MEMORANDUM

DATE: October 18, 2018

TO: State Agency CFOs

SUBJECT: FCD Memo – FY19-009 – General Ledger Source Restriction

GENERAL LEDGER SOURCE RESTRICTION

Effective tomorrow, October 19, the Source Codes available to users preparing general ledger journal entries will be restricted to six codes. The codes will consist of the four workflow controlled sources; AGY, CFR, CSH and OPR and two limited-use non-workflow sources; ALT and DFA. The latter two sources are restricted to DFA and the State Treasurer’s Organization unless the agency has received DFA approval to use them. The objective of the General Ledger Source Restriction Project is to maximize the number of journal entries processed using workflow and prevent the inadvertent or intentional use of a source codes that would bypass workflow and oversight agency approval.

A review of non-workflow journal entries by source, see insert, suggests this change will have little agency impact. However the change will strengthen control by preventing the erroneous use of system generated source codes, which has occurred in the past. We have summarized the purpose and use of the available source codes below, however refer to the Model Accounting Practices, section FIN 3.5 for a complete description of each source code.

AGY – Limited to changes in accounts within a BU but excluding changes to the GL ACCOUNT, FUND and DEPARTMENTS if they cross P-Codes. Examples of changes that may be made using an AGY include changes to SUB ACCOUNT, REPORTING CATEGORY, OPERATING UNIT. AGY workflow does not route to FCD. Agencies are responsible for posting.

CFR – Must be used if the journal entry changes the GL ACCOUNT, or DEPARTMENTS crossing P-Codes. Do not use CFRs if you change FUNDS. CFR journal entries are routed to
FCD for review and approval.

CSH – Must be used if the journal entry changes FUNDS and generates an entry impacting claims on the State General Fund Investment Pool (impacts cash). CSH entries must be completed by agencies by the journal upload process. CSH journal entries are routed to FCD for review and approval.

OPR – Must be used to transfer monies between state agencies (Business Units). All operating transfers are approved by FCD. OPR entries must be completed by agencies by the journal upload process.

IMPORTANT ➔ WCN – Warrant Cancellation source will be eliminated. A review of WCNs suggests that they are CFRs and therefore future WCN should be created as CFRs. When creating a Warrant Cancellation journal agencies should directly enter a Journal ID starting with WC.

**WORKFLOW LEVEL ONE RELEASE TIMING – JOURNAL ENTRIES**

There will be a minor, but helpful adjustment to the Level 1 release logic applied to journals entries. The 24 hour release rule will be modified to exclude non-workdays. Previously the release was based on a 24 hour period, therefore journals submitted on Friday were being released on Saturday. This change in logic will standardize the 24 hour release rule across all workflow controlled transactions since all other workflow controlled transactions already reflected this logic.

Please cascade this document to staff responsible for general ledger journal creation and processing.

Thank you,