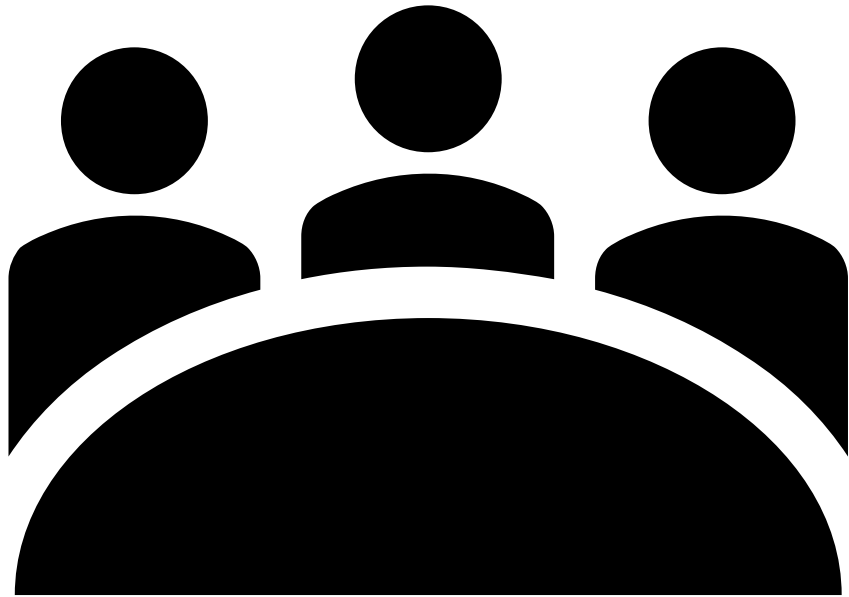


WELCOME



Division of Accounting &
Auditing
Financial Policy Workgroup



Agenda

- Review draft financial policies
- Discuss topics
- Review next steps

Review Draft Financial Policies

New Policy: GL Adjustments

- A&A has the expectation that at a minimum each agency must maintain effective written policies and procedures that describe:
 - Internal controls for GL Adjustments
 - Agencies must have an approval process for GL adjustments
 - Entries cannot be created and approved by the same end user
 - Each GL adjustment must contain supporting documentation
- DFS has authorized up to five General Ledger Journal Processors for each agency
- End users who have the GL Adjustment role must have:
 - Foundational knowledge of agency's chart of accounts
 - Understanding of agency's financial reporting obligations
 - Knowledge of how the General Ledger works and how it is used by their agency
 - Knowledge of how the journal entries impacts the agency's financial reporting
- The entries of the adjustment should net to \$0

Discussion Topics

Discussion: Advance Payments



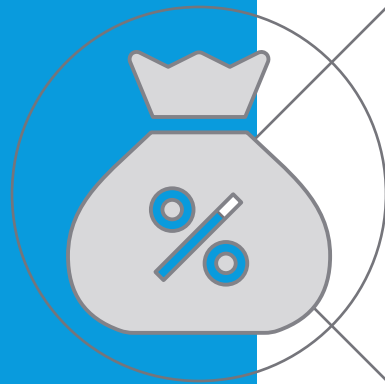
Maintenance agreements, software licensee, & subscriptions

- Allowable if savings is greater than investment earnings and if the essential goods/services must be paid in advance
- Costs exceeding Category Two must be approved by the Bureau of Auditing



Goods and services

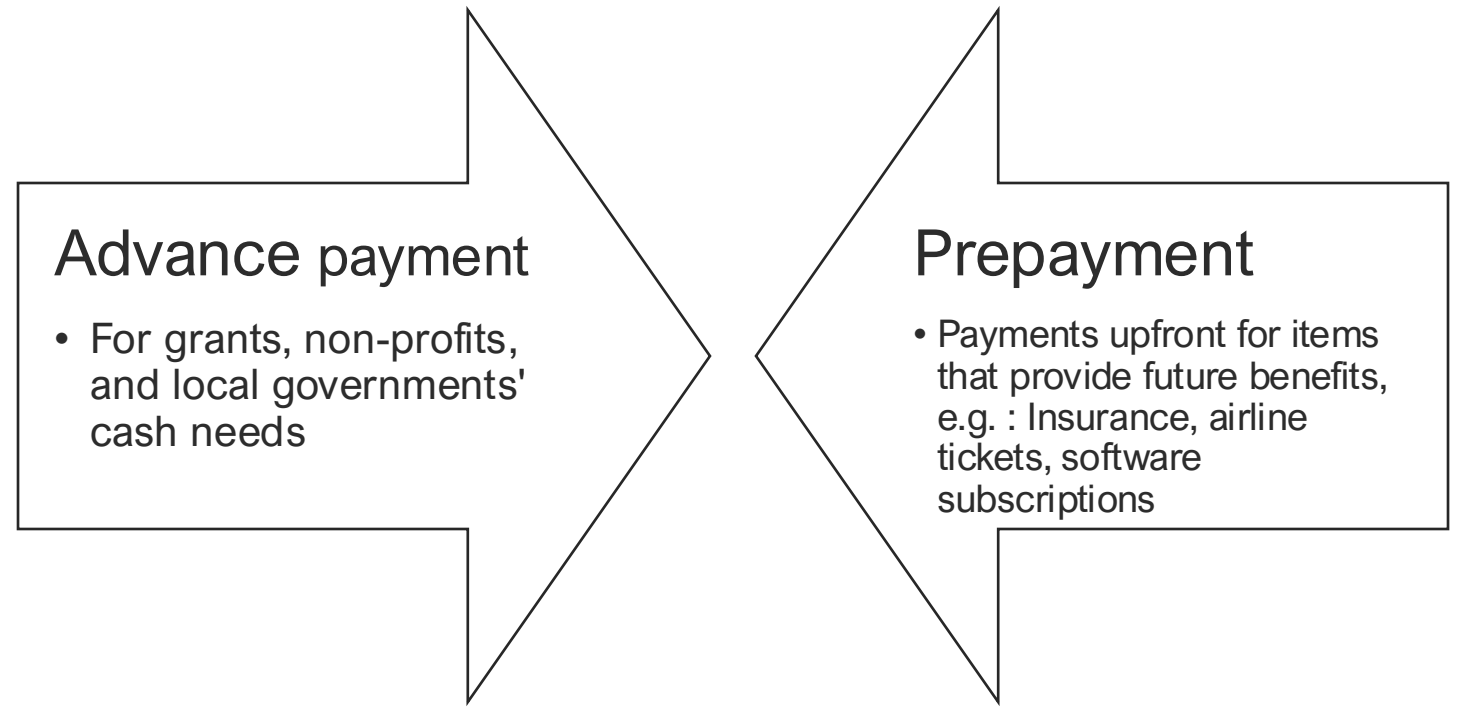
- Allowable if savings is greater than investment earnings and if the essential goods/services must be paid in advance
- Must be approved by Bureau of Auditing



Startup costs for governmental entities and not for profit organizations

- Grants and Aid Appropriations
- Advances cannot exceed the expected cash needs within the initial three months
- Advance requests exceeding three months of initial costs require special approval

Discussion: Advance Payments



- What types of subscriptions do you currently pay for?
- What types of assets are included in your subscriptions?
 - Virtual
 - Real
 - Services
- How far out are the providers asking for prepayment?
- Are there current statutes or policies that should be modified for potential cost savings?

Discussion: Contracts using generic suppliers

- FACTS can only accommodate one supplier per contract.
 - What circumstances require needing more than one supplier per contract?
 - How are you handling this today?

Discussion: A&A Request Processing Time

- Agencies ask for "rush" items
 - Sometimes the requested due date is not achievable without using non-standard processes (e.g., manual warrants)
 - What are some situations when you may need a rush item?
 - When do you normally engage DFS?
 - What is a reasonable turn around time to authorize an urgent:
 - Warrant?
 - EFT?
 - Vendor record?

Failing to plan is planning to fail.

Next Steps

- Next meeting is on Thursday December 19, 2024

THANK YOU!



Financial Policy Workgroup

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