

One Washington Draft Chart of Accounts Model





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1.0 Overview

About the Chart of Accounts (COA)

The new COA is a set of numbers that will tie together financial data across the state. As you will see in the attached COA "Strawman," each set of numbers provides a different piece of accounting information such as agency name, department name, and geographic location. As the state moves towards a single, integrated Enterprise Resource Planning software system, it will be important for the state to have a single, standardized COA for all agencies.

Today, each agency has its' own COA and they are not standardized across the state. **Important caveat:** The new COA is a draft and not final – it will be updated and refined after a systems integrator is onboarded this fall. We are sharing the draft "Strawman" now so you can begin thinking ahead about what the new statewide COA will look like and consider what resources your agency will need to complete the work.

Objectives and Approach of the Draft Chart of Accounts Modeling?

We have attached the Draft Chart of Accounts Model to help your agency:

- Understand at a high level what the future chart of accounts may look like
- Identify how the ERP implementation will impact on your agency systems
- Identify the changes your agency system(s) will need to undergo before the new ERP go live so that you know your agency's resource needs
- Stay informed about updates to the new COA and provide feedback to ensure that the future chart of accounts meets your business needs

Our goal is to develop a centrally-governed and consistent COA that satisfies financial reporting requirements as well as management and operational reporting needs. The structure should be simple, expandable and flexible for the life of the system.

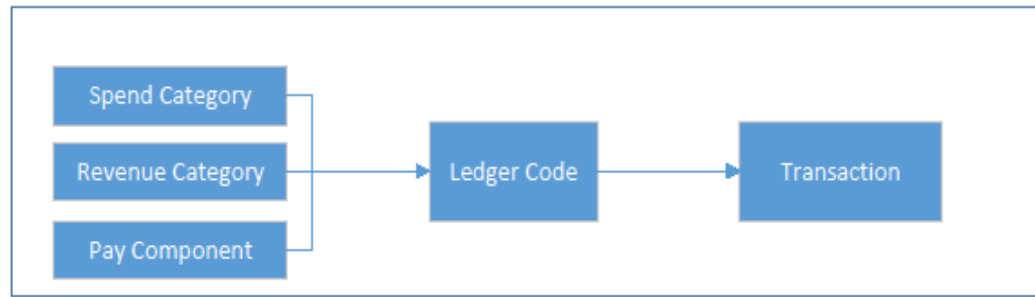
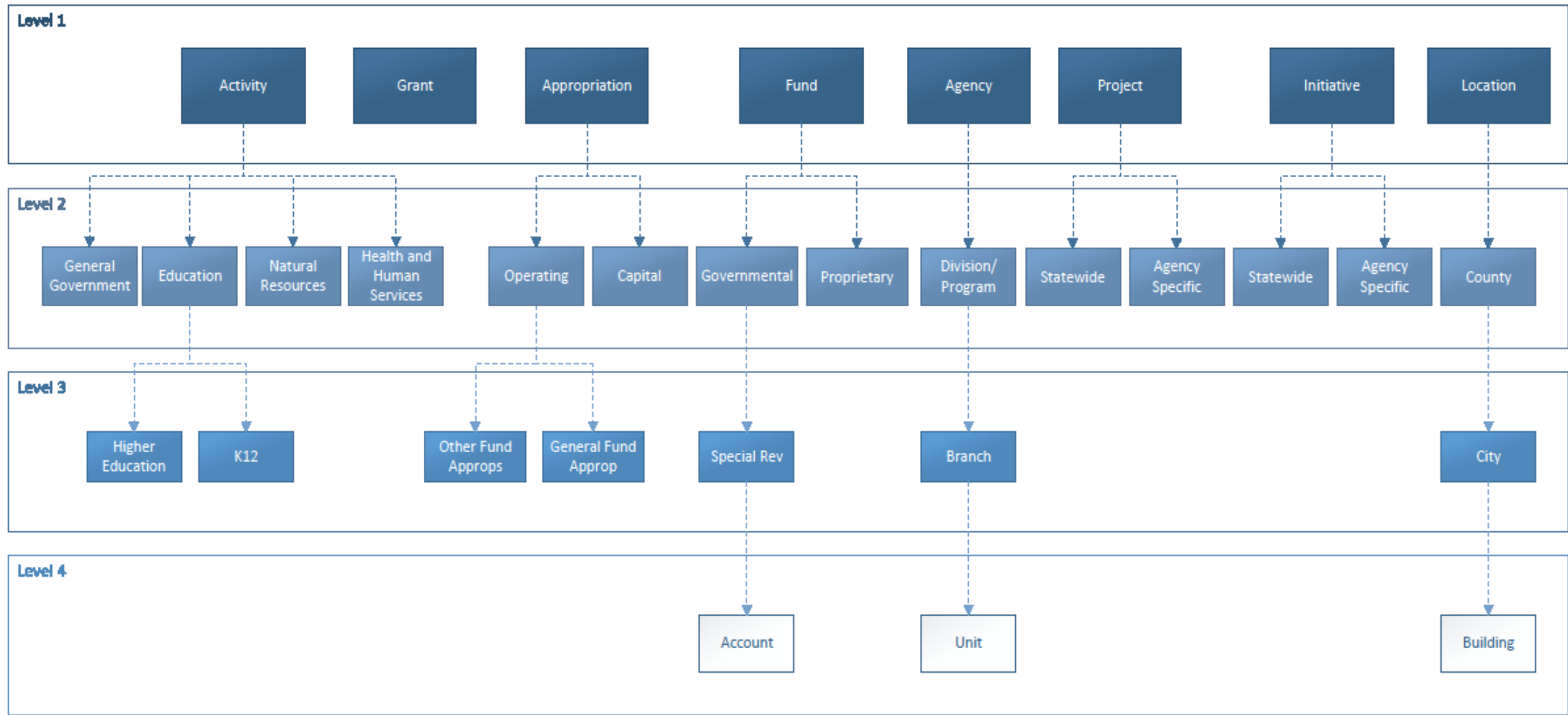
Action Requested:

- Review the draft Chart of Accounts "Strawman"
- Analyze how it differs from your agency's current COA
- Identify what changes your agency will need to make to align your current COA with the new COA structure
- Create a list of activities your agency's staff will need to complete to address the changes
- Estimate the duration of these activities
- Determine if you have existing resources within your agency to complete these activities
- If you don't have existing resources within your agency to complete these activities, write a request for the resources you need into the DP

The attached Chart of Accounts Model is a strawman design. Once the system integrator is onboard, we will finalize the COA using the [COA Needs and Uses](#) that was documented in fiscal year 2019 and develop the data governance model. Please contact OneWa@ofm.wa.gov if your agency's COA needs were not captured in the COA Needs and Uses.

2.0 COA strawman

State of Washington Chart of Accounts Model



DRAFT 7.7.20 for discussions

3.0 Element Definitions

Activity	Government’s missions and services fulfilled through Agencies
Agency	<p>A permanent organization responsible for oversight and administration of specific programs. Agency includes those who operate daily and report periodically.</p> <p>Agency means and includes every state agency, office, board, commission, department, state institutions, state universities, and community and technical colleges.</p>
Appropriation	<p>Legislative authorization for an agency to make expenditures for specific purposes from designated resources available or estimated to be available during a specified time period. Demo indicated this would be a custom worktag.</p>
Assignee	<p>Represents an individual within the agency. Allows for identifying and reporting on financial activity and balances for which the individual is responsible. Defaults from another element such as Grant.</p>
Company Code	<p>This is the State of Washington including all agencies, higher education and other entities. The Company Code equates to a single tax ID in selected software. (Employer TIN nine-digit format XX-XXXXXXX). A company is a type of organization in selected software.</p>
Fund	<p>Represents a high level accumulation of financial transactions. Funds normally default from other elements. (i.e. Rollup)</p> <p>An independent fiscal and accounting entity with a self-balancing set of accounts.</p>
Grant	<p>The primary cost organization for accounting in Grants Management. Used as a worktag in selected software. Defines funding for particular purposes from governmental or other entities known as sponsors. (i.e. Federal award)</p>
Initiative	<p>Demo indicated this field can be used as desired. It along with other custom worktags can be used for state level as well as agency specific purposes. (i.e. Covid, Puget Sound Cleanup)</p>
Ledger Account	<p>The natural account where debits and credits are recorded against Ledger accounts to be summarized into hierarchies for financial reporting. Asset, liability, equity, revenue and expense accounts. Balance Sheet accounts are entered directly on transactions and revenue and expense accounts default from the Spend/Revenue Categories or the Pay Component.</p>
Location	<p>Can indicate building and rooms for tracking furniture and equipment or may be used for sales tax calculation.</p>
Pay Component	<p>Represents the most detailed level of earnings (such as base salary or bonus) or deductions (such as federal withholding taxes or medical) that applies to an employee’s gross-to-net pay calculation or tax liability. Granular view of payroll earnings and deductions. (i.e. Wage types, subobjects A or B, allowance codes, travel advances)</p>

Project	Accumulates costs for planned work over a period of time for a planned outcome that may be capitalized or expensed. Project types include non-billable, billable, capital and opportunity. Project can be subdivided into sub-projects, phases and tasks. (i.e. Wildfires)
Revenue Category	A classification of revenue streams. Revenue categories are mapped o ledger accounts for financial reporting, and describe granular revenue streams to facilitate revenue reporting. Granular view of revenue for goods and services provided. Defaults from a sales item.
Spend Category	A classification of expenses. Spend categories are mapped to ledger accounts for financial reporting, and describe granular spend sources to facilitate spend reporting. Granular view of expenses for goods and services purchased. Defaults from an expense item (potential example is NIGP)