Department Exhibit Listing

The completed Department Exhibit Listing form is your representation of which exhibits were applicable, and it shows the date on which you submitted the applicable exhibits.

The form provides a space at the top to enter the department code for each active CORE department for which you are responsible. For this purpose, active CORE agencies are agencies having general ledger activity, outstanding or defeased debt, federal assistance, or outstanding lease agreements. In the columns under the department code, please provide the date that you submitted the exhibit to the DPA_FARmailbox@state.co.us, or leave it blank if the exhibit is not applicable. Please delete the exhibit tabs within the spreadsheet if the exhibit is not used by your department. DO NOT SUBMIT BLANK EXHIBITS.

If you are not submitting your exhibits because they have later due dates, you should leave the related cell blank. These dates will be recorded as exhibits are received by the OSC. Due dates are contained in the Open/Close calendar. Most exhibits are due 8 working days after period 14 close with the exception of the I2 that is due earlier and the I, J, K1, and K2 that have later due dates.

You may use multiple copies of the Department Exhibit Listing form if you are responsible for more than seven departments. You should not revise the form if you submit revised exhibits; the OSC will record the revision date on your original exhibit listing.

It is difficult to identify the changes made if a department submits a full set of exhibits when it makes a revision. **Therefore, if you submit an exhibit revision, include ONLY the exhibits that have changed.** This can be done by deleting all unchanged exhibits from the Department Exhibit Listing tab or by copying only the changed exhibit to a new workbook for submission. Please explain the changes you have made to the exhibits in your revision e-mail or other communication. Revised exhibits are due as soon as practical once an error in the original submission has been identified.

Please note that post-closing adjustments are submitted via CORE, rather than on a manual Exhibit H, that will route to the OSC for approval. See Chapter 3, Section 5 of the Fiscal Procedures Manual for more information.

Exhibit A1 – Changes in TABOR Revenue and Base Fiscal Year Spending

A change in fiscal year spending (nonexempt revenues) is either an increase or decrease to nonexempt revenues with a matching offset to exempt revenues or a balance sheet account. Such a change may affect prior year refunds, the base fiscal years (used to compute current limits), and the revenues of the fiscal year just completed. A change could be due to a resolution of audit findings or misclassifications of revenues. Show on Exhibit A1 the balanced journal entry that would have been made to correctly state the TABOR revenues of the base year and additional years shown on the exhibit. Similar to post-closing entries (formerly Exhibits H), please submit an Exhibit A1 as soon as practical once an error has been discovered.

Based on the statute of limitations for receiving a state refund, the OSC's policy is to correct errors relating to each of the prior four fiscal years that affect TABOR refunds and/or the current year TABOR limit. Any newly identified error that affects nonexempt revenue, exceeds the $200,000 post-closing threshold, and that occurred within the previous four fiscal years (not including the current year for which the TABOR report is being prepared) should be reported on Exhibit A1. If you identify a material error that applies to years prior to those listed on Exhibit A1 please contact Marc Burkepile, (303-866-3346 or marc.burkepile@state.co.us) in Financial Analysis & Reporting. Corresponding changes to the current year (FY2015) are done on an post-closing entry unless they have already been posted in CORE. The same $200,000 materiality threshold that applies to post-closing entries also applies to Exhibit A1.

The OSC will determine which, if any, of the four fiscal years reported on Exhibit A1 affect the TABOR base or excess state revenues cap (ESRC) calculation. Each year's TABOR fiscal year spending limit is the lesser of the adjusted prior year limit or the adjusted prior year fiscal year spending (nonexempt revenue). The ESRC is not adjusted downward when nonexempt revenue falls below the ESRC.

Exhibit A2 – Notification of Changes in the TABOR District or Enterprise Status

The purpose of this exhibit is to provide the OSC with information necessary to ensure that comparison of TABOR revenues between fiscal years is legitimate. Exhibit A2 has two sections.

Section A – Decreases in TABOR Limit

Use Section A to report prior-year nonexempt revenues of a newly qualified or requalified enterprise. Such a qualification may occur because of legislation, because the activity received state support of less than ten percent, or for other reasons. When an activity qualifies as a TABOR enterprise, its prior year revenues should not be counted in the limit. To ensure comparability between years, OSC must know the amount of the prior year nonexempt revenue of the activity in order to appropriately reduce the TABOR base.

Section B – Prior Year Expense/Expenditures That Crossed the District Boundary

Newly Qualified Enterprises

If your activity became a qualified enterprise in FY2015, use Section B to report the prior-year payments your department made to other state agencies that were not TABOR enterprises in FY2014 and were therefore within the State TABOR district. Under your departments newly qualified TABOR enterprise status, all FY2015 payments to state agencies that are not TABOR enterprises are considered district boundary crossing (original source revenue of the district that must be counted as nonexempt). The OSC will use the amounts reported in Section C to increase the base so it will be comparable to the district boundary crossing payments in FY2015.

Newly Disqualified Enterprises

If your activity became disqualified from enterprise status in FY2015, use Section B to report the prior-year payments your department made to other state agencies that were TABOR enterprises in FY2014 and were not therefore within the State TABOR district. Because your department is no longer an enterprise, all FY2015 payments to state agencies that are TABOR enterprises are considered district boundary crossing (original source revenue of the district that must be counted as nonexempt). OSC will use the amounts reported for disqualified enterprises in Section B to decrease the base so that it will be comparable to the district boundary crossing payments in FY2015.

Exhibit B – Reporting for Risk Financing and Related Insurance Issues

This exhibit reports the detail of departments' arrangements for insuring against risks. It is required for State Risk Management and any agencies that self-insure their risks other than through State Risk Management.

At the top of the form, enter a summary of the transactions that affected your risk management liability. The remainder of the form is descriptive in nature, and the sections are self-explanatory.

Accounting literature references for this exhibit include GASB Statement No. 10, GASB Interpretation No. 4, and GASB Implementation Guide for Statement No. 10.

Please provide a separate Exhibit B for management of each separate risk pool.

Exhibit C – Schedule of Changes in Long-Term Liabilities

This exhibit reports the gross increases and decreases in long-term liabilities matching the level of detail shown in the notes to the State financial statements. The exhibit is divided into the following nine sections that parallel the disclosure in the financial statement notes:

- Long-Term Deposits Held in Custody (Account 2970) - Show additional deposits received during the year as an increase and deposits released as a decrease.
- Claims and Judgments Payable (Account 2870) - Show increases in actual and estimated claims as well as increases in judgments payable as an increase. Show payments of claims, estimated claims reductions, and judgment payments as a decrease. This information will duplicate the amounts shown on Exhibit B if your department has only risk financing activity in account 2870. Since judgments are not included on Exhibit B, the claims information must be included on both exhibits.
- Capital Lease Payable (Accounts 2820, 2823, and 2825) Show new lease liabilities incurred as an increase and payments on lease principal as a decrease. Note that the Exhibit C information for leases is not the same as that reported on Exhibit F1, but it is required to show the gross changes in capital lease liability.
- Derivative Instrument Liability (Account 2850) – Report increases and decreases to derivative instrument liabilities in this section.
- Bonds (Accounts 2800, 2801, 2805, 2806, 2816, and 2817) - Show bonds issued as an increase and payments on principal as a decrease. Show premium/discount in separate lines. Original recording of premium/discount should be shown in the increase column and amortization of these balances should be shown in the decrease/adjustments column. Use the sign convention discussed below.
- Certificates of Participation (Accounts 2808, 2809, 2813, and 2815) - Show COPs issued and original premium/discount as increases and payments on principal and amortization of premium/discount as decreases. Show the premium/discount in separate lines. Original recording of premium/discount should be shown in the increase column, and amortization of these balances should be shown in the decrease/adjustments column. Use the sign convention discussed below.
- Notes, Anticipation Warrants, and Mortgages (Accounts 2810, 2811, 2830 and 2840) - Report your noncurrent notes (and any related premium/discount), anticipation warrants, and mortgages.
- Other Postemployment Benefits Liability (Account 2880) – Report increases and decreases to your OPEB liability in this section.
- Other Long-Term Liabilities (Accounts 2960, 2980 2990) - Show the gross increases and decreases in these liability accounts in the respective columns.

In each of the categories, both the current and prior year account balances must agree with the CORE balances, adjusted for postclosing entries. The current and prior year balances are provided on the Exhibit Reconciling Balance Report for your cabinet/department after the close of Period 14. These reports will be available in infoAdvantage in the OSC Diagnostics Folder. .

All amounts should be entered with the accounting normal-balance signs, that is, credit balances are entered as negative numbers and debit balances are entered as positive numbers.

Compensated absences liabilities and the net pension liability are also included in the financial statement notes; however, the OSC will estimate the gross increase and decrease in the compensated absence liability based on the payouts recorded in object codes 114X and 124X and in the net pension liability based on the PERA contribution expenses recorded in object codes 1522, 1524, 1526, 1622, 1624, and 1626.

After the cutoff for post-closing entries, please DO NOT include an updated Exhibit C with the proposed entry that affects this exhibit. The OSC will request a revision if the entry is material and is posted to the financial statements.

For all liabilities reported on this exhibit, reclassifications from long-term to current should be included in the column titled "Decreases/Adjustments." If reclassifying activity between funds, or reclassifying activity between account 2800 and 2817 (or 2808 to 2813 or 2820 to 2823), the debit and credit should both be included in the column titled "Decreases/Adjustments." If reclassifying principal balances from long-term to current liability accounts and a payment is made against the current liability, only the reclass from long-term to current should be shown as a decrease/adjustment in the long-term lease liability. The payment is a reduction of the current liability, which is not reported on this exhibit.

For governmental funds, the total amount listed in Capital Lease Additions must match the revenue recorded in RSRC 7200 (Future Capital Lease Payments).

The nature of amounts reported in Other Long-Term Liabilities should be described at the bottom of the exhibit. The description should be adequate to explain the nature of the liability to an uninformed user of the financial statements.

Exhibit D1 – Governmental and Internal Service Fund - Debt Service Requirements to Maturity

GASB Statement No. 38 requires disclosure of both principal and interest payments individually by year for the first five years and in five-year increments throughout the term of the debt. The Exhibit D1 reports the debt service requirements for the liabilities reported in the governmental activities column of the Statement of Net Position.

Enter the amount to be paid in each fiscal year by your governmental and internal service fund types. Do not include amounts to be paid by enterprise funds or fiduciary funds on the Exhibit D1. Unamortized premiums and discounts (CORE balance sheet accounts 2801, 2806, 2809, and 2811) should not be allocated to the individual periods on the exhibit, but should be shown in aggregate at the bottom of the exhibit in the line titled "Unamortized Balances". Please note that if the Unamortized Balance is a debit balance, it should be shown as a negative number on the exhibit. These amounts should only be entered in the principal columns. The subtotals for the four types of liabilities shown on the exhibit in the principal columns must equal the balances in CORE accounts 2800, 2805, 2808, 2810, 2813, 2815, 2816, 2817, 2830 and 2840, plus current liabilities in accounts 2320, 2323, 2600. 2605, 2608, 2610, 2630, and 2640 (as adjusted for postclosing entries). If they do not, you must submit a post-closing entry direct on CORE even if the amount is less than the threshold amount. The amounts classified as current (accounts 23*xx* and 26*xx*) must equal the amount shown on this exhibit as payable in FY2016. If they do not, you must submit a post-closing entry on CORE even if the amount is less than the threshold amount. After the cutoff date for post-closing entries, please DO NOT include an updated Exhibit D1 with the proposed entry that affects this exhibit. The OSC will request a revision if the proposed entry is deemed material and is posted to the financial statements.

The Totals on Exhibit D1 will not agree to Exhibit C by the amount classified as current. If you have pledged revenue, the total of Revenue Bonds should equal the Remaining Balance of Pledged Revenue Commitment on Exhibit E1.

Please be aware that the amount of amortization of premium/discount for the following year (FY2016) should not be reclassified as a current liability in FY2015.

The information provided in the Total Amount of the Original Obligation for Each Type of Debt will be disclosed in order to provide a frame of reference for the financial statement reader so that they can determine the State progress in paying down its borrowing obligations. Report the amount of the original obligation including any applicable premium or discount. This information should be available from the original offering statements, the original note, or the deed of trust. If applicable to your cabinet or department, please report any unaccreted interest on your debt. Accreted interest is interest that is accrued and not paid, but increases the principal amount of your obligation. Unaccreted interest represents the balance of accreted interest that has not yet been added to the principal balance at year end.

Please note that lease liability accounts are not included on this exhibit, as they are reported on Exhibit F1 (Schedule of Capital Leases) or Exhibit F2 (Schedule of Operating Leases).

Exhibit D2 – Business-Type Activities - Debt Service Requirements to Maturity

GASB Statement No. 38 requires disclosure of both principal and interest payments individually by year for the first five years and in five-year increments throughout the term of the debt. The Exhibit D2 reports the debt service requirements for the liabilities reported in the business-type activities column of the Statement of Net Position.

Enter the amount to be paid in each fiscal year by your enterprise fund types. Do not include amounts to be paid by governmental fund types, internal service funds, or fiduciary fund types on the Exhibit D2. Unamortized premiums and discounts (CORE balance sheet accounts 2801, 2806, 2809, and 2811) should not be allocated to the individual periods on the exhibit, but should be shown in aggregate at the bottom of the exhibit in the line titled "Unamortized Balances". Please note that if the Unamortized Balance is a debit balance, it should be shown as a negative number on the exhibit. These amounts should only be entered in the principal columns. The subtotals for the four types of liabilities shown on the exhibit in the principal columns must equal the balances in CORE accounts 2800, 2805, 2808, 2810, 2813, 2815, 2816, 2817, 2830 and 2840, plus current liabilities in accounts 2320, 2323, 2600, 2608, 2610, 2630, and 2640 (as adjusted for postclosing entries). If they do not, you must submit a post-closing entry even if the amount is less than the threshold amount. The amounts classified as current (accounts 23*xx* and 26*xx*) must equal the amount shown on this exhibit as payable in FY2016. If they do not, you must submit a post-closing entry even if the amount is less than the threshold amount. After the cutoff date for post-closing entries, please DO NOT include an updated Exhibit D2 with the proposed entry that affects this exhibit. The OSC will request a revision if the entry is deemed material and is posted to the financial statements.

The totals on Exhibit D2 will not agree to Exhibit C by the amount classified as current. If you have pledged revenue, the total of Revenue Bonds should equal the Remaining Balance of Pledged Revenue Commitment on Exhibit E1.

Please be aware that the amount of amortization of premium/discount for the following year (FY2016) should not be reclassified as a current liability in FY2015.

The information provided in the Total Amount of the Original Obligation for Each Type of Debt will be disclosed in order to provide a frame of reference for the financial statement reader so that they can determine the State progress in paying down its borrowing obligations. Report the amount of the original obligation including any applicable premium or discount. This information should be available from the original offering statements, the original note, or the deed of trust. If applicable to your cabinet or department, please report any unaccreted interest on your debt. Accreted interest is interest that is accrued and not paid, but increases the principal amount of your obligation. Unaccreted interest represents the balance of accreted interest that has not yet been added to the principal balance at year end.

Please note that lease liability accounts are not included on this exhibit as they are reported on Exhibit F1 (Schedule of Capital Leases) or Exhibit F2 (Schedule of Operating Leases).

Exhibit D3 – Effect of Hedging Derivative Instruments on Hedged Debt Service Payments

When the hedged item in an effective hedging derivative instrument is debt, the cash flows related to the hedging derivative offset or increase the total debt service payments. GASB Statement No. 53 requires disclosure of the net debt service requirements after the application of the effective hedge derivative cash flows to the debt service payments. The hedging derivative cash flows are calculated assuming the current variable interest rates and reference rates at the balance sheet date were to remain unchanged over the maturity of the debt. Principal and interest payments that are reported on Exhibit D3 should **not** be reported on Exhibit D1 or Exhibit D2.

Because we expect to see limited occurrences of debt related hedging derivatives, Governmental Activities and Proprietary Activities have been combined on Exhibit D3. Please report your principal, interest, and net debt related effective hedging derivative cash flow in the Section that matches the governmental or proprietary nature of your activity.

Exhibit E1 – Schedule of Revenue Bond Coverage

Use this exhibit to report information about any revenues at your department that are pledged to meet debt service requirements in accordance with GASB Statement No. 48.

Section A – Pledged Gross Revenue and Related Debt Service Requirements

Complete this section to report the extent to which pledged revenues were available to meet debt service needs. For gross pledges, report the pledged gross revenue (column 1). Direct operating expenses are not applicable to gross pledges so pledged gross revenue carries over to the available net revenue (column 3). For net pledges, Report the gross amount of the revenue pledged to service your revenue-bond debt (column 1) and the direct operating expense related to those revenues (column 2). Calculate the available net revenue (column 3) as the difference between pledged gross revenue and direct operating expense. Enter the debt service principal (column 4) and interest related to the revenue bonds (column 5), and calculate the total debt service as the sum of the principal plus interest (column 6). If you have both gross and net pledges to report, please present both on this exhibit, selecting the appropriate drop-down box in the first column of Section A. At a minimum you must present the total of your gross pledges on a separate line from the total of net pledges. The exhibit refers to one aggregated line as Issuance 1 and the other as Issuance 2, but you may use more descriptive titles if you choose. If you need to add additional pledges, please add lines to the exhibit (where needed) and designate if the pledge is gross revenue or net revenue.

In Section A, the Debt Service Requirement should be reported for the amount paid in the current fiscal year.

Section B – Pledged Revenue Detail

Complete this section to provide additional detail about the entire revenue stream(s) related to the pledged revenues reported in Section A. For each different type of revenue stream that is pledged (e.g., tuition, auxiliary fees, etc.), provide the remaining balance of the pledged revenue commitment. That is, tell us how much revenue remains pledged related to the remaining principal and interest requirement of the secured debt. Per GASB Statement No. 48, paragraph 21(a), related to the Remaining Balance of the Pledged Revenue Commitment: "…the approximate amount of the pledge would be equal to the remaining principal and interest requirements of the secured debt." This amount should tie to the revenue bond totals on Exhibits D1, D2, and D3, not including the unamortized/unaccreted balances.

The amounts in Section B should be broken out by type of revenue stream. Reference the pledged revenue stream, as applicable based on the level of aggregation and number of issuances, to the issuance number (or other more descriptive title if used) in Section A.

In addition, you will need to calculate the pledged revenue as a percentage of the total revenue stream. For example, if you have pledged the gross amount of the entire revenue stream (i.e., the entire stream), this number should be 100%. If you have pledged the entire net amount of the revenue stream, this total should be the amount of the pledge (i.e., the net amount) divided by the total revenue stream or (3)/(1) from Section A on the exhibit.

If you have a pledged gross fixed percentage of the total revenue stream (which may be reduced for scholarship allowance per your bond documents), you should report that fixed percentage. If you have a pledged net fixed percentage, and if your bond documents require it, you should reduce the amount of gross revenue resulting from the fixed percentage by any applicable Direct Operating Expense before calculating the percentage to show in Section B.

Lastly, provide the inception date and end date of the pledged revenue commitment. These dates may correspond to your debt origination and payoff dates.

Section C – Description of the Nature and Purpose for the Debt Secured by the Pledged Revenue

For each pledged revenue stream noted in Section B, please describe the nature and purpose of the debt secured by the pledged revenue. Be as specific as possible since this information is required by GASB Statement No. 48 for adequate financial statement disclosure.

Exhibit E2 – Sale of Future Revenue Streams

Beginning in FY08-09, GASB Statement No. 48 requires disclosures be presented in the State financial statements related to the sale of future revenue streams. (See GASB Statement No. 48, paragraph 8 to determine whether proceeds received in exchange for future cash flows meet the definition of a sale at your department.)

Use this exhibit to provide information related to any futures revenue streams sold by your department. This exhibit should be completed in the year of sale.

<u>Section A – Sale of Future Revenues</u>

Complete this section to provide detailed amounts related to the sale of future revenues.

- **Sale Proceeds** – Report the amount received from the sale of the future revenue stream.
- **Present Value of Future Revenues Sold -** Report the amount of the future revenue sold, discounted to present value.
- **Period To Which The Sale Applies** – Report the time period that future revenues would have been earned.
- **Total Amount of Future Revenues Sold** – Report the gross amount of future revenue that has been sold.
- **Sold Revenue as a Percentage of the Total Revenue Stream** – Calculate the future revenue sold as a percentage of the total future revenue stream during the period that the sale applies.

<u>Section B – Significant Assumptions Used In Determining the Approximate Amount of Future Revenue</u>

Describe the specific revenues that were sold and the assumptions used in estimating the amount of future revenues, (i.e., how was the future revenue stream identified including forecasting methods, growth rates used, etc.)

<u>Section C – Significant Assumptions Used In Determining the Present Value of Future Revenue</u>

Describe the assumptions used in determining the present value of future revenues sold, (e.g., discount rate(s) used in calculating the present value and the time period(s) used in the calculation).

Exhibit F1 – Schedule of Capital Leases

Use this exhibit to report information on capital assets acquired under lease financing.

At the top of the form, enter the gross amount of capital assets under lease at fiscal year-end by asset type. This should include only assets that remain under lease, and it should be the balances originally recorded in the CORE 18*xx* accounts at acquisition without regard to depreciation. Assets financed by Certificates of Participation should not be included in these amounts. Combine the land and improvements to land accounts (1800, 1810, and 1815) under the category Land. Combine the buildings, leasehold improvements, and construction-in-progress accounts (1820, 1830, and 1860) under the heading Buildings. Combine the equipment, library books and holdings, and other capital assets accounts (1840, 1841, 1842, 1843, 1850, 1855, 1865, 1857, and 1870) under the heading Equipment and Other. This information is presented in the CAFR as a frame of reference to show the State progress in paying for its leased assets.

In completing the section on future minimum lease payments, apply the criteria in GASB Statement No. 62 to differentiate between capital and operating leases. Report operating leases on Exhibit F2. For your capital leases enter the total payments per your lease payment schedule by fiscal year. Enter the portion of the payment that is interest or executory costs. Executory costs comprise insurance, maintenance, and taxes included in your lease payment. Calculate the payments on principal as capital lease payments less implicit interest and executory costs. Regarding subleases with other state agencies, we would expect that the department paying the lease to the external party would fill out Exhibit F1.

The CORE combined balances in accounts 2321 and 2620 must equal the amount reported as principal payments due in FY2016. If they do not, you must submit a post-closing entry in CORE even if the amount is less than the threshold amount. Total future payments on principal for all years combined must equal the lease liability recorded in accounts 2321, 2620, 2820, 2823, and 2825 in CORE. If they do not, you must submit a post-closing entry in CORE even if the amount is less than the threshold amount.

After the cutoff date for post-closing entries, please DO NOT include an updated Exhibit F1 with the proposed entry that affects this exhibit. The OSC will request a revision if proposed entry is deemed material and is posted to the financial statements.

Amounts related to COPs are reported on Exhibit D1 and/or Exhibit D2; do not include them on Exhibit F1.

Report as a single total amount the sublease rental payments you will receive from third party sublessees in all future years.

Report the amount of contingent rentals for the current fiscal year. Contingent rentals are any lease payment that is determined in relation to some factor other than the passage of time. An example of a contingent rental is a lease payment based on the usage level of equipment.

At the bottom of the form, provide a description of your leasing arrangements along with a description of the basis for determining contingent rentals, renewal, and purchase options or escalation clause, and restrictions imposed by the lease agreements. If the exhibit covers more than one lease arrangement, provide a description for each major leasing arrangement.

Exhibit F2 – Schedule of Operating Leases

GAAP requires disclosure of future minimum lease payments for all noncancelable operating leases. State contracts contain a clause making operating lease payments contingent on the availability of future lease appropriations. However, since these contracts are normally funded, this clause alone will not qualify the lease as cancelable. Therefore, you should look to other provisions of the lease agreement to determine if your operating lease is noncancelable, and thus, should be reported on this exhibit. The operating lease disclosure requirements are intended to show external commitments; therefore, lease arrangements with Capitol Complex and other internal lease arrangements should not be included on this exhibit. Regarding subleases with other state agencies, we would expect that the department paying the lease to the external party would fill out Exhibit F2.

In completing the section on future minimum lease payments, apply the criteria in GASB Statement No. 62 to differentiate between capital and operating leases. Report capital leases on Exhibit F1. Enter your future minimum lease payments by year from your lease payment schedule.

GASB Statement No. 13 requires specific accounting for operating leases with scheduled rent increases. Scheduled rent increases are increases that are fixed by contract. They occur with the passage of time and are not contingent on future events. There are two types of rent increases. Systematic and rational increases result from inflation or increases in the value or availability of the leased item. For this type of rent increase, the contract amount should be recorded as rent expense/expenditure and entered on Exhibit F2. A second type of rent increase occurs when certain operating lease payments are low in relation to other payments as an inducement to enter the lease. For this type of rent increase, proprietary funds should record expense based on the straight line or effective interest method. Governmental funds should record the contract amount of rent in the governmental fund, and make an adjustment in the General Full Accrual Account Group (Fund 4710) to convert the expenditure to the full accrual basis of accounting (that is, rent expense based on the straight line or effective interest method). When this condition occurs for governmental or proprietary funds, the amounts shown on Exhibit F2 should be based on the straight line or effective interest method calculation rather than the contract. See GASB Statement No. 13 for more information.

In the middle of the form, report the total minimum sublease rentals related to the leases reported above. This should be the total of payments you expect to receive from a third party (external to the State reporting entity) for the use of an asset you have rights to under the operating leases reported above. This information should be provided in total, not by year. Report the amount of contingent rentals for the current fiscal year. Contingent rentals are any lease payment that is determined in relation to some factor other than the passage of time. An example of a contingent rental is a lease payment based on the usage level of equipment.

At the bottom of the form, provide a description of your operating leasing arrangement. If the exhibit covers more than one lease arrangement, provide a description for each major leasing arrangement.

Exhibit G – Advance Debt Refunding and Defeasance

GASB defines debt as 'defeased in-substance' if cash or other assets are placed with an escrow agent, in a trust to be used solely for satisfying debt payments. Use this exhibit to report the balance of all previously in-substance defeased debt and to document debt refunding and/or debt defeasance occurring during the fiscal year. You should complete an Exhibit G for each refunding transaction or addition to the in-substance defeased debt balance made during the fiscal year. Detailed examples of refunding calculations are shown in the appendices of GASB Statements No. 7 and No. 23.

Section A computes the ending balance of all in-substance defeased debt for the year which need only be shown on one copy of Exhibit G. This balance should include both current year and prior year in-substance defeased debt that is still outstanding. Though the possibility that payment will be required by the entity is remote, GASB Statement No. 7 requires that information regarding prior year balances be disclosed. This information should be available from your escrow agent. The New Defeasance (current year) amount should generally equal the face amount of the old debt that was defeased. Only debt that is in-substance defeased should be reported in Section A.

All advanced or current refundings should complete Section B of the exhibit. If debt is in-substance defeased using current funds rather than a refunding transaction, you should complete an Exhibit G so that the OSC can support the change in the in-substance defeased debt balance. If you have a defeasance that does not involve the issuance of new debt, enter the amount deposited with the escrow agent in the column titled 'Escrow Deposit or New Debt' for the lines titled:

- Face amount of debt or deposit
- Sum of debt service cash flows or deposit
- Sum of present values of debt service cash flows or deposit

The sum of debt service cash flows (a and b) is the real dollar projected cash flows for both interest and retirement of debt excluding payments related to accrued interest received at the new debt issuance. The present value sums (c and d) are the present value of each year's cash flows (excluding accrued interest received) totaled for the term of the debt with each discounted at the effective interest rate. The effective interest rate is the rate that, when used to discount the debt service requirements on the new debt, produces a present value equal to the proceeds of the new debt (including accrued interest) net of any premiums, discounts, underwriting spread, and issuance costs that are not recoverable through escrow account earnings. Issuance costs include all costs incurred to issue the bonds.

The economic gain or loss is the change in the sum of present values of future cash flows. If the issuance and other costs were not covered from the proceeds of new debt, then those costs should further reduce the economic gain or increase the loss on the refunding. Also note that if the new debt is issued in an amount greater than that required for the refunding, only that portion of the new debt applicable to the refunding should be reported on the Exhibit G.

GASB Statement No. 23 requires that proprietary fund-type activities, defeasing debt through current or advance refunding, defer the difference between the reacquisition price and the net carrying amount (g-f) of the old debt and amortize that amount as interest expense over the shorter of the remaining life of the old debt or the new debt. Thus, no gain or loss is reported in the operating statement at the defeasance date. On the statement of net position, the deferred amount should be reported as a deferred outflow of resources for a loss or deferred inflow for a gain. Note that GASB Statement No. 23 applies to higher education institutions. Governmental funds that have an accounting gain or loss on refunding would not report it in the governmental funds, but they are required to record a deferred outflow or inflow or resources in the General Full Accrual Account Group (Fund 4710) and amortize it over the shorter of the remaining life of the old debt or the new debt. All other items on the exhibit are self-explanatory and should be completed thoroughly.

Exhibit I1 – Letter of Certification

This exhibit provides the OSC with the cabinet/department/institution's chief financial officer's certification that the CORE balances are materially correct (as adjusted by post-closing entries). Note that neither the Executive Director, Department Head, nor the Institution President are required to sign the Exhibit I1. Also note that it is due to the OSC on the same date that financial statements and Exhibit J are due. If you are not submitting financial statements and an Exhibit J to the OSC you may choose to submit your Exhibit I at an earlier date along with your other exhibits.

The Exhibit I is intended to give assurance to the State Controller that agencies have properly reviewed their accounting estimates, year-end account balances, CORE financial statements (FIN-GA-SR-0001), and that informational disclosures necessary for statewide financial reporting have been made. This certification is to be signed by the chief financial officer. Due to the attest signature required on this exhibit, it must be submitted in paper format with original signatures. List every department for which the chief financial officer is responsible. Please explain fully any exceptions in the space provided.

Please note that in addition to the Exhibit I deadline, that in order for the State Controller to have a basis for making representations to the State Auditor, all agencies/departments are required to provide the State Controller with a signed copy of the cabinet/department/institution's representation letter to the State Auditor. The signed copy is due on the same day that it is provided to the State Auditor. The date of this submission will be dictated by the close of audit fieldwork by the Statewide Audit Team. The signed representation letters should be sent to your OSC Consultant who will log the letters and ensure that the submission is complete.

The requirement to submit cabinet/department/institution representation letters is in addition to the Exhibit I1 certification and the reporting required under the Financial Responsibility and Accountability Act (CRS 24-17-101).

Please send your completed Exhibit I1 (with original signature) to:

Office of the State Controller
Attn: OSC, Support Services
1525 Sherman St.
Denver, CO 80203

Exhibit I2 – Letter of TABOR Revenue Certification

This exhibit provides the OSC with the cabinet/department/institution's chief financial officer's certification that the CORE TABOR revenue classification is accurate and nonexempt revenue balances are materially correct (as adjusted by post-closing entries). Note that neither the Executive Director, Department Head, nor the Institution President are required to sign the Exhibit I2. Also note that it is due to the OSC on August 14 to support the OSC's certification of TABOR revenue on September 1.

The Exhibit I2 is intended to give assurance to the State Controller that agencies have properly reviewed their TABOR revenue (FIN-GA-SR-0001a). All revenue recorded as of August 4, 2015, must be properly classified for TABOR purposes and all nonexempt revenue must be recorded. This certification is to be signed by the chief financial officer. Due to the attest signature required on this exhibit, it must be submitted in paper format with original signatures. List every department for which the chief financial officer is responsible. Please explain fully any exceptions in the space provided.

Please send your completed Exhibit I2 (with original signature) to:

Office of the State Controller
Attn: OSC, Support Services
1525 Sherman St.
Denver, CO 80203

Exhibit J – Financial Statement Reconciliation

The Exhibit J is mandatory for agencies or institutions that are required to or choose to prepare separately issued financial statements. One copy of the Exhibit J and the financial statements and related notes are due to the OSC by the date published in the Open/Close calendar. The financial statements include the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, the Statement of Cash Flows, and the related footnotes. The Exhibit J, in conjunction with the Exhibit I and copies of the departments or institution's financial statements and related notes, are used:

- To reconcile the institution's trail balance per the State of Colorado's book of record (CORE) to the institution's financial statements,
- To provide assurance to the State Controller that the cabinet/department/institution financial statements properly accumulate CORE accounts in the format of the State CAFR financial statement line items,
- As a basis for state agencies/institutions compliance with the statutory requirement to obtain the State Controller's examination and approval all financial statements and reports of state government prior to publication, CRS 24-30-201(1)(d) and Colorado Fiscal Rule 8-1 Financial Statements, and
- To document department compliance with CRS 24-30-204 requiring that financial statements be submitted to the State Controller no later than August 25. Note: As allowed by CRS 24-30-204 the State Controller has granted an extension for FY2015. See the State Controller's memorandum "FY2015 Closing/FY2016 Opening Procedures" replicated in Chapter 1, Section 1 of the Fiscal Procedures Manual.

The OSC will prepare financial statements for higher education institutions and departments issuing stand-alone financial statements which mimic the CAFR line-items in the State's statements. These statements are located in the CAFR folder in infoAdvantage. The Exhibit J should begin at the cutoff date for post-closing entries. The statements in the CAFR folder are available on a daily basis and can be run prior to the cutoff-date in preparation for the submission of the Exhibit J reconciliation.

The instructions for this exhibit are specific to institutions of higher education; however, the format of the exhibit is applicable to those agencies operating in non-higher education funds that are required to prepare financial statements. These departments should show their CORE balances (adjusted by posted post-closing entries up to the cutoff date posted in the Open/Close calendar), posted audit adjustments, any presentation entries, immaterial or unposted entries, and the financial statement line item amount.

The Exhibit J does not eliminate the requirement that the institution reconcile CORE to their internal systems on a monthly basis. Entries to correct reconciling items should be processed into CORE and/or the institution's internal system on a timely basis throughout the year. If this procedure is followed it should minimize the number of adjusting and reclassification entries needed at year-end.

The OSC's review of the Exhibit J ensures that the institution's financial statements reconcile with CORE. This review also includes determining the reasonableness and proper classification of the adjusting, reclassification, and presentation entries, and ensures that the required post-closing entries are prepared and submitted.

For the purpose of the Exhibit J instructions, the following definitions apply:

- "Institution's financial statements" means the financial statements supplied to the OSC and the institution's auditors.
- "CAFR" means the State Comprehensive Annual Financial Report and implies the roll-up of funds and accounts used to compile the CAFR.
- "Fund category" (FCAT) means the grouping of either CORE funds or institution's accounting system funds into columns for financial statement presentation. The FCAT for each fund is contained in the FIN-FR-SR-0002 Central Chart of Account listing in info Advantage. The fund category for CAFR purposes may be broader than the groupings at the individual stand-alone financial statement level.
- "Line item" means an individual title and related amounts on the CAFR or institution's financial statements and implies the roll-up of accounts appropriate to the financial statement type.

The exhibit shows the relationship between the CAFR and the institution's separately issued financial statements. At least one Exhibit J should be prepared for each CAFR enterprise fund category.

The Exhibit J is organized as follows. The left side of the exhibit consists of the CORE trial balance aggregated to the CAFR line item level. The right side of the exhibit consists of the related totals per the institution's financial statement line items. Three columns in the center of the exhibit are for posting of adjusting/reclassifying, presentation entries, and unposted entries. Further explanations of these sections follow.

- The left side of Exhibit J is a trial balance by CORE account subtotaled by CAFR line item. Subtotaling at the CAFR line item level provides the OSC with information on how adjusting and reclassifying entries affect the line items in fund category columns on the State CAFR. The crosswalk report associated with each infoAdvantage financial statement shows how CORE balance sheet accounts and operating statement accounts feed into line items for the statewide financial statements. <u>If an institution elects not to use the financial statements provided by the OSC (as discussed above), the institution must provide the department, fund, type, and account information that was aggregated to CAFR line items on the left side of the exhibit. This information may be supplied by additional columns or rows on the Exhibit J or by providing a separate supporting schedule to show the detail in each CAFR line item.</u>
- The right side of Exhibit J shows the institution's financial statement line items related to the CAFR line items on the left side of the exhibit. For the Statement of Net Position and portions of the Statement of Revenues, Expenses, and Changes in Net Position, there will often be a one-to-one relationship between CAFR line items and department financial statements. However, institutions are allowed to disaggregate CAFR line item balances into additional lines on their financial statements resulting in a one-to-many relationship. Higher education has elected to present operating expenses by functional categories rather than by natural object classifications (except depreciation). While the OSC has agreed to this presentation, the Exhibit J must show how adjusting, reclassification, or presentation entries affect the CAFR line items, which are not presented in the functional category format. In addition, because the two formats (natural and functional) will not tie directly by line item, the total operating expenses per the CAFR classifications must agree to the total operating expenses presented under the functional format.

- The center section of Exhibit J consists of columns for adjusting/reclassifying entries, presentation entries, and unposted entries. The definitions below for adjusting, reclassifying, and presentation entries apply to both higher education fund types and non-higher education fund types. To facilitate review, all adjusting, reclassification and presentation entries must be cross-referenced and be shown separately on the Exhibit J (do not aggregate or offset amounts). A separate schedule showing the CORE coding string and financial statement line item impacted must be provided. Include an explanation that is adequate for audit purposes and requires no prior knowledge of the underlying conditions to understand the purpose and impact of the adjustment.

Adjusting and reclassification entries posted prior to the cutoff date posted in the Open/Close calendar should be shown in the initial CORE balances column as these post-closing items are on the system and available. The columns for adjusting and reclassification entries are segregated into one column on the Exhibit J template for posted entries after the cutoff date and another for unposted entries. Additionally, there is a column for unposted entries from the prior year and these have a two-year impact. The following definitions have been kept separate because the distinction between adjusting and reclassification entries remains relevant to the discussion of timing differences in posting entries to department financial statements as compared to the State CAFR.

ADJUSTING ENTRIES:

Adjusting entries correct both a CORE balance sheet account and CORE revenue or expense/expenditure account with the net effect of changing the ending fund balance. Accordingly, adjusting entries always change the State financial statement fund category ending fund balance and CORE ending fund balance.

All reclassification entries made to a department's financial statement after Period 14 must be included on the Exhibit J. In order for the OSC to properly analyze the cumulative effect of all reclassification entries on the CAFR, a post-closing CORE entry must be completed for each reclassification entry contained on the Exhibit J that exceeds the threshold. The entry will provide the information needed for the OSC to properly combine like entries, calculate the cumulative effect, and determine if an adjustment needs to be made to the CAFR.

In some instances, a postclosing adjusting entry may be recorded on a department's financial statements but not be approved for the State CAFR. In other instances the OSC may be required to post an entry to the State CAFR that is not posted to the agencies financial statements. When either of these situations occurs, the adjustment will be a reconciling item in the initial year and also in the subsequent year because the entry must be posted to CORE (or to the departments financial statements) in the subsequent year. In the subsequent fiscal year's Exhibit J:

- The adjustment must be reported in the Prior Year Unposted Adjusting/Reclassification Entries column,
- It must be clearly marked as resulting from a prior year Exhibit H/postclosing, and
- A copy of the prior year's Exhibit H must be resubmitted with the Exhibit J.

RECLASSIFICATION ENTRIES:

Reclassification entries correct the CORE trial balance classification of certain amounts in the Statement of Net Position or the Statement of Revenues, Expenses, and Changes in Net Position. Reclassification entries change CAFR lines and may change a CORE ending fund balance but never change the CAFR fund category ending fund balance. Reclassification entries may change the total from one balance sheet classification to another or from one revenue/expense line to another. For example, reclassifying a credit balance in accounts receivable to accounts payable.

All reclassification entries made to a department's financial statement after Period 14 must be included on the Exhibit J. In order for the OSC to properly analyze the cumulative effect of all reclassification entries on the CAFR, a post-closing CORE entry must be completed for each reclassification entry contained on the Exhibit J that exceeds the threshold. The entry will provide the information needed for the OSC to properly combine like entries, calculate the cumulative effect, and determine if an adjustment needs to be made to the CAFR.

Balance sheet reclassification entries made to a department's financial statements, but not posted to the State CAFR, must be posted to CORE in the subsequent year. Nominal account reclassifications should not be posted to CORE in the subsequent year.

Each institution should make every effort throughout the year to reconcile their system to CORE and process timely corrections to minimize the need for adjusting and/or reclassifying entries at year-end.

YEAR-END TREATMENT of ADJUSTING and RECLASSIFICATION ENTRIES:

In order to ensure the OSC has sufficient time to prepare the State basic financial statements and CAFR, the following schedule will be used regarding adjusting and reclassification entries:

- On or before the cutoff date published in the Open/Close calendar departments and higher education institutions are allowed to make adjusting and reclassification entries to their separately issued financial statements without the approval of the OSC. As stated above, these entries must be included on the Exhibit J in the initial balances and a post-closing CORE entry must be submitted for errors greater than the $1,000/$200,000 post-closing entry threshold.
- After the cutoff date, adjusting and reclassification entries are considered proposed audit adjustments. If the proposed audit adjustment is greater than $1,000/$200,000, the department or institution should submit a CORE post-closing entry to the OSC as soon as the adjustment is identified. These items are to be entered into the CY Audit Adjustments column and should be recorded in Period 16 unless the OSC requests otherwise. A final Exhibit J is required for any audit adjustments posted to the departments separately issued financial statements. Acceptance of the final Exhibit J is considered the OSC approval of separately issued financial statements.
- After the cutoff date, the OSC will only post entries that are either material to the State financial statements, or are necessary for reconciling to exhibits, or if the entry impacts budgetary compliance, or any entries that are necessary to post after consultation with the auditors. The institution should always consider the materiality of any adjusting and reclassification entries.

PRESENTATION ENTRIES:

Presentation entries adjust account balances that are reported on a different financial statement line item for the State of Colorado than for the institution. These entries do not require the approval of the OSC. The key to identifying a presentation entry is that the account balance(s) is properly recorded on CORE for the State of Colorado's CAFR. However, because the institution is issuing separate financial statements with a different reporting perspective the account balance(s) must be presented differently. An example of a presentation entry is the reporting of indirect cost transfer payments to the Colorado Commission on Higher Education. On the financial statements for the State of Colorado indirect cost payments are shown as "Interfund Operating Transfers", but on the separately issued financial statements for the institutions they are shown as an operating expense (institutional support). If the OSC determines, as part of the review of the Exhibit J, that a department or higher education institution has made a presentation entry that is in fact an adjusting or reclassification entry, the department or institution will be contacted and requested to revise the Exhibit J and submit a corresponding post-closing CORE entry.

Following is a listing of the acceptable PRESENTATION entries. Other items that the institution believes are presentation entries should be discussed with the OSC before they are included on the Exhibit J.

- Changing the presentation of transfers (CORE object/revenue transfer codes 7076/9076 and 7077/9077) between the University of Colorado at Denver, Metropolitan State College of Denver, the Community College of Denver and the Auraria Higher Education Center.
- Changing the presentation of transfers of state appropriation (CORE revenue transfer code 9090) from an operating transfer to nonoperating revenue.
- Changing the presentation of transfers of state appropriated student financial aid awards from CCHE to the institutions (CORE revenue transfer code 9050) from an operating transfer to grant and contract revenue.
- Eliminating offsetting intrafund receivables and payables between institutions of the same board.
- Eliminating offsetting intrafund transfers-in and intrafund transfers-out between institutions of the same board.
- Combining immaterial amounts from one CAFR line into another CAFR line in a like financial statement category.
- Disaggregating private, state, and local grants and contracts from other operating revenue to aggregating with federal grants and contracts operating revenue on institutional financial statements.
- Changing the presentation for higher education institutions' payments to DHE for statewide indirect cost assessment (CORE transfer object code 7200) from nonoperating transfers to other operating expense (institutional support).
- Disaggregating a CAFR financial statement line into more detailed lines within the same financial statement classification for presentation on the institutions financial statement.
- Aggregating CAFR line items with the related line where parenthetical presentations are used instead on the institutions financial statements, such as scholarship allowances.
- Restoring the receivable from the College Opportunity Fund and the related deferred revenue for students that confirm their attendance in summer school classes. The receivable and deferred revenue are originally recorded on CORE and then eliminated in Fund 399x for statewide financial statements. The student confirmations to which the elimination is applicable are those that occur within the fiscal year but after DHE's final allocation of their appropriation between stipends and fee-for-service contracts.
- Reclassifying balances recorded on CORE as intra or interfund transfers for the difference between the carrying value and the cash received or paid for receivables sold to another state department. The reclass will normally be to gain/loss on sale for the seller/transferor and to the appropriate expense account for the buyer/transferee.

- Changing the presentation of transfers related to the institutions participation in COPs for higher education COP projects from an operating transfer to an adjustment to a lease liability.
- Other presentation items as approved by the OSC, including transactions between AHEC and its constituent institutions for the higher education COP projects.

AUDIT ADJUSTMENTS:

As a result of the audit process, the Office of the State Auditor or its designee may require entries to a department or institution's financial statements in order to issue an unqualified opinion. These entries should be submitted to the OSC on a post-closing CORE entry. As stated above, all adjusting or reclassification entries identified by either the auditors or the department after the date published in the Open/Close calendar are considered to be audit adjustments. These entries require the approval of the State Controller or designee prior to posting to the institution's financial statements. In addition, the Office of the State Auditor, or its designee, may identify other errors that were not deemed material for financial statement adjustment purposes, and therefore, an audit adjustment was not proposed. These types of errors that exceed the post-closing adjustment threshold must also be submitted to the OSC.

Exhibit K1 – Schedule of Federal Assistance

The guidance below relates to all departments, whether using the Cost Accounting module in CORE or not. For those departments using the Cost Accounting module in CORE, new instructions have been created for preparing the Exhibit K1. See Specific Instructions below.

This exhibit is required for preparing the Statewide Schedule of Expenditures of Federal Awards, which is reviewed by the State Auditor in the statewide single audit. That schedule provides a listing of federal assistance by Catalog of Federal Domestic Assistance (CFDA) number or other identifying number. The same data are used in preparing the Report of Federal Moneys required by CRS 24-75-212 for submission to the General Assembly by November 1 each year. The exhibit format is based on the reporting requirements in Section __.310(b) of OMB Circular A-133, reporting requirements contained in CRS 24-75-212, and agreement with the Office of the State Auditor.

Include on the Exhibit K1 awards you receive directly from federal agencies and awards you receive from other entities as a subrecipient. Subrecipient awards are of two types, that is, awards received from other state agencies and awards received from nonstate entities. Those received from state departments would normally be recorded in revenue source code 7500 [new this year] and is not reported on the Exhibit K1. Those received from nonstate entities would normally be recorded in revenue source code of 7501 [new] and must be reported on the Exhibit K1. Both direct and subrecipient awards must be reported by CFDA number – if one has been assigned by the federal agency administering the original award – unless the award is for research and development as discussed below. Please see Item F in the Specific Instructions related to reporting ARRA programs.

In some instances, state agencies receive federal funds from nonstate entities – a portion of which the nonstate entity may have received from a State of Colorado department. When this occurs the receipt and related expenditures should be shown on the Exhibit K1 unless either of the two following conditions is met:

1. The funds received from the nonstate entity are received by the State in its capacity as a vendor. Examples of the vendor relationship are rent receipts for space the State provided or payments for services that the State provided for which the State is not responsible for carrying out the requirements related to the federal funds. See Chapter 1, Section 3.5 for more about determining if a relationship is vendor or subrecipient in nature.
2. The nonstate entity can identify for you the portion of your receipt that came from a State of Colorado department. Do not include this portion on your Exhibit K1.

While the balances reported on the Exhibit K1 are not required to tie directly to CORE account balances, it is important that you be able to reconcile the federal balances shown on this exhibit to CORE. Beginning balances (if provided—see item J below) should equal the ending balance shown on the prior year exhibit. Any differences between prior year ending and current year beginning balances may have to be explained to the auditors. For agencies using the CORE Cost Accounting module, the FIN-CA-SR-0005 - Major Program Summary of Expenditures report is a good source of expenditure amounts for this exhibit.

In compiling this exhibit, please be certain to include all amounts related to federal awards regardless of the method of payment or the fund used to account for the activity. The Single Audit Act of 1984 (Amended 2003) defines federal financial assistance:

> 'Federal financial assistance' means assistance that nonfederal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct

appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals as described in Section ___.205(h) and Section ___.205(i).

The Single Audit Act of 1984 (Amended 2003) defines subrecipient:

> 'Subrecipient' means a nonfederal entity that receives federal awards received from a pass-through entity to carry out a federal program, but does not include an individual that is a beneficiary of such a program. A subrecipient may also be a recipient of other federal awards directly from a federal awarding agency.

Section __.210 of OMB A-133 provides additional directives on determining the difference between subrecipients and vendors.

Section __.205 of OMB A-133 provides additional directives for loan and loan guarantee programs. The following paragraphs are addressed specifically to higher education institutions, but they may also apply to other state agencies. Reporting requirements are dependent upon whether there are continuing compliance requirements other than loan repayment, and whether the institution makes the loans.

Continuing Compliance Requirements: Report the value of new loans made or received during the fiscal year, plus the balance of loans from previous years for which there are continuing compliance requirements, plus any interest subsidy, cash or administrative cost allowance in the direct expenditures column on the Exhibit K1. The Federal Perkins Loan Program (CFDA 84.038) is a typical example of a loan program meeting these reporting requirements. If receipts are reported on the Exhibit K1, report in the non-cash receipts column the same amount as reported in the direct expenditures column.

No Continuing Compliance Requirements / Loans Made to Students but Not Made by Institutions: Report the value of loans made during the year to students, where the loans are not made by the institution, in the direct expenditure column (and in the non-cash receipts column if used). Do not include the outstanding balance from prior years as the lender accounts for the prior balances. Also for prior loan and loan guarantees for which there are no continuing compliance requirements other than loan repayment, the outstanding balance of loans for prior years should not be included as direct expenditures. The OSC requires state institutions of higher education to report the amount of new loans issued during the state fiscal year under the Federal Family Education Loan Program (CFDA #84.032). New loans issued that are guaranteed by entities external to the State of Colorado should be reported using CFDA #84.032. In addition, institutions should report the amount of new loan issuances that are guaranteed by College Assist (formerly College Access Network and CSLP) using CFDA #84.CSL. New loan issuances should be measured as the amount of receipts from lenders that are applied against student receivables during the fiscal year. The OSC will combine the amounts reported in CFDA #s 84.032 and 84.CSL for reporting in the Schedule of Expenditures of Federal Awards. The amount in CFDA #84.CSL will also be used for note disclosure of the amount of new loan issuance guaranteed by College Assist.

The following paragraph applies only to College Assist. College Assist should continue to report its Federal Family Education Loan program expenditures including its incentive fees and reinsurance of student loan defaults paid to lenders. In addition, College Assist should report, as footnote information to the Exhibit K1, the outstanding balance of loans at June 30. The outstanding balance should include all loans issued since inception of the program that have not yet been paid off by the student or reinsurance.

Please be certain to include all amounts related to federal funds regardless of the method of payment or the fund used to account for the activity. For example, checks received from the federal government for Pell administrative fees should be included on the Exhibit K1 in the indirect expenditures column.

A-133 allows clustering of certain programs for reporting on the Schedule of Expenditures of Federal Awards. Awards related to research and development are one instance of the allowed clustering. When reporting research and development awards, institutions should enter "R&D" in the Federal Program Name field whether or not the CFDA number is provided. If a valid CFDA number is not provided, then the OSC Assigned Fed Org Code or Federal Agency Name must be provided. This information will allow the OSC to classify research and development by federal awarding agency as required by A-133.

SPECIFIC INSTRUCTIONS:

For FY2015, we are creating a new infoAdvantage report for CORE Department use. We still request that the Exhibit K1be submitted to the OSC in Excel format for both CORE and **Feeder Departments**. For **CORE Departments**, please be sure to thoroughly review the infoAdvantage report to ensure that all fields have been populated correctly. You may make changes to the Excel version if needed. For FY2016, we are planning to use the infoAdvantage report to report Exhibit K1 data. For **Feeder Departments**, please continue to use the Excel spreadsheet in the Exhibit Listing spreadsheet.

The Exhibit K1 is used to support the preparation of the Schedule of Expenditures of Federal Awards and state reporting requirements. House Bill 12-1009 expanded state reporting requirements for executive branch agencies (excluding higher education institutions) and offices of the governor. The expanded elements are described further in bullets M (direct Admin), O, and P.

The following are descriptions of the exhibit fields by footnote reference on the form:

A. Department Code **(CORE/Feeder Departments):** – This is a required field for all lines of the Exhibit K1.

B. Employer Identification Number **(CORE/Feeder Departments):** – This is a required field; please list the EIN number associated with the grant. Exclude any dashes. The EIN number is the nine-digit Taxpayer Identification Number assigned by the Internal Revenue Service (IRS). The State primary EIN No. is 840644739; however, agencies that do federal grant reporting under a different EIN number should enter the EIN number under which they do the grant reporting. If you fail to match the Exhibit K1 EIN number to the grant reporting EIN number, the federal audit clearinghouse will not be able to provide federal agencies with the A-133 audit report that demonstrates compliance with grant requirements. If you have received funds as a subrecipient, use the State primary EIN, not the EIN of the nonfederal department from which you received the federal funds.

C. Primary Data Universal Numbering System Number (DUNS) **(CORE/Feeder Departments):** – This is a required field for federal awards received directly from the federal government. Please list the DUNS number associated with the grant. Exclude any dashes. The DUNS number is the nine-digit identification sequence assigned by Dun & Bradstreet (D&B) and is required on all federal award applications submitted on or after October 1, 2003. Please use the DUNS number on the award application for each line of the Exhibit K1. If you have received the award as a subrecipient grantee, the DUNS number is requested but not required.

D. Subrecipient State Department DUNS Number **(CORE/Feeder Departments):** – This is a required field if you have passed a federal award to a subrecipient grantee, who is another State of Colorado department. For federal reporting purposes, the subrecipient DUNS number is provided to the Federal Audit Clearinghouse, but is not tied to federal expenditures. Beginning in Fiscal Year 2015, please provide your list of Subrecipient State Department DUNS numbers in a spreadsheet list, without specifying related CFDA numbers or amounts, for upload to the Federal Audit Clearinghouse. A list of state department DUNS numbers is available on the OSC website at:

https://www.colorado.gov/pacific/sites/default/files/DUNS%20Numbers%20by%20Agency.pdf

E. Federal Agency Name– This is a required field.

a. **Feeder Departments:** If neither a valid CFDA number nor an OSC Assigned Fed Org Code is provided, please enter the name of the federal suborg (institute, bureau, etc.) administering the program followed by the oversight level federal department. For example, Office of Justice Programs – Department of Justice.

b. **CORE Departments:** In cases where activity is federal, but no CFDA number has been assigned by the federal agency, please use the appropriate Major Program Class to select the federal agency name, and use the Major Program Category of "0000" to indicate federal non-CFDA activity. In these cases, you will also need to provide the federal program name in the Major Program Description field (see items G and J below).

F. OSC Assigned Fed Org Code **(Feeder Departments only):** – This is a required field if the CFDA number is not provided and the OSC has preassigned this code to the federal program being reported. See the table that follows this section for the available codes.

For **CORE Departments**, see item E above.

G. Federal Program Name

a. **Feeder Departments**: This field is required under two circumstances. First, higher education institutions should always enter "R&D" in this field for research and development awards even if a CFDA number is provided. Second, for all other awards for which a CFDA number is not provided, the program name should be entered as it appears in the award document.

Report ARRA-related activity on separate lines than non-ARRA activity, with "ARRA" included in the Program Name. Two exceptions are related to CFDA 84.033 (Federal Work Study - FWS) and 84.063 (Federal Pell Grant). The 2010 Compliance Supplement has provided reporting guidance that since the disbursements to auditees of the FWS and Pell moneys contain both ARRA and non-ARRA moneys, it is not possible for auditees to separately report ARRA on the SEFA.

b. **CORE Departments:** If the federal activity is related to a CFDA number, than this field will be populated by the Major Program Category Name. However, if you have Federal activity that does not have a CFDA number, you are required to enter the Other Identifying Number in the Major Program Description field, and the CFDA Federal Program Name (separating the two with a concatenation character |. You will have 100 characters to include both fields in the Major Program Description field.

H. <u>CFDA Number</u> – These are program codes that are listed in the Catalog of Federal Domestic Assistance (CFDA) published by the General Services Administration. The CFDA is available on the Internet at: www.cfda.gov. Some programs may not have been assigned a CFDA number.

a. **Feeder Departments:** If no CFDA number is assigned, then complete the columns Federal Program Name, Other Identifying Number, and OSC Assigned Fed Org Code or Federal Agency Name.

b. **CORE Departments:** This code is pulled using a combination of Major Program Class (which indicates the federal agency name) and the Major Program Category (which indicates the federal program name). For CFDA Number purposes, the first 2 digits of the MP Class and the first 3 digits of the MP Category will be used.

I. <u>Nonfederal Pass-through Entity</u> – This is a required field in all instances of subrecipient federal funds from an external entity.

a. **Feeder Departments:** Enter the name of the pass-through entity. Do not report funds received from other State of Colorado agencies.

b. **CORE Departments:** This data should be pulled from the VCUST table (still testing).

J. <u>Other Identifying Number</u> **(Feeder and CORE Departments)** – This is a required field under two circumstances. First, for subrecipient awards, enter the contract, award, or other identifying number assigned by the external pass-through entity. Second, in all instances when a CFDA number has not been assigned, enter the contract, award, or other program number. This number is used to assist federal personnel in tracking these awards back to the original program source.

K. <u>Loans or Loan Guarantees</u> **(Feeder and CORE Departments)** – This column is required for A-133 reporting. This field will not be available in CORE at this time. **CORE Departments** will need to populate this in the Excel extract report from infoAdvantage.

If your department is not reporting any Federal loan programs or loan guarantees on the Exhibit K1, please manually mark this column with an “N”.

If your department is reporting a Federal loan program or loan guarantee on the Exhibit K1, please manually mark this column with a “Y”, but please note the instructions below: When a CFDA program consists of part loan/loan guarantee component (e.g., value of new loans made or received during the audit period, balance from loans from previous audit periods for which the Federal government imposes continuing compliance requirements) and part non-loan/loan guarantee component (e.g., interest subsidy, cash, or administrative cost allowance received), list the loan/loan guarantee expenditure detail on one line and the nonloan/loan guarantee expenditure detail on a second line. The non-loan activity would be marked with an “N”.

In situations where your department does not administer the actual loaning of money from a loan/guarantee program, it would still be considered a loan program at the Federal level and should be marked as “Y”.

L. <u>Beginning Due-From or Advanced By Federal Sources</u> – This column is not required for A-133 reporting. It is used only to facilitate the audit. This balance should equal the prior year ending balance of your audited Exhibit K1. Deferred Revenue and Advanced By Federal Sources balances (if provided) should be shown in brackets. For **CORE Departments**, the infoAdvantage report will be pulling the following from Period 0:

BS 1353 (Intergovernmental Receivables – Federal)
BS 2333 (Intergovernmental Payable – Federal)
BS 2500 (Unearned Revenue – Federal Advances)

For Fiscal Year 2015, if you do not have major program information needed to pull this detail included in your Period 0 balances, you will need to manually adjust your beginning balances to reflect the correct CFDA lines.

M. Receipts – These columns are not required for A-133 reporting. They are used only to facilitate the audit.

- Direct – Show the funds received directly from a federal agency. Show the normal balance for receipts as positive numbers unbracketed. For **CORE Departments**, the infoAdvantage report will be pulling the following:

RSRC 7400	Federal Grants and Contracts, plus
RSRC 7430	Federal Grants and Contracts, Direct Capital, plus
RSRC 7471	Federal Interest Subsidy, plus
RSRC 7541	Federal Grants and Contracts – PELL Grants, plus
RSRC 7901	Federal Nongrant Funds and Contracts

  Subrecipient – These are subrecipient funds received from entities other than State of Colorado agencies. If there is an amount in this field then columns G, H, and I should also be completed. Show the normal balance for receipts as positive numbers unbracketed. For **CORE Departments**, the infoAdvantage report will be pulling the following:

RSRC 7500	Federal Grants and Contracts - Subrecipient, plus
RSRC 7530	Federal Grants and Contracts, Subrecipient Capital

- Noncash – Except for food stamps and commodities – which are expended when distributed – receipts for noncash assistance should be recognized on this schedule at the same time and in the same amount as the related expenditures for such assistance in accordance with Section__.205 of Circular A-133. The noncash expenditure should be shown as an expenditure in L and should not be combined with cash assistance. This requires noncash assistance to be on a line separate from cash assistance. Show the normal balance for receipts as positive numbers unbracketed.

  For **CORE Departments**, this amount will be a memo entry (process to be determined) that will not affect the financial records in CORE, but will be pulled by the OSC.

  For **Feeder Departments**, if you are not reporting receipts, you must clearly indicate all noncash expenditures. Noncash expenditures must be reported on a separate line of the exhibit.

N. Expenditures – This column is required for A-133 reporting. Direct Admin expenditures are combined with Indirect expenditures to calculate the percentage federal funds expended for administration for reporting to the legislature under House Bill 12-1009.

- Direct Program – These are amounts expended for the direct costs of federal programs. Show the normal balance for expenditures as positive numbers unbracketed. When Section__.205 of Circular A-133 requires you to report expenditures for which there will be no cash receipt (such as, reporting outstanding loan balances) be sure to report an equal amount of noncash receipts in column K if you are reporting receipts.

For **CORE Departments**, the field will be calculated as follows:

All Federal Expenditures (all expenditures where the second character of the Appropriation Unit is "F") *less*
Direct Administrative Expenditure amount, *less*
Indirect Administrative Expenditure amount, *less*
Pass-through Expenditure amount

Direct Admin – This distinction, separate from Direct Program, is not required by A-133, but is needed for certain departments to comply with state reporting requirements. These are amounts that are directly chargeable as administrative costs under the regulations of the federal program, and typically include items such as office supplies, accounting staff, and travel costs. If there are no Direct Admin expenditures, please report zero on in this field. For **CORE Departments**, the infoAdvantage report will be pulling the following:

All Federal Expenditures (all expenditures where the second character of the Appropriation Unit is "F") where:

Subobject FADM – Federal Adminstrative Expense
Subobject F2WD – Federal Admin Two Wheel Drive Vehicle Mileage
Subobject F4WD – Federal Admin Four Wheel Drive Vehicle Mileage

Indirect – These are amounts expended for the indirect costs of federal programs. This distinction is not required by A-133 but is needed to comply with state reporting requirements. Show the normal balance for expenditures as positive numbers unbracketed. For **CORE Departments**, the infoAdvantage report will be pulling the following:

All Federal Expenditures (all expenditures where the second character of the Appropriation Unit is "F") where:

Object 7100 – Transfers Out for Indirect Costs – Federal
Object 7200 – Transfers Out for Indirect Costs – Cash

Pass-through – These are federal funds passed through to an external entity (outside Colorado state government). These amounts should not duplicate amounts shown in Direct Expenditures or Indirect Expenditures. Show the normal balance for expenditures as positive numbers unbracketed. For **CORE Departments**, the infoAdvantage report will be pulling the following:

Object 5111 –	Grants - Cities - Fed Pass Thru, plus
Object 5121 –	Grants - Counties - Fed Pass Thru, plus
Object 5141 –	Grants - Intergovernmental - Fed Pass Thru, plus
Object 5151 –	Grants - Local District Colleges - Fed Pass Thru, plus
Object 5161 –	Grants - Other States - Fed Pass Thru, plus
Object 5171 –	Grants - School Districts – Fed Pass Thru, plus
Object 5181 –	Grants - Special Districts – Fed Pass Thru, plus
Object 5421 –	Purchased Services - Counties – Fed Pass Thru, plus
Object 5551 –	Distributions - School Districts – Fed Pass Thru, *plus*
Object 5571 –	Distributions - Intergovernmental Entities – Fed Pass Thru, *plus*
Object 5770 –	Pass-Thru Federal Grants External, *plus*
Object 5882 –	Distributions to Nongovernmental Organizations – Fed Pass Thru

For all expenditures, if you are correcting an error from a previous year, please show the correction on a separate line of the exhibit and provide a footnote explaining the error, the fiscal year affected, and the amount.

O. Ending Due-From or Advanced By Federal Sources – This column is not required for A-133 reporting. It is used only to facilitate the audit. This amount should equal beginning balance minus receipts plus expenditures (+J -K +L). Deferred Revenue and Advanced By Federal Sources balances (if provided) should be shown in brackets. For **CORE Departments**, the infoAdvantage report will be calculating the following:

Due From (or Advanced By) Federal Sources at the beginning of the year
Plus: (if credit is used, not normal balance as positive, as this should reduce the beginning balance):
(Direct Receipts Amount plus
Subrecipient Receipts Amount plus
Noncash Receipts Amount)
Plus:
Direct Program Expenditure Amount plus
Direct Administrative Expenditure Amount, plus
Indirect Expenditure Amount, plus
Pass Through Expenditure Amount

P. Purpose of Funds – This column is not required by A-133, but is needed for certain agencies as defined in House Bill 12-1009 for state reporting purposes. Include in this column a description of how the funds were used. The description should contain sufficient detail and context to be understandable to a reader unfamiliar with the program. For **CORE Departments**, this information will be submitted separately from the departments in an Excel spreadsheet. It is used in reporting on the State SEFA, and will need to be completed for every federal grant and contract. This information will be matched to the data that is pulled from CORE for Exhibit K1 reporting, and therefore, will need to have an EXACT match to the following fields:

- Cabinet
- Major Program Class
- Major Program Category

- Other Identifying Number
- Non-Federal Pass Through Entity

Q. Obligations - This column is not required by A-133, but is needed for certain agencies as defined in House Bill 12-1009 for state reporting purposes. Include in this column any financial obligations to the State such as a State matching requirement along with the source of the matching funds, asset maintenance obligations, unfunded administrative costs, and potential liabilities or future State costs. Do not include current performance obligations to carry out the purpose for which the funds were received, as that is implicit in the purpose. If there are no obligations as a result of acceptance, please indicate this by putting 'none'. For **CORE Departments**, this information will be submitted separately from the departments in an Excel spreadsheet. It is used in reporting on the State SEFA, and will need to be completed for every federal grant and contract. This information will be matched to the data that is pulled from CORE for Exhibit K1 reporting, and therefore, will need to have an EXACT match to the following fields:

- Cabinet
- Major Program Class
- Major Program Category
- Other Identifying Number
- Non-Federal Pass Through Entity

Based on the information provided on the Exhibit K1, the OSC will calculate the following percentages for each applicable department as required by House Bill 12-1009:

- Department-level percentage of expenditures that are federal: Federal revenue in the 74, 75, and 79 revenue source code series, divided by the department's expenditures (excluding fund 4710).
- Grant-level percentage of federal expenditures that are administrative: Indirect and Direct Admin reported in the Exhibit K1, divided by the sum of the Direct Program, Direct Admin, Indirect, and Pass-Thru expenditures.

Any questions about these instructions or our interpretation of A-133 requirements should be directed to Karoline Clark (303-866-4138 or karoline.clark@state.co.us).

Office of the State Controller Assigned Federal Org Codes

The following table provides a listing of codes assigned to federal agencies by the OSC. These codes are to be used on the Exhibit K1 when a valid CFDA number has not been assigned; this code will specify the federal agency originating a federal award. This table is updated on an annual basis from the Catalog of Federal Domestic Assistance (CFDA) and from federal agencies identified on the Exhibit K1 that are not listed in the CFDA.

The information contained in the following table is the most current information available at the time of printing of the Fiscal Procedures Manual. Any updates before year-end will be posted on the OSC website.

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
01.ADF	AFRICAN DEVELOPMENT FOUNDATION
04.IAF	INTER-AMERICAN FOUNDATION
07.ONDCP	OFFICE OF NATIONAL DRUG CONTROL POLICY
08.PC	PEACE CORPS
09.LSC	LEGAL SERVICES CORPORATION
10.AARC	ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION (AARC) CENTER, DEPARTMENT OF AGRICULTURE
10.AMS	AGRICULTURAL MARKETING SERVICE, DEPARTMENT OF AGRICULTURE
10.APHIS	ANIMAL AND PLANT HEALTH INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE
10.ARS	AGRICULTURAL RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE
10.ASAOO	DEPARTMENT OF AGRICULTURE, ASSISTANT SECRETARY FOR ADMINISTRATION, OFFICE OF OUTREACH
10.CCC	COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE
10.CSREE	COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE, DEPARTMENT OF AGRICULTURE
10.DM	DEPARTMENTAL MANAGEMENT, DEPARTMENT OF AGRICULTURE
10.DOA	DEPARTMENT OF AGRICULTURE
10.ERS	ECONOMIC RESEARCH SERVICE, DEPARTMENT OF AGRICULTURE
10.FAS	FOREIGN AGRICULTURAL SERVICE, DEPARTMENT OF AGRICULTURE
10.FCS	FOOD AND CONSUMER SERVICE, DEPARTMENT OF AGRICULTURE
10.FNS	FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE
10.FS	FOREST SERVICE, DEPARTMENT OF AGRICULTURE
10.FSA	FARM SERVICE AGENCY, DEPARTMENT OF AGRICULTURE
10.FSIS	FOOD SAFETY AND INSPECTION SERVICE, DEPARTMENT OF AGRICULTURE
10.GI	GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION, DEPARTMENT OF AGRICULTURE
10.LTGB	LOCAL TELEVISION GUARANTEE BOARD, DEPARTMENT OF AGRICULTURE
10.NASS	NATIONAL AGRICULTURAL STATISTICS SERVICE, DEPARTMENT OF AGRICULTURE
10.NIFA	NATIONAL INSTITUTE OF FOOD AND AGRICULTURE, DEPARTMENT OF AGRICULTURE
10.NRCS	NATURAL RESOURCES CONSERVATION SERVICE, DEPARTMENT OF AGRICULTURE
10.NSIIC	NATIONAL SHEEP INDUSTRY IMPROVEMENT CENTER, DEPARTMENT OF AGRICULTURE
10.OCD	OFFICE OF COMMUNITY DEVELOPMENT, DEPARTMENT OF AGRICULTURE
10.OCE	OFFICE OF THE CHIEF ECONOMIST, DEPARTMENT OF AGRICULTURE
10.OCRE	OFFICE OF CIVIL RIGHTS ENFORCEMENT, DEPARTMENT OF AGRICULTURE
10.RBCS	RURAL BUSINESS-COOPERATIVE SERVICE, DEPARTMENT OF AGRICULTURE
10.RD	RURAL DEVELOPMENT, DEPARTMENT OF AGRICULTURE
10.RHS	RURAL HOUSING SERVICE (RHS), DEPARTMENT OF AGRICULTURE
10.RMA	RISK MANAGEMENT AGENCY, DEPARTMENT OF AGRICULTURE

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
10.RUS	RURAL UTILITIES SERVICE, DEPARTMENT OF AGRICULTURE
11.BC	BUREAU OF THE CENSUS, DEPARTMENT OF COMMERCE
11.BEA	BUREAU OF ECONOMIC ANALYSIS, ECONOMICS AND STATISTICS ADMINISTRATION, DEPARTMENT OF COMMERCE
11.BOEA	BUREAU OF EXPORT ADMINISTRATION, DEPARTMENT OF COMMERCE
11.DOC	DEPARTMENT OF COMMERCE
11.EDA	ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE
11.ITA	INTERNATIONAL TRADE ADMINISTRATION, DEPARTMENT OF COMMERCE
11.MDBA	MINORITY BUSINESS DEVELOPMENT AGENCY, DEPARTMENT OF COMMERCE
11.NIST	NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY, DEPARTMENT OF COMMERCE
11.NMFS	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL MARINE FISHERIES SERVICE, DEPARTMENT OF COMMERCE
11.NOAA	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, DEPARTMENT OF COMMERCE
11.NODC	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL OCEANOGRAPHIC DATA CENTER, DEPARTMENT OF COMMERCE
11.NOS	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION (NOAA), NATIONAL OCEAN SERVICE (NOS), DEPARTMENT OF COMMERCE
11.NTIA	NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION, DEPARTMENT OF COMMERCE
11.NTIS	NATIONAL TECHNICAL INFORMATION SERVICE, DEPARTMENT OF COMMERCE
11.NWS	NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION, NATIONAL WEATHER SERVICE, DEPARTMENT OF COMMERCE
11.OS	OFFICE OF THE SECRETARY, DEPARTMENT OF COMMERCE
11.PTO	U.S. PATENT AND TRADEMARK OFFICE, DEPARTMENT OF COMMERCE
11.SU	STAT-USA, ECONOMICS AND STATISTICS ADMINISTRATION, DEPARTMENT OF COMMERCE
12.AATD	AVIATION APPLIED TECHNOLOGY DIRECTORATE (AATD), AVIATION AND TROOP COMMAND (ATCOM), DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE
12.AFMC	DEPARTMENT OF THE AIR FORCE, MATERIEL COMMAND, DEPARTMENT OF DEFENSE
12.ANGB	DEPARTMENT OF THE ARMY, NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE
12.ARMC	DEPARTMENT OF ARMY U.S. ARMY RESEARCH AND MATERIAL COMMAND, DEPARTMENT OF DEFENSE
12.DANTES	DEFENSE ACTIVITY FOR NONTRADITIONAL EDUCATION SUPPORT
12.DARPA	DEFENSE ADVANCED RESEARCH PROJECTS AGENCY, DEPARTMENT OF DEFENSE
12.DIA	DEFENSE INTELLIGENCE AGENCY, DEPARTMENT OF DEFENSE
12.DLA	DEFENSE LOGISTICS AGENCY, DEPARTMENT OF DEFENSE
12.DOD	DEPARTMENT OF DEFENSE
12.DON	DEPARTMENT OF THE NAVY, SPAWAR, DEPARTMENT OF DEFENSE
12.DTRA	DEFENSE THREAT REDUCTION AGENCY, DEPARTMENT OF DEFENSE
12.FVAP	FEDERAL VOTING ASSISTANCE PROGRAM, DEPARTMENT OF DEFENSE
12.MCSC	MARINE CORPS SYSTEMS COMMAND, DEPARTMENT OF DEFENSE
12.NGB	NATIONAL GUARD BUREAU, DEPARTMENT OF DEFENSE
12.NMLC	NAVAL MEDICAL LOGISTICS COMMAND/DEPARTMENT OF DEFENSE
12.NSA	NATIONAL SECURITY AGENCY, DEPARTMENT OF DEFENSE
12.NSWC	DAHLGREN DIVISION, NAVEL SURFACE WARFARE CENTER, DEPARTMENT OF THE NAVY
12.OASES	OFFICE OF THE SECRETARY OF DEFENSE, OFFICE OF THE ASSISTANT SECRETARY (ECONOMIC SECURITY), DEPARTMENT OF DEFENSE
12.OCE	OFFICE OF THE CHIEF OF ENGINEERS, DEPARTMENT OF THE ARMY, DEPARTMENT OF DEFENSE

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
12.OEA	OFFICE OF ECONOMIC ADJUSTMENT, DEPARTMENT OF DEFENSE
12.ONR	OFFICE OF NAVAL RESEARCH, DEPARTMENT OF THE NAVY
12.OSD	OFFICE OF THE SECRETARY OF DEFENSE, DEPARTMENT OF DEFENSE
12.OUSDPR	OFFICE OF THE UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS, DEPARTMENT OF DEFENSE
12.SOMD	SECRETARIES OF MILITARY DEPARTMENTS, DEPARTMENT OF DEFENSE
12.USRO	U.S. ARMY RESEARCH OFFICE, U.S. ARMY MATERIAL COMMAND
12.USUHS	UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES, DEPARTMENT OF DEFENSE
14.CPD	COMMUNITY PLANNING AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.DHUD	DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.H	HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.HFHC	OFFICE OF HOUSING-FEDERAL HOUSING COMMISIONER, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.MAMD	MULTIFAMILY ASSET MANAGEMENT AND DISPOSITION, OFFICE OF HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.OFHEO	OFFICE OF FAIR HOUSING AND EQUAL OPPORTUNITY, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.OHHLHC	OFFICE OF HEALTHY HOMES AND LEAD HAZARD CONTROL, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.OISFH	OFFICE OF INSURED SINGLE FAMILY HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.ONAP	OFFICE OF NATIVE AMERICAN PROGRAMS, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.OPDR	OFFICE OF POLICY DEVELOPMENT AND RESEARCH, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.OPIH	OFFICE OF PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.PIH	PUBLIC AND INDIAN HOUSING, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
14.PIHO	PUBLIC AND INDIAN HOUSING, OFFICE OF NATIVE AMERICAN PROGRAMS, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
15.BIA	BUREAU OF INDIAN AFFAIRS, DEPARTMENT OF THE INTERIOR
15.BIE	BUREAU OF INDIAN EDUCATION, DEPARTMENT OF THE INTERIOR
15.BLM	BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR
15.BOEM	BUREAU OF OCEAN ENERGY MANAGEMENT, REGULATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIORS
15.BOR	BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR
15.BR	BUREAU OF RECLAMATION, DEPARTMENT OF THE INTERIOR
15.DOI	DEPARTMENT OF THE INTERIOR
15.GS	GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR
15.IACB	INDIAN ARTS AND CRAFTS BOARD, DEPARTMENT OF THE INTERIOR
15.MM	MINERALS MANAGEMENT, DEPARTMENT OF THE INTERIOR
15.NPS	NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR
15.OIA	OFFICE OF INSULAR AFFAIRS, DEPARTMENT OF THE INTERIOR
15.OIEED	OFFICE OF INDIAN ENERGY AND ECONOMIC DEVELOPMENT (IEED), DIVISION OF ECONOMIC DEVELOPMENT, DEPARTMENT OF INTERIOR
15.ONRR	OFFICE OF NATURAL RESOURCES REVENUE, DEPARTMENT OF THE INTERIOR
15.OSMRE	OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT, DEPARTMENT OF THE INTERIOR
15.USFWS	U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR
15.USGS	U.S. GEOLOGICAL SURVEY, U.S. DEPARTMENT OF THE INTERIOR

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
16.BATF	BUREAU OF ALCOHOL, TOBACCO AND FIREARMS, DEPARTMENT OF THE TREASURY
16.BJA	BUREAU OF JUSTICE ASSISTANCE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE
16.BJS	BUREAU OF JUSTICE ASSISTANCE, OFFICE OF JUSTICE PROGRAMS
16.CD	CIVIL DIVISION, DEPARTMENT OF JUSTICE
16.CPO	CORRECTIONS PROGRAM OFFICE, DEPARTMENT OF JUSTICE
16.CPOJP	CORRECTIONS PROGRAM OFFICE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE
16.CRD	CIVIL RIGHTS DIVISION, DEPARTMENT OF JUSTICE
16.CRS	COMMUNITY RELATIONS SERVICE, DEPARTMENT OF JUSTICE
16.CSCRD	CRIMINAL SECTION, CIVIL RIGHTS DIVISION, DEPARTMENT OF JUSTICE
16.DCPO	DRUG COURT PROGRAM OFFICE, DEPARTMENT OF JUSTICE
16.DEA	DRUG ENFORCEMENT ADMINISTRATION, DEPARTMENT OF JUSTICE
16.EOWS	EXECUTIVE OFFICE FOR WEED AND SEED, DEPARTMENT OF JUSTICE
16.FBI	FEDERAL BUREAU OF INVESTIGATION, DEPARTMENT OF JUSTICE
16.J	DEPARTMENT OF JUSTICE
16.NIC	NATIONAL INSTITUTE OF CORRECTIONS, DEPARTMENT OF JUSTICE
16.NICPS	NATIONAL INSTITUTE OF CORRECTIONS, FEDERAL PRISONS SYSTEM, DEPARTMENT OF JUSTICE
16.NIJ	NATIONAL INSTITUTE OF JUSTICE, DEPARTMENT OF JUSTICE
16.NIJJP	NATIONAL INSTITUTE OF JUSTICE, OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE
16.OCOPS	OFFICE OF COMMUNITY ORIENTED POLICING SERVICES, DEPARTMENT OF JUSTICE
16.OJJDP	OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION, DEPARTMENT OF JUSTICE
16.OJP	OFFICE OF JUSTICE PROGRAMS, DEPARTMENT OF JUSTICE
16.OJPBJS	OFFICE OF JUSTICE PROGRAMS, BUREAU OF JUSTICE STATISTICS, DEPARTMENT OF JUSTICE
16.OJPDP	OFFICE OF JUSTICE PROGRAMS, OFFICE FOR STATE AND LOCAL DOMESTIC PREPAREDNESS SUPPORT, DEPARTMENT OF JUSTICE
16.OJPJA	OFFICE OF JUSTICE PROGRAMS, BUREAU OF JUSTICE ASSISTANCE, DEPARTMENT OF JUSTICE
16.OJPVC	OFFICE OF JUSTICE PROGRAMS, OFFICE FOR VICTIMS OF CRIME, DEPARTMENT OF JUSTICE
16.OJPVW	OFFICE OF JUSTICE PROGRAMS, VIOLENCE AGAINST WOMEN OFFICE, DEPARTMENT OF JUSTICE
16.OSOSM	OFFICE OF SEX OFFENDER SENTENCING, MONITORING, APPREHENDING, REGISTERING, AND TRACKING, DEPARTMENT OF JUSTICE
16.OVC	OFFICE FOR VICTIMS OF CRIME, DEPARTMENT OF JUSTICE
16.VAWO	VIOLENCE AGAINST WOMEN OFFICE, DEPARTMENT OF JUSTICE
17.BLS	BUREAU OF LABOR STATISTICS, DEPARTMENT OF LABOR
17.DOL	DEPARTMENT OF LABOR
17.EBSA	EMPLOYEE BENEFIT SECURITY ADMINISTRATION
17.ESA	EMPLOYMENT STANDARDS ADMINISTRATION, DEPARTMENT OF LABOR
17.ETA	EMPLOYMENT AND TRAINING ADMINISTRATION, DEPARTMENT OF LABOR
17.MSHA	MINE SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR
17.ODEP	OFFICE OF DISABILITY EMPLOYMENT POLICY, DEPARTMENT OF LABOR
17.OLMS	OFFICE OF LABOR-MANAGEMENT STANDARDS, EMPLOYMENT STANDARDS ADMINISTRATION, DEPARTMENT OF LABOR
17.OSHA	OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION, DEPARTMENT OF LABOR

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
17.VET	OFFICE OF THE ASSISTANT SECRETARY FOR VETERANS' EMPLOYMENT AND TRAINING, DEPARTMENT OF LABOR
17.WB	WOMEN'S BUREAU, OFFICE OF THE SECRETARY, DEPARTMENT OF LABOR
19.BC	BUREAU OF COUNTERTERRORISM, DEPARTMENT OF STATE
19.BDHRL	BUREAU OF DEMOCRACY, HUMAN RIGHTS AND LABOR, DEPARTMENT OF STATE
19.BEAPA	BUREAU OF EAST ASIAN AND PACIFIC AFFAIRS/DEPARTMENT OF STATE
19.BEBA	BUREAU OF ECONOMIC AND BUSINESS AFFAIRS, DEPARTMENT OF STATE
19.BEC	BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS, DEPARTMENT OF STATE
19.BECS	BUREAU OF EDUCATIONAL AND CULTURAL AFFAIRS, U.S. DEPARTMENT OF STATE
19.BIR	BUREAU OF INTELLIGENCE AND RESEARCH, DEPARTMENT OF STATE
19.BISN	BUREAU OF INTERNATIONAL SECURITY AND NONPROLIFERATION, DEPARTMENT OF STATE
19.BNEA	BUREAU OF NEAR EASTERN AFFAIRS, DEPARTMENT OF STATE
19.BOIESA	BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS/DEPARTMENT OF STATE
19.BP	BUREAU OF PERSONNEL, DEPARTMENT OF STATE
19.BPRM	BUREAU OF POPULATION, REFUGEES, AND MIGRATION, DEPARTMENT OF STATE
19.BWHA	BUREAU OF WESTERN HEMISPHERE AFFAIRS, DEPARTMENT OF STATE
19.DOS	DEPARTMENT OF STATE
19.DS	DIPLOMATIC SECURITY, DEPARTMENT OF STATE
19.INLEA	INTERNATIONAL NARCOTICS AND LAW ENFORCEMENT AFFAIRS, DEPARTMENT OF STATE
19.OCAEE	OFFICE OF THE COORDINATOR OF U.S. ASSISTANCE TO EUROPE AND EURASIA, DEPARTMENT OF STATE
19.OLA	OFFICE OF THE LEGAL ADVISER, DEPARTMENT OF STATE
19.OMC	OFFICE OF MARINE CONSERVATION, BUREAU OF OCEANS AND INTERNATIONAL ENVIRONMENTAL AND SCIENTIFIC AFFAIRS, DEPARTMENT OF STATE
19.OOS	OFFICE OF OVERSEAS SCHOOLS, DEPARTMENT OF STATE
19.OSS	OFFICE OF THE SECRETARY OF STATE, DEPARTMENT OF STATE
19.PMAWRA	POLITICAL MILITARY AFFAIRS/ WEAPONS REMOVAL AND ABATEMENT/DEPARTMENT OF STATE
19.SORMC	SECRETARY OFFICE REPRESENTATIVE TO MUSLIM COMMUNITIES, DEPARTMENT OF STATE
19.TIP	TRAFFICKING IN PERSONS, DEPARTMENT OF STATE
19.USPDPA	UNDER SECRETARY FOR PUBLIC DIPLOMACY AND PUBLIC AFFAIRS, DEPARTMENT OF STATE
20.BTS	BUREAU OF TRANSPORTATION STATISTICS, DEPARTMENT OF TRANSPORTATION
20.DOT	DEPARTMENT OF TRANSPORTATION
20.FAA	FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.FHWA	FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.FMCA	FEDERAL MOTOR CARRIER ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.FRA	FEDERAL RAILROAD ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.FTA	FEDERAL TRANSIT ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.MA	MARITIME ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.NHTSA	NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.OS	OFFICE OF THE SECRETARY, DEPARTMENT OF TRANSPORTATION
20.OSAS	OFFICE OF THE SECRETARY (OST) ADMINISTRATION SECRETARIATE/DEPARTMENT OF TRANSPORTATION
20.PHMSA	PIPELINE AND HAZARDOUS MATERIAL SAFETY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
20.RAIT	RESEARCH AND INNOVATION TECHNOLOGY, DEPARTMENT OF TRANSPORTATION

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
20.RSPA	RESEARCH AND SPECIAL PROGRAMS ADMINISTRATION, DEPARTMENT OF TRANSPORTATION
21.CDFIF	COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION FUND, DEPARTMENT OF TREASURY
21.CS	U.S. CUSTOMS SERVICES, DEPARTMENT OF THE TREASURY
21.DOT	DEPARTMENT OF TREASURY
21.IRS	INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY
23.ARC	APPALACHIAN REGIONAL COMMISSION
27.OPM	OFFICE OF PERSONNEL MANAGEMENT
29.CCR	COMMISSION ON CIVIL RIGHTS
30.EEOC	EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
31.EIBUS	EXPORT-IMPORT BANK OF THE UNITED STATES
32.FCC	FEDERAL COMMUNICATIONS COMMISSION
33.FMC	FEDERAL MARITIME COMMISSION
34.FMCS	FEDERAL MEDIATION AND CONCILIATION SERVICE
36.FTC	FEDERAL TRADE COMMISSION
39.GSA	GENERAL SERVICES ADMINISTRATION
40.GPO	U.S. GOVERNMENT PRINTING OFFICE
42.LOC	LIBRARY OF CONGRESS
43.NASA	NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
44.NCUA	NATIONAL CREDIT UNION ADMINISTRATION
45.FCAH	FEDERAL COUNCIL ON THE ARTS AND THE HUMANITIES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
45.IMLS	INSTITUTE OF MUSEUM AND LIBRARY SERVICES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
45.NEA	NATIONAL ENDOWMENT FOR THE ARTS, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
45.NEH	NATIONAL ENDOWMENT FOR THE HUMANITIES, NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
45.NFAH	NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES
46.NLRB	NATIONAL LABOR RELATIONS BOARD
47.NSF	NATIONAL SCIENCE FOUNDATION
53.CEPD	PRESIDENT'S COMMITTEE ON EMPLOYMENT OF PEOPLE WITH DISABILITIES
57.RRB	RAILROAD RETIREMENT BOARD
58.SEC	SECURITIES AND EXCHANGE COMMISSION
59.SBA	SMALL BUSINESS ADMINISTRATION
60.S	SMITHSONIAN INSTITUTE
61.ITC	U.S. INTERNATIONAL TRADE COMMISSION
62.TVA	TENNESSEE VALLEY AUTHORITY
64.DVA	DEPARTMENT OF VETERANS AFFAIRS
64.NCS	NATIONAL CEMETERY SYSTEM, DEPARTMENT OF VETERANS AFFAIRS
64.VBA	VETERANS BENEFITS ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS
64.VHA	VETERANS HEALTH ADMINISTRATION, DEPARTMENT OF VETERANS AFFAIRS
66.EPA	ENVIRONMENTAL PROTECTION AGENCY
66.LISOOW	LONG ISLAND SOUND OFFICE, OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY
66.OA	OFFICE OF THE ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY
66.OAR	OFFICE OF AIR AND RADIATION, ENVIRONMENTAL PROTECTION AGENCY
66.OARM	OFFICE OF ADMINISTRATION AND RESOURCES MANAGEMENT, ENVIRONMENTAL PROTECTION AGENCY
66.OCFO	OFFICE OF THE CHIEF FINANCIAL OFFICER, ENVIRONMENTAL PROTECTION AGENCY
66.OCSPP	OFFICE OF CHEMICAL SAFETY AND POLLUTION PREVENTION, ENVIRONMENTAL PROTECTION AGENCY

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
66.OECA	OFFICE OF ENFORCEMENT AND COMPLIANCE ASSURANCE, ENVIRONMENTAL PROTECTION AGENCY
66.OEI	OFFICE OF ENVIRONMENTAL INFORMATION, ENVIRONMENTAL PROTECTION AGENCY
66.OEJ	OFFICE OF ENVIRONMENTAL JUSTICE, ENVIRONMENTAL PROTECTION AGENCY
66.OGD	OFFICE OF GRANTS AND DEBARMENT, ENVIRONMENTAL PROTECTION AGENCY
66.OIA	OFFICE OF INTERNATIONAL AFFAIRS, ENVIRONMENTAL PROTECTION AGENCY
66.OPPTS	OFFICE OF POLLUTION PREVENTION AND TOXIC SUBSTANCES, ENVIRONMENTAL PROTECTION AGENCY
66.ORD	OFFICE OF RESEARCH AND DEVELOPMENT, ENVIRONMENTAL PROTECTION AGENCY
66.OSWER	OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE, ENVIRONMENTAL PROTECTION AGENCY
66.OW	OFFICE OF WATER, ENVIRONMENTAL PROTECTION AGENCY
66.R1	REGION 1, ENVIRONMENTAL PROTECTION AGENCY
66.R10	REGION 10. ENVIRONMENTAL PROTECTION AGENCY
66.R11	REGION 10. ENVIRONMENTAL PROTECTION AGENCY
66.R12	REGIONS 1 AND 2, OFFICE OF ADMINISTRATOR, ENVIRONMENTAL PROTECTION AGENCY
66.R3	REGION 3, ENVIRONMENTAL PROTECTION AGENCY
66.R4	REGION 4, ENVIRONMENTAL PROTECTION AGENCY
66.R6	REGION 6, ENVIRONMENTAL PROTECTION AGENCY
66.R7	REGION 7, ENVIRONMENTAL PROTECTION AGENCY
66.R8	REGION 8, ENVIRONMENTAL PROTECTION AGENCY
66.R9	REGION 9, ENVIRONMENTAL PROTECTION AGENCY
68.NGA	NATIONAL GALLERY OF ART
70.OPIC	OVERSEAS PRIVATE INVESTMENT CORPORATION
72.CNCS	CORPORATION FOR NATIONAL AND COMMUNITY SERVICE
77.NRC	NUCLEAR REGULATORY COMMISSION
77.OIRM	OFFICE OF INFORMATION RESOURCES MANAGEMENT, NUCLEAR REGULATORY COMMISSION
77.ONRR	OFFICE OF NUCLEAR REGULATORY RESEARCH, NUCLEAR REGULATORY COMMISSION
77.OSP	OFFICE OF STATE PROGRAMS, NUCLEAR REGULATORY COMMISSION
78.CFTC	COMMODITY FUTURES TRADING COMMISSION
81. EIA	ENERGY INFORMATION ADMINISTRATION, DEPARTMENT OF ENERGY
81.CRWM	CIVILIAN RADIOACTIVE WASTE MANAGEMENT, DEPARTMENT OF ENERGY
81.DOE	DEPARTMENT OF ENERGY
81.EM	ENVIRONMENTAL MANAGEMENT, OFFICE OF MANAGEMENT AND EVALUATION, DEPARTMENT OF ENERGY
81.ODP	OFFICE OF DEFENSE PROGRAMS, DEPARTMENT OF ENERGY
81.OEERE	OFFICE OF ENERGY EFFICIENCY AND RENEWABLE ENERGY, DEPARTMENT OF ENERGY
81.OEM	OFFICE OF ENVIRONMENTAL MANAGEMENT, DEPARTMENT OF ENERGY
81.OER	OFFICE OF ENERGY RESEARCH, DEPARTMENT OF ENERGY
81.OMEI	OFFICE OF MINORITY ECONOMIC IMPACT, OFFICE OF ECONOMIC IMPACT AND DIVERSITY, DEPARTMENT OF ENERGY
81.ONEST	OFFICE OF NUCLEAR ENERGY, SCIENCE AND TECHNOLOGY, DEPARTMENT OF ENERGY
81.ONNS	OFFICE OF NONPROLIFERATION AND NATIONAL SECURITY, DEPARTMENT OF ENERGY
81.OP	OFFICE OF POLICY, DEPARTMENT OF ENERGY
81.OSETI	OFFICE OF SCIENCE EDUCATION AND TECHNICAL INFORMATION, DEPARTMENT OF ENERGY

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
81.RFETS	ROCKY FLATS ENVIRONMENTAL TECHNOLOGY SITE, OFFICE OF CIVIL RIGHTS AND DIVERSITY MANAGEMENT, DEPARTMENT OF ENERGY
82.USIA	UNITED STATES INFORMATION AGENCY
83.FEMA	FEDERAL EMERGENCY MANAGEMENT AGENCY
83.MD	MITIGATION DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY
83.PTED	PREPAREDNESS, TRAINING AND EXERCISES DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY
83.RRD	RESPONSE AND RECOVERY DIRECTORATE, FEDERAL EMERGENCY MANAGEMENT AGENCY
84.BEML	OFFICE OF BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION
84.CPCFO	CONTRACTS AND PURCHASING, OFFICE OF THE CHIEF FINANCIAL OFFICER, DEPARTMENT OF EDUCATION
84.DBEML	OFFICE OF THE DIRECTOR FOR BILINGUAL EDUCATION AND MINORITY LANGUAGES AFFAIRS, DEPARTMENT OF EDUCATION
84.DOE	DEPARTMENT OF EDUCATION
84.ERI	OFFICE OF ASSISTANT SECRETARY FOR EDUCATIONAL RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION
84.ERSI	ASSISTANT SECRETARY FOR EDUCATION RESEARCH, STATISTICS, AND IMPROVEMENT, DEPARTMENT OF EDUCATION
84.ESE	OFFICE OF ASSISTANT SECRETARY FOR ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION
84.HRA	OFFICE OF HUMAN RESOURCES AND ADMINISTRATION/DEPARTMENT OF EDUCATION
84.IES	INSTITUTE OF EDUCATION SCIENCES, DEPARTMENT OF EDUCATION
84.OELA	OFFICE OF ENGLISH LANGUAGE ACQUISITION; DEPARTMENT OF EDUCATION
84.OERI	OFFICE OF EDUCATION RESEARCH AND IMPROVEMENT, DEPARTMENT OF EDUCATION
84.OESE	OFFICE OF ELEMENTARY AND SECONDARY EDUCATION, DEPARTMENT OF EDUCATION
84.OII	OFFICE OF INNOVATION AND IMPROVEMENT, DEPARTMENT OF EDUCATION
84.OPE	OFFICE OF POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION
84.OS	OFFICE OF THE SECRETARY
84.OSDFS	OFFICE OF SAFE AND DRUG-FREE SCHOOLS, DEPARTMENT OF EDUCATION
84.OSFAP	OFFICE OF STUDENT FINANCIAL ASSISTANCE PROGRAMS, DEPARTMENT OF EDUCATION
84.PEPD	OFFICE OF PLANNING, EVALUATION AND POLICY DEVELOPMENT
84.SERS	OFFICE OF SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION
84.SPE	OFFICE OF ASSISTANT SECRETARY FOR POSTSECONDARY EDUCATION, DEPARTMENT OF EDUCATION
84.SSER	OFFICE OF ASSISTANT SECRETARY FOR SPECIAL EDUCATION AND REHABILITATIVE SERVICES, DEPARTMENT OF EDUCATION
84.SVAE	OFFICE OF ASSISTANT SECRETARY FOR VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION
84.VAE	OFFICE OF VOCATIONAL AND ADULT EDUCATION, DEPARTMENT OF EDUCATION
85.BGS	BARRY M. GOLDWATER SCHOLARSHIP AND EXCELLENCE IN EDUCATION FOUNDATION
85.CCFF	CHRISTOPHER COLUMBUS FELLOWSHIP FOUNDATION
85.HTSF	HARRY S TRUMAN SCHOLARSHIP FOUNDATION
85.JMMF	JAMES MADISON MEMORIAL FELLOWSHIP FOUNDATION
85.MCC	MILLENNIUM CHALLENGE CORPORATION
85.MUS	THE MORRIS K. UDALL SCHOLARSHIP AND EXCELLENCE IN NATIONAL ENVIRONMENTAL POLICY FOUNDATION

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
85.S	SMITHSONIAN INSTITUTE
85.WWIC	THE WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS
86.ATB	ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD
86.PBGO	PENSION BENEFIT GUARANTY CORPORATION
89.NARA	NATIONAL ARCHIVES AND RECORDS ADMINISTRATION
90.BBG	BROADCASTING BOARD OF GOVERNORS
90.DC	DENALI COMMISSION
90.DRA	DELTA REGIONAL AUTHORITY
90.EAC	ELECTION ASSISTANCE COMMISSION
90.JUFC	JAPAN-US FRIENDSHIP COMMISSION
91.USIP	UNITED STATES INSTITUTE OF PEACE
92.NCD	NATIONAL COUNCIL ON DISABILITY
93.ACF	ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.AHCPR	AGENCY FOR HEALTH CARE POLICY AND RESEARCH, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.AHRQ	AGENCY FOR HEALTHCARE RESEARCH AND QUALITY, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.AOA	ADMINISTRATION ON AGING, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.BHP	BUREAU OF HEALTH PROFESSIONS, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.BHRD	BUREAU OF HEALTH RESOURCES DEVELOPMENT, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.BPHC	BUREAU OF PRIMARY HEALTH CARE, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.CDCP	CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.CMHS	CENTER FOR MENTAL HEALTH SERVICES (CMHS), DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.CMMS	CENTERS FOR MEDICARE AND MEDICAID SERVICES, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.DHHS	DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.FDA	FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.FYSB	FAMILY YOUTH SERVICES BRANCH, ADMINISTRATION ON CHILDREN, YOUTH AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.HCFA	HEALTH CARE FINANCING ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.HHS	DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.HRSA	HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.IHSHS	INDIAN HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.IHSPH	INDIAN HEALTH SERVICE, PUBLIC HEALTH SERVICE, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.NICHD	NATIONAL INSTITUTE OF CHILD HEALTH AND HUMAN DEVELOPMENT, NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.NIH	NATIONAL INSTITUTES OF HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.NIOSH	NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.OASPE	OFFICE OF THE ASSISTANT SECRETARY FOR PLANNING AND EVALUATION, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.OCA	U.S. OFFICE OF CONSUMER AFFAIRS, OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES

OSC ASSIGNED FEDERAL ORG CODE	FEDERAL AGENCY NAME
93.OCS	OFFICE OF COMMUNITY SERVICES, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.ODPH	OFFICE OF DISEASE PREVENTION AND HEALTH PROMOTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.OMH	OFFICE OF MINORITY HEALTH, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.OPA	OFFICE OF POPULATION AFFAIRS, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.ORHP	OFFICE OF RURAL HEALTH POLICY, HEALTH RESOURCES AND SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.ORR	OFFICE OF REFUGEE RESETTLEMENT, ADMINISTRATION FOR CHILDREN AND FAMILIES, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.OS	OFFICE OF THE SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.PCPFS	PRESIDENT'S COUNCIL ON PHYSICAL FITNESS AND SPORTS, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.PHS	PUBLIC HEALTH SERVICE
93.PHSII	PUBLIC HEALTH SERVICE-II
93.PSC	PROGRAM SUPPORT CENTER, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.SAMHS	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.SHCDC	NATIONAL INSTITUTE FOR OCCUPATIONAL SAFETY AND HEALTH, CENTERS FOR DISEASE CONTROL AND PREVENTION, DEPARTMENT OF HEALTH AND HUMAN SERVICES
93.TSDR	AGENCY FOR TOXIC SUBSTANCES AND DISEASE REGISTRY, DEPARTMENT OF HEALTH AND HUMAN SERVICES
94.CNCS	CORPORATION FOR NATIONAL AND COMMUNITY SERVICE
94.SUB	CORPORATION FOR NATIONAL AND COMMUNITY SERVICE
95.EOP	EXECUTIVE OFFICE OF THE PRESIDENT
95.OPC	OUNCE OF PREVENTION COUNCIL
96.SSA	SOCIAL SECURITY ADMINISTRATION
97.DHS	DEPARTMENT OF HOMELAND SECURITY
97.NPS	NATIONAL PARK SERVICE, DEPARTMENT OF THE INTERIOR
98.AID	AGENCY FOR INTERNATIONAL DEVELOPMENT
98.USAFID	UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
99.CIA	CENTRAL INTELLIGENCE AGENCY
99.CPSC	CONSUMER PRODUCT SAFETY COMMISSION
99.NRC	NATIONAL RESEARCH COUNCIL
99.OTH	OTHER FEDERAL AGENCIES
99.SI	SMITHSONIAN INSTITUTE
99.SJI	STATE JUSTICE INSTITUTE
99.UNKNOWN	OTHER FEDERAL AGENCIES
99.USPS	UNITED STATES POSTAL SERVICE

Exhibit K2 – Federal Assistance Reduction Operating Plans

This exhibit is required under HB12-1009, the Federal Funds Transparency Act for executive branch agencies and offices of the governor. It is not required for institutions of higher education. The purpose of the exhibit is to provide a guideline for each department's plan for operations in the result of loss of federal funding. Two separate scenarios are required for this exhibit.

Operating plan given a 5% reduction in federal funding - Include a discussion of the department's operating plan in the event that there is an overall 5% reduction in federal funds. Given the specific nature of the most federal funds, it may be helpful to discuss at a division or program level, by the general nature of the grants as one-time or ongoing, whether discretionary or entitlement, and so forth.

Operating plan given a 25% reduction in federal funding - Similar to the 5% plan, include a discussion of the department's operating plan in the event that there is an overall 25% reduction in federal funds.

Exhibit L1 – Summary of Material Contingent Liabilities in Excess of $5,000,000

This exhibit is used to report conditions that may result in material liabilities contingent on future events. Contingent liabilities include items that may become liabilities as a result of conditions undetermined at a given date, such as guarantees, potential lawsuits, and unsettled disputed claims or audit disallowances. Only unrecorded contingent liabilities should be included on the exhibit. If possible, estimate the potential loss amount or range of amounts. Do not include amounts that would be immaterial to your financial statements, or contingencies less than $5,000,000. Do not include lawsuits that have been referred to the Attorney General's Office because the OSC receives a separate listing of those lawsuits from the Attorney General's Office. Please provide a brief description of the item for disclosure in the State CAFR. Any changes in the initial estimated potential loss or range of amounts between submission of the exhibit and completion of the State CAFR should be submitted on a revised Exhibit L.

The OSC will contact state agencies via e-mail regarding subsequent events, which are due as published in the Open/Close calendar shortly before the issuance of the Basic Financial Statements and the CAFR. This includes events occurring after June 30 that warrant disclosure in the State CAFR.

Exhibit L2– Nonexchange Financial Guarantees

Governments sometimes extend financial guarantees to other governments, non-profit organizations, and individuals without receiving equal consideration in return. The government can also be the recipient of a financial guarantee, whereby it does not sacrifice value equal to what is has gained as a result of the guarantee. This standard prescribes the accounting treatment for such guarantees and the related financial statement disclosures.

Governmental Guarantor Accounting for Nonexchange Financial Guarantees

The government must assess the likelihood of having to act upon a nonexchange guarantee. The factors to consider are qualitative in nature and include the initiation bankruptcy or reorganization proceedings, breach of the debt contract related to the obligation, or other indications of financial difficulty by the recipient. If the likelihood is more-likely-than-not (greater than fifty percent), a liability and expense must be recognized in the government-wide financial statements for governmental funds or within the fund for proprietary funds. The liability should be calculated as the present value of the expected future outlays. If there is a range of possible outcomes and no one outcome is more certain than the others, the minimum should be recorded. The expense should recorded in the same manner as other financial assistance to external organizations, i.e., grants or distributions depending on the nature of the guarantee. Additionally, to the extent payments under guarantees are due and payable, they should be recorded as a current liability of the governmental fund.

Governmental Recipient Accounting for Nonexchange Financial Guarantees

To the extent that the guarantor paid the obligation, the recipient government should reclassify the original obligation to an obligation to the guarantor. If the recipient is legally released from any liability, such as through bankruptcy proceedings, the recipient should reduce its obligation to the guarantor and recognize revenue. A receivable is only recognized in the amount of the guarantor’s liability when one or more parties to the guarantee are blended component units. Blended component units within the State’s reporting entity include United Physicians, Inc. in relation to the University of Colorado.

Disclosure Requirements

The guarantor should disclose a description of the nonexchange financial guarantee that includes the legal authority and limits for extending the guarantees and types of obligations guaranteed, the relationship of the government to the issuer(s) of the obligations that are guaranteed, the length of time of the guarantees, arrangements for recovering payments from the recipient(s), and the total amount of all guarantees extended that are outstanding at the reporting date. For liabilities recognized, the guarantor should also include a description of the timing of recognition and measurement of the liabilities and information about the changes in recognized guarantee liabilities including beginning-of-period balances, increases, including initial recognition and adjustments increasing estimates, guarantee payments made and adjustments decreasing estimates, and end-of-period balances. Finally, the cumulative amounts of indemnification payments that have been made on guarantees extended that are outstanding at the reporting date and amounts expected to be recovered should be disclosed.

The recipient of a nonexchange financial guarantee should disclose the name of the entity providing the guarantee, the amount of the guarantee, the length of time of the guarantee, the amount paid (if any) by the entity extending the guarantee, the cumulative amount paid by the entity extending the guarantee, a description of requirements to repay the entity extending the guarantee, and the outstanding amounts (if any) required to be repaid to the entity providing the guarantee.

Please complete a separate Exhibit L2 for each nonexchange financial guarantee, or group of guarantees as applicable. Please contact the DPA_FARmailbox@state.co.us with any questions about completing this exhibit.

Exhibit M – Custodial Credit Risk Related to Cash on Hand or Deposited with Financial Institutions

Deposits with financial institutions include all imprest cash accounts, checking accounts, depository accounts, nonnegotiable certificates of deposit (negotiable CDs should be accounted for and reported as investments), restricted cash (not held for a department by the State Treasurer) and amounts held in trust for students, inmates and patients. If these balances are not transferred to the State Treasurer by the close of business on June 30, they should be classified in 10*xx* accounts and reported on Exhibit M. Do not include on Exhibit M any balances classified in 11*xx* accounts or balances reclassified to account 1034–Restricted Cash Per GASB Statement No. 34 that were held by the State Treasurer at June 30. Please be sure to include money market accounts at financial institutions that are cash deposits. If you hold money market mutual funds, they should be excluded from Exhibit M since they are investments. Money market mutual funds should be reported on Exhibit N.

In order to meet the note disclosure requirements of GASB Statements No. 3 and No. 40, we require you to classify your financial institution deposits into the following categories of risk:

- Category A includes: Federally insured deposits, uninsured deposits that are fully collateralized with securities held by the state or its agent in the State's name; uninsured deposits that are fully collateralized with securities held by the pledging financial institution's trust department or agent in the State's name; petty cash, change funds, and other cash on hand. The bank balance should be zero for petty cash, change funds, and cash on hand. The pooling of collateral allowed by the Colorado Public Deposit Protection Act should be reported in this category.
- Category B includes: Deposits that are uninsured and uncollateralized, uninsured deposits that are collateralized with securities held by the pledging financial institution, and uninsured deposits that are collateralized with securities held by the pledging financial institution's trust department or agent that are not in the State's name. Deposits that are uninsured and uncollateralized are not in compliance with the Colorado Public Deposit Protection Act.

Colorado statutes state that public moneys may only be deposited in financial institutions designated as eligible public depositories. The statutes also require that amounts of public moneys on deposit in excess of FDIC insurance coverage shall be collateralized. These requirements apply to both banks and savings and loan institutions.

A bank confirmation form is provided following Exhibit M, which should be used to determine the appropriate risk category for your deposits. It is important for the information confirmed by the bank to be complete and accurate. For any information requested and not confirmed by the bank, or for any information provided that appears to be in error, the department should contact the bank for clarification. Due to differences in interpretation of the rules concerning coverage of FDIC insurance, we must rely on the banking institution's representation to the department of the amount of available insurance or collateralizing assets.

After the cutoff date for post-closing CORE entries, please DO NOT include an updated Exhibit M with the proposed post-closing entry that affects this exhibit. The OSC will request a revision if the entry is deemed material and is posted to the financial statements.

Bank Confirmation Form

In order for your department to properly prepare Exhibit M, you need to confirm June 30 checking, savings, and certificate of deposit account balances. The Bank Confirmation Form requests information about amounts insured and collateralized under a given Public Deposit Protection Act (PDPA) number. The confirmation in the form of an Excel spreadsheet is now included in the Exhibit Listing that is sent out by Reporting & Analysis. If a department has more than one PDPA number at the same bank, please use one confirmation form, with the account numbers and PDPA numbers filled out by your department. For your reference, a listing of the PDPA numbers for each department can be found at:

http://www.dora.state.co.us/banking/pdpainformation/pdpanumbers.html

The information received from the financial institutions on this form should be summarized on the Exhibit M. Reporting & Analysis uses the risk classification information for note disclosure in accordance with GASB Statements No. 3 and No. 40 in the statewide financial statements.

The information provided on the confirmation by the banking institution must be reviewed carefully. Incomplete or inaccurate information should be clarified with the bank. If FDIC insurance is applicable on the account, it should be reported as the lesser of the June 30 balance or the applicable FDIC limit. Questions regarding FDIC insurance should be directed to the Division of Banking at 303-894-7855.

It is also important to determine that the PDPA number assigned to your department is the PDPA number attached to the account on the banking institution's records. Banking institutions report monthly to the Division of Banking regarding FDIC insurance and collateralization requirements for public funds identified with a PDPA number. If the bank does not confirm the PDPA number, contact the bank.

Exhibit N1 – Fair Value of Investments

Use this exhibit to provide information about the types of investments your department holds, the custodial risk associated with the security evidencing the investment, the difference between carrying value and fair value, and additional information about how you manage your investments. GASB Statements No. 3, No. 31 and No. 40 require disclosure of the information that is requested on exhibits N1, N2, and N3.

GASB Statement No. 31 requires investments to be reported at fair value with only a few exceptions (such as money market investments). Starting in FY2015, the mark-to-market adjustment to investment fair-value to record revenues must be recorded in CORE by departments related to realized or unrealized gains or losses on investments and reported in section B. Exhibit N is divided into three sections as follows:

Section A – Custodial Credit Risk Classification

In this section enter the fair value and indicate the custodial credit risk category (A or B) for each investment type as follows:

- Category A investments are all investments not reported in Category B including those not evidenced by securities that exist in physical or book entry form, such as, reverse repurchase agreements, open-end mutual funds, positions in investment pools, investments not held for income or profit, advance refunding escrow assets, venture capital, limited partnerships, real estate, mortgages and other loans, annuity contracts, or guaranteed investment contracts. The exhibit includes lines for reverse repurchase agreements, guaranteed investment contracts, and mutual funds; other material investments individually listed in the previous sentence should be shown in the line item titled "Other – Uncategorized", and the type of investment should be disclosed.
- Category B investments include securities that are uninsured, and are not registered in the State's name, and are held by either a) the counterparty or b) the counterparty's trust department or agent but not in the State name.
- The amount by which a repurchase agreement exceeds the fair value of the underlying securities is subject to custodial credit risk and should be reported in Category B. Closed end mutual funds and unit investment trusts are securities evidenced by a physical document, and they are therefore subject to custodial credit risk disclosure.

Section B – Fair Value Information

In order for the OSC to verify the unrealized gain/loss entries, both the carrying value and the fair value of your investments are needed. Although GASB Statement No. 31 allows certain investments (money market funds and investment contracts having less than one year to maturity at the time of purchase) to be reported at amortized cost, it is the State Controller's policy that all investments be reported at fair value. For most investments fair value will be determined by quoted market prices. However, if other valuation methods are used they must be disclosed (see Section C below). For the investments your department holds, report the June 30 carrying balance by fund (CORE Period 14 close balance as adjusted by post-closing entries posted to the State financial statements) and the related June 30 fair value. These investments should be recorded in CORE balance sheet accounts 12*xx* or 16*xx*. Effective in FY2015, the mark-to-market adjustment to investment fair-value must be recorded in CORE by departments in institutions in balance sheet 1605, offset by unrealized investment income in revenue source code

6050 (nonbudget in posting code XR02).

Section C – Valuation Disclosures

GASB Statements No. 31 and No. 34 require several disclosures related to fair value of investments. The questions presented in Section C of Exhibit N1 address the disclosures that can only be identified at the department level. For the first question, check the appropriate box. If you used something other than a quoted market price to establish fair value, then explain the significant assumptions and methods used in valuing that investment.

For the second question, check yes or no and list the fund that reported the investment asset and the fund that reported the investment income. Explain the reason for reporting the income in a fund category other than the one in which the asset was reported.

The third major item in Section C is a disclosure requirement of paragraph 121 in GASB Statement No. 34, and it applies to donor-restricted endowments, which the OSC interprets as including donor restricted permanent funds. For item (a), provide the net appreciation of donor-restricted investments. This should include the unrealized gain/loss included in Section B as well as realized investment earnings (interest, capital gains, etc.) Also provide the amount that management has the authority to expend.

For item (b), state how the amount available for expending is reported in the net assets section of the financial statements. For higher education, the donor-restricted investment should be part of the required fund balance reclassification entry that segregates the fund balance accounts as follows:

- 3200 – Externally Restricted – Other
- 3230 – Permanent Endowment – Expendable
- 3240 – Permanent Endowment – Nonexpendable

If the amount available for expending is offset in net assets by related liabilities, please explain that condition. For permanent funds, the classification as to expendable or nonexpendable is determined by the fund in which the investment revenue is recorded.

For item (c), state your policy for authorizing and expending endowment earnings that are subject to management's discretion. The standard cites spending rate (a percentage of investment income) and total return (all investment income, realized and unrealized) as two policy options that entities may be using.

After the cutoff date for post-closing CORE entries, please DO NOT include an updated Exhibit N1 with the proposed post-closing entry that affects this exhibit. The OSC will request a revision if the entry is deemed material and is posted to the financial statements.

Exhibit N2 – Credit Quality Rating for Debt Securities

GASB Statement No. 40, paragraph 7 requires governmental entities to provide information about the credit risk associated with their investments by disclosing the credit quality rating of investments in debt securities. The credit quality ratings must be done by nationally recognized statistical rating organizations (NRSRO). The standard requires this disclosure for fixed income securities held individually as well as participation in external investment pools, money market funds, bond mutual funds, and other pooled investments. The standard also requires disclosure of the amount of debt securities or debt based securities that are unrated. Obligations of the U.S. government and obligations explicitly guaranteed by the U.S. government are exempted from the credit quality disclosure requirements, and therefore, there may not be a match between exhibits N1 and N2. Investment instruments issued by government-sponsored enterprises, such as the Federal Farm Credit Banks, Federal Home Loan Bank System, Freddie Mac (Federal Home Loan Mortgage Corporation), Fannie Mae (Federal National Mortgage Association), and Sallie Mae (Student Loan Marketing Association) are subject to credit quality disclosures.

The left column of Exhibit N2 lists the investment types that are subject to the disclosure requirement. For each investment type that your department holds, you should report the fair value amount and related credit quality rating that reflects the highest level of risk as set by any one of the three rating agencies. If a debt security investment is not rated by any of the three rating agencies, it should be reported in the far right column titled "Unrated". If a department has multiple debt instruments of a single investment type with different credit quality ratings you should show the fair value amount related to each rating. (Question 17 of the GASB Statement No. 40 implementation guide precludes using the credit quality rating of the issuer rather than the credit quality rating of the individual instrument.) For each investment type, the fair value amount reported on Exhibit N2 should agree to the fair value amount reported on Exhibit N1. As noted above, obligations of the U.S. government and obligations explicitly guaranteed by the U.S. government are exempted from the credit quality disclosure requirements and therefore will not match between exhibits N1 and N2.

The tables at the bottom of Exhibit N2 provide the major credit quality ratings used by the three rating agencies for long-term investments and short-term investments. The ratings agencies often provide further gradation in their credit quality ratings (usually through "+" and "-" indicators); however, the State will only report at the rating level shown in the table. State statute requires that bank acceptances be of the highest three ratings, commercial paper be of the highest rating, and corporate bonds be at least investment grade. Statutes do not specify the required rating for the other debt securities. You should report the actual rating even if it is below the statutorily required level. The University of Colorado operates its own treasury and investment operations separate of the Colorado State Treasurer's Office, and it has different requirements regarding allowable investments.

State agencies should not "look through" debt instrument based mutual funds to the rating of the underlying security. The rating of the mutual fund itself should be presented instead. If there is no NRSRO rating of the mutual fund itself, the mutual fund investment should be shown as unrated. State agencies must report the credit quality rating of their investments in mutual funds even if the underlying securities are solely in U.S. government securities with explicit guarantees.

Repurchase agreements are subject to credit quality risk disclosures if the underlying securities are subject to such disclosures. Repurchase agreements where the underlying securities are U.S. government securities with explicit guarantees are not subject to credit quality risk disclosures.

Exhibit N3 – Interest Rate Risk and Other Risk Disclosures

GASB Statement No. 40, paragraph 14 requires governmental entities to provide information about the interest rate risk associated with their investments by disclosing the maturities of their debt investments. This disclosure requirement applies to all fixed income investments including obligations guaranteed by the U.S. government. While the standard provides five options for making this disclosure, the State has selected average weighted maturity as its primary mechanism for reporting interest rate risk. If interest rate risk is managed by monitoring investment duration, then duration may be used to disclose interest rate risk. You should not report weighted average maturity and duration for the same investment. The standard also requires several disclosures of other investment related risks not reported on exhibits N1 or N2, which are addressed on Exhibit N3.

In the first box on Exhibit N3 you should report the fair value amount of debt investments. (For most investment types, this amount should agree to the fair value amount reported on Exhibit N1; however, certain investment types, such as mutual funds will only be reported on N3 if the underlying securities are primarily debt related. The OSC will not attempt to reconcile exhibits N1 to N3, but will rely on the agencies' representation of which investments are debt related and belong on N3.) Unless you manage investment risk by duration, you should report the maturity amount related to the fair value reported and the weighted average maturity (in years) of that maturity amount. Illustration No. 3 in GASB Statement No. 40 demonstrates the calculation of weighted average maturity. The OSC will use the maturity amount and the reported weighted average maturity to calculate a statewide aggregate weighted average maturity for the individual investment types. If you manage interest rate risk by monitoring investment duration, then you should report the fair value amount and the duration of the investment managed using duration. Money market funds that qualify as 2a7-like pools (pooled investments with underlying securities of very short maturities managed to maintain a constant dollar value) are exempt from this interest rate risk disclosure.

GASB Statement No. 40, paragraph 11 requires governmental entities to disclose the fair value of investments where an individual issuer represents more than five percent of the total investments for a major fund. Since individual agencies may not know the total investments held in a major fund (or aggregate nonmajor funds), the OSC will provide a table showing the five percent threshold for each major fund and aggregate nonmajor funds. This table will be provided as part of the Exhibit Reconciling Balances report distributed by the OSC after Period 13 close. In the box titled "Concentration of Credit Risk", you should report the fund name, issuer's name, and fair value amount of any individual security that exceeds the amount reported in the five-percent-threshold table. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

The remaining questions and required disclosures on Exhibit N3 are self-explanatory. In general, they are intended to report concentrations of credit risk, foreign currency risk, and to identify and report the terms of investments that are highly sensitive to interest rate changes. Terms that make an investment highly sensitive to interest rate changes include: coupon multipliers, benchmark indexes, reset dates, and embedded options. An extended time to maturity also makes an investment highly sensitive to interest rate changes; however, that condition is addressed in the weighted average maturity or duration disclosures above. Because of the effect of interest rate changes on the prepayment of mortgage obligations, investments with mortgages as the underlying security (Fannie Mae, Ginnie Mae, Freddie Mac, Collateralized Mortgage Obligations) may be considered highly sensitive to interest rate changes. If you have questions regarding these required disclosures please contact the Consulting and Analysis Unit.

Exhibit N4 – Derivative Summary

Background:

Changing financial and commodity prices may expose governments to changes in cash flows and fair values that can be effectively managed by using derivative instruments. Derivative instruments, however, also can expose governments to significant risks and liabilities. As a result of those risks the State Treasurer is prohibited from investing the State cash pool in derivatives; however, if other state agencies have used derivatives as investments or to manage cash flow or fair value risk, they should complete this exhibit. The exhibit's instructions are not a substitute for the GASB Statement No. 53 text, and the statement should be reviewed in its entirety before completing Exhibit N4. The fair value recognition requirements of GASB Statement No. 53 do not apply to governmental fund financial statements reported under the current financial resources flows focus, but do apply to the proprietary/fiduciary fund statements and the government-wide statements. As a result, governmental fund fair value recognition activity occurs in fund 4710.

Derivatives have all three of the following characteristics: 1) settlement terms based on rates (referenced to other conditions or products) that are applied to a contract amount (notional amount in dollars or units); 2) the use of leverage, which results in changes in the investor's cash flows or fair value based on changing market conditions with a small or zero dollar initial investment; and 3) provisions allowing net settlement that reduce gross outflows and inflows. Normal purchase and sale contracts for commodities often meet the above definition, but are excluded from GASB Statement No. 53 requirements if they are recurring, the government normally takes delivery, and the volume of the contract is consistent with government usage of the commodity. Insurance contracts reported under GASB Statement No. 10 are also exempt from GASB Statement No. 53 requirements as are certain contracts (not traded on a market exchange) and certain loan commitments.

The fair value of derivatives must be reported on the Statement of Net Position. The change in fair value must be reported on the Statement of Activities if the derivative is considered an investment or an ineffective hedge, but the change in fair value may be deferred (reported as an offset on the Statement of Net Position) if the derivative is considered an effective hedge. Most of GASB Statement No. 53 is about determining the effectiveness of a derivative as a hedge. Refer to GASB Statement No. 53 for measurement methods, hedge effectiveness evaluation methods and accounting, and termination of hedge accounting.

This Exhibit N4 must be submitted in electronic format due to the extensive text disclosures that are included in the tabular spreadsheet format. A printed version may not show all the data entered. Each section of the exhibit should be clearly marked as "Not Applicable" if you are submitting Exhibit N4, but are not entering data in that section. Exhibit N4 must be submitted as of the date an effective hedge terminates, if not held for the entire fiscal year. This is in addition to any outstanding effective hedges in place as of fiscal year-end.

In all sections of Exhibit N4, disclosure information for similar derivative instrument types may be provided individually or in aggregate; similarity is assessed based on derivative naming conventions, nature of the derivative, nature of the hedged item (if applicable), and the related reference rate.

Summary information shall be presented as required by GASB Statement No. 53 paragraph 69. The following provides definitions and explains the individual rows and columns in the spreadsheet.

Fair Value Hedge: A hedge that protects against the risk of either total changes in fair value or adverse changes in fair value caused by fixed terms, rates, or prices.

Cash Flow Hedge: A hedge that protects against the risk of either changes in total variable cash flows or adverse changes in cash flows caused by variable prices, costs, rates, or terms that cause future prices to be uncertain.

Investment Derivative: A derivative instrument that is entered primarily for the purpose of obtaining income or profit, or a derivative instrument that does not meet the criteria of a hedging derivative instrument.

- Column A – Enter the derivative description, such as, receive-fixed swap, pay-fixed swap, swaption, rate cap, basis swap, or futures contract.
- Column B – Notional amount is the dollar or unit amount upon which the derivative payments depend.
- Column C – Fair value at fiscal year-end should be based on market quotations (if available), discounted forecasted cash flows, formula based, or mathematical methods.
- Column D – Report the financial statement line item, such as, Investment, Derivative Instruments, or Bonds/Notes/COPs Payable where the derivative is reported.
- Column E – Report the valuation method used, such as, market quotations (if available), discounted forecasted cash flows, formula based, or mathematical methods. If a valuation service is used, their methodology should be disclosed to the extent they will provide the information, and so state if they will not.
- Column F – report the change in fair value for all derivatives including effective hedges.
- Column G – Report the name of the financial statement affected using the following acronyms SONP, SOA, SCRECNP, or SCFNP and the financial statement line item (such as, on the SONP: Deferred Inflow, Deferred Outflow – or on the operating statements: Investment Revenue).
- Column H – Report the fair value of any previously effective hedging derivative that was reclassified as a derivative investment because it became ineffective during the fiscal year. (See the first note to the first table in the "Disclosures Example Derivative Instruments" in Illustration #12 in Appendix C of GASB Statement No. 53.)
- Column I – Report the amount of Deferred Inflow or Deferred Outflow (from the prior year) that was removed from the SONP and recognized in Investment Income related to the ineffective hedge reported in Column H. The amount in Column I will usually not match the amount in Column H due to the current year change in fair value of the derivative.

Synthetic Guaranteed Investment Contracts (SGICs) should not be reported in the summary information on Exhibit N4.

Exhibit N5 – Hedging Derivatives

Background:

Derivatives are divided into two major categories, those that are hedge derivatives and qualify for hedge accounting, and those that are investment derivatives (collectively called derivative instruments in GASB Statement No. 53). Hedge derivatives are reported on Exhibit N5, and investment derivatives are reported on Exhibit N6. Hedge derivatives are further subdivided into two categories, those that qualify as effective hedges and those that are ineffective hedges. When a hedge derivative becomes ineffective it should be reported as an investment derivative on Exhibit N6 and the reclassification from hedge to investment derivative should be reported in the summary information on Exhibit N4. An investment derivative is a derivative instrument that is entered primarily for the purpose of obtaining income or profit, or a derivative instrument that does not meet the criteria of a hedging derivative instrument.

GASB Statement No. 53 provides various methods for determining effectiveness of a potential hedge derivative including the consistent critical terms method, one of the quantitative methods (synthetic instrument, dollar offset, or regression analysis), or other qualifying method. Please refer to the statement to determine whether your potential hedge derivative qualifies for hedge accounting and reporting on Exhibit N5.

Exhibit N5 must be submitted in electronic format due extensive text disclosures that are included in the tabular spreadsheet format. A printed version may not show all data entered. Each section of the exhibit should be clearly marked as “Not Applicable” if you are submitting Exhibit N5, but are not entering data in that section. In all sections of Exhibit N5, disclosure information for similar derivative instrument types may be provided individually or in aggregate; similarity is assessed based on derivative naming conventions, nature of the derivative, nature of the hedged item (if applicable), and the related reference rate.

Hedge specific information should be presented as required by GASB Statement No. 53 paragraphs 70 through 75. The information is divided into Fair Value Hedges and Cash Flow Hedges, which are defined as follows:

Fair Value Hedge: A hedge that protects against the risk of either total changes in fair value or adverse changes in fair value caused by fixed terms, rates, or prices.

Cash Flow Hedge: A hedge that protects against the risk of either changes in total variable cash flows or adverse changes in cash flows caused by variable prices, costs, rates, or terms that cause future prices to be uncertain.

The following explains the individual rows and columns in the spreadsheet.

- Column A – Enter the derivative description, such as, receive-fixed swap, pay-fixed swap, swaption, rate cap, basis swap, or futures contract.
- Column B – Enter text that provides your objective in entering the hedge, the context necessary to understand the objective, your strategy for achieving the hedge objective, and the type of derivative instrument entered into.
- Column C – Enter the notional amount in dollars or units upon which the hedge cash flows are based.
- Column D – Enter the terms of the hedging derivative, including the reference rate such as indices or interest rates, and the pay versus receive arrangements.
- Column E – Enter any embedded options such as caps, floors, or collars.
- Column F – Enter the date when the hedging derivative instrument was entered into.

- Column G – Enter the date when the hedging derivative is scheduled to terminate or mature.
- Column H – Enter the amount of cash paid or received at inception of the hedge derivative.
- Column I – Enter the credit quality rating of the counterparty to the hedge derivative.
- Column J – Enter the maximum amount of loss due to credit risk (based on the fair value of the hedging derivative instrument as of the end of the reporting period) that the government would incur if the counterparties to the hedging derivative instrument failed to perform according to the terms of the contract, without respect to any collateral or other security, or netting arrangement.

Enter the above data in the portion of Section A that aligns with the classification of the fund where the derivative AND related hedgable item is reported on the State financial statements, that is, Governmental Activity, Proprietary Activity, or Fiduciary Activity.

Sections B through I:

An explanation of the required disclosure is provided for each section in the Exhibit N5 spreadsheet, and no further instruction is deemed necessary.

Exhibit N6 – Investment Derivatives (Not Hedge Qualified), Ineffective Hedge Derivatives, Contingent Features, and Synthetic Guaranteed Investment Contracts

Background:

Derivatives are divided into two major categories, those that are hedge derivatives and qualify for hedge accounting and those that are investment derivatives (collectively called derivative instruments in GASB Statement No. 53). Hedge derivatives should be reported on Exhibit N5 and investment derivatives are reported on Exhibit N6. Hedge derivatives are further subdivided into two categories, those that qualify as effective hedges and those that are ineffective hedges. When a hedge derivative becomes ineffective it should be reported as an investment derivative on Exhibit N6 and the reclassification from hedge to investment derivative should be reported in the summary information on Exhibit N4.

GASB Statement No. 53 provides various methods for determining effectiveness of a potential hedge derivative including the consistent critical terms method, one of the quantitative methods (synthetic instrument, dollar offset, or regression analysis), or other qualifying method. Please refer to GASB Statement No. 53 to determine whether your potential hedge derivative qualifies for hedge accounting and reporting on Exhibit N5.

Exhibit N6 must be submitted in electronic format due extensive text disclosures that are included in the tabular spreadsheet format. A printed version may not show all the data entered. Each section of the exhibit should be clearly marked as "Not Applicable" if you are submitting Exhibit N6, but are not entering data in each section. In all sections of this Exhibit N6, disclosure information for similar derivative instrument types may be provided individually or aggregated; similarity is assessed based on derivative naming conventions, nature of the derivative, nature of the hedged item (if applicable), and the related reference rate.

Sections A through C:

In Sections A through C report the specifics of credit risk, interest rate risk, and foreign currency risks associated with derivative instruments that do NOT qualify as effective hedge derivatives or that have been purchased primarily for the purpose of obtaining income or profit. An explanation of the required disclosure is provided for each section in the Exhibit N6 spreadsheet; and no further instruction is deemed necessary.

Section D:

Section D addresses contingent features of derivatives. An explanation of the required disclosure is provided for this section in the Exhibit N6 spreadsheet; and no further instruction is deemed necessary.

Section E:

Section E addresses Synthetic Guaranteed Investments Contracts (SGICs). SGICs are normally related to an investment contract with an insurance company that provides a separate feature commonly referred to as a wrapper that guarantees a value to the underlying instruments in the investment contract. These investments are reported at the contract value rather than fair value. A familiar example is the guarantee associated with the Great West Stable Value Fund offered in the PERA 457 Deferred Compensation Plan. An explanation of the required disclosure is provided for this section in the Exhibit N6 spreadsheet; and no further instruction is deemed necessary.

Exhibit O1 – Summary of Related Party or Foundation Disclosures

GASB Statement No. 62 and SAS 45 promulgate the standards for disclosure of material related party transactions. In general, a related party is one that can exercise control or significant influence over the management or operating policies of another party, to the extent that one of the parties is or may be prevented from fully pursuing its own separate interests.

The minimum disclosures required for material related party transactions are:

- The nature of the material related party relationship. In addition, the name of the related party should be disclosed, if it is essential to the understanding of the relationship.
- A description of the material related party transactions, including amounts and other pertinent information. Related party transactions of zero or nominal amounts must also be disclosed. In other words, all information that is necessary to an understanding of the effects of the material related party transactions on the financial statements must be disclosed.
- The effects of any change in terms between the related party and the State from the terms applicable in prior periods.
- The terms of related party transactions, the manner of settlement of related party transactions, and the amount due to or from related parties must also be disclosed. Further, if the operating results or financial position of the State can be altered significantly by the effects of management control of the related party, even if there are no transactions with the related party, the nature of the control must be disclosed. In other words, if the existence of the control relationship has the potential of producing operating results or financial position that differs from those that would exist if there were no control relationship, disclosure must be made of the nature of such management control.

Examples of related organizations that might require related party transaction disclosure include but are not limited to:

Pinnacol Assurance
Colorado Educational and Cultural Facilities Authority
Colorado Health Facilities Authority
Colorado Agricultural Development Authority
Colorado Housing and Finance Authority
Colorado Sheep and Wool Authority
Colorado Beef Council Authority
Fire and Police Pension Association
The State Board of the Great Outdoors Colorado Trust Fund

In addition to the entities listed above, foundations existing for the benefit of higher education institutions that are not reported as component units of the State may or may not meet the criteria for disclosure as related parties. However, to address the State Auditor’s concern regarding consistency in foundation reporting, the Higher Education Financial Advisory Committee has made the following interpretation of Higher Education Accounting Standard No. 14. Institutions should disclose foundation activity on this exhibit if the institution records transactions on its books that are funded by or at the direction of the foundation. If a foundation expends funds on behalf of an institution and the transactions are not recorded on the institutions books, no disclosure is necessary. Foundations that are reported as discretely presented component units of the State should not be reported on this Exhibit O1.

Exhibit O2 – Service Concession Arrangements

GASB Statement No. 60 promulgates the standards for disclosure of service concession arrangements. In general, in a service concession arrangement the right to provide public services through the use of a capital asset for significant consideration is granted to an operator. The minimum service concession arrangement disclosures include:

- A general description of the arrangement. This includes management's objectives in entering into the arrangement as either the transferor or the operator, significant terms in effect during the reporting period, the duration of agreement, and the status of the project (as applicable).
- The amount and nature of assets, liabilities, and deferred inflows of resources associated with the arrangement. Please indicate which assets are intangible in the description column of the exhibit. The deferred inflows balance should reconcile to the balance recorded in CORE as of period 14 (plus any post-closing entries posted) in balance sheet account 5045 (liability). Examples of the content of these accounts include the upfront payment (or the unamortized portion thereof), the present value of installment payments, and the present value and nature of obligations (i.e., transferor asset maintenance or insurance requirements).
- Nature and extent of rights retained by the transferor or granted to the governmental operator. For example, disclose any revenue sharing provisions.
- Any guarantees or commitments including identification, duration, and significant contract terms related to the guarantee. For example, a transferor may guarantee the debt of the operator for a certain time period.

Exhibit P – Major Accounting Estimates in Excess of $5,000,000

The use of estimates has been encouraged to aid in completing the close of the State financial books of record as early as possible. This exhibit provides information to the State Controller regarding major accounting estimates used in closing.

For purposes of this exhibit, major estimates include those over $5,000,000. The $5,000,000 threshold applies both to balance sheet accounts and expenses/expenditures and revenues. Estimates related to recording depreciation of capital assets should not be included on the Exhibit P. The State Controller will review agencies' listings of major accounting estimates and request additional information if needed.

For those estimates where the current year accounting entry is an adjustment of the prior year estimate, you should also report the total amount of the estimate that is reflected in the balance sheet accounts. For example, the adjustment for the compensated absences liability may be small in any one fiscal year but your department's cumulative balance sheet liability for compensated absences may be large and exceed the $5,000,000 threshold.

The exhibit requests information on the accounting entry resulting from the estimate and a brief narrative description of the purpose of the estimate.

Exhibit Q – Governmental Fund Balance Disclosures

GASB Statement No. 54 outlines the requirements and disclosures related to governmental fund balance classifications. See Chapter 3, Section 3.22 in the Fiscal Procedures Manual for more information about fund balance classifications. The purpose of this exhibit is to identify new or changed conditions from the prior year related to fully restricted fund balances for which the OSC classifies programmatically in Fund Class, as well as identify other required disclosures.

Section A – Stabilization Arrangements:

Stabilization arrangements must be subject to controls that dictate the circumstances in which the funds can be spent, and can only be spent under the specified circumstances. The expectation is that the circumstances would not be expected to occur routinely. Please indicate any new stabilization arrangements exceeding $5,000,000, or any changes to previously reported stabilization arrangements, in this section.

Section B – Minimum Fund Balance Policies:

The focus of minimum fund balance policies is on nonstatutory policies established by the government above any minimum balance requirements imposed on the government from other sources and authority. Statutorily required reserve levels do not constitute minimum fund balance policies. Please indicate any new minimum fund balance policies exceeding $5,000,000, or any changes to previously reported minimum fund balance policies, in this section.

Section C – Restricted Fund Balance Classification Changes:

Restricted fund balances consist of funds whereby an external party can legally compel the State to use the specified resources for only a specific purpose. For Colorado, based on court rule, legal restrictions arise from constitutional provisions or external parties, and do not include funds solely created by the General Assembly. A fund may meet this criteria in its entirety, or may partially meet this criteria. The OSC programmatically classifies fund balance if the funds are restricted in their entirety in Fund Class RST. Manual fund balance entries will need to be prepared at the department-level to reflect partially restricted fund balances, along with any associated restricted cash, receivables, and investments.

This section only pertains to gathering changed information for the programming of the funds that are fully restricted, or can reasonably be expected to, based on the State spending prioritization policy. Previously reported funds meeting this criteria in their entirety are included in the restricted fund balance based on their Fund Class rollup: RST indicates fully restricted and URS unrestricted. As long as circumstances have not changed, no further action or reporting is necessary. If circumstances have changed, or a new fund is fully restricted, complete this section. It is the responsibility of the department to support the restricted classification through the audit process. The OSC's sole responsibility is for the programming of the fund as restricted in the financial statements as an administrative convenience.

Section D – Prioritization Policy:

The State prioritization policy for spending in contained in Chapter 3, Section 3.22. In most cases, the policy specifies that the least restrictive sources of funds be spent first when there is an option to use multiple classifications of funds (committed versus restricted, for example). Please indicate any circumstances whereby department spending practices are not supported by the State policy.

Exhibit R – Application/Letter of Certification for Petty Cash and Change Funds

CRS 24-30-202 (20.1) and Fiscal Rule 6.2 allow the State Controller to delegate approval of petty cash funds to a designee. This delegation allows the department to establish, abolish, or change the dollar amount of petty cash and change funds.

The Exhibit R may apply differently based on an individual department's circumstances, as follows.

1. For *delegated* agencies, use the Exhibit R to complete an annual certification confirming that delegation conditions are still in place.
2. If a department or higher education institution is *not delegated*, use the Exhibit R to re-certify accounts approved by the State Controller.
3. Use the Exhibit R to *apply for delegation* of the State Controller's approval for petty cash and change funds. Application for delegation may be completed at any time during the fiscal year, not just during the open/close process.

The "List of Approved Petty Cash and Change Funds" in Item No. 6 on Exhibit R contains the minimum data elements required. Agencies may use a more inclusive format if desired and attach it to Exhibit R. The item "Petty Cash or Change Fund Identifier" is the department assigned descriptor of the petty cash or change fund; it could be location, an assigned number, or a text description.

If your institution has opted out of the fiscal rules subject to CRS 24-30-202(13)(b), enter "N/A, CRS 24-30-202(13)(b)" on the Exhibit Listing Form and do not complete this exhibit. <u>Due to the attest signatures required on this exhibit, it must be submitted in paper format with original signatures.</u>

Please send your completed Exhibit R to:

Office of the State Controller
Attn: Support Services
1525 Sherman St.
Denver, CO 80203

Exhibit S – Changes in Short-Term Financing

Paragraph 12 of GASB Statement No. 38 requires disclosure of short-term debt financing even if no short-term debt was outstanding at June 30. Exhibit S applies only to short-term financing that is external to the State reporting entity; therefore, State Treasury loans and advances and inter and intrafund borrowings should not be reported on this exhibit.

In the upper section of the exhibit, enter your beginning short-term debt balance, any increase or decrease in the balance during the year, and the ending balance. All amounts should be entered with the accounting normal-balance signs, that is, credit balances and increases are entered as negative numbers and debits to the account and decreases are entered as positive numbers. The decrease is calculated by the formulas in the exhibit template. If you enter balances in the line item titled “Other Short-Term Financing”, please provide a descriptive title for the activity.

In the lower section of the exhibit, describe the nature and purpose of the short-term borrowing reported in the upper section. Please provide detailed information related to each issuance for note disclosure purposes.

Exhibit T – Segment Reporting

Paragraph 122 of GASB Statement No. 34, as revised by paragraph 17 of GASB Statement No. 37, requires certain disclosures of enterprise activities that qualify as segments. An enterprise activity qualifies as a segment if it is an identifiable activity that has revenue bonds with a revenue stream pledged in support of debt and is required by an external party to separately account for the assets, liabilities, revenues, and expenses of the activity.

Section A – Condensed Financial Information

In Section A of the exhibit, you should enter the condensed financial information specified by the line items listed. The exhibit template includes Check Totals at the bottom of Section A that must remain at zero after the data entry for the segment is complete. These Check Totals ensure that the financial statements reconcile and required financial statement relationships are maintained.

Section B – Operating Statement Balances Recast

Section B is used to recast the operating statement balances from Section A into the format required on the government-wide Statement of Activities for reporting in the State CAFR. Amounts reported in this section of the exhibit will be reported on a line separate from the related business-type activity in the CAFR Statement of Activities. This section is applicable only if the segment reported in Section A is considered a "different" identifiable activity from the business-type activities in which it is reported on the fund-level statements. If the goods or services of a segment are supplemental or secondary to the delivery of the primary goods or services of the enterprise, then the segment is not considered "different", and it would not be reported in Section B of this exhibit. GASB Statement No. 37, paragraph 10, footnote C states that, "For higher education institutions reported in enterprise funds, the variety of activities common to those institutions – for example, food service, bookstore, residence halls, and student unions – generally would not be required to be reported separately." An example of a "different" identifiable activity that would be reported in Section B is the generation and sale of electricity by a higher education enterprise that qualifies as a segment. In this instance, the goods sold are unrelated to the primary products of the enterprise, and Section B of the exhibit should be completed. The OSC will interpret the absence of balances reported in Section B as each department's representation that its segments are not "different" from their normal enterprise activity.

Section C – Segment Information

In Section C of the exhibit describe the type of goods or services provided by each segment.

Two segments may be reported on the exhibit. Additional numbered instances of the exhibit may be needed if a department or institution has more than two segments.

Exhibit U1 – Other Disclosures

Sections A and B - Special and Extraordinary Items

Paragraph 89 and other paragraphs in GASB Statement No. 34 require specific reporting treatment of special and extraordinary items as defined in paragraphs 55 and 56 of that standard. Because the nature of unusual and extraordinary items can vary widely, we have not established accounts on CORE to record the transactions. Unusual and infrequent transactions should be recorded on CORE in the accounts that most accurately reflect the underlying events. For events over $5.0 million, Sections A and B on Exhibit U are used to disclose how the transaction was coded and to describe the nature of the transaction.

Special items are transactions that are either unusual in nature or infrequent in occurrence and are under the control of management. The terms unusual and infrequent should be assessed in the context of the activities normal operations (see GASB Statement No. 62 for more on the definitions of unusual and infrequent). In Section A of the exhibit show how the special item was coded on CORE and provide a description of the underlying event. The description should be adequate for disclosure in the State annual financial report, and it should explain the transaction without the need for prior knowledge of the event. The OSC will reclassify the transaction in a postclosing entry to make it possible to report the transaction separately from other balances.

Extraordinary items are transactions that are both unusual in nature and infrequent in occurrence; whether or not the event was within the control of management. The terms unusual and infrequent should be assessed in the context of the activity's normal operations (see GASB Statement No. 62 for more on the definitions of unusual and infrequent). In Section B of the exhibit show how the extraordinary item was coded on CORE, and provide a description of the underlying event. The description should be adequate for disclosure in the State annual financial report, and it should explain the transaction without the need for prior knowledge of the event. The OSC will reclassify the transaction in a postclosing entry to make it possible to report the transaction separately from other balances.

Section C – Capital Assets

- C1 - Asset Class Lives

The State Controller does not specify the asset class lives to be used in calculating depreciation; instead, agencies are required to use their own experience in establishing class lives. The OSC is required to disclose in the CAFR the policy for estimating asset useful lives. Show in Section C1 the shortest estimated life used and the longest estimated life used for each of the following classes of assets: land improvements, buildings, leasehold improvements, equipment, library books, infrastructure, and other. Do not consider assets that are clearly immaterial in completing this section of the exhibit. The OSC will disclose a range of class lives used based on the information provided in Section C1 of this exhibit.

- C2 – Capitalization Thresholds

The State Controller has allowed agencies to select lower minimum dollar thresholds for the capitalization of assets than those outlined in Chapter 9, Section 1.4.1. The OSC is required to disclose in the CAFR the capitalization policy for capital assets. If your department has chosen to capitalize assets at thresholds lower than those set by the OSC, show in Section C2 the threshold used for each of the following classes of assets: land improvements, buildings, leasehold improvements, equipment, library books, infrastructure, and other. The OSC will disclose a range of capitalization thresholds based on the information provided in Section C2 of this exhibit.

Section D – Legal or Contractual Violations

Paragraph 9 of GASB Statement No. 38 requires disclosure of significant violations of finance-related legal or contractual provisions and the actions taken to address the violation. In Section D, describe any such violations that occurred within the fiscal year and the actions taken to cure the violation and/or prevent recurrence.

Section E – Capitalized Interest

GASB Statement No. 62 requires proprietary activities to capitalize interest cost during the time that activities necessary to get the asset ready for its intended use are in progress. Report in Section E the amount of interest capitalized during the fiscal year.

Exhibit U2 – Other Disclosures

Section A – On Behalf Payments of Salary and Fringe Benefits

GASB Statement No. 24, paragraphs 7-13 require employer governments (the State) to report revenues and expenditures/expenses for salaries and fringe benefits paid by another entity (such as, a government, not-for-profit, or private company or individual) to a third party (such as, employees or a pension/benefit plan) for services provided to the State. Report in Section A the amount of salaries or fringe benefits the employee or pension/benefit plan received from the other entity and describe the relationship with the paying entity.

Section B – Discretely Presented Component Units

As discussed in Chapter 3, Section 4 of the Fiscal Procedures Manual, GASB Statement No. 39 requires the State to report certain organizations as discretely presented component units. Use Section B to inform the OSC of any foundation or other organization associated with your department that has assets or revenues in excess of $50 million and that meets the discrete presentation requirements of GASB Statement No. 39. Additionally, include any nonstatutorily created entities with assets or revenues in excess of $50 million that meet GASB Statement No. 14 criteria for discrete presentation, as amended by GASB Statement No. 61. The absence of information presented in this Section B will be considered to be each department's representation that no additional organizations have met the State discrete presentation requirements under GASB Statements No. 14, No. 39, and No. 61. Entities identified in this section will be further evaluated in terms of significance to the primary government. The further evaluation will determine whether the entity will be included or excluded as a component unit of the State, and if included, as a major or nonmajor component unit. Although the evaluation for an entity is not expected to change from year to year, it is necessary for the OSC to review the financial statements for all entities meeting the criteria cited in this section at the $50 million threshold, even if not included in the prior year, to adequately assess changes in conditions.

Section C – Idle Impaired Assets

Paragraphs 17 and 20 of GASB Statement No. 42 require the State to disclose a description of asset impairments, the amount of the impairments, and the carrying value of assets that are impaired and are idle at year-end regardless of whether the impairment is considered temporary or permanent. Use Section C to report these three items, and to report the fund in which the asset is reported. Assets reported in this section must have met the impairment criteria of GASB Statement No. 42, that is, the impairment must be both unexpected and the decline in service utility must be significant in relationship to the current service utility of the asset. See Chapter 4, Section 2.10 of the Fiscal Procedures Manual for more information on impairments and insurance recoveries. Please note that an asset impairment may also qualify as a special or extraordinary event and may require submission of an Exhibit U1.

Section D – Termination Benefits

The accounting and disclosure requires related to termination benefits are found in GASB Statement No. 47 – Accounting for Termination Benefits (GASB 47). Termination benefits are different from normal employee benefits in that they are not related to services provided, but rather, they are inducements for employees to terminate service. As a result, the State generally must recognize termination benefit costs when they are offered or accepted rather than over a period of employee service. The first requirement for a benefit arrangement to qualify as a termination benefit (rather than an payment in exchange for services) is that it be an incentive to induce early termination of employment or severance pay related to voluntary or forced termination. While COBRA payments occur in many instances they are not necessarily related to termination benefits as defined in GASB 47. Unless COBRA payments are incurred as the result of an incentive for early termination of employment, the requirements of GASB 47 will not apply to those payments.

In governmental funds, termination benefits are only reported as an expenditure if the related liability is due and payable at June 30; however, on the government-wide statements and in full accrual funds (proprietary and fiduciary funds), termination benefits must be reported as an expense by any state department that offers these benefits. In governmental funds, an entry in Fund 4710 is required if the estimated amounts are not due and payable at June 30. In general, the present value of projected benefits costs must be recorded using a discount rate that matches the supporting investment and future cost inflation assumptions relevant to the projected benefits, with an adjustment of these estimates each reporting period.

Paragraphs 18-21 of GASB 47 also require note disclosures including a description of the termination benefit arrangement, the number of employees affected, the time period over which benefits will be provided, the cost of the termination benefits accrued, the change in the actuarially accrued liability of a pension plan or other postemployment benefits plan (other than the PERA Health Care Trust Fund) affected by the termination benefits, the assumptions underlying the benefits cost estimate (such as, cost inflation assumptions, and discount rate). In addition, if the benefit cost has not been reported in the financial statements because the amount is not estimable, agencies should disclose that fact. Please be aware that this reporting requirement only applies to accrued obligations, not payments that have already been made.

Exhibit V1 – Higher Education Cash Flow Statement – Supplemental Information

The OSC is required to present a cash flow statement for all proprietary fund types, and it must use the direct-method format for the presentation. For agencies outside higher education, the OSC uses the indirect method along with transaction-based adjustments to prepare the direct-method format cash flow statement. Because higher education feeds summarized transactions to CORE, the OSC does not have access to the transaction detail needed to convert the indirect method to the direct-method format. Higher education should complete Exhibit V1 to provide the information needed for the conversion and to disclose noncash transactions.

Section A – Indirect Method Adjustments for Direct Method Format

The items listed in Section A of the exhibit are cash inflows and outflows that affect real accounts (Statement of Net Position accounts – SONP) and that generally do not affect nominal accounts (operating statement accounts). Refer to infoAdvantage CAFR Proprietary Fund Cash Flow Statement for a crosswalk showing how CORE accounts aggregate to cash flow statement line items. Using these aggregations, the indirect method in some instances results in net cash flows that must be converted to gross cash flows. The amounts presented in Section A provide that conversion.

Cash From Operations:

The two lines related to loans are used to show the cash inflows and outflows that result from SONA transactions in the loan revolving activity. The sum of the cash inflows and outflows for the loan revolving activity must equal the year-to-year change in the real accounts used to track the loan activity. The OSC includes loan cancellations in the indirect-method calculation of the year-to-year change in loans receivable, so loan cancellations should not be included in the amounts shown on the exhibit.

Cash Flows From Noncapital Financing:

The two lines related to Deposits Held in Custody are used to show the cash received and disbursed when the institution holds funds for others that it will not report as revenues or expenses. This is commonly referred to as department or balance sheet accounting in the proprietary funds. Examples of this situation include funds held and disbursed for campus organizations, and funds related to the Federal Direct Lending Program. The sum of the cash inflows and outflows for department activity must equal the year-to-year change in the real accounts used to track this activity.

The two lines related to noncapital debt are used to show the cash inflows and cash outflows that result from notes and anticipation warrants (balance sheet accounts 2323, 2610, 2810, 2811, 2812, and 2830) that are used for operations rather than capital financing. Note that cash flows related to liability accounts 2805, 2806, 2813, and 2817 are not to be included in the amounts shown for noncapital debt. We expect that the use of these accounts in the proprietary funds will be limited to the year-end entry to reclassify unspent capital bonds and Certificates of Participation proceeds (for net asset classification purposes). Since bonds and COPs are issued for capital related purposes, accounts 2805, 2806, 2813 and 2817 are included in the capital related financing section.

Cash Flows From Capital and Related Financing:

The line titled State Capital Contributions applies to those higher education institutions as all disburse funds for capital projects from the 3*xxx* funds and then are reimbursed by Fund 4610. In order to present the higher education enterprise fund similarly to other enterprise funds, the OSC will report expenditures in the capital construction fund for the general-funded portion of projects and convert the transfer-in (revenue source code 9300) recorded by higher education in the plant fund (or Fund 320X) to a capital contribution (RSRC 8801). Revenue source code 8801 will be included with the change in capital assets, thus, eliminating the cash outflow that would have been shown for the acquisition of capital assets.

The two lines related to capital assets should show the cash disbursed for capital asset acquisitions and the cash received from sales of capital assets. Together these amounts should equal the net change in the real and nominal accounts related to capital assets. The OSC will calculate the net amount for these two lines combined by adjusting the year-to-year change in net capital asset balances for depreciation, leases entered, gain/loss on sale, capital contribution, and any other account for which capital assets are the offset. Agencies can calculate the gross amount for each of these lines by reviewing transactions that affect capital assets and that have cash offsets, or the calculation can be done by a separate tracking mechanism.

The line titled Capital Lease and Mortgage Principal Payments should show the cash disbursements for lease and mortgage principal payments but not the cash disbursed for interest payments, which the OSC can identify from the operating statement accounts. This amount may not match the amount shown as lease liability reduction on Exhibit C if you have mortgage payments. This amount will be shown as a capital related cash outflow, and it will be used to adjust the cash provided/used in Acquisitions of Capital Assets where the change in lease and mortgage liability is included.

The line titled Proceeds from Bonds, Notes, and COPs should show the cash received at issuance of the debt instrument including any premium or discount. The line titled Bond, Note, and COP Principal Payments should show disbursements for capital related debt service, but it should exclude interest payments, which are presented in a separate line and can be identified from the operating statement accounts. The sum of the cash inflows and outflows for debt activity must equal the year-to-year change in the real accounts used to track the debt.

Cash Flows From Investing:

The line titled Purchases of Investments should show cash disbursed to buy investments. The line titled Proceeds from Sale and Maturity of Investments should show cash received from the sale of investments and the cash received when investments mature. The sum of the cash inflows and outflows for investment activity must equal the year-to-year change in the real accounts used to track investments.

Section B – Noncash Transactions

Higher education institutions should complete this section of Exhibit V1 and should not complete Exhibit V2. Certain noncash transactions must be reported on the Statement of Cash Flows. Those transactions are limited to investing, capital, and financing activities that affect recognized assets or liabilities but do not result in cash receipts or cash payments. Note that this definition excludes transactions affecting operating assets or liabilities. Examples of noncash transactions that should be shown in this section include: (the following list is not intended to be comprehensive)

- Loss on disposal of capital assets,
- State capital contributions (if cash was not transferred to the higher education funds),
- New mortgages or capital leases initiated during the year,
- Amortization of refunding gain/loss,
- Amortization of debt premium or discount,
- Amortization of investment premium or discount, or
- Exchange of an investment to satisfy a loan or note payable.

The OSC is able to identify certain noncash transactions through balances posted on CORE or through other exhibits, as listed in Section B of the exhibit. It is not necessary for higher education institutions to include these items on the Exhibit V1. Headings for common noncash transactions have been added as a tool to assist in the identification process, but are not intended to be all-inclusive. The applicable noncash transactions should be shown in Section B as the accounting journal entry used to record the transaction. Include the accounting string elements shown in Section B.

You may omit noncash transactions under $10,000 from this exhibit.

Exhibit V2 – Proprietary Fund Noncash Transactions – Non-Higher Education Institutions Only

Use this exhibit to provide information on noncash transactions of funds using proprietary fund-type accounting. GASB Statement No. 9 requires the disclosure of certain types of noncash transactions on the Statement of Cash Flows in the State CAFR. Cash flow statements are only required for fund types using proprietary fund accounting. While these noncash transactions affect the balances on CORE, they cannot be separately identified from the CORE records. Higher education institutions are not required to complete this Exhibit V2. Noncash transactions of higher education institutions are reported on Exhibit V1.

The OSC began uses the direct-method in preparing the Statement of Cash Flows. Under this approach, the Reporting Unit reviews proprietary fund-type cash transactions through an automated process. This process does not provide a way to identify noncash transactions. Therefore, noncash transactions that meet the criteria in the following paragraph should be included on the Exhibit V2.

The Implementation Guide for GASB Statement No. 9 requires the disclosure of noncash transactions if all of the following three conditions are met:

- The transaction is noncash. If a transaction is part cash and part noncash, the cash portion should be shown in the statement and the noncash portion evaluated for items 2 and 3 below.
- The transaction affects recognized assets or liabilities. Changes in noncash assets or liabilities that are not attributable to a cash receipt or payment should be considered a noncash transaction. For example entering a capital lease for a building is a noncash transaction because a lease liability and the building were recorded. However, the inception of an operating lease would not be reported because there is no balance sheet effect.
- The transaction is due to an investing, capital and related financing, or noncapital financing activity. (This implicitly excludes transactions that are related to operations. For the purposes of cash flow statement preparation, operating activities are defined as any activity that does not qualify as an investing, capital and related financing, or noncapital financing activity.) For example, a capital lease transaction meets the definition of a capital and related financing activity and should be reported as a noncash transaction. However, an account receivable exchanged for the forgiveness of an account payable is an operating activity and should not be reported as a noncash transaction.

Other examples of noncash transactions that the OSC has identified include assets (other than cash) or liabilities received or surrendered through capital contributions, losses on disposal of capital assets, and exchange of an investment to satisfy a loan or note payable. You may exclude transactions under ten thousand dollars ($10,000).

Exhibit W1 – Changes in Capital Assets – Governmental and Internal Service Funds

Use the Exhibit W1 to report changes in capital assets owned or used by governmental funds and internal service funds. Internal service funds are included on this exhibit because internal service fund assets are reported with governmental activities on the government-wide Statement of Net Position. Do not report capital assets owned by enterprise or fiduciary funds on this exhibit. Changes in enterprise fund capital assets are reported on Exhibit W2, and changes in fiduciary fund capital assets are not on either exhibit W1 or W2 because fiduciary funds are not reported on the government-wide Statement of Net Position.

The Exhibit W1 is divided into the three sections required by the note disclosure; Capital Assets not Being Depreciated, Capital Assets Being Depreciated, and Accumulated Depreciation. Each section is subdivided into the asset classes established for reporting by the OSC. The CORE balance sheet account numbers related to each asset class are listed below the asset class. The beginning and ending balance for each asset class is provided to you on the Exhibit Reconciling Balances Report. You should enter these balances in the first and last columns respectively and adjust the ending balance for any applicable exhibits H. In the column titled Additions enter the summation of all entries that increase the capital assets or accumulated depreciation including:

- Capitalized property purchases,
- Donations of capital assets,
- Lease inceptions,
- Depreciation expense, and
- Prior period adjustments, if the amount is not material at the statewide level.

In the column titled CIP Transfers, enter the amount of completed construction that you are reclassifying from Construction in Progress to a particular capitalized asset. Use the normal accounting convention to report the transfer, that is, credit CIP (a negative or bracketed amount) and debit the capitalized asset (a positive or unbracketed amount). No amounts should be entered in this column in the Accumulated Depreciation Section.

In the column titled Adjustments/Deductions, please enter the summation of all entries that decrease capital assets or accumulated depreciation including:

- Capital assets sold,
- Capital asset inventory losses,
- Other capital asset dispositions,
- Removal of accumulated depreciation at capital asset disposition, and
- Prior period adjustments, if the amount is not material at the statewide level.

Beginning, ending, and additions balances should be entered with their normal accounting signs (that is, as positive numbers for capital assets and negative numbers for accumulated depreciation); deductions should also be entered using their normal accounting signs (that is, negative numbers for capital assets reductions and positive numbers for accumulated depreciation reductions). Each asset class (row) must cross-foot using this sign convention.

After the cutoff date for post-closing CORE entries, please DO NOT include an updated Exhibit W1 with the proposed post-closing entry that affects this exhibit. The OSC will request a revision if the entry is deemed material and is posted to the financial statements. Entries reclassifying balances between capital asset accounts or moving capital assets between agencies should be shown as both debits and credits in the Adjustments/Deduction column so that they are not reflected in total additions and deductions.

Adjustments considered material at the statewide level (for which a prior period adjustment has been posted) should change the beginning balance on the Exhibit W1.

The amounts recorded as depreciation on CORE in object code 4130 (including posted post-closing entries) should agree to the totals reported in the Additions column for Accumulated Depreciation in Exhibit W1.

Exhibit W2 – Changes in Capital Assets – Enterprise Funds

Use the Exhibit W2 to report changes in capital assets owned by enterprise funds. Do not report capital assets owned by governmental funds, internal service funds, or fiduciary funds on this exhibit. Changes in capital assets of those funds are reported on Exhibit W1 except fiduciary funds, which are not on either exhibit W1 or W2 because fiduciary funds are not reported on the government-wide Statement of Net Position.

The Exhibit W2 is divided into the three sections required by the note disclosure; Capital Assets not Being Depreciated, Capital Assets Being Depreciated, and Accumulated Depreciation. Each section is subdivided into the asset classes established for reporting by the OSC. The CORE balance sheet account numbers related to each asset class are listed below the asset class. The beginning and ending balance for each asset class is provided to you on the Exhibit Reconciling Balances Report. You should enter these balances in the first and last columns respectively and adjust the ending balance for any applicable post-closing entries. In the column titled Additions enter the summation of all entries that increase the capital assets or accumulated depreciation including:

- Capitalized property purchases,
- Donations of capital assets,
- Lease inceptions,
- Depreciation expense, and
- Prior period adjustments, if the amount is not material at the statewide level.

In the column titled CIP Transfers, enter the amount of completed construction that you are reclassifying from Construction in Progress to a particular capitalized asset. Use the normal accounting convention to report the transfer, that is, credit CIP (a negative or bracketed amount) and debit the capitalized asset (a positive or unbracketed amount). No amounts should be entered in this column in the Accumulated Depreciation Section.

In the column titled Adjustments/Deductions enter the summation of all entries that decrease capital assets or accumulated depreciation including:

- Capital assets sold,
- Capital asset inventory losses,
- Other capital asset dispositions,
- Removal of accumulated depreciation at capital asset disposition, and
- Prior period adjustments, if the amount is not material at the statewide level.

Beginning, ending, and additions balances should be entered with their normal accounting signs (that is, as positive numbers for capital assets and negative numbers for accumulated depreciation); deductions should also be entered using their normal accounting signs (that is, negative numbers for capital assets reductions and positive numbers for accumulated depreciation reductions). Each asset class (row) must crossfoot using this sign convention. After the cutoff date for post-closing CORE entries, please DO NOT include an updated Exhibit W2 with the proposed post-closing entry that affects this exhibit. The OSC will request a revision if the entry is deemed material and is posted to the financial statements.

Entries reclassifying balances between capital asset accounts or moving capital assets between agencies should be shown as both debits and credits in the Adjustments/Deductions column so that they are not reflected in total additions and deductions.

Adjustments considered material at the statewide level (for which a prior period adjustment has been posted) should change the beginning balance on the Exhibit W2.

The amounts recorded as depreciation on CORE in object code 4130 (including posted post-closing entries) should agree to the totals reported in the Additions column for Accumulated Depreciation in Exhibit W2.

Exhibit Y1 – OPEB – Disclosures for Financial Statement and RSI Notes

Exhibit Y1 and Y2 are used to report under the requirements of GASB Statement No. 43 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. (See exhibits Y3/Y4 for employer reporting under GASB Statement No. 45.) Statement No. 43 sets accounting and reporting standards for OPEB plans that provide postemployment healthcare benefits, whether provided separately or through a pension plan, and for all other forms of postemployment benefits when provided separately from a pension plan. Benefits other than healthcare that are provided through a pension plan are accounted for and reported under the pension plan requirements of GASB Statement No. 25 and No. 27. Exhibit Y1 applies to any state department that provides postemployment benefits as defined in GASB Statement No. 43.

Statement No. 43 applies to both defined contribution and defined benefit plans. It applies whether the plan's financial statements are presented as a stand-alone financial report (issued by an administrator subject to governmental accounting standards, such as, a public employees retirement system) or as a fiduciary fund in the plan sponsor's or employer's financial statements.

Paragraph 5 of Statement No. 43 says that the statement does not apply to plan assets that an employer earmarks in or transfers to a governmental fund or proprietary fund. This requirement is intended to ensure that OPEB plans meet the trust requirements for reporting. The plain meaning of this provision is that OPEB plans reported in the Higher education institutions' enterprise funds would not be subject to the statement's requirement. However, because higher education institutions are reported in the State's CAFR as a special-purpose government engaged solely in business-type activities, there is no mechanism to report fiduciary activities (trust funds) of higher education. In order to comply with the intent of Paragraph 8 of Statement No. 43, higher education institutions that have a qualifying OPEB trust fund will continue to feed the OPEB plan activities (assets, liabilities, additions, and deductions) as usual to the enterprise fund (305X/320X) on CORE and then provide fiduciary format financial statements for each separate plan on Exhibit Y2. Statement 43 has provisions that require separate reporting of each plan in the notes to the financial statements if the individual plans are not separately reported in the fiduciary statements or in a stand-alone report. Colorado will employ this provision to ensure full disclosure of OPEB plans that meet the trust requirements but are reported in the higher education institutions' enterprise fund.

After having obtained a thorough understanding of GASB Statement No. 43 and its implementation guide, agencies that have OPEB plans should answer all 28 of the questions on the Exhibit Y1. Add lines to the exhibit as needed to fully address each question. The required information should be available in plan documents or from your actuary or plan administrator. If you have questions regarding the information requested on Exhibit Y1 please contact your OSC Consultant or Tammy Nelson at 303-866-2659 or tammy.nelson@state.co.us.

Exhibit Y2 – OPEB – Plan Financial Statement and Required Supplementary Information

Exhibit Y1 and Y2 are used to report under the requirements of GASB Statement No. 43 – Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. (See exhibits Y3/Y4 for employer reporting under GASB Statement No. 45.) See the instructions for Exhibit Y1 regarding applicability and the state implementation of Statement No. 43. Exhibit Y2 applies to any state department that provides postemployment benefits under a qualifying trust fund as defined in GASB Statement No. 43.

Section A – Current Year Financial Statements of the Plan

Paragraphs 13 and 15 of Statement No. 43 require presentation of financial statements for each separate plan in the notes to the financial statements if the individual plan is not identifiable in the combined or combining fiduciary statements and the plan has not issued GAAP compliant stand-alone financial statements and RSI (if applicable). For OPEB plans in higher education institutions, which are reported by the State in an enterprise fund under GASB Statement No. 35's provision for special purpose governments engaged solely in business-type activities, it will not be possible to separately report an OPEB plan in a fiduciary combined or combining statement. Therefore, all higher education OPEB plans with qualifying trust funds will need to complete Section A of Exhibit Y2, unless the plan has separately issued stand-alone GAAP compliant financial statements that are publicly available. Enter all amounts in Section A of Exhibit Y2 as positive balances (including Investment Expense shown in the Additions portion of the Statement of Changes in Plan Net Assets) unless they are abnormal balances at the financial statement level. Note that the preprogrammed Check Totals must sum to 0 for the Statement of Plan Net Assets and the Statement of Changes in Plan Net Assets.

Section B – Required Supplementary Information – Schedule of Funding Progress

The funding progress information provided in Section B will be presented in the State's CAFR in the RSI section following the financial statement notes. The information for this schedule should be available from your actuary or plan administrator if you have not developed it at your department. The attributes to be reported in Section B are defined and explained in GASB Statement No. 43, paragraphs 30d(1) and 35, and must be reported in compliance with the actuarial parameters of GASB Statement No. 43. In the normal course, three years (or three valuations) of information are required in this section; however, the transition provisions of GASB Statement No. 43, paragraph 45 allow reporting of fewer years of data until three valuations have been done in conformity with the parameters specified in GASB Statement No. 43.

Section C – Required Supplementary Information – Schedule of Employer Contributions

Paragraph 36 of GASB Statement No. 43 requires the Schedule of Employer Contributions, which includes the Annual Required Contribution (ARC - calculated in conformance with the actuarial parameters of GASB Statement No. 43) and a percentage of the ARC that was recognized in the plan's financial statements as contributions by employers. In the normal course, three years of information are required in this section; however, the transition provisions of GASB Statement No. 43, paragraph 45 allow reporting of fewer years of data until three valuations have been done in conformity with the parameters specified in GASB Statement No. 43. GASB Statement No. 43 allows reduced note disclosures when an OPEB plan issues a GAAP compliant stand-alone financial report that is publicly available. The reduced disclosures requirement is summarized in a table in Illustration 2 of Appendix D of GASB Statement No. 43.

If you have questions regarding the information requested on Exhibit Y2 please contact your OSC Consultant or Tammy Nelson at 303-866-2659 or tammy.nelson@state.co.us.

Exhibit Y3 – OPEB – Employer Reporting

Exhibits Y3 and Y4 are used to report a department's OPEB activity under GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. Statement No. 45 applies to defined benefit and defined contribution plans that offer postemployment benefits outside of a pension plan. It applies whether or not plan assets and liabilities are reported in trust or department funds in the employer's or the state financial statements. The statement applies to the state participation in the PERA Health Care Trust Fund; however, agencies are not required to complete the Exhibit Y3 or Y4 for that participation because it will be disclosed on a statewide basis by the OSC. In addition, the recommended PERA disclosures for department stand-alone financial statements are updated each year to include the required disclosures for the PERA Health Care Trust Fund.

Questions #1 through #11 on the Exhibit Y3 apply regardless of the type of OPEB plan that your department provides. Question #12 applies only if the plan is a cost-sharing multiple-employer plan, and questions #13 through #24 apply only if the plan is a single employer or agent multiple-employer plan. Departments with defined contribution plans need only answer questions #1 through #11 and #14. Departments that have fully insured OPEB plans where the premiums are paid only while employees are in active service should review GASB Statement No. 45, paragraph 28 and provide the required information to R&A, separately from the Exhibit Y3 and Y4.

Disclosures provided on exhibits Y1 through Y4 will be coordinated to prevent duplication by the OSC in those instances where GASB Statements No. 43 and No. 45 are both applicable.

After having obtained a thorough understanding of GASB Statement No. 45 and the related implementation guide, departments that have OPEB plans should answer the applicable questions on the Exhibit Y3. You should add lines to the exhibit as needed to fully address each question. The required information should be available in plan documents or from your actuary or plan administrator. If you have questions regarding the information requested on Exhibit Y3 please contact your OSC Consultant or Tammy Nelson at 303-866-2659 or tammy.nelson@state.co.us.

Exhibit Y4 – OPEB – Employer Required Supplementary Information Reporting

Exhibit Y4 is used to report supplementary information required by the Governmental Accounting Standards Board for a department's OPEB activity under GASB Statement No. 45 – Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. Statement No. 45 applies to defined benefit and defined contribution plans that offer postemployment health care benefits through any plan or other benefits outside of a pension plan. It applies whether or not plan assets and liabilities are reported in trust or department funds in the employer's or the state financial statements. The statement applies to the state participation in the PERA Health Care Trust Fund; however, departments are not required to complete the Exhibit Y4 for that participation because it will be disclosed on a statewide basis by the OSC. In addition, the recommended PERA disclosures for department stand-alone financial statements are updated each year to include the required disclosures for the PERA Health Care Trust Fund.

Sections A and B – Sole and Agent Employers – Factors Significantly Affecting Trends in Funding Progress *and* Required Supplementary Information – Schedule of Funding Progress – Three Years/Valuations Required

Sections A and B of the Exhibit Y4 are applicable to sole and agent OPEB plans. The purpose of these sections is to relay information regarding the trends in funding status of the OPEB plan and to explain any known factors that have or will affect those trends. Note that the information requested in Section B represents multiple years/valuations of the same single year/valuation information requested in Question #17 of Exhibit Y3. You will provide the information in years format if you perform annual valuations of your OPEB plan; however, GASB Statements No. 43 and No. 45 allow valuations at two or three year intervals depending on the number of participants in the plan (see GASB Statement No. 45, paragraph 12). If you perform actuarial valuations on a two or three year cycle, you will provide this information for each of the applicable valuations.

Section C – Required Supplementary Information – Schedule of Funding Progress and Schedule of Employer Contributions – Three Years or Three Valuations Required

This section is applicable only when the plan in question is a cost-sharing multiple-employer plan and the plan does not issue and make publicly available a GASB Statement No. 43 compliant stand-alone financial report. You are required to provide information that will allow the financial statement reader to put the cost-sharing plan information in perspective, such as, the percentage that your participation in the plan represents of the total cost-sharing multiple-employer plan. Note that the schedule of funding progress and the schedule of employer contributions are for the cost-sharing multiple-employer plan as a whole and not for your individual participation in the plan.

After having obtained a thorough understanding of GASB Statement No. 45 and the related implementation guide, departments that have OPEB plans should provide the information requested on Exhibit Y4. You should add lines to the exhibit as needed to fully address each question. The required information should be available in plan documents or from your actuary or plan administrator. If you have questions regarding the information requested on Exhibit Y4 please contact your OSC Consultant or Tammy Nelson at 303-866-2659 or tammy.nelson@state.co.us.

Exhibit Z – Major Pollution Remediation Obligations in Excess of $5,000,000

This exhibit reports major pollution remediation obligations (PRO) in excess of $5 million incurred by the department as defined by GASB Statement No. 49.

Statement No. 49 defines a pollution remediation obligation as an obligation to address the effects of existing pollution. Remediation activities may include pre-cleanup, cleanup, oversight, or operation and maintenance of a remediation effort. Obligations do not include pollution prevention or pollution activities related to current operations.

After obtaining a thorough understanding of GASB Statement No. 49, agencies should complete an Exhibit Z for each material pollution remediation obligation.

If the pollution remediation activities reported on this Exhibit Z are an unusual activity for your department, the activities may need to be reported as a special or extraordinary item and an Exhibit U1 would need to be completed. See the Exhibit U1 instructions for additional information on special and extraordinary items.

<u>Section A – Reasonably estimable pollution remediation obligations (PRO).</u>

For recognized PROs, describe the nature and source of the PRO (e.g., describe pre-cleanup activities, cleanup activities or external oversight activities). Indicate whether the liability is related to federal, state, or local laws or regulations, if applicable.

Provide the amount of the estimated liability. Describe the methods or assumptions used for arriving at this estimate (i.e., what assumptions were used in the Expected Cash Flow Technique). List any factors that may potentially affect the liability amount in the future (e.g., is the estimate subject to fluctuations in prices, changes in technology, or applicable laws or regulatory changes).

List any expected recoveries from other responsible parties or insurance recoveries. If the expected recoveries are not yet realized or realizable, the PRO should be reduced by these amounts. If the expected recoveries are realized or realizable, they should be recognized as recovery assets (i.e., cash or receivables). See Chapter 3, Section 3.12 of the Fiscal Procedures Manual for more information on accounting for recoveries.

<u>Section B – Nonreasonably estimable pollution remediation obligations.</u>

For estimates that are not reasonably estimable, provide a general description of the nature of the pollution remediation activities. *Please note: this information should be sufficient for financial statement disclosure purposes*.

Intra/Interfund Receivable/Payable Confirmation Form (Updated July 2015)

For Fiscal Year 2015, we will again need to have confirmation forms signed by both parties, submitted to DPA_FARmailbox@state.co.us.

This confirmation form fulfills multiple purposes. In addition to being the source of information for balancing the intra and interfund payables/receivables, it is the basis for the GASB Statement No. 38 disclosure of the source of all interfund receivables and the fund to which the amounts are payable. The form is also the source of information for a postclosing entry eliminating amounts receivable from or payable to fiduciary funds, which are considered external for the government-wide Statement of Net Position. In order to prepare this disclosure from the existing confirmation process, it is necessary that the confirmation forms contain only one-to-one or many-to-one fund relationships. The OSC cannot identify the source of receivables and the funds to which amounts are payable if the confirmation forms contain many-to-many fund relationships.

Based on our experience in the prior fiscal year closings, the following six areas need to be emphasized in the intra/interfund receivable/payable confirmation process.

1. Send all confirmation forms, once signed by both parties, directly to the Financial Analysis and Reporting mailbox: (dpa_FARmailbox@state.co.us). E-mailed forms are preferred. Questions related to the confirmation forms can be directed to David Wahn at 303-866-4160.
2. Buying departments may have cleared an internal payable that the selling department still has recorded as an internal receivable. For example, a buying department uses a check or warrant to make payment and the selling department has not yet received the payment or has recorded the receipt in the following fiscal year. When this or a similar situation occurs, the Buyer department should fill in the In-Transit field and provide the actual CORE balance sheet coding string where the payable is recorded at 6/30/15 (e.g., Warrants, Vouchers, or Other Payable), pending the check clearing the bank.
3. The process the OSC uses to balance these internal receivables and payables relies on having a copy signed by both the buyer and the seller. In most cases, the Seller department initiates the form, signs it, sends it to the Buyer department, who signs the form and sends it back to the Seller department. **The CU System has indicated that they are unable to provide the confirmation forms for which they are the Seller department. Therefore, those agencies with Buyer transactions involving the CU System are required to initiate the confirmation forms and send them to CU.** The Seller department will then forward one completed copy to the dpa_FARmailbox@state.co.us. Also, the OSC no longer requires departments to move the amounts into the internal balance sheet accounts. If the Buyer or Seller departments have recorded the receivable or payable in balance sheet accounts other than an intra/interfund receivable/payable, please provide the actual CORE account coding string where the balances are recorded, and the OSC will reclassify them for statewide financial statement purposes only.
4. The confirmation form should not be used as a billing instrument, except as described below for the Department of Personnel & Administration direct billing. The selling agencies should ensure that bills for services are sent out with sufficient time for the receiving department to record the payable and complete the confirmation form.
5. The internal payable/receivable cutoff date is published in the Open/Close calendar. However, departments should complete their confirmations as far in advance of the cutoff date as possible. The completed and signed forms are due to the OSC by Period 14 close. State departments have reported that selling agencies often send confirmation forms after the cutoff date. This requires buying agencies to record additional expenditures and recompute their augmenting revenue late in the closing process, which adversely affects their ability to

timely close their books. To address this situation the OSC is adopting the following procedure: For confirmation initiated after the cutoff date the selling department may be required to record the post-cutoff receivable as an external receivable. If the amount of the external receivable recorded exceeds the $200,000 post-closing entry threshold, the selling department must submit a post-closing entry to the OSC. Entries received under this requirement will only be posted if they are determined to be material at the financial statement level. Matching internal payable accrual will be requested from buying departments only if it is determined the internal receivable entry is material and must be posted. Buying agencies may have refuse posting of internal payables after the cutoff date based on this procedure.

GENERAL INSTRUCTIONS

The internal receivable/payable confirmation form that follows is required for all agencies and institutions recording internal receivables/payables at the close of FY2015. The form represents an agreement between agencies or funds documenting that both parties are aware of the amount and the account coding recorded by the other party to the transaction. Please remember that these receivable/payables may be within a single department and either within the same fund category or between funds in that single department.

Individual receivable/payable accounts that are equal to or less than $1,000 do not need to be confirmed. All internal transactions that exceed $1,000 (in CORE accounts 137X, 139X, 1720, 1730, 236X, 239X, 2940, and 2950, or other balance sheet accounts) must be supported by these agreements. If the actual amounts are not known, an estimated amount should be agreed on by the agencies involved. The confirmation forms must be signed by the controllers (or their designee) of the departments or institutions of higher education involved in the transaction. The deadline for finalizing internal receivable/payables is posted in the Open/Close calendar. You should reconcile the amounts in your balance sheet accounts on CORE to the detail on the Internal Receivable/Payable Confirmation Forms. However, this reconciliation should not be submitted to the OSC. Submit a signed copy of all Internal Receivable/Payable Confirmation Forms to the DPA_FARmailbox@state.co.us by Period 14 close. If you are using e-mail to complete these forms, when the confirmation is complete and agreed to by both sides of the transaction, the seller should forward a copy of the entire e-mail (including replies back and forth between the Buyer and Seller), along with the confirmation form to the central mailbox. This will serve as the submission of the form to the OSC by both parties and no paper copy need be transmitted.

In general, the following steps should be taken:

1. In most cases, the Seller department controller should contact the Buyer department controller to discuss the existence of the receivable/payable. The exception to this is with transactions involving the CU System. Those agencies with Buyer transactions involving the CU System are required to contact CU to discuss the existence of the receivable/payable. Both sides should come to agreement regarding whether it is a valid receivable/payable and agree as to the amount (either estimated or actual). You may summarize multiple transactions on a single form, but not many-to-many fund relationships. If the amount is determined to be equal to or less than $1,000, no confirmation need be completed.
2. The Seller department (or the Buyer department, in the case of CU Seller transactions) should complete their portion of the confirmation form and fax or e-mail the form to the Buyer department (or the Seller department in the case of the CU Seller transactions). If the amounts are not recorded in the CORE Intra/Interfund balance sheet accounts, please fill in

the actual CORE coding string where they are recorded. The OSC is concerned with having accurate CORE coding string data so we can correctly reclassify the amounts for financial statement purposes.

3. If the Buyer department agrees to the amount and coding, they should complete their portion of the form, retain a copy to support their receivable or payable, and fax or e-mail a completed copy back to the Seller department. As with #2 above, please provide the actual CORE coding string where the payable is recorded at June 30. In the case of an amount In-Transit, please fill in the In-Transit field and provide the actual CORE balance sheet coding string where the payable is recorded at June 30, pending the check clearing the bank (e.g., Warrants, Vouchers, or Other Payable). The information will be used to reclassify the amounts for statewide financial statement purposes only.
4. The seller should follow the submission instructions above.
5. If the agencies cannot agree on the item or the amount, the dispute should be referred to their OSC Consultant(s) promptly so that it can be resolved prior to the confirmation cutoff date. If balancing is not achieved by the deadline, explain the conditions on the form and submit it to Reporting & Analysis.
6. Once an agreement is reached and documented, both agencies should prepare journal vouchers to accrue their receivable/payable at the agreed on amount (whether it is actual or an estimate).
7. If the Department of Personnel & Administration (DPA) or the Office of Information Technology (OIT) is not able to process IETs for any services (such as long distance telephone, fleet vehicle mileage, or copier billings) before the date established in the Open/Close calendar, the following special procedures will be used for direct billing.
8. DPA and the OIT will prepare an estimate of the cost of services based on the most recent available information.
9. Estimates will be provided to the agencies by on the Internal Receivable/Payable Confirmation Form following this section.
10. Departments will need to review the estimate and if they agree, complete their portion of the interfund agreement and accrue the payable.
11. If the agencies do not agree with the estimate, they should call the applicable contact for the particular service as follows:

Department of Personnel and Administration

- Capitol Complex rental and parking billings –
Keri Lee (phone 303-866-6962 or e-mail keri.lee@state.co.us)
- Parking –
Venessa Leffler (303-866-2368venessa.leffler@state.co.us)
- Design, Copiers, Mail, Print Shop and Quick Copy –
Sharon Bang (phone 303-866-4007 or e-mail sharon.bang@state.co.us) or Karen Akins (phone 303-866-3885 or e-mail karen.akins@state.co.us)
- Motor Pool –
Sean Murphy (phone 303-866-3030 or e-mail sean.murphy@state.co.us)
- Fleet Management –
Rene Ahl (phone 303-866-5490 or e-mail rene.ahl@state.co.us) *or*
Renee Covard (303-866-5483 or renee.covard@state.co.us)

Governor’s Office of Information Technology

- Telecommunications, Multi-Use Network, Data Line, or Phone Line billings, Payments to OIT Billings (oit_financialservices@state.co.us)

Actual charges will be posted via an IET transaction in FY2016. At this time, departments should compare the actual to the estimate and reverse their accrued payable.

To make final coding corrections please communicate with the applicable contact for the particular service.