EERP (Munis) Annual Financial Report Guide (STW-GL-2)

Office of Education Technology: Division of School Technology Services
Questions: munis@education.ky.gov

The Annual Financial Report (AFR) captures revenue and expenditure data as of the end of the fiscal year. The AFR is comprised of a revenues and expenditures report by fund as well as a balance sheet report by fund

Contents

Overview

The Annual Financial Report (AFR) captures revenue and expenditure data as of the end of the fiscal year. The AFR is comprised of two reports -

1. Revenues and Expenditures Report by fund

2. Balance Sheet Report by fund

The **Revenues and Expenditures by Fund Report** is a summarization and categorization of revenues and expenditures through the end of the fiscal year. Expenditures are sorted by Function and Object and are summarized for inclusion on this report. Revenues are categorized by Fund sources.

The **Balance Sheet Summary Report** provides a report of Balance Sheet Accounts for each fund.

In addition to producing the Annual Financial Report for submission to KDE, these reports can provide districts with a summarized depiction of their financial position at the end of each fiscal year. The AFR can be generated for the last three years.

Posting Prior Year Adjustments

There are multiple adjusting entries that are required to be entered prior to submitting the Annual Financial Report and Balance Sheet. Refer to the document entitled ***Fiscal Year End Processing (BGL-2)*** in the *General Ledger-Year End* section of the KDE EERP Munis Support and Guides website for instructions on posting prior year adjustments.

Multi-Year Budget Appropriation Calculation

Reporting of expenditures and revenues for multi-year funds such as Fund 2, 22 and 360 undergo special calculation. This is due to the nature of a multi-year fund whereby the budget is established once in the year of a project's inception but may be expended over several years.

Since AFR Revenues and Expenditures Report prints budgets for a single fiscal year, reported budgets for projects with activity beyond a single fiscal year may appear distorted. When the AFR is generated, the following calculation takes place to minimize the distortion:

Project Budget **-** Prior Year Actuals **=** Reporting Year Budget

Actual Start and End Dates set on the Project Master records determine which Fund 2, Fund 22 and Fund 360 projects are included in the AFR budget calculation. Any actual amounts posted during the reporting year appear on the AFR regardless of the dates set in the Actual Start and End Date fields on the Project Master record.

Setting Project Start and Actual Completion Dates

Project Start and Actual Completion Dates determine the Fund 2, 22 and 360 projects included in the AFR budget calculation. To exclude new-year projects, the Project Master should contain an **Actual date range** for each project outside the reporting year. Below is a matrix that describes the effect of the **Actual date range** on budget calculations for multi-year accounts.

Note: The **Projected date range** has no effect on accounts missing from or being included in the Annual Financial Report. Districts must use the **Actual date range** fields to ensure accurate reporting.

Added to budget calculations?

No Dates in Actual date range fields................................Yes

Actual Start Date only, before reporting year....................Yes

Actual Start Date only, after reporting year........................No

Actual End Date only, before reporting year.......................No

Actual End Date only, after reporting year.........................Yes

Actual Start and End Dates before reporting year...............No

Actual Start and End Dates after reporting year..................No

Actual Start Date before reporting year,

Actual End Date after reporting year................................Yes

Select:
Financials >General Ledger >Project Accounting >Projects within General Ledger >Project Master

1. Find records.

2. Move through each of the projects checking that all projects have correct information in the **Actual date range** fields.

If a project has incorrect dates in the **Actual date range** fields, select the project and update the information. *Example: Only FY24 grants should have an **Actual date range** of 07/01/2023-06/30/2024.*
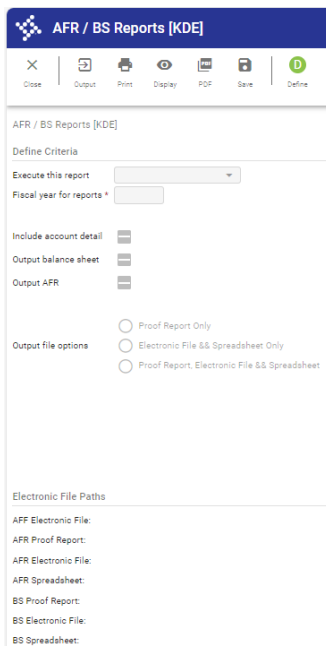
Generating the Annual Financial Report

In this step, all Annual Financial Report & Balance Sheet files will be generated.

Select:
Financials >General Ledger Menu >Inquiries and Reports >State Specific Reports >South>Kentucky Reports >AFR/BS Reports

The following screen is displayed:

1. Select the **Define** button.

    NOTE: The Define screen must be defined with BOTH the "**Include account detail**" box checked and without the "**Include account detail**" box checked (The steps below begin with NOT checking the "include account detail" box.) The "**Include account detail**" box is used to research discrepancies and identify the exact accounts used to calculate the rolled-up amount or for the detail files to submit to KDE, and it creates the required AFR reports with expenditure detail. The steps below will take you through both processes.

2. First define *without* "**Include account detail**" box checked. Enter the fiscal year in the **Fiscal year for reports** field. (The AFR can be generated for any of the three prior years.)
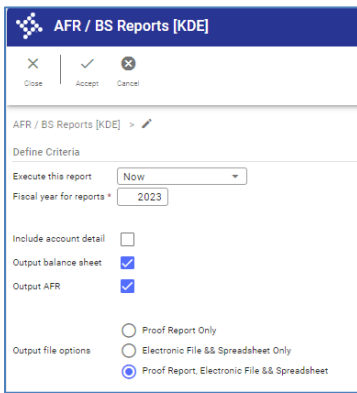
3. The **Output Balance Sheet** box and **Output AFR box** print the Balance Sheet Report as well as the Revenues and Expenditures by Fund Report. Make sure these boxes are check marked in the first define.

4. Select an **Output file option**:
    Below are the options you may choose from and the descriptions. However, you may choose "Proof Report Electronic File & Spreadsheet" for both times you define.

Output Options	Output Results
Proof Report Only	This option allows user to print or spool the report. This option also displays the Segment Find window allowing the user to report on selected segments. This is valuable when researching reporting discrepancies.

Output Options	Output Results
Electronic File & Spreadsheet Only	This option allows user to create the electronic file and spreadsheet files.
Proof Report, Electronic File & Spreadsheet	This option allows user to print or spool the report as well as create the electronic file and spreadsheet files.

6. After setting the above options click **Accept**.

7. Select **"Save"** and those files are created and in the Spool Directory. Select **Print** or choose **Output** to select an output method.

   Note: You will choose Save for the spreadsheet files needed for submission to KDE.

8. Select the **Define** button again and make sure to set the "**Include account detail"** box with a checkmark. Choose the **"Proof Report, Electronic File & Spreadsheet"** output option after setting the other options. Select **Accept.**
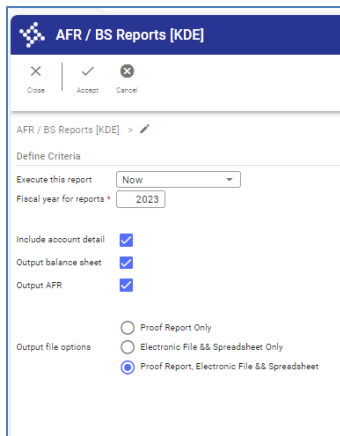
9. Select **"Save"** again and the detail files will be created.

Errors In Processing: The program may return errors identified during processing. The following edits/conditions will require corrections/action before producing and submitting the report to KDE:

a. *"Activity does not exist for fund X":* Appears on the last page of the AFR report when Revenue or Expenditure activity does not exist for funds 1, 2, 310, 320 or 51.

These funds should ALWAYS have recorded activity. Make appropriate corrections for the fund(s) identified before attempting to create the AFR/Balance sheet files.

b. ***"Balancing errors exist, only output file option paper/spool is allowed":***
Appears if the total assets do not equal the sum of total liability plus total fund balances, per fund. This message appears only for output options Electronic File and Spreadsheet Only or Proof Report, Electronic File & Spreadsheet. Select File, Output and the desired printer or spool the report. The following error "Fund X total assets are not equal to the total liability and fund balance" will appear at the end of the balance sheet report. Review the fund in error and make the appropriate corrections before creating the AFR/Balance files.

10. When both of the processes are complete, there will be seven files created, four of which will be submitted to KDE.

In the list below, the XXX represents your District Number. The last four digits will reflect the number of times the AFR has been generated.

Note: *Make note of the following files created for transferring to KDE:*

AFFXXX0001.txt	AFR Detail Function Electronic Media File
ASRXXX0001.txt	AFR Summary Spreadsheet File
BSXXX0001.txt	Balance Sheet Detail Electronic Media File
BSFXXX0001.txt	Balance Sheet Summary Spreadsheet File

Prepare AFR Files for Submission

The Annual Financial Report (AFR) electronic media and spreadsheet files created in EERP (Munis) are submitted thru a web-based application. This is the same application used to submit the Tentative Budget.

Below are the instructions to prepare the AFR files for submission. These instructions are used after the AFR and Balance Sheet files have been created with detail and without detail as directed above. Only four AFR/BS files will need to be submitted - AFF, ASR, BS and the BSF file.

Select ASP Admin > Transfer a File

1. Choose "Download from Spool Directory"

2. Seven files should have been created when the AFR/BS electronic files were created. Four of these files will be submitted to KDE (AFF, ASR, BS and BSF).

   Click on the ***AFF*** file then select **Accept** and open the file. The file will open in text format.

3. Select ***File >Save As***. Save your file to a location that can be easily identified and located. (Suggestion: create a "KDE Files for Submission" folder). Do not change the name of the file. Click ***Save***.

4. Repeat steps 1-3 above to save the ASR, BS and BSF files.

5. You will have four AFR/BS files in your folder to be submitted using the web-based application process (AFF, ASR, BS and BSF).

AFR Web Submission

The web-based application is the same as used to submit SEEK trend data and Tentative Budget. Once the AFR Files have been prepared, follow the instructions below for submission.

1. Go to the SEEK District Data Submission login screen located at the following web address:

   [SEEK Login Screen](#)
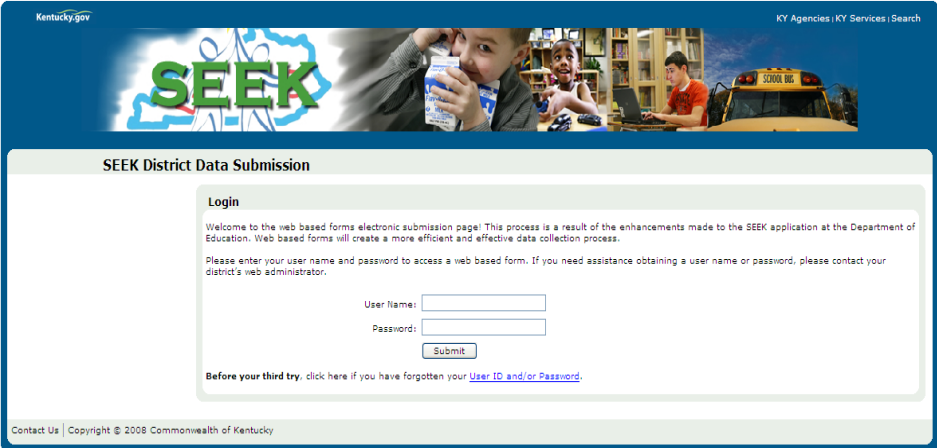
2. Enter your user name and password and click the Submit button. Successfully entering your user name and password will open the SEEK District Data Submission Home page.
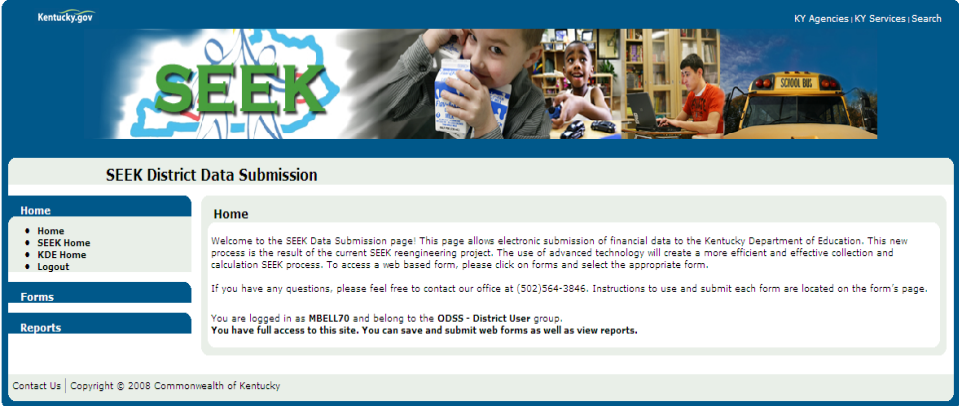
3. Click the **Forms** link on the left side of the screen.
   The list will expand to reveal the available forms options.
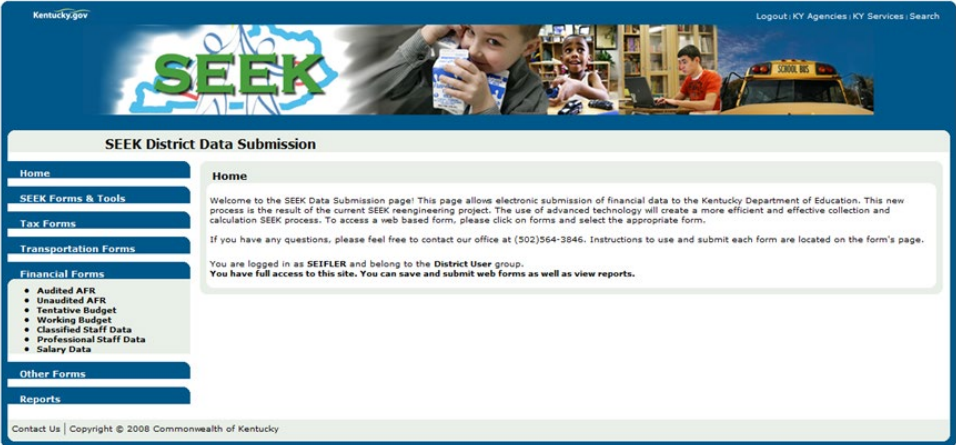
4. Click the Unaudited or Audited AFR link (choose correct version) under the list of Forms options to go to the Annual Financial Record.
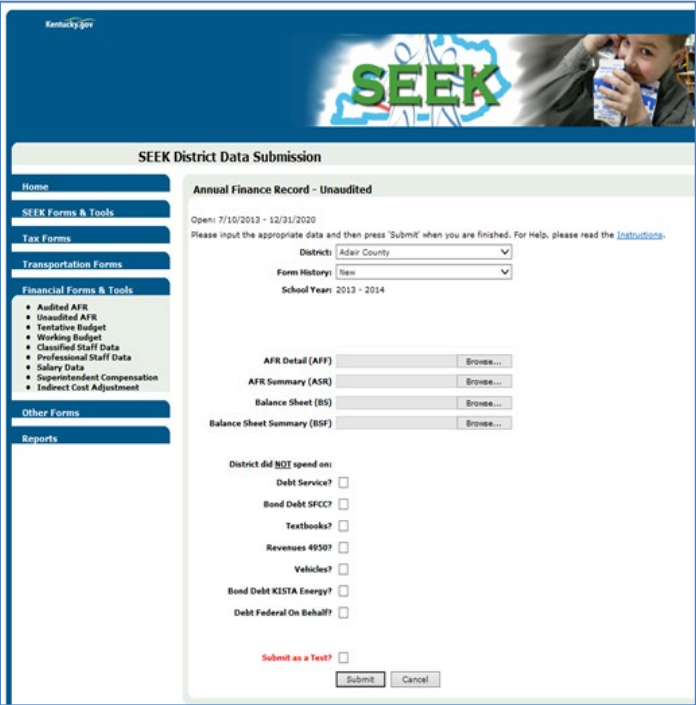
5. Click the Browse button at the end of the AFR (AFF) row. It will allow you to choose which file to upload by opening the Choose file screen.

6. Click the file you wish to upload, such as AFF1560004.txt.

Name	Date modified	Type	Size
AFF1560004.txt	10/22/2013 1:16 PM	Notepad++ Docu...	137 KB
ASR1560004.txt	10/22/2013 1:17 PM	Notepad++ Docu...	60 KB
BS1560004.txt	10/22/2013 1:18 PM	Notepad++ Docu...	4 KB
BSF1560004.txt	10/22/2013 1:18 PM	Notepad++ Docu...	6 KB

7. Click the Open button. The Choose file screen will close returning to the SEEK Data Submission screen. The file location and name now appears in the AFR (AFF) text box. Do not be concerned that the entire file location can't be seen.

8. Repeat steps 5-7 for each remaining file (ASR, BS and BSF).

9. After all four files have been uploaded, click the Submit button to upload the files. Once the files have been successfully submitted, a confirmation screen will appear.
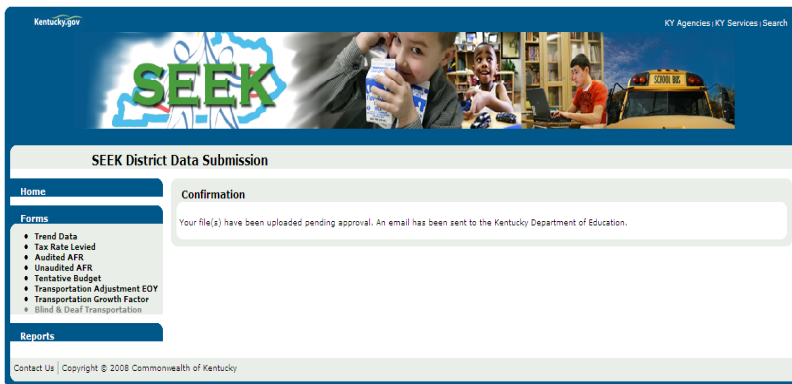
The submission process is now complete.

Errors may be received when submitting the reports. For explanation and possible resolution to errors, refer to the appropriate submission guide, *Unaudited AFR Submission Guide* or the *Audited AFR Submission Guide*. These guides are found in the *General Ledger-Year End* section of the [KDE EERP Munis Support and Guides](#) webpage.

To exit the screen, click the close button and the screen will close.