This document was developed in order to provide additional instructions to the Texas A&M members. Due to the increased focus on this calculation in fiscal year 2014, it is important to review our academic institutions and agencies and be more consistent with our reporting.

A workgroup was established to define current processes and discuss outstanding items. We have compiled the best practices from several members’ instructions.

The General Appropriations Act (GAA), Article IX, Section 6.08, FY 2014-2015 Biennium requires that payment for benefits be proportional to a state agency’s or institution of higher education’s funding from appropriated funds and receipts unless another legal provision prohibits proportionality.

New Legislation, HB 84, Article III, page 39, paragraph 8, Benefits Proportionality Audit Requirement

a) Each institution of higher education, excluding Public Community/Junior Colleges, shall conduct an internal audit of benefits proportional by fund and submit a copy of the internal audit to the Legislative Budget Board, Comptroller of Public Accounts, and State Auditor’s Office no later than August 31, 2016. The audit must examine fiscal years 2012, 2013, and 2014, and must be conducted using a methodology approved by the State Auditor’s Office. (TAMUS audit team has already completed the review of 2013)

b) If the internal audit conducted by an institution identifies any instances in which an institution has not been compliant with the proportionality requirements provided by Article IX, Sec. 6.08, Benefits Paid Proportional by Fund in the prior three fiscal years defined in subsection (a) and received excess General Revenue as a result of this noncompliance, the institution shall submit a reimbursement payment to the Comptroller of Public Accounts within two years from the conclusion of the institution’s audit. The Comptroller of Public Accounts shall notify the Legislative Budget Board and
State Auditor's Office of all reimbursement payments submitted by an institution of higher education.

c) If an institution has previously conducted an internal audit of benefits proportional by fund for the fiscal years included in subsection (a) using a methodology determined to be acceptable by the State Auditor's Office, the State Auditor's Office may waive the requirement that the institution conduct an additional internal audit. The State Auditor's Office shall notify the Legislative Budget Board and Comptroller of Public Accounts of any institutions who receive such a waiver. Any institution that receives a waiver from the audit requirement from the State Auditor's Office is still subject to the provisions of subsection (b) for any instances of noncompliance that were identified.

d) For fiscal years 2016 and 2017, institutions of higher education shall also consider audits of benefits proportional when developing their annual internal audit plans.

e) It is the intent of the Legislature that the State Auditor's Office audit at least two institutions of higher education for compliance with benefits proportional provisions during the 2016-17 biennium.

Resources Needed

- Accounting Policy Statement 011 Benefits Proportional by Fund Instructions & applicable form, from the Comptroller’s Office located at the FMX website
  - Each member must submit the APS011 Calculation on one of the required Comptroller’s Office forms or submit a Letter to the Comptroller’s Office if the A&M member is funded with a single appropriated fund

- Method of Finance in the General Appropriations Act

- USAS/FAMIS Reconciliation by Bank ( Appropriation & AY) and object code for the benefit expenses

- APS011 Check USAS Query—from Appropriation Control Officer (ACO) at the Comptroller’s Office, this report includes the USAS expenses by benefit and appropriation and should tie to the USAS/FAMIS Reconciliation. Also called USAS Benefits Proportional by Fund Verification (July, 2014 a request was sent to the Comptroller’s Office to add this report as a FMQuery Report-the technical team was unable to design this query in FMQuery, thus, we must continue to ask for this report to be run by our ACO.)
• Business Objects Query
  o Under TAMUS Shared/AFR Reports/APS011 Benefits Proportional folders there is a Proportionality FBAR237 Benefits query that has been developed to report the benefit costs
  o Each member will need to develop a Business Objects query or use FAMIS screens for the revenue stream, the revenue streams were too different to develop a query for all members to use
• Legal Cites and/or explanations for exclusions for revenues or expenses
• A workpaper will be submitted to the System Office with the APS011 Form
  o A Benefit Proportional Workpaper is available from the System Office. This form was developed by Janet Guillory’s team at TAMU.
  o If the System Workpaper is not used, then the member’s workpaper needs to at least contain similar sections to ensure the reviews can be completed timely. One of the key elements is to tie benefit expenses by object code to USAS appropriations/funds and FAMIS banks.

**General Guidelines**
The General Appropriations Act (GAA), Article IX, Section 6.08, FY 2014-2015 Biennium requires that payment for benefits be proportional to a state agency’s or institution of higher education’s funding from appropriated funds unless another legal provision prohibits proportionality.

The use of general revenue (GR) for paying the benefits associated with salaries paid from other funding sources is specifically prohibited. If the revenue is listed in the MOF, then the revenue must be listed in the APS011 Form; however the totals could be excluded in Column 3 if appropriate.

**New text box added to the Comptroller’s Instructions:** This policy does not apply to institutional funds held outside the State Treasury as those salaries are not eligible to be paid from State Treasury funds. The System Office has clarified if these funds are considered appropriated receipts and are held outside the State Treasury and are in the MOF, they must still be reported on the APS011 Form.
Benefit adjustments are not allowed to increase General Revenue Fund expense if the original salary or wage was paid from a source other than the General Revenue Fund. Benefit expenses must follow the payment of the salaries. For GR, the benefit expenses are in a different appropriation but still charged to GR.

**Eligible Employees**
Per Article III of the GAA, Sec 6.8, Sec 9, eligible employees are defined as those whose activities are within the following purposes: Instruction; Research; Public Service; Academic Support; Student Services; Institutional Support; Operation and Maintenance of Plant; Scholarships; Staff Benefits; Organized Activities; and Patient Care. Ineligible employees are those whose activities are within auxiliary enterprises, athletics, and federal sponsored projects. When the employee is working and their salaries are charged to a federal sponsored grant, the benefits must follow the salary expense. These costs cannot be charged to State funds. When the employee retires this group insurance cost for federally sponsored/grant employees are allowed to be charged to State Funds, as there is no other funding source.

If there is not a line item in the MOF for a particular program (or expense) then employees’ salaries should not be charged to GR.

**Forms**
The APS011 calculation has two sections, Section I contains the proportion of funding for each appropriated fund or receipt. Section II, contains the percentages calculated in Section I multiplied by the benefit expenses to determine the proportional benefit expenses by fund or receipt type.

Normally, a Benefit Proportional Workpaper will be completed first, this will calculate the values needed to insert into the Comptroller’s Office APS011 form. There are two forms, one for Institutions of Higher Education and one for State Agencies. If the State Agencies form is used then in Section II-Benefit Expenses, in IId mark through the Benefit Replacement Pay (BRP) title and replace with Optional Retirement Program (ORP). Higher education agencies do not receive appropriations for BRP.
BPP Accounting Analysis Table
The Accounting Analysis table in BPP is a key element to ensure the calculation for benefits is correct. Normally, benefit expenses are charged to the same funding source as the salaries are paid. Since benefit appropriations are unique appropriation numbers in USAS, separate banks are required in FAMIS. In order to ensure the correct appropriation is impacted, we need to ensure the bank is correct on the accounting analysis table. Each member must analyze this table annually and ensure benefits are being charged accurately.

Manual Process for Correcting Bi-Weekly Employees
When adjusting a bi-weekly employee the Employer Group Insurance is charged in only the first bi-weekly payment, this matches the process at the System Office to pay the health care providers. We need to implement a manual process, if material, to ensure if someone is paid from the General Revenue Fund and the funding source is changed, the appropriate amount is reimbursed to GR. For FY 2013, the System Office provided the internal audit team with a query to analyze these values. We are working on a similar report for FY 2012 and FY 2014.

Section I – Funding Proportionality Calculation
Below is a list of Items that should not be listed in the APS011 Section I for Funding.

- License Plate Revenue is treated differently whether it is received by an academic institution or an agency
  - For the academic institutions since the use is predominantly for Scholarships and it was not included in the MOF do not include this revenue stream in the calculation
  - For the agencies, the license plate revenue must be included on the APS011 form in the Other Funds section in column 2 since it is included on the MOF. These funds must be excluded in column 3 based upon their usage for scholarships.
- THECB pass-through grants-ACOs have decided the benefits are included in pass-through grants, so the salaries and wages plus the benefits should be charged to this revenue stream, thus not listed in this calculation
- Appropriated Receipts that are not part of the MOF
- Federal Funds are not required; however if listed in the MOF, recommend members continue to list the Federal Funds in column 2 and exclude in column 3
• Non-cash gifts should not be included
• Unrealized Gain/Loss should not be included

Appropriation Transfers
Appropriation transfers should be used when the transfer of GR includes mostly (at least 50%) salaries for a particular program. When appropriation transfers are used this will allow the agency receiving the GR funds to access the GR Benefit Appropriations. Appropriation Transfers are reflected as a decrease (enter as positive due to the formulas in the form) in Column 3 for the transferring out agency and an increase (enter as a negative due to the formulas in the form) in Column 3 for the transferring in agency. Appropriation (budget) transfers are processed in USAS as t-codes 012/018 t-codes.

General Revenue (Fund 0001 & Fund 0036, current AY only)
• On the Benefit Proportional Workpaper insert the General Revenue Fund (GR-Fund 0001 & 0036) revenues that will be updated in the Comptroller’s form for Section I, for the current appropriation year only (AY 2015)
• On the Comptroller’s form, enter an amount in column 2 of the General Revenue (GR) section equal to or reconcilable to the General Appropriations Act (GAA) appropriation line item for Fund 0001
  o Include any Salary Mandates as an increase to the revenue in Column 2-
    Financing Sources
  o Place a description in the Legal Cite and Documentation section
• GR Riders are included in the last row, if applicable, list the rider as the legal cite
• Fund 0036-Texas Department of Insurance Fund is considered GR and should be placed in the ‘Other Sources’ row
• GR Revenue Exclusions include the list below. A legal cite or explanation must be listed.
  o 5% GR Reduction-Legal Cite we need to list the Bill
  o TRB Debt Service Appropriations-Legal Cite SB, 83rd Leg, RS, Article III-242, Section 6 (9) (per Comptroller’s Office Instructions)
    ▪ Ensure the ACO lapses any TRB residual funds
    ▪ Use the number from the GAA that includes the lapsed funds since 100% of these funds cannot be used on salaries and must be used on debt
  o Any additional debt authorization enacted by the legislation- Legal Cite SB, 83rd Leg, RS, Article III-242, Section 6 (9)
May need to consider if a two-thirds majority vote of the appropriation bill is required. Occasionally, the debt funding will have an additional stipulation that the debt funding must be approved by a two-thirds majority, if not then the funds are appropriated to operations and cannot be used for debt service (e.g. HSC Round Rock debt service).

- Statutorily restricted funds that restrict or limit the use of funds to certain programs-Legal Cite will be the bill and an explanation (per Comptroller’s Office Instructions)
  - Centers-often the salaries and benefits are included in these centers (e.g. Vegetable & Fruit Improvement Center)
  - Rider Exclusion-Specific Fund 5071 Texas Emissions Reduction Plan
- GR amounts that offset local funds used for ORP employer contributions between 6.58% and 7.31%-List the legal cite
- Appropriations with salary restrictions-Legal Cite will be the bill or an explanation (per Comptroller’s Office Instructions)
- Deficiency grant appropriations-Legal Cite will be the bill and an explanation (per Comptroller’s Office Instructions)
- Emergency appropriations-Wildfire, Hurricane appropriations, etc.-Legal Cite will be the bill and an explanation (per Comptroller’s Office Instructions)
- Others-deemed by System Office management to be excluded
  - Scholarship appropriations given to the System Office and sent locally to the A&M members-since these are sent locally and they are only used for scholarships they will be excluded-Legal Cite SB1, 83rd Leg, RS, Article III-243, Sec 11 (4)
  - Endangered Species Taskforce Appropriations given to the System Office and sent to AgriLife Extension Service (In 2015, recommend moving the funds with budget transfer t-codes 012/018)

GR-Dedicated
- On the Benefit Proportional Workpaper insert the General Revenue Dedicated Funds (i.e. Fund 02xx Tuition & Fees, 0151 Clean Air, 5064 Volunteer Fire Dept Assistance, 5066 Rural Fire Dept Ins, etc.) revenues that will be updated in the Comptroller’s form for Section I
• Include the Fund Number used in USAS (i.e. Fund 02xx Tuition & Fees, 0151 Clean Air, 5064 Volunteer Fire Dept Assistance, 5066 Rural Fire Dept Ins, etc.). Do not use the LAR fund number, if it is held locally use 7999 for the Appropriated fund.
  o Interest Income for each fund should be included with the original Fund number, do not list separately
• GR-Dedicated Revenue Exclusions include the list below. A legal cite or explanation must be listed.
  o Interagency Receipts—Legal Cite will be a description of the type of contract
    ▪ Some receipts will be excluded based upon the contract. If the contract will pay for salaries/wages and benefits, then exclude receipts.
    ▪ Some will not be excluded based upon the usage. If the funding can be used to pay for additional benefit expenses, then do not exclude these receipts.
  o TPEG and Emergency Tuition Loans-Legal Cite SB1, 83rd Leg, RS, Article III-243, Sec 11 (per Comptroller’s Office Instructions)
  o Tuition and/or Fee Waivers/Exemptions-Legal Cite Education Code 51.009 (a) & (c) (per Comptroller’s Office Instructions)
  o Doctoral Incentive Loan Repayment Set Aside-Legal Cite list the Bill
  o Unrealized Gain/Losses-No Legal Cite, we need to provide an explanation
  o Bad Debt (ensure this amount is adjusted each year, do not use a flat percentage rate) -No Legal Cite, provide an explanation

The totals in this section should tie or be reconcilable to the AFR. The amounts in the GAA are not used since these were estimates.

If GR-D Funds were excluded from Section 1, the benefit expenses should be excluded in Section 2.

Local Funds Adjustment
Local Funds Adjustment only applies to the Academic Institutions. The local funds adjustment is calculated by multiplying the percentage of calculated GR-D Funds by the total benefits paid from all funds less exclusions. The Comptroller’s Form will derive an amount and place it on Column 3 as reduction of the GR-Dedicated total. The local funds adjustment is required to ensure GR and Fund 02xx are placed on the same basis. GR Funding excludes benefits, because they are provided in different appropriations. For Fund 02xx funds these amounts include
salary and benefit costs. The local funds adjustment is needed to provide a more accurate revenue comparison.

**Federal Funds for Agencies (not institutions of higher ed)**

Federal funds have been removed from the instructions for APS011; however, if the funds are listed in the MOF, we recommend placing Federal funds in Column 2 and excluding in Column 3 for State Agencies.

Federal Funds are listed in the GAA as an estimate for State agencies (not institutions of higher ed). Federal Funds are identified by querying Business Objects for the federal and federal pass-through revenue object codes. This total should be reconcilable to the federal and federal pass-through revenue on the AFR.

- On the Benefit Proportional Workpaper insert the Federal Fund (7999) revenues that will be updated in the Comptroller’s form for Section I
- Include the Fund Number used in USAS (i.e. Fund 7999). Do not use the LAR fund number, if it is held locally use 7999 for the Appropriated fund.
- **Federal Funds Revenue Exclusions-100% must be excluded**
  - Federal grants are required to be used on federal programs-Legal Cite SB 1, 83rd Leg, RS, Article IX-38, Section 8.02 (per federal guidelines, 100% of federal revenue should be excluded)
  - Federal appropriations that are required to be used on federal programs-Legal Cite SB 1, 83rd Leg, RS, Article IX-38, Section 8.02 (per federal guidelines, 100% of federal revenue should be excluded)
  - Federal contracts prohibit the use of federal funds for non-contract expenses-Legal Cite SB 1, 83rd Leg, RS, Article IX-38, Section 8.02 (per federal guidelines, 100% of federal revenue should be excluded)

If the Federal Funds were excluded from Section 1, the benefit expenses should be excluded in Section 2.

**Other Funds**

Other funds will include interagency receipts (Fund 7999), Indirect Cost Recovery, Patient Income, State Highway (Fund 0006) and appropriated receipts (Fund 7999). If these revenue streams are listed in the MOF, then they must be listed in this section. Academic agencies do
not normally include any funds in this section, except for TAMU, which records appropriated receipts in this section.

The totals in this section should tie or be reconcilable to the AFR. The amounts in the GAA are not used since these were estimates.

If interagency receipts are listed in the GAA, MOF, then include state pass-throughs plus other contract/grant line items. Provide these details on the workpaper and tie to the AFR. If the totals do not match, document the adjustment (timing difference).

Appropriated receipts contain various revenue streams including sale of goods/services, grant activity, research contract revenue, etc. This amount is identified by querying Business Objects for all other revenue object codes. This total should be reconcilable to the revenue on the AFR, define these revenue streams in the workpaper so they can be tied back to the AFR.

- On the Benefit Proportional Workpaper insert the Other Fund (7999) revenues that will be updated in the Comptroller’s form for Section I
- Include the Fund Number used in USAS (i.e. Fund 7999). Do not use the LAR fund number, if it is held locally use 7999 for the Appropriated fund.
- For the agencies (non-academic), the license plate revenue must be included on the APS011 form in section I in column 2 since it is included on the MOF. These funds are excluded in column 3 based upon their usage. Legal cite-list the bill.
- Other Fund Revenue Exclusions include the following
  - Interagency Receipts-
    - Some will be excluded based upon the contract. If the contract will pay for salaries/wages and benefits, then exclude receipts
    - Some will not be excluded based upon the usage. If the funding can be used to pay for additional benefit expenses, then do not exclude these receipts.
  - Indirect Cost Recovery-100% should be excluded-Legal Cite Education Code 51.009 classifies IDC as institutional funds
  - Local Grant/Contracts-No legal cite available, provide an explanation-if the purpose is restricted then these funds should be excluded
  - Specific Funds or Centers that are statutorily restricted because they are charged salaries and benefits directly-Legal Cite Bill (per Comptroller’s Office Instructions)
If the Other Funds were excluded from Section 1, the benefit expenses should be excluded in Section 2.

**Section II Benefits Worksheet**

A business objects query is run to report the Benefits expense by subcode, SL and bank for the fiscal year. This report is used in conjunction with the APS011 Check Query and the USAS screen prints of screen 46 for the appropriate AY for each appropriation. The APS011_Check report should be requested from the ACO, this will list all AY activity for each benefit expense in USAS. If there are AY 2015 expenses in the FY 2016, then an accrual entry should be posted in USAS by using a 420 t-code. All payroll costs for FY 2015 activity should be reported in FY 2015.

Ensure the FAMIS and USAS balances match and reconciling items have been corrected. Accrual entries may need to be recorded in USAS or FAMIS depending on the reconciling items. The amounts should be made to equal before the proportional adjustments can be posted. Be sure and keep the original reports before entries are posted.

After the amounts are determined then entries to move expenses between funds should be posted in USAS and FAMIS. The USAS document numbers must be listed under Column 6; these are usually T-codes 467-468 Accrued Expenditure Transfer Vouchers. In FAMIS, corrections are made by using either using the 12/13 screens with the correct bank or using the journal entry screen 14 and bank transfers screen 16.

If the Federal Funds were excluded from Section 1, the benefit expenses should be excluded in Section 2.

**OASI**

Update the Benefit Proportional Workpaper for Section II for the OASI expenses by fund. This activity is reported in USAS Appropriation 91142/AYXX (XX represents the just closed AY). The local funds total is represented by FAMIS object code 1920/Specific Bank on the business objects query. USAS object code is 7043.

The amounts in the spreadsheet are used to populate the OASI section of the APS011 form.
**Group Insurance (GIP)**

Totals for GIP are added to the Benefit Proportional Workpaper. This activity is reported in USAS Appropriation 95002/AYXX (XX represents the just closed AY). The local fund amount is calculated by adding totals for FAMIS object code 1910-Employee GIP and 1909-Retiree GIP from the business objects query. USAS object code is 7041.

If the member is entitled to additional GIP, add a note on Column 5 stating that these funds will be requested from the System Office. For the AFR, the member can only record the revenue up to the amount that was appropriated in the GAA. Residual GIP appropriations are re-distributed after the Comptroller’s Office ACO has reviewed or approved the APS011 Calculations. These funds will be transferred to the member before the year end of the following fiscal year.

The amounts in the spreadsheet are used to populate the GIP section of the APS011 form.

There are two object codes that should not be charged to the General Revenue Fund 1907-Employee Insurance Payments GIP-Part-time ACA and 1908-Employee Insurance Payments GIP-ACA. These two object codes are required per the Federal Affordable Care Act, but the State is has not changed their rules to allow these charges to the General Revenue Fund.

**Retiree GIP**

The retiree GIP amount (object code 1909-Retiree GIP) is entered into the box on the Comptroller’s Office Form below the GIP section in the most appropriate row, if paid from GR, GR-Dedicated, Federal or Other. The only portion that is reported to the State on the APS011 form is the amount that should be charged to State funds. Any employees that were paid from an Auxiliary fund, the retiree GIP needs to be allocated to the Auxiliary funds and excluded from the totals. One method of recouping this cost is to establish a rate per FTE and charge current Auxiliaries for this cost and place this revenue in a separate account so the current retiree Group Insurance cost can be paid from this account. We need to ensure we do not charge the State for retiree GIP that is applicable to Auxiliary Enterprises.

The benefits proportionality concepts also apply to retiree group insurance. Per the Comptroller’s Office instructions, the equitable way to allocate the retiree insurance cost is to base it on an agency’s current salaries and benefits calculation and not simply on the last fund from which a retiring employee was paid. **If an employee was paid from grant funds, when they**
retire, we can no longer charge grant funds for the retiree group insurance cost; we are allowed to charge these costs to the General Revenue and/or other State funds.

We require all members to begin using 1909-Retiree GIP to help us analyze balances.

When analyzing BPP reports, it is our understanding that a BPP program updates fields based upon the current funding of the retiree. The funding is reported on BPP Screen 118. The values on this screen are reported on the BPP Report BP8563-N-Funds Due from System Members by Insurance Type. These retirees need to be marked accurately in the payroll system in order for the fiscal office to rely upon these reports.

Each member must define a methodology for Retiree GIP to ensure retirees who were funded by Auxiliaries are not charged to State funds.

**TRS**

Totals for TRS are added to the Benefit Proportional Workpaper. Fund 0001 totals are taken from the report provided by System Office for AFR reporting. Some members are using a report generated by their Payroll Office. Verify this report only includes Fund 0001 not a mixture of funds. Some members are posting revenue and expenses in FAMIS monthly. This is good, but the numbers must be verified back to the Payroll Reports where we can prove these contributions are associated with Fund 0001 only.

The only object code that can be charged to the TRS appropriation is 1960-TRS Matching Contribution, since TRS no longer contributes for employees within the first 90 days. The other TRS object code 1961-TRS New Member Contribution-first 90 days can be charged to the main appropriation for GR, 02xx Funds (or other GR-Dedicated funds), or local funds. The workpaper can be used to reconcile both object codes. When object codes 1960 & 1961 feed to USAS they are both recorded on object code 7909.

Object code 1961-TRS New Member Contribution cannot be charged to the TRS appropriation because it is no longer a benefit to employees who are paid from General Revenue. If a Fund 0001 employee starts, we must send cash from another funding source to fund those initial 90 days. However, when we calculate Benefits Proportional, we must exclude 1961 from our expenses from GR main appropriation and Fund 02xx and Local Funds. Otherwise the calculation will not be comparing totals with the same types of expenses.
The amounts in the spreadsheet are used to populate the TRS section of the APS011 form.

**ORP**

Totals for ORP are added to the Benefit Proportional Workpaper. This activity is reported in USAS Appropriation 97646/AYXX (XX represents the just closed AY).

The only object code that can be charged to the ORP appropriation is 1955-ORP Base. All other ORP object codes (1956-ORP Supplement & 1957-ORP Differential) can be charged to the main appropriation for GR, or 02xx Funds or local funds. The workpaper can be used to reconcile all object codes. These totals appear on the business objects query to be tagged with a state appropriation bank due to the way the associated salaries are recorded in FAMIS. USAS object code is 7086.

The amounts in the spreadsheet are used to populate the ORP section of the APS011 form.

**Member Review**

Compare the current year’s calculation with the prior year’s calculation to determine if there is consistency between the years. Review the revenue percentage split, these should be similar between years. Below are a few examples for AY 2013.

- TAMU Revenue Split-GR 74.8% and GR-D 25.2%
- TAMUC Revenue Split-GR 73.87% and GR-D 26.13%
- TEES Revenue Split-GR 99.9%, Other .01%
- AgriLife Extension Service Split-GR 100%, Fed Funds & License plate net to 0%

The APS011 form is submitted to management for review. A signature is gathered by the most appropriate person, CFO or Designee. Depending on when the desk reviews are completed by the System Office, a signature could be gathered after the System Office has reviewed the calculation or before.

The APS011 form and workpaper is submitted as part of the AFR reporting package to the System Office of Budgets and Accounting where it is reviewed as part of the AFR desk review process.
System Office will verify the following items. These items will be tied to the Comptroller’s Office form and/or the workpapers that the member provides to the System Office along with the AFR.

- General Revenue Appropriations match to the GAA
- Ensure the Local Funds adjustment is taken for the academic members only
- Revenue Exclusions tie to the GAA
  - TRB (include amount in GAA, do not reduce by the lapse)
  - Other Debt Appropriations
- For institutions of higher ed, Tuition Revenue must be reconcilable to the AFR, not just the USAS 49a Cash Basis screen balances
- Benefit Expenses tie to FAMIS by bank and USAS (provided on the workpaper)
  - Submit the APS011 Check Report from the Comptroller’s Office
  - TRS Benefit Appropriation should only be charged 1960 Object code, the State does not pay for 1961-First 90 days, these costs must be funded locally
  - ORP Benefit appropriation should be charged 1955, the State does not pay for the 1956-Supplement or 1957-Differential
- Legal Cites and/or explanations are listed
- Additional Revenue Items For Agencies
  - Federal Revenue is Reconcilable to the AFR and 100% has been excluded
  - Interagency Receipts is Reconcilable to the AFR, some will be excluded based upon the use of the funds
  - Indirect Cost Revenue is Reconcilable to the AFR and 100% has been excluded
Submission
Once the AFR review is complete and all points are cleared/period 13 is closed, the APS011 form is signed and submitted to the Appropriation Control Officer (ACO) at the State Comptroller’s Office, the Legislative Budget Board (LBB) and the State Auditor’s Office (SAO) by November 19th. The adjusting USAS entries are posted by November 19th as well.

ACO Review
The ACO will review the APS011 Calculations between November 19th and February. If there are any adjustments, they will be posted in the current FY for the prior AY. Sometimes, payroll corrections are posted. Historically, if the amount is immaterial it will be documented and no adjustments will be necessary.

System Office Re-Allocates Residual GIP
The System Office is allowed to re-allocate the GIP appropriations to the members once all the totals have been analyzed. After the ACO has reviewed the forms, budget entries are posted to move appropriations from the members back to the System Office. The System Office will analyze the residual balance and transfer the additional GIP appropriations out to the members. This amount will be recorded in the new fiscal year with the old AY.