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# Commonwealth of Massachusetts

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### MEMORANDUM

**To:** GAAP Liaisons and Chief Fiscal Officers  
**From:** Howard Merkowitz, Deputy Comptroller  
**Date:** June 9, 2021  
**Subject:** Fiscal Year 2021 GAAP Instructions

Comptroller Memo FY#2021-21

#### Executive Summary

These are the instructions for financial reporting in accordance with Generally Accepted Accounting Principles (GAAP). The GAAP Instructions for Departments – FY 2021 provides guidance to departments on reporting year-end activity and obligations to the Office of the Comptroller (CTR). CTR is responsible for publishing annual financial reports of the Commonwealth.

It is important that the information about Commonwealth revenues, receivables, expenditures, obligations, and assets owned is reported consistently and uniformly to meet financial reporting requirements. To facilitate timely preparation of the FY2021 Annual Comprehensive Financial Report (ACFR), the due date for submitting the GAAP Package is **Friday, August 6, 2021**. The attachment referenced in this letter can also be found on the CTR website at [GAAP Instructions](#).

Please note that PartnerNet is used for GAAP reporting, and all CFOs and GAAP Liaisons should have access. If you are a CFO or GAAP Liaison and do not have access, your Department Security Officer can request access by submitting a [PartnerNet Security request form](#). CFOs can designate other department personnel to enter GAAP information on PartnerNet, however these CFO designated users will need system access. Department Security Officers can request additional access for these additional users by submitting a [PartnerNet Security request form](#).

If you have questions regarding the GAAP Instructions, its exhibits or attachments, please contact CTR GAAP Reporting at [CTRGAAPReporting@mass.gov](mailto:CTRGAAPReporting@mass.gov).

Thank you for your cooperation.

#### [GAAP Instructions](#)

cc: MMARS Liaisons, Payroll Directors, General Counsels, Security Officers, and Internal Distribution

# GAAP Instructions for Departments – FY 2021

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# **Introduction**

## **Executive Summary**

Due to continued mitigation efforts around COVID-19, many CTR staff are working remotely. Therefore in many instances in these instruction ways to access help include both telephone and e-mail contacts. It is suggested that the most efficient method to access CTR help is to send an email simply requesting a call back with your name, department, contact telephone number and a brief description of the topic which you need assistance. A voicemail message will also be returned, but may take a bit longer based upon remote work limitations.

This set of instructions is meant to collect financial information required under various Governmental Accounting Standards Board (GASB) Statements and current policies and procedures posted on the Comptroller (CTR) Web Portal, including but not limited to Capital Assets Guidance.

This guide is divided into five sections: 1) Introduction; 2) Accounts Receivable; 3) Capital Assets; 4) Other GAAP Accruals; and 5) General Information.

## **Due Date for Submission of Forms**

All GAAP information has a uniform due date of **Friday, August 6, 2021**.

## **Submission in PartnerNet**

When preparing and submitting GAAP packages in PartnerNet there should be a segregation of duties. The preparer and the reviewer of the submission should not be the same individual. By typing a name that person is certifying the submission has been reviewed, the information is both complete and accurate, and the preparer and reviewer were not the same individual.

Please note that PartnerNet is used for GAAP reporting and all CFOs and GAAP Liaisons should have access. CFOs can designate other department personnel to enter GAAP information in PartnerNet, however these CFO designated users will need system access. Department Security Officers can request access for these additional users by submitting a PartnerNet Security request form.

## **Considerations**

Throughout the year, the Commonwealth accounts for its financial operations on the statutory basis of accounting, often referred to as the "budgetary basis". The Commonwealth's budget and the Statutory Basis Financial Report (SBFR) follow the accounting principles defined by Massachusetts' General Law (MGL).

For its Annual Comprehensive Financial Report (ACFR), the Commonwealth reports in accordance with Generally Accepted Accounting Principles (GAAP) as defined for governments by the Governmental Accounting Standards Board (GASB). The ACFR includes information about the extent of certain future expenditure commitments that have been made in the current and prior years and any revenue earned but not yet collected. The ACFR also includes

information about the financial operations of certain independent authorities through which state business is conducted. Prior year ACFRs are available on the [Comptroller's website](#).

## **Excellence in Financial Reporting—30 Years and Counting!**

We have submitted the Fiscal Year 2020 Comprehensive Annual Financial Report (renamed the "Annual Comprehensive Financial Report", or ACFR, effective in Fiscal Year 2021) for review as part of the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting Program. The past 30 Comprehensive Annual Financial Reports have received this award. Such accomplishments are important indicators to the financial community that the Commonwealth continues to meet the highest standards for financial accounting and reporting. This could not have been accomplished without the cooperation and effort of those who prepared the GAAP departmental information included in the Comprehensive Annual Financial Report. CTR extends its appreciation for Fiscal Year 2020 and thanks in advance to the many individuals who will be working to ensure that the Fiscal Year 2021 effort is completed on schedule. With your help, the Commonwealth's financial reporting will continue to improve.

We also remain committed to making GAAP reporting as efficient as possible. Department cooperation is valued and we welcome suggestions for further improvement.

## **Accounts Receivable**

### **Policy**

The MMARS policy, "[Receivable Recognition and Reconciliation](#)" as posted on the CTR Web Portal has guidance on the recognition and reporting of receivables. The Fiscal Year 2021 Accounts Receivable Report (NAR411WD, Period 99 as of July 13, 2021, posted on MobiusView will be available around July 13, 2021. All Fiscal Year 2021 accounts receivable billing related activity should have been posted to Fiscal Year 2021 by July 7, 2021.

### **Reporting Requirements**

**MMARS Reporting** - Departments are required to process the appropriate accounts receivable (RE) documents in MMARS to accurately report all Fiscal Year 2021 **Earned Revenue/Accounts Receivable** by July 7, 2021, as outlined in the [CTR Compliance Calendar – Open / Close Dates](#). After July 1 all questions regarding Fiscal Year 2021 accounts receivable documents must be facilitated through CTR's Non-Tax Revenue Team. Accounts receivable transactions (RE or WO) will require approval by the Non-Tax Revenue Team to ensure that they post to the correct fiscal year.

**Additional Instructions for GAAP Reporting** - On a statutory basis, revenue is generally recorded when the cash is received. Under GAAP, revenue is measured when earned. "Accounts receivable" (A/R) represents additional revenue earned, but not yet recorded on the statutory basis, for services performed or goods provided on or before June 30. **Under GAAP, the receivable exists if the service was performed or the goods were provided on or before the June 30 year-end cut-off, regardless of when the department posts the transactions to MMARS or sends its bills.**

*The Accounts Receivable Report (NAR411WD)* is department-based and organized by MMARS fund and revenue category, with revenue source code detail. This report, which will be issued on or about July 13 with data as of July 13, displays final Fiscal Year 2020 revenue, Fiscal Year 2021 revenue recorded, and the Fiscal Year 2021 MMARS A/R balance for each revenue source through July 13 to include any rejects cleanup after RE roll on July 7. This report also contains blank columns for manual posting of pending accounts receivable, uncollectibles, and deferred inflow of resources (formerly deferred revenue).

The Fiscal Year 2020 Prior Year Revenue Column displays final Fiscal Year 2020 revenues. This amount should not be changed. As noted above, the Fiscal Year 2021 Current Year Revenue Column will display Fiscal Year 2021 revenue recorded through July 7. Do not change this amount for Fiscal Year 2021 revenue activity recorded after July 7. Departments with Fiscal Year 2021 revenue questions should contact Tim O'Neil of the Non-tax Revenue Team at [tim.oneill@mass.gov](mailto:tim.oneill@mass.gov) or (617) 973-2424 for guidance.

Departments must review the information for completeness, identify any uncollectible amounts, record any related pending accounts receivable, and any deferred inflow of resources. Only departments with long billing cycles should have pending receivables.

**Analysis** - Departments must document their analysis of amounts posted to the Accounts Receivable Analysis form (on-line form). An explanation **must** be provided whenever a revenue source code meets one or more of the following criteria:

- The change between Fiscal Year 2020 and Fiscal Year 2021 revenue is greater than 10% AND \$10,000,000,
- Fiscal Year 2021 revenue is greater than \$5,000,000 AND there is no accounts receivable amount,
- The receivable is greater than \$2,500,000 AND greater than 10% of Fiscal Year 2021 revenue,
- The uncollectible is greater than \$500,000 AND greater than 10% of the accounts receivable amount, and/or
- The deferred inflow of resources is greater than \$500,000 AND greater than 10% of the accounts receivable amount.

Clear, concise explanations of **all** applicable conditions will limit follow-up questions during the Financial Reporting staff's desk review and/or audit. This will help with timely preparation and publication of the ACFR. Departments should be prepared to explain any fluctuations.

Financial Reporting staff will also compare Fiscal Year 2021 accounts receivable, uncollectible and deferred inflows of revenue balances by revenue category to final amounts for Fiscal Year 2020 and may contact departments for explanations of significant changes. Departments should be prepared to explain any fluctuations.

- Note: In cases where the Fiscal Year 2022 cash receipts received are different than the Fiscal Year 2021 receivable, the accounts receivable should be relieved in Fiscal Year 2022. No adjustment should be made to the June 30, 2021 accounts receivable.

**Pending Accounts Receivable Reporting** - Any pending accounts receivable amount should be posted manually in the "Pending Accounts Receivable" column of the electronic reports (NAR411WD) provided online (PartnerNet). The pending accounts receivable represents only receivables for which the department does not process activity on MMARS. The reasons should be noted and the department or facility will need to support these amounts with auditable detail. Departments with long billing cycles are reminded to include all unbilled services performed by June 30 as pending accounts receivables and coordinate with CTR's Non-Tax Revenue Team for guidance.

**Uncollectible Amounts** - "Uncollectibles" represent the department's best estimate of the future collectability of accounts receivable. Estimate the amount, if any, for uncollectibles based on the accounts receivable and the method for the calculation. **If the department has uncollectible receivables, record the amount in the uncollectible column on the online Accounts Receivable Report (NAR411WD).**

Please describe the method for calculating uncollectible amounts (including summary accounts receivable) on the Fiscal Year 2021 "Methods for Estimating Uncollectible and Deferred Inflow of Resources" form (on-line form). Examples of acceptable methods are:

- Use of a percent by aging category that corresponds to past collection or disallowance experience, e.g., 5% of the accounts receivable aged for 31-60 days, 10% for 61-90 days and 25% for over 90 days past due.
- All amounts unpaid for more than a certain period, e.g., more than 120 days after the due date.
- Reporting all items in debt collection status as uncollectible in combination with one of the above criteria.

**Write-off Guidance - Write-off Guidance** - During the course of the fiscal year, departments should follow the Write-Off Guidance presented in the [CTR Compliance Calendar – Open / Close Dates](#). Departments submit potential write-offs via email to the write-off mailbox, [NTR-Write-Off@mass.gov](mailto:NTR-Write-Off@mass.gov), for review and approval. Upon approval, Non-Tax Revenue Team staff will process the write-off transaction (WO) in MMARS. Per the Closing/Opening Instructions, all Fiscal Year 2021 write-off requests are due by June 30, 2021.

When a department determines that it has a potential FISCAL YEAR 2021 write-off while reviewing the accounts receivable report, the department should include this amount within its estimated uncollectibles on the accounts receivable report and submit a request for a Fiscal Year 2022 write-off to write-off mailbox, [NTR-Write-Off@mass.gov](mailto:NTR-Write-Off@mass.gov).

**Special Situations** - Federal Grants in MMARS Fund 0100 report statutory basis accounts receivable for certain cash draws received between July 1 and August 31 and credited to the prior budget fiscal year to match accounts payable payments. CTR's General Accounting Budgetary Team will ensure proper GAAP reporting for this activity for departments participating in the automated central draw. Departments not using the central draw should contact the General Accounting Team at [ctrfedgrant@mass.gov](mailto:ctrfedgrant@mass.gov). Departments do not need to prepare GAAP information for MMARS Fund 0100 Federal Grant receivables. Please refer to the ["Federal Grant Accounting and Reporting Policy"](#) posted on the CTR Web Portal for further instructions.

**Deferred Inflow of Resources** - The concept of “deferred inflow of resources” (formerly “deferred revenue”) relates the earning of revenue to the collection of cash. It is the portion of the total receivable at June 30 that the department expects will take longer than one year to collect. If the department has deferred inflow of resources, record it in the deferred revenue column on the Accounts Receivable Report (NAR411WD) to indicate that the cash will not be received prior to June 30, 2022. Deferred inflow of resources does not reduce reported accounts receivable because the revenue has been earned and is collectible.

Please note the method of estimating your deferred inflow of resources on “The Method for Estimating Uncollectibles and Deferred Inflow of Revenues” form. For example, an invoice for \$100,000 is issued on July 2, 2021 for services provided from June 1 through June 30, 2021; the contract specifies that payment is not due until July 2022. At June 30, 2021, the department would report the \$100,000 as both accounts receivable and deferred inflow of resources. This reflects the fact that the revenue event has occurred but the cash will not be received for more than a year. **The incidence of deferred inflow of resources in the Commonwealth is rare.**

In order to facilitate desk review and audit, departments should analyze the reasonableness of their GAAP results by asking the following questions:

- Do the three components (accounts receivable, uncollectibles and deferred inflow of resources) make sense in relationship to each other?
- Do receivables make sense in comparison to revenue?
- Did Fiscal Year 2021 revenue, accounts receivable or uncollectibles change significantly from Fiscal Year 2020? If so, why?
- Are any adjustments to the June 30 accounts receivable necessary?
- Have all receivables been reported?

These kinds of questions are asked during review by the Financial Reporting staff in CTR and by the independent auditors. By performing similar analysis in preparing the GAAP data, departments will reduce subsequent follow-up questions. We recommend that you include your analysis in the GAAP submission where appropriate.

**Summary Revenue Event (RE) documents** – These transactions are used by departments authorized to maintain their detailed billing, cash receipts and accounts receivable balances on non-MMARS systems. These departments are required to record summary RE documents at least monthly. They must also reconcile their MMARS accounts receivable balances with their subsidiary systems monthly. Departments should follow the write-off procedures described above for summary accounts receivable write-offs.

**Interdepartmental Voucher (ITA) Documents** – These are used to record the selling and buying of specific goods and services between various state departments. **ITA’s do not generate GAAP interdepartmental receivables.** As listed in the [CTR Compliance Calendar – Close / Open Dates](#), departments should make every effort to complete their Fiscal Year 2021 ITA activity by June 30.

**Revenue Category 08 (Other Financing Sources)** – This activity includes CTR initiated activity such as proceeds of bond sales and operating transfers that do not ordinarily generate accounts receivable.

## Capital Assets

Departments that own capital assets are responsible for recording all acquisitions, betterments, changes, transfers, and dispositions for GAAP capital assets and for performing a physical inventory of all capital assets. The Commonwealth defines acquisition as, but is not limited to, a cash purchase, receipt of a donation, construction, rental, license, term lease, or eminent domain, regardless of funds used. The Commonwealth owns an asset when the full title of the asset rests with the Commonwealth.

Departments should process all capital asset (FA) documents within seven business days of the acquisition of the asset or FA "Shell" generation. In addition, departments are required to process any subsequent capital asset-related documents (FC, FD, FI, FX or FM) in the same timely manner. All Fiscal Year 2021 capital asset activity must be posted to MMARS Period 12, Fiscal Year 2021 by July 9, 2021. Any Fiscal Year 2021 acquisitions paid for in the period July 1 – August 31 should be reflected in Fiscal Year 2021 (Period 13). The last day to post this activity to Period 13 is August 31, 2021.

The FC/FI documents require a CTR Work list approval. To process these documents, copies of the FC/FI "Accounting" page, along with all necessary supporting documentation, should be forwarded to Christine Bender, Financial Reporting Team in CTR.

**Intangible Assets** - Capital asset inventory should include intangible assets owned by each agency. Governmental Accounting Standards Board (GASB) [Statement No. 51, Accounting and Financial Reporting for Intangible Assets](#) defines intangible assets as assets that possess all of the following characteristics:

- Lack of physical substance
- Non-financial nature
- Initial useful life extending beyond a single reporting period

Examples are: patents, copyrights, trademarks, and easements.

**Constructed Asset** – The costs associated with designing, implementing, or constructing new assets must be captured as Construction in Progress (CIP) prior to the in-service date.

Departments should consider multi-year implementation projects of new software programs as CIP. The Commonwealth utilizes MMARS Program Asset Generation to capture these costs. Please contact Christine Bender if you have questions regarding constructed assets.

For financial statement reporting, GAAP capital assets are determined by certain unit cost thresholds (capitalization threshold), which are outlined in the following table:



**GAAP Capital Asset & Minimum Capitalization Thresholds**

<b>Asset Type</b>	<b>Type Code</b>	<b>Minimum Capitalization Original Cost Threshold</b>
Building	B	\$100,000
Equipment	E	\$50,000
Works of Art/Historical Treasures/Monuments	H	\$50,000
Infrastructure	I	\$100,000
Computer equipment and software costing more \$50 thousand but less than \$1 million	K	\$50,000
Land	L	\$0
Software costing more than \$1 million	S	\$1,000,000
Vehicles	V	\$50,000
Patents, Copyrights, trademarks etc., see Fiscal Year Memo # Fiscal Year 2010 – 22.	P	\$50,000

The determination of an asset’s cost includes the original cost of a capital asset when acquired along with any associated ancillary costs required to place the asset into its intended location and condition for use. Usually this is its purchase price or construction cost. If a capital asset is donated, its estimated fair market value at the time of donation is recorded as its original cost.

**Capital Asset Inventory Review** - Per CTR policy, departments are required to review their capital asset inventory twice during the fiscal year. The mid-year and annual reviews are facilitated through Comptroller Fiscal Year Memos. The annual inventory will be available in early July on MobiusView and must be confirmed by July 31, 2021. The reports used for confirmations are: NGA155SD, NGA155SG and NGA155SN.

**Capital Spending Review** - This review process requires departments to review spending from capital programs and report to CTR whether the spending will result in a Commonwealth owned capital asset. This review is separate, but, is parallel to the Capital Asset Inventory Review process described above. Departments will be required to submit this review twice during the fiscal year.

**NOTE:** The capital asset and capital spending reviews are not part of the departmental GAAP package reporting. These are separate reviews.

**Non-GAAP (Memo Assets)** - For internal control and reporting purposes, the Commonwealth defines a non-GAAP capital asset as any piece of equipment, software, vehicle, etc., with an original unit cost less than the minimum GAAP capitalization threshold. All non-GAAP capital assets are required to be inventoried for the fiscal year on June 30, 2021 and recorded in a department’s internal system, with MMARS recording on non-GAAP

capital assets optional. This inventory of non-GAAP capital assets should be retained for internal and external audit purposes.

**Capital Assets Guidance** - For further capital asset guidance, refer to the following capital asset documents posted on the CTR Web Portal.

1. [Accounting and Management Policy](#)
2. [Acquisition Policy](#)
3. [Impairment of Fixed or Other Assets and Insurance Recoveries](#)
4. [Pollution Remediation liability \(GASB Statement No. 49\) - see Fiscal Year Memo # FY 2009 - 28](#)
5. [Intangible Assets – see GASB Statement No. 51](#)

## Other GAAP Accruals

### **Assets Held In Trust**

“Assets held in trust” are cash and other assets which the Commonwealth holds in a trustee capacity for third parties. Examples include patient or inmate canteen and gift funds, property, and bank accounts. Departmental detail concerning assets held in trust is ordinarily organized by asset type. For example, all patient bank accounts will be organized together, with detail support showing each individual patient's name and account balance.

Departments with asset balances held in trust of **less than \$500,000** do not need to provide any GAAP detail. Please write **“N/A”** on the Transmittal Form **and** on the Assets Held in Trust Form.

Special GAAP reporting is needed only for those assets that are held at the department/facility/local bank and are not accounted for through MMARS. Funds already deposited with the Treasurer's Office and recorded via a **CR document** should not be reported or they will be double-counted.

**Method** - The department must provide fiscal year 2021 additions, deletions, and ending balances for each asset type. Additions include both new assets and increases to assets held at the end of FISCAL YEAR 2020. Deletions include assets reclaimed by the third-party owner (e.g., the patient), used by the third party, or used on his or her behalf.

The department should provide explanations for significant fluctuations in total assets held in trust according to the following criteria:

- FY21's balance is \$500,000 greater or less than the FY20 balance.
- FY21 additions or deletions are more than \$1,000,000 AND 10% greater or less than the corresponding amount reported in FY2020.

The third-party assets, as well as the department's summary records, should be available for audit examination.

### **Materials and Supplies**

Materials and supplies are consumable items used in departmental operations. Examples

include office supplies, medical supplies and repair materials. Materials and supplies are ordinarily maintained in a central storage area where they can be physically safeguarded and where they can also be counted (inventoried) efficiently.

**Method** - If the department, facility or location estimates that its materials and supplies have a value greater than \$500,000, a physical inventory should be taken between June 20 and the close of business on June 30, with the date and time noted for potential audit follow-up.

## **Leases**

The MMARS policy [State Finance Law and General Contract Requirements](#) on the CTR Web Portal addresses lease contract policy and procedures. The [Capital \(Fixed\) Asset Acquisition policy](#), provides information on capital and operating lease.

In the coming months, the Commonwealth will begin work to implement [GASB Statement No. 87, Leases](#), which is effective for Fiscal Year 2022. This standard eliminates the concept of operating leases and reports all leases as capital financing activities. In addition, contracts with embedded leases will need to be analyzed. The Commonwealth will be partnering with a third-party vendor to assist in the implementation of this standard. Additional information will be distributed by our office.

## **Vacation and Sick Leave Balances**

All Commonwealth departments use the HR/CMS System. CTR will use those reports to calculate compensated absence accruals (for all departments except Higher Education); therefore no action is needed by departments. Departments are responsible for the accuracy of personnel data and must verify that all accrued vacation, sick leave buyback balances, and compensatory time (if applicable) are recorded on HR/CMS.

When employees earn the right to compensated absence time and can carry it forward from one fiscal year to the next, a liability is created. At year-end, the employer "owes" the employee a certain amount related to past service, which can be calculated from the accumulated amount of unused time earned and the employee's current rate of pay. Under GAAP, the Commonwealth must measure and record this liability. [CTR will use the HR/CMS Report HMBEN008 produced on July 15, 2021 to calculate this liability.](#) During the audit, this report will be used to verify compensated absence data. Departments will be contacted if additional analysis is needed.

## **Accounts Payable**

Departments should follow the encumbrance job aid in the [CTR Compliance Calendar – Close / Open Dates](#) with regard to accounts payable. Statutory encumbrances will equal the GAAP accounts payables. However, there are certain exceptions in which a GAAP payable exists (goods have been received or services performed by June 30, 2021), which will require special GAAP reporting. On the statutory basis, these liabilities will be encumbered and paid from Fiscal Year 2022 appropriations, but they must be recognized in Fiscal Year 2021 for GAAP. If a department suspects that such a payable exists, the department should contact the Financial Reporting Team for guidance.

# General Information

## **Decentralized Departments**

Departments that report at the facility level will receive a Decentralized Departments' Supplement and the Financial Reporting staff will follow-up with departments as needed to support complete and consistent reporting.

## **Institutions of Higher Education**

Higher Education Guidance will be emailed directly to the Institutions of Higher Education. Please contact Michael Rodino, Chief Financial Reporting Officer, at (617) 973-2304 if you have any questions concerning Higher Education GAAP reporting requirements.

## **Audit**

Departments must comply with [document retention policies](#) set forth on the CTR Web Portal. Departments should retain a copy of the GAAP information onsite for the Commonwealth's independent auditors and/or the Office of the State Auditor.

## **Documentation Guidelines**

Completed GAAP forms should be signed (or initialed online) by an authorized signatory. Signers will be the primary contacts for follow-up questions from both the Financial Reporting Team in CTR and the independent auditors.

When an amount is estimated, the documentation should include the procedures, assumptions, computations, and methods used to develop the estimate. This documentation should also be readily available for audit review.

## **Calendar of Events**

The calendar of GAAP events is included within the closing calendar detailed in the [CTR Compliance Calendar – Close / Open Dates](#).

## **Due Date for Submission of Forms**

All GAAP information covered in these instructions has a uniform due date that must be met - **Friday, August 6, 2021.**

## **Information Sources**

- Legal Authority - [M.G.L. C.7A](#), [M.G.L. C. 29](#); [U.S. General Accounting Office Standards, Governmental Accounting Standards Board](#)
- Job Aids: Job aids provide step-by-step instructions on how to complete a MMARS document. The job aids are located on PowerDMS.
- Prior year [Comprehensive Annual Financial Reports](#) can be found on the Comptroller's website.

## **Contacts**

Solution Desk--(617) 973-2468 or <http://www.macomptroller.org/solution-desk>.

GAAP Forms: Departments must file their GAAP Package electronically through PartnerNet. If you have questions or issues accessing PartnerNet, please contact [CTRGAAPReporting@mass.gov](mailto:CTRGAAPReporting@mass.gov) or Cathy Hunter at [cathy.hunter@mass.gov](mailto:cathy.hunter@mass.gov) and she will assist you.

Please see PartnerNet instructions on the following page.

# GAAP Reporting Transmittal

## Click here to access PartnerNet



### GENERAL INFORMATION

Primary GAAP Liaison:  
**Name:** Enter Name of primary GAAP Liaison  
**Title:** Enter Job title (limit 38 characters)  
**Telephone:** Enter Phone number – FORMAT: XXX- XXX- XXXX Extension: XXXX



**NOTE:** Once above information is entered, click  and then the full transmittal will be revealed.

All information is as of June 30 (Fiscal Year 2021):


1. “List of additional information to be mailed in” box: Describe the information, e.g., detailed accounts receivable schedules. Enter “N/A” if not applicable.
2. For those Departments that are decentralized (departments with multiple locations and facilities), CTR will send a separate set of GAAP instructions that requires additional detail. These forms need to be mailed back directly to the Financial Reporting Team at the Comptroller’s Office.
3. Click the Hyperlinks **online** in PartnerNet to view and/or complete. See step by step instructions below: Please note that all fields need to be filled in in order to proceed to next step.

NOTE: If you need to make changes to the following;  this icon is to edit.  this icon is to delete the row.


#### A. Methods For Estimating Uncollectibles and Deferred Revenue







1. Click on #1; fill in all information. (If N/A put N/A in all fields). Click  then the **Back** button.
2. Click on #2; fill in all information. (If N/A put N/A in all fields). Click .
3. Fill in Prepared by, Phone, Ext then click sign and complete. This will bring you back to the transmittal and your status will have a check mark next to it.

#### B. Accounts Receivables Analysis

1. Fill in all information. (If N/A put N/A in all fields). Click  then fill in Prepared by, Phone, Ext then click sign and complete. This will bring you back to the transmittal and your status will have a check mark next to it.

#### C. NAR411WD (by Department, Fund, Revenue Category, Revenue Source)

1. Select the Revenue Category then the revenue source. Fill in the amounts and hit .
2. Fill in Prepared by, Phone, Ext then click sign and complete. This will bring you back to the transmittal and your status will have a check mark next to it.

- D. NAR411WU (by Department, Unit, Fund, Revenue Category, Revenue Source)
1. Select the Revenue Category then the revenue source. Fill in the amounts and click .
  2. Fill in Prepared by, Phone, Ext then click sign and complete. This will bring you back to the transmittal and your status will have a check mark next to it.
- E. Assets Held in Trusts (N/A if less than \$ 500,000)
1. Fill in all information. (If N/A put N/A in all fields). Click  then fill in Prepared by, Phone, Ext then click sign and complete. This will bring you back to the transmittal and your status will have a check mark next to it.
- F. GASB Statement No. 49 Questionnaire
1. Fill in all information. Fill in Prepared by and Approved by and click on Complete then  & submit. On the next screen, click on the transmittal link at the top right on page
- G. Current Accounting Standards
1. Answer yes or no on each question then click . If you answer YES to any of them please contact the Financial Reporting Team for assistance.
  2. Fill in Prepared by, Phone, Ext then click sign and complete.
4. “Certification” Box: At the bottom of form:
- A. Prepared By:
    - i. Name: Enter name of person preparing the GAAP Package and / or individual form(s)
    - ii. Date: MM/DD/YYYY
    - iii. Telephone: Enter number – FORMAT: XXX-XXX-XXXX Ext. XXXX
  - B. Approved By:
    - i. Name: The CFO or delegated signatory needs to review and approve the submission.
    - ii. Date: MM/DD/YYYY
    - iii. Telephone: Enter number – FORMAT: XXX-XXX-XXXX Ext. XXXX
  - C. Go to “Report Status” - **when all the information is completed, please check the**  **box and click**  **the Package.**
5. After clicking “Submit” and “Save”, you will see a summarized listing of all GAAP forms that you have submitted to CTR. Using the printer button in your browser, please print out copies of all the documents that you have filed for final review and keep as your records for an audit trail.

**WARNING:** The department will not be able to access the GAAP Package after submission. If you need to re-access the GAAP filing packages, please contact [CTRGAAPReporting@mass.gov](mailto:CTRGAAPReporting@mass.gov) or **Cathy Hunter** at [cathy.hunter@mass.gov](mailto:cathy.hunter@mass.gov).