

The background is a light blue gradient with several realistic water droplets of various sizes scattered across it. The droplets have highlights and shadows, giving them a three-dimensional appearance. The main title is centered in the middle of the page.

2025 MID YEAR ACFR TRAINING

PRESENTED BY ACFR UNIT

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SFRAB / ACFR UNIT TEAM MEMBERS

Statewide Financial Reporting & Accountability Bureau

[Home](#) > [Financial Control](#) > [Statewide Financial Reporting & Accountability Bureau](#)

Resources

File Type

[FY25 SFRAB Accountant Assignments 11-18-24](#)

[XLSX](#)

For the current listing of SFRAB/ACFR Accountant Assignments, please visit our website at <https://www.nmdfa.state.nm.us/financial-control/statewide-financial-reporting-accountability-bureau/>

ACFR UNIT IS HERE TO HELP

- WE OFFER VARIOUS TRAININGS BOTH AGENCY SPECIFIC AND LARGE GROUP
 - AGENCY SPECIFIC
 - NEW CFO/SHARE NAVIGATION
 - FINANCIAL STATEMENT PREPARATION
 - PAYROLL LIABILITY ACCOUNT RECONCILIATIONS
 - GROUP TRAININGS
 - GOVERNMENTAL ACCOUNTING 101
 - JOURNAL ENTRIES
 - JOURNAL IMPORT FILE
- HELP AGENCIES WITH QUESTIONS
 - PLEASE MAKE SURE AND GIVE US THE **FULL PICTURE**
 - THOSE LITTLE INSIGNIFICANT DETAILS TEND TO MAKE A DIFFERENCE, AND WE NEED TO BE AWARE OF THEM TO ASSIST YOU IN MAKING INFORMED DECISIONS

COMMUNICATION IS WHAT MAKES A TEAM STRONG

IT IS CFO'S RESPONSIBILITY TO ENSURE THAT COMMUNICATION IS ONGOING BETWEEN THEMSELVES AND THEIR STAFF MEMBERS, DFA TEAMS INCLUDING FINANCIAL CONTROL AND STATE BUDGET DIVISION, AND WITH THEIR EXTERNAL/INTERNAL AUDITORS

WE ALSO ASK THAT YOU KEEP YOUR ACFR ACCOUNTANT UPDATED REGARDING:

- THE STATUS AND TIMELINES FOR YOUR AUDIT
- HOW YOUR AUDIT IS PROGRESSING
- ANY SIGNIFICANT ISSUES THAT COME UP
- AS SOON AS YOU ARE AWARE OF ANY CIRCUMSTANCES THAT MAY CAUSE YOUR AUDIT TO BE LATE, PLEASE LET US KNOW AND REACH OUT FOR ASSISTANCE

NEW GASB PRONOUNCEMENTS

- **PRONOUNCEMENTS BEING IMPLEMENTED IN FY2025**

- **GASB 101 – COMPENSATED ABSENCES:** FOR MORE DETAILS, PLEASE SEE MAPS FIN 15.1 COMPENSATED ABSENCE REPORTING. ADDITIONAL TRAINING CAN BE FOUND ON DFA'S WEBSITE FOR HOW THE STATE IS IMPLEMENTING THIS NEW STANDARD. LINK TO YOUTUBE VIDEO [HTTPS://WWW.NMDFA.STATE.NM.US/FINANCIAL-CONTROL/YOUTUBE-SHARE-TRAINING-VIDEOS/](https://www.nmdfa.state.nm.us/financial-control/youtube-share-training-videos/)
- **GASB 102 – CERTAIN RISK DISCLOSURES:** FOR MORE DETAILS, PLEASE SEE MAPS FIN 15.5 CERTAIN RISK DISCLOSURES (GASB 102).

UPCOMING GASB PRONOUNCEMENTS

- PRONOUNCEMENTS CURRENTLY UNDER EVALUATION FOR IMPLEMENTATION IN FY2026
 - GASB 103 – FINANCIAL REPORTING MODEL IMPROVEMENTS
 - GASB 104- DISCLOSURE OF CERTAIN CAPITAL ASSETS

REMEMBER NO EARLY IMPLEMENTATION OF GASB PRONOUNCEMENTS

➤ **ALL ENTITIES INCLUDED IN THE STATE OF NEW MEXICO'S ACFR ARE:**

➤ **120+ STATE AGENCIES**

➤ **10 HIGHER EDUCATIONAL INSTITUTIONS/STATE SCHOOLS**

➤ **100+ COMPONENT UNITS**

➤ **BASED ON ALL THESE ENTITIES BEING PART OF THE STATE'S REPORT – DFA ACCOUNTING POLICY STATES:**

NO EARLY IMPLEMENTATION OF GASB PRONOUNCEMENTS

MODEL OF ACCOUNTING PRACTICES (MAPS)

MODEL OF ACCOUNTING PRACTICES (UPDATED ANNUALLY)

NOTE: THIS DOCUMENT CONTAINS THE POLICIES AGENCIES ARE EXPECTED TO FOLLOW; IT **DOES NOT** GIVE INSTRUCTIONS ON **HOW** TO DO A TRANSACTION.

MODEL OF ACCOUNTING PRACTICES

MANUAL AND CHANGES	File Type
Model Accounting Practices Manual 2025	PDF
Changes to MAPs FY26	PDF
Model Accounting Practices Manual 2026	PDF

[HTTPS://WWW.NMDFA.STATE.NM.US/FINANCIAL-CONTROL/RESOURCE-INFORMATION/MANUALS/](https://www.nmdfa.state.nm.us/financial-control/resource-information/manuals/)

MAPS FIN 11.3 REVENUE CLASSIFICATION CURRENT YEAR REFUND

FIN 11.3 Revenue Classification

D. Policy

2. Recording a refund of an expenditure:

- a. **CURRENT YEAR REFUND** - To record a refund made in the same fiscal year in which the money was received, state agencies must use the same accounts as the original transaction, effectively reversing the entry; providing the amount does NOT exceed \$500.
 - i. If the amount exceeds \$500.00, the agency must deposit the monies into account 290900, "Receipts Held in Suspense". The agency must then submit a journal entry along with supporting documentation to prove the expenditure was incurred in the current fiscal year and to reclassify the amount in 290900 to the appropriate expenditure account.
 - ii. Refunds that exceed \$500 that are posted directly to an expense code will be required to be reversed using the deposit journal id with the first digit replaced with an R. The journal should be posted to the same fund as the deposit and account code 290900.

MAPS FIN 11.3 REVENUE CLASSIFICATION PRIOR YEAR REFUND

FIN 11.3 Revenue Classification

D. Policy

2. Recording a refund of an expenditure:

- b. **PRIOR YEAR REFUND** - For a non-reverting fund, to record a refund of a transaction that occurred in a previous fiscal year, state agencies must use miscellaneous revenue or the same balance sheet account(s) used for the original transaction.
- c. **PRIOR YEAR REFUND** - For a reverting fund, to record a refund of a transaction that occurred in a previous fiscal year, state agencies cannot charge a current revenue or expenditure account but must use Due to the State General Fund (account 234900). When the liability is transferred to the General Fund the agency must relieve the liability and offset it to miscellaneous revenue. The Affiliate should be 34101 and the Fund Affiliate should be 85300 when the liability is established and relieved in account code 234900.
- d. **PRIOR YEAR REFUND** - To record a refund of a transaction that occurred in a previous fiscal year for a multi-year appropriation that is still active, state agencies should charge the appropriate expenditure account(s) used on the original transaction.

3. All refunds received for expenditures that were originally reportable must be communicated to vendor.relations@dfa.nm.gov.

EXAMPLE OF BAD DEPOSIT JOURNAL - CURRENT YEAR REFUND OVER \$500

My Homepage Create/Update Journal Entries

Header **Lines** Totals Errors Approval

Unit [REDACTED] Journal ID DJ03 [REDACTED] Date 11/09/2022 Errors Only

[Template List](#) [Search Criteria](#)

*Process Edit Journal Process Line 10

▼ Lines

Select	Line▲	Unit	Fund	Account▼	Bud Ref	Class	Affiliate	Fund Affil	Amount	Dept	Budget Date▼	Rpt Cat	PC Bus Unit
<input type="checkbox"/>	1	[REDACTED]	[REDACTED]	101800			39401		4,461.48		11/09/2022		
<input type="checkbox"/>	2	[REDACTED]	[REDACTED]	520300	123	G0000			-4,461.48	[REDACTED]	11/09/2022		

In this example, an agency deposited an amount over \$500 directly into an expense account, in violation of the MAPs requirement on the previous slide.

MAPS FIN 2.8 ESTABLISHMENT OF NON-SGFIP BANK ACCOUNTS

FIN 2.8 Establishment of non-SGFIP Bank Accounts

D. Policy

4. Agencies must record cash transactions when they occur within the internal accounting system of record and perform a timely monthly reconciliation of these accounts.
5. If the accounting system used to record cash activity is not SHARE, the agency must periodically, but no less than once a month and prior to the fifth workday of the subsequent month, prepare and submit *Journal Entries* to the FCD to record cash activity in SHARE. If these entries are not

YEAR END REVERSIONS

- REVERSION NOTIFICATION FORMS WERE ***DUE BY AUGUST 29, 2025***
- OPR ENTRY TO SEND REVERSION TO STATE GENERAL FUND DUE BY SEPTEMBER 30, 2025
- SUPPORTING DOCUMENTATION
 - CORRECTED/UPDATED REVERSION NOTIFICATION FORM
 - PIVOT FROM GL – RECONCILED TO INFORMATION FROM COMMITMENT CONTROL MODULE
 - REPORT FROM COMMITMENT CONTROL MODULE IN SHARE (3 OPTIONS)
 - NMS INCOME STATEMENT BY DEPARTMENT
 - BUDGET STATUS REPORT
 - NMS BUDGET TO ACTUALS

YEAR END REVERSION EXAMPLE

Ledger Grp		ACTUALS	
Bud Ref		124	
Sum of Amount	Fund	Account	Account Descr
			Dept 1100000000
	74800	496901	Miscellaneous Revenue (0.55)
	74800	499105	General Fd. Appropriation (296,200.00)
	74800	499905	Other Financing Sources (7,900.00)
	74800	520200	Term Positions 105,884.54
	74800	521100	Group Insurance Premium 668.85
	74800	521200	Retirement Contributions 20,362.58
	74800	521300	F I C A 8,069.56
	74800	521400	Workers' Comp Assessment Fee 9.20
	74800	521700	RHC Act Contributions 2,117.73
	74800	535400	Audit Services 4,703.22
	74800	542300	Brd & Comm Mbr Meals & Lodging 619.00
	74800	542310	Brd & Comm Mbr Mileage & Fares 1,466.64
	74800	545700	ISD Services 439.08
	74800	545710	DOIT HCM Assessment Fees 492.00
	74800	546610	DOIT Telecommunications 800.52
	74800	549800	Brd & Comm O/S Mileage & Fares 389.40
	74800	549900	Brd & Comm O/S Meals & Lodging 199.00
Grand Total			(157,879.23)

Pivot from General Ledger/Example Reversion JE

Header
Lines
Totals
Errors
Approval

Unit 39401

[Template List](#)

Journal ID 24AUD [REDACTED]

[Search Criteria](#)

*Process Edit Journal

Date 06/30/2024

Errors Only

Process

▼ Lines

Select	Line▲	Unit	Fund▲	Dept▲	Account	Affiliate	Fund Affil	Bud Ref	Class	Budget Date	Amount
<input type="checkbox"/>	1	[REDACTED]	74800	1100000000	566100	34101	85300	124	H0000	06/30/2024	157,879.23
<input type="checkbox"/>	2	34101	85300	Z9000	499305	[REDACTED]	74800	924	H0000	06/30/2024	-157,879.23

YEAR END REVERSION EXAMPLE CONTINUED

REVERSION FORM AND NMS INCOME STATEMENT BY DEPT REPORT

Business Unit: [REDACTED]

State of New Mexico
Department of Finance and Administration

Financial Control Division
GENERAL FUND ONLY
REVERSION NOTIFICATION

Date: 08/16/2024

Agency Name: [REDACTED]

Fiscal Year: 2024	NMS Income Statement by Dept as of 06/30/2024 Accounting Period: 1 TO 12	Report ID: NMS Income Statement by Dept Page No: 1 of 1 Run Date: 08/16/2024 Run Time: 11:39:52 AM
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PCode- P765 - [REDACTED]

Reversions For Current Fiscal Year											
Business Unit	Fund Code	10 digit Department Code or an A or Z code	Class Code	Referenced Citations			Original Amount of Appropriation	Amount Received to Date	Amount Expended to Date (Enter as Negative)	Unexpended Budget Balance	Budget Fiscal Year
				Law	Chapter	Section					
[REDACTED]	748000	1100000000	H0000				304,100.55	304,100.55	(146,221.32)	157,879.23	FY24
										0.00	
										0.00	
										0.00	
										0.00	
										0.00	
										0.00	
Totals:							304,100.55	304,100.55	(146,221.32)	157,879.23	

Expenses				
	Account#	Description	Current Period	Year to Date
	520200	Term Positions	\$105,884.54	\$105,884.54
	521100	Group Insurance Premium	\$668.85	\$668.85
	521200	Retirement Contributions	\$20,362.58	\$20,362.58
	521300	F I C A	\$8,069.56	\$8,069.56
	521400	Workers' Comp Assessment Fee	\$9.20	\$9.20
	521700	RHC Act Contributions	\$2,117.73	\$2,117.73
	535400	Audit Services	\$4,703.22	\$4,703.22
	542300	Brd & Comm Mbr Meals & Lodging	\$619.00	\$619.00
	542310	Brd & Comm Mbr Mileage & Fares	\$1,466.64	\$1,466.64
	545700	ISD Services	\$439.08	\$439.08
	545710	DOIT HCM Assessment Fees	\$492.00	\$492.00
	546610	DOIT Telecommunications	\$800.52	\$800.52
	549800	Brd & Comm O/S Mileage & Fares	\$389.40	\$389.40
	549900	Brd & Comm O/S Meals & Lodging	\$199.00	\$199.00
Total Expenses			\$146,221.32	\$146,221.32
Revenues				
	Account#	Description	Current Period	Year to Date
	496901	Miscellaneous Revenue	(\$0.55)	(\$0.55)
	499105	General Fd. Appropriation	(\$296,200.00)	(\$296,200.00)
	499905	Other Financing Sources	(\$7,900.00)	(\$7,900.00)
Total Revenues			(\$304,100.55)	(\$304,100.55)
Net Change in Fund Balance			(\$157,879.23)	(\$157,879.23)

REVERSION OPR SUBMITTED AFTER SEP 30

- REVERSION OPERATING TRANSFERS SUBMITTED AFTER SEPTEMBER 30, REQUIRE A TWO-STEP PROCESS.
- ONE ENTRY WILL BE ESTABLISHING THE DUE TO STATE GENERAL FUND IN PERIOD 998 (FY25) AND THE SECOND ENTRY WILL SETTLE THE CASH IN THE CURRENT FISCAL YEAR (FY26).
 - 1. CFR TO ESTABLISH ACCRUAL IN PERIOD 998 (DATED JUNE 30, 2025):
AGENCY : DEBIT 566100 AND CREDIT 234900
 - 2. OPR TO PAY ACCRUAL IN CURRENT FISCAL YEAR (DATED IN THE CURRENT YEAR):
AGENCY : DEBIT 234900
GENERAL FUND : CREDIT 499305

566100 (AGENCY) AND 499305 (34101) WILL BE NET TO ZERO THROUGH TITO GF RECONCILIATION PROCESS.

OVER-REVERSIONS

- IF EITHER YOU OR YOUR AUDITOR DETERMINE THAT YOU SENT TOO MUCH MONEY IN YOUR REVERSION TO THE STATE'S GENERAL FUND – REACH OUT TO MARK (OR YOUR ACFR ACCOUNTANT) IMMEDIATELY SO WE CAN ASSIST BEFORE IT'S TOO LATE.
- IF YOU ARE STILL WORKING ON YOUR FINANCIALS/AUDIT, THERE ARE OPTIONS:
 - IF THE MONEY HASN'T BEEN SENT, A JOURNAL ENTRY CAN BE DONE IN SHARE TO ADJUST THE REVERSION AMOUNT.
 - IF THE MONEY HAS ALREADY BEEN SENT, AND ONLY IF MARK GIVES APPROVAL – A DUE FROM STATE GENERAL FUND MIGHT BE ALLOWED.
- IF THE AUDIT IS ALREADY TURNED INTO THE STATE AUDITOR'S OFFICE – GET WITH MARK IMMEDIATELY. MAKE SURE YOU MEET THE 45-DAY DEADLINE FROM THE DATE YOUR AUDIT REPORT IS RELEASED TO REQUEST YOUR MONEY BACK. IF YOU MISS THIS DEADLINE, THERE IS NOTHING WE CAN DO, YOU WILL BE REQUIRED TO SUBMIT A DEFICIENCY REQUEST WITH YOUR NEXT BUDGET SUBMISSION.

OVER-REVERSIONS CONTINUED

- THE AGENCY CANNOT JUST TAKE THE DEFICIENCY AMOUNT AND BOOK A DUE FROM THE GENERAL FUND. THERE IS NO STATUTORY AUTHORITY FOR THE GENERAL FUND TO SEND THE MONEY BACK TO THE AGENCY AFTER THE 45 DAYS HAVE PASSED. BASED ON THAT, THE MONIES DO NOT QUALIFY FOR THE RECOGNITION STANDARDS IN GASB 33.
- AGENCIES CANNOT USE CURRENT YEAR APPROPRIATIONS TO OFFSET A PRIOR YEAR BUDGET DEFICIENCY WITHOUT BUDGET AND LEGISLATIVE APPROVAL. (MAPS FIN 1.2)
- THE AGENCY MUST SHOW A DEBIT FUND BALANCE FOR THE AMOUNT OVER-REVERTED THEN MUST ASK FOR A DEFICIENCY APPROPRIATION.
 - AGENCIES CAN WORK WITH THEIR APPROPRIATE BUDGET STAFF TO OBTAIN THE DEFICIENCY.

OVER-REVERSIONS CONTINUED

FIN 1.2 Special, Supplemental, and Deficiency Appropriations

A. *MAP Standard*

To assure the proper recognition and recording of other financing sources and to ensure legal compliance, allotments are to be monitored and controlled at FCD and the state agency level.

B. *Purpose*

This policy establishes that expenditures of state monies by state agencies must be budgeted, authorized, and approved before they are made.

C. *Authority*

FCD Administrative Practice

D. *Policy*

1. FCD will allot the entire appropriation amount in the fiscal year the appropriation is first available to the agency unless the authorizing legislation has a contingency.
2. When expenditures have exceeded approved operating budget in a previous fiscal year, state agencies must obtain a deficiency appropriation passed by the Legislature and approved by the Governor to authorize additional expenditures.
3. When expenditures are projected to exceed the approved or adjusted operating budget in the current fiscal year, state agencies must obtain a supplemental appropriation passed by the Legislature and approved by the Governor to authorize additional expenditures.
4. When agencies require a non-reoccurring appropriation for a specific project or purpose, state agencies must obtain a special appropriation passed by the Legislature and approved by the Governor to authorize additional expenditures.
5. All allotments of emergency appropriations must be approved by SBD.

E. *Applicability*

This policy statement applies to all state agencies, unless specifically exempted by law.

6-5-10. State agency reversions; director powers; compliance with federal rules.

A. Except as provided in Subsections B and C of this section, all unreserved undesignated fund balances in reverting funds and accounts as reflected in the central financial reporting and accounting system as of June 30 shall revert by September 30 to the general fund. The division may adjust the reversion within forty-five days of release of the audit report for that fiscal year.

B. The director of the division may modify a reversion required pursuant to Subsection A of this section if the reversion would violate federal law or rules pertaining to supplanting of state funds with federal funds or other applicable federal provisions.

GROE TRUST FUND REVERSIONS (SECTION 9 OF 2024 HOUSE BILL 2)

Section 9. GOVERNMENT RESULTS AND OPPORTUNITY EXPENDABLE TRUST.--

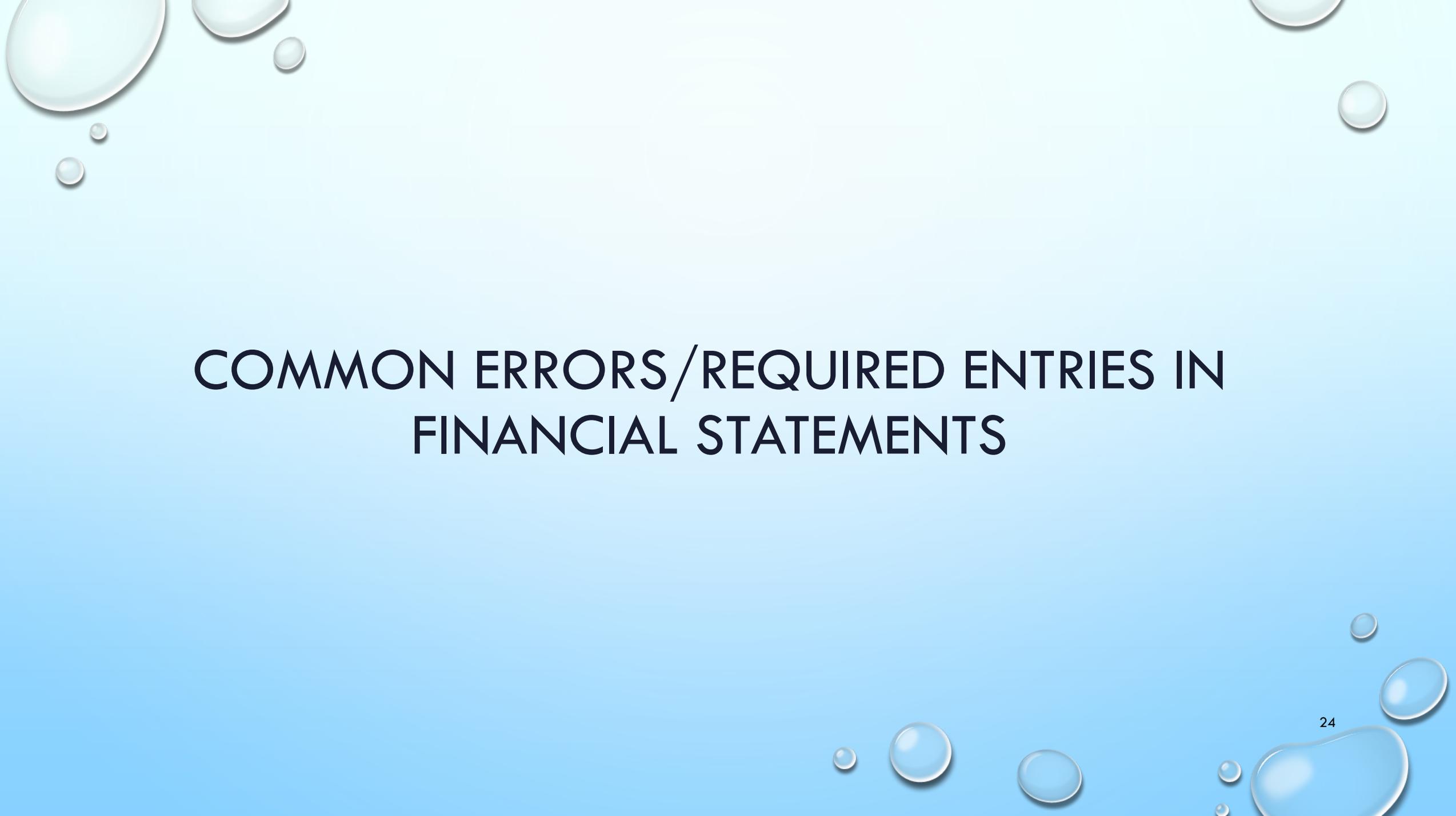
A. The following amounts are appropriated from the government results and opportunity program fund or other funds as indicated in fiscal year 2025 for the purposes specified, contingent on enactment of House Bill 196 or similar legislation of the second session of the fifty-sixth legislature creating the government results and opportunity expendable trust and providing for the distribution of the fund. ~~The department of finance and administration and the legislative finance committee shall approve performance measures for agencies, including those specified in this section that shall be reported on a quarterly basis, and any independent impact evaluation plans and results of the evaluation, for the items in this section.~~ Any unexpended balances of the appropriations remaining at the end of fiscal year 2025 shall revert to the government results and opportunity expendable trust fund or the appropriate fund.

BU	Fund	Department	Class	Bud Ref	Affiliate	Fund Affiliate	Amount
34101	01030	Z9000	GROE Project Class Code	925	Your BU #	Your Fund #	(\$ Amount)
Your BU #	Your Fund #	GROE Project Dept	GROE Project Class Code	925	34101	01030	\$ Amount

BU	Fund	Department	Class	Bud Ref	Affiliate	Fund Affiliate	Amount
34101	01030	Z9000	Z50500	925	54545	45454	(1,000,000.00)
54545	45454	ZZ50500	Z50500	925	34101	01030	1,000,000.00

BUDGET MONITORING – BEST PRACTICES

- KEEP YOUR BUDGET PROJECTIONS FOR EXPENSES FOR EACH OF YOUR FUNDING SOURCES UP TO DATE AT A MINIMUM AFTER EACH PAYROLL CYCLE HAS POSTED
- **REVIEW BEYOND JUST YOUR EXPENSES AND IF YOU ARE IN LINE WITH YOUR BUDGET**
 - FOR MANY OF YOU THE ONLY SOURCE OF INCOME YOU HAVE IS YOUR GENERAL FUND APPROPRIATION
 - FOR THESE ENTITIES – PERIODICALLY THROUGHOUT THE YEAR, PLEASE REVIEW TO ENSURE THAT YOU ARE RECEIVING YOUR FULL GF APPROPRIATION – IF YOU SEE AN ISSUE OR HAVE A CONCERN, PLEASE REACH OUT TO YOUR ACFR ACCOUNTANT OR TO THE STATE CONTROLLER
 - SOME AGENCIES HAVE OTHER SOURCES OF INCOME SO WHEN MONITORING YOUR BUDGET, YOU ALSO NEED TO BE MONITORING YOUR BUDGETED REVENUES TO ENSURE THAT YOU ARE “LIVING WITHIN YOUR MEANS”
 - IF YOU DON’T RECEIVE THE FULL AMOUNT OF REVENUE THAT YOU WERE BUDGETED TO RECEIVE, THEN YOU WILL HAVE A DEFICIT CASH ISSUE AND NOT BE ABLE TO EXPEND YOUR FULL EXPENSE BUDGET SINCE YOU DON’T HAVE ENOUGH CASH IN THE BANK



COMMON ERRORS/REQUIRED ENTRIES IN FINANCIAL STATEMENTS

SHARE GENERAL LEDGER AND FINANCIAL STATEMENTS DON'T RECONCILE

- AGENCIES ARE REQUIRED TO ENSURE FINANCIAL STATEMENTS AND THE AMOUNTS IN THEIR GENERAL LEDGER IN SHARE RECONCILE TO EACH OTHER.
- MOST OFTEN THE ISSUE IS THAT AGENCIES HAVE NOT ENTERED THEIR YEAR END ADJUSTMENTS INCLUDING THOSE TO:
 - RECORD CAPITAL ASSET RELATED ACTIVITY, (DISCUSSED LATER)
 - RECORD GASBS 87 AND 96 ADJUSTMENTS (TRAINING AVAILABLE ON DFA'S WEBSITE)
 - RECORD CHANGES IN ACCRUED COMPENSATED ABSENCES AT YEAR END (TRAINING AVAILABLE ON DFA'S WEBSITE)
 - RECORD CHANGES IN LONG TERM DEBT (IF APPLICABLE)
 - OR TO RECLASSIFY THE CURRENT YEAR CHANGES IN FUND BALANCE/NET POSITION (IF APPLICABLE)

EXAMPLE: FINANCIAL STATEMENTS DO NOT TIE TO SHARE

Account	Account Descr	Sum of Amount	AUD Entry	FAL Entry	Total	Change/Sum
101800	Agency Interest in SGFIP	126,404.27			126,404.27	x
103900	Other Cash	230.00			230.00	x
182900	Buildings And Improvements	313,679.14			313,679.14	N
183900	Aircraft, Autos And Trucks	57,471.94			57,471.94	
184900	Machinery And Equipment	118,864.46			118,864.46	
185400	Information Technology Equip	5,799.00			5,799.00	
185900	Furniture And Fixtures	108,641.35			108,641.35	
191920	Accumulated Depr - Bldg & Imp	(163,262.72)		(18,711.93)	(181,974.65)	
191940	Accum Depr-Airc, Auto & Trucks	(9,304.00)		(8,210.28)	(17,514.28)	
191950	Accum Depr - Equip & Machinery	(71,877.00)		(8,638.01)	(80,515.01)	
191960	Accum Depr - Info Tech	(5,799.00)			(5,799.00)	
191970	Accum Depr - Furn & Fixtures	(49,705.22)		(10,057.19)	(59,762.41)	
201900	Vouchers Payable	(20,093.43)			(20,093.43)	x
223500	Payroll Benefits Payable	(8,743.23)			(8,743.23)	x
223900	Payroll Taxes Payable	(5,398.98)			(5,398.98)	
226900	Accrued Payroll	(39,181.09)			(39,181.09)	
260900	Compensated Absences ST	(46,301.48)		27,076.64	(19,224.84)	N
296900	Accounts Payable Year End	(683.88)			(683.88)	
311900	Net Invest in Capital Assets	(304,508.01)		45,617.47	(258,890.54)	N
325900	Restricted FB - Gov	(49,059.00)	(3,705.00)	230.00	(52,534.00)	N
328900	Unassigned FB - Gov	46,301.88	3,705.00	(45,847.47)	4,159.41	N
						15,065.77

GOVERNMENT-WIDE STATEMENT OF NET POSITION

As of June 30, 2022

	Governmental Activities
ASSETS	
Current assets	
Investment in State General Fund Investment Pool	\$ 126,404
Petty cash	230
Total current assets	126,634
Capital assets, net	258,891
Total assets	\$ 385,525
LIABILITIES	
Current liabilities	
Accounts payable	\$ 20,777
Accrued salaries and employee benefits	53,323
Compensated absences payable - expected to be paid within one year	19,225
Total current liabilities	93,325

RECLASSIFICATION OF FUND BALANCE/NET POSITION

- FOR FY2025 - PLEASE PROVIDE A PIVOT (EXCEL FORMAT IS PREFERRED) FROM YOUR GENERAL LEDGER – RAN FOR PERIODS 0-998
- PLEASE PROVIDE SUPPORT TO SHOW WHY THE AGENCY GETS TO KEEP THE PORTION OF FUND BALANCE/NET POSITION BEING RECLASSIFIED
 - IF YOU ARE A REVERTING AGENCY – YOU PROBABLY SHOULDN'T BE RESTRICTING FUND BALANCE UNLESS YOU HAVE A MULTI-YEAR APPROPRIATION
- PLEASE REMEMBER THAT IF YOU ARE POSTING THESE ENTRIES RIGHT NOW, THE BALANCES ARE STILL SUBJECT TO CHANGE PENDING ANY ENTRIES DONE IN PERIOD 998 AND ANY AUDIT ADJUSTMENTS THAT ARE MADE

FUND BALANCE/NET POSITION ENTRIES (CONTINUED)

- PLEASE NOTE THAT MOST AGENCIES SHOULD NOT BE MAKING FUND BALANCE ENTRIES DURING THE YEAR, YOU SHOULD WAIT UNTIL THE END OF THE FISCAL YEAR AND ALL OTHER ADJUSTING ENTRIES ARE MADE TO THEN ENTER YOUR FUND BALANCE/NET POSITION RECLASSIFICATION ENTRIES
- A COMMON MISCONCEPTION FOR AGENCIES IS THAT THEY WERE BUDGETED TO USE PART OF THEIR FUND BALANCE TO GIVE THEM THE AUTHORITY TO SPEND MORE THAN THEY WERE GOING TO RECEIVE IN REVENUE
 - ANY EXPENSES RELATED TO THIS ARE STILL CHARGED TO EXPENSE ACCOUNT CODES (ACCOUNTS BEGINNING WITH A 5*)
 - AT THE END OF THE YEAR, WE WILL DO AN ENTRY TO RECLASSIFY THE CURRENT YEAR NET CHANGE IN FUND BALANCE INTO YOUR FUND BALANCE ACCOUNT TO REDUCE IT BY THE AMOUNT THAT YOU SPENT
- ALSO, PLEASE NOTE THAT IF YOU ARE AN AGENCY THAT SHOULD NOT HAVE A FUND BALANCE AT THE END OF THE YEAR SINCE YOUR FUNDING IS FULLY REVERTING, PLEASE BE CAREFUL DURING THE BUDGETING PROCESS AND DO NOT REQUEST TO USE FUND BALANCE TO BALANCE YOUR BUDGET REQUEST THIS WILL AUTOMATICALLY SET YOU UP IN A DEFICIT SITUATION IN YOUR NEXT BUDGET CYCLE

FUND BALANCE CATEGORIES

THE FOLLOWING ARE CATEGORIES OF FUND BALANCE WHICH ARE PRESENTED IN THE FOLLOWING

ORDER PER GASB 54:

- NONSPENDABLE – PORTION OF RESOURCES THAT CANNOT BE SPENT BECAUSE OF THEIR FORM, SUCH AS PETTY CASH, INVENTORIES OR PREPAIDS, OR ARE REQUIRED TO BE MAINTAINED INTACT, SUCH AS AN ENDOWMENT TRUST.
- RESTRICTED – AMOUNTS CAN BE SPENT ONLY FOR SPECIFIC PURPOSES STIPULATED BY CONSTITUTION, EXTERNAL RESOURCE PROVIDERS, OR THROUGH ENABLING LEGISLATION.
- COMMITTED – CAN ONLY BE USED FOR SPECIFIC PURPOSES DETERMINED BY FORMAL ACTION OF THE AGENCY'S HIGHEST LEVEL OF DECISION-MAKING AUTHORITY, BUT CAN BE REDEPLOYED (USED FOR OTHER PURPOSES) THROUGH APPROPRIATE DUE PROCESS OF THE GOVERNING AUTHORITY
- ASSIGNED – INTENDED TO BE USED BY THE AGENCY FOR A SPECIFIC PURPOSES BUT DO NOT MEET CRITERIA FOR RESTRICTED OR COMMITTED (*INCLUDES ALL REMAINING AMOUNTS REPORTED IN GOVERNMENTAL FUNDS OTHER THAN THE GENERAL FUND UNLESS THE FUNDS HAVE A DEFICIT FUND BALANCE*)
- UNASSIGNED – RESIDUAL CLASSIFICATION FOR THE GENERAL FUND AND INCLUDES ALL SPENDABLE AMOUNTS NOT CONTAINED IN OTHER CLASSIFICATIONS

CASH FLOW STATEMENTS

- INCONSISTENT CLASSIFICATION OF FUNDING SOURCE BETWEEN FINANCIAL STATEMENTS AND CASH FLOW STATEMENT
 - EXAMPLE: GRANT FUNDING IS PRESENTED AS BOTH OPERATING, NON-OPERATING, CAPITAL AND NON-CAPITAL ON DIFFERENT PAGES OF THE SAME REPORT
- CASH BALANCES DO NOT TIE TO CASH IN GENERAL LEDGER OR FINANCIAL STATEMENTS
 - *HINT:* FOR THE STATEWIDE ACFR, WE DO INCLUDE THE 101800 SGFIP ACCOUNT IN CASH - STATE AGENCIES NEED TO ALSO REPORT THIS CONSISTENTLY
 - UNFORTUNATELY, WE USUALLY CATCH THIS WHEN TRYING TO RECONCILE CASH FLOW STATEMENTS AT THE STATEWIDE LEVEL AND IT IS TOO LATE TO HAVE YOU CORRECT YOUR AUDIT REPORT, SO WE THEN NEED TO FIGURE OUT WHAT OTHER ADJUSTMENTS ARE NEEDED TO CORRECT YOUR CASH FLOW STATEMENT

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND
NET POSITION – PROPRIETARY FUNDS
YEAR ENDED JUNE 30, 2022**

ENTERPRISE FUNDS

	Fund	Fund	Fund	Total
REVENUES				
Interest on Loans	\$ 1,049,205	\$ -	\$ 516,958	\$ 1,566,163
Interest on Investments	348,922	9,437	7,249	365,608
Debt Service Fees	-	589,898	-	589,898
Total Revenues	<u>1,398,127</u>	<u>599,335</u>	<u>524,207</u>	<u>2,521,669</u>
OPERATING INCOME	1,398,127	599,335	524,207	2,521,669
NONOPERATING REVENUES (EXPENSES)				
Federal Grant Revenue	7,779,000	-	-	7,779,000
Grants to Other Organizations	(5,181,610)	-	(284,628)	(5,466,238)
Transfers In - Other Agencies	1,800,000	-	-	1,800,000
Transfers - Intra-Agency	(265,365)	(548,742)	(173,002)	(987,109)
Total Nonoperating Revenues (Expenses)	<u>4,132,025</u>	<u>(548,742)</u>	<u>(457,630)</u>	<u>3,125,653</u>
CHANGES IN NET POSITION	5,530,152	50,593	66,577	5,647,322
Total Net Position - Beginning of Year	<u>355,794,878</u>	<u>5,182,525</u>	<u>23,728,398</u>	<u>384,705,801</u>
TOTAL NET POSITION - END OF YEAR	<u>\$ 361,325,030</u>	<u>\$ 5,233,118</u>	<u>\$ 23,794,975</u>	<u>\$ 390,353,123</u>

Example of Inconsistent Classification between Financial Statements and Cash Flow Statement

**STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022**

Functions/Programs	Expenses	Program Revenue		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
PRIMARY GOVERNMENT				
GOVERNMENTAL ACTIVITIES				
Interest Expense	157,828	-	-	-
Total Governmental Activities	<u>96,788,163</u>	<u>26,276,845</u>	<u>22,086,406</u>	<u>-</u>
BUSINESS-TYPE ACTIVITIES				
Fund	5,181,610	1,639,103	7,779,000	-
Fund	284,628	516,958	-	-
Total Business-Type Activities	<u>5,466,238</u>	<u>2,156,061</u>	<u>7,779,000</u>	<u>-</u>
Total Primary Government	<u>\$ 102,254,401</u>	<u>\$ 28,432,906</u>	<u>\$ 29,865,406</u>	<u>\$ -</u>

EXAMPLE OF ENDING CASH ON CASH FLOW STATEMENT NOT TYING TO FINANCIAL STATEMENTS

COMBINED STATEMENT OF CASH FLOWS	
YEAR ENDED JUNE 30, 2022	
CASH FLOWS FROM OPERATING ACTIVITIES	
[REDACTED]	\$ 26,660,259
[REDACTED]	(13,982,644)
<hr/>	
NET DECREASE IN CASH AND CASH EQUIVALENTS	(526,172)
Cash and Cash Equivalents - Beginning of Year	1,313,470
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 787,298

COMBINED STATEMENT OF NET POSITION JUNE 30, 2022

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 787,298
Interest in State Treasurer Investment Pool	19,723,396
Receivables:	
Patient and Resident Accounts Receivable, Net	2,453,133
Other	322,530
Supplies Inventory	1,085,653
Total Current Assets	<u>24,372,010</u>

NONCURRENT INVESTMENTS

Restricted Funds Held in Escrow	1,002,112
---------------------------------	-----------

CAPITAL ASSETS, NET

22,786,372

ONE SIDED INTER-AGENCY OR INTRA-AGENCY TRANSACTIONS

- INTER-AGENCY AND INTRA-AGENCY ACTIVITY SHOULD NET TO ZERO IN EVERY TRANSACTION BY CATEGORY
 - DUE TO/DUE FROM BALANCES
 - TRANSFER IN/TRANSFER OUT
 - INTER-AGENCY REVENUE/EXPENSE
- BOTH SIDES OF THE ABOVE TRANSACTIONS SHOULD BE RECORDED IN THE SAME ENTRY,
 - IF YOU ARE NOT RECORDING BOTH SIDES, FOR EXAMPLE, IF YOU ARE IMPACTING 142900 DUE FROM OTHER STATE AGENCY AND AN EXPENSE ACCOUNT ENDING IN *09, WE ARE GOING TO ASK YOU FOR PROOF THAT THE OTHER SIDE HAS BEEN RECORDED

EXAMPLE OF A ONE-SIDED TRANSFER

Header | **Lines** | Totals | Errors | Approval

Unit [REDACTED] Journal ID DJ [REDACTED] Date 03/15/2023
Template List Search Criteria

*Process Edit Journal [v] Process

▼ Lines

Select	Line	Unit	Fund	Account	Bud Ref	Class	Affiliate	Fund Affil	Amount	Dept
<input type="checkbox"/>	1	[REDACTED]	[REDACTED]	499905	123	G0000	[REDACTED]		-5,043.04	[REDACTED]
<input type="checkbox"/>	2	[REDACTED]	[REDACTED]	101800			39401		5,043.04	

This entry has a couple of items wrong:

- First, it is entered as a one-sided transfer
- Second, it was not a transfer from another agency, it was a deposit from an outside entity so it should not have been recorded to a transfer account at all

UNDERSTANDING AFFILIATE AND FUND AFFILIATES RELATING TO INTER AND INTRA-AGENCY TRANSACTIONS

- ON A STATE-WIDE LEVEL, THE SFRAB GROUP HAS TO IDENTIFY WHICH OF THE 130+ AGENCIES IS PAYING WHOM TO ELIMINATE AND NOT DOUBLE REPORT REVENUES AND EXPENSES.
- TO ACCOMPLISH THAT GOAL, THERE ARE CERTAIN ACCOUNT CODES IN WHICH THE AFFILIATE AND FUND AFFILIATE CHARTFIELDS IN SHARE MUST BE POPULATED (LIST PROVIDED IN FOLLOWING SLIDES).
- WHAT IS AN AFFILIATE AND FUND AFFILIATE?
 - AFFILIATE – THE BUSINESS UNIT OF THE AGENCY THAT YOU ARE EITHER PAYING OR RECEIVING MONEY FROM
 - FUND AFFILIATE – THE BUSINESS UNIT'S FUND NUMBER OF THE AGENCY THAT IS EITHER PAYING YOUR AGENCY OR YOU ARE SENDING MONEY TO THAT AGENCY.

MAPS REQUIREMENTS FOR AFFILIATE /FUND AFFILIATE

FIN 3 – General Ledger

Policies & Procedures FIN 3.1a

FIN 3.1a Intra-Agency and Inter-Agency Transactions

A. MAP Standard

To properly identify, eliminate, and report intra- and inter-fund activity in the Annual Comprehensive Financial Report.

B. Purpose

This procedure addresses the requirements of identifying related-party transactions in the general ledger. To capture all intra- and inter-fund activity, the SHARE chart fields “Affiliate”, and “Fund Affiliate” will be used to identify the related party in the financial transaction. The Affiliate and Fund Affiliate will be used to properly identify, eliminate, and report all appropriate intra- and inter-fund activity when deriving the government-wide financial statements for the Comprehensive Annual Financial Report.

D. Policy

1. All financial transactions entered into SHARE that are intra- and inter-fund related will require the agency to enter the appropriate business unit in the Affiliate chart field and fund in the Fund Affiliate chart field for all general ledger accounts.
2. All applicable financial transactions will include the following:
 - a. Manual Journal Entries
 - b. Vouchers
 - c. Deposits/Accounts Receivable
3. For all intra- and inter-fund asset and liability accounts (141900, 141999, 142900, 142901, 142999, 144900, 144999, 231900, 231999, 232900, 232999, 234900, 234999, and 251909), the Affiliate and Fund Affiliate must be added to the accounting string in the financial transaction.
4. All income statement (revenues, expenditures, and other financing sources and uses) accounts deriving from activities between agencies and intra-funds will require the Affiliate and Fund Affiliate to be added to the accounting string.

FIN 3 – General Ledger

Policies & Procedures FIN 3.1a

6. Exemptions for including the affiliate and fund affiliate for transactions between agencies are for interactions between Internal Service Funds and Enterprise Funds.

E. Applicability

This policy applies to all state agencies processing transactions through SHARE except for transactions to any of the enterprise funds exempted below.

41800	New Mexico Department of Tourism – New Mexico Magazine (Funds 38200 and 91900)
46000	Expo New Mexico (Fund 19100)
60600	New Mexico Commission for the Blind – Albuquerque Training Center & Business Enterprise Program (Funds 02400 and 10460)
66200	Miner’s Colfax Medical Center (Funds 10200, 98500, and 98600)
77000	New Mexico Department of Corrections – Corrections Industries (Fund 07700)

Or to any transaction to any of the Internal Service Funds exempted below:

35000	New Mexico General Services Department
36100	New Mexico Department of Information Technology

INTER/INTRA AGENCY ACCOUNTS

Balance Sheet Accounts

Due TO and Due From - IntraFund

141900	Due from other funds
141999	Due from other funds - Prior Year
231900	Due to other funds
231999	Due to other funds - Prior Year

Due TO and Due From - InterFund

142900	Due from other state agencies
142999	Due from other state agencies - Prior Year
232900	Due to other state agencies
232999	Due to other state agencies - Prior Year

Due TO and Due From - General Fund

144900	Due from SGF
144999	Due from SGF - Prior Year
234900	Due to SGF
234999	Due to SGF - Prior Year

Income Statement Accounts

Transfers IN and Transfers OUT

499205	Other Appropriations
499405	O/F Sources - Other Bond Proceeds
499605	Intra-State Wts-Other
499705	O/F Sources-STB Proceeds
499805	O/F Sources-GOB Proceeds
499905	Other Financing Sources
555100	Other Financing Uses
566109	Reversions - Interagency

General Fund Appropriation

499105	General Fund Appropriation
577100	General Fund Allotments

Transfers IN and Transfers OUT - IntraFund

499906	OFS Intra Agency
555106	OFU Intra Agency

Asset Transfers

499901	Transfer In Of Capital Assets
555901	Transfer Out of Capital Assets

Elimination Entries

Note: Any R/E that ends with "09" except 555109

251909	Unearned Revenues - Interagency
416509	Trade & Profess Permits-Inter
416909	Other Licenses & Permits-Inter
422909	Other Fees - Interagency
424109	Auditing Services - Interagency
424902	Other Intra State Services
425909	Other Services - Interagency
429109	State Chemist Fees - Interagency
429909	Other Current Services - Interagency
433109	License Plates - Interagency
434509	Admissions - Interagency
442209	Rent of Land/Bldgs - Interagency
451909	Federal Contract - Interagency
452009	Federal Indirect - Interagency
475109	Other Gifts - Grants - Interagency
496409	Environment Dept Fees - Interagency
496909	Misc. Revenue - Interagency
499909	Other Fin Src. - Refunding Bond

Elimination Entries

Note: Any R/E that ends with "09" except 555109

535209	Professional Svcs - Interagency
535309	Other Services - Interagency
535409	Audit Services - Interagency
535509	Attorney Services - Interagency
535609	IT Services - Interagency
543009	DGF Habitat - Interagency
545609	Report/Record Inter St Agency
545909	Printing & Photo - Interagency
546109	Postage & Mail Svcs - Interagency
546409	Rent Expense - Interagency
546709	Subscription & Dues - Interagency
546809	Employee Training/Educ - InterSt Agency
547309	Care & Support InterSt Agency
547450	Grants to Other Agencies
547909	Misc Expense - Interagency 37

General Fund

566100	Reversions
499305	Other Financing Sources

TRANSFER IN/OUT

- PER MAPS 15.2 STATE AGENCIES MUST SHOW ON THE FUND FINANCIAL STATEMENTS TRANSFERS IN AND TRANSFERS OUT SEPARATELY
 - SOME AGENCIES ARE STILL NETTING THESE AMOUNTS TOGETHER IN THE FUND FINANCIAL STATEMENTS
- THESE MAY BE REPORTED NET IN THE GOVERNMENT WIDE FINANCIAL STATEMENTS
- REQUIRED NOTE DISCLOSURE –
 - INCLUDE YOUR BU# AND FUND #
 - INCLUDE THE AFFILIATE AND FUND AFFILIATE
 - DOLLAR AMOUNTS
 - BRIEF DESCRIPTION

TRANSFER IN/OUT CONTINUED

- CONFUSION OF BU 34100 VERSUS BU 34101
 - BU 34100 IS NM DEPARTMENT OF FINANCE AND ADMINISTRATION
 - BU 34101 IS THE STATE GENERAL FUND (COMPONENT APPROPRIATION FUND)
- EXAMPLE DISCLOSURE

NOTE 11. INTER-AGENCY TRANSFERS

The following is a summary of transfers between the [REDACTED] and other state agencies:

Agency	Fund	[REDACTED] Fund	Transfer In	Transfer Out	Description
34100	[REDACTED]	[REDACTED]	\$ 336,400	\$ -	[REDACTED]
34100	[REDACTED]	[REDACTED]	49,430,100	-	- Appropriation allotment
34101	[REDACTED]	[REDACTED]	160,565	-	- Appropriation allotment
34100	[REDACTED]	[REDACTED]	73,500	-	- FY22 compensation appropriation
34100	[REDACTED]	[REDACTED]	-	2,974,568	Reversion to State General Fund
34100	[REDACTED]	[REDACTED]	160,025	-	- Capital outlay transfer
34100	[REDACTED]	[REDACTED]	377,178	-	- Capital outlay transfer
34100	[REDACTED]	[REDACTED]	519,165	-	- Capital outlay transfer
34100	[REDACTED]	[REDACTED]	54,000	-	- Capital outlay transfer
Total inter-agency transfers			\$ 51,110,933	2,974,568	
Total reversions				\$ 2,974,568	

MISSING NOTE DISCLOSURE FOR DUE TO/DUE FROM BALANCES BETWEEN STATE AGENCY AND HIGHER EDUCATION INSTITUTION AND/OR COMPONENT UNIT

LIST OF COMPONENT UNITS & HIGHER EDUCATION INSTITUTIONS

143700 & 233700 related to Component Units:

Cumbres and Toltec Scenic RR Commission
New Mexico Finance Authority
New Mexico Lottery Authority
New Mexico Mortgage Finance Authority
New Mexico Renewable Transmission Authority
New Mexico Small Business Investment Corporation
New Mexico Hospital Equipment Loan Council
State Charter – Charter School (see PED website for complete listing)

143500 & 233500 related to Higher Education Institutions:

Higher Educational Institutions:

New Mexico School for the Blind and Visually Handicapped
New Mexico School for the Deaf
Eastern New Mexico University
Eastern New Mexico University Foundation
Eastern New Mexico University – Roswell Foundation
Eastern New Mexico University – Ruidoso Foundation
New Mexico Highlands University
New Mexico Highlands University Foundation
New Mexico Highlands University – Stable Isotopes Corporation
New Mexico Institute of Mining and Technology
New Mexico Institute of Mining and Technology Foundation
New Mexico Institute of Mining and Technology – Research Park Corporation
New Mexico Military Institute
New Mexico Military Institute Foundation
New Mexico State University (NMSU)
NMSU Foundation
NMSU – Arrowhead Center, Inc.
Northern New Mexico College
Northern New Mexico College Foundation
University of New Mexico (UNM)
UNM – Sandoval Regional Medical Center
UNM Foundation
UNM – Medical Group
UNM Alumni Association
UNM Lobo Club
UNM – Anderson School of Management Foundation
UNM – STC
UNM – Lobo Development Corporation
UNM – Lobo Energy, Inc.
Western New Mexico University
Western New Mexico University Foundation

- MAPS FIN15.4 STATE AGENCIES ARE REQUIRED TO INCLUDE A NOTE DISCLOSURE DETAILING ALL DUE TO OR DUE FROM COMPONENT UNITS AND HIGHER EDUCATIONAL INSTITUTIONS
- ACCOUNT CODES
 - 143700
 - 233700
 - 143500
 - 233500

ABNORMAL BALANCES

81200	101800	Agency Interest in SGFIP	2,236,801.14
	201900	Vouchers Payable	-
	223500	Payroll Benefits Payable	-
	223900	Payroll Taxes Payable	(0.00)
	292900	Other Liabilities	(118,506.52)
	325900	Restricted FB - Gov	(870,854.31)
	328900	Unassigned FB - Gov	0.00
	405801	Unclaimed Property (GRT)	(1,200,000.00)
	441201	Interest On Investments	(34,797.19)
	496901	Miscellaneous Revenue	(12,643.12)
81200 Total			(0.00)
81201	101800	Agency Interest in SGFIP	(118,506.52)
	223500	Payroll Benefits Payable	(0.00)
	223900	Payroll Taxes Payable	0.00
	292900	Other Liabilities	118,506.52
81201 Total			-

AGENCIES ARE REQUIRED TO ENSURE THE ACCOUNT BALANCES ARE CORRECT.

ACFR UNIT IS REVIEWING TRIAL BALANCES AT THE FUND AND SUB-FUND LEVEL.

ABNORMAL BALANCES IN SUB-FUNDS ARE TYPICALLY OFFSET WITH A NORMAL BALANCE IN THE SAME ACCOUNT AT THE PARENT/MAIN FUND AND WILL BE A ZERO BALANCE ONCE A JOURNAL ENTRY IS PREPARED.

ANYTIME AN ACCOUNT HAS AN ABNORMAL BALANCE, YOU SHOULD RESEARCH THE CAUSE AND RESOLVE ANY ISSUES.

ABNORMAL BALANCES

NEGATIVE CASH

CASH CONTROL AND ACFR HAVE BEEN CONTACTING AGENCIES AND SETTING UP REGULAR MEETINGS REGARDING NEGATIVE CASH ISSUES.

AGENCY FUNDS WITH NEGATIVE CASH THAT HAS BEEN CARRIED OVER FOR MANY YEARS MUST OBTAIN A DEFICIENCY APPROPRIATION. (FIN 1.2)

FIN 1.2 Special, Supplemental, and Deficiency Appropriations

A. *MAP Standard*

To assure the proper recognition and recording of other financing sources and to ensure legal compliance, allotments are to be monitored and controlled at FCD and state agency level.

B. *Purpose*

This policy establishes that expenditures of state monies by state agencies must be budgeted, authorized, and approved before they are made.

C. *Authority*

FCD Administrative Practice

D. *Policy*

1. FCD will allot the entire appropriation amount in the fiscal year the appropriation is first available to the agency unless the authorizing legislation has a contingency.
2. When expenditures have exceeded approved operating budget in a previous fiscal year, state agencies must obtain a deficiency appropriation passed by the Legislature and approved by the Governor to authorize additional expenditures.

ABNORMAL BALANCES

Account Type	Account Number Begins With	Increase is recorded by	Decrease is recorded by	Normal Balance
Assets	1*	Debit	Credit	Debit
Expense	5*	Debit	Credit	Debit
Revenue	4*	Credit	Debit	Credit
Liability	2*	Credit	Debit	Credit
Fund Balance/ Net Position	3*	Credit	Debit	Credit

QUERY FOR CHART OF ACCOUNTS
NMS_CHART_OF_ACCTS

REMINDERS

YEAR END ACCOUNTS PAYABLE ACCRUALS (296900 ACCOUNT)

- DEADLINE TO SUBMIT JOURNAL ENTRY TO RECORD 296900 ACCRUALS WAS AUGUST 29TH,
- SUPPORT FOR THE ENTRY SHOULD HAVE INCLUDED:
 - THE EXCEL SUMMARY OF THE INVOICES BEING ACCRUED
 - A COPY (IF AVAILABLE) OF THE INVOICES BEING ACCRUED
- DEADLINE TO PROCESS PAYMENT VOUCHERS FOR INVOICES ACCRUED IS SEPTEMBER 29TH
- LAST DAY TO CLEAR OUT ANY REMAINING BALANCES IN THE 296900 ACCOUNT IS OCTOBER 16TH,
NOTE – THERE WERE SEVERAL BALANCES NOT CLEARED OUT FROM FY2024 AND PRIOR, SO WE WILL BE MONITORING THIS ACCOUNT IN THE QUARTERLY TB REVIEWS AND REQUIRING AGENCIES TO ADDRESS ANY REMAINING BALANCES

Attachment A - Year-End Summary of Deadlines

DEADLINE	DESCRIPTION	SECTION	PAGE
8/29/2025	Last day to submit journal entries in period 998 to FCD establishing 296900 accruals 5:00pm	CDS 1.4a	8
9/29/2025	Last day to pay obligations established through the 296900-accrual process.	CDS 1.4bii	8
10/16/2025	Last day to submit journal entry to zero out balances in 296900 if accounts payables were overstated.	CDS 1.4biii	8

PROCESS FOR UNUSED 296900 ACCRUALS

4. YEAR END ACCRUAL PROCESS

- a. Fiscal year 2025 vouchers missing the July 29, 2025, deadline must be accrued in account 296900 by the deadline found in Attachment A. Capital outlay reimbursements should not be accrued. Please refer to CDS 1.2 for capital outlay instructions.
 - i. Accruals in account 296900 must be established with a SHARE journal entry by the date found in Attachment A.
 - ii. Invoice naming convention would be AC original number (AC = Accrual).
 - iii. Accrual journals must be supported by documentation demonstrating the existence of obligation (i.e., invoice, contract, payment reconciliation, etc.).
 - iv. Agencies should strive to pay all FY25 obligations prior to the AP deadline found in Attachment A. The 998 accrual process should be used sparingly.
- b. The reversal of the 296900 accrual to pay the obligation through the payment voucher process must be done by the deadline found in Attachment A.
 - i. Payment voucher to relieve the accrual, must have either SHARE journal entry, GL query, trial balance report or screenshot of the available account balance, and supporting documentation required by DFA pre audit (invoice, etc.).
 - ii. Accruals must be paid no later than the deadline found in Attachment A.
 - iii. If the agency determines the accrual balance is overstated, a journal entry can be done in period 998 to reduce the accrual if the financial audit is not finalized.
 1. If there is a remaining balance in the account after September 29th, a journal entry is required to eliminate the balance. The reversal entry must be done by the deadline found in Attachment A.
- c. Expenditures missing the September 29th deadline must be paid against the agency's fiscal year 2026 budget pursuant to section CDS. 8.
 - i. Material items that are not properly recorded may result in an audit finding.

BUD REF AND CLASS CODE REMINDER

- WHEN DO YOU USE BUD REF AND CLASS CODE?
 - ONLY FOR ACCOUNTS BEGINNING WITH A REVENUE (4*) OR A EXPENDITURE (5*) AND TRANSFER IN/OUT
 - DO NOT USE THEM ON ASSETS (1*), LIABILITIES (2*) OR FUND BALANCE/NET POSITION (3*) ACCOUNTS – YOU WILL RECEIVE A DENIAL
 - CLEAN UP ENTRIES TO CLEAR OUT THE ACTIVITY AT THE LOWEST LEVEL CHART FIELD

RECONCILE PAYROLL INCLUDING THE PAYROLL LIABILITY ACCOUNTS

- AGENCIES NEED TO REMEMBER TO RECONCILE PAYROLL INCLUDING THE PAYROLL LIABILITY ACCOUNTS ON A REGULAR BASIS (BI-WEEKLY)
 - WE HAVE A PROCESS THAT WE CAN PROVIDE TO HELP YOU WITH MONITORING THE 223500, 223900, & 226900 ACCRUED PAYROLL LIABILITY ACCOUNTS
 - IT IS ALSO A GOOD IDEA TO LOOK AT THESE ACCOUNT BALANCES OVERALL TO MAKE SURE THAT WE ARE NOT JUST CLEARING OUT CURRENT ACTIVITY AT THE END OF EACH PAYROLL CYCLE, BUT ALSO TO VERIFY THAT THERE ARE NOT ANY HISTORICAL RECONCILIATION ISSUES THAT EXIST
- IT IS MUCH EASIER TO RESEARCH AND RESOLVE ANY ISSUES WHEN THEY OCCUR RATHER THAN AFTER A SIGNIFICANT AMOUNT OF TIME HAS PASSED

290900 RECEIPTS HELD IN SUSPENSE ACCOUNT

- RECOMMEND REVIEWING THIS ACCOUNT AT LEAST ONCE A MONTH TO CLEAR OUT ANY DEPOSITS THAT HAVE BEEN RECORDED
- UNFORTUNATELY, WHAT WE SEE HAPPEN IS AN AGENCY WILL RECORD A DEPOSIT IN THIS ACCOUNT, BUT SINCE THEY WERE NOT SURE WHAT THE DEPOSIT WAS, THAT BALANCE IS STILL SITTING IN THIS ACCOUNT A YEAR LATER
- IT IS MUCH EASIER TO RESEARCH A DEPOSIT WHEN IT IS FIRST RECEIVED AND WHEN YOU STILL KNOW WHERE THE RELATED PAPERWORK IS THAN A YEAR AFTER THE FACT AND WITH ALL NEW STAFF MEMBERS

STALE DATED CHECKS – 241900 ACCOUNT

- AGENCIES NEED TO REVIEW AND CLEAR OUT THE 241900 ACCOUNT ON A MONTHLY BASIS AND NOT LEAVE BALANCES FOR AN ENTIRE YEAR. FIN 2.14 STALE DATE/ESCHEATMENT OF WARRANT

FIN 2.14 Stale Date/Escheatment of Warrant

D. Policy

1. Warrants that have been outstanding for one year after they become payable should be stale dated/escheated.
2. Before the warrant is marked stale dated/escheated in SHARE, the agency should verify the warrant is still outstanding at the State fiscal agent bank.
3. The escheatment process in SHARE will generate accounting to restore cash to the agency and fund where the warrant was issued and create a liability to 241900 in the same fund.
4. The agency should clear the balance in 241900 every month and the balance should be zero at the end of the fiscal year.
5. If the agency is required to re-issue the payment to the same vendor/supplier, the re-issue must be done as a repayment voucher hitting the 241900 account. These repayments must be completed monthly and cannot cross fiscal years. The 241900 account must be zero by June 30th. If payment is not reissued, continue to # 6.
6. The agency needs to determine if the fund is reverting or non-reverting:
 - a. Non-reverting fund reclassify amounts to miscellaneous revenue (49690X).
 - b. Reverting funds: funds should be researched and reverted according to law or legal agreement.
 - Stale dated amounts that have been identified as reverting should be transferred to the general fund using miscellaneous revenue (496901). Since the funds will be transferred to a miscellaneous revenue code, fund and fund affiliate should not be used.

CAPITAL ASSETS

ASSET EXPENSE ACCOUNT CODES IN SHARE (CAPITAL OUTLAY)

- CAPITAL ASSETS ARE INDIVIDUAL ITEMS COSTING MORE THAN \$5,000* WITH A USEFUL LIFE OF MORE THAN ONE YEAR – SEE MAPS FIN 6 FOR CAPITAL ASSET REQUIREMENTS

Account	Account Description
535800	Capital Professional Contracts
548100	Land
548110	Land – Improvements
548200	Furniture & Fixtures
548300	Information Tech Equipment
548400	Other Equip
548600	Animals
548700	Library & Museum Acquisitions
548800	Auto & Aircraft
548801	Railway Equipment
548810	Spaceport Equipment
548820	Spaceport Equipment
548900	Bldgs & Structures

- **DO NOT FORGET** PURSUANT TO GASB IMPLEMENTATION GUIDE NO. 2021-1, ASSETS **SHOULD BE CAPITALIZED** IF THE AGGREGATE ACQUISITION COST (\geq \$200,000) IS **DEEMED SIGNIFICANT AT THE TIME OF PURCHASE, EVEN IF THE INDIVIDUAL COST FALLS BELOW THE STATE'S THRESHOLD OF \$5,000**
 - THESE ACCOUNTS SHOULD NOT HAVE OTHER COSTS CHARGED TO THEM THAT ARE NOT PART OF THE CAPITAL ASSET ACQUIRED
 - ANY REMAINING EXPENSES IN THESE ACCOUNTS THAT ARE NOT CAPITALIZED NEED TO BE RECLASSIFIED TO ANOTHER EXPENSE ACCOUNT IN THE ACTUALS LEDGER

ACQUISITION COSTS

- CAPITAL ASSETS OVER \$5,000 SHALL BE RECORDED AT THE TIME OF ACQUISITION AT COST (INCLUDING ANCILLARY COSTS) AS DETERMINED BY THE AMOUNT PAID FOR PURCHASED ASSETS OR AT COST OF CONSTRUCTION FOR CONSTRUCTED ASSETS, OR AT ESTIMATED FAIR MARKET VALUE FOR DONATED CAPITAL ASSETS
- WHAT ARE ANCILLARY COSTS?
 - THESE ARE THE COSTS ASSOCIATED WITH PREPARING AN ASSET FOR ITS INTENDED USE
 - THESE INCLUDE FREIGHT OR SHIPPING COSTS, TAXES, SITE PREPARATION AND INSTALLATION, TESTING, RECONDITIONING AND OTHER SIMILAR COSTS PER 2.20.1.10(B) NMAC
 - IF CONSIDERATIONS OTHER THAN CASH ARE EXCHANGED FOR THE ASSET, THEN THE FAIR MARKET VALUE OF SUCH CONSIDERATION GIVEN AT THE TIME OF THE EXCHANGE IS INCLUDED IN THE COSTS.

TRANSFERRING CAPITAL ASSETS

MANY AGENCIES RECEIVE THE BUDGET AUTHORITY TO PURCHASE AN ASSET, BUT THEY ARE NOT ALLOWED TO MAINTAIN OWNERSHIP OF THE ASSET – VEHICLES AND BUILDINGS FOR EXAMPLE. THESE ASSETS BELONG TO THE STATE'S GENERAL SERVICES DEPARTMENT.

- THAT MEANS THAT ON THE GOVERNMENT-WIDE FINANCIAL STATEMENTS (FULLACCRUE ENTRY), THE AGENCY THAT PURCHASED THE ASSET MUST COMPLETE A TRANSFER OF THE ASSET TO THE AGENCY THAT WILL HAVE RESPONSIBILITY FOR THE ASSET.
- PLEASE BE SURE TO USE THE NEW ACCOUNT CODES (499901 AND 555901) SPECIFIC FOR TRANSFERRING CAPITAL ASSETS. USE THE APPROPRIATE AFFILIATE AND FUND AFFILIATE INFORMATION TO HELP US RECONCILE CAPITAL ASSET TRANSFERS BETWEEN AGENCIES
- REMEMBER THAT PER MAPS FIN 6.4 PARAGRAPH 6, THE TRANSFER OF ASSETS FROM ANOTHER AGENCY SHALL BE RECORDED AT “NET COSTS” OF THE ASSET AT THE TIME OF THE TRANSFER, NOT HISTORICAL COST.
 - WHAT DOES THIS MEAN
 - IF YOU HAVE A VEHICLE WITH AN ORIGINAL ACQUISITION PRICE OF \$15,000 AND ACCUMULATED DEPRECIATION OF \$9,000, THEN THE VALUE OF THE ASSET BEING TRANSFERRED IS \$6,000 TO THE RECEIVING AGENCY.
 - IF THE VEHICLE WAS FULLY DEPRECIATED, THEN THE VALUE OF THE ASSET BEING TRANSFERRED IS \$0.

EXAMPLE ENTRY TO CAPITALIZE AND TRANSFER A NEW ASSET

Unit	Fund	Account	Bud Ref	Class	Affiliate	Fund Affil	Amount	Dept	Budget Date
Step 1: Capitalize Assets First									
BU001	00000	185400					25,000.00		6/30/2023
BU001	00000	548900					-25,000.00		6/30/2023
Step 2: Then remove asset from the transferring agency's general ledger									
BU001	00000	555901			BU002	10000	25,000.00		6/30/2023
BU001	00000	185400					-25,000.00		6/30/2023
Step 3: Record the Transfer in and the new asset value on the receiving agency's general ledger									
BU002	10000	185400					25,000.00		6/30/2023
BU002	10000	499901			BU001	00000	-25,000.00		6/30/2023
You should not have any cash lines generated with this entry									

Remember to include information about the transfer in the note disclosure

EXAMPLE NOTE DISCLOSURE

NOTE 4. CAPITAL ASSETS

A summary of changes in capital assets is as follows:

	Balance 6/30/2021	Additions	Transfers	Deletions	Balance 6/30/2022
Capital assets depreciated					
Aircraft, autos, and trucks	\$ -	\$ 180,840	\$ (180,840)	\$ -	\$ -
Data Processing Equipment	690,598	15,266	-	-	705,864
Land Improvements	-	18,923	-	-	18,923
Furniture and Fixtures	-	-	-	-	-
Equipment and Machinery	44,574	-	-	-	44,574
Right-to-Use Leased Buildings	-	4,175,686	-	-	4,175,686
Total capital assets	735,172	4,390,715	(180,840)	-	4,945,047
Less accumulated depreciation and amortization					
Aircraft, autos, and trucks	-	-	-	-	-
Data Processing Equipment	(688,811)	(6,875)	-	-	(695,686)
Land Improvements	-	(1,263)	-	-	(1,263)
Furniture and Fixtures	-	-	-	-	-
Equipment and Machinery	(44,574)	-	-	-	(44,574)
Right-to-Use Leased Buildings	-	(253,261)	-	-	(253,261)
Total accumulated depreciation and amortization	(733,385)	(261,399)	-	-	(994,784)
Total capital assets, net	\$ 1,787	\$ 4,129,316	\$ (180,840)	\$ -	\$ 3,950,263

EXAMPLE ENTRY TO TRANSFER AN ASSET BOUGHT IN A PRIOR YEAR

Unit	Fund	Account	Bud Ref	Class	Affiliate	Fund Affil	Amount	Dept	Budget Date
Prior year entries showing capitalization and recording of depreciation expense									
BU001	00000	185400					25,000.00		6/30/2022
BU001	00000	548900					-25,000.00		6/30/2022
Year 1 depreciation									
BU001	00000	191920					(5,000.00)		6/30/2022
BU001	00000	568900					5,000.00		6/30/2022
Year 2 - oops we were supposed to transfer to another agency									
Then remove asset and transfer to other agency									
BU001	00000	555901			BU002	10000	20,000.00		6/30/2023
BU001	00000	185400					-25,000.00		6/30/2023
BU001	00000	191920					5,000.00		
And record the new asset and transfer in at the net value of the asset from agency 1									
BU002	10000	185400					20,000.00		6/30/2023
BU002	10000	499901			BU001	00000	-20,000.00		6/30/2023

Remember to include information about the transfer in the note disclosure

DEPRECIATION MAPS FIN 6.2

- DEPRECIATION IS EXPENSING THE HISTORIC (ACQUISITION) COST OF AN ASSET OVER ITS USEFUL LIFE
- DEPRECIATION OF ASSETS SHOULD BE RECORDED IN COMPLIANCE WITH GENERALLY ACCEPTED ACCOUNTING PRACTICES USING THE STRAIGHT-LINE METHOD BASED ON THE USEFUL LIFE RECOMMENDATIONS PROVIDED ON THE NEXT SLIDE IN ACCORDANCE WITH THE REQUIREMENTS OF MAPS.
- WHAT IS STRAIGHT-LINE DEPRECIATION
 - $\text{VALUE OF THE ASSET} / \text{LIFE OF ASSET (YEARS OR MONTHS)}$
- DEPRECIATION EXPENSE IS RECORDED BY ENTERING A JOURNAL ENTRY IN THE FULLACCRUE LEDGER WITH A DEBIT TO 568900 DEPRECIATION EXPENSE AND A CREDIT TO THE RESPECTIVE ACCUMULATED DEPRECIATION ACCOUNT (19XXXX)
- NOTE: ACCUMULATED DEPRECIATION **SHOULD NEVER** EXCEED THE VALUE OF THE ASSET BEING⁵⁸ DEPRECIATED.

EXAMPLE OF DEPRECIATION CALCULATION AND ENTRY

- ASSET BEING DEPRECIATED: NEW VEHICLE
- HISTORICAL COST: \$25,000
- ASSET LIFE (PER MAPS): 5 YEARS
- ANNUAL DEPRECIATION = $(\$25,000 / 5 \text{ YEARS}^{**}) = \$5,000$

Account Code	Description	Debit	Credit
568900	Depreciation Expense	5,000	
191940	Accumulated Depreciation Airc., Autos, and Trucks		5,000

**THIS CAN BE CALCULATED BY MONTH BASED ON MONTHS IN SERVICE AS WELL, PLEASE STAY CONSISTENT IN WHICH METHOD YOU CHOOSE

YEAR END DEADLINES

REMINDER OF YEAR END DEADLINES

AGENCY REPRESENTATION LETTER

DUE : 60 DAYS BEFORE THE AUDIT DUE DATE (**SEPTEMBER 1ST** FOR MOST AGENCIES)

- BOTH THE AGENCY AND THE IPA NEED TO SIGN OFF
- ATTACHMENT I IN YEAR END CLOSING INSTRUCTIONS
- PLEASE DON'T FORGET TO PROVIDE THE PBC LIST (SCHEDULE OF DELIVERABLES)

PLEASE EMAIL FORMS TO FCD.ACFR@DFA.NM.GOV OR TO YOUR ACFR
ACCOUNTANT

YEAR END DEADLINES

ANNUAL ACFR REPORTING PACKAGE

DUE NOVEMBER 1ST: FOR AGENCIES WITH AUDIT SUBMISSION 11/1.

- COMPLETE AUDIT REPORT
- LISTING OF IPA PROPOSED AUDIT JOURNAL ENTRIES (GW AND FUND)
- TRIAL BALANCE BY FUND
- PRIOR PERIOD ADJUSTMENT FORM (IF ANY)

PLEASE ALSO NOTE THAT IF YOU SUBMIT YOUR AUDIT EARLY, WE WILL BE ASKING YOU FOR YOUR ANNUAL REPORTING PACKAGE EARLY AS WELL – WE NEED THIS AS SOON AS POSSIBLE TO PREVENT DELAY TO THE RELEASE OF YOUR AUDIT REPORT

PLEASE EMAIL FORMS TO FCD.ACFR@DFA.NM.GOV OR TO YOUR ACFR ACCOUNTANT

Attachment A - Year-End Summary of Deadlines

DEADLINE	DESCRIPTION	SECTION	PAGE
9/1/2025	Last day to submit agency representation letter electronically certifying audit readiness to FCD. Except agencies with audit submission due dates after November 1, 2025.	GLR 2.1c	16
9/29/2025	Last day to pay obligations established through the 296900-accrual process.	CDS 1.4bii	8
9/30/2025	Last day to submit fiscal year 2025 reversion Operating Transfers to FCD.	CDS 9.1b	12
9/30/2025	Last day to submit OPRs to pay GSD or DOIT for services applicable to FY25.	OPR 1.4	14
9/30/2025	Last day to submit adjusting journal entries in the 098 period.	OPR 1.3	14
10/2/2025	First day DFA will accept Prior Year Payment Requests applicable to FY25.	CDS 8.1	11
10/16/2025	Last day to submit journal entry to zero out balances in 296900 if accounts payables were overstated.	CDS 1.4biii	8
11/1/2025	Last day to submit ANNUAL REPORT package to FCD electronically. This date should align with the due date of the agency audit as published in the State Audit Rule.	GLR 7.4	19
12/31/2025	Last day to submit requests for Authority to Issue Warrants to FCD for FY27.	MIS 11.1a	26

REMINDER OF OTHER
UPCOMING YEAR
END DEADLINES

TYPICAL ACFR PROCESS FOR REVIEWING DRAFT AUDIT REPORTS

- ACFR WORKS IN CONJUNCTION WITH STATE AUDITOR'S OFFICE.
- CFO'S IN CONJUNCTION WITH IPA'S HAVE TO ADDRESS ACFR COMMENTS BEFORE AN AUDIT CAN BE RELEASED BY SAO.
 - ACFR GETS NOTIFIED BY SAO THAT WE HAVE 10 WORKING DAYS TO REVIEW THE DRAFT REPORT. THIS IS IN CONJUNCTION WITH THE SAO REVIEWING THE REPORT BEING TURNED IN BY THE IPA.
 - ACFR WILL REVIEW – COMMENTS WILL GO TO THE CFO AND IPA FOR REVIEW.
 - MATERIAL COMMENTS SHOULD BE ADDRESSED IMMEDIATELY
 - SHARE IS THE BOOK OF RECORD AND MUST MATCH AUDIT REPORT

ACFR IS AUDITED ON INTERNAL CONTROLS

Just like your auditor monitors the internal controls present at your agency – the ACFR is also monitored for internal controls to ensure we are monitoring agencies for:

- Following procedures and accounting policies outlined by DFA.
- Following all GASB and GAAP accounting.
- Ensuring consistent accounting processes and procedures for all entities involved in the Annual Comprehensive Financial Report (ACFR)
- Ensuring agencies adhere to deadlines.

ACFR IS AUDITED ON INTERNAL CONTROLS (CONTINUED)

Accuracy of proper SHARE account codes being used.

ACFR'S AUDITORS (IPAS) DO INTERNAL REVIEW TO ENSURE THAT THE ACCOUNT CODES IN SHARE MATCH THE FINANCIAL STATEMENTS AND THAT THE ACFR STAFF ENSURE THIS CONSISTENCY WITH ALL AGENCIES.

EXAMPLE: AGENCY HAD LAND ROYALTIES (492103 – LAND ROYALTIES) BUT ON FINANCIALS HAD AS FEDERAL REVENUE. ACFR DID NOT MAKE THEM CHANGE TO EITHER HAVE SHARE MATCH FINANCIALS OR CHANGE ON THE PRESENTATION OF THE FINANCIALS.

IF ACFR DOES NOT COMMUNICATE THIS WITH THE AGENCY AND TRY TO RECTIFY THE SITUATION, ACFR MIGHT GET A FINDING FOR INTERNAL CONTROLS.

CROSSEOVERS

- WHY IS A CROSS-OVER ISSUE IMPORTANT

- TRANSACTION THAT HAS A BUD REF OF 125 BUT POSTED IN SHARE DURING FY26, THE GENERAL LEDGER WILL SHOW THE TRANSACTION IN FY26 BUT THE COLLECTED REVENUE IN BUDGET RECONCILIATION, IT WILL BE SHOWN FOR FY25 NOT FOR FY26.
- WHEN YOUR INTERNAL BUDGET STAFF, DFA BUDGET DIVISION AND/OR AUDITOR REVIEWS FY25 BUDGET AND COMPARES AMOUNTS, THE RECONCILIATION WILL NOT WORK SINCE THE BUDGET IS SHOWING REVENUE COLLECTED IN FY25, BUT IN SHARE GL IT WILL SHOW IN FY26.
- ALSO – CROSSOVER TRANSACTIONS POSTED IN THE WRONG FISCAL YEAR ARE IN VIOLATION OF GAAP ACCOUNTING AND COULD RESULT IN A FINDING.

WHAT TO DO IF A TRANSACTION POSTS IN THE WRONG YEAR

- POTENTIAL FY25 TRANSACTIONS POSTED IN FY26
 - REVENUES
 - DEPOSITS
 - JOURNAL ENTRIES

WHAT DO YOU DO IF YOU NOTICED THIS HAPPENED:

- PREPARE A JOURNAL ENTRY IN FY26 TO REMOVE THE TRANSACTION
 - REFERENCE THE FY25 JOURNAL ENTRY IN THE DESCRIPTION
- PREPARE A JOURNAL ENTRY IN PERIOD 998 FOR FY25 TO INCLUDE THE TRANSACTION
 - REFERENCE THE FY26 JOURNAL ENTRY IN THE DESCRIPTION

CROSSOVER EXAMPLE

- A DEPOSIT CAME IN AFTER JULY FOR THE REVENUE THAT WAS FOR THE FY24.
- THE DEPOSIT WAS SETTLED IN FY25 WITH BUD REF OF FY24.

Source	Journal ID	Date	Ledger	Fund	Dept	Account	Bud R	Class	Sum of Amount
AR	DJ03469158	7/2/2024	ACTUALS	38200	5003000000	431102	124	H0000	(360.00)
AR	DJ03469158	7/2/2024	ACTUALS	38200	5005001000	431102	124	H0000	(1,676.59)
AR	DJ03469158	7/2/2024	ACTUALS	38200	5006001000	431102	124	H0000	(169.75)
AR	DJ03469159	7/1/2024	ACTUALS	38200	5003000000	431102	124	H0000	(11,049.25)
AR	DJ03469159	7/1/2024	ACTUALS	38200	5005001000	431102	124	H0000	(1,801.84)
AR	DJ03469159	7/1/2024	ACTUALS	38200	5006001000	431102	124	H0000	(77.85)
AR	DJ03469159	7/1/2024	ACTUALS	91900	7001000000	433902	124	H0000	(27,680.50)
Grand Total									(42,815.78)

FY2024

- Reversal - FY2025 – CFR source, use original deposit ID, drop first digit, and replace – “R”, use original date, (To reverse deposit DJ# posted to FY2025 should be FY2024 – reference FY2024 journal – credit receivable
- Correction – FY2024 – CFR source, use original Deposit ID, dropping first digit and replace “C”, use 06/30/2024 date - Establish receivable and credit revenue or expense (See process below) – To record revenue or expense to correct fiscal year)

Deposit posted in FY2025 applicable to FY2024

In FY2024

Revenue

- Debit - Establish receivable in 132900 or 139900
- Credit - Recognize the revenue with FY2024 ref and class code

OR

Expenditure reimbursement

- Debit - Establish receivable in 132900 or 139900
- Credit - Current Year Expense FY2024 ref and class code
- Attach proof current year payment vouchers or query line

In FY2025

- Deposit – code accounting line directly to receivable account to liquidate FY2024 receivable

If deposit was already posted in 290900 in FY25

- Debit – 290900 ((Exact same accounting stream as a Deposit)
- Credit - Receivables account that was established in FY24
- Attached, proof of receivable JE

FY2025

- Create a CFR journal to reverse and correct the bud ref and class, use FY2025 bud ref 125, class 10000.

WARRANT CANCELLATIONS THAT CROSS FISCAL YEARS

- DO NOT ENTER YOUR OWN JOURNAL ENTRY TO PROCESS THE CANCELLATION
– PLEASE WAIT A COUPLE OF DAYS FOR THE SYSTEM TO GENERATE AND POST THE ENTRY

FIN 5 – Payables

Policies & Procedures FIN 5.4

8. Processing Warrant Cancellations after the year-end deadline:
 - a. Agencies are no longer required to submit journal entries along with Type B cancellations for warrants issued in the prior fiscal year. Instead, agencies should wait until year-end, assuming the fund is reverting, and revert these funds to the State General Fund. If the funds are non-reverting, agencies will prepare a journal entry debiting the original voucher's accounting string and crediting Miscellaneous Revenue.

WARRANT CANCELLATIONS

- WHAT HAPPENS IF YOU HAVE A WARRANT CANCELLATION IN FISCAL YEAR 2026 FOR A WARRANT PAID IN FISCAL YEAR 2025
 - IN FY 2025
 - NO ENTRY IS NEEDED
 - IN FY2026
 - IF IT IS A REVERTING FUND, THEN REVERT THE AMOUNT DIRECTLY TO THE STATE GENERAL FUND (OR ORIGINAL FUNDING SOURCE)
 - IF IT IS A NON-REVERTING FUND, THEN RECLASSIFY THE AMOUNT TO 496901 MISCELLANEOUS REVENUE

JOURNAL ENTRIES

COMMON JOURNAL ENTRY PROBLEMS

- HARD-KEYING OR DIRECTLY KEYING TO 101800 CASH
- LACK OF ADEQUATE SUPPORT
- NOT MAKING ENTRIES TIMELY
 - YEAR END ENTRIES
 - MONTHLY REQUIRED ENTRIES
- INCORRECT AFFILIATE/FUND AFFILIATE
- TRANSFER IN/OUT AND DUE TO/DUE FROM OTHER AGENCY ACCOUNTS
- ROUNDING – ESPECIALLY ON YEAR END ENTRIES
- DELETING ENTRIES TO REMOVE DENIALS
- WRONG FISCAL YEAR
- SECRETARY OF STATE NOTARY FEES

DO'S AND DON'TS OF JOURNAL ENTRIES

WHAT TO DO

- ADD SUFFICIENT AND LEGIBLE SUPPORT
 - PRINTING TO PDF IS MUCH EASIER AND EASIER TO READ THAN PRINTING TO PAPER AND SCANNING
- ENTER ENTRIES TIMELY
- REVIEW AND APPROVE OR DENY ENTRIES TIMELY (WITHIN 48 HOURS)
 - JOURNAL ENTRIES ARE TO BE APPROVED (OR DENIED) WITHIN 48 HOURS (MAPS FIN 3.1)
- INCLUDE USEFUL AND ACCURATE DESCRIPTIONS
- REDACT PRIVATE INFORMATION
- ADDRESS ANY ISSUES THAT AN ENTRY WAS DENIED FOR
- REACH OUT TO YOUR ACFR ACCOUNTANT IF YOU ARE HAVING TROUBLE OR DOING SOMETHING OUT OF THE NORM

DO'S AND DON'TS OF JOURNAL ENTRIES CONTINUED

WHAT NOT TO DO

- DO NOT HARD KEY TO 101800 CASH - TRANSACTIONS TO THIS ACCOUNT MUST BE SYSTEM GENERATED
- DO NOT ROUND ON YOUR YEAR END AUDIT ADJUSTMENTS
- DO NOT PROVIDE A COPY OF THE ENTRY AS THE ONLY SUPPORT FOR THE ENTRY
- DO NOT INCLUDE PRIVATE/CONFIDENTIAL INFORMATION – SSN'S, BANK ACCOUNT NUMBERS SHOULD BE REDACTED
- DO NOT DELETE ENTRIES TO REMOVE DENIALS – IF YOU NEED TO DELETE AN ENTRY – PLEASE RE-ATTACH THE DENIAL
- DO NOT RESUBMIT AN ENTRY THAT HAS BEEN DENIED WITHOUT MAKING THE REQUESTED CORRECTIONS – IT WILL BE DENIED AGAIN
- DO NOT CHANGE EXTRA ITEMS IN THE ENTRY – THIS USUALLY RESULTS IN IT BEING RE-DENIED – BECAUSE YOU CHANGED SOMETHING THAT WAS RIGHT TO BEGIN WITH
- UNLESS YOU ARE PREPARING A CLEANUP ENTRY – DO NOT USE BUD REF AND CLASS CODE ON ASSET, LIABILITY, OR FUND BALANCE/NET POSITION ACCOUNTS (*ACCOUNTS BEGINNING WITH A 1*, 2*, OR 3* IN THE CHART OF ACCOUNTS*)

FORBIDDEN ACCOUNT CODES

- 101800 – ABSOLUTELY NEVER ALLOWED TO HARD KEY TO 101800 IN A JOURNAL ENTRY, VOUCHER, DEPOSIT OR ANY OTHER TYPE OF ENTRY IN THE SYSTEM
- 171900 – TRAVEL ADVANCES – THIS ACCOUNT SHOULD CLEAR BACK OUT WITH SYSTEM GENERATED ENTRIES WHEN THE FINAL RECOUP VOUCHER IS PROCESSED CORRECTLY
- 201900 – VOUCHERS PAYABLE – EVERY TRANSACTION IN THIS ACCOUNT SHOULD BE SYSTEM GENERATED
 - EXCEPT AT YEAR END WHEN WE DO ALLOW THE RECLASSIFICATION OF CERTAIN TRANSACTIONS TO ALLOW THE LIABILITIES TO BE CORRECTLY CLASSIFIED ON THE FINANCIAL STATEMENTS, BUT THE IMMEDIATE REVERSAL OF THIS ENTRY IN THE SUBSEQUENT YEAR MUST BE PROCESSED AT THE SAME TIME
- 223500, 223900, 226900 – PAYROLL LIABILITY ACCOUNTS – TRANSACTIONS IN THESE ACCOUNTS ARE SYSTEM GENERATED, AND AGENCIES ARE NOT ALLOWED TO TOUCH THEM WITH A JOURNAL ENTRY WITHOUT PERMISSION FROM CENTRAL PAYROLL

JOURNAL ENTRY SYSTEM EDITS

THESE ARE SOME OF THE EDIT CHECKS THAT SHARE IS PROGRAMMED TO CHECK FOR TO OBTAIN VALID STATUS ON AN ENTRY IN THE ACTUALS LEDGER

EXAMPLES:

- JOURNAL ENTRY MUST HAVE EQUAL DEBITS AND CREDITS
- JOURNAL ENTRY MUST HAVE A FUND
- CHARTFIELD REQUIRED AN AFFILIATE/FUND AFFILIATE FOR SPECIFIC ACCOUNT CODES
- EXPENDITURES (ACCOUNTS BEGINNING WITH A 5*) MUST HAVE A DEPARTMENT, BUD REF AND CLASS CODE
- EXPENDITURES MUST HAVE SUFFICIENT BUDGET
- REVENUES (ACCOUNTS BEGINNING WITH A 4*) MUST HAVE A DEPARTMENT, BUD REF AND CLASS CODE
- PROJECT ACCOUNTING REQUIRES 4 CHARTFIELDS

REVERSING AND CORRECTING ENTRIES

- RECOMMENDED NUMBERING SCHEMES (JOURNAL ID'S SHOULD BE 10 DIGITS):
 - REVERSING ENTRIES – DROP THE FIRST DIGIT AND REPLACE WITH “R”
 - EXAMPLE: R3AUD341XX (ORIGINAL JOURNAL ID WAS 23AUD341XX)
 - CORRECTING ENTRIES – DROP THE FIRST DIGIT AND REPLACE WITH “C”
 - EXAMPLE: C3AUD341XX (ORIGINAL JOURNAL ID WAS 23AUD341XX)
- OTHER BEST PRACTICES FOR SUPPORT AND DESCRIPTIONS
 - INCLUDE A COPY OF THE ORIGINAL ENTRY AND SUPPORT AS BACK UP FOR THE REVERSAL AND CORRECTION
 - CLEARLY EXPLAIN WHY THE REVERSAL AND CORRECTION ARE NEEDED AND CROSS REFERENCE THE ENTRY NUMBERS IN THE DESCRIPTIONS
 - ADD ANY ADDITIONAL SUPPORT USED TO HELP YOU DETERMINE THAT THE REVERSAL AND CORRECTION WERE NEEDED

RECORDING GRANT RECEIVABLES BEST PRACTICES

- SUPPORTING DOCUMENTATION SHOULD INCLUDE:
 - PROOF FROM FEDERAL SYSTEM THAT DRAW REQUEST HAS BEEN SUBMITTED (NOTE: THE DRAW REQUEST BEING SUBMITTED IS REQUIRED TO SUPPORT THE ENTRY TO RECORD THE REVENUE AND RECEIVABLE FOR THE GRANT)
 - UNFORTUNATELY, SOME AGENCIES HAVE RECORDED FEDERAL GRANT REVENUES AND RECEIVABLES IN THE PAST THAT WERE NEVER ACTUALLY DRAWN DOWN FROM THE FEDERAL GOVERNMENT LEAVING THE AGENCY AND THE STATE WITH DEFICIT CASH AND AN UNCOLLECTIBLE RECEIVABLE SINCE THIS ERROR IS USUALLY NOT REALIZED UNTIL AFTER THE GRANT HAS BEEN CLOSED OUT.
 - PROOF OF RECONCILIATION OF GRANT EXPENSES TO GENERAL LEDGER TO ENSURE THAT ALL EXPENSES TODAY RELATED TO A SPECIFIC GRANT HAVE BEEN DRAWN OR ARE INCLUDED IN CURRENT DRAW REQUEST
 - RECONCILIATION TO AN AP DETAIL QUERY WHILE USEFUL SHOULD NOT BE USED AS YOUR ONLY SUPPORT TO SHOW RECONCILIATION TO GENERAL LEDGER SINCE YOUR GENERAL LEDGER CONTAINS OTHER ENTRIES NOT INCLUDED IN THE AP DETAIL INCLUDING ANY CORRECTING ENTRIES PREVIOUSLY DONE
 - ANY OTHER SUPPORTING DOCUMENTATION USED TO SUPPORT THE DRAW REQUEST / WHETHER THIS IS A LIST OF EXPENSES RECONCILED TO THE GENERAL LEDGER OR A COPY OF ALL THE INVOICES BEING CLAIMED

PERIOD 998 ADJUSTING ENTRY OPTION

- CURRENTLY PERIOD 998 IS OPEN FOR FISCAL YEAR 2025
- PLEASE MAKE SURE THAT YOU ONLY SELECT THE ADJUSTING ENTRY ON THE HEADER TAB OF AN ENTRY WHEN YOU ARE WANTING TO ENTER INTO PERIOD 998 FOR FISCAL YEAR 2025
- SHARE DOES NOT ERROR OUT FOR A WRONG DATE IN PERIOD 998 AND WILL POST TO THE WRONG FISCAL YEAR EVEN IF YOU USE A CURRENT DATE

SUPPORT FOR JOURNAL ENTRIES

- MINIMUM REQUIREMENTS – DEPENDS ON THE ENTRY
 - WHAT INFORMATION DID YOU USE TO CREATE THE ENTRY? THIS IS GOING TO BE THE BEST SUPPORT
- GENERAL LEDGER
- LEGIBLE
- IF YOU ARE PAYING MORE THAN ONE INVOICE OR COMBINING MULTIPLE LINES FROM AN INVOICE AT A TIME, PLEASE PROVIDE A SUMMARY PAGE
- KEEP THE SUPPORT IN THE SAME ORDER AS THE ENTRY
- LIMIT THE NUMBER OF ATTACHMENTS – IF YOU HAVE 10 INVOICES, PLEASE COMBINE THEM INTO ONE FILE – DON'T ADD 10 INDIVIDUAL ATTACHMENTS
- DESCRIPTION SHOULD REFLECT WHAT THE JOURNAL ENTRY IS ACCOMPLISHING
 - (PLEASE SPELL CHECK)

RECLASSIFICATION OR CORRECTING ENTRIES

- PLEASE PROVIDE A COPY OF YOUR GENERAL LEDGER
 - A PROBLEM WE ARE SEEING FREQUENTLY IS THAT AGENCIES ARE DUPLICATING THEIR RECLASSIFICATION OR CORRECTING ENTRIES SINCE THEY ARE STILL LOOKING AT THE ORIGINAL SOURCE DOCUMENT AND NOT THEIR GENERAL LEDGER TO SEE THAT THEY HAVE ALREADY MADE THE NECESSARY ENTRY
- PROVIDE A GOOD EXPLANATION OF WHAT YOU ARE DOING WITH THE ENTRY
- IF NECESSARY, PLEASE PROVIDE SUPPORTING DOCUMENTATION THAT CLEARLY SHOWS THAT AN EXPENSE IS ALLOWABLE FROM A PARTICULAR FUNDING SOURCE
- IF CORRECTING AFFILIATE/FUND AFFILIATE, PLEASE MAKE SURE THAT BOTH SIDES OF THE ENTRY ARE CORRECTED

JOURNAL ENTRIES RELATED TO PAYROLL

- MUST HAVE PROOF THAT YOU HAVE RECONCILED PAYROLL BETWEEN SHARE HCM AND SHARE FIN
- SHOULD INCLUDE A PIVOT OR FILTERED LIST FROM YOUR GENERAL LEDGER
- YOU CANNOT TOUCH THE 223500, 223900, OR 226900 ACCOUNTS WITHOUT PROVIDING PROOF THAT YOU HAVE FULLY RECONCILED THESE ACCOUNTS
 - UNLESS SOMETHING UNUSUAL HAPPENED, THERE IS ALMOST NO REASON FOR YOU TO EVER TOUCH THESE ACCOUNTS

PAYROLL LIABILITY ACCOUNT RECONCILIATION

- IN ADDITION TO ANY RECONCILIATIONS THAT AN AGENCY DOES FOR PAYROLL EXPENSES, THE AGENCY SHOULD ALSO BE RECONCILING THE PAYROLL LIABILITY ACCOUNTS
- THERE ARE 3 STEPS TO RECONCILING:
 - RECONCILE DATA FROM HCM TO FIN.
 - BASICALLY, ENSURE THE HCM DATA POSTED IN THE GENERAL LEDGER THE SAME WAY THE HCM REPORTS ARE SHOWING.
 - RECONCILE LIABILITY ACCOUNTS 223500 AND 223900 RECONCILE TO ZERO AFTER ALL PAYROLL ELEMENTS ARE POSTED.
 - RECONCILE LIABILITY ACCOUNT 226900 RECONCILES TO ZERO
- SHOULD BE RECONCILING BI-WEEKLY – ESPECIALLY IF YOU HAVE NEW EMPLOYEES OR EMPLOYEES TRANSFER TO OTHER AGENCIES

JOURNAL ENTRY EXAMPLE – SECRETARY OF STATE NOTARY FEE

➤ This is a good example of how to prepare the journal entry for the payment of a notary fee to the Secretary of State's office.

➤ Use expense account 546700 for your agency offset to 234900 for NM Secretary of State

➤ The line impacting account 234900 Due to State General Fund should include:

- Affiliate: 34101
- Fund Affiliate: 85300

Header | Lines | Totals | Errors | Approval

Unit: 39401 | Journal ID: [REDACTED] 048 | Date: 06/08/2023 | Errors Only:

Template List: Inter/IntraUnit | *Process: Edit Journal | Process

Line: 10

▼ Lines

Select	Line	*Unit	Fund	Account	Bud Ref	Class	Affiliate	Fund Affil	Amount	Dept	Budget Date
<input type="checkbox"/>	1	39401		200000						0000000000	06/08/2023
<input type="checkbox"/>	2	[REDACTED]	[REDACTED]	546700	123	G0000			30.00	[REDACTED]	06/08/2023
<input type="checkbox"/>	3	37000	79900	234900			34101	85300	-30.00		06/08/2023
<input type="checkbox"/>	4	39401		101800			[REDACTED]		30.00		06/08/2023
<input type="checkbox"/>	5	[REDACTED]		101800			39401		-30.00		06/08/2023
<input type="checkbox"/>	6	37000	79900	101800			39401		30.00		06/08/2023
<input type="checkbox"/>	7	39401		101800			37000	79900	-30.00		06/08/2023

Lines to add: 1

▼ Totals

Unit	Total Lines	Total Debits	Total Credits	Journal Status	Budget Status
37000	2	30.00	30.00	V	V
39401	3	30.00	30.00	V	V
[REDACTED]	2	30.00	30.00	V	V

The background is a light blue gradient with several realistic water droplets of various sizes scattered across it. The droplets have highlights and shadows, giving them a three-dimensional appearance. The word "QUESTIONS?" is centered in a dark blue, sans-serif font.

QUESTIONS?