



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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May 15, 2006

OFM DIRECTIVE 06A-01

TO: Agency Directors and Policy Manual Users

FROM: Sadie Rodriguez-Hawkins, Assistant Director
Accounting Division

**SUBJECT: CHAPTER 25 - PAYROLL; CHAPTER 60 - MOVING EXPENSES;
CHAPTER 75 - UNIFORM CHART OF ACCOUNTS; CHAPTER 90 - STATE
REPORTING; AND CHAPTER 95 - FEDERAL ASSISTANCE REPORTING**

We have revised several chapters of the state of Washington's *State Administrative and Accounting Manual* (SAAM), effective June 1, 2006.

These revisions include numerous policy corrections and updates, most notably the state and federal reporting policies and procedures for Fiscal Year 2006. In addition, this directive reiterates the timetable related to year-end reporting and includes the fiscal year-end closing schedule.

Please replace the following pages as noted:

Chapter 25	Table of contents and pages 1 - 40
Chapter 60	Table of contents and pages 3 - 8
Chapter 75	Table of contents and pages 131 - 175
Chapter 90	Entire chapter
Chapter 95	Entire chapter

Key changes to the policies include the following:

CHAPTER 25: PAYROLL (<http://www.ofm.wa.gov/policy/25.htm>)

(Subsections 25.10.40, 25.20.10, 25.20.20, 25.20.30, 25.30.30, 25.30.60, and 25.50.30)

- Identified sub-object coding for standby payments in the Human Resource Management System (HRMS).
- Identified Account 035 as the only payroll revolving account available when using HRMS.
- Included reference to the HRMS reports to satisfy payroll records requirements.
- Added an optional payroll certification for HRMS when payroll includes mid-period transfer and charges belonging to another agency.
- Added recruitment and retention premiums as type of compensation.
- Added flexible spending plan deductions to the list of voluntary reductions from gross income.
- Added funds, committees, or subsidiary organizations maintained by labor or employee organizations to list of voluntary miscellaneous deductions.

CHAPTER 60: MOVING EXPENSES (<http://www.ofm.wa.gov/policy/60.htm>)

(Subsection 60.20.10)

- Clarified allowable moving expenses for self moves.

CHAPTER 75: UNIFORM CHART OF ACCOUNTS (<http://www.ofm.wa.gov/policy/75.htm>)

(Subsections 75.70.10, 75.70.20, and 75.80.30)

- Added Statewide Sub-subobjects for use in processing payroll in HRMS.
- Added Revenue Source Codes 0648 and 0649.

CHAPTER 90: STATE REPORTING (<http://www.ofm.wa.gov/policy/90.htm>)

(Entire chapter)

- Emphasized that transactions that increase and decrease liability and capital assets general ledger codes are to be recorded separately, not netted.
- Emphasized the amount due within one year for all long-term obligations is to be reported as a short-term liability.
- Emphasized new COPs and capital leases reported in the General Long-Term Obligations Subsidiary Account (Account 999) should agree with GL Code 3221 Other Financial Sources, Revenue Source Codes 0807 and 0809 in governmental accounts.
- Added refinements to the disclosure forms to make the forms more understandable and easier to complete.
- Added two new questions to the Miscellaneous Disclosure Form.
- Added additional information to the Higher Education Pension Form.

CHAPTER 95: FEDERAL ASSISTANCE REPORTING (<http://www.ofm.wa.gov/policy/95.htm>)

(Entire chapter)

- Added two new clusters, Foreign Food Donation (27) and Homeland Security (29).
- Eliminated one cluster, Consolidated Health Centers (27).
- Added a new program to the Medicaid cluster, 93.776 Hurricane Katrina Relief.
- Eliminated a program from the Student Financial Assistance cluster, 93.820 Scholarships – Exceptional Financial Need.
- Added examples of the federal disclosure forms.

Timetable for Year-End Reporting and Closing:

Important Dates	Reporting Items
July 15, 2006	Send out interagency billings (whether based on actuals or estimates), with the exception of the community and technical colleges which are to be sent out by July 21, 2006.
July 21, 2006	Community and technical colleges - Send out interagency billings.
July 31, 2006	Close Phase 1, Agency Accrual Phase
Aug. 1, 2006	Electronic state and federal forms available online.
Sept. 13, 2006	Close Phase 2, Agency Adjustment Phase <ul style="list-style-type: none"> • If agency adjusting entries need to be made after Phase 2, OFM approval is required. • AFRS reports will be printed at the end of both Phases 1 and 2.
Sept. 21, 2006	All state and federal electronic disclosure forms are to be completed, with the exception of the Federal Assistance Certification due December 8, 2006.
Oct. 6, 2006	Audited financial statements, for component units that do not submit data directly through AFRS, are due.
Dec. 8, 2006	Federal Assistance Certification due.

If you have questions regarding the state disclosure forms, please contact your assigned OFM Accounting Consultant. If you have questions regarding the federal disclosure forms, please contact Andrea Brown at (360) 664-7676 or e-mail at andrea.brown@ofm.wa.gov.

Mail the signed **original** State Financial Disclosure Certificate (due September 21, 2006) and Federal Assistance Certification (due December 8, 2006) to the following address:

Office of Financial Management
 Accounting Division
 PO Box 43113
 Olympia, WA 98504-3113

The policies and procedures prescribed in SAAM are the minimum requirements that state agencies must meet. An agency may adopt more restrictive or detailed policies as long as the agency meets the required minimum standards.

We encourage you to use the online version of SAAM. All OFM directives, policies, technical corrections, and superseded policies are available at: <http://www.ofm.wa.gov/policy/default.asp>.

Additional resources are also available on our Administrative and Accounting Resources web site at: <http://www.ofm.wa.gov/resources/default.asp>.

Unless noted otherwise, questions regarding manual content and proper interpretation should be directed to the OFM Accounting Consultant assigned to your agency. You can find your agency's OFM Accounting Consultant at: <http://www.ofm.wa.gov/accounting/swa/swacontacts.asp>.

Attachments