



STATE OF WASHINGTON

**OFFICE OF FINANCIAL MANAGEMENT**

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May 15, 2015

**OFM DIRECTIVE 15A-02**

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

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

**SUBJECT: Chapter 75, Uniform Chart of Accounts; Chapter 80, Accounting Policies; Chapter 85 Accounting Procedures; and Chapter 90, State Reporting**

We have revised several policies in the *State Administrative and Accounting Manual* (SAAM) effective June 1, 2015.

Key changes to the policies in SAAM include the following:

**Chapter 75: Uniform Chart of Accounts**

(Sections 75.30, 75.40, 75.70 and 75.80)

- Added new Account 457 Institutions of Higher Education – Retirement Benefits Revolving Account.
- To implement GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*, added and/or revised GL Codes and descriptions: 1960, 1974, 5281, 5265, and 6598. Also added Subobjects BP Net Pension Adjustment (Proprietary Accounts Only) and WP Net Pension Adjustment (General Long-Term Obligations Subsidiary Account Only).
- Deleted GL Code 9122 Nonspendable Petty Cash.
- Renamed Revenue Source Code 0803 Employee Pension Contributions.

**Chapter 80: Accounting Policies**

(Section 80.30)

- Added policy on deferred outflows/inflows of resources.
- Added policy on commitments and contingencies.
- Expanded descriptions of the classifications of fund equity.

**Chapter 85: Accounting Procedures**

(Sections 85.50, 85.65, 85.70, 85.85)

- Removed reclassification of fund balance to nonspendable petty cash.
- Revised description of unavailable revenue.

**Chapter 90 - State Reporting**

(Sections 90.10, 90.20, 90.30 and 90.40)

Revisions to Chapter 90 establish state reporting policies and procedures for fiscal year 2015. This directive also contains the timetable related to year-end reporting and the fiscal year-end closing schedule.

- Updated the fiscal year-end cut off dates for fiscal year 2015. (90.20.05)
- Added requirement that interagency receivables/payables be in balance by Phase 1B close on August 21, 2015. (90.20.50)
- Noted requirement for agencies to review and adjust fund balances for activity, as appropriate. (90.20.62)
- Added requirement that the pollution remediation Site Status Report be completed by Phase 1B close on August 21, 2015. (90.20.70 No.15)
- Revised illustrative entry for recording long-term receivable with long-term unearned revenue. (90.30.40.c)
- Added illustrative entry for fund balance reclassification. (90.30.90)
- Updated the disclosure form dates for fiscal year 2015. (90.40.10)
- Removed questions on unspent bond proceeds and other externally restricted cash and investments from the Cash and Investments General disclosure form. (90.40.20.A)
- Added the Cash and Investments Restricted disclosure form. (90.40.20.B)
- Revised the Receivables disclosure form to separate reporting of taxes and other receivables. (90.40.30)
- Added a separate Certificate of Participation (COPs) form to be used by agencies to report activity in GL Codes 5173, 5273, 5920 and 1911. (90.40.45.c)
- Added requirement for submission of an electronic file from the Department of Retirement Systems for pension information in lieu of filling out a disclosure form. (90.40.70.a)
- Added a new question on the Miscellaneous disclosure form related to nonexchange financial guarantees. (90.40.75.A)
- Revised six certifications and added one certification for the State Financial Disclosure Certification form (90.40.95):
  - (No. 5) – Auditor and law violations;
  - (No. 6) – Relevant communications;
  - (No. 14) – Capital assets;
  - (No. 16) – Pollution remediation obligations;
  - (No. 17) – Service organizations;
  - (No. 19) – Significant assumptions; and
  - (No. 21) – Carrying value or classification of assets, liabilities or net position.

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

<b>Key Dates</b>	<b>Reporting Items</b>
July 23, 2015	Mail out interagency billings (whether based on actuals or estimates).
July 15, 2015	<b>Disclosure form application opens</b>
July 31, 2015	<b>Phase 1</b> Close, Agency Accrual Phase
Aug. 21, 2015	<b>Phase 1B</b> due date for certain state disclosure forms
Sept. 4, 2015	<b>Phase 2</b> Close, Agency Adjustment Phase: <ul style="list-style-type: none"><li>• Remaining State and all Federal disclosure forms are due (not including certifications).</li><li>• Prioritize interagency receivable/payable reconciliations as many agencies have an early internal close date.</li><li>• All agency adjusting entries made after Phase 2 require OFM approval.</li></ul>
Sept. 16, 2015	State Financial Disclosure Certification form, including attachments, is due.
Dec. 4, 2015	Federal Assistance Certification form is due.

Agencies are encouraged to establish an internal close prior to September 4<sup>th</sup> in order to ensure that all entries are posted in AFRS and disclosure forms are completed by Phase 2 close. The Phase 2 close date is firm.

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

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 or Federal disclosure forms, please contact your assigned OFM Accounting Consultant.

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>.