

# STATE OF MAINE

## GAAP FINANCIAL STATEMENTS CLOSING PACKAGE



*FOR THE FISCAL YEAR ENDED  
JUNE 30, 2026*



TABLE OF CONTENTS

FINANCIAL REPORTING TEAM..... 4
INTRODUCTION ..... 4
GENERAL INFORMATION ..... 5
Revenues and Amounts Receivable ..... 5
Expenditures/Expenses and Amounts Payable ..... 7
Due To/Due From Other Funds ..... 7
Inventory ..... 7
Donated Governmental Commodities and In-Kind Services ..... 7
Custodial Funds (formerly called Agency Funds): Assets Held in Trust and Related Liabilities ..... 8
Fixed Assets ..... 8
Financing Arrangements: Loans, Capital Leases, Certificates of Participation, and Other ..... 9
Other Assets ..... 9
Due to Component Units ..... 9
Compensated Absences ..... 10
GASB Requirements ..... 10
GASB Statement 83 – Certain Asset Retirement Obligations ..... 10
GASB Statement 87 – Lease Commitments ..... 11
GASB Statement 51 – Intangible Assets ..... 11
GASB Statement 56/62 – Related Parties ..... 12
GASB Statement 94 – Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs) ..... 12
GASB Statement 96 – Subscription Based Technology Arrangements (SBITAs) ..... 12
GASB Statement 104 – Disclosure of Certain Capital Assets ..... 13
Prior Period Corrections ..... 14
Commitments ..... 14
AGENCY-SPECIFIC GAAP INSTRUCTIONS — FISCAL YEAR 2026 ..... 15
INTRODUCTION: ..... 15
GENERAL GOVERNMENT SERVICE CENTER: ..... 16
CORRECTIONS SERVICE CENTER: ..... 19



SECURITY AND EMPLOYMENT SERVICE CENTER: ..... 20

NATURAL RESOURCES SERVICE CENTER: ..... 21

DEPARTMENT OF TRANSPORTATION: ..... 22

HEALTH AND HUMAN SERVICES SERVICE CENTER: ..... 23

OFFICE OF THE TREASURER OF STATE: ..... 25

    Deposits ..... 25

    Investments ..... 25

    Balance Sheet Classification ..... 26

    Investment Policy ..... 26

    General Obligation Bonds ..... 26

    General Obligation Bonds Authorized, Unissued and Unspent ..... 26

    Bond and Tax Anticipation Notes ..... 26

    Subsequent Events ..... 26

    Held Checks ..... 26

    Nonexpendable Trust Funds ..... 27

    Abandoned Property ..... 27

    Investments Held on Behalf of Others ..... 27

    Statistical information ..... 27

MAINE REVENUE SERVICES: ..... 27

OFFICE OF THE SECRETARY OF STATE: ..... 28

BUREAU OF THE BUDGET: ..... 29

JUDICIAL BRANCH (ADMINISTRATIVE OFFICE OF THE COURTS): ..... 29

GAAP INFORMATION CHECKLIST: ..... 30

COMMENTS: ..... 31

FINANCIAL DISCLOSURE CERTIFICATE: ..... 32



## GAAP INSTRUCTIONS — FISCAL YEAR 2026

### FINANCIAL REPORTING TEAM

Please contact your agency liaison from the list below with any questions. If you are unsure who your liaison is, please consult our website at <https://www.maine.gov/osc/financial-reporting/liaison-list> for a listing or call us at 626-8420.

Brad Rodrigue, CPA, CIA, Director, Financial Reporting & Analysis – 626-8437

Email: [brad.rodrigue@maine.gov](mailto:brad.rodrigue@maine.gov)

Jordan Kennedy, CPA, Financial Management Coordinator – 626-8492

Email: [jordan.kennedy@maine.gov](mailto:jordan.kennedy@maine.gov)

Maureen C Conn, CPA, Financial Management Coordinator – 626-8451

Email: [maureen.c.conn@maine.gov](mailto:maureen.c.conn@maine.gov)

Stacey Thomas, CPA, Financial Management Coordinator – 626-8431

Email: [stacey.thomas@maine.gov](mailto:stacey.thomas@maine.gov)

### INTRODUCTION

Throughout the year, the State of Maine (the State) processes transactions using the statutory basis of accounting, often referred to as the “budgetary basis.” For its *Annual Comprehensive Financial Report (ACFR)*, the State reports on the basis of generally accepted accounting principles (GAAP) as defined by the Governmental Accounting Standards Board. The financial statements are prepared using a modified accrual or accrual basis of accounting, whichever is appropriate. “Basis of accounting” refers to *when* revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in the accounts and reported in the financial statements. In order to convert Advantage data from the budgetary to the GAAP basis, the Financial Reporting Team must obtain supplementary information from other State Departments, Bureaus, and Divisions.

**Title 5 MRSA §1547, subsection 4 requires agencies to provide financial information to the Office of the State Controller by September 1 following the close of the fiscal year.** Please send accruals and other closing information identified in this closing package, along with the GAAP information checklist on page 30 and the Financial Disclosure Certificate beginning on page 32, to the Financial Reporting Team in the Controller’s office by that date (electronic transmission is preferable). Additionally, please identify primary contacts within your agency for follow up questions from the Controller’s Office and the Office of the State Auditor. Note that sections of this closing package do not apply to all agencies. The first section includes general information, which applies to everyone. The second section is agency specific. Please direct questions to your liaison in the Controller’s office.

Agencies are responsible for preparing, submitting and retaining copies of auditable supporting documentation for all of the GAAP information submitted. Any changes or corrections to information originally submitted must also be sent to your agency’s liaison in the Controller’s Office.

If estimates are used, please describe the procedures, assumptions, computations and methods used to develop the estimates. Retain all documentation for seven years after audit.



When preparing GAAP accruals, use the same account and object/revenue source coding required on journal vouchers to enable the Controller's Office to record information in appropriate revenue, expenditure/expense and balance sheet categories.

There is a checklist at the end of this document on page 30 that outlines the asset, liability, revenue and expenditure/expense accruals that are necessary to convert ADVANTAGE figures to a GAAP basis.

\*\*\* Unless otherwise noted, the accruals should **not** be made directly in ADVANTAGE.

## GENERAL INFORMATION

There are two types of financial statements included in the State's ACFR: government-wide financial statements and fund financial statements. The government-wide financial statements report information about the overall government without displaying individual funds. These statements measure and report all assets, deferred outflows, liabilities, deferred inflows, revenues, expenses, gains and losses using the full accrual basis of accounting. The fund financial statements report additional and detailed information about the government by displaying individual funds, using either the modified accrual or full accrual basis of accounting, as appropriate.

**Modified Accrual Basis of Accounting** — applies to governmental funds (fund numbers ranging from 010 through 027) and fiduciary funds that follow governmental accounting, including fund numbers 085 and 089.

Governmental funds do not record fixed assets or the related debt directly in the funds. However, there are other assets and liabilities that must be recorded and significant accruals of revenues and expenditures that must be made. These accruals should be reported to the Controller's Office and should not be recorded directly in ADVANTAGE.

Under the modified accrual basis of accounting, revenues should be recognized when they become measurable and available (usually meaning collectible within 60 days of the end of the fiscal year). Expenditures should be recognized when the fund liability is incurred, if measurable.

**Full Accrual Basis of Accounting** — applies to proprietary funds (fund numbers ranging from 029 through 070) and fiduciary funds that follow proprietary accounting, including fund numbers 071, 079, 082 and 087.

Proprietary funds must accrue everything, and accruals should be made directly in ADVANTAGE, if possible.

Under the full accrual basis of accounting, revenues should be recognized when they are earned and become measurable (regardless of when they are collected). Expenses should be recognized when incurred, if measurable.

## REVENUES AND AMOUNTS RECEIVABLE

When revenue is earned and an amount is due to the State at June 30, the amount must be accrued as revenue and recorded as receivable at fiscal year-end. Agencies must report the total accounts receivable outstanding, their estimates of and methodology for estimating the uncollectible portion, and the amount that must be deferred. **These amounts should not be netted.**

*Revenue is earned* when the underlying transaction has been completed and the amount is measurable, for full accrual accounting. For modified accrual accounting, revenue is earned when the underlying transaction has been completed, the amount is measurable, and the funds are *available*. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. In general, payments received



within 60 days of the fiscal year end are considered to be available. See also the discussion of *Unearned Revenue* below.

Revenues and related receivables must be accrued at year end for all revenue sources of \$1 million or more annually. Revenues that must be accrued include: property taxes, sales and income taxes, fines and assessments, routinely provided services, most grants from other governments and Medicaid reimbursements for services provided in hospitals, nursing homes, or by other providers. Interest and dividends must also be accrued in the trust funds.

A receivable should be recorded when revenue is recognized but payment has not been received by the end of the fiscal year. For example, your agency assesses taxes due, charges for license fees, or provides goods or services to customers before June 30, but has not received payment for the services by that date. Any backlog of unbilled items at June 30, for assessments and transactions that occurred prior to June 30, should also be included in the recognition of revenue and recording of receivables.

*Unearned revenue* - Governmental funds should record as unearned revenue amounts that are due by June 30 but not expected to be collected within 60 days of that date. For example, a taxpayer pays a portion of his/her total taxes due, but an amount remains outstanding at June 30. This amount will eventually be collected but it will not be collected within 60 days of year end. In this situation, the asset (taxes receivable) must be reported but the related revenue must be deferred. To properly record this amount, the agency would debit the appropriate receivable account and credit deferred revenue (a liability account – 0233). If you estimate that a portion of the receivable will not be collectible, credit the appropriate reserve for uncollectible amounts (0030 for taxes receivable, and 0031 for other receivables) for that portion, and credit deferred revenue for the balance that will be collected. Make sure to debit the appropriate receivable account for the full amount due.

Amounts that are received prior to June 30, but are not yet earned, must also be deferred. For example, if an entity has chosen to prepay an expense/expenditure, resulting in unearned income to you, you must also credit deferred revenue. If the revenue has already been recorded, debit the original revenue category and credit deferred revenue.

*Classification of amounts receivable* – for all accruals of revenues and amounts receivable, please provide the following information: amount expected to be collected within 60 days, amount expected to be collected between 61 days and 12 months, and amount expected to be collected after 12 months. If estimated, include the basis for those estimates.

*Reimbursements for expenditures and overpayments* – If the State provides a grant or pays an amount to an entity based on an estimate of what that entity will ultimately spend, and the entity does not expend all of the funds, they owe the balance back to the State. Therefore, a receivable must be recorded at year end. In order to accrue amounts receivable at fiscal year-end:

Debit the appropriate receivable account – e.g.,  
     0020 – Taxes Receivable  
     0025 – Other Receivables (if it is an external customer)  
     0050 – Due From Other Funds (if it is another State agency)

Credit the expenditure object code from which the original payment was made.

Agencies must ensure that the amounts are recorded in the appropriate funds.

If an accrual is made for funds due back to the State, and a share of that amount will be remitted to the federal government, a liability must also be accrued for the amount due back to the federal government.



To record the amount due to the federal government, debit the appropriate revenue source code (where the original amount from the federal government was recorded) and credit the appropriate liability account.

#### **EXPENDITURES/EXPENSES AND AMOUNTS PAYABLE**

According to generally accepted accounting principles, the dollar amount of expenditures can be determined, and should be recorded, when the liability is incurred. For example, if you have received services or goods by the end of the day on June 30, you have a liability (accounts payable) and expenditure that should be reported. Most often, the bills that are processed in the next fiscal year will determine these amounts.

**From July 1 through September 30, the service date field will be a required field for GAX and PRC documents, including interfaces. Please note that the dates have changed from prior years. We will now require these entries through September 30.** This will enable Financial Reporting to perform a query on amounts to be paid in fiscal year 2027 relating to services performed or goods received in fiscal year 2026.

**\*Important Reminder\* We would also like to remind you that the dates entered should reflect *the dates that the services were performed*, NOT the start/end dates of the contract.**

#### **DUE TO/DUE FROM OTHER FUNDS**

When State Agencies transact business with other State Agencies, they record the amounts as Due From Other Funds and Due To Other Funds within the ADVANTAGE system. For example, a State Agency purchases supplies from the State Warehouse. The Warehouse records a Due From Other Funds, and the purchasing agency eventually pays the charges, which in turn eliminates the Due From Other Funds. When there is a lag between the dates a Due From is recorded and the date it is liquidated, the amounts Due From and Due To Other Funds do not balance. At fiscal year-end, these amounts must balance on the State's financial statements. If the amounts are not offset within the accounting system already, agencies should provide a listing of the related Due From/To Other Funds, by fund number and agency, to offset the recorded amounts. In the previous example, the Warehouse recorded a Due From but the receiving agency did not pay the balance at year-end. The Warehouse would provide a listing identifying what fund and agency is expected to pay that balance due (for instance, the General Fund – 010).

#### **INVENTORY**

Generally, the State records inventory items (for example, materials and supplies) of the governmental funds as expenditures when purchased. GAAP reporting requires us to report significant inventory values on hand at fiscal year-end as assets in the balance sheet. The definition of "significant" depends upon the fund in which the inventory should be recorded. If you believe you have significant inventory items that are not recorded as assets, please contact a member of the Financial Reporting Team for specific guidance.

Examples of Departments/Agencies that may have significant, unrecorded inventories are: Bureau of General Services (donated federal surplus property), Corrections, Agriculture, Health & Human Services, Inland Fisheries and Wildlife, Conservation, and Marine Resources.

Agencies should calculate inventories of materials by physical counts or by perpetual inventory systems. Report inventory values at the lower of the cost of the items, or the market value of the items. You may use cost or average cost if not significantly different than the lower of cost or market value. Report the method of valuing inventories to the Controller's office.

This listing of inventory items should not include capital assets. Inventory items are mainly material and supply items that are consumed during a relatively short period after purchase.

#### **DONATED GOVERNMENTAL COMMODITIES AND IN-KIND SERVICES**

The State receives items like food assistance such as Supplemental Food Assistance Program (SNAP), surplus food, vaccines and other in-kind services from the Federal government. The value of these items should be



recognized based upon the amount received during the year. The value of donated commodities distributed are reported as expenditures. Federal expenditures also include donated federal surplus property. The fair market value at the date of donation to the State of Maine is reported as expenditures.

If significant quantities of commodities exist at year end, they must be counted and valued. See “Inventory” for appropriate valuation calculations. If an agency reports the increases and decreases in commodities to the Federal government during the year, those values would be reported for State financial statement purposes and agree with amounts reported on year end SEFA reports.

### **CUSTODIAL FUNDS (FORMERLY CALLED AGENCY FUNDS): ASSETS HELD IN TRUST AND RELATED LIABILITIES**

The State uses Custodial (formerly called Agency funds) (fund numbers 076, 077, 080, 083, 086, 098) to account for assets held on behalf of others. These include but are not limited to: inmate and restitution accounts (Department of Corrections); patient accounts (Department of Health and Human Services); and Judicial Branch bank accounts (Administrative Office of the Courts). Custodial funds do not involve measurement of operations (income, expenses, or determination of profit or loss).

There are certain assets held on behalf of others that must be recorded on the ADVANTAGE system for GAAP reporting purposes. Please record the amount of all assets that your agency holds on behalf of others (even if they are not included in the list described above) in the ADVANTAGE system. Record these assets at their fair market value in fund 083 by debiting asset account 0010 and crediting the liability account 0213, using your agency code and approp/reporting org. If you are unable to record the amounts before the close of the fiscal year, please provide the information to the Financial Reporting Team.

When providing data to Financial Reporting, include (see page 27 of this document for additional information requirements):

- support for year-end balances by category, e.g., cash, bonds, corporate stocks; and,
- support for investment income totals by type of income, e.g., interest, dividends, and changes in fair market value, for the fiscal year. (Keep in mind that most fiduciary reports are based on a calendar- year, so please include 12/31/25 and 6/30/2026 reports).

### **FIXED ASSETS**

Report all fixed assets according to the procedures described in the State Accounting Manual, which is available from the Office of the State Controller web page.

Agencies should complete all outstanding fixed asset shells before June 30. If any of the shells on the Document Catalog do not relate to capital assets, please notify Tammy Chase (626-8416) and she will delete them.

Agencies are responsible for complying with GASB Statement 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries*. Please notify the Controller’s Office if any major assets were impaired during the year. Refer to Controller’s Bulletin FY06-14 for detailed instructions.

Agencies must conduct physical inventories of all fixed assets annually on June 30<sup>th</sup>. **Agencies with distributed assets**, that is, assets located in many locations throughout the State, may conduct their inventory over a three-year period **if the following conditions are met:**

1. Every item is subject to a physical count or verification every three years; and,
2. The inventory program is documented, and the plan has been pre-approved by the Office of the State Controller.



In order to ensure objective reporting of inventory items, personnel having no direct responsibility for assets subject to the inventory should perform physical inventory counts.

After the physical count is completed, the inventory officer should reconcile the inventory by comparing physical records to general ledger balances. The inventory is properly accounted for when all differences have been identified, explained, and corrected. The inventory officer should then certify the reconciliation with a signed statement that it is correct. The certification, together with the reconciliation and the inventory listing, serves as the basis for accounting adjustments. Retain this documentation for at least three years from the close of the current year audit or according to your agency's record retention policy, if it is longer.

For new acquisitions, note whether federal funds or state bond proceeds were used to pay for the items.

Report all construction in progress that meets the definition of a capital construction project as defined in Chapter 30 of the State Administrative and Accounting Manual.

#### **FINANCING ARRANGEMENTS: LOANS, CAPITAL LEASES, CERTIFICATES OF PARTICIPATION, AND OTHER**

Each department must provide a detailed listing of all outstanding obligations under financing arrangements at June 30. Financing arrangements can include, but are not limited to: loans payable, obligations under capital leases, obligations under lease purchase agreements, Certificates of Participation, and other third-party financing agreements. You must also provide a schedule of payment amounts and due dates, and a description of the asset(s) financed. All debt information should be sent to Brad Rodrigue in the Controller's Office.

For new debt issuances, note the Public Law that authorized the debt and whether or not the asset will be state-owned.

When a financing arrangement meets the criteria for recording as a capital lease (contact Brad Rodrigue, in Financial Reporting Team, for specific guidance), you should record the asset and related debt obligation by debiting the appropriate asset account and crediting liability account 0223 (Capital Leases Payable). In all cases, the amortization schedule must be sent to the Financial Reporting Team. Other information that must also be provided includes: the nature of the financing activity, its purpose, and the date the State became obligated for the debt. If you have provided a schedule in the past, you do not need to do so again; however, we will reconcile the principal and interest payments in our database with your reporting on the A6141.

Additional information in regard to Capital Leases is provided on page 11 in the GASB Statement 87 – Lease Commitments section.

***In addition, please include a Capital Lease reconciliation showing the beginning balance (last year's ending balance) plus additions minus reductions to equal the FY26 ending balance.***

#### **OTHER ASSETS**

Report any other assets you have (e.g., prepaid expenses, cash with fiscal agents, custodial accounts, etc.) that are not recorded in ADVANTAGE. If you are not sure if an asset should be reported, please contact a member of the Financial Reporting Team.

#### **DUE TO COMPONENT UNITS**

There are several legally separate organizations that are included in the State's financial statements as component units due to the significance of their operational and/or financial relationships with the State. The following entities are included because they meet the specific criteria as component units: Efficiency Maine Trust, Finance Authority of Maine, Maine Community College System, Maine Connectivity Authority, Maine Governmental Facilities



Authority, Maine Health and Higher Educational Facilities Authority, Maine Maritime Academy, Maine Municipal Bond Bank, Maine Public Employees Retirement System, Midcoast Rural Redevelopment Authority, Maine State Housing Authority, Maine Turnpike Authority, Northern New England Passenger Rail Authority and the University of Maine System. If your agency has an amount receivable from or payable to any of these entities at June 30, advise Maureen C Conn in the Controller's office of the amounts and related funding sources.

**COMPENSATED ABSENCES**

The terms of union contracts and personnel administrative policies grant employees limited amounts of vacation, sick, personal and compensatory time. In accordance with GAAP, the State must measure and record a liability for compensated absence time based on the accumulated amount of unused time earned and the employee's current rate of pay.

Those agencies that are not on Workday Maine must enter leave balances during July for all employees working in that agency on June 30, 2026. The Controller's Office will calculate the compensated absence liability based upon the information provided by the departments, except for those agencies that have been authorized to make their own estimates. Agencies that are on Workday Maine no longer have to enter the leave balances in July. Workday Maine will automatically provide a report of outstanding leave balances.

**GASB REQUIREMENTS**

**GASB Statement 83 – Certain Asset Retirement Obligations**

The objective of this Statement is to establish uniform criteria for governments to recognize and measure certain Asset Retirement Obligations (ARO), including obligations that may not have been previously reported.

An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability when the liability is both incurred and reasonably estimable. Examples of AROs include, but not limited to, the following: the decommissioning of nuclear reactors, removal and disposal of wind turbines on wind farms, dismantling and removal of sewage treatment plants, and removal and disposal of diagnostic imaging machines (ex, MRI's, X-ray machines).

In order to assess the volume of possible AROs that OSC will need to review and report, **we are requiring all agencies to provide a summary list of assets that will have an associated ARO.**

Please provide the following for each ARO identified:

- a. A general description of the AROs and associated tangible capital assets, as well as the source of the obligations (whether they are a result of federal, state, or local laws or regulations, contracts, or court judgments);
- b. The methods and assumptions used to measure the liabilities;
- c. The estimated remaining useful life of the associated tangible capital assets;
- d. How any legally required funding and assurance provisions associated with AROs are being met; for example, surety bonds, insurance policies, letters of credit, guarantees by other entities, or trusts used for funding and assurance; and
- e. The amount of assets restricted for payment of the liabilities, if not separately displayed in the financial statements



If an ARO has been incurred but is not yet recognized because it is not reasonably estimable, please disclose that fact and explain why it is not estimable.

Please make sure you respond with answers to the above questions or state that you have nothing to report. Contact Brad Rodrigue at 626-8437 if you have any questions.

**GASB Statement 87 – Lease Commitments**

GASB 87, was effective beginning with fiscal year 2022. Any leases that are managed by the Bureau of General Services and those associated lease payments that a made to fund 043 do not need to be disclosed in your agency’s closing package since OSC has worked with the General Government Service Center to identify those leases. Any leases and lease payments that are made directly by departments to lessors/vendors should be reported in the closing package using the excel spreadsheet (GASB 87 Leases) listed separately on [OSC's Web Site](#).

Please provide the following information:

- Vendor/Lessor name and Advantage vendor code
- Full Contract Number if applicable (include doc code, doc dept, doc id)
- Type of leased equipment (ex. printer, copier etc.)
- Leased Asset Description
- Monthly Payment Amount
- Additional expenses incurred to make asset ready for use
- Lease period (in months including renewal periods)
- Lease commencement date and lease termination date (including renewal periods)
- All renewal options associated with individual lease terms
- Expense coding associated with each lease - fund, department, appropriation and object code. (If multiple leases are coded to one account just note that and include coding once).

Note that in general, capital leases under GASB 87 are leases of tangible property for terms of longer than 1 year. Renewal option/periods are added to the lease period. For example, a 1 year lease with 1 year renewal option is considered a two year lease for GASB 87 reporting purposes. Leases typically and predominantly include buildings, but may also include vehicles, communication towers, land, photocopiers, heavy equipment etc. Note that a right of way lease is considered intangible property and reported under GASB 51. See GASB 51 section.

If you have questions about what potentially qualifies as a capital lease under GASB 87 please contact Jordan Kennedy at the OSC (626-8492).

[A GASB 87 survey \(Excel workbook listed separately on OSC’s web site\) must be completed, signed and submitted to Kelli Lascko even if there are no GASB 87 assets to report.](#)

**GASB Statement 51 – Intangible Assets**

This GASB is currently implemented and requires the capitalization of certain intangible assets. The statement defines an intangible asset as an asset that

- 1) lacks physical substance
- 2) is nonfinancial in nature (cannot be a receivable or prepayment of goods), and
- 3) has an initial useful life that extends beyond a single reporting period.

Examples of intangible assets include easements, water rights, timber rights, patents, trademarks and computer software.



Internally generated computer software has special recognition characteristics and must be identified as such. Computer software should be considered internally generated if it is developed in-house by the government's personnel or by a third-party contractor on behalf of the government. Commercially available software that is purchased or licensed by the government and modified using more than minimal incremental effort before being put into operation also should be considered internally generated for purposes of this Statement.

The intention of the Office of the State Controller is to capitalize intangible assets with a cost of \$1 million or more.

If you have questions about what qualifies as a GASB 51 software development project or how to complete the GASB 51 survey, contact Jordan Kennedy at the OSC (626-8492).

[A GASB 51/96 survey \(Excel workbook listed separately on OSC's web site\) must be completed, signed and submitted to Kelli Lascko even if there are no GASB 51/96 assets to report.](#)

### **GASB Statement 56/62 – Related Parties**

In general, Related Party Transactions include those that occur “outside the ordinary course of operations.” Sometimes the relationship between the parties to a transaction is so close that a reasonable observer would conclude that one or both parties might be disinclined to fully pursue their separate interests (related party transactions). Related party transactions may include exchange or exchange-like transactions or non-exchange transactions.

If you have questions about what qualifies as a GASB 56/62 transaction or how to complete the GASB 56/62 survey, contact Jordan Kennedy at the OSC (626-8492).

[A GASB 56/62 survey \(Excel workbook listed separately on OSC's web site\) must be completed, signed and submitted to Kelli Lascko even if there are no GASB 56/62 related party transactions to report.](#)

### **GASB Statement 94 – Public-Private and Public-Public Partnerships (PPPs) and Availability Payment Arrangements (APAs)**

The intention of the Office of the State Controller is to recognize (PPPs) and (APAs) when the present value of the exchange transaction(s) exceed \$1 million.

The GASB defines a PPPs and APAs as arrangements in which government (transferor) contracts with an operator to provide public services by conveying control of the right to operate nonfinancial assets, such as infrastructure or other capital assets (the underlying PPP asset) for a period of time in an exchange or exchange-like transaction.

If you have questions about what qualifies as a GASB 94 transaction or how to complete the GASB 94 survey, contact Jordan Kennedy at the OSC (626-8492).

[A GASB 94 survey \(listed separately on OSC's web site\) must be completed, signed and submitted to Kelli Lascko even if there are no GASB 94 arrangements to report.](#)

### **GASB Statement 96 – Subscription Based Technology Arrangements (SBITAs)**

The intention of the Office of the State Controller is to capitalize software-based information technology arrangements when the present value of the future subscription payments plus the implementation costs exceeds \$1 million or more.



The GASB defines a SBITA as a contract that conveys control of the right to use another party's IT software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction. The subscription period must be more the 12 months. The subscription period also includes renewal periods.

Each Department and/or Service Center needs to determine whether they have contracts that meet the definition of a SBITA. OSC does not expect departments to make the necessary calculations. However, OSC expects department personnel involved in compiling closing package information to provide the vendor's name, contract numbers and amounts, and contract period including renewal periods, as required in the Closing Package Survey for GASB 51 and 96. There is also the possibility that a significant software development project that does not qualify as a GASB 96 asset may still qualify as a GASB 51 asset. If this appears to be the case, please refer to the GASB 51 section.

If you have questions about what qualifies as GASB 96 subscription-based technology arrangement, please contact Jordan Kennedy at the OSC (626-8492).

[A GASB 51/96 survey \(Excel workbook listed separately on OSC's web site\) must be completed, signed and submitted to Kelli Lascko even if there are no GASB 51/96 assets to report.](#)

#### **GASB Statement 104 – Disclosure of Certain Capital Assets**

This Statement requires additional disclosures for capital assets held for sale. A capital asset is a capital asset held for sale if:

- (a) the government has decided to pursue the sale of the capital asset and;
- (b) it is probable that the sale will be finalized within one year of the financial statement date.

There are a number of factors that need to be considered when evaluating whether it is probable that the sale will be finalized within one year of the financial statement date. According to the statement, these include, but are not limited to the following:

- (a) Whether the asset is available for immediate sale in its present condition and;
- (b) Whether an active program to locate a buyer has been initiated, which may include the asset being put out for bid and;
- (c) Market conditions for selling that type of asset and;
- (d) Regulatory approvals needed to sell the asset.

Governments should consider relevant factors to evaluate the likelihood of the capital asset being sold within the established time frame. This Statement requires that capital assets held for sale be evaluated each reporting period. Governments should disclose:

- (1) the ending balance of capital assets held for sale, with separate disclosure for historical cost and accumulated depreciation by major class of asset, and;
- (2) the carrying amount of debt for which the capital assets held for sale are pledged as collateral for each major class of asset.

The disclosure of capital assets held for sale should be made for both governmental activities and business-type activities.

Please provide any capital assets held for sale that meet the definition defined above. If you have questions about what qualifies as a capital asset held for sale as defined by GASB 104, please contact Brad Rodrigue at the OSC (626-8437).



**PRIOR PERIOD CORRECTIONS**

If your agency has coded any transactions directly to a fund equity account (account type 03) within any fund, you must provide supporting documentation to the Financial Reporting Team so we can appropriately classify the transactions in the financial statements.

Changes in liability accruals at year-end, such as the liability for compensated absences, are considered current period expenses and should not be charged directly to net position/fund balance accounts.

**COMMITMENTS**

Each department must provide a detailed listing of all construction and other significant commitments, which are outstanding at June 30. Commitments can result from unfinished capital projects and contracts where work is still in progress at year-end. Agencies should estimate the amount owed on contracts and capital projects, and their expected completion dates, when exact amounts are not determinable. If there will be federal participation, include the amount and/or percentage of matching funds. The following agencies have ongoing commitments that must be reported to us:

Bureau of General Services

State facilities construction commitments

Department of Environmental Protection

Municipal solid waste landfills, pollution abatement program and groundwater oil cleanup information.

Department of Education

School construction projects

Department of Transportation

Sand and salt storage program and highway/bridge/pier construction commitments

Department of Corrections

Correctional facilities construction commitments.

**AGENCY-SPECIFIC GAAP INSTRUCTIONS — FISCAL YEAR 2026****INTRODUCTION:**

As noted in the Introduction Section of the General Instructions, Title 5 MRSA §1547 requires agencies to provide financial information to the Controller's Office by **September 1**. Send all accruals and other closing information identified in this section to the Financial Reporting Team in the Controller's office by that date (electronic transmission is preferable). **Each service center/agency should identify primary contacts for follow up questions from the Controller's office and the auditors.** Please call someone on the Financial Reporting Team if you have any questions.

The submitting agency is responsible to prepare and maintain auditable supporting documentation and should retain a copy of all GAAP information submitted. You should include summary worksheets and copies of the underlying documents in the supporting documentation. **If you change the information after you send it to us, send us the changes also.** For example, the Office of the State Auditor may identify errors or other necessary adjustments after you have sent us closing information.

When an amount is estimated, document the procedures, assumptions, computations and methods used to develop the estimate. You must retain the documentation for seven years after the fiscal year-end.

When preparing GAAP accruals, use the same account & object/revenue source coding required on journal vouchers to enable the Financial Reporting Team to record information in appropriate revenue, expenditure/expense and balance sheet categories.

There is a checklist at the end of this document that outlines the asset, liability, revenue and expenditure/expense accruals that are necessary to convert ADVANTAGE figures to a GAAP basis.

*\*\*\* Unless otherwise noted, the accruals should **not** be made directly in ADVANTAGE.*

If you have any questions or would like assistance identifying and preparing the GAAP accruals, please contact your Agency liaison or any other member of the Financial Reporting Team. We would be happy to set up a meeting to help you complete your closing package accurately and timely.



## GENERAL GOVERNMENT SERVICE CENTER:

All GGSC Agencies need to provide GASB related information specified in the GASB Requirements section beginning on page 10.

### DEPARTMENT OF EDUCATION

#### Commitments and Contingencies Footnote

Update Commitments and Contingencies footnote for Construction Commitments found in Note 19 in the State of Maine Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025.

#### Debt Information

Provide information for all new debt agreements and COP's, including the loan agreements, amortization schedules, and how it was accounted for.

#### Reports

Please provide, for all applicable funds, the Payment Manifest for (CAC), (SFSP) and (SNAP). We need to account for all payments made in July, Aug and Sept that relate to the state fiscal year end of June 30, 2026. Scan and email to Brad Rodrigue at brad.rodrigue@maine.gov.

### SELF INSURANCE

#### Claims Payable:

Please provide the following:

- Actuarial report and any updates for the public entity risk pool and risk management. These reports must show the amount of actual liability to be recorded in the Balance Sheet. Since FY 1997, the two risk management funds, (039 and 064) have been reported in one Internal Service Fund for GAAP purposes.
- Actuarial report and any updates on the Workers' Compensation program.
- Actuarial report and any updates on the Retiree Health Insurance program.
- IBNR claims liability for Employee Health Insurance and the Retiree Health Fund segregated by current and retired employees.
- Amount paid on claims during the fiscal year (cash paid).

Please note that for GAAP reporting, the current year expense is *not* the amount of cash paid on claims. The amount of cash paid on claims is used to calculate the current year expense, which is the liability at the end of the last fiscal year, less the current actuarial liability, and the cash paid on claims in the current fiscal year. This is shown in the following table that is a required note disclosure.

*There will be three tables:*

1. *risk management activities aggregated as described above, and*
2. *workers' compensation.*
3. *Employee Health/Retiree Health*



	<u>Amount \$</u>
Liability at Beginning of Year	Refer to prior year GAAP financial statements
Current year claims and Changes in Estimates	This is the result of the liability at the beginning of the year, less claims payments, less liability at end of the year.
Claims Payments	Cash paid on claims
Liability at End of Year	From Actuary report.

The amount of the current year expenses must agree with the amount reported in the operating statement, and the ending liability must agree with the amount reported on the balance sheet.

The general accounting and reporting requirements relating to risk financing activities are included in GASB Codification C-50, Claims and Judgements.

**Required Note Disclosure**

Please update all information as necessary in the prior year note. It should include the following items:

**Risk Management**

- A description of any changes to the plan from the prior year.
- The amount of any claim’s liabilities outstanding for which annuity contracts have been purchased in the claimant's name, and the amount of the related liabilities which have been removed from the balance sheet.
- A reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year, in the following tabular format:
  1. Amount of claims liabilities at the beginning of each fiscal year.
  2. Incurred claims, representing the total of a provision for events of the current fiscal year and any increase or decrease in the provision for events of prior fiscal years.
  3. Payments on claims attributable to events of the current fiscal year and prior fiscal years.
  4. Other. Provide an explanation of each material item.
  5. Amount of claims liabilities at the end of each fiscal year.

**Workers Compensation**

- A description of any changes to the plan from the prior year.
- The amount of any claim’s liabilities outstanding for which annuity contracts have been purchased in the claimant's name, and the amount of the related liabilities which have been removed from the balance sheet.
- A reconciliation of changes in the aggregate liabilities for claims for the current fiscal year and the prior fiscal year, in the following tabular format:
  1. Amount of claims liabilities at the beginning of each fiscal year.
  2. Incurred claims, representing the total of a provision for events of the current fiscal year and any increase or decrease in the provision for events of prior fiscal years.
  3. Payments on claims attributable to events of the current fiscal year and prior fiscal years.
  4. Other. Provide an explanation of each material item.



5. Amount of claims liabilities at the end of each fiscal year.

### **Lottery Operations**

Please record the following accruals:

- The amount of lottery prizes unclaimed at year-end, as well as prizes not expected to be claimed, recorded as a payable.
- The amount of unrecorded Online Ticket sales, Instant Ticket sales and interest income.
- Please provide reconciliation of account receivables recorded in Advantage to SGI accounts receivable balance.
- Please also reconcile any amounts due to/from Tri-State Lotto with amounts recorded in the State's financial records.
- Provide a copy of the Tri-State Lotto Commission audited financial statements and update Note 15 in the State of Maine Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025.
- Provide a copy of the Multi-State Lottery Association audited financial statements and update Note 15 in the State of Maine Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025.

Provide a copy of the most recent **Service Organization Control (SOC) Report(s)** (replaces the former SAS 70 report).

### **Alcoholic Beverages**

Please provide the following files

- June 30<sup>th</sup> Spirits Reconciliation
- State Fiscal Year Liquor Operations Monthly and Net Receipts

### **Tobacco Settlement**

Provide estimated Tobacco Settlement proceeds to be received during FY 2026, including expected receipt dates.

### **Commitments and Contingencies Footnote**

Update Commitments and Contingencies footnote for Tobacco Settlement found in Note 19 in the State of Maine Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025. Provide the amount of Tobacco Settlement proceeds received during FY 2026, and the estimated amount to be received during FY 2027.

### **Department of Economic and Community Development**

Provide information necessary to reclassify payments from loans to businesses from revenues/expenditures to accrual basis of accounting note receivable as of June 30, 2026.

- Total amount of notes receivable outstanding as of June 30
- A printout of loans outstanding in DECD's free-standing loan system at June 30
- A summary of payments received, and new loans issues during the year.
- A summary of other changes to loans such as changes in how cash payments were applied against principle, interest and penalties
- Of the notes receivable outstanding at June 30, the principal amount paid in July and August, 2026.
- A copy of the financial order authorizing any write-offs taken during the year
- An estimate (dollar or percentage) of the amount of notes receivable outstanding at June 30 that will be uncollectible, including a description of the basis and assumptions used for the estimate. See comments in General section regarding uncollectible revenue.



**STATISTICAL INFORMATION**

Provide the following statistical information:

- A schedule showing lottery ticket sales in millions for the current fiscal year
- Number of vehicles controlled by Central Fleet at June 30, 2026

**CORRECTIONS SERVICE CENTER:**

**DEPARTMENT OF CORRECTIONS**

**All Correction Service Center Agencies need to provide GASB related information specified in the GASB Requirements section beginning on page 10.**

**Inmate Accounts (“Trust Account”)**

Please record the value of assets held for the inmate trust account at June 30. See page 8 “Custodial Funds” (formerly called Agency Funds) for the account codes to use when recording these balances. These accounts should be reconciled at least annually and assessed as to their collectability. Also, include summary activity in the inmate trust account, i.e., summarize increases (contributions) and decreases (distributions).

**Restitution Accounts**

Please record the value of assets held for all restitution accounts at June 30. See page 8 “Custodial Funds” (formerly called Agency Funds) for the account codes to use when recording these balances. These accounts should be reconciled at least annually. Also, include summary activity in the restitution accounts, i.e., summarize increases (contributions) and decreases (distributions).

**Inmate Benefit Fund**

Please record the value of assets held at June 30. See page 8 “Custodial Funds” (formerly called Agency Funds) for the account codes to use when recording these balances. These accounts should be reconciled at least annually and assessed as to their collectability. Also, include summary activity in the inmate benefit fund, i.e., summarize increases (contributions) and decreases (distributions).

**Inventory**

Please provide the value of supplies held at the various correctional facilities at June 30. If the supplies were donated by the federal government, provide the total amount donated during the year and the year- end balance. These values should agree with amounts reported on year end SEFA reports.

**STATISTICAL INFORMATION:**

- Average Number of Adult Inmates
- Average Number of Juvenile Inmates
- Number of Correctional Facilities



**SECURITY AND EMPLOYMENT SERVICE CENTER:**

**All SESC Agencies need to provide GASB related information specified in the GASB Requirements section beginning on page 10**

**DEPARTMENT OF LABOR**

**Employment Security Trust Fund**

Please provide the following information as of June 30:

Accrued interest on amounts deposited with U.S. Treasury that has not yet been recorded on ADVANTAGE.

This should be accrued directly in ADVANTAGE.

Aggregate of all taxpayers with credit balances in taxes/accounts receivable. This amount will be reclassified as deferred revenue for financial reporting purposes.

Reed Act Transfers to Fund 013.

**Competitive Scholarships Fund**

Please record the value of assets held in the agency account at June 30, 2026 and provide a year-end rollforward of the activity.

**BUREAU OF INSURANCE**

Please provide the following information as of June 30, 2026:

Total dollar amount of Third-Party Administrator Surety Bonds

Total dollar amount of bonds outstanding for Managing General Agents

**STATISTICAL INFORMATION**

Please provide the following statistical information as of June 30, 2026:

- Number of State police barracks
- Number of Public Safety vehicles
- Total number of guard troops and armories and Airman & Family Readiness Centers (AFRs).
- Principal Employers, Not Seasonally Adjusted Information  
Provide the 2026 listing of the 10 largest employers in Maine based upon their number of employees here in Maine (including Maine State Government). For purposes of this report, the State of Maine, as an employer, should include its internal agencies and exclude component units like the University of Maine.



**NATURAL RESOURCES SERVICE CENTER:**

**All NRSC Agencies need to provide the GASB related information specified in the GASB Requirements section beginning on page 10, in addition to the GASB 49 Pollution Remediation information.**

**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**Accounts Receivable**

- Accrual information for Groundwater Oil Clean-up Fund accounts receivable
- Accrual information for Oil Transfer fees

**Commitments and Contingencies Footnote**

Update Commitments and Contingencies footnote found in Note 19 in the State of Maine Annual Comprehensive Financial Report for The Fiscal Year Ended June 30, 2025 for the following sections:

- Municipal Solid Waste Landfills
- Pollution Abatement Program
- Groundwater Oil Clean-up Fund

**Pollution Remediation Obligation**

Provide an updated questionnaire and associated forms (**contact Jordan Kennedy in OSC/FR**) for the following sites.

- Eastland Woolen Mill
- Eastern Surplus
- C. Smith Property
- Miltonia Management
- PBWO – Ellsworth (Robbins Property)
- PBWO – Casco
- Dry Cleaner Initiatives
- Callahan Mine

For new pollution remediation sites (with the potential of the obligation reaching or exceeding \$1 million), please complete the questionnaire and associated forms (**contact Jordan Kennedy in OSC/FR**).

**DEPARTMENT OF AGRICULTURE, CONSERVATION AND FORESTRY**

Provide value of TEFAP commodities distributed under the TEFAP program and the Donated Commodities program for the fiscal year. The amount should agree with information provided for SEFA reporting.

**DEPARTMENT OF INLAND FISHERIES AND WILDLIFE**

Provide estimate of accounts receivable due from agents as of June 30, 2026

- Total amount of accounts receivable outstanding as of June 30
- Of the accounts receivable outstanding at June 30, the amount paid in July and August 2026
- An estimate (dollar or percentage) of the amount of accounts receivable outstanding at June 30 that will be uncollectible, including a description of the basis and assumptions used for the estimate. See comments in General section regarding uncollectible revenue.



## STATISTICAL INFORMATION

Please provide the following information:

For the calendar year Dec. 31, 2025:

- Number of park passes purchased
- Number of visitors to State parks
- Number of hunting and fishing licenses sold

At June 30, 2026

- Total acreage of State parks
- Number of State Park buildings

## DEPARTMENT OF TRANSPORTATION:

**All DOT Service Center Agencies need to provide the GASB related information specified in the GASB Requirements section beginning on page 10.**

### Revenue Accrual

Please report Federal revenue earned in FY26 but not received until FY27. Also, Federal revenue earned in FY25 but not received until FY26. The revenue accrual should include the FY27 cash receipt reported for SEFA purposes.

### Storm Assistance to Other States

Please report any unrecorded receivables from other States. Indicate an amount that is expected to be collected in more than 60 days.

### Outstanding Notes Receivable

Report balances of all outstanding notes receivable, including current and long-term portions. These accounts should be reconciled at least annually and assessed as to their collectability.

### Contractor Payable (LRFA, CRDA, & SIB)

Provide information relating to total Contractor Payables as of June 30, 2026, and the portions allocated to State, Federal, or Other. (These amounts may be included in the accounts payable query from Financial Reporting if service dates are entered).

### Contractor Retainage (Transport accruals)

Provide information relating to the accrual for unpaid contractor retainage as of June 30, 2026. **Please include July through September. Previously reports provided to OSC only extended through August.**

### COPS

Provide a detailed listing of all outstanding COP's and other financing arrangements, as outlined in the General Section.

### Commitments and Contingencies Footnote

Update Commitments and Contingencies footnote found in Note 19 in the State of Maine Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025 for the following sections:

- Sand and Salt Storage Program
- Highway, Bridge and Pier Construction Commitments (Contract Retainage)

**Required Supplementary Information**

Update “Information about Infrastructure Assets Reported Using the Modified Approach,” included on pages 183 – 185 of the State of Maine Annual Comprehensive Financial Report for the Fiscal Year Ended June 30, 2025. Also, Update “Actual and Estimated Preservation Costs” on page 185.

**Suspense (normal and advance construction)**

Provide the various PIN numbers and expenditures for the projects that were in suspense at the end of fiscal year 2026. Please add fund and appropriation

**HEALTH AND HUMAN SERVICES SERVICE CENTER:**

DEPARTMENT OF HEALTH AND HUMAN SERVICES

**All DHHS Service Center Agencies need to provide the GASB related information specified in the GASB Requirements section beginning on page 10.**

**Medicaid Program****Cost Settlement accruals**

Please provide Medicaid cost settlement accrual information. The cost settlement accrual will be broken out primarily between hospitals, nursing homes, and other providers. In some instances, there will be liabilities to the institutions for overpayments they have made. In other instances, there will be receivables due to the State for underpayments. In all cases, since Medicaid is partially funded by the federal government, its share of a receivable or payable must be recorded as a payable or receivable by the State to the federal government. For example, if Hospital A has made overpayments to the State of \$100,000, the State would record a payable to Hospital A for \$100,000 and a receivable from the Federal government for \$50,000 (assuming the federal share is 50%).

Cost settlement payable and receivable accrual information should be reported separately rather than net. Accrual reporting must be provided for hospitals, intermediate care facilities, residential care facilities, private non-medical institutes and nursing facilities.

**Drug Rebate Accruals**

Please provide the total accrual for drug rebates expected to be collected for SFY 2026. Prescription claims.

**Third Party Liability Accrual**

Please provide amounts billed and expected to be recovered from other medical or liability insurance programs (including Medicare) and amounts expected to be recovered through medical liability lawsuits.

**Incurred But Not Paid (IBNP) Accrual**

To enable the actuarial consultants to perform the IBNP calculations and analysis for MaineCare as of June 30, 2026, the necessary information will be requested shortly via a Deloitte Engagement Letter.

**Cost Settlement Accounts Receivable Accruals (BSA 0025 units 8041, 8680, 8681, etc.)**

Provide a reconciliation of the cost settlement accounts receivable balances reported in the Department’s subsidiary system (FLEXI) to Advantage as of June 30, 2026, identifying any adjustments necessary for proper reporting in the financial statements. Also, provide an **Aged Accounts Receivable report** for these receivables as of June 30, 2026. These receivables include, **but are not limited to**, Cost Settlements (unit 8041) and Program Integrity/SURS (unit 8681).



**OES Assets**

Please provide the value of assets held for public wards and protected persons at June 30. Please note the agency and approp/reporting orgs on schedules provided.

**Child Support Enforcement**

Please provide the balance of funds received but not yet distributed within the child support enforcement program at June 30, 2026.

**SNAP (Supplemental Nutrition Assistance Program)**

Please provide the value of food assistance benefits used on EBT cards during the current State fiscal year. This activity must be recorded as both revenue and expenditures in fund 013. The amount should agree with information provided for SEFA reporting.

**Vaccines**

The value of vaccines issued during the current State fiscal year must be recorded as both revenue and expenditures: the federal portion in fund 013, and the State’s portion in the General Fund - 010. The amount should agree with information provided for SEFA reporting.

**TANF Prepaid Reconciliation**

Provide a reconciliation of the prepaid (BS account 0091) account identifying any adjustments necessary for proper reporting in the financial statements.

**Unbilled/Undistributed Administrative Costs**

Provide a total of federal program direct and allocated administrative costs for which the liability was incurred in FY26, but the expenditure was not recorded until FY27.

**Program Disallowances**

Provide a total of federal program disallowances that are pending payment to the federal government on June 30, 2026.

**Revenue Accrual**

Please report Federal revenue earned in FY26, but not received until FY27. Also, Federal revenue earned in FY25 but not received until FY26. The revenue accrual should include the FY26 cash receipt reported for SEFA purposes.

**Patient Accounts**

Please record the value of assets held at June 30, 2026 for account balances of patients at DHHS mental health facilities. See page 8 “Custodial Funds” (formerly called Agency Funds) for the account codes to use when recording these balances.

**MaineCare Caseload**

Please provide the file documenting the MaineCare caseload for FY26. The prior year’s file that was provided was named Caseload\_Report\_SF25\_PER12\_June.xlsx.

**Please ensure the 2026 journal entry is posted by year-end for the approved charge offs. Include the entry with other documentation posted to the SharePoint folder .**



**OFFICE OF THE TREASURER OF STATE:**

**The Office of the State Treasurer needs to provide the GASB related information specified in the GASB Requirements section beginning on page 10.**

Deposits and Investments

In 2016, GASB Statement No. 72, *Fair Value Measurement and Application*, became effective for periods beginning after June 15, 2015. For each investment required, please provide the fair value of the investment, the valuation technique used (Market, Cost or Income Approach) and the Hierarchy of Input Level (Level 1, 2 or 3).

**Deposits**

The credit risk of deposits must be reported in the following categories:

- Category 1 — Insured or collateralized with securities held by the entity or by its agent in the entity's name.
- Category 2 — Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name.
- Category 3 — Uncollateralized. (This includes any bank balance that is collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the entity's name.)

To aid in the preparation of this disclosure, please provide the following:

- A list of all bank accounts, including bank name, account number, and bank balance as of June 30. Amounts covered by FDIC, MBIA, or Deposit Security Bond are in Category 1, Amounts covered by collateral pledged by the bank are in category 2, and those amounts not collateralized or insured are in Category 3.
- The total amount of nonnegotiable CD's. Those covered by FDIC or any other insurance are in Category 1, if collateral is pledged by the bank, they are in Category 2, and the non-collateralized or insured are in Category 3.
- Linked CD's must be reported separately from non-linked CD's as they are recorded in separate asset categories on the Balance Sheet. They are otherwise categorized like nonnegotiable CD's.

**Investments**

The credit risk of each type of investment must be reported in the following categories:

- Category 1 — Insured or registered, or securities held by the entity or its agent in the entity's name.
- Category 2 — Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the entity's name.
- Category 3 — Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the entity's name.



To aid in the preparation of this disclosure, please provide the following items (unless already provided to our office during the year):

- The investments included in the Treasurers Cash Pool, fund 099, by investment type (i.e. U.S. Government and Agency Obligations, Repurchase Agreements, Commercial Paper, Corporate Bonds and Notes, Equity Securities, and Money Market accounts). Cash Pool investments are in Category 1 and Nonexpendable trust fund investments are in Category 2.
- The allocation percentage to determine the amounts of the Cash Deposits and Investments the Financial Reporting Team will allocate to the Component Units.
- Total of all other investments, including trust funds, contractor retainage, guaranty and miscellaneous deposits, bureau of insurance, MESAC, guaranty deposits-corporations, and guaranty deposits-worker's compensation.
- Cash and investment totals for Big Baxter Trust at June 30, 2026. These are in category 3.

### **Balance Sheet Classification**

For financial reporting purposes, the State's investment advisor needs to make a judgment as to whether investments are likely to be called within one year.

### **Investment Policy**

Provide a copy of any changes or additions to the State's investment policies.

### **General Obligation Bonds**

Provide a copy of the official statement(s) for new issuances.

### **General Obligation Bonds Authorized, Unissued and Unspent**

The amount of general obligation bonds authorized and unissued for the fiscal year.

The amount of general obligation bonds issued to State agencies that remained unspent as of June 30, 2026.

### **Bond and Tax Anticipation Notes**

Please provide a list of all such notes issued and/or retired during the year, even if there was nothing outstanding at the end of the year. For issuances, provide the purpose (GASB 38).

### **Subsequent Events**

Provide information on the following items occurring after June 30, 2026 and greater than \$1 million:

Bonds Authorized

Bonds Issued

Tax Anticipation Notes Issued

Bond Anticipation Notes Issued

### **Held Checks**

Please provide a list of checks dated before June 30 but not mailed until after June 30.



**Nonexpendable Trust Funds**

As there is no operating statement, all revenue and expenses will have to be obtained from other than the A614. The Financial Reporting Team will need the amount of interest income, dividends, fees, and other expenses. Balance sheet items are reported net rather than gross. See page 8 for more details.

**Abandoned Property**

Please provide the valuation of abandoned property at June 30, and the estimated liability for future claims based on those amounts already received. Also, provide rationale for any changes in valuation methods. We also need a copy of the calculation showing net collections from inception to June 30, 2026. For June 30, 2025 the necessary information was included in an Excel file entitled “GASB 21 Liability FY 2025.xls” and in a pdf showing the UPS2000 System Cash Totals at June 30, 2025 entitled “UP\_Cash\_Totals\_Report FY 2025.”

**Investments Held on Behalf of Others**

Provide support for the investments held by the State in a fiduciary capacity, acting as a trustee or agent for individuals, organizations or other funds. Generally, these investments are reported at fair value or amortized cost which approximates fair value. For June 30, 2026, balances for Workers’ Compensation and Department of Labor surety bonds and letters of credit were disclosed in Note 1E of the financial statements.

**Statistical information**

Please provide us with information needed to update the Calculation of Legal Debt Margin, Schedule 9 of the Annual Comprehensive Financial Report (ACFR). The schedule is published on page 267 of the June 30, 2025, ACFR.

**MAINE REVENUE SERVICES:**

**Maine Revenue Services need to provide the GASB related information specified in the GASB Requirements section beginning on page 10.**

**Accrued Taxes**

Maine Revenue Services must provide a summary of tax revenues to be accrued, which includes an analysis of significant fluctuations from prior years. The summary must include the fund where the revenue is to be accrued, the accrual methodology, the revenue source, the portion of the receivable that is estimated to be uncollectible, and the deferred revenue balance. See comments in General Information regarding deferred and uncollectible revenue.

The major revenue categories to be accrued must include individual income tax, corporate income tax, withholding tax, sales and use tax, fuel taxes, individual and corporate income tax refunds, telecommunications tax, supplier and cigarette tax *and any other revenue that meets the definition of accruable revenue.*

Provide amount of Real Estate Transfer Tax payment due to Maine State Housing Authority as of June 30, 2026.

**STATISTICAL INFORMATION**

Please provide information to complete Global Sales & Use and Income Tax Schedules, Schedules 6 through 8 of the Annual Comprehensive Financial Report for 2025. Last year’s schedules can be found on ACFR pages 260 through 264.



**OFFICE OF THE SECRETARY OF STATE:**

**The Office of the Secretary of State Agencies need to provide the GASB related information specified in the GASB Requirements section beginning on page 10.**

**Bureau of Motor Vehicles**

Please provide details on:

- Balances due from other funds
- Long-term trailer fees – deferred revenue
- InforME remittances: gross proceeds and InforME service fees netted against them
- Revenue accruals of M/V license fees

**BUREAU OF THE BUDGET:**

**The Bureau of the Budget needs to provide the GASB related information specified in the GASB Requirements section beginning on page 10.**

**STATISTICAL INFORMATION**

Please provide an Excel file containing information used to calculate full time equivalent employees by policy area. The file should be sent to Maureen Conn's attention in the Office of the State Controller.

**JUDICIAL BRANCH (ADMINISTRATIVE OFFICE OF THE COURTS):**

**The Judicial Branch needs to provide the GASB related information specified in the GASB Requirements section beginning on page 10.**

**Custodial Accounts**

Please record the value of assets held for all accounts at June 30.

**Accounts receivable**

Provide the amount of unpaid fines, fees and any other revenue that meets the definition of accruable revenue (see General Information).

Provide the total amount of fines and fees that were assessed, but not paid, as of June 30, 2026.

Of the fines and fees unpaid at June 30, provide the amount paid in July, August and September 2026, broken down by month.

Provide an estimate (dollar or percentage) of the amount of fines and fees unpaid at June 30 that will be uncollectible, including a description of the basis and assumptions used for the estimate. Estimates of uncollectible revenue should be based experience data. See comments in General section regarding uncollectible revenue.

Please include the agency and approp/reporting org on the data provided.

**Fixed Assets**

Provide details on Construction in Progress and related MGFA debt.

**STATISTICAL INFORMATION**

Please provide the number of court cases tried in the court system for the current year.



**GAAP INFORMATION CHECKLIST:**

We have enclosed the following GAAP information as of June 30, 2026:

**\*PLEASE NOTE \***

**Do not enclose anything that has already been recorded on ADVANTAGE**

	Completed	Not applicable
GASB 83 – Asset Retirement Obligations – All agencies		
GASB 87 – Leases Survey – All agencies		
GASB 51/96 – Software and IT Subscriptions Survey – All agencies		
GASB 94 – PPP Arrangements Survey – All agencies		
GASB 56/62 - Related Parties Survey – All agencies		
GASB 104 – Disclosure of Certain Capital Assets		
Revenues and Amounts Receivable		
Reserve for bad debts		
Amounts deferred (deferred revenue)		
Federal reimbursements expected		
Expenditures/Expenses and Amounts Payable		
Accounts Payable		
Accounts Payable from interface system		
GASB 49 Survey (DEP only)		
Due To/Due From Other Funds		
Inventories		
Significant unrecorded inventory		
Custodial Funds (formerly called Agency Funds)		
Assets held in trust for others		
Interest and other assets		
Fixed Assets		
Reconciliation of Contributed Capital		
Financing Arrangements		
Loans payable		
Capital leases		
Certificates of Participation (COP's)		
Other financing arrangements		
Other Assets		
Lottery Prizes Payable		
Due To Component Units		
Compensated Absences		
Prior Period Corrections		
Commitments and Contingencies		
Agency-specific Information		

*"I have attached copies of prior period corrections and reversing entries."*

**Prepared by:** \_\_\_\_\_

**Date:** \_\_\_\_\_



**COMMENTS:**

PLEASE ADD ANY COMMENTS



**FINANCIAL DISCLOSURE CERTIFICATE:**

Agency Title \_\_\_\_\_ Agency Code \_\_\_\_\_

**Financial Disclosure Certificate for the Fiscal Year Ended June 30, 2026**

**I certify that to the best of my knowledge the following statements are true:**

1. The transactions and adjustments submitted to the Maine Financial and Administrative Statewide Information System (ADVANTAGE) for the fiscal year accurately and completely reflect the agency's activity and ending account balances, in conformity with Generally Accepted Accounting Principles (GAAP) as outlined in the *State Administrative and Accounting Manual* (SAAM) and demonstrate legal compliance, where applicable.
2. There are no outstanding litigations, contingencies, or unasserted claims in the agency that will materially affect these balances; or if such conditions exist, we have disclosed them by attachment to this certification, such as a letter from the Attorney General's Office.
3. We are responsible for compliance with laws, regulations, and provisions of contracts and grant agreements applicable to this agency.
4. We have identified and disclosed to the State Controller and State Auditor violations and possible violations of laws, regulations, and provisions of contracts and grant agreements that could have a direct and material effect on financial statement amounts, including legal and contractual provisions for reporting specific activities in separate funds.
5. We are responsible for establishing and maintaining effective internal control over financial reporting. The agency's system of internal controls complies with the prescribed requirements as contained in Chapter 20 of SAAM.
6. We are responsible for designing and implementing programs and controls to prevent and detect fraud. We have disclosed to the State Controller and State Auditor known instances and allegations of fraud or suspected fraud involving management, employees and others where the fraud could have a material effect on the financial statements.
7. We have appropriately classified, and, if applicable, approved net asset components and fund balance reserves and designations.
8. We have properly identified and recorded provisions for uncollectible receivables.
9. We have appropriately classified and reported interfund and interagency activity and balances.
10. We have properly identified and recorded inventories and we have made provisions to reduce excess or obsolete inventory, when material, to their estimated net realizable value.



- 11. We have properly capitalized, reported, and, if applicable, depreciated capital assets, including infrastructure assets. The State has satisfactory title to all owned assets and there are no liens or encumbrances on such assets nor has any asset been pledged. The balances shown for capital assets in the Fixed Assets Subsystem reflect fairly the agency's capital assets at fiscal year-end.
- 12. If the modified approach is used to account for eligible infrastructure assets, the agency meets the GASB-established requirements as outlined in SAAM Subsection 30.20.80.
- 13. We have completed and submitted all disclosure forms applicable to the agency's accounts and activities.
- 14. We have completed and submitted the following required documentation: fixed asset inventory, GASB 51/96 survey, GASB 87 summary list of lease commitments. GASB 83 list of Asset Retirement Obligations, GASB 94 PPP/APA survey and GASB 104 Assets held for Sale listing.
- 15. No exceptions to the above certifications have occurred subsequent to fiscal year end, through the date of this certification; or if such conditions exist, we have disclosed them by attachment to this certification.

**Note: Any exceptions to the above certifications are attached with a narrative detailing the variance(s) and our proposed or completed corrective actions.**

**In addition, please provide the contact's name and phone number for the person responsible for providing the data from your department/agency.**

**Name:**

**Phone number:**

---

	Signature	Date
--	-----------	------

---

Printed Name and Title of Chief Financial Officer	Signature	Date
---	-----------	------