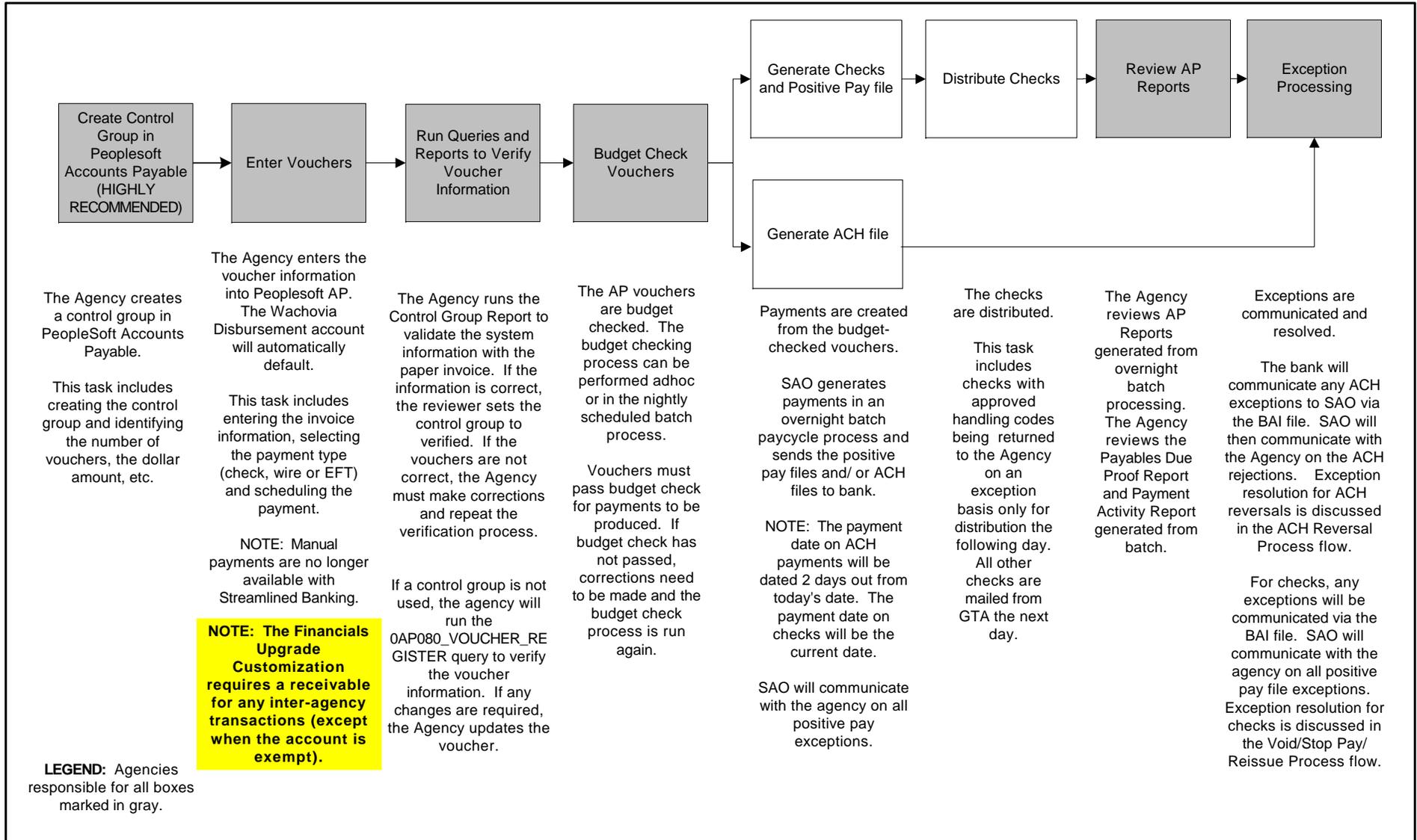


SAO Cash Management Group To Be Process Flow

Centralized Accounts Payable (AP) Disbursement



Create Control Group in Peoplesoft Accounts Payable (HIGHLY RECOMMENDED)

The Agency creates a control group in PeopleSoft Accounts Payable.

This task includes creating the control group and identifying the number of vouchers, the dollar amount, etc.

Enter Vouchers

The Agency enters the voucher information into Peoplesoft AP. The Wachovia Disbursement account will automatically default.

This task includes entering the invoice information, selecting the payment type (check, wire or EFT) and scheduling the payment.

NOTE: Manual payments are no longer available with Streamlined Banking.

NOTE: The Financials Upgrade Customization requires a receivable for any inter-agency transactions (except when the account is exempt).

Run Queries and Reports to Verify Voucher Information

The Agency runs the Control Group Report to validate the system information with the paper invoice. If the information is correct, the reviewer sets the control group to verified. If the vouchers are not correct, the Agency must make corrections and repeat the verification process.

If a control group is not used, the agency will run the 0AP080_VOUCHER_REGISTER query to verify the voucher information. If any changes are required, the Agency updates the voucher.

Budget Check Vouchers

The AP vouchers are budget checked. The budget checking process can be performed adhoc or in the nightly scheduled batch process.

Vouchers must pass budget check for payments to be produced. If budget check has not passed, corrections need to be made and the budget check process is run again.

Generate Checks and Positive Pay file

Generate ACH file

Payments are created from the budget-checked vouchers.

SAO generates payments in an overnight batch paycycle process and sends the positive pay files and/or ACH files to bank.

NOTE: The payment date on ACH payments will be dated 2 days out from today's date. The payment date on checks will be the current date.

SAO will communicate with the agency on all positive pay exceptions.

Distribute Checks

The checks are distributed.

This task includes checks with approved handling codes being returned to the Agency on an exception basis only for distribution the following day. All other checks are mailed from GTA the next day.

Review AP Reports

The Agency reviews AP Reports generated from overnight batch processing. The Agency reviews the Payables Due Proof Report and Payment Activity Report generated from batch.

Exception Processing

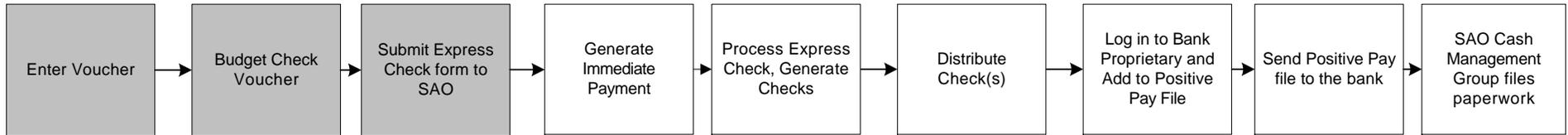
Exceptions are communicated and resolved.

The bank will communicate any ACH exceptions to SAO via the BAI file. SAO will then communicate with the Agency on the ACH rejections. Exception resolution for ACH reversals is discussed in the ACH Reversal Process flow.

For checks, any exceptions will be communicated via the BAI file. SAO will communicate with the agency on all positive pay file exceptions. Exception resolution for checks is discussed in the Void/Stop Pay/Reissue Process flow.

SAO Cash Management Group To Be Process Flow

Accounts Payable Express Checks



The Agency enters the voucher and validates the information for express payment (Express Check).

The Agency compares voucher to invoice information for accuracy. An ad hoc budget check is performed.

The Agency submits the SAO AP Express Check Form to SAO Cash Management Group via email. A form is submitted for each individual express check. If an express check is over \$1000, the Agency sends a fax to SAO CM group with the appropriate signatures.

NOTE: For Same-Day wires, the OTFS Wire Transfer Request Form is submitted to OTFS by 11:00 AM via email and a voucher is recorded with the payment method of WIR.

SAO selects the voucher for immediate payment of express check.

The voucher is paid immediately through an express check. SAO Cash Management group processes the voucher from the AP Express Check Form through the Express Check paycycle.

SAO Cash Management Group prints the checks immediately and distributes to the designated Agency representative.

If the form is submitted to SAO CM by 2 pm, the express check can be generated the same day. NOTE: See Policy CM-100004--AP Disbursement Policy.

SAO Cash Management Group logs into the Bank Proprietary Software (Wachovia) and adds the express check number to the Positive Pay file. This is to allow the bank to cash the express check if it is presented on the same day.

The positive pay file is sent with normal overnight processing.

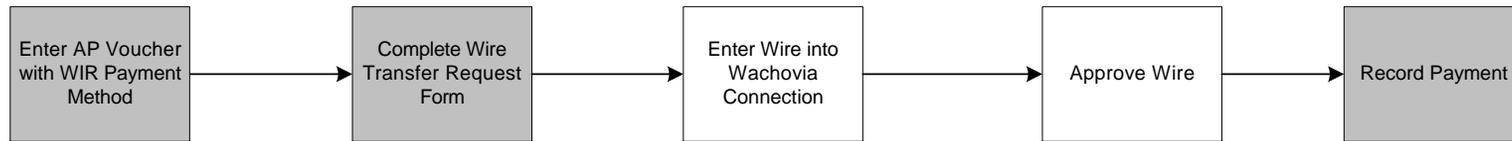
SAO Cash Management Group files the appropriate paperwork on the express check according to their Express Check desk procedures.

NOTE: Normal Check processing will have a 24 hour turnaround time. Express checks will be used on an exception basis only and printed at SAO for immediate funding (same-day if submitted by 2 pm). Same-Day wires may also be used on an as-needed basis for immediate funding.

LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

Request, Enter, and Approve Wires



The Agency will create a voucher in AP with a payment method of WIR. Agencies must budget check the voucher to ensure the availability of funds.

Note: Other than HCM payments to the IRS all must pass budget checking before they can be processed by OTFS

The Agency will submit the OTFS Wire Transfer Request form located on the SAO website to OTFSAcct@otfs.ga.gov

Note: Other than HCM payments to the IRS.

OTFS will either select the wire template to create a wire or create a new wire template and have it approved before entering the wire into Wachovia Connection.

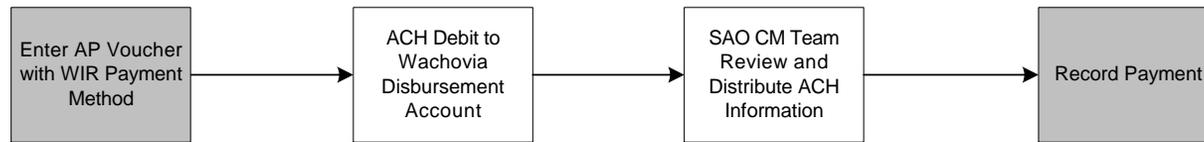
OTFS will review and approve the payment request.

When the payment has been processed, SAO Cash Management group will notify the agency that the wire was successfully processed. The agency would then record the reference number following the standard of XXX and invoice number where XXX is the first 3 digits of the agency's business unit (e.g. 403).

LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

Bank Settlements To Be Process Flow



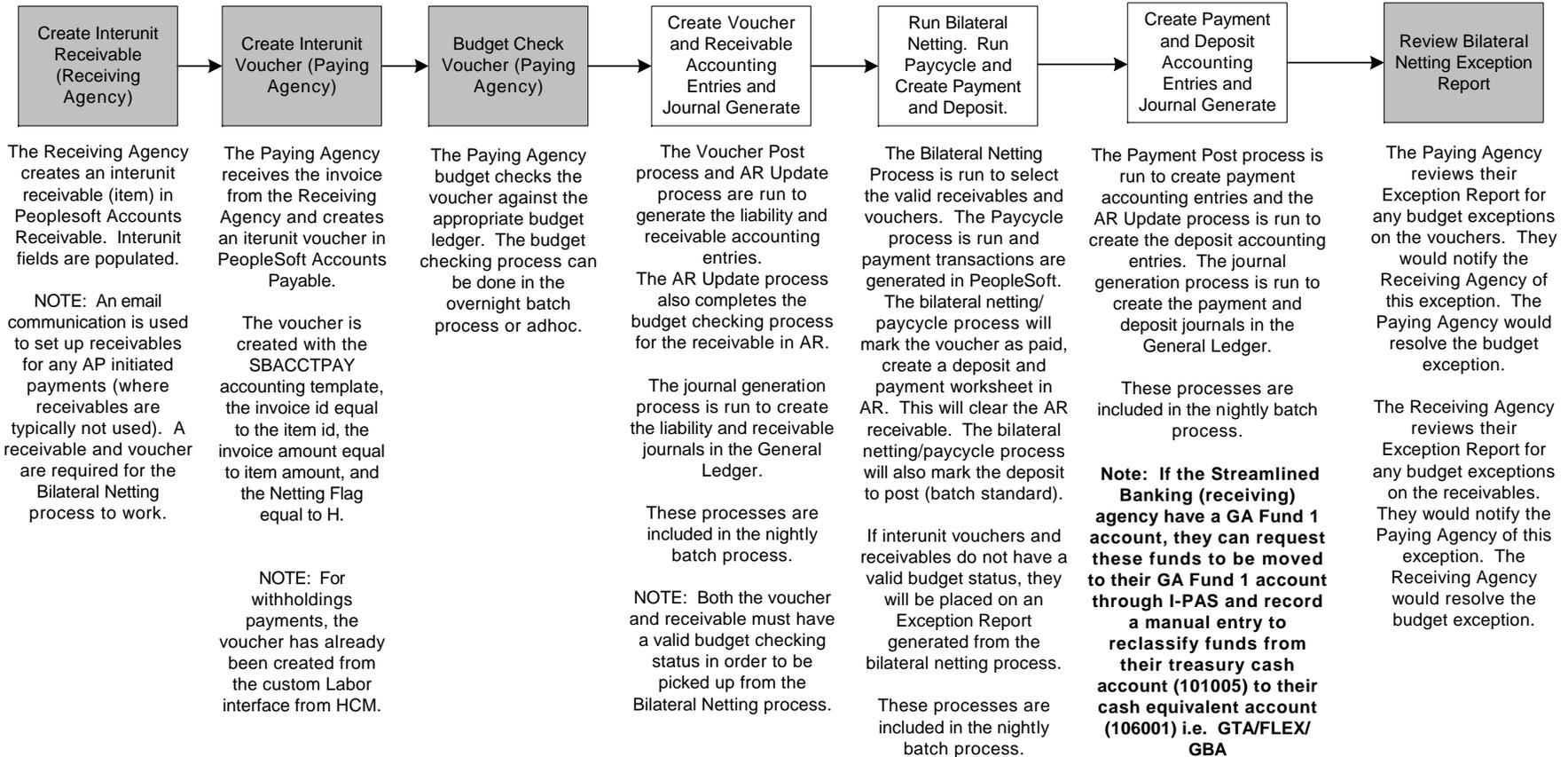
The Agency will create a voucher in AP with a payment method of WIR. This process includes the overnight batch process that will budget check the voucher to ensure the availability of funds.

The vendor (Bank of America) will initiate an ACH Debit from the Wachovia Disbursement Account for the P-Card Payment.

The SAO CM team will review the bank statement for the Wachovia Disbursement account and distribute the ACH Debit transaction number via email to the contact person at the agency.

When the payment has been processed, SAO Cash Management group will notify the agency that the ACH Debit was successfully processed. The agency would then record the transaction reference number that will be provided in an e-mail from the SAO CM team.

SAO Cash Management Group To Be Process Flow



<Process Name>

Inter-Agency Transfers

Inter-Agency Transfers - Paying Agency (Streamlined Banking); Receiving Agency (Non-Streamlined)
Excluding GTA/FLEX/GBA/Dept of Revenue

Enter Receivable in PeopleSoft/ External System and Issue Invoice (Receiving Agency)

The Non-Streamlined (receiving) Agency creates a receivable in PeopleSoft Accounts Receivable (AR) or an External System. An invoice is issued and distributed to the Paying Agency. Note: **When an agency pays for withholdings, an invoice or receivable may not be created by the receiving agency. This is due to the account being Exempt from the Financials Upgrade Customization for inter-agency.**

Create and Budget Check Voucher Create Payment (Paying Agency)

The Streamlined Banking (Paying) Agency receives an invoice from the Receiving Agency or review reports from payroll for withholdings. The paying agency will either create and budget check the voucher using EFT(ACH) as the method of payment or review the withholding voucher already created in PeopleSoft Accounts Payable (AP) and change the payment method to EFT(ACH).

Generate EFT (ACH) payment. (Paying Agency)

The payment is generated in PeopleSoft AP. The Streamlined Banking (Paying) agency will send a payment by EFT (ACH). An EFT (ACH) file is created and distributed from SAO Wachovia Operating Account for payment.

Receive Payment (Receiving Agency)

The Non-Streamlined Banking (Receiving) Agency receives the EFT (ACH) payment from Streamlined Banking (paying) agency. The Paying Agency also sends the payment information via email to the Receiving Agency.

Create Receipt in System (PeopleSoft or External). Clear Receivable. (Receiving Agency)

The Non-Streamlined (receiving) Agency records a deposit in PeopleSoft or in an external system as they do today.

NOTE: Streamlined Banking Agencies will no longer use ARIS except for payments to GTA/FLEX/GBA/Dept of Revenue (Non-Streamlined Only).

LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

Inter-Agency Transfers

**Inter-Agency Transfers - Paying Agency (Streamlined Banking); Receiving Agency (Non-Streamlined)
for (GTA/GBA/FLEX/Dept of Revenue) ARIS**



The Non-Streamlined (receiving) Agency creates a receivable in PeopleSoft Accounts Receivable (AR) or an External System. An invoice is issued and distributed to the Paying Agency. Note: **When an agency pays for withholdings, an invoice or receivable may not be created by the receiving agency. This is due to the account being Exempt from the Financials customization for inter-agency.**

The Streamlined (paying) Agency receives an invoice from the Receiving Agency or reviews reports from payroll for withholdings. The paying agency will either create and budget check the voucher or in case of withholdings, review the withholding voucher already created in PeopleSoft Accounts Payable (AP).

The Streamlined Banking (paying) agency will apply a wire and send payment information via e-mail or mail to the receiving agency as they do today for general funds transfer.

The Streamlined Banking agency will use the new General Funds Transfer bank 99999.

NOTE: IRS tax payments are an ACH debit and recorded as a wire to the Wachovia Operating Account using the EFTPS confirmation number as the reference number. See the IRS tax process flow for details on the EFTPS process.

The Streamlined Banking (paying) Agency will enter the inter-agency transfer information into ARIS for GTA/FLEX/GBA/ Dept of Revenue as they do today.

Treasury will make a book transfer from the treasury bank to GBA/FLEX/GTA's GA Fund 1 account.

For withholdings (Dept of Revenue), OTFS will record the state revenue collections on OTFS's books.

The Non-Streamlined (receiving) Agency reviews IPAS for the transfer information as they do today for GA Fund 1 information.

For withholdings, the Department of Revenue uses Web Methods to automatically interface information from ARIS and post the entries.

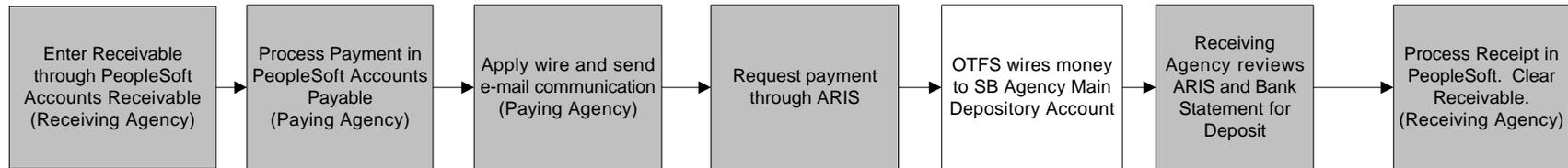
The Non-Streamlined (receiving) Agency records revenue in PeopleSoft or in an external system and enters a deposit to clear the accounts receivable as they do today.

NOTE: Streamlined Banking Agencies will no longer use ARIS except for payments to GTA/FLEX/GBA/Dept of Revenue (Non-Streamlined Only).

LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

Inter-Agency Transfers



The Streamlined (Receiving) Agency creates a receivable in PeopleSoft Accounts Receivable (AR). An invoice is issued and distributed to the Paying Agency. Note: **When an agency pays for withholdings, an invoice or receivable may not be created by the receiving agency. This is due to the account being Exempt from the Financials Upgrade Customization for inter-agency.**

The Non-Streamlined (paying) agency receives an invoice from the Receiving Agency or review reports from payroll for withholdings. The paying agency will either create and budget check the voucher or in the case of withholdings, review the withholding voucher already created in PeopleSoft Accounts Payable (AP) or an external system.

The Non-Streamlined Banking (paying) agency will apply a wire and send payment information via e-mail or mail to the receiving agency as they do today for general funds transfer.

If the agency is not on Peoplesoft, they will record the transaction in their external system.

The Non-Streamlined (paying) agency will go on ARIS to request payment from their allotment to the Streamlined Banking Agency.

OTFS will reduce the paying agency's allotment and send the money to the Streamlined Banking Main Depository Account at Bank of America.

The Streamlined (receiving) agency will go on ARIS and review detailed information of the payments made by Non-Streamlined Agencies. The Streamlined (receiving) agency can also review the bank statement information in Peoplesoft for the Main Depository Account and view the deposit.

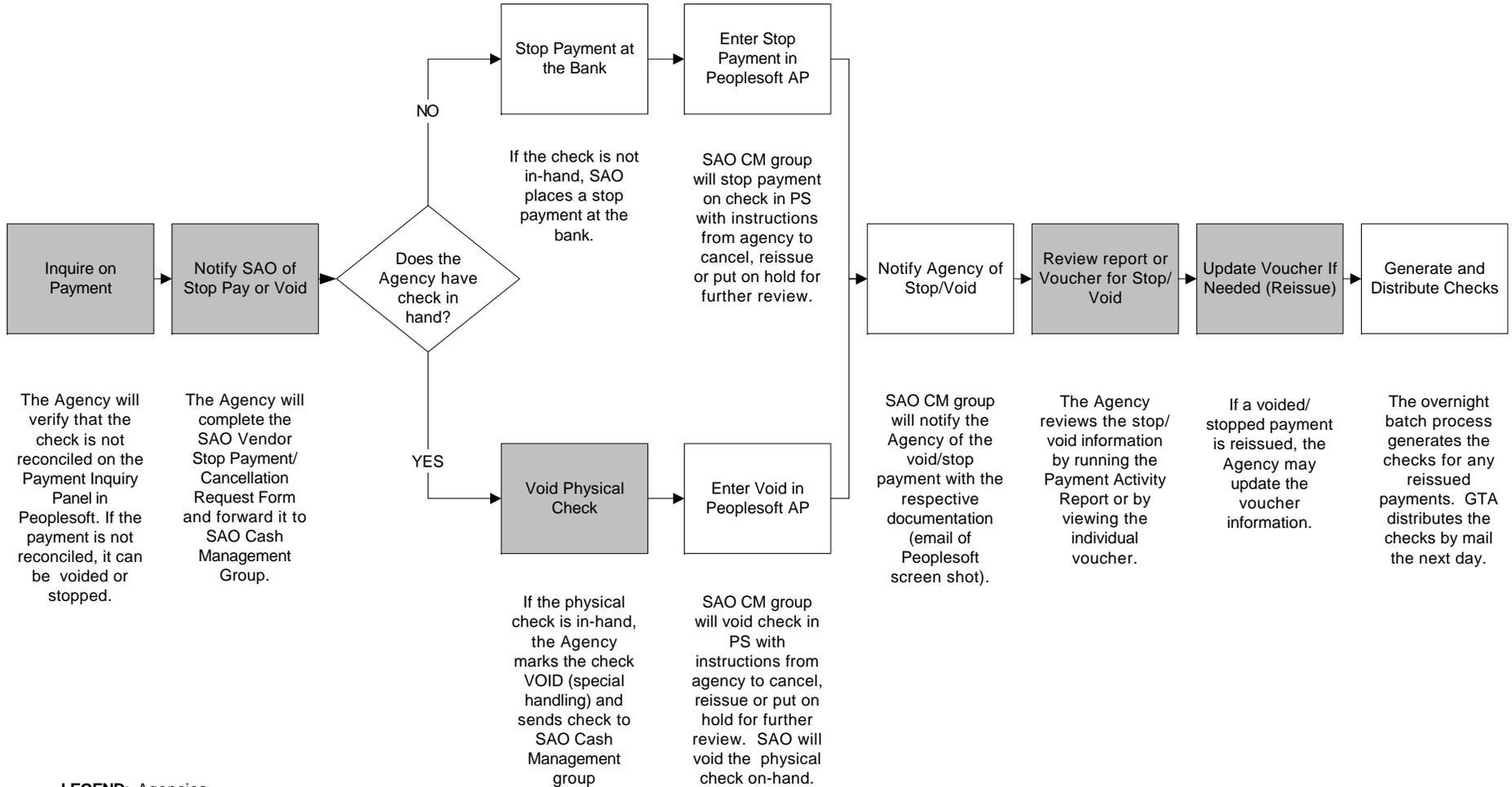
The Streamlined (receiving) agency will record a deposit or direct journal to their Main Depository Account (102400) for the amount based on the payments received on ARIS.

Note: The new General Ledger allocation process will be used to transfer money to the Agency Cash Account (101005) for non-revenue remitted funds or to Treasury for revenue remitted funds.

LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

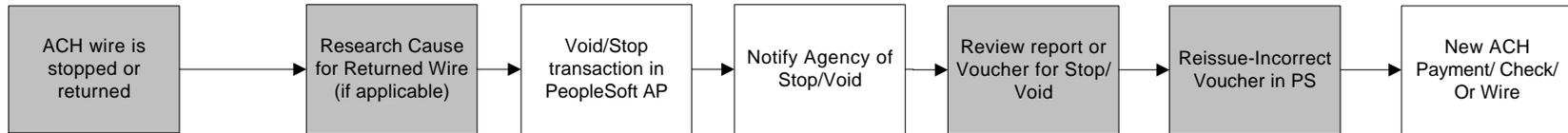
AP Stop Pay/Void Reissue



LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

ACH Reversal



An ACH wire is returned due to incorrect information or stopped by the Agency.

For stopped ACH payments, the Agency would notify SAO Cash Management Group of the need to stop the payment. SAO would notify the bank and ensure the payment has not been processed.

If the ACH is returned, SAO CM Group reviews the BAI file for any returned ACH payments and notifies the Agency. NOTE: The SAO CM Group will be reviewing same-day BAI files (10 am) to see any same-day returned ACH payments.

The Agency in coordination with SAO CM Group determines the cause for the wire return.

Per instructions by the Agency, SAO CM Group will cancel, reissue or put on hold for further review the ACH payment in Peoplesoft AP.

Note: In order to reverse ACH payment, the payment has to be unreconciled.

SAO CM group will notify the Agency of the void/stop payment with the respective documentation (email of Peoplesoft screen shot).

The Agency reviews the stop/void information by running the Payment Activity Report or by viewing the individual voucher.

If the ACH payment needs to be corrected and reissued, the Agency will correct the voucher and take the voucher off of Hold for payment. NOTE: The Agency may need to contact the PS Vendor Maintenance Group to update the Vendor File with the EFT bank information.

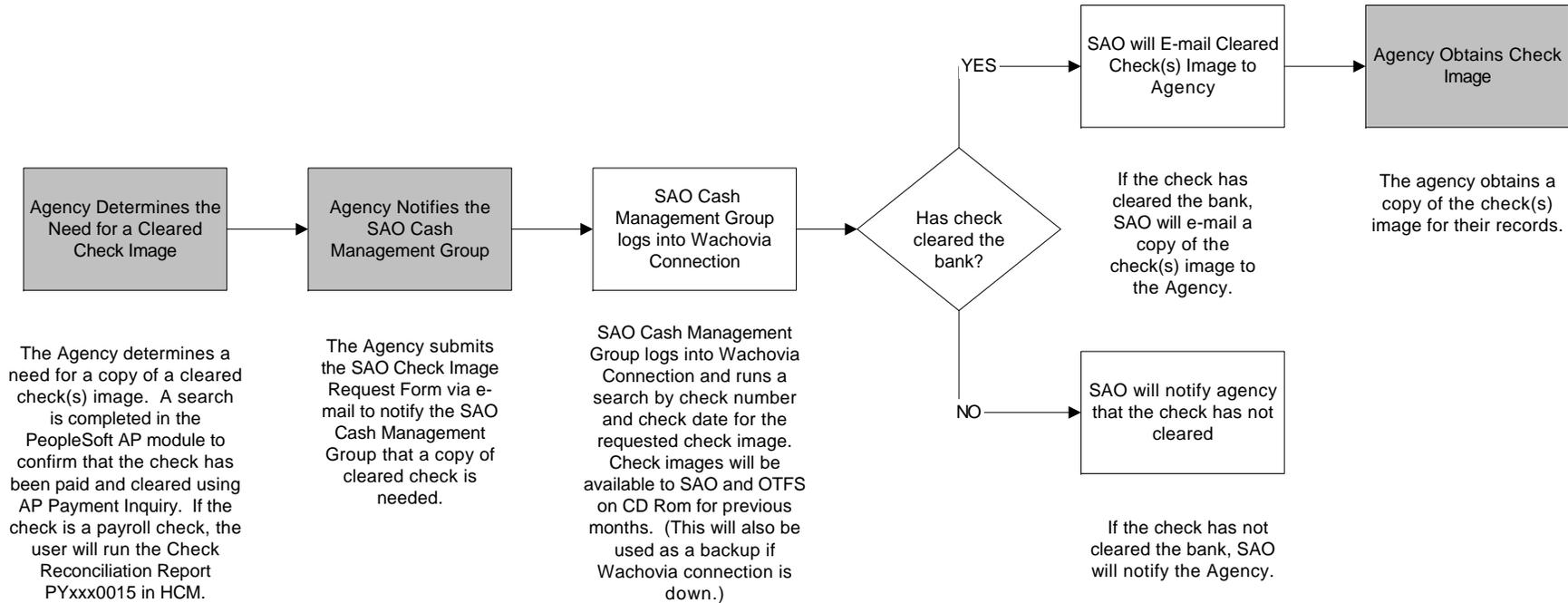
The ACH payment is created via the overnight batch process and sent to the bank.

NOTE: If a wire is needed on the re-issue, the SAO CM group will send the reference number to the Agency to record the wire on the voucher.

LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

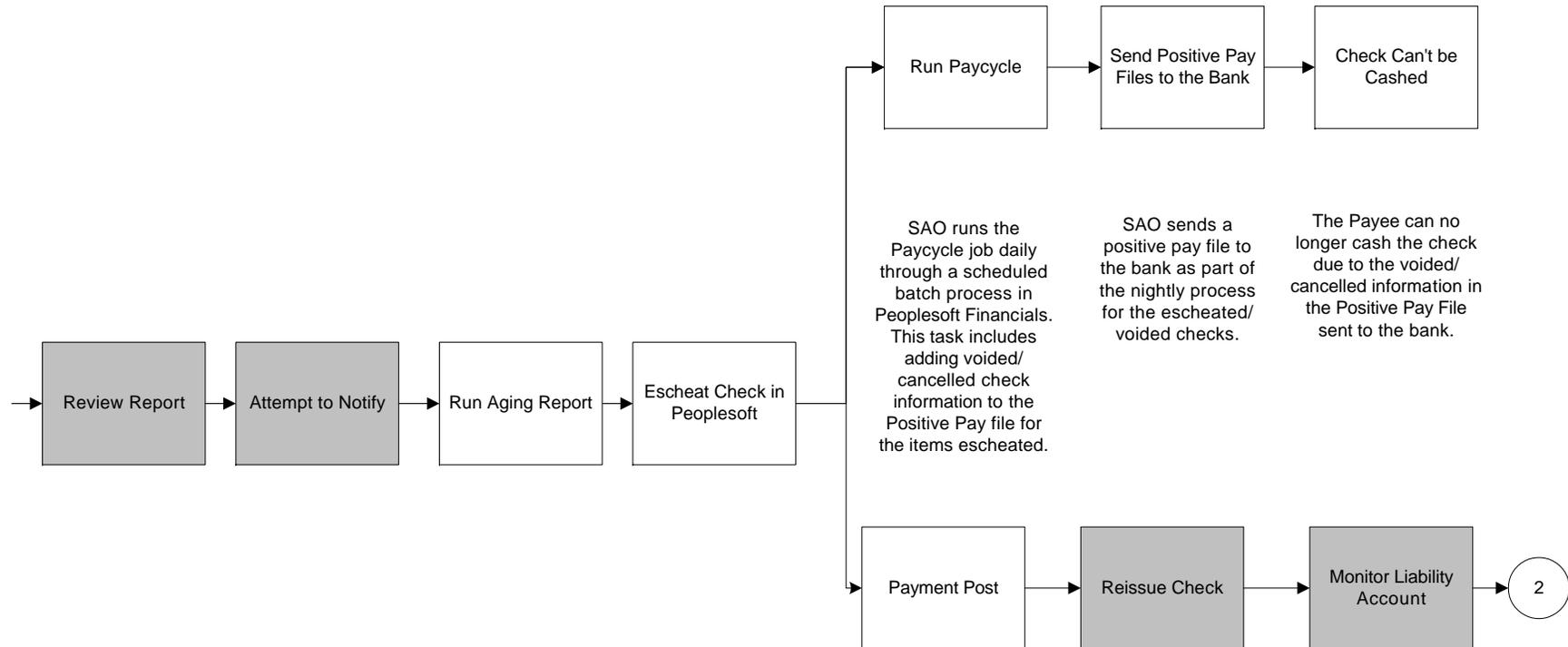
Bank Image Request - For A/P and Payroll



LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

Monthly Escheatment



The Payment Aging Disbursement Report is produced in the monthly batch process. This aging report lists all outstanding checks by agency.

The Agency reviews the aging report for all outstanding checks.

The Agency attempts to contact all Payees for any outstanding checks > \$50 that have been held longer than 120 days. Checks less than \$50 do not require attempts to notify, but will be escheated to the Department of Revenue. Note: Policy CM-100006, Cash Management Check Escheatment Policy addresses this process.

The monthly batch process runs the Payment Aging Disbursement Report that lists all outstanding checks by agency. (Same as the Aging Report in Step 1).

After 180 days on the outstanding report, SAO will stale-date (escheat) the check. SAO will go to the "Payment Escheatment Page" and mark the outstanding check stale-dated (escheated by Peoplesoft terms). The 180 day period is to allow for enough time after the attempt to notify. The 180 day period is included in the Cash Management Check Escheatment policy.

The Payment Post process runs in PeopleSoft Financials, which creates liability entries that debit cash and credit Funds Held for Others-Other Uncashed Checks (262002 account).

The payee notifies the Agency and the Agency needs to reissue the check. This task includes entering a new voucher to pay funds out of the 262002 account. The agency will identify if the payment is escheated through the Payment Inquiry panel. NOTE: The new voucher must have the same invoice number (or some variation) as the original. This is included in the Cash Management Check Escheatment Policy. NOTE: Reissuing the check can be done anytime prior to remittance to Revenue.

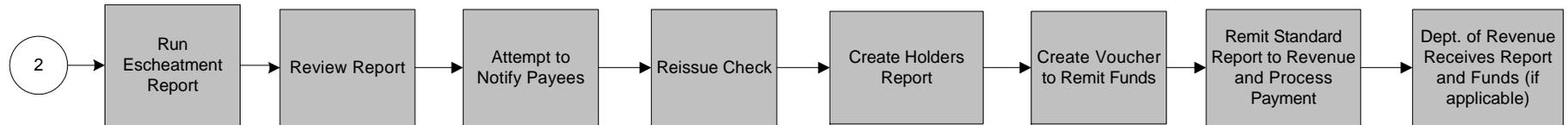
The Agency monitors the Liability account monthly until the holding period is met or the check is reissued. The Agency will use the Escheatment Report to monitor (See Annual Process Flow).

LEGEND: Agencies responsible for all boxes marked in gray

(See Annual Process Flow).

SAO Cash Management Group To Be Process Flow

Annual Escheatment



The Agency runs the Escheatment Report within 30 days after fiscal year end that lists all escheated checks and reissued checks based on the 262002 account. The Agency will match any reissued checks (not escheated for the 5 year timeframe) with the original escheated payment and remove these transactions from the Escheatment Report. This is done through the Manage Escheatment Exclusions page. The Agency will also exclude any vouchers related to funds already remitted to the Department of Revenue.

Note: For detailed information on the escheatment process please see the State of Georgia Unclaimed Property Annual Filing Report for 2005 on Dept. of Revenue website.

LEGEND: Agencies responsible for all boxes marked in gray.

The Agency reviews the report.

The Agency makes a final due diligence attempt to notify payees at their last known address for any uncashed checks held 5 years or more from check issue date, still outstanding for all items > \$50. Within 60 days from receiving the report, the Agency must remit the escheatment list and report.

Note: See Policy CM-100006, Cash Management Check Escheatment policy.

If a previously marked escheated check is reclaimed by the Payee, the Agency follows the procedure to prepare a voucher to cut a new check in the Financials system. (See Monthly Escheatment flow). This can be done until the payment has been remitted to the Dept. of Revenue.

If the check has been cashed (bank error), SAO will identify this in the bank reconciliation process and work with the Agency to correct the transaction. The Agency will create an adjusting journal voucher to reverse the escheatment accounting entries. NOTE: If the check has already been remitted to the Dept. of Revenue, the Agency will reverse the entry and collect the funds (if applicable).

The Agency will fill out the Holder Report Form-- Government Entities and prepare a final owners report.

The Agency creates a voucher to remit the funds to the Department of Revenue. The voucher will debit the liability account Funds Held for Others (262002) and credit cash.

NOTE: When the Department of Revenue is not on Streamlined Banking, funds will be sent to the Dept. of Revenue via an Accounts Payable ACH payment.

NOTE: With the Financials Upgrade, a Receivable is required for any inter-agency transactions. Escheatment transactions will be exempt from this process based on the escheatment liability account (262002).

The Agency remits the standard Holders Report and Owners Report to the Dept. of Revenue for all checks held > 5 years by November 1st per the Disposition of Unclaimed Property ACT, O.C.G.A. Section 44-12-190.

The Agency will process any payments through the scheduled paycycle batch process.

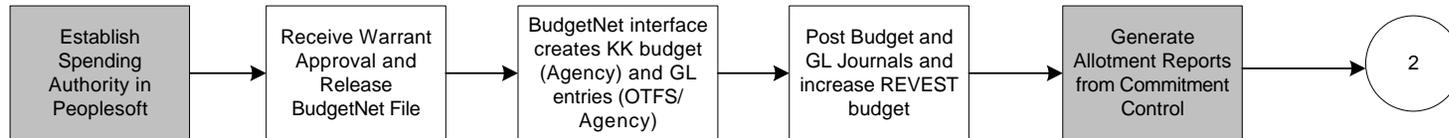
The Dept. of Revenue receives reports from the Agency. When the Department of Revenue is not on Streamlined Banking, the funds are deposited into the Dept. of Revenue's account and they create a manual deposit in Peoplesoft AR.

NOTE: When both agencies are on Streamlined Banking, a receivable will be required by policy to enable the Bilateral Netting process. The bilateral netting process will automatically create the deposit on the Dept. of Revenue's books. After all agencies are on Streamlined Banking, the 262002 escheatment liability will no longer be exempt from the receivable requirement.

SAO Cash Management Group To Be Process Flow

Lottery and Tobacco Allotment Process

NOTE: For agencies not on streamlined banking, as-is processes apply



The Agency enters the allotment request in BudgetNet. The allotment request includes State, Federal and Other appropriated funds. In the State funds, the Agency identifies lottery and tobacco funds.

OPB approves the allotment amount in BudgetNet. OPB issues a warrant for the State portion of the approved allotment request (including tobacco and lottery funds) and forwards to the Insurance Commissioner for approval. The Insurance Commissioner sends an email approval to appropriate agencies (including OTFS).

OTFS receives the paper warrant. In Budgetnet, upon approval of the allotment request, the Allotment Budget file is released to PeopleSoft.

The Agency receives email notification of the warrant approval from the Insurance Commissioner.

The BudgetNet file is loaded into PeopleSoft creating the appropriate budget in Commitment Control and the General Ledger entries for State Funds. The BudgetNet interface creates journal entries on both the Agency's and OTFS's books for the State allotment. For lottery and tobacco funds, specific funding sources will be used based on the LOTT1 and TOB1 funding sources in the BudgetNet file. NOTE: The Agency may need to re-class the funding source if they do not want to use the default value.

When the Budget journal and General Ledger journals are posted in Commitment Control and GL through the overnight batch process, the REVEST budget is increased.

Reports are generated by the overnight batch process or adhoc by OTFS/agencies to review allotment data. The reports include the Budget Comparison Report (Commitment Control) and the Cash Controlled Report (General Ledger).

OTFS reviews the Agency allotment balances. The agencies review the allotment detail to validate the BudgetNet journal information.

See Lottery and Tobacco Disbursement Process for Disbursements out of lottery and tobacco funds.

LEGEND: Agencies responsible for all boxes marked in gray.

SAO Cash Management Group To Be Process Flow

Lottery and Tobacco Disbursement Process

