



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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June 21, 2004

OFM DIRECTIVE 04A-03

TO: Agency Directors and Policy Manual Holders

FROM: Sadie Rodriguez-Hawkins, Assistant Director
Accounting Division

SUBJECT: CHAPTER 10, TRAVEL; CHAPTER 12, TRANSPORTATION; CHAPTER 15, PERSONAL SERVICE CONTRACTS; CHAPTER 16 CLIENT SERVICE CONTRACTS; CHAPTER 25, PAYROLL; CHAPTER 50, FEDERAL COMPLIANCE; CHAPTER 75, UNIFORM CHART OF ACCOUNTS; CHAPTER 80, ACCOUNTING POLICIES; AND CHAPTER 85, ACCOUNTING PROCEDURES

We are revising several chapters of the state of Washington's *State Administrative and Accounting Manual* (SAAM), issued by the Office of Financial Management (OFM). The effective date of these revisions is July 1, 2004. These revisions include numerous policy updates. Please replace the applicable sections in your manual with these revisions.

Key changes to the policies include:

CHAPTER 10: TRAVEL (<http://www.ofm.wa.gov/policy/10.htm>)

(Subsection 10.70.20)

- Clarifies the federal reporting requirements related to reimbursements to advisory boards.

CHAPTER 12: TRANSPORTATION (<http://www.ofm.wa.gov/policy/12.htm>)

(Subsections 12.30.20 and 12.40.10)

- Adds language related to existing requirement for two-day completion of the State of Washington Vehicle Accident Report (SF 137).
- Clarifies agency responsibility for damaged vehicles.

CHAPTER 15: PERSONAL SERVICE CONTRACTS (<http://www.ofm.wa.gov/policy/15.htm>)

- Clarifies requirements related to the mandatory training for personal service contracts.
- Clarifies requirements related to formal competition of personal services.
- Adds requirement that a minimum of six firms or businesses must be directly contacted regarding the solicitation document. An explanation is required if less than six are contacted.
- Adds a requirement that a minimum of three evaluators should be used to score proposals.
- Adds a reference regarding master personal service contracts available for use by agencies.
- Adds a statement that contracts being amended to add funding should ensure clarity as to the additional services being provided for the new funding.
- Clarifies fund source requirements for institutions of higher education as they relate to filing personal service contracts and amendments.
- Revises filing justification sections to more precisely specify the information required for the section, primarily “Other Public Resources” and “Unique Characteristics” under Sole Source Criteria.
- Slightly revises the definitions for management consulting and employee training.
- Revises filing information required for filing competitive contracts to coincide with the competitive solicitation requirements.
- Clarifies requirements related to the Contract Procedures Report.

CHAPTER 16: CLIENT SERVICE CONTRACTS (<http://www.ofm.wa.gov/policy/16.htm>)

- Clarifies that adherence to the Guide to Client Service Contracting is mandatory.
- Clarifies requirements related to the mandatory training for client service contracts.
- Clarifies requirements regarding the Contract Procedures Report to OFM.

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

(Section 25.80)

- Modifies procedures for overpayments related to an employee under a collective bargaining agreement pursuant to SHB 2507.

CHAPTER 50: FEDERAL COMPLIANCE (<http://www.ofm.wa.gov/policy/50.htm>)

(Subsection 50.40.30)

- Decreases threshold for programs subject to CMIA regulations to \$30 million or more.

CHAPTER 75: UNIFORM CHART OF ACCOUNTS (<http://www.ofm.wa.gov/policy/75.htm>)
(Sections 75.30, 75.70 and 75.80)

- Adds new accounts: 07J, 480, 486, 487, 496, 498, and 499.
- Revises subobject codes for personal service contracts: CA, CB, CD, CE, CG and CJ.
- Adds new revenue source codes: 03DS, 0657, and 0658.
- Deletes revenue source codes: 0302, 0318, 0322, 0336, 0341, 0353, 0382, and 0395.
- Renames revenue source 0398 Federal Revenue Distributions to 0398 US Agency for International Development.

CHAPTER 80: ACCOUNTING POLICIES (<http://www.ofm.wa.gov/policy/80.htm>)
(Section 80.30)

- Clarifies certain accounting policies.

CHAPTER 85: ACCOUNTING PROCEDURES (<http://www.ofm.wa.gov/policy/85.htm>)
(Sections 85.54 and 85.65)

- Clarifies year-end recording of short-term and long-term receivables.

Please replace the following pages as noted:

Chapter 10	Table of contents and pages 33 - 38
Chapter 12	Table of contents and pages 17 - 31
Chapter 15	Entire chapter
Chapter 16	Entire chapter
Chapter 25	Table of contents and pages 69 – 74
Chapter 50	Table of contents and pages 35 – 40
Chapter 75	Table of contents and pages 25 – 70 and 127 – 169
Chapter 80	Table of contents and pages 17 – 37
Chapter 85	Table of contents and page 77 and pages 107 – 130
Forms Index	

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.

All OFM directives and policies are available on our web site at <http://www.ofm.wa.gov/accounting/policies.htm>. We encourage you to use the on-line version of SAAM, as it includes all technical corrections made between formal policy updates, which are published under directives. The superseded policies and additional resources are also available on our Administrative and Accounting Resources web site at <http://www.ofm.wa.gov/policy/resource.htm>.

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Questions regarding policy content and proper interpretation of the contracting policies in Chapters 15 and 16 should be directed to the following OFM Contract staff:

Susan Johnsen	360-725-5258	susan.johnsen@ofm.wa.gov
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Questions regarding all other manual content and proper interpretation should be directed to the OFM Accounting Consultant assigned to your agency.

Attachments