

ALERT! ALERT! ALERT!

General Support Services
Division of Finance and Procurement
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ALERT #134

TO: Department Controllers, Fiscal Officers and Other Interested Parties

FROM: Arthur L. Barnhart *alb*
State Controller

DATE: October 13, 2000

SUBJECT: *Open Accounts*
Closing for Period 4 - November 10, 2000 (Veterans Day Holiday)
Delinquent Child Support Added to Vendor Offset Program
Change to Fiscal Rules Adopted
Financial Records Retention Guidelines
Use of IT Transactions
SCO Staff Changes

Open Accounts

In the past, many agencies have seen the need to open accounts with hardware stores, lumber yards, dry goods stores, etc. to expedite ordering, billing and payment. Most of these accounts establish a line of credit for the agency. Now that most agencies are using the state's official procurement card, the original need for these accounts has disappeared and all that remains is the risk of the state's liability or personal liability in the amount of credit that has been extended on the account, which may be very large in some cases. Department controllers need to be aware of these open accounts and close them as soon as department personnel have procurement cards to shop at these stores. Questions about open accounts and credit lines may be directed to Ron Keller at 303-866-3539.

Closing for Period 4 - November 10, 2000 (Veterans Day Holiday)

COFRS will be available on Friday, November 10, 2000 as higher education and some other agencies will be working that day. A nightly cycle will be run Friday night to process transactions received or entered. All accepted transactions will be included in the monthly close processing on the weekend. Questions about hours of operation may be directed to the COFRS Helpline at 303-866-6122. This information is also available on the COFRS general message screens (GMSS).

Delinquent Child Support Added to Vendor Offset Program

The Department of Human Services has sent notices to 124 vendors regarding their intent to offset COFRS payments for arrears in child support. Actual offsets will not



be processed until December to allow time for appeal. These offsets will have a priority over all vendor offsets for state debt by law. Questions about vendor offset may be directed to Joyce Miller at 303-866-3816.

Change to Fiscal Rules Adopted

At the October 10, 2000 Fiscal Rule Hearing the proposed changes to the travel per diem rates (Rule 5-1) were adopted. These changes will become effective on December 1, 2000. The changes can be viewed on the Internet at:

<http://www.sco.state.co.us/rules/proposed/proposed.html>

Financial Records Retention Guidelines

The SCO has been asked to develop record retention guidelines for critical financial documents and reports. The guidelines will establish how long, where, and in what format critical financial documents and reports will be retained. The SCO would like your involvement in this process. The guidelines will be divided into subject areas such as payroll, EAP/EPS, grants, purchasing, etc. and the critical documents and reports within each area. Volunteers are being sought to help establish the record retention guidelines in each of these subject areas. Volunteers will meet at least once on each subject area. The subject area meetings will occur between October 23rd and November 30th. The meetings will be held at the SCO in the large conference room. The SCO will act as facilitator at each meeting.

If you would like to volunteer your time and knowledge, please e-mail Roger A. Cusworth at Roger.Cusworth@state.co.us. Volunteers will be notified of available subject areas. If you have any questions, please feel free to contact Roger A. Cusworth at 303-866-3891.

Use of IT Transactions

A review of recent payment voucher (PV) transactions in COFRS has disclosed several agencies using the PV transaction to pay other agencies. Please remind your A/P staff that payments to agencies must be made using an IT transaction with the exception of payments to higher education and business taxes paid to the Department of Revenue. Higher education is exempt as they do not use COFRS as their primary payment medium. This is important for cash management and financial reporting. If you have questions about the requirements to use IT's please contact your accounting specialist.

SCO Staff Changes

On November 1, 2000 Todd Olson will be taking over his new assignment as Controller for the Department of Personnel. We are sad to see him go but look forward to working with him in his new position.