

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP CLOSING PACKAGE**

GENERAL INSTRUCTIONS

Please read the following instructions before completing any forms.

1. Please ascertain that your closing package has all the forms enclosed.
2. You should read the instructions for each form before completing it.
3. These forms apply to **every** fund (e.g. General, Transportation, etc.) which your agency is accountable for. However, GAAP forms No. 2-9 **do not apply** to the **trustee accounts** (formerly known as activity or welfare funds).
4. If you require additional space on any form, please make as many copies as required.
5. Each **completed** form should be signed by the person responsible for completing it, and by the person responsible for reviewing it (preferably the chief financial officer).
6. The attached **GAAP Forms Control Sheet** must be completed and returned along with the **completed** form(s) and other financial information (if applicable to your agency).
7. You should make a copy of your completed closing package and keep it with your permanent records along with all pertinent information which was used to support your work. Your closing package will be subject to review by auditors so it is very important that you are able to justify your responses, especially if you had to work with estimates.
8. You should make sure that the account coding information required in these forms is filled out **completely** and **accurately** (we use this information to determine where and how to record the amounts reported on these forms).
9. If you are missing any GAAP forms or have any questions about them, please feel free to contact Nancy Walsh at 702-3378 or Richard Haley at 702-3383.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
CASH IN BANK
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GAAP Form No. 1

Instructions

For purposes of this form, "cash in bank" is defined as bank accounts which are in the custody of your agency as of June 30th. For example, checking accounts, certificates of deposit, etc.

This form does **not** apply to **petty cash** or **STIF** accounts.

If your agency does **not** have any bank accounts to report, please check "form not applicable" on GAAP Forms Control Sheet.

If your agency has any such bank accounts, please complete columns 1-7 of GAAP Form No. 1 as follows:

1. Enter the fund number (five-digit code) in which the cash is reported, if applicable. Otherwise, enter the name of the account.
2. Enter the type of bank account (e.g. savings, checking, certificates of deposit, etc.)

Note: If your agency has more than one account in the bank, list them by account type. **Do not list each account individually.**

3. Enter the name of the bank in which the account(s) is (are) kept.
4. Indicate the purpose or use of the account(s).
5. Enter the balance of the account(s) as reported in your records as of June 30th.
6. Enter the balance of the account(s) as reported by the bank as of June 30th.
7. Enter the amount of the bank balance (column 6) that is **insured** by the Federal Depository Insurance Corporation (FDIC) as of June 30th.

Notes:

- a. The FDIC insures up to **\$200,000** deposited at any one **insured** bank located in the State. The **total** amount of all **interest-bearing accounts** (e.g. savings accounts, CD's, etc.) is insured up to **\$100,000** and the **total** amount of all **non-interest-bearing** accounts (e.g. checking accounts) is insured up to **\$100,000**.

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b. For each bank, the amount of deposits that is insured by the FDIC would be as follows:

1) if your agency has **either** of the account types described in note "a", enter the total amount of deposits or **\$100,000, whichever is lower.**

2) if your agency has both types of accounts described in note "a", enter for **each** type of account the total amount of deposits or **\$100,000, whichever is lower.**

c. If your agency holds bank accounts in a **fiduciary** capacity, such accounts **may** be eligible for pass-through insurance of up to **\$100,000** for **each** owner or beneficiary, provided that FDIC's recordkeeping requirements are met. Your agency should contact the bank to obtain the amount of additional FDIC insurance, if any.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
RECEIVABLES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GAAP Form No. 2

Instructions

For purposes of this form, receivables are defined as amounts owed to the State by individuals, private organizations, or other governments as of June 30th for:

- a. Goods or services provided to individuals, private organizations, or other governments **on or prior to June 30th**, or
- b. Other claims against individuals, private organizations, or other governments which arose **on or prior to June 30th**.

Do not report on this form the following types of receivables:

- a. **Grants or contributions** due from the federal government or other providers (see GAAP Form No. 3).
- b. **Loans receivable (principal only)**.
- c. **Fees receivable** for licenses, permits, or certificates.
- d. **Amounts due from other State agencies**.

If your agency has **no** receivables to report **or** if the **total** amount of receivables to be reported in **column 4** is **less than \$300,000**, please check "form not applicable" on GAAP Form Control Sheet.

If the **total** amount of receivables to be reported in **column 4** is **greater than or equal to \$300,000**, please complete columns 1-6 of GAAP Form No. 2 as follows:

- 1. Enter required account coding information for each receivable amount (column 4).
- 2. Enter a description of the receivable to be collected.
- 3. Enter the name of the debtor government, if applicable.
- 4. Enter the amount of the receivable as of June 30th.

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Notes:

- a. Do **not** include in this amount any receivables that are held by DAS-Collection Services Center.
 - b. If your agency administers federal grant programs on behalf of municipalities or other third parties and if at year end there were disallowed expenditures or unexpended balances related to those programs that needed to be refunded to the federal government, report a receivable for the refund owed by the municipality or other party on this form and a liability for the portion of the refund that must be returned to the federal government on GAAP form No. 9 (other liabilities).
5. Enter the amount of the receivable as of June 30th (column 4) that your agency has estimated to be uncollectible.

Note: Use your **best** estimate. It is your responsibility to determine the quality of the receivable and, thus, the amount that may not be collectible.

6. Enter the amount of the receivable as of June 30th (column 4) that was collected by your agency in the months of July and/or August, if any.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
GRANT RECEIVABLES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**GAAP Form No. 3
(Revised)**

Instructions

For purposes of this form, grant receivables are defined as grant (or other financial assistance) amounts owed to the State by the federal government (**provider**) as of June 30th.

Note: This form also applies to those rare cases in which the grant (or contribution) provider is an individual or a private organization.

According to GAAP, grant receivables should be reported when **all applicable eligibility requirements, including time requirements, established by the provider have been met.**

Eligibility requirements comprise **one or more** of the following (as applicable):

- a. ***Required characteristics of recipients.*** The recipient (and secondary recipient, if applicable) has the characteristics specified by the provider. For example, under a certain federal program, recipients are required to be states and secondary recipients are required to be school districts.
- b. ***Time requirements.*** The period **specified** by the provider when grant resources must be spent by the State.
- c. ***Reimbursements.*** The provider stipulates that the State cannot qualify for resources without **first** incurring **allowable** expenditures under the provider's program.
- d. ***Contingencies.*** The provider's offer of resources is contingent upon a specified action of the State. For example, the State is required to spend its own resources for a specified purpose (matching requirement).

Note: Contingencies should not be confused with **purpose restrictions**. Purpose restrictions specify the purpose or purposes for which the grant resources are required to be used. For example, a requirement that grant resources be used for street and road repairs is a purpose restriction, not a contingency.

Do not report on this form **grant amounts due from other agencies.**

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If your agency has **no** grant receivables to report **or** if the **total** amount of grant receivables to be reported in **column 4** is **less than \$300,000**, please check “form not applicable” on GAAP Form Control Sheet.

If the **total** amount of grant receivables to be reported in **column 4** is **greater than or equal to \$300,000**, please complete columns 1-6 of GAAP Form No. 3 as follows:

1. Enter required account coding information for each grant receivable amount (column 4).
2. Enter a description of the grant receivable to be collected.
3. Enter the name of the grant provider.
4. Enter the amount of the grant receivable as of June 30th.

Notes:

- a. If you are reporting **reimbursement-type grants** and if **all eligibility requirements** established by the provider have been met, **enter** the amount of **allowable** expenditures incurred under the grant program through June 30th which had **not** been reimbursed by the provider as of that date.
 - b. If you are reporting **other than reimbursement-type grants** and if **all eligibility requirements** established by the provider have been met, **enter the full grant award, less any payments received from the provider through June 30th** (include payments received in prior fiscal years, if reporting on multi-year grants).
- A multi-year grant is one whose award is required to be spent in more than one fiscal year.
 - Grant receivables should be reported **even** if the State might **not** have completed as of year end **routine** reports required by the provider (e.g., filing of a progress report or filing of a quarterly reimbursement report).
5. Enter the amount of the grant receivable as of June 30th (column 4) that your agency has estimated to be uncollectible, if any.

Note: Use your best estimate. It is your responsibility to determine the quality of the receivable and, thus, the amount that may **not** be collectible.

6. Enter the amount of the grant receivable as of June 30th (column 4) that was collected by your agency in the months of July and/or August, if any.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
DEFERRED REVENUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

**GAAP Form No. 4
(Revised)**

Instructions

For purposes of this form, deferred revenue is defined as **cash** collected by the State from individuals or private organizations **on or prior to June 30th** for goods or services to be provided **after June 30th**.

Do not report on this form **fees collected in advance** for licenses, permits, or certificates.

If your agency has **no** deferred revenue to report **or** if the **total** amount of deferred revenue to be reported in **column 3** is **less than \$300,000**, please check "form not applicable" on the GAAP Form Control Sheet.

If the **total** amount of deferred revenue to be reported in **column 3** is **greater than or equal to \$300,000**, please complete columns 1-3 of GAAP Form No. 4 as follows:

1. Enter required account coding information for each deferred revenue amount (column 3).
2. Enter a description of the deferred revenue.
3. Enter the amount of the deferred revenue as of June 30th.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
CONTRACTUAL OBLIGATIONS AND RETAINAGES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GAAP Form No. 5

Instructions

For purposes of this form, the following definitions apply:

Contractual obligations are defined as **amounts** that the State is contractually obligated to spend in future years based on **contracts** outstanding (in force) as of June 30th.

Contractual retainages are defined as **amounts owed** by the State as of June 30th on **contracts** for which a stated percentage of the contract price has not been paid, pending final inspection or the lapse of a specified time period, or both.

This form applies to **every** contract outstanding as of June 30th which meets **any** of the following requirements:

- (a) the contract has an obligation amount **greater than or equal to \$300,000** (see instruction No. 3 below),
or
- (b) the contract has a retainage amount **greater than or equal to \$150,000**,
or
- (c) the contract has both amounts "a" and "b" above.

Note: Do **not** report in this form the following types of contracts: **lease (capital or operating)**, or **open-ended (a contract without an exact contract price or length)**.

If your agency does **not** have any contracts to report, please check "form not applicable" on GAAP Forms Control Sheet.

If your agency has any contracts that meets requirement (a) above, please complete columns 2, 3, 6 and 7 of GAAP Form No. 5 as described below.

If your agency has any contracts that meets requirement (b) above, please complete columns 1-7 (excluding column 3) of GAAP Form No. 5 as described below.

If your agency has any contracts that meets requirement (c) above, please complete columns 1-7 of GAAP Form No. 5 as described below.

1. Enter required account coding information for each contractual retainage amount (column 4).
2. Enter a description of the contract(s).

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3. Enter the amount of the contractual obligation of the State as of June 30th. This amount is calculated as follows:

Contract price
minus payments made on the contract through June 30th,
minus invoices owed on the contract as of June 30th,
minus amounts retained on the contract through June 30th, if any
equal Contractual Obligation

Note: Invoices owed on the contract as of June 30th should be only for services received on or prior to June 30th.

4. Enter the amount of the contractual retainage owed by the State as of June 30th.
5. Enter the amount of the retainage as of June 30th (column 4) that was paid by your agency during the months of July and/or August, if any.

Note: For payments to be included in this column, supporting invoices **must** have **receipt dates of June or prior months.**

6. Indicate whether or not the contract is funded by a Federal or other grant.
7. Enter the **percentage** of the contract that is funded by the Federal or other grant, if applicable.

Note: If the **actual** percentage is unknown, you should enter an **estimate** of such percentage.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
LEASES - STATE AS LESSOR
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GAAP Form No. 6

Instructions

According to generally accepted accounting principles (GAAP), the State is required to make certain disclosures in its annual report regarding lease transactions when the State is the **lessor**-one who leases property to other parties.

Note: A lease is an agreement that conveys the right to use property, usually for a specified period. Leases typically involve two parties: the owner of the property (lessor) and the party contracting to use the property (lessee).

This form applies to **every noncancelable operating lease** outstanding as of June 30th for which the **total** amount of **future minimum** lease revenue to be collected under the lease contract (column 3) is **greater than or equal to \$300,000.**

Note: A noncancelable lease is a lease containing a clause that specifies that the lease may be canceled only (a) on some remote contingency, (b) with permission of the lessor, or (c) if the lessee enters into a new lease with the same lessor.

If your agency does **not** have any noncancelable operating leases to report, please check "form not applicable" on the GAAP Form Control Sheet.

If your agency has any noncancelable operating leases that meet the above requirement, please complete columns 1-4 of GAAP Form No. 6 as follows:

1. Enter a description of the item(s) being leased.

Note: If your agency has many leases to report, group them according to the following categories:

- (1) land,
- (2) buildings - includes office space in buildings, and
- (3) equipment.

2. Enter both the beginning and ending dates of the lease term (e.g. 7/06 to 8/10).

3. Enter amounts of minimum lease revenues to be collected in the next five years and any additional revenues beyond those five years.

Note: The ending date of the lease will determine how many columns are used.

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4. Enter the amount of **contingent** rentals actually collected during the fiscal year ended June 30, 2008, if any.

Note: A contingent rental is a rental usually based on a percentage of the lessee's gross revenues. These rental revenues are variable and are usually paid in addition to any minimum lease revenues.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
OFFICE OF THE COMPTROLLER
GAAP CLOSING PACKAGE
LEASES - STATE AS LESSEE
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GAAP Form No. 6a

Instructions

According to generally accepted accounting principles (GAAP), the State is required to make certain disclosures in its annual report regarding lease transactions when the State is the **lessee**-one who leases property from other parties.

Note: A lease is an agreement that conveys the right to use property, usually for a specified period. Leases typically involve two parties: the owner of the property (lessor) and the party contracting to use the property (lessee). Lease contracts can be entered into for **real property** (land and buildings) and for **personal property** (copiers, cars, etc.).

This form applies to **noncancelable lease agreements (capital or operating) entered into by your agency during fiscal year 2008.**

Notes:

1. A noncancelable lease is a lease containing a clause that specifies that the lease may be canceled only (a) on some remote contingency, (b) with permission of the lessor, or (c) if the lessee enters into a new lease with the same lessor.
2. A lease may contain a clause stating that the lease is cancelable if funds are not appropriated in the annual budget to make the required lease payments. If the possibility of exercise of this clause is deemed as being remote, the lease would be considered a noncancelable lease; otherwise, the lease would be considered cancelable and excluded from reporting on this form.
3. **Real property lease contracts** entered into by the **Department of Public Works** (DPW) for other State agencies (tenants) should be reported by **DPW only**, regardless of whether DPW or tenant agencies make the lease payments.

A noncancelable lease should be classified as a **capital lease** if **any one** of the following criteria is met; otherwise, it should be classified as an **operating lease**, if the lease term exceeds **one** year.

1. The lease **transfers ownership of the property** to the **lessee** by the end of the lease term.
2. The lease contains a **bargain purchase option**.
3. The lease term is equal to **75% or more** of the estimated economic life of the leased property, including earlier years of use.
4. The **present value** of the minimum lease payments at the inception of the lease, excluding executory costs, equals at least **90%** of the **fair value** of the leased property (use a discount rate of 4%).

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Notes:

1. If the lease begins within the last 25% of the original estimated economic life of the leased property, criteria **3** and **4** are **not** applicable.
2. **Real property leases** are usually classified as **capital leases** only if either criterion **1** or **2** is met.

If your agency does not have any lease agreements as described above, please check “form not applicable” on GAAP Forms Control Sheet.

If your agency has entered into any such lease agreements, please complete columns 1-3 of GAAP Form 6a as follows:

1. Enter a description of the item(s) being leased.
2. Enter type of lease (capital or operating).
3. Enter amounts of minimum lease payments in the next five years and in 5 year increments thereafter.

Note: If the lease extends beyond 2028, please provide that information in a separate sheet in 5 year increments also.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
OTHER ASSETS
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GAAP Form No. 8

Instructions

For purposes of this form, other assets are defined as any assets which your agency might have had as of June 30th and which were **not** reported in the other GAAP forms or additional information.

This form does **not** apply to fixed assets (such as equipment) or supplies.

If your agency does **not** have other assets to report **or** if the **total** amount of other assets to be reported in **column 3** is **less than \$300,000**, please check “form not applicable” on GAAP Form Control Sheet.

If the **total** amount of other assets to be reported in **column 3** is **greater than or equal to \$300,000**, please complete columns 1-3 of GAAP Form No. 8 as follows:

1. Enter required account coding information for each asset amount (column 3).
2. Enter a description of the asset.
3. Enter the amount of the asset as of June 30th.

**STATE OF CONNECTICUT
OFFICE OF THE COMPTROLLER
GAAP REPORTING FORM
OTHER LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2008**

GAAP Form No. 9

Instructions

For purposes of this form, other liabilities are defined as any liabilities which your agency might have had as of June 30th and which were **not** reported in the other GAAP forms or additional information.

This form does **not** apply to unpaid vendor invoices which are for services or goods received by your agency on or prior to June 30th and which are paid by the Office of the Comptroller (accounts payable division).

If your agency does **not** have other liabilities to report **or** if the **total** amount of other liabilities to be reported in **column 3** is **less than \$300,000**, please check "form not applicable" on GAAP Form Control Sheet.

If the **total** amount of other liabilities to be reported in **column 3** is **greater than or equal to \$300,000**, please complete columns 1-3 of GAAP Form No. 9 as follows:

1. Enter required account coding information for each liability amount (column 3).
2. Enter a description of the liability.
3. Enter the amount of the liability as of June 30th.