



STATE OF NEW YORK
UNIFIED COURT SYSTEM
OFFICE OF COURT ADMINISTRATION
DIVISION OF FINANCIAL MANAGEMENT
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JONATHAN LIPPMAN
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TO: All Holders of the Financial Planning and Control Manual

NEW ACCOUNTING PROCEDURES

BULLETIN NUMBER: 289	September 18, 2002
SUBJECT: Entry and Retention of Journal Transfer / Revenue Transfer Transactions	

This supersedes the provisions of New Accounting Procedures Bulletin number 252, dated March 5, 1997

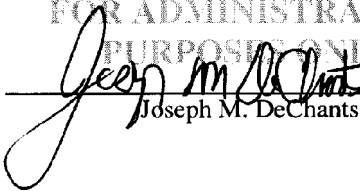
Attached is OSC Accounting Bulletin A-516, dated September 11, 2002. This bulletin prescribes the procedures to be followed relative to the entry and retention of Journal Transfer / Revenue Transfer (AC 22) transactions. It is imperative that all district/administrative staff be familiar and comply with the internal control provisions contained in this bulletin.

Unless specifically permitted by the Division of Financial Management and the State Comptroller's Appropriation Accounting section, UCS district/administrative offices will continue to be required to submit Journal Transfers with a gross (absolute) value in excess of \$100,000 to OSC for pre-audit, entry and release. Only JT/RT batches with a gross document total of \$100,000 or less, and all OGS batch types 'JGS', regardless of amount, may be entered, released and retained by district/administrative offices.

As provided in Part IV / Chapter 3.080.6 of the Financial Planning & Control Manual, all UCS Revenue Transfers for the classification of wire transfers or for the correction of revenue classification errors are to be forwarded to the appropriate district/administrative office. Following review and approval, district/administrative staff should forward all approved Revenue Transfer

transactions to the Division of Financial Management for entry into the OSC Central Accounting System.

Please ensure the distribution of these materials to all personnel within your respective jurisdictions who may be responsible for the processing of, or the monitoring of internal controls relating to, Journal Transfer / Revenue Transfer transactions. Thank you for your cooperation.

NYS UNIFIED COURT SYSTEM
FOR ADMINISTRATIVE
PURPOSES ONLY


Joseph M. DeChants



Office of the State Comptroller

ACCOUNTING BULLETIN

Subject	Bulletin No.	Date
Agency Data Entry & Retention of Journal Transfers/Revenue Transfers	A-516	09/11/2002

Purpose

This Bulletin:

- ?? Replaces Accounting Bulletins A-135-R1, A-158-R1, A-410 and A-506 relating to agency entry and retention of Journal Transfer and Revenue Transfer requests.
- ?? Announces, with limited exceptions and on request of an agency, that OSC will consider increasing the gross document total limit to \$200,000 for agency data entry, release and retention of Journal Transfers and Revenue Transfers.

Transaction Types Retained by Agencies

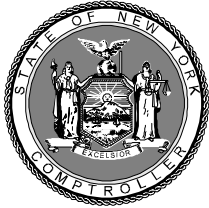
Journal Transfer/Revenue Transfer (AC22) (JT/RT) documents with a gross document total (sum of debits and credits ignoring signs) of \$100,000 or less, and all OGS centralized service payments ('JGS' batch type) which have been documented as to purpose and approved by Finance Officers, or their designee(s), may be entered and retained by State agencies.

All OGS batch types 'JGS', regardless of amount, should be processed and retained by agencies. OGS centralized service payments include **all** OGS-generated journal transfers that are intended to recover the costs of centralized services provided through any OGS fund/subfund. It is not necessary to submit these documents to OSC after they have been successfully posted in the Central Accounting System.

Transaction Types sent to OSC

The following types of transactions **must continue to be forwarded** to OSC for review, processing and retention:

- ?? Expenditure or Revenue adjustments between two or more agencies.
- ?? JT/RT's which contain debit/credit entries to both expenditure and revenue accounts (excluding JGS batches).
- ?? Cash advance rollovers.
- ?? Operating transfers (objects 5925A, 38000, or 37xxx) between funds or subfunds.
- ?? Fringe Benefit JT's (Batch Type 'FBP') after they are processed by agencies in the CAS. (See Controls and Special Procedures Manual, Volume XI, Section 6.0200.)



Office of the State Comptroller

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Procedures

To address the risks and responsibilities associated with agency entry, release and retention of JT/RT's, agencies must follow all of the conditions listed below.

- ?? Compliance with provisions of law governing state appropriated funds is mandatory – see State Finance Law Sections 40, 42, & 43. Under **no** circumstances is it permissible for JT/RT transactions to:
 - o be used as a substitute for appropriation interchanges or segregation changes which require Division of the Budget approval,
 - o transfer expenditures from new year appropriations to prior year appropriations (e.g. 'spend down' unexpended balances of appropriations scheduled to lapse) unless such expenditures could have been charged to the prior year appropriation in the first instance, or
 - o reverse the affect of a request to refund an appropriation expense (AC1286) which was rejected by OSC and processed as a miscellaneous receipt.
- ?? **FULL** explanations and documentation supporting the reason for all expenditure JT's and Revenue Transfers must be provided on ALL documents in sufficient detail to justify the transaction(s). Explanations such as 'to adjust accounts' or use of agency-determined reason codes are **not** acceptable.
- ?? Revenue Transfers are used to adjust previously recorded revenues or to move revenues from account to account. Revenue Transfers related to Revenue Contracts **must** contain the originating contract agency and the contract number of the active contract record stored in the CAS.
- ?? Where a statute provides the authority for an expenditure or revenue transfer, the statute **must** be referenced by providing chapter number, section and year of enactment, and the page and lines of the authorizing language in the justification or reason block of the JT/RT.
- ?? All JT/RT documents **must** be signed by an authorized individual, documented as to purpose of the transaction, and filed in a secure location so they are available for post-processing review and to answer any questions posed by state or federal auditors engaged to perform audits of State records.
- ?? Multiple JT/RT's with low dollar values **must** not be processed for the sole purpose of bypassing OSC dollar approval levels.



Office of the State Comptroller

ACCOUNTING BULLETIN

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Increasing Limit to \$200,000

Since March 1997, State agencies with remote terminals have been able to data enter and retain expenditure and revenue transfer documents if the gross document total (sum of debits and credits ignoring signs) is \$100,000 or less. As a result of discussions with agency personnel and based on our experience, we will selectively approve agency requests to expand this authority to \$200,000.

Agencies who have previously received approval from OSC for the increased limit **do not** have to reapply.

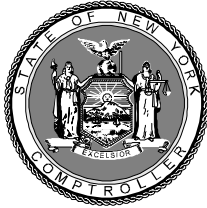
After Fiscal Officers have reviewed this bulletin and developed internal procedures to process and retain Journal Transfer/ Revenue Transfer documents, written notification requesting the increase can be submitted indicating:

- ?? Your agency accepts the terms of this bulletin and has developed adequate internal processes and controls to ensure compliance with the terms of this authority,
- ?? Affirmation that copies of this bulletin have been provided to persons responsible for completing and processing JT/RT's, **AND**
- ?? The name, telephone number and e-mail address (if available) of a person who can promptly respond to questions and provide copies of documents selected for post-processing review.

The above notification containing written acceptance of the terms of this bulletin together with the request to increase the gross batch amount to \$200,000, are to be forwarded to:

William J. McCormick
Supervisor, State Appropriation Accounting
Office of the State Comptroller
110 State St. – 9th Floor
Albany, New York 12236
bmccormick@osc.state.ny.us

Upon receipt of an agency request to raise the limit, we will consider past experience with the agency in terms of compliance with the \$100,000 limit, Quick Pay reviews, fiscal and/or internal control audits, and any other matters brought to our attention by OSC's audit staff. When a determination is made to approve or deny a request to raise the processing limits of the subject documents, we will notify the person designated to respond to post-processing questions in writing. **Do not** begin processing higher limit JT/RT's until you have received OSC's approval to do so.



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OSC Review

Agencies must NEVER process any JT/RT that does not comply with instructions in this bulletin. To monitor compliance with procedures, OSC will:

- ?? Periodically, statistically sample agency-entered documents and request that agencies provide copies of selected documents with supporting documentation for our review. **Failure to respond within 15 days of OSC's request will result in the immediate rescission of agency Journal Transfer entry/retention authority and will be factored into the risk assessment for pre-audit of voucher payments.**
- ?? **Reserve the right to terminate this authority to any agency should we become aware of any operating deficiencies or other circumstances that, in the opinion of OSC, warrant such action.**

Annual Re-Certification

Annually, OSC personnel may request a written re-confirmation of the acceptance of the conditions for remote entry and retention of JT/RT's. Failure to respond within 15 days for this re-confirmation will result in the immediate termination of agency JT/RT entry and retention privileges.

JT/RT Batch Types

Entered, Suspended by Agency and Sent to OSC for Approval:

JVR, JRT, Expenditure/Revenue Transfers with Gross Document Amounts exceeding \$100,000, or with special authorization exceeding \$200,000.
JTR

Processed by Agency – Document forwarded to OSC for review:

FBP Fringe Benefit & Indirect Cost Payments.

Processed by and Retained at Agency:

JGS OGS Centralized Service Journal Transfers.
CJV Cost Center Journal Transfer Documents.
JVR, JRT Expenditure/Revenue Transfers with Gross Document Amounts up to \$100,000 or with special authorization **up to \$200,000.**

Questions

Please direct questions to:

Expenditure Journal Transfers

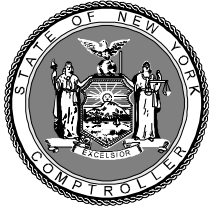
William McCormick (518) 474-4023
bmccormick@osc.state.ny.us

Debbie Hilson (518) 474-4023
dhilson@osc.state.ny.us

Revenue Transfers

John Brownell (518) 486-1222
jbrownell@osc.state.ny.us

Tim Bosko (518) 486-1228
tbosko@osc.state.ny.us



Office of the State Comptroller

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**STATE
OF
NEW YORK**

☐ JOURNAL TRANSFER/REVENUE TRANSFER ☐

ORIGINATING AGENCY CODE	BATCH NUMBER 10	BATCH TYPE	NUMBER OF DOCUMENTS	BATCH AMOUNT (ABSOLUTE VALUE)
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Originating Agency	Document Number
	Liability Date (MM) / (DD) / (YY)

[illegible]

GROSS TOTAL \$ _____		(Total of Absolute Amounts, Ignoring Signs)					
Transfers Relate To The Following Original Documents:		NOTE: - TOTAL PLUSES (+) MUST EQUAL MINUSES (-) ON THIS DOCUMENT. - PLUSES (+) WILL INCREASE EXPENDITURES OR DECREASE REVENUES. - MINUSES (-) WILL DECREASE EXPENDITURES OR INCREASE REVENUES.					
Batch No.: _____							
Doc No.: _____							
Date Processed: _____							
Reason for Adjustment							
Agency Certification I certify that this expenditure/revenue adjustment is a proper charge/credit to the appropriations/funds cited above. _____ Authorized Signature		OSC Review <table border="1"> <tr> <td> _____ Reviewed By </td> <td> _____ Reviewed By </td> </tr> <tr> <td> _____ Date </td> <td> _____ Date </td> </tr> </table>		_____ Reviewed By	_____ Reviewed By	_____ Date	_____ Date
_____ Reviewed By	_____ Reviewed By						
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Date	()	Telephone No.					