Office of Financial Management

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Agency Financial Reporting System

EXCEPTION CODE PAYMENT & VENDOR ADDRESSING

December 2023

The Exception Code Table and why it was created

The Exception Code Table was created to:

- Allow for one-time payments
- Replaced the Pseudo number of V0D0 and V0D1. These numbers can still be seen in Enterprise Reporting.

The Office of Financial Management, Statewide Accounting will be responsible for maintaining the Exception Code Table.

The current Exception Codes are:

- 01 – Revenue/Reissues Refunds
    - Payments for Non-Expenditure Related Refunds
- 02 – Emergency Payroll & Related 3rd Party Payments
    - Payments made outside HRMS such as reissue, emergency, military, & 3rd Party Payments
- 03 – Non-Employee Reimbursement
    - Non-employee travel reimbursement, supplies or training reimbursement
- 04 – One-Time Direct Grant Payments to Individuals
    - One Time direct Grant Payments such as Natural Disaster victims
- 05 – Other Payees with NO Taxpayer ID
    - Other Payees, No TIN, Not covered by 01-04
- 06 – Reissue Federally – Funded Payroll SOL (DSHS)
    - Reissue Federally-Funded Payroll SOL warrant cancellations by DSHS

Code Structure & Table location:

- The Exception Code is a two (2) character field (numeric only)
- Agencies can view the codes on a screen within the Table Maintenance (TM) Screen
    - TM.1.4 – Payment Exception Code Table

Enter '4' into the "Select Function" field and then hit enter.

```
=== AFRS =(TM.1)=============== ONLINE TABLES ================== C105P051 ===
 TR: _____



                    1 -- DESCRIPTOR MAINTENANCE

                    2 -- TRANSACTION CODE DECISION MAINTENANCE

                    3 -- PAYMENT CARD

                    4 -- PAYMENT EXCEPTION CODE TABLE




                      SELECT FUNCTION: _


               F3=RETURN, F12=MESSAGE, CLEAR=EXIT
```

Enter an 'N' into the "Function" field and then hit enter.

```
=== AFRS =(TM.1.4)====== PAYMENT EXCEPTION CODE TABLE ============ C105P215 ===
 TR: _____                                                          1790

        FUNCTION: _ (V=VIEW, N=NEXT, B=BACK)

 EXCEPTION CODE: __   BIENNIUM: 15

           TITLE: _____
     DESCRIPTION: _____

   TIN REQUIRED: _   RATE TYPE: __   1099 MISC REPORTABLE: _

                   EXCEPTION CODE CRITERIA

 GENERAL LEDGER: _
     SUB OBJECT: _
 ACCOUNT (FUND): _
         AGENCY: _

      INACTIVE: _ (Y/N)                    DATE: _____
                                                 MMDDCCYY

               F3=RETURN, F12=MESSAGE, CLEAR=EXIT
```

This will bring up the first exception code.

```
=== AFRS =(TM.1.4)====== PAYMENT EXCEPTION CODE TABLE ============ C105P215 ===
TR: _____                                                              1790

         FUNCTION: N (V=VIEW, N=NEXT, B=BACK)

  EXCEPTION CODE: 01  BIENNIUM: 15

             TITLE: REFUNDS/REISSUES_____
       DESCRIPTION: NON-EXPENDITURE_RELATED_REFUNDS_____

     TIN REQUIRED: O  RATE TYPE: 01  1099 MISC REPORTABLE: N

                    EXCEPTION CODE CRITERIA

  GENERAL LEDGER: Y 32** 1312 1314 1319 1351 1352 5152 5158 (F5 TO VIEW MORE)
      SUB OBJECT: N
  ACCOUNT (FUND): N
          AGENCY: N

         INACTIVE: N (Y/N)                      DATE: _____
                                                      MMDDCCYY

                    F3=RETURN, F12=MESSAGE, CLEAR=EXIT
 NEXT ROW DISPLAYED
```

- Function = Allows the user to view (v) a specific exception code, see the next (n) exception code, or go back (b) to the previous exception code
- Exception Code = This will be a two digit field from 01-99
- Biennium = Current will be the default

Field Detail Descriptions:
- Title = Name of the Exception Code

- Description = Short explanation of the purpose of the exception code.

- TIN Required = There are three potential codes available for this field
  - Y = TIN is required
  - N = TIN is not required
  - O = TIN is optional

  *Note: When using an exception code for payment, if the exception code TIN Required is Y or O, it is important to ensure that the information entered on the AFRS transaction includes a TIN **and** IRS box type. OMWBE value must also be manually entered on the transaction in AFRS.*

- Rate Type = This tells the user what type of tax rate is applicable to these payments. The types currently available are:
  - 01 – 0% tax
  - 02 – 28% tax
  Note: The functionality associated with this field currently does not exist.

- 1099 Misc Reportable = This tells the system when a transaction is or is not 1099 reportable.
  - Y (yes) = Transaction will need to have the appropriate IRS box value input, otherwise it will default to '0'.
  - N (no) = Transaction will be assigned an IRS Box of '0'

  Note: The functionality associated with this field currently does not exist. Transactions will default to IRS box = 0 unless a value is input.

- Exception Code Criteria = Allows the exception code to be refined to only allow specific types of transaction by using one of the following:
  - General Ledger
  - Sub Object
  - Account (FUND)
  - Agency

- Inactive = OFM Statewide Consultants have the ability to inactivate any of the exception codes by simply changing the 'N' (no) to a 'Y' (yes). They then must enter a date of when it will be inactive.
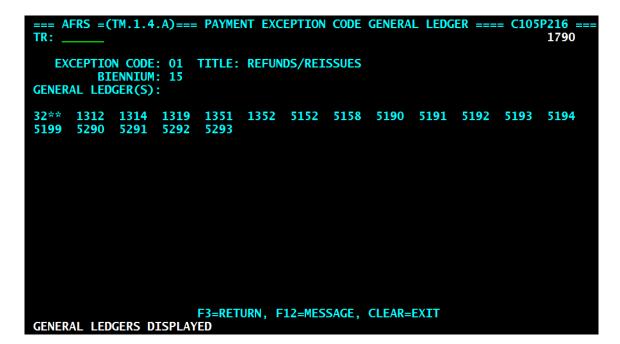
Exception Code Criteria will show a predetermined number of codes, if there is more codes for one of the exception code criteria an 'F' key will be displayed that you will use to see all the associated criteria.

Hit the 'F' key and you will be taken to a new screen to see the full listing of either General Ledgers, Subobjects, Accounts (Fund), or Agencies.

```
=== AFRS =(TM.1.4)====== PAYMENT EXCEPTION CODE TABLE ============ C105P215 ===
TR: _____                                                              1790

        FUNCTION: N (V=VIEW, N=NEXT, B=BACK)

  EXCEPTION CODE: 01  BIENNIUM: 15

           TITLE: REFUNDS/REISSUES_____
     DESCRIPTION: NON-EXPENDITURE_RELATED_REFUNDS_____

   TIN REQUIRED: O  RATE TYPE: 01  1099 MISC REPORTABLE: N

                      EXCEPTION CODE CRITERIA

  GENERAL LEDGER: Y 32** 1312 1314 1319 1351 1352 5152 5158 (F5 TO VIEW MORE)
      SUB OBJECT: N
  ACCOUNT (FUND): N
          AGENCY: N

      INACTIVE: N (Y/N)                      DATE: _____
                                                   MMDDCCYY

                   F3=RETURN, F12=MESSAGE, CLEAR=EXIT
 NEXT ROW DISPLAYED
```

Additional Data functions:
- The following are the potential 'F' keys that would be available:
  - F5 = General Ledgers
  - F6 = Subobjects
  - F7 = Accounts (Fund)
  - F8 = Agencies

```
=== AFRS =(TM.1.4.A)=== PAYMENT EXCEPTION CODE GENERAL LEDGER ==== C105P216 ===
TR: _____                                                              1790

   EXCEPTION CODE: 01  TITLE: REFUNDS/REISSUES
        BIENNIUM: 15
GENERAL LEDGER(S):

32** 1312  1314  1319  1351  1352  5152  5158  5190  5191  5192  5193  5194
5199 5290  5291  5292  5293








                    F3=RETURN, F12=MESSAGE, CLEAR=EXIT
GENERAL LEDGERS DISPLAYED
```

Payment Processes:
- Payments can be made using the Exception Code through the following:
  - Online entry
    - IN.1.1, Expanded General Accounting Transaction Input
    - Expanded General Accounting Transaction Input for Error & Browse feature on the IN.3
  - Toolbox entry
    - Located between Contract & Vendor Number on Toolbox Template
  - Batch system Interface
    - 950 Layout-Position 801, 2 bytes, numeric only

AFRS INPUT SCREENS

```
=== AFRS ======= EXPANDED GENERAL ACCOUNTING TRANSACTION INPUT == C105P20E ====
  TR: _____
    FUNCTION: R (F=FRESH SCREEN, R=RETAIN DATA, V=VERIFY, X=RESET VENDOR)
    SEQUENCE:         HEADER: 200220 AA 001 0 A 200220   BIEN: 21   FM: 08
    DOC DATE: 022020  CURR DOC: _____ REF DOC: _____ __ DUE: 022020
    VENDOR #: _____  SFX: __  EXCPT CODE: __ VENDOR TYPE: _  PT: _____
    VEND NAME: _____  TIN: _____
        ADDR1: _____  TAX TYPE: _
        ADDR2: _____  USE TAX: _
        ADDR3: _____  UBI: _____
  CITY/ST/ZIP: _____ __ _____  US/FOR ADDR: _
  ACCOUNT #: _____  VEND MSG: _____
  AGREEMENT ID: _____  ORDER ID: _____ CFDA: _____
   TRANS CODE: ___  MOD: _  REV: _      POSTING FM: 08     AGENCY: ____
  MSTR INDEX: _____     FUND: ___   APPN INDEX: ___  PROG INDEX: _____
  SUB OBJECT: __    SUB-SUB-OBJ: ____    IRS BOX: _   OMWBE TYPE: _
   ORG INDEX: ____   ALLOC CODE: ____  BUDGET UNIT: ___  MOS(YYMM): ____
      PROJECT: ____  SUB-PROJECT: __   PROJ PHASE: __  AGENCY FLAG: __
   WORKCLASS: ___       COUNTY: ___   CITY/TOWN: ____   COST OBJ: _____
   MAJ GROUP: __   MAJ SOURCE: __   SUB-SOURCE: _____    CAFT: _
     GL ACCT: ____    SUBSID DR: _____   SUBSID CR: _____    RRW: _
  AMT:              INV DATE: _____  INV #: _____
  F2=REL, F3=BATCH SUMM, F4=VEND SEL, F5=IAP VEND SEL, F6=BALNC, F8=ENC AUTO
```

```
=== AFRS ======= EXPANDED GENERAL ACCOUNTING TRANSACTION INPUT == C105P20Z ====

     FUNCTION: N (A=ADD, C=CHG, D=DEL, V=VIEW, N=NEXT, B=BACK, X=RESET VENDOR)
     SEQUENCE: 00001   HEADER: 191210 AA 235 0 A 191210  BIEN: 21   FM: 06
     DOC DATE: 121019  CURR DOC: 123456_____ REF DOC: _____ __  DUE: 121019
     VENDOR #: SWV0071234 SFX: 00  EXCPT CODE: __  VENDOR TYPE: C   PT: INSERT_
     VEND NAME: ACME_AUTO_ELECTRIC_INC_____    TIN: 91-1234567_
        ADDR1: 9015_AURORA_AVE_N_____   TAX TYPE: T
        ADDR2: _____    USE TAX: _
        ADDR3: _____    UBI: _____
   CITY/ST/ZIP: SEATTLE_____  WA 981033921  US/FOR ADDR: U
   ACCOUNT #: _____  VEND MSG: _____
   AGREEMENT ID: _____ ORDER ID: _____ CFDA: _____
    TRANS CODE: 210  MOD: _   REV: _     POSTING FM: 06     AGENCY: 9990
    MSTR INDEX: _____     FUND: 422   APPN INDEX: Z96  PROG INDEX: 80000
    SUB OBJECT: EA    SUB-SUB-OBJ: A000   IRS BOX: 0   OMWBE TYPE: B
    ORG INDEX: ____    ALLOC CODE: ____  BUDGET UNIT: ___   MOS(YYMM): ____
     PROJECT: ____    SUB-PROJECT: __   PROJ PHASE: __ AGENCY FLAG: __
    WORKCLASS: ___      COUNTY: ___   CITY/TOWN: ____   COST OBJ: _____
    MAJ GROUP: __    MAJ SOURCE: __   SUB-SOURCE: _____   CAFT: _
     GL ACCT: _____   SUBSID DR: _____  SUBSID CR: _____   RRW: _
    AMT: 1000000000000   INV DATE: 121019 INV #: 12341_____
   F2=REL, F3=BATCH SUMM, F4=VEND SEL, F5=IAP VEND SEL, F6=BALNC, F8=ENC AUTO
FIRST RECORD FOR BATCH DISPLAYED
```

EXCEPTION CODE PAYMENT VENDOR ADDRESSING!
Plus other Vendor Naming and Addressing Information
You May Want to Know

AFRS users need to enter vendor addresses for exception code payments that will be readable by the USPS OCR equipment. Readable mail helps the USPS process mail in a more efficient manner that, in turn, helps them hold down costs and future mail rate increases. The primary ingredient to make all of this work is vendor naming and addressing that meets USPS mail addressing standards.

A major part of the USPS automated processing system for letter mail is high speed optical character readers ... "(OCRs) that read machine printed addresses on letter mail, print a postal (POSTNET) bar-code in the lower right corner of each mail piece and perform an initial sort." Some of the key ingredients of addressing for automation include:

- Recommended Address Format:

Name of Recipient	WARNER DAN
Delivery Address	357 COLCHESTER DR SE
City, State, ZIP	VANCOUVER WA 98612-3456

  The order of importance to the OCR is bottom to top.

- **City, State, ZIP** is the most important OCR line. *The City/State/Zip line in the AFRS vendor record is this line.* **Correct spelling of the city is essential. Use of Zip+4 is encouraged to maximize readability.** The total amount for the Zip+4 codes is 9 digits, i.e. 12345-6789. The standard two-letter state abbreviation is required in AFRS US vendor addresses.

  Always use the postal service standard two-letter state abbreviations for the state name. This includes the 50 states, Puerto Rico, US Virgin Islands, Guam, American Samoa, Federated States of Micronesia, Marshall Islands, Northern Mariana Islands, and Palau Island. APO and FPO addresses are US addresses and the appropriate state and zip code should be used. A more complete explanation of addressing and abbreviations can be found in the USPS.COM Official USPS Abbreviations or at https://www.usps.com/ship/apo-fpo-dpo.htm.

- The **Delivery Address** line should include ... "the street address, post office box number, rural route number and box number, or highway contract number and box number." "Mail addressed to occupants of multi-unit buildings should include the apartment, suite, or room number, or other unit designation, immediately after the street address. If it's necessary to reduce the length of the delivery address line, the apartment number or other designator, should be placed on the line immediately above the Delivery Address Line."

When addressing mail to a rural route, highway contract route, or post office box, the information should be printed as shown in these examples:

Rural Route	Highway Contract Route	Post Office Box
RR 6 BOX 92	HC 2 BOX 10	PO BOX 184

The use of two delivery addresses, such as a street address and a post office box, is **not** recommended. If **dual addressing** is used, one delivery designation should be placed on the Delivery Address Line and the other on the line immediately above. **It's important to note that the mail will be delivered to the address on the *Delivery Address Line* and, for that reason, the ZIP Code or ZIP+4 should always reflect that address**. *The last <u>non-blank</u> address line in the AFRS vendor record would be the **delivery address***.

Example of Dual Addressing

GRAND PRETTY
100 MAJOR ST
Mail will be delivered here --------->PO BOX 200
NEW YORK NY 10001-0200

Some addressing abbreviation and punctuation rules are:
- N (North), S (South), E (East), W (West), NE, NW, SE OR SW,
- AVE (Avenue), ST (Street), DR (Drive), RD (Road), PL (Place) or CIR (Circle),
- RM (Room), STE (Suite) or APT (Apartment) number,
- No Punctuation is preferred.

- The **Name of Recipient Line** should contain the name of the intended recipient. In the AFRS vendor record this is the **Vendor Name Line**.

- The **Information/Attention Line** and the **Non-Address Line** are not currently supported by the AFRS vendor record format.

MILITARY ADDRESSES

"APO", "FPO" or "DPO" is the equivalent of a city name. "AE", "AP", and "AA" are the equivalents of state abbreviations. Each shipment to an APO/FPO/DPO needs the recipient's name, rank, and unit, and the APO/FPO/DPO address with the 9-digit ZIP Code™:
- AE - (Zip Codes 090-098) designates Armed Forces in Europe, the Middle East, Canada, and Africa.
- AP - (Zip Codes 962-966) designates Armed Forces in the Pacific.
- AA - (Zip Code 340) designates Armed Forces in Central and South America (Except Canada).

Always include a return address. Mail and shipments must be addressed to a specific person; addressing to "Any Service Member" is no longer permitted. To prevent mail from entering foreign mail networks, do not include city or country names in

APO/FPO/DPO shipping addresses. Here are properly addressed shipment examples:

Army/Air Post Office (APO)
PFC JOHN DOE
PSC 3 BOX 4120
APO AE 09021

Fleet Post Office (FPO)
SEAMAN JOSEPH SMITH
UNIT 100100 BOX 4120
FPO AP 96691

Diplomatic Post Office (DPO)
JOHN ADAMS
UNIT 8400 BOX 0000
DPO AE 09498-0048

FOREIGN ADDRESSES
- Mail addressed to foreign countries should include the country name (no abbreviations) as the only information on the bottom line (City/State/Zip line). For example:

> LEWIS DAVID
> 247 HOWE LANE
> LONDON, WIP8HQ
> ENGLAND

- If the field "US/FOR ADDR field" is "F" the edits in AFRS allow the City, State and Zip fields to be blank.

- EXCEPTION: Mail addressed to Canada may use either of the following formats when the postal delivery zone is included in the address. For example:

AMBROSE FRANK 724 FRONT STREET OTTAWA, ONTARIO K2B OA1 CANADA

AMBROSE FRANK 724 FRONT STREET OTTOWA, ONTARIO CANADA K2B OA1

AFRS VENDOR ADDRESSING EDIT RULES
The three address fields on the AFRS Vendor Edit Maintenance screen VE.2 are 32-character alphanumeric fields that identify titles, street address information or mail stops in lieu of street addresses. Some of the **AFRS edit rules for the name and address lines are:**

1. The minimum required fields per US Postal System are & AFRS edits that are in place are:
   * **US Postal**-Address line 1 must not be blank
     AFRS EDIT- Address line 1:
     * Must contain a name or a non-special character (for example: "." or "*" if no name is intended on this line)
     * Allows the following special characters: "–" or "/"
       * Allowed special characters can never be the first character for any address line in AFRS

   * **US Postal**-'City' must be entered,
     * **AFRS EDIT**-'City' must contain a name or a character (some agencies will use a '.' or a '*' if they do not intend to put a city name on this line
   * **US Postal**-'State' must contain a valid state abbreviation
     * **AFRS EDIT**-'State' must contain a valid US Postal Service state abbreviation (e.g. WA=Washington) if the US/Foreign Address field is set to 'U'
   * **US Postal**-'Zip Code' should contain at least a five-digit zip numeric code (a full Zip +4 code is recommended).
     * **AFRS EDIT**-'Zip' must be alpha/numeric (**US Postal Service Zip codes are numeric**).
   NOTE: Other AFRS on-line screen edits for the address lines are:

   * Address lines 2 and 3 can be blank
   * The US/Foreign Indicator defaults to "U" for US
   * Any format can be used in reporting a foreign mailing address by changing the US/Foreign Indicator to 'F' for Foreign

2. The Internal Revenue Service has some naming and addressing conventions that should be considered when entering an exception code payment that will be used in an IRS 1099 form:
   * The vendor name must not exceed two lines (vendor name line and address 1 line),
   * The vendor name line should contain the taxpayer name that corresponds with the taxpayer identification number (TIN) on the record,
   * If there are multiple payees, only the name of the payee whose TIN has been provided should be entered in the name field - The names of the other payees may be entered in the second payee name line (ADD1),
   * Preferably, the surname of the payee should appear first.