

INSTRUCTIONS

To Complete Forms of Department Financial Information Required for the Preparation of the State of Hawaii's Annual Comprehensive Financial Report (ACFR)

DUE DATES:

ALL SCHEDULES EXCEPT VOUCHERS PAYABLE - September 13, 2024
VOUCHERS PAYABLE – October 4, 2024

In accordance with Section 40-4, Hawaii Revised Statutes, we are requesting financial information to assist in the preparation of the State of Hawaii's Annual Comprehensive Financial Report (ACFR).

Information on accounts, notes, and loans receivable, accrued vacation and sick leave, will be requested separately.

All financial information must be received on the dates stated above. Unless specified, each Department must consolidate all data or information and be required to submit only one report for the whole department (one department = one report). If you have any questions, please contact Ladea M. Nash, Accounting System Administrator, at 586-0600, or e-mail at ladea.m.nash@hawaii.gov.

GENERAL INSTRUCTIONS:

1. **Transmittal Memorandum** – Complete the Transmittal Memorandum indicating the schedules that are attached for submission and the schedules that are not applicable (N/A). The Preparer and the Department Head or the Department Head's authorized designee must sign the Transmittal Memorandum.

Note that there are two (2) Transmittal Memoranda to be submitted: First is the transmittal for schedules due September 13, 2024, and the second is the transmittal for vouchers payable schedule due October 4, 2024.

Scan the signed Transmittal Memorandum and e-mail to: bobet-urriel.obedoza@hawaii.gov. Maintain the original for your records.

The Transmittal Memorandum will be used to ensure completeness of all submissions. Schedules that are not applicable (N/A) are not required to be submitted, hence, delete such tab when submitting the reports or schedules.

2. **Excel templates** – Use Excel templates provided for all submissions. To ensure uniformity for all departmental submissions and easy consolidation, do not modify the templates. **ALL DEPARTMENTS ARE REQUIRED TO USE THE TEMPLATES PROVIDED.**

There are two Template files: (1) The templates for all schedules except vouchers payable and, (2) The template for vouchers payable.

Suggestions for modifications to FY 2024 Excel templates may be e-mailed to: ladea.m.nash@hawaii.gov.

3. **Schedules requested to be prepared by Fund** – For schedules requested to be prepared by Fund, segregate by the following:

- General
- Special
- Bond
- Trust

Sub-totals for various categories within funds (i.e., Federal Fund sub-total within Special Fund) are not required but may be included at the preparer's discretion. Totals for General, Special, Bond and Trust, and an overall Grand Total must be included.

4. **Variance Analysis for each schedule** – Factors or reasons for significant increase(s) or decrease(s) for each fund or total from the previous fiscal year should be provided. For purposes of determining significant increase or decrease, the increase or decrease should be at least 20.00% (= or >20%) and more than \$100,000 from the previous fiscal year.
5. **Required Schedules** – Vouchers Payable and Accrued Payroll schedules are required to be submitted. All other schedules must also be submitted, if applicable.
6. **Preparer and Reviewer information** – For each schedule, include the Preparer's and Reviewer's name, title, e-mail address, and telephone number.

DEPARTMENT-SPECIFIC INSTRUCTIONS:

1. **B&F** – Exclude ERS and EUTF.
2. **DBEDT** – Exclude HHFDC, HTA, and HCDA.
3. **DCCA** – Exclude HHRF.
4. **DHHL** – Provide separate totals for CIP and non-CIP accounts. Do not prepare separate Construction Projects in Progress (CIP) Summary template.
5. **DHS** – Provide separate totals for Med-Quest Special Fund, CIP, and Non-CIP accounts. Exclude HPHA. Do not prepare separate Construction Projects in Progress (CIP) Summary template.
6. **DLIR** – Provide separate totals for Unemployment Insurance.
7. **DLNR** – Provide separate totals for Small Boat Special Fund, CIP, and non-CIP accounts. Do not prepare separate Construction Projects in Progress (CIP) Summary template.

8. **DOE** – Provide separate totals for CIP and non-CIP accounts. Do not prepare separate Construction Projects in Progress (CIP) Summary template.
9. **DOH** – Exclude Water Pollution Control Revolving Fund, Drinking Water Treatment Revolving Loan Fund, and HHSC.
10. **DOT Highways** – Provide separate totals for CIP and non-CIP accounts. Do not prepare separate Construction Projects in Progress (CIP) Summary template.
11. **JUD** – Provide separate totals for CIP and non-CIP accounts. Do not prepare separate Construction Projects in Progress (CIP) Summary template.

SCHEDULES REQUESTED:

The following financial information are requested:

1. **Cash Held Outside the State Treasury**

Financial Institution – Name of the financial institution where the cash is deposited (i.e., Bank of Hawaii).

Appropriation Acct. No. – Appropriation Account Number where the cash is recorded in FAMIS (i.e., T-999-V1).

Bank Account No. – Self-explanatory.

Balance 06/30/2024 – Book balance as of 06/30/2024.

Amount Insured or Collateralized – The dollar amount covered by federal deposit insurance or by collateral. Provide detailed insurance and collateral (i.e., FDIC).

2. **Investments Held Outside the State Treasury, Including Derivative Instruments**

Financial Institution – Name of the financial institution where the investments are held (i.e., ABC Fund, LLC).

Appropriation Acct. No. – Appropriation Account Number where the investment is recorded in FAMIS (i.e., S-343-B).

Account No. – The department's account number at the financial institution.

Type of Investment – Provide a brief description of the type of investment (i.e., Certificate of Deposits, Treasury Bill, Commercial Paper, etc.).

Derivative Instrument (Y/N) – Indicate whether the investment is (Y) or is not (N) a derivative instrument. GASB 53 defines a derivative instrument as a financial instrument or contract that has ALL the following characteristics:

- 1) Settlement factors – One or more reference rates (e.g., LIBOR, SIFMA, etc.) and two or more notional amounts (e.g., number of currency units, shares, bushels, etc.) or payment provisions, or both.
- 2) Leverage – Requires no initial net investment or initial net investment lower than expected.
- 3) Net Settlement – Requires or permits net settlement.

Purchase Date – Self-explanatory.

Maturity Date – Self-explanatory.

Balance 06/30/2024 – Book balance as of 06/30/2024.

Market Value 06/30/2024 – Market value as of 06/30/2024.

3. **Inventories (Supplies)**

If the total value of consumable office supplies is greater than \$100,000, include a listing of consumable office supplies at 06/30/2024. If the total value of consumable office supplies is less than or equal to \$100,000, this schedule may be omitted.

Description – description of the supply (i.e., paper, pens, binders, etc.) Do not include furniture and equipment as this information is captured through the FAIS inventory system, as applicable.

Balance, 06/30/2024 – book value at 06/30/2024.

4. **Prepaid Expenses**

If the total value of prepaid expenses is greater than \$100,000, include a listing of prepaid expenses which are individually greater than \$5,000 at 06/30/2024. Include expenses paid in advance that have a future benefit (i.e., insurance). If the total value of prepaid expenses is less than or equal to \$100,000, this schedule may be omitted.

Description – Self-explanatory.

Balance 06/30/2023 – This amount should agree to your FY 2023 ending balance.

Additions – Amounts paid in advance during FY 2024.

Deletions – Reductions due to benefit realized in FY 2024.

Balance 06/30/2024 – Equal to Balance 06/30/2023 + Additions – Deletions.

5. **Construction Projects in Progress (CIP) Summary**

Attach your CIP detail listing that supports the additions, deductions, and completed projects reflected in the CIP summary schedule. Exclude projects delegated to DAGS where DAGS is the expending agency. DOE, DHHL, DHS, DLNR, JUD, and DOT Highways do not need to complete this schedule.

Beginning Balance 06/30/2023 – This amount should agree to your FY 2023 ending CIP balance.

If applicable, the beginning 06/30/2023 balance should agree to your department's annual financial audit report 06/30/2023 ending balance.

Additions – Amounts incurred and transfers in during FY 2024.

Deductions – Reductions due to deletions and transfers out to related capital asset accounts during FY 2024.

Ending Balance 06/30/2024 – Equal to Beginning balance 06/30/2023 + Additions – Deductions.

6. **Impaired Assets**

GASB 42 defines impaired assets as assets where BOTH of the following criteria are met:

- 1) The magnitude of the decline in service utility of the capital asset is significant, AND
- 2) The decline in service utility is unexpected (the event or change in circumstance is outside the normal life cycle).

Include the following per the FAMIS report MDB 902:

Asset Type (i.e., Building)

Description

Maint Control No.

Year Acquired

Cost

Accumulated Depreciation

Calculate Net Book Value = Cost – Accumulated Depreciation

Reason Asset is Considered Impaired – Include a brief statement regarding why the asset is considered impaired. DAGS and/or the auditors may contact you for further details.

7a. Vouchers Payable by Fund

Include vendor invoices not paid as of June 30, 2024, for goods received or services rendered prior to July 1, 2024. **SOURCE OF INFORMATION SHOULD BE FAMIS, BEING THE STATE'S OFFICIAL ACCOUNTING SYSTEM.**

Trans Code – Transaction Code per FAMIS (221, 231, 232, 241, 244, 245, 561, 565, 804)

F-FY-ACCT – F-FY-ACCT per FAMIS (i.e., G-24-002, S-24-325)

Object Code – Object Code per FAMIS (29XX – 59XX, 71XX-89XX)

Amounts

Payment – include total payment amount (i.e., \$100)

Encumbered/Unencumbered – Use these columns for **General Fund vouchers only**.

If the payment was encumbered as of 06/30/2024, include the voucher amount (i.e., \$100) in the “Encumbered” column.

- Do not include F-FY-Acct = G-25-Acct vouchers in the “Encumbered” column as these vouchers were not encumbered as of 06/30/2024.

If the voucher was unencumbered as of 06/30/2024, include the voucher amount (i.e., \$100) in the “Unencumbered” column.

Vendor Name – Per FAMIS, self-explanatory

Invoice No. – Per FAMIS, self-explanatory

Invoice Date – Per FAMIS, Invoice date may be before or after 07/01/2024; as long as goods were received, or services rendered prior to 07/01/2024.

Comptroller Voucher No. – Per FAMIS, self-explanatory

Dept Voucher No. – Per FAMIS, self-explanatory

Processing Date – Per FAMIS. All processing dates must be 07/01/2024 to 09/30/2024.

DO NOT INCLUDE PAYMENTS OR TRANSACTIONS RELATED TO INTERESTS OR PENALTIES FOR LATE PAYMENTS.

Prior to submitting the information departments should identify and provide explanations for large fluctuations by Fund total from the prior year.

Departments are also requested to report any material amounts identified after the initial submission.

For purposes of easily identifying payments recorded in FAMIS which are to be included in the Vouchers Payable Schedule, it is recommended that the information regarding the Fiscal Year or delivery or receipt dates be entered in the "Optional Data" field when processing payments.

7b. **Accrued Payroll by Fund**

Include wages and salaries by Fund earned as of June 30, 2024, but paid after June 30, 2024. For the General Fund only, indicate whether amounts were encumbered or unencumbered.

Include dollar amounts in cells highlighted in blue for:

- Regular salaries paid on July 5, 2024, for all employees.
- Regular salaries paid on July 19, 2024, for "after-the-fact" employees. "After-the-fact" are salaried employees hired after June 30, 1998, not belonging to bargaining units 5 and 7 as well as temporary and part-time employees.
- Overtime and other types for pay periods ending on/prior to June 30, 2024 but paid after June 30, 2024.

Do not include imposition of Special Fund "fringe benefits" (e.g., 50.98%).

Details supporting the information being submitted should be maintained by the departments and be made available to the auditors if requested.

7c. **Other Accrued Liabilities by Fund**

Type of Liability – Self-explanatory.

Description – Provide a brief description of the liability.

Amount – Provide amount that should be accrued as of 06/30/2024.

8. **Revenue Bonds Payable**

Include Revenue Bonds Payable as of June 30, 2024, and debt service requirements for principal and interest for Fiscal Years 2024 – 2028 and in five-year increments thereafter.

9. **Financed Purchases** (Prior to GASB 87 implementation, it was called “Future Minimum Lease Commitments for Capital Leases)

Include future minimum commitments for capital financed purchases including Certificates of Participation and Equipment Financing Agreements for Fiscal Years 2024 – 2028 and in five-year increments thereafter.

10. **Service Concession Arrangements**

GASB No. 60 defines Service Concession Arrangements between a transferor (government) and an operator (government or non-government) in which all the following criteria are met:

- 1) The transferor conveys to the operator the right and related obligation to provide public services through the use and operation of a capital asset in exchange for significant considerations.
- 2) The operator collects and is compensated by fees from a third party.
- 3) The transferor determines or has the ability to modify and approve what services the operator is required to provide, to whom the services are provided, and the price rates that can be charged for the services.
- 4) The transferor is entitled to significant residual interest in the service utility of the facility at the end of the arrangement.

Transferor – Government entity that conveys rights and related obligations to the operator.

Operator – Government or non-government entity that collects and is compensated by fees from a third party.

Capital Asset/Facility – Self-explanatory.

Description of Arrangement – Provide a brief description of the arrangement. DAGS and/or the auditors may contact you for further details.

11. **Leases and Subscription-Based Information Technology Arrangements (SBITA)**

As part of the adoption and implementation of GASB Nos. 87 and 96 which pertains to Leases and SBITA, respectively, the contracts or agreements determined to be recognized as liabilities and its corresponding assets per Comptroller's Memorandum No. 2023-21 dated October 25, 2023 and succeeding Comptroller's issuances pertaining to Leases and SBITAs, should be recorded in the FinQuery – iCloud Managed Lease Accounting and Lease Management System (FinQuery) Software by **August 30, 2024**. Instructions and procedures for entering information to the system is attached and can also be accessed at the [DAGS Audit GASB SharePoint](#) site. GASB 87 and 96 workbooks used in the determination for recognizing Lease or SBITA should be submitted in excel format, on the same day via e-mail to bobet-uriel.obedoza@hawaii.gov. Should there be adjustments or any additions after August 30, 2024, DAGS should be notified, for amendments of necessary reports generated by FinQuery.