

# State of Colorado



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### Alert #167

TO:           Controllers and Chief Fiscal Officers of State Departments  
              And Higher Education Institutions and Boards

FROM:       Leslie M. Shenefelt   
              State Controller

DATE:        July 18, 2006

SUBJECT:    Compensated Absences Liability – Percentage of Employees Expected to  
              Retire Under PERA  
              Federal Family Education Loan Reporting  
              COFRS Diagnostic Reports Available on the Financial Data Warehouse  
              (FDW)  
              Reporting Misuse of State Procurement Cards

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### Compensated Absences Liability – Percentage of Employees Expected to Retire Under PERA

In conjunction with PERA's latest actuarial valuation, PERA's actuary recently provided the Office of the State Controller with the percentage of state employees expected to retire with PERA benefits. 68 percent of State Troopers and 49 percent of other state workers are expected to retire with PERA benefits. Please note that these percentages are significantly different than those reported in Fiscal Year 2004-05, and they must be used in computing your Fiscal Year 2005-06 compensated absences liability. PERA's actuary reports that the decline was the result of increasing withdrawal rates calculated in the latest actuarial valuation. Please refer to Chapter 3 Section 3.13 (page 89) of the

March 2006 Fiscal Procedures Manual for more information on computing the compensated absences liability accrual.

This information was originally provided to agency controllers in an email from the Office of the State Controller on June 19, 2006. We apologize for the late issuance of this information; PERA's actuary provided the information later than usual due to the significant changes in the assumptions underlying PERA's most recent actuarial valuation.

### Federal Family Education Loan Reporting

In response to a Fiscal Year 2004-05 audit comment, the Office of the State Controller now requires state institutions of Higher Education to report the amount of new loans issued during the state fiscal year under the Federal Family Education Loan Program (CFDA # 84.032). Institutions have historically reported only the new loans that were guaranteed by entities other than Colorado College Access Network (formerly known as Colorado Student Loan Program). Those amounts were reported under CFDA # 84.032. Institutions should continue to report the amounts not guaranteed by College Access Network under CFDA # 84.032. In addition, institutions should report the amount of new loan issuances that are guaranteed by College Access Network using CFDA # 84.CSL. New loan issuances should be measured as the amount of receipts from lenders that are applied against student receivables during the fiscal year. The Office of the State Controller will combine the amounts reported in CFDA #'s 84.032 and 84.CSL for reporting in the Schedule of Expenditures of Federal Awards. The amount in CFDA # 84.CSL will be used for footnote disclosure of the amount of new loan issuance guaranteed by the Colorado College Access Network.

*The following paragraph applies only to the Colorado College Access Network.* College Access Network should continue to report its Federal Family Education Loan program expenditures including its incentive fees and reinsurance of student loan defaults paid to lenders. In addition, College Access Network should report as footnote information to the Exhibit K the outstanding balance of loans at June 30. The outstanding balance should include all loans issued since inception of the program that have not yet been paid off by the student or reinsurance.

### COFRS Diagnostic Reports Available on the Financial Data Warehouse (FDW)

The Reporting & Analysis Section of the Office of the State Controller has recently completed testing of the conversion of existing COFRS Diagnostic Reports to the FDW. The reports are available on a daily basis on the FDW, and they can be executed on demand by state agencies throughout the year. Each report represents balances through the previous COFRS nightly processing cycle only; no historical record of the reports or identified diagnostic balances will be maintained or be available on the FDW. During the time when more than one period is open, the FDW diagnostic reports will only report balances related to the older of the two open periods. The same applies to the period during which two fiscal years are open.

Agencies may access the diagnostic reports on the FDW front page under the item titled Diagnostic Reports, which is under the "Other Reports" category heading. The reports are titled in a drop down box and parallel the reports currently distributed through Infopac and Document Direct. The normal FDW security features limit agencies' viewing of the diagnostic reports except for the transfer balancing reports which require departments to be able to see the other department involved in the transfer transaction. Additionally, on the main page of the Financial Data Warehouse web page there is a hyperlink to a PowerPoint presentation that further explains the use of the Diagnostic reports on the FDW.

During Period 13 of year-end close, Reporting & Analysis will generate and post the diagnostic reports to Infopac and Document Direct on a daily basis. This will provide an opportunity for agencies to compare the existing diagnostic report process to the new reporting process available on FDW. Please contact Karoline Clark at [karoline.clark@state.co.us](mailto:karoline.clark@state.co.us) or 303-866-3811 if you identify any discrepancies between the Infopac/Document Direct reports and those available on the FDW. Please contact your FAST accounting specialist if you have questions regarding interpretation of the reports.

#### Reporting Misuse of State Procurement Cards

Fiscal Rule 2-10 requires annual reporting of all incidents of procurement card misuse that are recurring, significant, or in excess of \$500 to the State Controller by November 1. This includes any follow-up and corrective measures implemented to prevent or reduce the likelihood of future occurrences. The agency controller or chief financial officer should submit the report. In order to facilitate the collection and submission of information as well as statewide compilation, analysis and reporting, the State Controller requests that the following information be provided in electronic format (Excel):

- Agency Code
- Department Name
- Date Reported (Within the Agency)
- Cardholder No. (Last four digits)
- Approving Official
- Merchant Name
- Transaction Reference Number
- Transaction Date
- Amount (\$)
- Type of Violation(s) (All that apply using individual columns)
  - 1) Split Transaction
  - 2) Shared Card
  - 3) Unauthorized Purchase
  - 4) Inadvertent Personal Use
  - 5) Intentional Personal Use
  - 6) Travel Related Purchase

- 7) Furniture (No Waiver)
- 8) Other
- Action(s) Taken (All that apply using individual columns)
  - 1) Warning
  - 2) Card Revocation
  - 3) Training
  - 4) Other

Please do not use hidden fields or macros. This information is subject to change and the State Controller's Office welcomes your suggestions. Please contact Ron Keller at 303-866-3539 with comments or questions.