

## **OS/390 (Enterprise COBOL) Migration**

### **Project Overview**

R\*Stars & ADPICS are currently written in COBOL II. That version of COBOL is now obsolete and has been replaced with OS/390 COBOL. It will be necessary to modify, compile, and test the modules in both applications to provide continued use and support of these programs. Some features of COBOL that were supported in previous versions of COBOL are not supported in OS/390 COBOL, so some coding changes will be required.

### **Project Scope**

The R\*Stars and ADPICS programs will be recompiled, modified as required, and tested. No functional modifications will be made. The project is considered to be low risk, because there will be no functional modifications. All modifications are expected to be technical, so applications are expected to perform the same after the modifications as they did before.

### **Estimated Time and Duration**

SD&C estimates programmers will spend 2,100 hours to complete this project by December 31, 2004. Two full time mainframe programmers and two half time mainframe programmers will be assigned to the project. Testing will require all of the A&D staff and may include recruiting assistance from Operations.

SD&C will begin compiling programs in May and will complete their work by the end of September. SFMS will begin testing the compiled programs August 2, 2004 and expect to complete their tests by the end of November. This time line will depend upon needed SFMA maintenance and support.

Because of the magnitude of the OS/390 migration project, there will be limited resources available to devote to SFMA maintenance and support for both A&D and SD&C. Plans are to only perform critical support SFMA functions during the test phase of the project. SFMS will continue to do clean ups as necessary through out the project.

### **Programs Testing**

All R\*Stars and ADPICS programs will need to be tested. All T-Codes will have to be tested. We will be bringing up another test region, E21 – OS/390, that will run in parallel with the Acceptance Test Region. The Acceptance Test Region will be used to run SFMA programs compiled by COBOL II and will be compared to the E21 test region where SFMA programs will be run compiled by the OS/390 compiler. Work will begin in July to load production data into R\*Stars and ADPICS tables in the Acceptance Test Region. The same data will be loaded into the OS/ 390 Test Region. Annual programs will be compiled and tested using the normal testing period just prior to running the program. Approximately 340 programs will be compiled and tested by December 31, 2004.

**Department of Administrative Services  
Information Resources Management Division**

Preliminary Discussion

May 18, 2004

**Reporting Enterprise IT Expenditures  
Department of Administrative Services  
Information Resources Management Division**

**Situation**

Critical government services depend on information technology (IT) infrastructure and systems

Hundreds of millions of dollars are spent to develop, operate, manage, maintain and support IT infrastructure and systems each biennium

Increased scrutiny is being placed on state's ability to manage this area of operations

To manage IT infrastructure and operations well, accurate, detailed, and timely IT-related information is required (e.g. asset inventory, project portfolio, performance data, expenditure information, etc.)

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**Problem**

Current budget, accounting, and state payroll systems are:

- not designed to capture aggregate IT expenditure information across state government at a detailed level.
- designed to control and report budget and cost information by organization and budget authority.
- Current systems and chart of accounts do not enable IT expenditure accounting/reporting at summary and detailed level.
- Verifiable enterprise view of IT Budgeting/Expenditures at a sufficient level of detail is not currently possible.

**Questions:**

- How do we know how much we are spending on IT?
- How do we know what IT-related goods and services we are buying?

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**Objective**

Produce regular, consistent, verifiable, and auditable IT expenditure data at a level necessary for enterprise management decision support purposes.

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**Recommendation**

**Modify existing administrative core systems.**

- Identify and make required policy changes to support sustainable detailed reporting and IT decision making/management on an enterprise scale.

- Build common IT Definitions/Chart of Accounts.

### **Benefits**

- Leverages investments already made in current systems. Lessens the need for other, duplicative, manual reporting processes.
- Strengthens connection between BAM (budget), SCD (financial management & reporting), IRMD (information resources), HRSD (human resources) processes and decision making.
- Produce regular, consistent, verifiable, and auditable IT expenditure data

### **Department of Administrative Services Information Resources Management Division Key Steps (Scope) and Current Status**

- Develop common set of definitions (aligned with IT Asset Management Domain Team Definitions) ~ ***Draft included***
- Collaboratively develop a statewide IT Chart of Accounts ~ ***Draft included***
- Policy Decision regarding number of accounts added to ORBITS ~ ***Done***
- Assess feasibility of making required changes to Statewide Budget and

### **Expenditure Reporting Systems ~ *In Progress***

- ORBITS, SFMA, Agency Budget/Financial Systems
  - Identify and assign key resources (business and technical staff, money)
  - Make required changes to Statewide Budget and Expenditure Reporting Systems
- Collaboratively develop Agency Instructions
- Develop policies & procedures
- Communicate with agencies and develop/deliver agency education / training.

### **Department of Administrative Services Information Resources Management Division Participants**

#### **DAS**

- Director's Office
- State Controller's Division
- Budget and Management Division
- Information Resources Management Division

#### **Agencies**

SFMA Users Group, CIO Council, Agency Finance Staff  
 ODOT (TEAMS application)  
 Corrections (JD Edwards system)  
 Other

**Department of Administrative Services  
Information Resources Management Division  
2005-2007 Budget Instructions (Page 34 & 35)**

**ORBITS Chart of Accounts - (Expendable Property & Professional Services)**

- Note: The chart of accounts available in ORBITS relating to Expendable Property and Professional Services has been expanded to distinguish between IT-related and Non-IT related budget items. Please contact your agency's budget analyst for any needed clarification regarding this change.

**IT-related chart of accounts for 2005-2007 Expenditure reporting**

- Further, IRMD and the State Controller's Division are working on an expanded IT-related chart of accounts for use during the expenditure reporting process in the 2005-07 biennium. The use of this expanded IT-related chart of accounts will be required to provide the detailed information necessary for quality, comprehensive, and state government-wide information resources management planning and coordination to occur.

**Department of Administrative Services  
Information Resources Management Division  
Proposed IT-Related Chart of Accounts**

**Expenditure Reporting: *Services and Supplies***

Note: Costs of equipment that support the environment are input in Expendable Property or Capital Outlay

**Expendable Property or Capital Outlay**

- Other Data Processing
- Rent/Lease Agreement (Hardware & Software)
- Data Processing
- Third-Party Repair Services Data Processing
- Software Licensing Agreements Data Processing
- Maintenance/Support Agreements - Software
- Data Processing
- Maintenance/Support Agreements - Hardware
- Data Processing
- Break into six parts Current

**Data Processing**

Note: Costs of equipment that support the environment are input in Expendable Property or Capital Outlay

- Other Telecommunications
- Voice/Long Distance Charges Telecommunications
- Rent/Lease Agreement Telecommunications
- Maintenance/Support Agreements Telecommunications
- Repair services Telecommunications
- Break into five parts Current

**Telecommunications**

- Other Non-IT Related Expendable Property (<\$5,000)
- Other IT-Related Expendable Property (<\$5,000)
- Peripherals – Separately Purchased Expendable Property (<\$5,000)
- Server-related hardware & Software Expendable Property (<\$5,000)
- PC - related Hardware & Software Expendable Property (<\$5,000)
- WAN/LAN related hardware & software Expendable Property (<\$5,000)
- Break into Six parts Current

**Expendable Property**

- IT-related professional services Professional Services
- Non-IT related professional services
- Professional Services
- Break into 2 parts - IT and Non-IT Current

**Professional Services**

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Information Resources Management Division  
Proposed IT-Related Chart of Accounts**

**Expenditure Reporting: *Capital Outlay***

**Other Telecommunications**

WAN/LAN (Data & Video)  
Related-Hardware & Software  
Telecommunications  
Voice - related Hardware and Software  
Telecommunications  
Break into three parts Current

**Telecommunications**

Other Data Processing Hardware (+\$5000)  
Mainframe-related Hardware Data Processing Hardware (+\$5000)  
Server-related Hardware Data Processing Hardware (+\$5000)  
Break into three parts Current

**Data Processing Hardware**

Other Data Processing Software (+\$5000)  
Mainframe-related Software Data Processing Software (+\$5000)  
Server-related Software Data Processing Software (+\$5000)  
Break into three parts Current

**Data Processing Software**

**Department of Administrative Services  
Information Resources Management Division  
Proposed IT-Related Chart of Accounts  
Expenditure Reporting: *Definitions***

**Information Technology (IT)**

Information Technology (IT) includes, but is not limited to, all present and future forms of computer hardware, software and related services for data processing, office automation, and telecommunications. IT does not include embedded technologies.

**Server**

A shared computer in a network that is used to provide services, such as access to files, shared peripherals (e.g. printers), the internet (web services), to applications, to data/databases, or the routing of E-mail, to other computers in the network. Also a computer program that provides services to other computer programs in the same or on other computers.

**Maintenance Agreement**

Maintenance Agreement is a contract between the vendor and the agency specifying a level of ongoing support for a product or piece of equipment. Maintenance agreements often cover a one-year or longer time period.

**Personal Computer (PC)**

A personal computer is a laptop or desktop computer plus components such as a monitor, keyboard, mouse, modem, and other parts. A personal computer may be connected to a local area network or be a stand-alone workstation.

**Mainframe**

A powerful computer, used in a multipurpose environment at the corporate or major divisional level. A mainframe is a large-scale computer typically containing a large quantity of main memory, disk storage and is able to support thousands of simultaneous users.

**Hardware**

The physical, touchable, material parts of a computer or other system.

**Software**

The detailed instructions given to operate a computer. These instructions can be provided through the use of commercially available off-the-shelf software (COTS), custom development software or through a hybrid approach. For the purposes of these chart of accounts, this definition also includes operating systems, utilities and all other application software programs installed on a computer (i.e. mainframe, server, personal computer, etc.)

**Wide Area Network (WAN)**

A Wide Area Network (WAN) provides video and data connectivity services across a large geographical area. A wide area network includes communications lines and equipment up to and including the router at a particular end user site, excluding local area networks (LANs)

**Department of Administrative Services  
Information Resources Management Division  
Proposed IT-Related Chart of Accounts  
Expenditure Reporting: *Definitions***

**Local Area Network (LAN)**

Local area network – A geographically limited communication network that connects users within a defined area.

**Network**

A collection of computers and other computer related devices that are able to communicate with each other over some transmission media.

**Rent/Lease Agreement**

A Rent/Lease Agreement is a contract between the vendor and the agency to use a product or piece of equipment for a specified length of time. The ownership of the product/equipment resides with the vendor and will be returned to the vendor at the end of the lease.

**Peripherals (when purchased separately)**

A peripheral is a type of computer hardware that is added to the computer, in order to expand its abilities. More specifically the term is used to describe those devices that are optional in nature, as opposed to hardware that is either demanded, or always required in principle. Peripheral Devices can include keyboards, mouses, display monitors, hard disk drives, CD-ROM players, printers, scanners, audio speakers and microphones, and other hardware devices. Some devices such as a hard disk drive or a CD-ROM drive, while physically inside the computer housing, are considered peripheral devices because they are separately installable and replaceable. Some peripherals are mounted in the same case with the main part of the computer as are the hard disk drive, CD-ROM drive, and NIC. Other peripherals are outside the computer case, such as the printer and image scanner, attached by a wired or wireless connection.

**Department of Administrative Services  
Information Resources Management Division  
Next Steps**

- Review, edit and adopt common set of definitions
- Review, edit and adopt IT Chart of Accounts
- Develop policies & procedures
- Make required changes to Statewide Budget and Expenditure Reporting Systems
- Collaboratively develop Agency Instructions
- Communicate with agencies and develop/deliver agency education/training

# PROFILE ARCHIVE

## FINANCIAL PROFILES

Profiles are preset instructions in the SFMS system which define accounting detail and conditions for posting and processing financial transactions.

## WHY ARCHIVE?

Once financial data has been archived, the profiles which related to this data are no longer needed and therefore can be archived from the system.

## BENEFITS OF ARCHIVE

Reduces space requirements for data storage  
Increases system speed  
Decreases size of some reports

## THREE GROUPS OF FINANCIAL PROFILES

Appropriation Year  
Fiscal Year  
Effective End Date

## APPROPRIATION YEAR PROFILES

Screen	R*STARS Name	Datamart Name
20	Appropriation Number Profile	Appn No
21	Index/PCA Relationship Profile	PCA Index Rel
22	Cost allocation Profile	
24	Index Code Profile	Index No
26	Program Cost Account Profile	PCA
D03	Organization Code Profile	Org Code
D04	Program Code Profile	Program Code
D11	Agency Object Profile	Agy Obj

These profiles will be archived for AY99 and prior. However, the program will take capital construction and like capital construction into consideration, using the same parameters and shields utilized for the financial archive. Therefore, any agency which has capital construction project from AY99 and prior, the profile will remain to support the retained financial transactions.

There are also two Statewide AY profiles, the Comptroller Source/Group Profile (D09) and the Comptroller Object Profile (D10). We are archiving these profiles for AY89 only due to capital construction and like capital construction.

### **FISCAL YEAR PROFILES**

Screen	R*STARS Name	Datamart Name
25	Agency Control	
54	Agency Receivable Doc Exemption Profile	
D23	Fund Profile	Fund D23
D73	Cash Fund Profile	Cash Fund

These profiles will be archived for FY00 and prior. However, the program will take into consideration capital construction and like capital construction, using the same shields and parameters utilized for the financial archive. Therefore, any agency which has capital construction for FY00 and prior, the profile will remain to support the retained financial transactions.

### **EFFECTIVE END DATE PROFILES**

Screen	R*STARS	Datamart Name
27	Project Control Profile	Project Phase
29	Grant Control Profile	Grant Phase
30	Contract Profile	Contract
31	Subgrantee Control Profile	Subgrantee
34	Agency Vendor Profile	
D25	Agency Object Group Profile	Agy Obj Grp
D26	Agency Code 1 Profile	Agency Code 1
D27	Agency Code 2 Profile	Agency Code 2
D28	Grantor Profile	
D32	Agency General Ledger Account Profile	Agy GL
D36	Agency Code 3 Profile	Agency Code 3
D42	Project Number Profile	Project No
D47	Grant Number Profile	Grant No
D48	Grant Object Profile	Grant Obj
550	Recurring Transaction Profile	

These profiles will be archived utilizing the contents of the Effective End Date field on each profile. Any EED profile with an effective end date of 2000-06-31 and prior will be archived. The effective end dates are the agency responsibility.

## **ARCHIVE PROCESS**

Profile archive jobs will be run Friday May21, 2004, right before the nightly batch cycle. Verification will start on Saturday, May 22, 2004. The goal is to be finished with the verification process on May 24<sup>th</sup>.

The System will be open for normal use. However, please do not make any changes to the profiles until we are completed with the verification process. If you need to make a change, please let us know as soon as possible as it may affect our results and cause delays.

## **PROFILE COPIES**

We do have copies of the profiles at the SFMS office. If you need copies, please feel free to contact us and arrange a time when you can come to the office and get them from our files.

## **QUESTIONS/CONCERNS**

Contact:

Lin Rigutto	503-373-1044	x269
John Mencl	503-373-1044	x242
Joy Sebastian	503-373-1044	x228
Mary Westerfield	503-373-1044	x302

## MONTH-END REPORTS FOR FISCAL YEAR END

Because there are multiple fiscal months open during this time frame, please follow the guidelines below when ordering reports for each month-end. Please read this carefully to avoid reports that do not contain all of the month's information.

General Note: Order reports with a frequency of 'WEEKLY', 'MONTHLY', 'QUARTERLY', or 'YEARLY':

The report frequency selected on the 91 Report Request Profile determines when the reports will be printed. i.e. a report frequency of 'quarterly' will select and print the requested report at the end of a fiscal quarter only (Sep, Dec, Mar, Jun).

## JUNE MONTH-END CLOSE

SFMA will close June on Friday, July 16, 2004.

You may order month-end reports for June 2004 with the following criteria:

### 91 REPORT REQUEST PROFILE

AY	Period	FY	Frequency Control
05	CC		A**
05	CC		S
05	PM		A**
05	PM		S
05	12	04	A**
05	12	04	S

\*\*Reports ordered with a frequency control of 'A' must have the 25 Agency Control Profile report flag set to 'Y' on FY 05 and the last month closed indicator on the 25 Agency Control Profile for FY 04 set to '12' prior to 4:30 p.m. Friday, July 16, 2004.

### 25 AGENCY CONTROL PROFILE

FY	04
Last Month Closed	12
FY	05
Reporting Inds	all set to 'Y'
Last Month Closed	00

The INAE flag will be set on July 16, 2004 to allow agencies to order reports that will include both the data from the Inactive Accounting Event and the Active Accounting Event Tables.

We have experienced some problems with requesting the **DAFR6520** with a Period of 'CC'. If you request this report please request it with a Period of 'PM' or with a FY '04' and Period '12'.

## MONTH 13 CLOSE

SFMA will be closing Month-13 on Friday, August 20, 2004.

You may order month-end reports for Month-13 with the following criteria:

### 91 REPORT REQUEST PROFILE

AY	Period	FY	Frequency Control
05	CC		A**
05	CC		S
05	13	04	A**
05	13	04	S

Do not order Month-13 reports with a period of 'PM'. Since Month-13 is closed in August, a report period of 'PM' would select reports for July, 2004.

\*\*Reports ordered with a frequency control of 'A' must have the 25 Agency Control Profile report flag set to 'Y' on FY 05 and the last month closed indicator on the 25 Agency Control Profile for FY 04 set to '13' prior to 4:30 p.m. Friday, August 20, 2004.

### 25 AGENCY CONTROL PROFILE

FY	04
Reporting Ind	all set to 'N'
Last Month Closed	13
FY	05
Reporting Inds	all set to 'Y'
Last Month Closed	00

The INAE flag will be set on August 20, 2004 to allow agencies to order reports that will include both the data from the Inactive Accounting Event and the Active Accounting Event Tables.

## JULY MONTH END CLOSE

SFMA will be closing July on Friday, September 10, 2004.

You may order month-end reports for July 2004 with the following criteria:

### 91 REPORT REQUEST PROFILE

AY	Period	FY	Frequency Control
05	CC		A**
05	CC		S
05	01	05	A**
05	01	05	S

Do not order July month end reports with a period of 'PM'. Since July is closed in September, a report period of 'PM' would select reports for August, 2004.

\*\*Reports ordered with a frequency control of 'A' must have the 25 Agency Control Profile report flag set to 'Y' on FY 05 and the last month closed indicator on FY 05 set to '01' prior to 4:30 p.m. Friday, September 10, 2004.

**25 AGENCY CONTROL PROFILE**

FY 05  
Reporting Inds all set to 'Y'  
Last Month Closed 01

The INAE flag will be set on September 10, 2004 to allow agencies to order reports that will include both the data from the Inactive Accounting Event and the Active Accounting Event Tables.

**Request Period Definitions:**

- CC Current Closed Fiscal Month  
The reporting system looks at the FREQUENCY CONTROL field on the 91 REPORT REQUEST PROFILE to determine which profile to look at to obtain reporting information.  
If the FREQUENCY CONTROL field is 'A', the 25 AGENCY CONTROL PROFILE is used for the following information:  
Reporting Indicators (WEEK, MONTH, YEAR, QUARTER, YEAR)  
Last Month Closed  
Last Year Closed  
The 25 AGENCY CONTROL PROFILE must be updated before 4:30 pm on the Friday of each month-end close to obtain reports with the correct information and to select which reports to generate.  
  
If the FREQUENCY CONTROL field is 'S', the 97 SYSTEM MANAGEMENT PROILE is used for the following information:  
Reporting Indicators (WEEK, MONTH, YEAR, QUARTER, YEAR)  
Last Month Closed  
Last Year Closed  
The 97 SYSTEM MANAGEMENT PROFILE will be updated centrally on the Friday of each month-end close.
- CM Current Month  
This is the current calendar month. This is not a fiscal month. All reports requested for CM will produce reports for the current calendar month.
- PM Prior Month  
This is the prior calendar month. This is not a fiscal month. All reports requested for PM will produce reports for the prior calendar month.

# DAFM353/356 Fiscal Year End Rollover

May 18, 2004

## OVERVIEW

Each year, on the last working day of June, DAFM353/356 programs are run after batch cycle to roll financial table balances forward to the new fiscal year. This year the program will run on Wed., June 30<sup>th</sup>. The following day, July 1<sup>st</sup>, the IT file (530 screen) will remain closed until SFMS Operations verifies that the program ran successfully. Once verified, the IT file will be opened and agencies can start posting transactions with July effective dates. Agencies can also continue to post transactions with June effective dates.

Specific financial tables are rolled based on whether they are FY or AY tables.

**Every year**, at the change of the FY, the following financial tables are rolled forward for one fiscal year.

## **FY TABLES**

GP	Grant	66 screen
PJ	Project	80 screen
CF	Contract	68 screen
CC	Cash Control	63 screen
DF	Document Financial	64 screen

**Every other year**, at the change of the AY, the following financial tables are rolled forward for two fiscal years. This occurs in odd numbered years. Because the AY tables were rolled forward for two years in 2003, these tables will not roll this year.

## **AY TABLES**

AP	Appropriation	62 screen
AL	Allotment (Agy Budget)	61 screen
AF	Agency Fund	69 screen
GS	General Ledger Summary	89 screen
GL	General Ledger Detail	65 screen

The GL and GS financial balances roll forward based on the Year End Close (YEC) indicator on the D31 General Ledger Account Profile.

- Memo and real accounts, identified with YEC indicators of "0" and "1" respectively, will not roll into equity. The balances in these accounts will roll forward in the original GL account.
- Nominal accounts, identified with a YEC indicator of "2", will roll into equity accounts in the new fiscal year. Nominal account balances roll to the appropriate equity account as indicated on the D21 GAAP Fund Type Profile. The D21 GAAP Fund Type is determined by the D24 GAAP Fund Profile. The D24 GAAP Fund is determined by the D23 Fund Profile.

The chart below shows each GAAP Fund Type and the equity account that is used to roll nominal account balances forward in odd numbered years.

**GAAP Fund Type Profile**

<b>GAAP Fund Type # /Name</b>	<b>GL Acct</b>	<b>GL Account Name</b>
01 General	3020	Unresvd/Undesgntd Fund Bal
02 Special Revenue	3020	Unresvd/Undesgntd Fund Bal
03 Debt Service	3007	Reserved for Debt Service
04 Capital Projects	3020	Unresvd/Undesgntd Fund Bal
05 Enterprise	3025	Net Assets
06 Internal Service	3025	Net Assets
09 Agency	1575	Trust Funds Payable
10 Pension Trust	3008	Net Assets Held in Trust for Pension Benefits
14 Permanent	3020	Unresvd/Undesgntd Fund Bal
15 Investment Trust Fund *	2951	System Clearing GL Level Only
16 Private Purpose	3023	Net Assets Held in Trust
17 Govt-Wide Reporting Fund	3025	Net Assets
18 Deferred Comp	3023	Net Assets Held in Trust
19 Post-Employmt Health Care Benefit	3004	Net Assets Held in Trust – Post Emplymt Health Care
99 Default Oregon *	2951	System Clearing GL Level Only

**\* Nominal general ledger account activity is not valid for these fund types. Agencies should review these funds to ensure nominal activity has not been posted.**

**25 PROFILE**

In odd numbered years, agencies create new 25 profiles for the next two years. This was done in 2003, so there should be no agency action required this year.

**GUIDELINES TO POSTING TRANSACTIONS**  
**DURING THE CHANGE OF FISCAL YEAR**

**May 18, 2004** rev 07/07/04

Below are various ways an agency may choose to record transactions during the change of fiscal year.

**POSTING FY FOR THE FOLLOWING TYPE TRANSACTIONS:**

**FY04 / AY05 – July 1<sup>st</sup> through the 16th – Period 12**

- When disbursing monies, if calendar date is July 1 through 16 and the transaction input backdated to June 30, the voucher payable will show as June 30 Period 12 activity but the warrant will have a July date.
- If Treasury has recorded a deposit as June activity, the agency should backdate the deposit t-code to June to post in Period 12.
- Financial Statement accruals may be posted to Period 12 using a 6/30 effective date. The accruals will be automatically reversed in July (FM01).

**FY04 / AY05 – June 31 effective date – Period 13**  
**Begins July 1<sup>st</sup> through August 20<sup>th</sup>.**

- Post financial statement adjustment/accruals to Period 13 relating to June 30.
- Examples of t-codes specific to financial statement adjustments are TC 436, 437, and 9XX series t-codes excluding ADPICS t-codes.
- Adjustments to cash already received (deposit reconciled on the 13 screen or BT transaction that occurred in fiscal month 12 or before) can be posted to Period 13 with an effective date of June 31.

## **GUIDELINES TO FACILITATE YEAR END CLOSING TRANSACTIONS**

May 18, 2004

These guidelines are intended to assist agencies with closing for Fiscal Month 12 (FM12) and Fiscal Month 13 (FM13).

### **SUSPENSE ACCOUNT ACTIVITY**

- \_\_\_\_\_ Transactions related to suspense account balances for FM12 must be posted by the close of FM12 on July 16, 2004
- \_\_\_\_\_ FM13 may be used to post material reconciling items that cannot be posted to FM12.

### **PAYROLL**


- \_\_\_\_\_ Correct all errors in payroll expenditure transactions which exist at calendar date 6/30/04 or in payroll periods prior to 6/30/04. This will create cash transactions for the payroll payments (**TC857**) to be created with an effective calendar date of 6/30/04 or prior.
- \_\_\_\_\_ For June “Run 2” payroll transactions (scheduled to be processed on July 13<sup>th</sup>) which are posted to June, correct all expenditure error transactions prior to the close of FM12 on 7/16/04.
- \_\_\_\_\_ If the agency posts Run 2 payroll to July and recognizes June Run 2 payroll in FM01 FY05, the agency must accrue the amount in FY04 with a **TC437** using either a June 30 or June 31 effective date. The accrual will reverse in FM01 FY05 with a **TC983**.

### **DEFERRED REVENUE**

- \_\_\_\_\_ If revenue is to be reclassified to deferred revenue at year end, it should be reclassified in FM12. If recording deferred revenue for financial reporting purposes only, reclass in FM13 using **TC910**.

### **DEPOSITS**

General ledger accounts 0065 and 0070 are both considered “cash” at fiscal year end for financial reporting purposes.

 Reminder: Cash from deposits is not available until the day after the deposit reconciles with treasury. In the nightly batch cycle expenditures process before deposit reconciliation.

\_\_\_\_\_ June Treasury activity should be posted to FM12. If the transaction in FM12 occurs after June 30<sup>th</sup>, t-code 332 will be created with a July effective date.

\_\_\_\_\_ For purposes of the year end cutoff of cash receipts, deposit reconciliation activity (including wire/ACH activity) should be recorded to the date the event occurred even if Treasury posts the activity in July.

June adjustments for this activity should also be recorded in FM12. For example, an agency records a \$1,000 deposit in R\*STARS on June 30<sup>th</sup> but the real deposit amount taken to the bank is \$1,100. Treasury recognizes the deposit in the bank on July 3<sup>rd</sup> in the amount of \$1,100. The agency should adjust the R\*STARS deposit amount by \$100 in FM12 using an effective date of 6/30/04.

\_\_\_\_\_ July bank activity should be recorded in R\*STARS as July (FM01). If it is later discovered the activity actually applies to June, an accrual should be posted in June (FM12) or FM13 if June is closed.

\_\_\_\_\_ Deposit reconciliation items in GLA 0065 should be resolved and reclassified by the close of FM12 on 7/16/04.

\_\_\_\_\_ A balance in unidentified receipts (GLA 0060) must be cleaned up prior to the close of FM12 on 7/16/04. Otherwise, these will be reported as a liability for financial statement purposes.

## **TRANSFERS**

\_\_\_\_\_ Do not “back date” interagency BT transfers to FY04 after calendar date 6/30/04.

\_\_\_\_\_ As the receiving agency, make sure you post your transfer in the same fiscal month (e.g., FM12 or FM01) as the initiating agency.

If you don't know who to contact in either the initiating agency or the receiving agency, you can access the “BT Contact List” - (We have a new website and this list is in the process of being updated. We will send out the link as soon as it is available.)

Please review the list to make sure it is accurate for your agency. Any changes or additions should be e-mailed to your Agency Support Analyst.

## **EXPENDITURES/VOUCHERS/ACCOUNTS PAYABLE**

\_\_\_\_\_ Post year-end expenditures that relate to FY04 should be posted to FM12, AY05 with an effective date of 6/30/04.

\_\_\_\_\_ If post year-end expenditures are recorded after the close of FM12 on 7/16/04, these items must be accrued in FM13. The accrual may be set up by entering the post year end expenditure using a TC222 with a 6/31 effective date. If an effective date of July – August is used, an accrual will need to be set up using **TC437**.


Since the related cash transaction will be in FY05, the cash transaction will be posted to FY05 because the liquidation transaction uses the current effective date.

\_\_\_\_\_ **T-code 437** is used to record accruals for estimated payables at fiscal year end other than direct payment entries dated 6/30 or 6/31/04. T-code 437 is posted with an effective date of 6/30/04 for FM12 or 6/31/04 for FM13. This transaction will be automatically reversed in July (FM01) with **TC983**, a system-generated reversing entry.

### **FISCAL MONTH 13**

\_\_\_\_\_ FM13, also known as Period 13, is the last fiscal period in R\*STARS to record year end accounting adjustments. FM13 should be used only to post material items that cannot be posted to FM12. Do not post any cash events with a 6/31 date.

### **530 SCREEN**

 Remind your staff when viewing batches from the 530 screen, select a batch - F7, select a transaction - F2. Or select a batch - F11, then F2 (to go to sequence 00001. If there is no sequence 00001 or you want to go to a specific transaction, type in the sequence number, ignoring the leading zeroes.) When F4 is substituted for F2, it can either put an approved batch on hold or cause user class errors on type “8” tcode 857/858 batches.

\_\_\_\_\_ Edit Mode 2 batches with a 6/30 effective date that are still on the 530 screen on July 19th should not be deleted or changed! They posted to June. Release them. The analysts will be monitoring these closely.

**If** one of these Edit Mode 2 batches is changed or deleted, the Agency will need to reorder June reports pulled from the General Ledger table and make an adjustment in month 13 if the batch needs to be accrued for 6/30. Please notify your analyst if changes have been made since this can cause reconciliation problems.

\_\_\_\_\_ Agencies with June batches that may not be able to clear off the 530 screen due to lack of available cash or other errors can change the effective date to July (FM01/FY05) by doing a Mass Batch Change. The system will not allow you to change the effective date on-line. These June to July batch changes **MUST** be done prior to June month-end close. This is extremely important.

**How to do a mass batch change:**

Link to the 54A Screen.

Select the desired batch. Your cursor tabs to the FID field.

Press <F6> to do a batch change.

Leave the SEQ No field blank. Enter '24' in the FID field or press <F4> for the Field Identification Value (FID).

Enter the new date (i.e. 070104) in the Correction Value field.

**Press <F11> to ADD the value.** DO NOT PRESS <F10> to CHANGE the value. Using the <F11> will "trick" the system into thinking that we are adding rather than changing the batch. Be sure you don't get an error message. The effective date is changed by the system overnight during batch cycle, so the change will not show on the batch transactions.

This 'work-around' can be used all year, but is especially useful when two fiscal years are open at the same time.

It can also be used for individual transactions within a batch when the system does not allow you to fix them on line. In this instance you would input the sequence number(s) then <F11> to ADD.

This procedure works only on batches in Edit Mode 3. It does not work on Edit Mode 2 batches.

**SETTING THE 25 PROFILE FOR FY04 AND FY05**

\_\_\_\_\_ The Last Month Closed indicator on the 25 profiles for FY04 and FY05 needs to be set by 5:00 PM on Friday, July 16. The Last Month Close Indicator on the FY04 25 profile should be set to '12'. The FY05 25 profile Last Month Closed indicator should be set to '00'.

\_\_\_\_\_ When ordering reports at the agency level after calendar June 30, 2004 the weekly and/or monthly flags on the FY05 25 profile will need to be set.

**COST ALLOCATION**

\_\_\_\_\_ Use FY05, not FY04, 25 profile to run June's cost allocation during the week of 7/6/04. Do not use Run Type 'R' and a range of 12 to 12 for June, this will allocate June **2005** amounts, which will be \$0.00. For June 2004 proper allocation, use run type 'S' and no range.

\_\_\_\_\_ There is no cost allocation for Month 13. There will be two cost allocation runs for the month of July and one cost allocation run for August. July's cost allocation runs will occur 8/10 – 8/13 and 8/31– 9/3.

For the 1<sup>st</sup> July cost allocation run that will occur 8/10 – 8/13, a run type of “S” on the FY05 25 profile may be used. A run type of “S” means that the allocation will be based on the prior month's expenditures. In this case July expenditures.

For the 2<sup>nd</sup> July cost allocation that will occur 8/31 – 9/3 a run type of “S” will not work. Agencies must use a range on their FY05 25 profile:

Run Type = R (If ‘S’ is used by mistake, the cost allocation program will pick up August, not July.)  
CA Range = 01  
To = 01

August's cost allocation run will occur 9/14 – 9/17.

### Frequently Asked Questions

You can change the effective dates on edit mode 3 batches by using the 54a Mass Change process detailed in this attachment. If you change the effective date on any of your edit mode 3 batches because of allotment problems, you will have to ACCRUE these expenditures using TCode 437. The attachment gives more details.

You cannot change the effective dates on edit mode 2 batches when two fiscal years are open.

1. If the batch is on the 530 screen you can delete it and re-enter, or let it post and then accrue with TCode 437.
2. If the batch is not on the 530 screen and it was erroneously posted to FY05, it must be accrued using TCode 437.

#### Cost Allocation:

Use FY05, not FY04, 25 profile to run cost allocation for June and July

1. June cost allocation 7/06 - 7/09  
25 profile – FY05 Run Type = “S” NO range
2. July cost allocation #1 8/10 - 8/13  
25 profile – FY05 Run Type = “S” NO range
3. July cost allocation #2 8/31 - 9/03  
25 profile – FY05 Run Type = “R” CA Range = 01 To = 01
4. August cost allocation 9/14 - 9/17  
Run Type “R” CA Range = 02 To = 02  
this is a 'normal' process
5. There are no cost allocation runs for M13. Transactions posted for FY04 during M13, will have to be manually allocated by each agency.

## **CONVERTING STATE EMPLOYEE VENDOR NUMBER ON SFMA**

Consistent with requirements from DAS HRSD (Human Resource Service Division), we will be converting State employees who are setup on SFMA as a vendor from their Social Security Number to their Employee Identification Number. Our deadline to have this conversion complete is June 1, 2004. We plan to run this conversion during the week of May 24<sup>th</sup>.

The conversion will create a new profile for an employee if they are in an active status on SFMA and a current employee on OSPA. The vendor number on the new profile will be "1OR\*\*\*\*\*". Banking information will also be copied to the new profile for employees who are setup for Direct Deposit. These employees will not go through a new pre-note process. The new profiles will include both the 52 Statewide Vendor Profile and 51 Vendor Mail Code Profile.

The existing employee profiles containing the Social Security Number will be in an inactive status and the employee ID number will be populated in the ALT VENDOR/FID field. Banking information will be removed from the existing profiles for employees who are setup for Direct Deposit.

Agency subsystems which interface vouchers to SFMA will need to allow for the use of the employee identification number as the vendor number. Agencies that pay employees who are also independent contractors that are receiving 1099-MISC reportable payments (i.e. Court Reporters, Cleaning, Etc) will need to request activation of the existing profile with the Social Security Number. SFMS staff will remove the cross reference to the "1OR" number and change the vendor setup to a reportable vendor.

If you have any questions regarding this conversion, please contact Trudy Vidal at (503) 373-1044 ext 286.

## MEMORANDUM

**DATE:** May 18, 2004

**TO:** Agency Fiscal Officers

**FROM:** \_\_\_\_\_  
Angela Sattergren  
Accounting Technician  
SFMS Operations

**RE:** Outstanding Warrants

**On October 11, 2004** we will be expiring the outstanding warrants that are two years old (July 1, 2001 thru June 30, 2002). We are requesting that you review your **DAFR314** outstanding list, and please follow the procedures necessary to **re-issue** the warrants. Requests to re-issue a warrant will be accepted up to **two weeks prior** to the expiration date October 11, 2004. If you have any questions regarding these procedures, please contact Angela Sattergren at 503-373-1044 ext. 308.

Using your most current list of outstanding warrants on DAFR314 ORS 98.352(5) requires each agency to **perform due diligence** on all outstanding warrants with an issued amount greater than \$100.00

Due diligence means that you must make an effort to contact the payee, **verify the payee address** and that they wish to receive the payment.

**If you determine that the warrant is no longer due and payable, and you don't have possession of the warrant**, please contact us. **If you determine that the warrant is due and payable**, fill out an Affidavit Request form and mark the **Dup box**. I will then send the payee an affidavit to fill out to have the warrant re-issued.

Thank you for your cooperation,

Angela Sattergren  
SFMS Operations  
503-373-1044 Ext. 308

## **Office of Foreign Assets Control (OFAC) and Foreign Terrorists Organizations (FTO) Lists**

SFMS has been made aware of two lists published by the US Government that relate to individuals and organizations that engage in terrorist activities. The Office of Foreign Assets Control publishes a list of Specially Designated Nationals and Blocked Persons. The U.S. Department of State publishes a list of Foreign Terrorist Organizations. Governments are restricted from making payments to persons and organizations on these lists.

SFMS has manually compared the list of over 5,000 names against our vendor list to verify that payments through SFMA are not being made to these individuals. It has been suggested that no vendor should be added to the system without first checking these lists. It is not feasible to do this manually. We are currently looking into an automated process to compare the vendor table against these two lists. We have not made decisions as to whether this would be compared online at the point of entry or in batch cycle and how often. There are penalties and jail time associated with violating these payment rules.

SFMS is also working with purchasing so that contracts are not entered into with individuals or organizations that the State does not have the authority to pay.

Here are the websites for these two lists regarding Foreign Terrorists:

OFAC: <http://www.treas.gov/offices/eotffc/ofac/>

FTO: <http://www.state.gov/r/pa/prs/ps/2001/5265.htm>

We wanted to share this information since not all payments to vendors are processed through our system with our vendor table. We will update you as soon as we have a permanent process in place to verify the vendors on SFMA.