

# ***OFFICE OF STATE FINANCE***

## ***DCAR NEWSLETTER***

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## **Revised Form I-9, Employment Eligibility Verification**

The U.S. Citizenship and Immigration Services (USCIS) has revised Form I-9, Employment Eligibility Verification. The current edition of Form I-9, dated 06/05/2007, will no longer be valid for use on or after April 3, 2009. The revised form reflects changes made to the list of documents acceptable for Form I-9. Employers are required to use the revised form for all new hires and to re-verify any employee with expiring employment authorization beginning on April 3, 2009. The revised form can be downloaded at: [http://www.uscis.gov/files/form/I-9\\_IFR\\_02-02-09.pdf](http://www.uscis.gov/files/form/I-9_IFR_02-02-09.pdf) The Handbook for Employers, Instructions for Completing the Form I-9 (M-274) is being updated to reflect these changes and will be published in the near future.

## **IRS Tax Tables**

The American Recovery and Reinvestment Act has the "Make Work Pay" credit which is changing the federal withholding tables and advance earned income credit payment tables. The IRS has released the new tables and the changes are to be made effective as soon as possible but no later than April 1, 2009.

- Agencies on the State's PeopleSoft payroll system are not required to make any changes since the tax updates will be installed by OSF.
- Other agencies and Higher Education must install these updates into their systems by the deadline.
- Employees do not need to make any changes to their current IRS Form W-4, Employee's Withholding Allowance Certificate to receive the credit.

## **2008 W-2 Corrections**

All corrections for 2008 W-2s were due to OSF by February 20, 2009. Any additional corrections for 2008 will require a W-2C to be completed. Please provide the employee copies of the W-2C and forward a copy to OSF for processing. For assistance, contact Lisa Raihl at 521-3258, [lisa.raihl@osf.ok.gov](mailto:lisa.raihl@osf.ok.gov) or Jean Hayes at 522-6300, [jean.hayes@osf.ok.gov](mailto:jean.hayes@osf.ok.gov).

## **Vouchers from Remote Agencies – Funding Record File Edit Implementation**

### **BU.XXXXX.MISCCLMS.E999999.RECEIVD**

Remote vouchers with errors have processed successfully in PeopleSoft but related AP entries have failed in general ledger. This creates delays in posting and timeliness of financial data. Effective March 17, 2009 edits on the following fields will commence:

- Account (columns 27-32 on funding record layout) will validate with GL\_ACCOUNT\_TBL. The edit on the roll up account has been modified. It will now check the budgetary only flag on the account\_tbl for every account on the data records and if found to be turned on, it will flag the account code as an error since budgetary\_only accounts cannot be used for VFRA vouchers.
- Sub-Account (columns 33-34) is maintained at the ALL STATE (00000) level and if on file will validate with the PRODUCT\_TBL.
- Fund Type (columns 13-15) is created from the fund crosswalk table maintained by OSF based on the first three digits of the class fund.
- Class Funding (columns 13-17) will validate with the agency specific CLASS\_CF\_TBL.
- Department (columns 20-26) will validate with agency specific DEPT\_TBL.
- Bud Ref (columns 18-19) will validate with BUD\_REF\_TBL.
- CFDA Number (columns 35-44) will validate with CHARTFIELD1\_TBL.

Load status error messages related to these fields will include:

- F06A: Account missing or invalid
- F06B: First digit of account must be 5 or 6, please correct
- F16: Budget ref not on file
- F17A: Account not on file
- F17B: Budgetary only account, not valid for use on vouchers
- F18: Department not on file
- F19: Chartfield1 (CFDA) not on file
- F20: Sub-Account (Product) not on file
- F21A: No fund code for agency class combination
- F21B: Fund code not found on FUND\_TBL

If you have questions please contact Dan Thomason, OSF, at 521-4992.

### **Purchase Orders and Receiving**

Agencies should leave the 2010 purchase order lines to require “receiving required” or change only to “receiving optional”. Do not use “not required”. It is the preferential method to acknowledge acceptance of the goods or services, and receiving helps make the transfer of receipt information to the Accounts Payable and the anticipated Inventory and Asset Management modules seamless.

Purchase orders should be set up with quantities and the unit prices for the items ordered to facilitate receiving. One receipt can be created for multiple items that are received at once or multiple receipts can be created for items that are received over time. The “sum-of-one” purchase orders should be significantly reduced and used only when usage or per unit cost is variable. Additionally, the practice of paying vouchers with zero quantities must be discontinued.

Please submit a helpdesk case if you need help setting up the 2010 purchase orders with receiving.

### **Document Tolerance Exception Report**

*Accounts Payable > Reports > Vouchers > Document Tolerance Exception Reporting Tools > Query Viewer > OCP\_422\_AP*

The Document Tolerance Exception report, OCAP0422, was made available on March 9, 2009. It lists each voucher with a document tolerance exception and the corresponding error message, the life to date liquidated amount, and the purchase order information. The report prompts by Business Unit and Vendor Set ID, fields that do not need to be changed after they are populated, so it can be scheduled to run daily using the Recurrence feature on the Process Scheduler Request. Please run the report on an ongoing basis and correct the exceptions timely. Additional information about Document Tolerance can be found in the COR112 Purchase Orders Manual on page 72.

## **Accounts Payable Periods**

As a reminder, accounts payable periods are open in the current month and the prior two months. Vouchers are selected for budget checking only in open accounts payable periods, so it is important to resolve voucher exceptions timely and be mindful of voucher accounting dates when managing vouchers that were not recently created.

### **Resolving Voucher Exceptions**

A voucher is selected for budget checking only if the match status is “No Match” or “Matched,” the document tolerance status is “Valid,” and the accounting date is in an open accounts payable period. If match exceptions and/or document tolerance exceptions are resolved after the accounts payable period is no longer open, the accounting date on the voucher must be changed to the current date so the voucher will budget check. The exceptions do continue to report on the Match Exception and/or Document Tolerance Exception reports.

When the budget checking process runs, it resets the status of vouchers with budget checking exceptions to “Not Checked.” If a budget checking exception is not resolved while the accounts payable period is open, the voucher will not be re-selected to budget check and the exception will no longer report on the Budget Checking Exception report. Please resolve voucher budget checking exceptions timely. This includes journal vouchers that are often overlooked because they are not submitted for payment.

### **Finalizing Vouchers**

Using the finalize function on the voucher to un-finalize or finalize a purchase order requires the voucher to re-budget check. Always check the accounting date of the voucher to determine if the voucher will be selected for budget checking. If the date is no longer in an open accounts payable period, do not use the finalize function on the voucher. Either close the PO line if it is no longer needed or create a new purchase order line if an encumbrance was finalized prematurely.

### **Deleting Vouchers**

Vouchers that are deleted after they have budget checked with a “Valid” or “Exception” status must be re-budget checked during the deletion process. Always check the accounting date of the voucher to determine if the deleted voucher will be selected for budget checking. If the date is no longer in an open accounts payable period, change the accounting date to a current date before deleting it. If the voucher is deleted and the “Delete” button does not gray out, the voucher did not budget check. Submit a helpdesk case so OSF can budget check it.

## **State Employees - Direct Deposit of Travel Payments**

The implementation of direct deposit for employee travel payments is now a reality for many agencies. The initial agencies were those which OSF performs accounting and payroll services, and has now branched out to include several of the larger agencies.

Agency Payroll Officers: In cases where you have an employee moving from a direct deposit converted agency to your agency, and you're not yet converted, please verify that the bank account information remains accurate. If the employee's bank account data has changed, contact OSF for the paperwork to update the employee's record.

We have identified the remaining agencies based on travel voucher volume and will be converting in small groups at a time. We will notify agencies as we are ready for their conversion.

## **Post Audit Program - Common Audit Findings**

Here are several areas identified where agencies need to review and correct their practices.

### **Employee Reimbursements (Non-Travel) - Must be Encumbered**

Employee reimbursements (non-travel) are authorized in Title 74, Section 250.6. The non-travel expense reimbursement is not intended to be a method to circumvent the encumbrance requirement for operating type of purchases of goods and services. Please see OSF Procedures Manual, Chapter 300, Section 319, Par. G., pg. 17, for instructions on non-travel expense reimbursement.

### **Rent of Uniforms – Considered Rent of Equipment**

We want to clarify the coding of uniform costs:

**Account code 533190** - Uniform Maintenance and Repair, would be used if the uniforms were purchased and the outside vendor was just cleaning them for the employee.

**Account code 535120** – Uniforms, would be used if the uniforms were being purchased.

However, account code 532140 - Rent of Equipment, is more appropriate for situations where the uniforms were not purchased by the agency and were being rented from an outside vendor such as cases where the vendor provides clean uniforms for agency use. The uniforms are equipment like any other equipment, where it is needed by employees wearing them to do the job for which they were hired to do.

### **AT&T Invoice Date**

AT&T has said that the last 8 numbers behind the X in the invoice number is the invoice date. Please start using this as the date shown for the invoice date, for consistency. The AT&T invoice number looks like this: NNNNNNNNXDDDDDDDD

### **Credit Invoices**

The requirement for one invoice per voucher also applies to “credit” invoices. A credit amount voucher would be prepared for such credit invoices and would need to be submitted together with the regular invoice payment so there is a warrant issued for the net amount. Also, please do not mark “Separate Payment” on the two vouchers.

Therefore, no vouchers should be processed using multiple invoices and non-compliance will result in audit findings. (Please remember: Past instructions on one invoice per voucher were provided in DCAR Newsletters, Volume 17, #6, dated 6/7/07, Volume 18, #4, dated 1/23/08 and Volume 18, #5, dated 3/7/08.)

### **Postage Account Code (531120)**

Please remember that this account code should be used only for payments to the U.S. Post Master or U.S. Post Office (Title 74, § 90.2). If postage is provided by a mailing service, it would be considered a professional service and coded accordingly.

## Inter-agency and Intra-agency Payments Require Encumbrance

Payments between state agencies and within an agency when for goods and services must be encumbered the same as if purchased from a regular vendor. This includes payments to State Risk Management since it is an insurance service being provided.

## Vendor Names – Voucher and Invoice Must Agree

When we are auditing vouchers the name on the invoice or the name in the ‘remit to’ is used to determine if the correct vendor has been paid. An example of a problem we found is where the invoice is from First Call, but the agency wanted to pay O'Reilly Auto Parts. However, since the invoice is from First Call, then they need to be in the vendor file and shown as the vendor on the voucher. If First Call wants the payments assigned to O'Reilly Auto Parts, First Call must send a letter to be attached to each payment showing the approved assignment.

Please contact Jodi Jensen, at 405/522-3995 or [jodi.jensen@osf.ok.gov](mailto:jodi.jensen@osf.ok.gov), or J. I. Johnson, at 405/522-6285 or [ji.johnson@osf.ok.gov](mailto:ji.johnson@osf.ok.gov) if you have any questions.

## HECLM Vendor Interface Changes (Nightly Vendor Interface/PS Job OCP243AP)

The following information only pertains to Higher Education entities that interface vendor data into the Office of State Finance's PeopleSoft Vendor Database. The changes will take effect May 1, 2009.

Modifications have been placed in the interface as follows (effective May 1, 2009):

- Nine digit zip codes -- A new process edit has been added. This edit will look for and error out any file records where the zip code is provided but does not contain 9 digits. All zip code errors will be written to the Exceptions and Summary Report and return file indicating "Vendor XXXXXXXXXX - zip not 9 digits".
- Bank account IDs -- A new process edit has been added to ensure that the bank ID, if provided, has nine digits. Exceptions will be written to the Exceptions and Summary Report and return file indicating "Vendor "XXXXXXXXXX" has an invalid bank id".
- Tin type field -- A new process edit has been added. Vendors with the 1099 flag set to "Y" (file layout column 299) must also have either an "S" or "F" in the tin\_type field (column 300). This is a required field that should not have been allowed blank in the interface. The interface is being corrected from allowing a blank field to either an S (for Social Security Number) or F (for Federal Employee Identification Number). If it is blank or does not have an S or F, an Exception will be written to the Exceptions and Summary Report and return file indicating "Vendor XXXXXXXXXX - has a blank or invalid tin type". The 1099 flag (column 299) is not required but if it's left blank, the process has been automatically defaulting it to "Y". This will not change. However, after this modification goes into effect, if the 1099 flag is defaulted and the file does not contain a tin type, then the record will error out.
- No Success" Processes -- Often times the interface process goes to "No Success". Most of the time this is due to agencies trying to update an address that has already been updated once on that process attempt date. This has been corrected and will also go into effect on May 1, 2009. Exception errors will be written to the Exceptions and Summary Report and return file indicating "NU - Addr/other recs efftd today may already exist; check vndr 9999999999/XXXXXXXXXX" (where "9999999999" is the PS Vendor ID and "XXXXXXXXXX" is the FEIN provided in the file). This will allow these records to be bypassed and allow continued processing of file records.

Another change that will **not** return an exception but will force the data to be in the required format will change lower case names and addresses to uppercase format.