***** BIENNIUM END *****
MOST COMMON AFRS TRAN CODES FOR FM 24/25
WITH ASSOCIATED CASH TRAN CODES IN THE NEW BIENNIUM

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The purpose of this document is to provide transaction codes for the most common types of transactions agencies record during the fiscal year closing process at biennium end.

The transaction codes shown are the typical ones, but they are NOT the only transaction codes that can be used. It is very important to know the general ledgers and the intent of the entry you are making while choosing a transaction codes. If you have questions, contact your OFM accounting consultant.

Legend

Abbreviations and other terms/codes used in this document

(Refer to SAAM glossary for other definitions)

*	General Ledger requires a subsidiary GL account
AFRS	Agency Financial Reporting System
Appropriation type X	Used to liquidate prior period estimated accrual (optional)
Biennial Appropriation	Legislative appropriation that is valid for both fiscal years of the biennium
DR	This column shows the General Ledger that will be DEBITED
CR	This column shows the General Ledger that will be CREDITED
EFT	Electronic Funds Transfer
Encumbrance	A reservation of an expenditure authority for an obligation in the form of purchase orders or contracts
GL	General Ledger account
IAP	Interagency Payment – automated payment to another state agency using treasury accounts (requires SWV number and special TCs)
IFT JV	InterFund Transfer Journal Voucher – automated transfer between treasury accounts within the same agency (requires special TCs)
Internal only	When shown in the 'Document Distribution' column of this document, this means that the document is NOT sent to OST.
Local accounts	Accounts under control of an agency with cash on deposit in a local bank account (Example: colleges and universities)
OST	Office of State Treasurer
Outside entity	Private business or individual (including employee); federal or local government; component unit
R	Reverse code – used to reverse previously entered transactions by reversing the posting sign for the transaction amount
SAAM	State Administrative and Accounting Manual
SWV	Statewide Vendor – common vendor record maintained by DES that can be used by any agency; certain payment types (all IAP and some EFT) require the use of a SWV
TC	Transaction Code
TM$	Treasury Management System, a Treasurer's Office system
Transaction Type "B"	AFRS system-generated "wrap" transaction for payments
Treasury accounts	Accounts which have cash on deposit in and under the control of OST (includes both treasury and treasury trust)
V	Variable General Ledger account is required to be input for this transaction code – refer to AFRS descriptor table 56 for list of valid GL's for each TC

Common General Ledger Account Titles

(Refer to SAAM section 75.40 for complete list of GL codes and detailed description)

GL	Title	GL	Title
13__V	Variable Receivables	6410	Encumbrances
1312	Accounts Receivable	6505	Accrued Expenditure/Expenses
1353	Due From Other Funds	6510	Cash Expenditure/Expenses
1354	Due From Other Agencies	6560	Estimated Accrued Expenditure/ Expenses
3205	Accrued Revenue	7110	Cash Receipts In Process
3210	Cash Revenue	7120	Warrants/EFT Payments In Process
3260	Estimated Accrued Revenue	7130	Warrant Cancellations In Process
		7140	Journal Vouchers in Process
51__V	Variable Payables		
5111	Accounts Payable	9510	Reserve for Encumbrances
5153	Due To Other Funds	9920	Current Period Clearing Account
5194	Liability for Canceled Warrant		

(R-1) REVENUE ACCRUALS AND RECEIPTS

For revenue earned by June 30, but received after June 30: Accrue the revenue and establish a receivable in BI 17. Select the TC to debit the appropriate receivable GL based on who the revenue is due from. When payment is received in BI 19, liquidate the receivable. [SAAM 90.20.20; 90.20.50; 90.30.40]

Document	Task	BI	TC	DR	CR	Document Distribution
Due from another state agency (treasury acounts) - payment received by IAP or JV						
Journal Voucher	Set up receivable, accrue revenue	17	054	*1354	3205	Internal only
Journal Voucher	Receive cash, liquidate receivable	19	097	7140	*1354	Internal only
Due from another state agency or another government - payment received by warrant or local check						
Journal Voucher	Set up receivable, accrue revenue	17	013	13__**V**	3205	Internal only
Cash Receipt	Receive cash, liquidate receivable	19	090	7110	13__**V**	Original to OST or TM$ entry
Due from an outside entity - payment received by check or EFT						
Journal Voucher	Set up receivable, accrue revenue	17	012	1312	3205	Internal only
Cash Receipt	Receive cash, liquidate receivable	19	090	7110	1312**V**	Original to OST or TM$ entry

(R-2) REVENUE TRANSFERS/CORRECTIONS BETWEEN ACCOUNTS WITHIN THE <u>SAME AGENCY</u> (Treasury accounts)

Revenue was recorded and cash was deposited in the wrong Account in BI 17. Cash needs to be transferred from one Account to another Account within the same agency after June 30: Adjust revenue and establish an interfund payable and receivable in BI 17. Liquidate the interfund payable and receivable when cash is transferred in BI 19. [SAAM 90.20.60]

Document	Task	BI	TC	DR	CR	Document Distribution
The following BI 17 transactions are <u>REQUIRED</u> for either of the BI 19 cash transfer options:						
Journal Voucher	Set up Interfund receivable (receiving account)	17	053	*1353	3205	Internal only
Journal Voucher	Set up Interfund payable (paying account)	17	543	3205	*5153**V**	Internal only
For the BI 19 transactions, choose <u>ONE</u> of the following two cash transfer options:						
Use InterFund Transfer (IFT) process to transfer cash (automated cash transfer in AFRS)						
IFT JV	Cash transfer in (receiving account)	19	026	7140	*1353**V**	Internal only
IFT JV	Cash transfer out (paying account)	19	025	*5153**V**	7140	Internal only
-- OR --						
Use manual JV process to transfer cash						
Journal Voucher	Cash transfer in (receiving account)	19	096	7140	*1353	Copy to OST
Journal Voucher	Cash transfer out (paying account)	19	863	*5153**V**	7140	Copy to OST

(R-3) REVENUE TRANSFERS/CORRECTIONS BETWEEN BIENNIUMS

For revenue that was recorded in the wrong biennium and needs to be transferred to the correct biennium. **This example assumes that a receivable was NOT set up previously for this revenue.** (Use TC 013 with a variable debit to post to a different receivable GL account.) NOTE: If cash is received before it is earned (for example, received in BI 17, but earned in BI 19), record as unearned revenue (GL 5190) instead of accrued revenue (GL 3205).

Document	Task	BI	TC	DR	CR	Document Distribution
Revenue was recorded in BI 19, but should have been recorded in BI 17 (Cash is in the correct BI)						
Journal Voucher	Set up receivable, accrue revenue	17	012	1312	3205	Internal only
Journal Voucher	Decrease receivable and accrued revenue	19	007R	(1312)	(3210)	Internal only
Revenue was recorded in BI 17, but should have been recorded in BI 19 (Cash is Not in the correct BI)						
Journal Voucher	Reverse erroneous revenue entry	17	001R	(7110)^	(3210)	Internal only
Journal Voucher	Record revenue in the correct period	19	001	7110^	3210	Internal only

^Must use the same document number for both transactions.

(R-4) CODING CORRECTIONS ON REVENUE TRANSACTIONS

For BI 17 revenue transactions originally entered with incorrect coding. The coding error can be the revenue source code, project, program, etc., but NOT the Account (refer to R-2) and NOT posted to the wrong biennium (refer to R-3). Since the correction is within the same Account, use GL 9920 as the offset for the correction.

Document	Task	BI	TC	DR	CR	Document Distribution

Reverse the INCORRECT line of coding

| Journal Voucher | Decrease revenue | 17 | 343R | (9920)^ | (3210) | Internal only |

-- AND --

Enter the CORRECT line of coding

| Journal Voucher | Increase revenue | 17 | 343 | 9920^ | 3210 | Internal only |

^Must use the same document number for both transactions.

(R-5) REVENUE REFUNDS

For revenue that was received in error on or before June 30 and needs to be refunded after June 30: Record the reduction to revenue and establish a payable in BI 17. Select the TC to credit the appropriate payable GL based on who the refund is due to. When cash is transferred in the next biennium, liquidate the payable.

Document	Task	BI	TC	DR	CR	Document Distribution

Due to another state agency with SWV number (treasury account) - pay by IAP

| IAP JV | Reduce revenue, set up payable | 17 | 644 | 3205 | *5154V | Internal only |
| Trans Type "B" | Warrant wrap, liquidate payable | 19 | 655 | *5154V | 7140 | AFRS auto-generated transaction |

Due to another state agency with NO SWV number (treasury account) - pay by manual JV

| Journal Voucher | Reduce revenue, set up payable | 17 | 543 | 3205 | *5154V | Internal only |
| Journal Voucher | Liquidate payable, cash payment | 19 | 863 | *5154V | 7140 | **Copy to OST & other agency** |

Due to another state agency (local account) - pay by warrant/EFT (use SWV if available)

| Payment voucher | Reduce revenue, set up payable | 17 | 196 | 3205 | *5154V | Internal only |
| Trans Type "B" | Warrant wrap, liquidate payable | 19 | 628 | *5154V | 7120 | AFRS auto-generated transaction |

Due to an outside entity - pay by warrant/EFT (use SWV if available)

| Payment voucher | Reduce revenue, set up payable | 17 | 198 | 3205 | 5111 | Internal only |
| Trans Type "B" | Warrant wrap, liquidate payable | 19 | 810 | 5111 | 7120 | AFRS auto-generated transaction |

(E-1) EXPENDITURE ACCRUALS AND PAYMENTS - INTERAGENCY using GL 5154

For goods and services received from another state agency by June 30, but paid for after June 30: Accrue the expenditure and establish a payable in BI 17. When cash is transferred in the next biennium, liquidate the payable. [SAAM 90.20.40; 90.20.50]

⇨ *Due to another state agency with SWV number (treasury account) - pay by IAP*

An encumbrance was NOT set up

Document	Task	BI	TC	DR	CR	Document Distribution
IAP JV	Accrue expenditure, set up payable	17	640	6505	*5154**V**	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	651	*5154**V**	7140	AFRS auto-generated transaction

A previous encumbrance needs to be liquidated [SAAM 90.20.40]

Document	Task	BI	TC	DR	CR	Document Distribution
IAP JV	Accrue expenditure, set up payable Liquidate encumbrance	17	641	6505 9510	*5154**V** 6410	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	651	*5154**V**	7140	AFRS auto-generated transaction

⇨ *Due to another state agency with NO SWV number (treasury account) - pay by manual JV*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Accrue expenditure, set up payable	17	254	6505	*5154	Internal only
Journal Voucher	Liquidate payable, cash payment	19	497	*5154	7140	**Copy to OST & other agency**

⇨ *Due to another state agency (local account) - pay by warrant/EFT (use SWV number, if available)*

An encumbrance was NOT set up

Document	Task	BI	TC	DR	CR	Document Distribution
Payment voucher	Accrue expenditure, set up payable	17	137	6505	*5154**V**	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	815	*5154**V**	7120	AFRS auto-generated transaction

A previous encumbrance needs to be liquidated [SAAM 90.20.40]

Document	Task	BI	TC	DR	CR	Document Distribution
Payment voucher	Accrue expenditure, set up payable Liquidate encumbrance	17	221	6505 9510	*5154**V** 6410	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	815	*5154**V**	7120	AFRS auto-generated transaction

(E-2) EXPENDITURE - TO CORRECT AN INTERAGENCY PAYMENT THAT WAS ORIGINALLY MADE WITHOUT SETTING UP A "DUE TO OTHER AGENCY" PAYABLE AT JUNE 30

When an expenditure payment for BI 17 activity was made to another state agency after June 30 without posting an interagency accrual (an accrual should have been posted at June 30): Record an interagency payable in BI 17 and reverse it in BI 19. This would be used if you paid an agency by manual JV using TC 263 (DR 6510/CR 7140) but you should have recorded a "Due to Other Agency" GL 5154 at June 30.

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Establish payable	17	966	7140^	*5154V	Internal only
Journal Voucher	Reverse Payable	19	966R	(7140)^	*(5154V)	Internal only

^Must use the same document number for both transactions.

(E-3) EXPENDITURE ACCRUALS AND PAYMENTS - INTERAGENCY Not using GL 5154

For goods and services received from another state agency by June 30, but paid for after June 30: Accrue the expenditure and establish a payable in BI 17. (Note: for Medical Aid payments to Labor and Industries, this step is done by the state payroll system, HRMS.) Remember that not all interagency payments use GL 5154, so credit the appropriate payable GL based on SAAM 90.20.50.b. When cash is transferred in the next biennium, liquidate the payable.

Document	Task	BI	TC	DR	CR	Document Distribution

Due to another state agency with SWV number (treasury account) - pay by IAP

If expenditure has already been accrued

Document	Task	BI	TC	DR	CR	Document Distribution
IAP JV	Liquidate payable, request payment	19	642	51__V	5111	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	652	5111	7140	AFRS auto-generated transaction

If expenditure has NOT been accrued

Document	Task	BI	TC	DR	CR	Document Distribution
IAP JV	Accrue expenditure, set up payable	17	627	6505	51__V	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	651	51__V	7140	AFRS auto-generated transaction

Due to another state agency with NO SWV number (treasury account) - pay by manual JV

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Accrue expenditure, set up payable	17	212	6505	51__V	Internal only
Journal Voucher	Liquidate payable, cash payment	19	863	51__V	7140	Copy to OST & other agency

Due to another state agency (local account) - pay by warrant/EFT (use SWV number, if available)

Document	Task	BI	TC	DR	CR	Document Distribution
Payment voucher	Accrue expenditure, set up payable	17	237	6505	51__V	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	815	51__V	7120	AFRS auto-generated transaction

(E-4) EXPENDITURE ACCRUALS AND PAYMENTS - OUTSIDE ENTITY

For goods and services received from a vendor that is not a Washington state agency by June 30, but paid for after June 30 : Accrue the expenditure and establish a payable in BI 17. Select the TC to credit the appropriate payable GL based on who the payment is due to. When cash is transferred in the next biennium, liquidate the payable. [SAAM 90.20.40; 90.30.50]

Document	Task	BI	TC	DR	CR	Document Distribution

Due to an outside entity - pay by warrant/EFT (use SWV number, if available)

An encumbrance was NOT set up

Document	Task	BI	TC	DR	CR	Document Distribution
Payment voucher	Accrue expenditure, set up payable	17	210	6505	5111	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	818	5111	7120	AFRS auto-generated transaction
-- OR --						
Payment voucher	Accrue expenditure, set up payable	17	237	6505	51__V	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	815	51__V	7120	AFRS auto-generated transaction

A previous encumbrance needs to be liquidated [SAAM 90.20.40]

Document	Task	BI	TC	DR	CR	Document Distribution
Payment voucher	Accrue expenditure, set up payable Liquidate encumbrance	17	211	6505 9510	5111 6410	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	818	5111	7120	AFRS auto-generated transaction
-- OR --						
Payment voucher	Accrue expenditure, set up payable Liquidate encumbrance	17	221	6505 9510	51__V 6410	Internal only
Trans Type "B"	Warrant wrap, liquidate payable	19	815	51__V	7120	AFRS auto-generated transaction

(E-5) EXPENDITURE TRANSFERS/CORRECTIONS BETWEEN ACCOUNTS WITHIN THE <u>SAME AGENCY</u> (Treasury accounts)

Expenditures were recorded in the wrong Account in BI 17 and need to be transferred from one Account to another Account within the same agency after June 30: Adjust expenditures and establish an interfund payable and receivable in BI 17. Liquidate the interfund payable and receivable when cash is transferred in the next biennium. Refer to (E-6) and (E-7) for other corrections to expenditures. [SAAM 90.20.60]

Document	Task	BI	TC	DR	CR	Document Distribution
The following BI 17 transactions are <u>REQUIRED,</u> also choose one of the BI 19 cash transfer options below:						
Journal Voucher	Set up interfund receivable (receiving Account)	17	271	*1353	6505	Internal only
Journal Voucher	Set up interfund payable (paying Account)	17	253	6505	*5153	Internal only

For the BI 19 transactions, choose <u>ONE</u> of the following two cash transfer options:

⇨ *Use InterFund Transfer (IFT) process to transfer cash (automated cash transfer in AFRS)*

IFT JV	Cash transfer in (receiving Account)	19	026	7140	*1353**V**	Internal only
IFT JV	Cash transfer out (paying Account)	19	025	*5153**V**	7140	Internal only

-- OR --

⇨ *Use manual JV process to transfer cash:*

Journal Voucher	Cash transfer in (receiving Account)	19	096	7140	*1353	Copy to OST
Journal Voucher	Cash transfer out (paying Account)	19	863	*5153**V**	7140	Copy to OST

(E-6) EXPENDITURE TRANSFERS/CORRECTIONS BETWEEN BIENNIUMS

For expenditures that were recorded in the wrong biennium and need to be transferred to the correct biennium. The original (incorrectly dated) payment was made after calendar day June 30. Adjust expenditures with an offset to payables in each biennium. Tran codes for other payable GLs are available.

Document	Task	BI	TC	DR	CR	Document Distribution
Expenditure was recorded in BI 19, but should have been recorded in BI 17						

⇨ *Payment was made to an outside entity (GL 5111)*

Journal Voucher	Increase expenditure/payable	17	736	6505	5111	Internal only
Journal Voucher	Decrease expenditure/payable	19	982R	(6510)	(5111)	Internal only

⇨ *Payment was made to another state agency (GL 5154)*

Journal Voucher	Increase expenditure/payable	17	254	6505	*5154	Internal only
Journal Voucher	Decrease expenditure/payable	19	254R	(6505)	*(5154)	Internal only

Expenditure was recorded in BI 17, but should have been recorded in BI 19

⇨ *Payment was made to an outside entity (GL 5111)*

Journal Voucher	Decrease expenditure/payable	17	736R	(6505)	(5111)	Internal only
Journal Voucher	Increase expenditure/payable	19	982	6510	5111	Internal only

⇨ *Payment was made to another state agency (GL 5154)*

Journal Voucher	Decrease expenditure/payable	17	254R	(6505)	*(5154)	Internal only
Journal Voucher	Increase expenditure/payable	19	254	6505	*5154	Internal only

(E-7) CODING CORRECTIONS ON EXPENDITURE TRANSACTIONS

For BI 17 expenditure transactions originally entered with incorrect coding. The error can be with the subobject code, expenditure authority, project, program, organization index, etc., but NOT the Account (refer to E-5) and NOT posted to the wrong biennium (refer to E-6). Since the correction is within the same Account, use GL 9920 as the offset for the correction.

Document	Task	BI	TC	DR	CR	Document Distribution

Reverse the INCORRECT line of coding

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reduce expenditures	17	345R	(6510)	(9920)^	Internal only

-- AND --

Enter the CORRECT line of coding

Journal Voucher	Increase expenditures	17	345	6510	9920^	Internal only

^Must use the same document number for both transactions.

(E-8) EXPENDITURE RECOVERIES AND REIMBURSEMENTS

For recovery of expenditures due by June 30, but received after June 30: Accrue the reduction to expenditures and establish a receivable in BI 17. Select the TC to debit the appropriate receivable GL based on who the recovery is due from; other TCs are available for other receivable GLs -- refer to TC report. When payment is received in the next biennium, liquidate the receivable.

Document	Task	BI	TC	DR	CR	Document Distribution

Due from another state agency - payment received by IAP or JV

Journal Voucher	Set up receivable, reduce expenditures	17	261	*1354	6505	Internal only
Journal Voucher	Receive cash, liquidate receivable	19	097	7140	*1354	Internal only

Due from another state agency - payment received by warrant or check

Journal Voucher	Set up receivable, reduce expenditures	17	261	*1354	6505	Internal only
Cash Receipt	Receive cash, liquidate receivable	19	090	7110	*1354V	Original to OST or TM$ entry

Due from an outside entity - payment received by check or EFT

Journal Voucher	Set up receivable, reduce expenditures	17	241	1312	6505	Internal only
Cash Receipt	Receive cash, liquidate receivable	19	090	7110	1312V	Original to OST or TM$ entry

(C-1) "REVENUE REFUND" WARRANT CANCELLATIONS - the warrant WILL NOT be reissued

For refund of BI 17 revenue warrants (TC 198) issued in error that need to be cancelled after June 30: Increase revenue, reduce payable (if necessary) and record the cancellation. **Note that the date on the warrant determines which transactions are required.**

Document	Task	BI	TC	DR (ALL REVENUE)	CR	Document Distribution

If the warrant was dated PRIOR to 7/1/17

Journal Voucher	Record cancellation, increase cash revenue	17	449	7130	3210	Copy + warrant to OST

If the warrant was dated AFTER 6/30/17

Journal Voucher	Clear BI 17 payable/increase accrued revenue	17	215	5111	3205	Internal only
Journal Voucher	Record cancellation, clear BI 19 payable	19	455	7130	5111V	Copy + warrant to OST

(C-2) "EXPENDITURE" WARRANT CANCELLATIONS - the warrant WILL NOT be reissued

For BI 17 expenditure warrants issued in error that need to be cancelled after June 30: Reduce expenditures, reduce payable (if necessary) and record the cancellation. **Note that the date on the warrant AND the original transaction code determine which transactions are required.**

Document	Task	BI	TC	DR	CR	Document Distribution

➡ *If the warrant was dated PRIOR to 7/1/17 and was originally issued with TC 210, 211, 221, 237*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Record cancellation, reduce expenditures	17	451	7130	6510	Copy + warrant to OST

➡ *If the warrant was dated AFTER 6/30/17 and was originally issued with TC 210 or 211*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Clear BI 17 payable/reduce accrued expenditure	17	290	5111	6505	Internal only
Journal Voucher	Record cancellation, and clear BI 17 payable	19	455	7130	5111V	Copy + warrant to OST

➡ *If the warrant was dated AFTER 6/30/17 and was originally issued with TC 221 or 237*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Clear BI 17 payable/reduce accrued expenditure	17	218^	51__V	6505	Internal only
Journal Voucher	Record cancellation, and clear BI 17 payable	19	455	7130	51__V	Copy + warrant to OST

^ TC 218 requires reference document number, but match is not required

(C-3) CANCELLATION OF WARRANT, the warrant will be REISSUED for the <u>same</u> amount

For revenue refund OR expenditure warrants that need to be cancelled after June 30 and will be reissued for the same amount: Record the cancellation and establish a payable. Liquidate the payable when the warrant is reissued. **Note that the date on the warrant being cancelled determines which transactions are required in which biennium. Also note that this process should be used only if original coding (revenue or expenditure) was correct.**

Document	Task	BI	TC	DR	CR	Document Distribution

➡ *If the warrant was dated PRIOR to 7/1/17*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Record cancellation, establish payable	17	455	7130	5194V	Copy + warrant to OST
Payment Voucher	Liquidate payable, reissue payment	17	951	5194V	5111	Internal only
Trans Type "B"	Warrant wrap, clear payable	19	817	5111	7120	AFRS auto-generated transaction

➡ *If the warrant was dated AFTER 6/30/17*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Record cancellation, establish payable	19	455	7130	5194V	Copy + warrant to OST
Payment Voucher	Liquidate payable, reissue payment	19	951	5194V	5111	Internal only
Trans Type "B"	Warrant wrap, clear payable	19	397	5111	7120	AFRS auto-generated transaction

(A-1) ESTIMATED ACCRUED EXPENDITURES AND SUBSEQUENT PAYMENTS

For goods and services received by June 30, for which an actual invoice has not been received: The source for this accrual could be a purchase document, contract, an "estimated" invoice, or other. Record an estimated accrued expenditure and establish a payable, but do NOT make the payment (BI 19 transaction) until an ACTUAL invoice is received so the actual amount is known. When the ACTUAL invoice is received, make the payment and liquidate the payable up to the amount accrued. SAAM requires agencies to monitor the liquidation of estimated accruals at the Account/Expenditure Authority level. [SAAM 90.20.40; 90.20.50.a; 90.20.55] Refer to A-2 if estimate was overstated; refer to A-3 if estimate was understated.

Document	Task	BI	TC	DR	CR	Document Distribution
The following BI 17 transaction is <u>REQUIRED</u>, also choose one of the BI 19 payment options below:						
Journal Voucher	Accrue estimated expend, record payable	17	830	6560	51__V	Internal only
In BI 19, choose <u>ONE</u> of the following six payment options:						

Pay at Account level only - no special reporting available

➡ *Due to another state agency with SWV number (treasury account) - pay by IAP*

Document	Task	BI	TC	DR	CR	Document Distribution
IAP JV	Reduce payable, request payment	19	649#	51__V	*5154	Internal only
Trans Type "B"	Warrant wrap, clear payable	19	631	*5154	7140	AFRS auto-generated transaction

➡ *Due to another state agency with SWV number, **not GL 5154** - pay by IAP* [SAAM 90.20.50.b]

IAP JV	Reduce payable, request payment	19	642#	51__V	5111	Internal only
Trans Type "B"	Warrant wrap, clear payable	19	652	5111	7140	AFRS auto-generated transaction

➡ *Due to another state agency with NO SWV number (treasury account) - pay by manual JV*

Journal Voucher	Reduce payable, cash payment	19	863	51__V	7140	**Copy to OST & other agency**

➡ *Due to another state agency (local account) or an outside entity - pay by warrant/EFT (use SWV if available)*

Payment voucher	Reduce payable, issue payment	19	955#	51__V	5111	Internal only
Trans Type "B"	Warrant wrap, clear payable	19	397	5111	7120	AFRS auto-generated transaction

requires a subobject, use the same subobject that was used on the tc 830 accrual.

Pay with appropriation type X and detail coding - special reporting available[1]

➡ *Due to another state agency with SWV number (treasury account) - pay by IAP*

Document	Task	BI	TC	DR	CR	Document Distribution
IAP JV	Reduce payable, request payment	19	635#	51__V	*5154	Internal only
Trans Type "B"	Warrant wrap, clear payable	19	631	*5154	7140	AFRS auto-generated transaction

➡ *Due to another agency with NO SWV number - pay by warrant; **OR**,*
Due to another state agency (local account) or outside entity - pay by warrant/EFT (use SWV if available)

Payment voucher	Reduce payable, request payment	19	828#	51__V	5111	Internal only
Trans Type "B"	Warrant wrap, clear payable	19	397	5111	7120	AFRS auto-generated transaction

requires a subobject, use the same subobject that was used on the tc 830 accrual.

[1] **Special reporting available:** The report available in Enterprise Reporting called "Project Billing Flexible" (by project) reports certain prior period estimated expenditures (GL 51XX using appn type X) in a separate column and in project-to-date totals. **However, this report is currently not working correctly.** Until it is corrected, use AFRS report MCP482 which can be run on the AFRS on-demand reporting screens (select function RD on main menu). Be aware that there is a per page cost for on-demand reports.

(A-2) ADJUSTMENTS - ESTIMATED ACCRUED EXPENDITURES WERE OVERSTATED

If all actual invoices have been received and paid and there is a remaining unliquidated balance in estimated accrued expenditures, the payable balances need to be adjusted to zero. The transaction depends on when the adjustment is made. SAAM requires agencies to monitor the liquidation of estimated accruals at the Account/Expenditure Authority level. [SAAM 90.20.40; 90.20.45; 90.30.35.a]

To adjust FY 17 estimated accrued expenditures prior to Phase 2 cutoff

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reduce estimated expenditure and payable	17	830R	(6560)	(51__V)	Internal only

To adjust BI 17 or prior estimated accrued expenditures after Phase 2 cutoff

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Liquidate payable, record prior period adjustment	19	588	51__V	3215 src 0486	Internal only

(A-3) ADJUSTMENTS - ESTIMATED ACCRUED EXPENDITURES WERE UNDERSTATED

If an invoice is received and there is not enough balance in estimated accrued expenditures to pay it (i.e. actual payables have exceeded estimated accrued expenditures), the agency must process the difference as a Belated Claim.   Refer to SAAM 85.40.10 or call your OFM Accounting Consultant for further assistance on belated claims. SAAM requires agencies to monitor the liquidation of estimated accruals at the Account/Expenditure Authority level. [SAAM 90.20.40; 90.20.47, 90.30.35.b]

(A-4) ESTIMATED ACCRUED REVENUE AND SUBSEQUENT RECEIPTS

For revenue that meets the recognition criteria by June 30, but the amount cannot be calculated exactly: Record estimated accrued revenue and establish a receivable. When the actual amount is known, send an ACTUAL invoice to the payor. When the revenue is received, receipt the cash and liquidate the receivable up to the estimated amount accrued. (For example, revenues that are based on expenditures are dependent upon the payee having complete expenditure information.) [SAAM 90.20.55]

Document	Task	BI	TC	DR	CR	Document Distribution
The following BI 17 transaction is <u>REQUIRED</u> for all of the BI 19 receipt options:						
Journal Voucher	Record receivable, accrue estimated revenue	17	150	13__V	3260	Internal only
For the BI 19 transactions, choose <u>ONE</u> of the following two cash receipt options:						

Receipt at Account level only - no special reporting available

Document	Task	BI	TC	DR	CR	Document Distribution
Cash Receipt	Receive cash, reduce receivable	19	090	7110	13__V	Original to OST or TM$ entry

Receipt with revenue source code - special reporting available [1]

Document	Task	BI	TC	DR	CR	Document Distribution
Cash Receipt	Receive cash, reduce receivable	19	835	7110	13__V	Original to OST or TM$ entry

(A-5) ADJUSTMENTS - ESTIMATED ACCRUED REVENUE WAS OVERSTATED

If all payments based on actual invoices have been received and there is a remaining balance in estimated accrued revenue (GL 3260), it needs to be adjusted to zero. The transaction depends on when the adjustment is made. Use the original source coding for the adjustment transaction. [SAAM 90.20.20]

To adjust BI 17 estimated accrued revenue prior to Phase 2 cutoff

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reduce receivable and estimated revenue	17	150R	(13__V)	(3260)	Internal only

To adjust BI 17 or prior estimated accrued revenue after Phase 2 cutoff

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reduce receivable and current revenue	19	005R	(13__V)	(3210)	Internal only

(A-6) ADJUSTMENTS - ESTIMATED ACCRUED REVENUE WAS UNDERSTATED

If more revenue is received than was originally estimated, record as current year revenue with appropriate source code. [SAAM 90.20.20]

Document	Task	BI	TC	DR	CR	Document Distribution
Cash Receipt	Record cash receipt, increase current revenue	19	001	7110	3210	Original to OST or TM$ entry

(M-1) RECEIVABLE/PAYABLE GENERAL LEDGER CODE CORRECTIONS

For BI 17 transactions originally entered with an incorrect General Ledger code. An example of this is when a payable or receivable should have been recorded as an **interagency** payable/receivable (GL 5154 or 1354), but was recorded as an accounts payable/receivable (GL 5111 or 1312) in error. In order to balance interagency payables and receivables the GL code needs to be corrected. Since the correction is within the same Account and there is no effect on cash, use GL 9920 as the offset for the correction.

Document	Task	BI	TC	DR	CR	Document Distribution

⟹ *To correct a **Payable** General Ledger code*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reverse the INCORRECT payable GL code	17	347R	(9920)^	(51__**V**)	Internal only
Journal Voucher	Enter the CORRECT payable GL code	17	347	9920^	51__**V**	Internal only

⟹ *To correct a **Receivable** General Ledger code*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reverse the INCORRECT receivable GL code	17	348R	(13__**V**)	(9920)^	Internal only
Journal Voucher	Enter the CORRECT receivable GL code	17	348	13__**V**	9920^	Internal only

^Use the same document number for both transactions within the same biennium so that GL 9920 will clear.

If the receivable/payable liquidation has already posted in BI 19 you will need to make additional entries.

These transactions would be entered if an accrual was posted in BI 17 AND the liquidation has already posted in BI 19. For a receivable, the BI 19 liquidation would have posted if the receipt was processed (cash receipt, manual JV). For a payable, the BI 19 liquidation would have posted if a payment was processed (EFT, IAP, warrant or manual JV).

⟹ *To correct a **Payable** General Ledger code (liquidation has already posted in BI 19)*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reverse liquidation of INCORRECT GL code	19	348R	(51__**V**)	(9920)	Internal only
Journal Voucher	Liquidate the CORRECT payable GL code	19	348	51__**V**	9920	Internal only

⟹ *To correct a **Receivable** General Ledger code (liquidation has already posted in BI 19)*

Document	Task	BI	TC	DR	CR	Document Distribution
Journal Voucher	Reverse liquidation of INCORRECT GL code	19	347R	(9920)	(13__**V**)	Internal only
Journal Voucher	Liquidate the CORRECT receivable GL code	19	347	9920	13__**V**	Internal only

(M-2) CORRECTIONS TO CAPITAL ASSET GENERAL LEDGER CODES

For corrections that affect capital asset general ledger codes, refer to separate documents on OFM Accounting Division website:
http://www.ofm.wa.gov/resources/capitalassets.asp or contact your OFM Accounting Consultant.