



## Statewide Accounting Policy & Procedure

**Accounting Manual Reference:**

Section: State of Georgia Accounting Policy Structure  
Sub-section: Not Applicable

**Effective Date:** 06/30/2009

**Revision Date:** 06/30/2011

Title 50, Chapter 5B of the Official Code of Georgia Annotated (OCGA) describes the responsibilities of the State Accounting Office (SAO) and of State government organizations with respect to the State Accounting Officer. These responsibilities include prescribing statewide accounting policies, procedures, and practices. As such, the creation and communication of statewide accounting policies and procedures is a key element of the State Accounting Office goal to provide fiscal leadership for Georgia.

Through sound policies and procedures, we:

- Assure the integrity of financial records;
- Assure the reliable, timely, and meaningful presentation of financial results;
- Support and assist State agencies and organizations in complying with State and Federal financial reporting requirements and generally accepted accounting principles.

The policy structure is designed to provide Georgia State government financial personnel with a comprehensive body of documentation that offers a rational and consistent context for accounting decisions and actions. The accounting policy structure includes four categories: (1) Accounting Policy & Procedure, (2) Accounting Directives, (3) Position Papers, and (4) Other Procedural Functions.

1. **Accounting Policy & Procedure:** The Accounting Policy Manual includes high-level policies and procedures to ensure that financial activity is recorded accurately and consistently across organizations, so that state-level financial statements will comply with accounting principles generally accepted in the United States of America and with legislative standards. Basic guidance on accounting requirements, including journal entry examples, is included in these documents. Accounting manual topics apply to all organizations included in the State of Georgia reporting entity, as determined in accordance with authoritative guidance, regardless of their accounting systems.
2. **Accounting Directives:** Accounting Directives are documents that provide accounting guidance for recording and reporting complicated, event-driven transactions such as stimulus activity under the American Recovery and Reinvestment Act (ARRA). A directive may be supported by underlying policies and procedures contained in the Accounting Policy Manual. Directive topics may apply to all organizations included in the State of Georgia reporting entity or to only a subset of those organizations, regardless of their accounting systems.
3. **Position Papers:** Position Papers are documents that provide research, recommendations, and conclusions about various accounting topics, such as emerging issues from the GASB or legislative activities that affect accounting issues.

4. Other Procedural Functions: Policies on other procedural functions are documents that contain guidance to assist users with managing accounting operational processes such as, cash management, vendor management, etc.

The SAO strives to update and maintain its policy guidance on a current basis. However, if any document in the policy structure conflicts with a Federal or State of Georgia law, then the law takes precedence over the policy structure documentation. Management of each individual State organization is responsible for ensuring compliance with applicable laws and regulations. Management must be cognizant not only of State laws which pertain to their organizations but also of Federal laws and regulations which could affect operations.