



STATE OF WASHINGTON

**OFFICE OF FINANCIAL MANAGEMENT**

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June 22, 2006

**OFM DIRECTIVE 06A-02**

**TO:** Agency Directors and Policy Manual Holders

**FROM:** Sadie Rodriguez-Hawkins, Assistant Director  
Accounting Division

**SUBJECT: CHAPTER 12 - TRANSPORTATION; CHAPTER 50 - FEDERAL COMPLIANCE; CHAPTER 75 - UNIFORM CHART OF ACCOUNTS; CHAPTER 80 - ACCOUNTING POLICIES; CHAPTER 85 - ACCOUNTING PROCEDURES; INDEX; FORMS INDEX; AND GLOSSARY**

We have revised several chapters of the *State Administrative and Accounting Manual* (SAAM). This change is effective July 1, 2006, and also includes updates to the Index, the Forms Index, and the Glossary.

Key changes to the policies include:

**CHAPTER 12: TRANSPORTATION** (<http://www.ofm.wa.gov/policy/12.htm>)  
(Sections 12.20, 12.30, 12.40, and 12.50)

- Clarifies language related to motor vehicles.
- Revises insurance provisions for contractors who drive state vehicles.

**CHAPTER 50: FEDERAL COMPLIANCE** (<http://www.ofm.wa.gov/policy/50.htm>)  
(Subsection 50.40.30)

- Increases the threshold for programs subject to CMIA regulations to \$35 million or more.

**CHAPTER 75: UNIFORM CHART OF ACCOUNTS** (<http://www.ofm.wa.gov/policy/75.htm>)  
(Sections 75.20, 75.30, 75.40, 75.70, and 75.80)

- Adds new agencies: 3570, 4120, and 5450.
- Deletes agencies: 0470 and 1220.
- Adds new rollup fund: HH Public Safety Employees' Retirement System Plan 2 Fund.
- Adds new accounts: 094, 10J, 10K, 10L, 10M, 10N, 10P, 10R, 10T, 10V, 10W, 11A, 11B, 11C, 11E, 11F, 11G, 11H, 11J, 11V, 488, 489, 490, 553, and 635.
- Deletes account 040.
- Adds budgetary and Full Time Equivalent (FTE) general ledger codes. These are existing codes that were not previously included in Chapter 75.
- Revises the description for sub-object code BD Health, Life and Disability Insurance to include the administrative fee for Flexible Spending Accounts.
- Adds new revenue source code 04DS Unclaimed Property Distributions.

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

**(Section 80.30)**

- Clarifies policy for accrued pledges.
- Clarifies policy for recognizing vacation leave.
- Adds policy for termination benefits.
- Adds reference to statewide sub-subjects.

**CHAPTER 85: ACCOUNTING PROCEDURES** (<http://www.ofm.wa.gov/policy/85.htm>)

**(Sections 85.10, 85.34, 85.50, 85.60, 85.65, 85.72, 85.85, 85.90, and 85.95)**

- Includes expenditure authority in budgetary accounting requirements.
- Adds procedures for accounting for termination benefits.
- Expands the illustrative entry for special budgeted allocation transfers.

Please replace the following pages as noted:

|             |                                                           |
|-------------|-----------------------------------------------------------|
| Index       | Entire section                                            |
| Forms Index | Entire section                                            |
| Glossary    | Entire section                                            |
| Chapter 12  | Entire chapter                                            |
| Chapter 50  | Table of contents and pages 35–40                         |
| Chapter 75  | Entire chapter                                            |
| Chapter 80  | Table of contents and pages 19 – 38                       |
| Chapter 85  | Table of contents and pages 1–2, 29–34, 59–70, and 97–207 |

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