user's right to use the asset? [GASB 87, ¶14] *

☒ Yes

☐ No

9. Does the contract meet both of the following criteria? *

a. The right to obtain the present service capacity from use of the underlying asset as specified in the contract

AND

b. The right to determine the nature and manner of use of the underlying asset as specified in the contract. [GASB 87, ¶15]

☒ Yes

☐ No

10. Is there an identified non-financial asset, such as land, building, vehicles, and equipment? [GASB 87, ¶17] *

☒ Yes

☐ No

Updated Lease/SBITA Software

This is a GASB 87 Lease. Complete the details below.

11. Department/Component *

40700 - Accounting Office, State

Select your agency's business unit number from the drop down.

12. Fund Number *

40700_EWAdj

Number of the fund where lease is recorded.

13. Lease Start Date *

07/01/2021

Date on which the lease commences

14. Lease Payment Date in Measurement Year *

07/01/2021

Date first lease payment is due (this may be different than the commencement date). Note: Measurement Year is the fiscal year in which the lease is recorded per GASB 87

15. Lease Increment Between Payments *

- ☒ 1 - Monthly
☐ 2 - Bi-monthly
☐ 3 - Quarterly
☐ 6 - Semi-annually
☐ 12 - Annually

Select one

16. Lease Period (in months) *

36

Total number of months lease covers from 'Lease Payment Date in Measurement Year' to end of lease term (including extension(s) when applicable).

17. Lease Annual Interest Rate *

1.742

The interest rate the lessor charges the lessee, which may be the interest rate implicit in the lease or stated in the agreement. If the interest rate is not stated in the lease or cannot be readily determined by the lessee, then the State's borrowing rate must be used. This determination is made only in the year of the lease's inception and does not need to be updated annually. If a rate is not stated in the lease document, enter one of the rates stated below. The State's (lessee's) incremental borrowing rate is based on bond sale rates during the fiscal year. Select the rate from the See [linked table](#) that combines the fiscal year the lease began and the number of years that is closest to the number of years in the lease term. For example, if the lease began in FY 2023 and was for a term of 9 years, select the 10 year rate of 2.72 as the rate.

Updated Lease/SBITA Software

17. Lease Annual Interest Rate *

1.742

The interest rate the lessor charges the lessee, which may be the interest rate implicit in the lease or stated in the agreement. If the interest rate is not stated in the lease or cannot be readily determined by the lessee, then the State's borrowing rate must be used. This determination is made only in the year of the lease's inception and does not need to be updated annually. If a rate is not stated in the lease document, enter one of the rates stated below. The State's (lessee's) incremental borrowing rate is based on bond sale rates during the fiscal year. Select the rate from the See [linked table](#) that combines the fiscal year the lease began and the number of years that is closest to the number of years in the lease term. For example, if the lease began in FY 2023 and was for a term of 9 years, select the 10 year rate of 2.72 as the rate.

18. Lease Payments (in months) *

Specify payments

Note: If the lease is paid or received over a period other than monthly (such as annually), convert the payments/receipts to a monthly basis

19. Other Lease Preparation Costs

Note: Other Lease Preparation Costs are charges necessary to put the leased asset into service. Examples include shipping, freight, and installation costs. Debt issuance costs are not included here.

20. Future Payment due at end of Lease

Enter amount due at end of lease, including, but not limited to, bulk payment due at end of lease.

21. Incentives (if applicable)

Specify incentives

22. Penalties (if applicable)

Specify penalties

23. Lease Payment Sequence *

☒ 1 - Beginning of period

☐ 0 - End of period

Select one.

Updated Lease/SBITA Software

36

Total number of months lease covers from 'Le

17. Lease Annual Interest Rate *

1.742

The interest rate the lessor charges the lessee then the State's borrowing rate must be used rates stated below. The State's (lessee's) incre number of years that is closest to the number

18. Lease Payments (in months) *

Specify payments

Note: If the lease is paid or received over a pe

19. Other Lease Preparation Costs

Note: Other Lease Preparation Costs are charg

20. Future Payment due at end of

Enter amount due at end of lease, including, l

21. Incentives (if applicable)

Specify Monthly Payment Breakdown

Pick one of the three options below to specify the monthly payment breakdown.

Single Fixed Payment

Escalation Rule

Monthly Breakdown

Payment Breakdown *

Specify the individual payments per period.

You can paste values from the clipboard. Make sure the values are tab separated, and contain two columns - period in the format MM-yyyy or MMyyyy and payment amount. Select the first payment input box below and paste using Ctrl+V (Cmd+V on macOS)

Period	Amount
07-2021	
08-2021	
09-2021	
10-2021	
11-2021	
12-2021	
01-2022	
02-2022	
03-2022	

Updated Lease/SBITA Software

24. Purchase Option Number of Years (if applicable)

Enter number of years from inception to purchase option payment.

25. Purchase Option Future Payment Amount (if applicable)

Enter amount of payment to be made in the future to purchase the asset at the end of the lease.

26. Purchase Option Payment Sequence (if applicable)

- ☒ 1 - Beginning of period
☐ 0 - End of period

Select one

27. Is the Underlying Asset Depreciable? *

- ☒ Yes
☐ No

The underlying asset depreciable field is required.

28. Asset Useful Life (in months)

Enter total remaining number of months in the asset's useful life

29. Lease Asset Class *

- ☐ Unassigned
☐ Land
☒ Buildings
☐ Improvements other than buildings
☐ Furnishings and equipment
☐ Infrastructure
☐ Construction/development in progress
☐ Other capital assets

This lease asset should be included in which major class of assets? See [GASB 87, 1137]

Updated Lease/SBITA Software

28. Asset Useful Life (in months)

Enter total remaining number of months in the asset's useful life

29. Lease Asset Class *

- ☐ Unassigned
- ☐ Land
- ☒ Buildings
- ☐ Improvements other than buildings
- ☐ Furnishings and equipment
- ☐ Infrastructure
- ☐ Construction/development in progress
- ☐ Other capital assets

This lease asset should be included in which major class of assets? See [GASB 87, 1137]

30. Asset ID Number *

31. SWC Number *

32. Agency Number *

Save & Send To Workiva

Updated Lease/SBITA Software

- Once questionnaire is complete, lease is sent to agency's input sheet
 - Agencies will have view only access of input sheets but will be able to access them at any time

40700 - Lessee Input

Column Mappings

Lease Input Sheet

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	
	Short Name	Description	Fund Type	Fund Name	Separate Disclosure	Department/ Agency	Lease Start Date	Lease Payment Date in Measurement Year	Measurement Date	Lease Number of Months	Lease End Date (calculated)	Lease Monthly Interest Rate	Lease Monthly Payments	Other Lease Prep Costs	Lease Future Payment	Ince
1	40700lease01	Building on 3rd Street	Governmental	40700_EWAdj	N/A	40700	07-01-2021	07-01-2021		36	07-01-2024	0.145166666666667	202107.5000			
2																
3																
4																
5																
6																

SBITA Reminder

- **Cloud software, platform and infrastructure as a service agreements are SBITAs.**
- Per GASB Implementation Guide No. 2023-1

4.8. Q—For purposes of determining the applicability of Statement 96, do Software as a Service, Platform as a Service, and Infrastructure as a Service contain a combination of IT software and tangible capital assets?

A—Yes. Software as a Service, Platform as a Service, and Infrastructure as a Service are three common deployment models of cloud computing arrangements. Notwithstanding the labels of those arrangements, each deployment model contains IT software used in combination with tangible capital assets. To further assess the applicability of Statement 96, the substance of the arrangement should be evaluated in accordance with all aspects of paragraph 6 of that Statement to determine whether the arrangement meets the definition of a subscription-based information technology arrangement (SBITA).

- For example: TeamWorks going to cloud for infrastructure in March of this year is ***infrastructure as a service*** which would make the cloud version of TeamWorks a SBITA and would be required to be reported to SAO.

ACFR FY2024 Year-end Reporting

Year-end form collection

- SAO is will continue collecting forms using the submission portal (excluding Component Units).
- **New in FY24:** Agencies will now be able to run a report of forms listing which have been submitted and which forms are outstanding.
- When a form is submitted, agencies should receive email confirmation.
- SAO is planning on keeping following forms in Wdesk:
 - Appropriations Receivable Reconciliation
 - Inter-Organization Form (Due To/Due From)
- Lease and SBITA data will be collected through a new system (GASB Lite).
- Pending DOAA Review: There is a \$10M threshold for Asset Retirement Obligation (ARO). If less than \$10M, nothing needs to be reported. However, agencies will need to submit a response indicating less than \$10M on the submission portal.

Year-end form submission portal

- If your agency has data that needs to be communicated to SAO, select yes and attach Year End form and/or enter in a description

Entity (required)	
40700--Accounting Office, State	
Year End Form (required)	
Revenue Based on Encumbrances	
Does your organization have Revenue Based on Encumbrances that need to be communicated to SAO?	
Yes	
Please Attach your file	
Choose File	No file chosen
UPLOAD	
One file only. 256 MB limit. Allowed types: xls, xlsx, doc, docx, pdf.	
SUBMIT	

- If your agency does NOT have data for specific form, select **No** and **DO NOT** attach Year End form.

Entity (required)	
40700--Accounting Office, State	
Year End Form (required)	
Revenue Based on Encumbrances	
Does your organization have Revenue Based on Encumbrances that need to be communicated to SAO?	
No	
SUBMIT	

Accounting for transactions between Agencies and GSFIC

- Email guidance was sent out on Thursday 5/16/2024 regarding transactions between agencies and GSFIC.
- **New account to use when agencies send cash to GSFIC – Account 750040 (Transfers Out – GSFIC)**
- New guidance for a fund source numbering system for the Cash program specifically so OPB can track funding activity.
 - Funding sources must begin with 9Gxxx.
- **The only activity that should be in fund 50600 (capital projects fund) is activity related to GO bond funded projects.** All other activity (federal funding, state funding, matching funds, cash supplement activity, etc.) should be in fund 10100 (budget fund).

Accounting for transactions between Agencies and GSFIC

GSFIC DETAILS				Fund Level (TeamWorks coding)						EW Level (SAO FORMS)
Funding Source	Description	Example details (see following tabs)	Application to projects (GSFIC USE ONLY)	AGENCY Managed vs GSFIC Managed	FUND	FUND SOURCE	ACCOUNT DEBIT	ACCOUNT CREDIT	Description	Capital Asset form reporting
Bond Issuances	Bond proceeds fund capital projects authorized in the appropriations bills. Authorizations typically are in Section 50: State of Georgia General Obligation Debt Sinking Fund. (In the AFY 2024 HB 915 see Section 51: State of Georgia General Obligation Debt Sinking Fund).	Example 1: HB 19 (FY 2024 General) provided a total of \$702,720,000 of authorizations for bond-funded projects. Of those authorizations, \$520,610,000 were funded by 2023A and 2023B General Obligation Bonds; \$180,110,000 remains unsold.	Based on bond issue (2023A or 2023B)	GSFIC Managed Revenue and Expense	N/A	N/A	N/A	N/A	Agencies do not report activity for GSFIC Managed projects at fund level	Agency receiving GSFIC managed completed asset must show on capital asset form.
				Agency Managed Expense	50600	9xxxxx	Appropriate Expense Account + refer to note below	Cash/AP	Agency expending funds for capital asset projects managed by the agency	The capital asset form should also include WIP/asset for the expenditures submitted for GSFIC reimbursement, as these are to be reported as an asset on the Entity-wide full accrual statements.
				Agency Managed Revenue	*See below for additional notes		Cash/AR	474002	Agencies receiving reimbursement from GSFIC for Agency managed projects *See below for special instructions for on-behalf payments	
Cash from Agencies	Cash from Agencies that may be transferred to GSFIC to apply towards capital projects. This occurs at the discretion of the agencies and can fund projects or supplement other funding on existing projects.	Example 2: Through 4/30/2024 GSFIC allocated \$143,200,061.96 towards capital projects from Cash received or to be received from agencies.	Separate internal fund source code which includes "M"	GSFIC and Agency Managed Expense	101xx (Budget Fund)	Any Fund source depending on funding stream	NEW ACCOUNT 750040	Cash/AP	When Cash sent to GSFIC	N/A
				GSFIC and Agency Managed Revenue			Cash/AR	Appropriate Revenue Account	Receiving money for funding from any type of funding stream except appropriations (i.e., "regular" accounting for collection of funds to be sent to GSFIC)	
Cash specifically appropriated to agencies	Cash Appropriations for capital projects to Agencies that may be transferred to GSFIC. Due to excess Cash available for appropriation, additional funding was provided for capital projects, beginning with the FY 2022 Amended bill. These authorizations are within each agency's budget;	Example 3: \$1,008,929,316 was authorized in the FY 2022 Amended bill for various agency capital projects. Of that amount \$346,341,161 was received by GSFIC and allocated toward capital projects.	Separate internal fund source code which includes "MA" or "MDA"	GSFIC and Agency Managed Expense	101xx (Budget Fund)	01xxxx	NEW ACCOUNT 750040	Cash/AP	Transfer out for any cash that may be sent to GSFIC	N/A
				GSFIC and Agency Managed Revenue			Cash/AR	401001	Agency receives money in appropriations bill for capital spending	
GSFIC Cash Program	Section 50: Georgia State Financing and Investment Commission - Capital Projects Fund (New program, beginning with HB 915 AFY 2024, funded by Cash appropriations for specific agency projects.)	Example 4: HB 915 (AFY 2024) provided a total of \$1,527,012,775 of Cash authorizations for various capital projects. GSFIC drew down an allotment of \$750,000,000 which was applied to projects on April 15, 2024. The remaining \$777,012,775 is currently expected to be received from QST on May 15, 2024.	Separate internal fund source code which includes "MG" or "MGA"	GSFIC Managed Revenue and Expense	N/A	N/A	N/A	N/A	Agencies do not report activity for GSFIC Managed projects at fund level	Agency receiving GSFIC managed completed asset must show on capital asset form.
				Agency Managed Expense	101xx (Budget Fund)	9Gxxxx	Appropriate Expense Account + refer to note below	Cash/AP	Agency expending funds for capital asset projects managed by the agency	The capital asset form should also include WIP/asset for the expenditures submitted for GSFIC reimbursement, as these are to be reported on this is considered an asset on the Entity-wide full accrual statements.
				Agency Managed Revenue			Cash/AR	474002	Agencies receiving reimbursement for Agency managed projects *See below for special instructions for on-behalf payments	

Changes to Component Units

- All Discretely Presented Component Units (both TeamWorks or other systems):
 - Will no longer submit year-end financial forms through SAO submission portal
 - All financial data will be collected in Workiva
 - Informational forms (ex: year-end questionnaire and subsequent events) will continue to be sent through SAO submission portal
 - Each form in Workiva will have instructions for completing

Changes to Component Units

- ▼ Forms
 - TB Entry Form
 - ▼ Form 01 - Capital Assets
 - Instructions - Capital Assets
 - Form 01A - Capital Assets
 - ▼ Form 02 - Debt
 - Instructions - Debt
 - Form 02A - Changes in LTL
 - Form 02B - Future Payments LTL
 - ▼ Form 03 - Net Position
 - Instructions - Net Position
 - Form 03A - Net position
 - ▼ Form 04 - Allowances
 - Instructions - Allowances
 - Form 04A - Allowance for Doubtful Accounts
 - ▼ Form 05 - Encumbrances
 - Instructions - Encumbrances
 - Form 05A - Encumbrances
 - ▼ Form 06 - Cash & Deposits and Investments
 - Instructions - Cash & Deposits and Investments
 - Form 06A - SDP Deposit Detail

	A	B	C	D	E	F	G	H
1	SAO Status		Georgia State Accounting Office					
2			91300 - Lake Lanier Islands Development Authority					
3			Form 01A - Capital Assets					
4			June 30, 2024					
5	CU Status							
6								
7								
8	Prepared By:							
9	Telephone #:							
10	Email:							
11								
12					Manual Input Cells			
13								
14								
15								
16	Non-depreciable assets		BB	CA_BBADJ	CA_BB_Restated	CA_EXP	CA_RETIRE	
17			Beginning Balance	Beginning Balance Adjustments	CA_BB_Restated	CY Expenditures	CY Retirements	
18	1581000	NCA - Cap. Assets - Nondeprec. - Land & Land Improvements	—	—	—	—	—	
19	1582000	NCA - Cap. Assets - Nondeprec. - Works of Art and Collections	—	—	—	—	—	
20	1583000	NCA - Cap. Assets - Nondeprec. - Construction in Progress	6,826,554.00	—	6,826,554.00	—	—	
21	1584000	NCA - Cap. Assets - Nondeprec. - Easement, Mineral, Timber, and Water Rights	—	—	—	—	—	
22	Depreciable assets							
23	1571000	NCA - Cap. Assets - Deprec. - Bldg. and Bldg Improvements	—	—	—	—	—	
24	1572000	NCA - Cap. Assets - Deprec. - Improvements other than Buildings	—	—	—	—	—	
25	1573000	NCA - Cap. Assets - Deprec. - Machinery and Equipment	—	—	—	—	—	
26	1574000	NCA - Cap. Assets - Deprec. - Software	—	—	—	—	—	
27	1574100	NCA - Cap. Assets - Deprec. - Copyrights, Patents, and Trademarks	—	—	—	—	—	
28	1574200	NCA - Cap. Assets - Deprec. - Easement, Mineral, Timber, and Water Rights	—	—	—	—	—	
29	1575000	NCA - Cap. Assets - Deprec. - Library Collections	—	—	—	—	—	
30	1576000	NCA - Cap. Assets - Deprec. - Works of Art and Collections	—	—	—	—	—	
31	1577000	NCA - Cap. Assets - Deprec. - Infrastructure	39,610,154.00	—	39,610,154.00	—	—	
32								

Change in Equipment Threshold

- There is a **proposal** for a prospective change to the Equipment threshold of \$10K to be in effect starting **10/1/2024**.

Non-Federal Fund Source Capitalization Threshold Schedule	
Class of Asset	Threshold*
Land/land improvements (other than that held as investments by endowments)	Capitalize All
Land/land improvements held as investments by endowments (<i>not</i> treated as capital assets)	Record as an Investment at FV
Buildings/building improvements	\$100,000
Improvements other than buildings	\$100,000
Infrastructure, bridges and roadways included in the state highway system	Capitalize All
Infrastructure, other	\$1,000,000
Intangible assets, other than software	\$100,000
Personal property (machinery/equipment/furniture/vehicles)	\$10,000
Library books/materials, collections	
Initial threshold for aggregate collection	\$100,000
Additions if aggregate collection equals or exceeds initial threshold	Capitalize All
Works of art/historical treasures	Capitalize All
Software	\$1,000,000

Internal Controls

- Management is responsible for an effective internal control system within each State organization, including:
 - Design of the internal control system
 - Implementing the internal control system
 - Verifying the internal control system is operating as designed and is effective.
- Personnel throughout the State organization play an important part in implementing and operating an effective internal control system.
- It is time for annual review, update and certification of internal control submissions.
 - Prior year responses carried forward to current year, but please still carefully review this information.
 - Due date of June 28, 2024

Internal Controls

- Feedback of last year's internal control submission was sent out by SAO.
 - Review and update for items noted (example: should be no blanks).
- Internal control submissions should contain what is actually in place.
 - SAO does some testing and at times finds that the "right" answer was provided, not what is actually occurring.
 - For example, bank reconciliations being completed, but then there are a lot of older reconciling items.

Internal Controls

- Due to an updated Statement on Auditing Standards (SAS 145), auditors have a heightened focus on the auditee's risk assessment.
- A few key updates:
 - Revised requirements to evaluate the design of certain controls within the control activities component, including general IT controls, and to determine whether such controls have been implemented.
 - New requirement to separately assess inherent risk and control risk.
 - A revised definition of significant risk.
 - Etc.

NextGen

NextGen: Data Clean-up

- SWAR is in the process of reviewing data needing agency clean up as part of the NextGen project.
 - Example:
 - Old funds (A1, B1, R1, etc.)
 - Funds not appropriate for an agency (ex: any agency but DOAS using fund 10101 OTFS Administration)
 - MANJV balances in Account 200011
- Fund Source confirmations – please make sure to inactivate fund sources that were used for clean-up if old and do not put on new tree requests.
- Communications for items that need to be cleaned through the Governance process.

NextGen: Time Tracking

Timekeeping for NextGen Project

Record Time

- Anyone who participates (including contractors) in NextGen project activities is required to record their time for accurate accounting purposes.

Use Combination Codes within TeamWorks

- Use XX-ERP-IMP during planning and implementation
- Use XX-ERP-TRN for training

Timekeeping Code	4XX-ERP-IMP (Implementation)	4XX-ERP-OPS (Operations)	4XX-ERP-TRN (Training)
Example Activities	Design of the chosen path (includes configuration, coding, testing, etc.) Workshops Process Map Review Requirements Review	Maintenance, troubleshooting, etc.	Training costs, including payroll costs, for those preparing, providing or attending training.
Effective Date	As of February 1, 2023	As of future date, SAO will notify when in this stage	Any time period

- ★ The “**TRN**” code should only be used for training relating to Workday / how to use Workday.

Examples:

- **Use TRN** for FDM session viewing, Ask Expert Q&A with Workday, training from Workday.
- **Do not use TRN** for project orientation or kickoff meetings.

NextGen: Time Tracking

Timekeeping for NextGen Project

Use Spreadsheets or Agency-specific method if outside of TeamWorks

- Weekly (employees/contractors)
- Quarterly (organization - provide to SAO)

New ERP Timesheet

Organization Name: _____

Pay Period Start Date: 2/15/2023

Pay Period End Date: 2/22/2023

Employee or Contractor: _____

Manager: _____

Day	Date	Implementation Hours [ERP-IMP]	Operational Hours [ERP-OPS]	Training Hours [ERP-TRN]	Total ERP Hours
Monday	2/15/2023				0.00
Tuesday	2/16/2023				0.00
Wednesday	2/17/2023				0.00
Thursday	2/18/2023				0.00
Friday	2/19/2023				0.00
Saturday	2/20/2023				0.00
Sunday	2/21/2023				0.00
Total Hours		-	-	-	0.00

New ERP Timesheet Submit to SAO at least quarterly.

Organization Name: _____

Month	Employee or Contractor name	Employee or Contractor rate	Implementation Hours [ERP-IMP]	Operational Hours [ERP-OPS]	Training Hours [ERP-TRN]	Total ERP Hours	Implementation Hours x Rate	Operational Hours x Rate	Training Hours x Rate	Total ERP Hours x Rate
Jul-22						-	\$0.00	\$0.00	\$0.00	\$0.00
Aug-22						-	\$0.00	\$0.00	\$0.00	\$0.00
Sep-22						-	\$0.00	\$0.00	\$0.00	\$0.00
Oct-22						-	\$0.00	\$0.00	\$0.00	\$0.00
Nov-22						-	\$0.00	\$0.00	\$0.00	\$0.00
Dec-22						-	\$0.00	\$0.00	\$0.00	\$0.00
Jan-23						-	\$0.00	\$0.00	\$0.00	\$0.00
Feb-23						-	\$0.00	\$0.00	\$0.00	\$0.00
Mar-23						-	\$0.00	\$0.00	\$0.00	\$0.00
Apr-23						-	\$0.00	\$0.00	\$0.00	\$0.00
May-23						-	\$0.00	\$0.00	\$0.00	\$0.00
Jun-23						-	\$0.00	\$0.00	\$0.00	\$0.00

Single Audit

Single Audit

- Carefully read instructions every year – there is a lot of important information in there and changes are made to them

<https://sao.georgia.gov/federal-compliance-reporting>

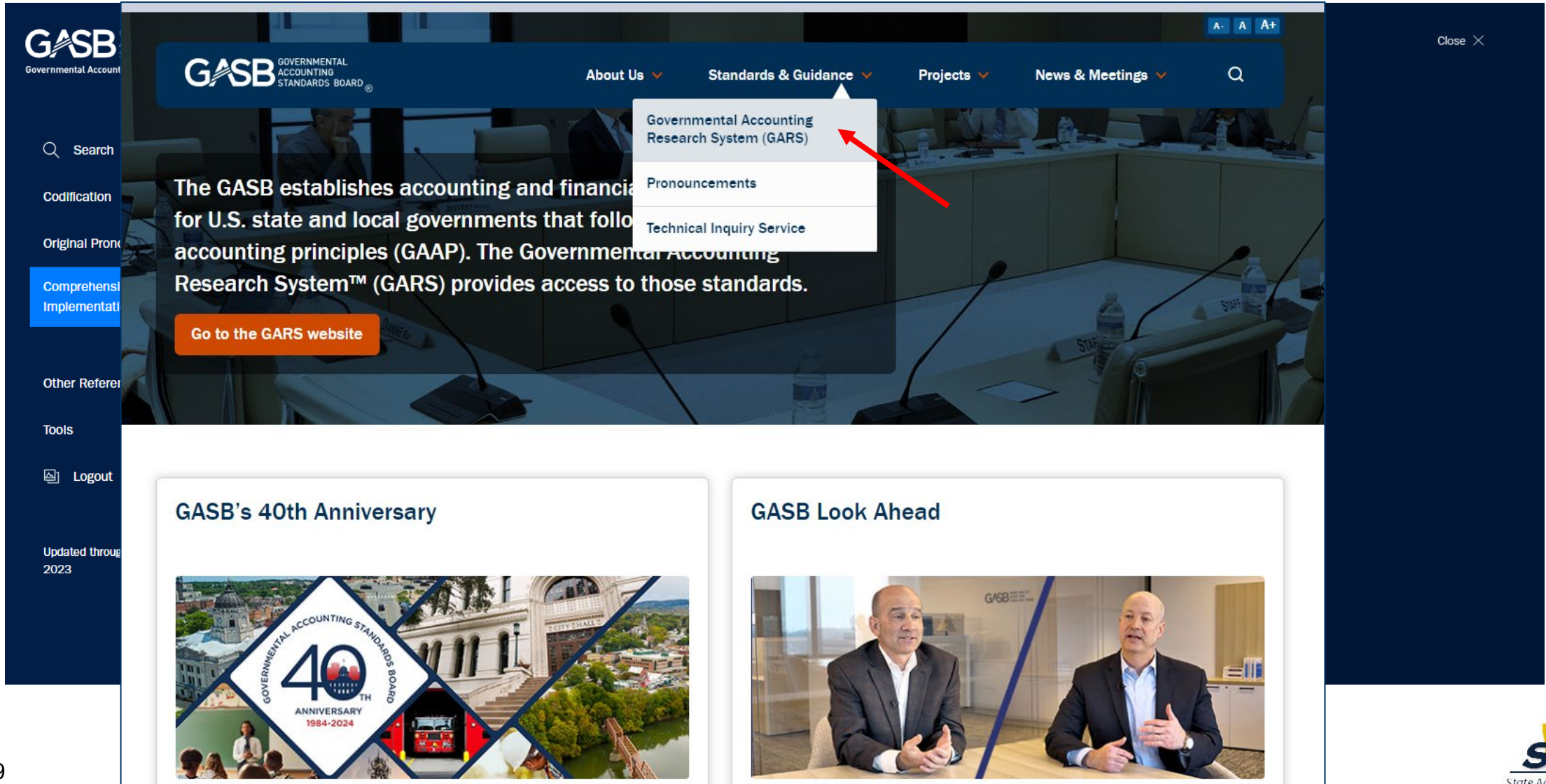
- SEFA and Findings Systems have many sets of instructions built into webportal as well
- Remember to implement any prior year Corrective action Plans (CAPs)

Single Audit

- SEFA web portal submission:
 - System only allows active Assistance Listing Number (ALN) numbers to be used, but reach out to SAO with any questions or potential changes
 - Do not just pick a different ALN
 - Monetary awards cannot be reported as nonmonetary
- Interagency pass thru:
 - There are still issues with agencies not matching. Please remember “timing” is not an acceptable as both sides should match (may require Unrecorded Receivable/Payable (URP) adjustment)

Upcoming GASBs

Governmental Accounting Research System (GARS)



The screenshot displays the GASB (Governmental Accounting Standards Board) website. The header features the GASB logo and navigation links: About Us, Standards & Guidance, Projects, and News & Meetings. A dropdown menu under 'Standards & Guidance' is open, highlighting 'Governmental Accounting Research System (GARS)' with a red arrow. Below the header, a large banner states: 'The GASB establishes accounting and financial reporting standards for U.S. state and local governments that follow generally accepted accounting principles (GAAP). The Governmental Accounting Research System™ (GARS) provides access to those standards.' An orange button labeled 'Go to the GARS website' is positioned below the banner. The left sidebar contains a search bar and links for Codification, Original Pronouncements, Comprehensive Implementation Guides, and Other References. The bottom section features two tiles: 'GASB's 40th Anniversary' with a commemorative logo and 'GASB Look Ahead' with a video thumbnail of two men in an office setting.

GASB GOVERNMENTAL ACCOUNTING STANDARDS BOARD®

About Us ▾ Standards & Guidance ▾ Projects ▾ News & Meetings ▾

Governmental Accounting Research System (GARS)

Pronouncements

Technical Inquiry Service

The GASB establishes accounting and financial reporting standards for U.S. state and local governments that follow generally accepted accounting principles (GAAP). The Governmental Accounting Research System™ (GARS) provides access to those standards.

[Go to the GARS website](#)

GASB's 40th Anniversary

GASB Look Ahead

GASB 100 – Effective FY2024

Accounting Changes and Error Corrections – An amendment of GASB Statement No. 62

- Defines accounting changes as:
 - Changes in accounting principles
 - Changes in accounting estimates
 - Changes to or within the financial reporting entity
 - Corrections of an error (not an Accounting change)
- Prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections in previously issued financial statements.
 - Key takeaway, some of the categories above require prospective changes, while other ones, such as Correction of an Error, require retroactive changes.

GASB 100 – Effective FY2024

- Note disclosure: Aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, should be displayed for each reporting unit

	12/31/20X1 As Previously Reported	Change to or within the Financial Reporting Entity (A)	Change to or within the Financial Reporting Entity (B)	Error Correction (C)	12/31/20X1 As Restated
Government-Wide					
Governmental Activities	\$ 768,033	\$ -	\$ -	\$ 71,312	\$ 839,345
Business-Type Activities	543,163	(2,184)	-	-	540,979
Total Primary Government	\$ 1,311,196	\$ (2,184)	\$ -	\$ 71,312	\$ 1,380,324
Governmental Funds					
Major Funds:					
General Fund	\$ 631,607	\$ -	\$ -	\$ -	\$ 631,607
Fund A	100,922	-	-	-	100,922
Nonmajor Funds	40,486	-	-	-	40,486
Total Governmental Funds	\$ 773,015	\$ -	\$ -	\$ -	\$ 773,015
Proprietary Funds					
Major Funds:					
Enterprise Fund C	\$ 418,910	\$ -	\$ -	\$ -	\$ 418,910
Enterprise Fund D	74,831	(2,184)	-	-	72,647
Nonmajor Funds	49,422	-	-	-	49,422
Total Proprietary Funds	\$ 543,163	\$ (2,184)	\$ -	\$ -	\$ 540,979
Fiduciary Funds					
Pension and Other Employee Benefit Trust Funds	\$ 3,071,227	\$ -	\$ -	\$ -	\$ 3,071,227
Discretely Presented Component Units					
ABC Authority	\$ 1,696	\$ -	\$ -	\$ -	\$ 1,696
QRS Foundation	-	2,184	-	-	2,184
XYZ Foundation	-	-	1,500	-	1,500
Nonmajor Component Units	2,730	-	-	-	2,730
Total Discretely Presented Component Units	\$ 4,426	\$ 2,184	\$ 1,500	\$ -	\$ 8,110

GASB 101 – Effective FY2025

Compensated Absences

- Requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements.
- Key change for the State – will need to calculate the amount of sick leave that is more likely than not (i.e., greater than 50%) to be used for time off in the future.

GASB 102 – Effective FY2025

Certain Risk Disclosures

- Objective of this Statement is to disclose within government financial statements risks related to a government's vulnerabilities due to certain concentrations or constraints. A concentration is defined as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A constraint is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.
- A government is required to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, a government is required to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

Miscellaneous Items

Other

- Reminder: May FMC training presentations are out on SAO's website
- FY24 year-end reporting timeline is not yet available, but will be similar to the FY23 timeline
- Please submit Year-End forms (YEF) by due date: not submitting YEF by due date holds up SAO's work on the ACFR
- SWAR will reach out to agencies regarding user access to Workiva in FY24

Communications list

Reminder: SAO has a form for agencies to complete for updated agency contacts.

 **STATE ACCOUNTING OFFICE**

[TeamWorks](#) [Statewide Reporting](#) [Shared Services](#) [Policies and Procedures](#) [Travel](#) [Training & Calendars](#) [Internal Controls](#)

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Statewide Reporting

[Budgetary Compliance Report](#)

[Annual Comprehensive Financial Reports](#)

[Federal Compliance Reporting](#)

> [Reporting Structure and Chart of Accounts](#)

Year-End Forms

The information on this page contains forms and additional information for use in the preparation of the State level year-end reports. To update contact information relating to SAO Financial Reporting communication, please [complete the Update Form](#) and email to sao_reporting@sao.ga.gov.

2021 Year - End Reporting Forms

[Entire Year-End Package](#)

[Entire Year-End Package \(zip\)](#)

Questions?