

### CTAS TRAINING SESSION

Consolidated Treasury Account Structure 01/08/14-01/09/14

## Housekeeping Items

- Please Turn Phones To Vibrate
- 2 Days Scheduled
  - January 8, 2014 January 9, 2014
- Interactive Training
  - Ask Questions As We Go!

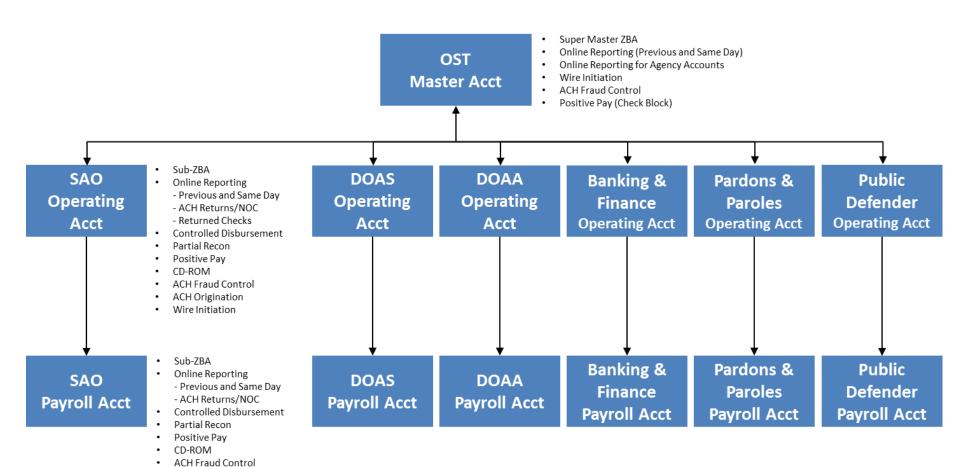


## Agenda

- CTAS Bank Structure
- Business Process Changes/Responsibility Changes
  - Pay Cycle
  - Payment Cancellation
  - State Allotment Process
  - ARIS
  - Cash Management
  - Escheatment Process
- Banking Administration
- Agency Cut-Over List
- Important Information and Reminders
- Next Steps



### **CTAS Bank Structure**



ACH Origination



## Pay Cycle Process

- Pay Cycle Established Daily
  - Includes Checks and ACH Payments
  - Each Agency Responsible For Setting Up Own Pay Cycle
- TeamWorks Process
  - Navigation: Accounts Payable > Payments > Pay Cycle Processing > Payment Selection Criteria
    - Type In Pay Cycle Name (B014XX) and Click Search
    - "Pay From" Date Defaults To 01/01/1900
    - Agency Adjusts:
      - Pay Through Date (Current Date)
      - Payment Date (Next Business Day)
      - Next Pay Through Date (Next Business Day)
      - Next Payment Date (2 Business Days From Current Date)
    - Click "Save"
  - Future Dated Pay Cycles Should Not Be Scheduled
    - Adjust Scheduled Due Dates On The Appropriate Voucher, If Necessary



## Payment Cancellation Process

- Payment Cancellation Should Be Used When:
  - Agency Has Uncashed System Check In Hand
  - Agency Has Written Request/Notification That A System Check Has Been Lost, Stolen, Destroyed, Etc.
    - Confirm System Check As Uncashed In Banking System
    - Initiate Stop Payment In Banking System (Prior To Payment Cancellation)
  - Agency Has Written Request/Notification That An ACH Was Not Received
    - Research ACH Status
    - Initiate ACH Reversal In Banking System (Prior To Payment Cancellation)
    - Confirm ACH Funds Returned To Agency (Prior To Payment Cancellation)
  - Agency Determines That A Wire Transfer (WIR) Was Posted Incorrectly

## Payment Cancellation – System Check

- TeamWorks Process:
  - Navigation: Accounts Payable > Payments > Cancel/Void Payments>
    Payment Cancellation
    - Bank SetId: = Agency Business Unit (40700)
    - Bank Code: Begins With 3300
    - Bank Account: Begins With 1000
    - Payment Reference: Begins With 0000010XXX (This Is The Actual System Check Number)
    - Payment Method: = System Check (Select From Dropdown Box)
    - Click "Search"
    - Date Cancelled: Use Current Date
    - Payment Status: Void
    - Cancel Action 3 Options
      - Re-Open Voucher(s)/Re-Issue
      - Re-Open Voucher(s)/Put On Hold (Select Hold Reason From Dropdown Box)
      - Do Not Reissue/Close Liability
    - Description
      - Provide Reason For Cancellation
    - Click "Save"



## Payment Cancellation – ACH

- TeamWorks Process:
  - Navigation: Accounts Payable > Payments > Cancel/Void Payments>
    Payment Cancellation
    - Bank SetId: = Agency Business Unit (40700)
    - Bank Code: Begins With 3300
    - Bank Account: Begins With 1000
    - Payment Reference: Begins With 00000XXXXX (This Is The Actual ACH Number)
    - Payment Method: = Automated Clearing House (Select From Dropdown Box)
    - Click "Search"
    - Date Cancelled: Use Current Date
    - Payment Status: Stopped
    - Cancel Action 3 Options
      - Re-Open Voucher(s)/Re-Issue
      - Re-Open Voucher(s)/Put On Hold (Select Hold Reason From Dropdown Box)
      - Do Not Reissue/Close Liability
    - Description
      - Provide Reason For Cancellation
    - Click "Save"



# Payment Cancellation – Wire Transfer

- TeamWorks Process:
  - Navigation: Accounts Payable > Payments > Cancel/Void Payments>
    Payment Cancellation
    - Bank SetId: = Agency Business Unit (40700)
    - Bank Code: Begins With 9999 Or 3300
    - Bank Account: Begins With 2040 Or 1000
    - Payment Reference: Begins With XXXXXXXXXX (This Is The Actual Wire Transfer Number)
    - Payment Method: = Wire Transfer(Select From Dropdown Box)
    - Click "Search"
    - Date Cancelled: Use Current Date
    - Payment Status: Void
    - Cancel Action 3 Options
      - Re-Open Voucher(s)/Re-Issue
      - Re-Open Voucher(s)/Put On Hold (Select Hold Reason From Dropdown Box)
      - Do Not Reissue/Close Liability
    - Description
      - Provide Reason For Cancellation
    - Click "Save"



### State Allotment Process

- Agency Requests Monthly Allotments
- Warrant and Allocation Of Funds Confirmation Report (BudgetNet)
- Establish Receivable By Program
  - Customer Number 40300000
  - A/R Distribution Codes (Dr. Account 121001 Allotment Receivable)
  - Reason Code 01001 (Cr. Account 401001 Appropriation Allotment Revenue)
- Reduce Receivable Daily Based On Cash Management Report
  - Account 101200 (Cash) Versus Account 196119 (GFT)
- Reconcile Outstanding Receivable Monthly
  - GLXXX044M or Equivalent
  - Allotment Statement From OST
    - Statements Are Available Daily and Monthly



### **ARIS**

- ARIS Allotment Request Intranet System
  - Interagency Payments (FLEX, GBA, GTA, and State Tax\*\*)
  - Revenue Collections
  - Request CTAS Emergency State Draw
  - Notifications To Office of the State Treasurer (OST)
    - CTAS Funding Reallocation Draw
    - CTAS Funding Reallocation Deposit
- ARIS Change Request Form
  - Add/Modify/Delete Users Or Access



### ARIS – Interagency Payments

- Four (4) Step End-To-End Process For Using ARIS For Interagency Payments
  - Request Payment Using ARIS (Receive Confirmation Number)
  - Create Voucher In A/P (Voucher Posts Overnight During Batch Processing)
  - Record Payment Use Confirmation Number As Payment Reference
    - Record As "WIR"
    - Bank 9999, Account 2040
    - Credit To Account 196119
  - Reduce State Allotment Receivable For State Funds Portion Only Based
    On Cash Management Report
    - Debit To Account 196119
- Reconcile Account 196119 Monthly
  - Account 196119 MUST Be Zero At Fiscal Year-End



### ARIS – Revenue Collections

- Four (4) Step End-To-End Process For Using ARIS For Revenue Collections
  - Enter Direct Journal In A/R
    - Dr. Account 101200 (Bank 3300, Account 1000)
    - Cr. Revenue
    - Fund 10200; Funding Source 07XXX
  - Submit Revenue Collections Amount Using ARIS (Receive Confirmation Number)
    - Must Be Submitted By The 15<sup>th</sup> Of The Following Month
  - Create Voucher In A/P (Voucher Posts Overnight During Batch Processing)
    - Vendor 0000377564 (State Treasurer)
    - Dr. Account 750001, Class 314
    - Fund 10200; Funding Source 07XXX
  - Record Payment Use Confirmation Number As Payment Reference
    - Record As "WIR"
    - Bank 3300, Account 1000
    - Credit To Account 101200
- Revenue Should Equal Expense



### ARIS – Other

- Request CTAS Emergency State Draw
  - Used To "Cover" Shortfalls In Fiduciary Account
  - Can Only Be Requested For Allotted State Funds
  - Should Be Used On A Limited Basis
- Notifications To OST
  - CTAS Funding Reallocation Draw
    - Manual Journal Entries For Payroll Reallocation
    - State Funds Impacted Only
  - CTAS Funding Reallocation Deposit
    - Reallocation Of Mis-Coded Deposits
    - Use Of This Should Be Rare



### Cash Management – Account Structure

- Two Accounts At OST
  - State Allotment Account
  - Fiduciary Account (Federal and Other Funds)
  - Beginning Balances To Be Determined On 02/03/14
    - SAO Will Provide Balances To Each Agency and OST
    - Each Agency Will Prepare a Manual Journal Entry To Move Cash From Account 101005 To Account 101200 (By Funding Source)
    - OST Will Establish Starting Balances In Each Account
- Funding To J.P. Morgan Chase Will Occur From Fiduciary Account
  - Funding Occurs Upon Presentment (Items Clearing)
  - OST Will Use Cash Management Report To Move State Funds From State Allotment Account To Fiduciary Account
  - Agency Required To Ensure Sufficient Funds In Fiduciary Account
  - Penalty Assessed For Overdraft Situation



## Cash Management – New Report

- New Cash Management Report In A/P
  - Report ID APXXX0435
  - A/P Report Generated Daily (Not Available Adhoc)
  - A/P Information For Account 101200 and Account 196119
    - A/P Payments, Payment Cancellations (Voids), and A/P Adjustment Vouchers
  - State Funds Separate From All Other Fund Source Types
    - Funding Source and Program Provided
  - OST Receives Same Report For All Agencies



# Using The Cash Management Report

- Cash Management Report Available On Document Direct Daily
- Agency Reviews Individual Report Each Morning
  - Account Separated By General Ledger Account (101200 and 196119)
  - State Funds
    - Agency Reduces State Allotment Receivable Based On State Funds (By Program)
  - All Other Funds (Federal and Other)
    - Agency Requests Federal Draws From Appropriate Federal Cognizant Entity (Recommended Daily; Required Every Three (3) Business Days)
    - Agency Ensures That Other Funds Expenditures Have Secured Funding
- OST Reviews Consolidated Report Each Morning
  - Account Separated By Agency and General Ledger Account (101200 and 196119)
  - OST To Move Funds From State Allotment Account To Fiduciary Account Daily



# Cash Management – Payroll Funding

### OST Responsibilities

- Reviewing Payroll Confirmed Report PYXXX018H
- Reviewing Labor Distribution Journal
  - Query Will Be Run Two (2) Days After Payroll Confirm
  - Sorted By Account 101200 and Funding Source
  - OST To Move Funds From State Allotment Account To Fiduciary Account Based On Query

### Agency Responsibilities

- Labor Distribution Release The Day After Payroll Confirms
- Reviewing Labor Distribution Journal
  - Agency Requests Federal Draws From Appropriate Federal Cognizant Entity (Recommended Daily; Required Every Three (3) Business Days)
  - Agency Ensures That Other Funds Expenditures Have Secured Funding

### Off-Cycle Payments

- No Special Process For Funding Off-Cycle Payments
- Off-Cycle Payments Attached To Next Payroll



## **Escheatment Policy and Procedure**

- Current Policy Exists
  - CM-100006 To Be Revised
  - Policy On SAO Website



## **Banking Administration**

### Positive Pay

Exceptions Must Be Checked (And Cleared) Daily

### Wire Transfers

Daily Cut-Off Time Is 10:30AM

### User Administration

- Each Agency Should Have 2-3 Administrators
  - This Allows For Dual Approval For Adding Users Or Initiating Transactions (Wires, ACH/Check Transactions Outside of TeamWorks-On An Exception Basis Only)
- Administrators Should Entitle Themselves To All Online Functions
  - If The Need Arises For A Function To Be Performed Outside Of TeamWorks, The Entitlement Already Exists



# **Agency Cut-Over List**

See Attachment



# Important Information and Reminders

#### Accounts Payable

- All Remaining Outstanding Checks Will Be Voided The Week Of 01/27/14
  - Vouchers Will Be Placed On Hold
- Interagency Payments Will Be Processed Via ACH On 02/03/14

#### ALLOT Ledger

ALLOT Ledger Will Be Changed To TRACK From CONTROL On 02/03/14

#### Allocations

- Allocations Will Be Turned Off 01/29/14
  - Final Cleanup Of 102400 Account To Occur

#### Vendor Management

 SAO Will Update Each CTAS Agency's Vendor Master File With Their New Bank Account Information On 02/03/14

#### Reminders

- Online Security Forms Due To SAO On 01/24/14
- J.P. Morgan Online Access Training Completed By 01/24/14
- Scanners Should Be Set Up and Training Should Be Received By 02/07/14
  - Check Deposits Should Not Be Made Until Scanner Is Set Up



### **Next Steps**

- User Acceptance Testing (UAT)
- Stabilization Calls
  - Daily Calls During Week Of Go-Live
  - Weekly Calls After First Week
- Bank Reconciliation Training
  - February 19, 2014

