



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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March 1, 2010

OFM DIRECTIVE 10A-03

TO: Agency Directors and Policy Manual Users

FROM: /s/ Sadie Rodriguez-Hawkins, Senior Assistant Director
Accounting Division

SUBJECT: Restrictions to travel, personal service contracts, and equipment acquisitions

We have revised Chapters 10 (Travel), 15 (Personal Service Contracts), and 30 (Capital Assets) in the *State Administration and Accounting Manual (SAAM)*.

On February 15, 2010, the Governor signed Engrossed Substitute House Bill (ESHB) 2921. This bill restricts out-of-state travel and training, personal service contracts, and equipment acquisitions effective March 17, 2010 through June 30, 2011.

The out-of-state travel and training, personal service contract, and equipment acquisition restrictions contained in ESHB 2921 are applicable to **all** agencies. Executive branch agencies can find additional information related to the implementation of ESHB 2921 in OFM Director Victor Moore's memorandum dated February 26, 2010.

Chapter 10: Travel (<http://www.ofm.wa.gov/policy/10.htm>)
(Section 10.00 and Subsection 10.10.50)

- Created new Section 10.00, Out-of-State Travel Restrictions, which reflects the out-of-state travel and training restrictions contained in ESHB 2921.
- Added a reference in Subsection 10.10.50 to the new travel restrictions.

Questions regarding this revision and proper interpretation of travel policies in Chapter 10 should be directed to Bret Brodersen at (360) 725-0229, bret.brodersen@ofm.wa.gov.

Chapter 15: Personal Service Contracts (<http://www.ofm.wa.gov/policy/15.htm>)
(Section 15.00)

- Created new Section 15.00, Personal Service Contract Restrictions, which reflects the contract restrictions contained in ESHB 2921.

Questions regarding policy content and proper interpretation of the contract policies in Chapter 15 should be directed to the following OFM Contract Staff:

Becci Riley	(360) 725-5514	becci.riley@ofm.wa.gov
Laura Wood	(360) 725-5259	laura.wood@ofm.wa.gov
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Chapter 30: Capital Assets (<http://www.ofm.wa.gov/policy/30.htm>)

(Sections 30.00 and 30.20)

- Created new Section 30.00, Equipment and Software Purchase and Lease Restrictions, which reflects the equipment acquisition restrictions contained in ESHB 2921.
- Deleted the \$10,000 capital lease minimum in Subsections 30.20.20, 30.20.30, and 30.20.40. An asset is required to be capitalized when its fair value meets the state's capitalization threshold. Other various sections in SAAM, including Subsections 80.30.45, 85.72.30, and 85.85.40, have been modified to reflect this change.

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.

Please be aware that in addition to the SAAM policies, all OFM directives, technical corrections, and superseded policies are available online on OFM's website at:

<http://www.ofm.wa.gov/policy/default.asp>.

Additional administrative and accounting resources are also available on OFM's website at:

www.ofm.wa.gov/resources/default.asp.

If you are maintaining a hardcopy manual, a link to the replacement pages is available at:

<http://www.ofm.wa.gov/policy/replacement-pages.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>.