



STATE OF WASHINGTON

**OFFICE OF FINANCIAL MANAGEMENT**

*Insurance Building, PO Box 43113 | Olympia, Washington 98504-3113 | (360) 902-0555*

May 2, 2012

**OFM DIRECTIVE 12A-02**

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

**FROM:** /s/ Wendy Jarrett, Assistant Director  
Accounting Division

**SUBJECT: Chapter 90, State Reporting**

We have revised Chapter 90, State Reporting, in the *State Administrative and Accounting Manual* (SAAM). This update is effective June 1, 2012.

Revisions to Chapter 90 include the state reporting policies and procedures for fiscal year 2012. This directive also contains the timetable related to year-end reporting and the fiscal year-end closing schedule.

The update to Chapter 95, Federal Assistance Reporting, is pending release of this year's OMB Circular A-133 Compliance Supplement.

Key changes to the policies include the following:

**Chapter 90 - State Reporting**

(Sections 90.10, 90.20, 90.30, and 90.40)

- Updated the roles and responsibilities when using AFRS to include the Department of Enterprise Services (DES). DES is responsible for assisting agencies in complying with AFRS processing requirements. (90.10.40)
- Updated the fiscal year-end cut off dates for fiscal year 2012. (90.20.05)
- Added unearned revenue to the revenue recognition policy for general ledger (GL) codes 5190 and 5290. (90.20.20)
- Added language to include unearned revenue and fund equity review to agency required adjustment and reconciliation activity. Also added agencies are to review and reconcile general ledger accounts. (90.20.70)
- Added illustrative entry for unearned revenue. (90.30.40.d)
- Combined unearned revenue with the deferred revenue disclosure policy. (90.40.50)
- Changed the Deferred Revenues Disclosure form to "Deferred and Unearned Revenues." The form now includes GL codes 5190 and 5290 (unearned revenues), 5192 and 5292 (deferred revenues), and 5195 (deferred expenditure recoveries). The deferred revenue GL codes 5192 and 5292 may be reported only in governmental type accounts. Refer to subsections 85.70.40 and 85.70.45 for more information on the difference between deferred and unearned revenues. (90.40.50)
- For state agencies with bonds, a new item #4 was added to the Financial Disclosure Certification that states "We have received no communication from the IRS adversely affecting the tax exempt status of our outstanding debt or noncompliance with arbitrage rules." (90.40.95)

**Timetable for Year-End Reporting and Closing:**

<b>Important Dates</b>	<b>Reporting Items</b>
July 23, 2012	Mail out interagency billings (whether based on actuals or estimates).
July 31, 2012	<b>Phase 1</b> Close, Agency Accrual Phase.
Aug. 1, 2012	Electronic State and Federal disclosure forms available online.
Sept. 7, 2012	<b>Phase 2</b> Close, Agency Adjustment Phase: <ul style="list-style-type: none"><li>• All State and Federal electronic disclosure forms are due (not including certifications).</li><li>• If agency adjusting entries need to be made after Phase 2, OFM approval is required.</li></ul>
Sept. 21, 2012	State Financial Disclosure Certification form is due.
Oct. 5, 2012	<b>Phase 3</b> Audit Adjustment Phase.
Dec. 7, 2012	Federal Assistance Certification form is due.

Additional year-end closing resources are available on OFM's Administrative and Accounting Resources website at: <http://www.ofm.wa.gov/resources/yearend.asp>.

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) 725-0183 or e-mail at: [andrea.brown@ofm.wa.gov](mailto:andrea.brown@ofm.wa.gov).

Mail the signed **original** State Financial Disclosure Certification form (due September 21, 2012) and Federal Assistance Certification form (due December 7, 2012) to the following address:

Office of Financial Management  
Statewide Accounting  
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.

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](http://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>.