

**State Accounting Office  
CFO Meeting (Tier 1 & Tier 2)  
May 19<sup>th</sup> & May 21st**

I. Introductions

- II. Greg Griffin, State Accounting Officer, provided an update from last month's CFO meeting.
- SAO Partnership Program- All of the SAO partners should have contacted their partnering agencies within the last two weeks.
  - Feedback received from agencies regarding the new program has been positive and SAO will be reviewing all the comments and issues discussed with the partnering agencies.
  - Greg stated that the benefits of the program are not only open communication between SAO and external agencies. Communication has improved internally among SAO resources which will increase our level of customer service and satisfaction.
  - Please contact Kris Martins ([kmartins@sao.ga.gov](mailto:kmartins@sao.ga.gov)) if you have not heard from your SAO partner yet.

III. Communications

- In an effort to ensure the appropriate people are receiving communications, agencies are asked to verify their contact information sheets and submit changes to [SAO\\_Communications@sao.ga.gov](mailto:SAO_Communications@sao.ga.gov).
- A draft policy was forwarded to agencies two weeks ago regarding the monitoring of open audit findings in connection with the Single Audit Report process. A quarterly status report will be due from agencies, effective with Q1FY10.
- Comments on the draft policy are due to the SAO by the end of the month.
- A communication regarding program based budgeting (PBB) was released. PBB will reinstate the budget reference field into PeopleSoft (FY10). SAO has begun the testing phase for this enhancement. Mid-June is the anticipated implementation date.

Questions that were addressed?

1. **Will the budget ref populate for prior year open PO's?** No, the budget reference will not be retroactive, but will begin with FY10.
2. **Will the budget reference cause any problems when making a payment from a prior year?** No, after the payment is processed, it will show on reports as "Prior" to indicate it was before FY10.
3. **How are interfaces being addressed?** As to concur with response, interfaces will be addressed in system changes. As SAO works towards future enhancements, we will inform agencies if that is something that will occur at a later time.

- A GASB 51 (Accounting for Intangibles) communication was forwarded to agencies this week. This new accounting pronouncement is effective the beginning of FY2010. Agencies that will be impacted by intangible assets are asked to complete the short survey and return to SAO. Workshops and presentations are under development to help implement this process next year. Surveys are due back from agencies by June 15<sup>th</sup>.
- A GASB49 (Pollution remediation) communication went out a couple of weeks ago reminding agencies of the survey due date. Agencies with outstanding responses should respond to the survey by Friday, May 22, 2009. SAO resources have already begun meeting with agencies that may have impacted by this issue. This standard is effective for FY 2009 and work should already be under way for agencies that have liabilities to calculate and report. If you have any questions, please contact Rotimi Omotoso at [romotoso@sao.ga.gov](mailto:romotoso@sao.ga.gov).

#### IV. Year –End Updates

- Greg asked for input about issuing a year-end cut-off memo. This is being researched by SAO and the agencies will be notified if one is going to be created for FY2009 close.
- The year-end closing schedule that is posted on the website is final. SAO will commit to reviewing and possibly creating several closing schedules for the future to address various unique agency closing processes.
- Customized year-end packages will be sent to the Fiscal Officers and the CAFR contacts on file prior to June. Year -end forms will be available on the SAO website by the end of the week. Three forms will not be included in the original year-end package to agencies (GASB 49, Fund Balance and CIP). Notifications will be made once these forms are completed and/or revised.
- New FY09 requirements - Two signature pages are included in the year-end documents. (1) Acknowledgement that specific agencies received the year-end information. (2) A required signature regarding the management representation letter back to SAO when all financial information is completed and submitted.
- Many budget fund agencies should have received an email from Chuck Hoover on behalf of SAO Reporting group regarding a Fund Balance reconciliation form. The purpose of the form is to assist in identification of the form and timing of “top-side” or “post closing entries” for FY08 that were posted to the agency’s general ledger in FY09. Agencies need to make sure they recorded carryover entries for this year. The deadline to complete this form and submit to SAO is June 1<sup>st</sup>. Please contact [SAO\\_Reporting@soa.ga.gov](mailto:SAO_Reporting@soa.ga.gov) if you did not receive this email.
- Training sessions are currently being developed for year-end forms. There will be one course dedicated to training on the Fund Balance form, with multiple classes being offered at various times to accommodate schedules. Face-to-face classes will be held for complex forms like fund balance, leases and capital assets. Web-based

training will be developed for other less complex forms. Additionally, Q&A sessions are being planned in which agencies with questions can personally visit or contact SAO to discuss how to properly complete the forms. In order to make the training as productive as possible, please communicate specific issues/problems your agency had in completing the year-end forms in prior years. Please provide feedback to Kris Martins at [kmartins@sao.ga.gov](mailto:kmartins@sao.ga.gov).

V. Stimulus (ARRA)

- Joann Chance recently joined SAO and will be spearheading the ARRA tracking for agencies.
- Joann gave an overview of a recent meeting with the Government Accountability Office (GAO).
- The GAO focused on the importance of documenting risk mitigation and internal controls programs. Agencies were reminded that they are ultimately responsible for overall accountability for their ARRA funds. Agencies were encouraged to review and update internal controls in anticipation of receiving Stimulus funding.
- Two inter-agency ARRA reporting groups were formed to develop a statewide approach to track and report ARRA funds – A Technology group and a Governance group. The SAO will be evaluating alternatives and strategy to implement a long-term solution to ensure consistent, timely and accurate reporting of ARRA funds. In the interim, agencies will use the ARRA Reporting Tool that is located on Depart. Of Audits website for reporting purposes.
- Agencies requiring additional information about ARRA implementation efforts, or 1512 reporting workgroups, etc., please contact Joann Chance at [jchance@sao.ga.gov](mailto:jchance@sao.ga.gov).
- SAO is considering developing an internal control program and guidance document for agencies. Feedback regarding this potential project should be communicated to Greg Griffin at [ggriffin@sao.ga.gov](mailto:ggriffin@sao.ga.gov).

VI. Direct Deposit

SAO is evaluating direct deposit for all state employees. Implementation efforts would likely focus on requiring new hires to be on direct deposit. If the employee does not have access to a bank account, a paper check will be processed. The SAO is aware of differences in implementing direct deposit with some agencies requiring a minimum level of accumulated leave balance. Additional considerations that may need to be addressed in such a new policy should be forwarded to Greg Griffin at [ggriffin@sao.ga.gov](mailto:ggriffin@sao.ga.gov).

VII. Miscellaneous

- Greg distributed information regarding a vendor that supplies “Forms Management.” If interested in this product, please contact Greg Griffin at [ggriffin@sao.ga.gov](mailto:ggriffin@sao.ga.gov).
- Greg encouraged all attendees to read the “Georgia in Perspective” which has current information and statistics about the demographics in Georgia. The document is issued by Governor’s Office and can be located at: [http://www.opb.state.ga.us/media/10681/georgia\\_in\\_perspective-2009.pdf](http://www.opb.state.ga.us/media/10681/georgia_in_perspective-2009.pdf)
- Greg encouraged participants to read the latest bond rating agency reports (located on SAO website) that were issued in connection with the recent bond issuances. The document highlights the importance of items that impact the State’s bond ratings, including financial reporting practice improvements and the timeliness of issuing the CAFR. Greg emphasized the importance of adhering to CAFR production dates and holding each other accountable in order to issue a timely FY09 CAFR.

VIII. General Discussion

- (Tier I) Agencies discussed the cumbersome process that staff encounters when mileage rates change mid-year and become retroactive. SAO will consider this feedback in future revisions to the Travel Policy but acknowledged that legislative changes may need to be made.
- (Tier I) Agencies discussed that due to possible resource constraints, agencies may be impacted on meeting the CAFR reporting schedule. Agencies are encouraged to notify SAO well in advance of any potential issues with the CAFR production schedule and deliverables due dates.
- (Tier II) One agency asked if SAO has thought about requiring electronic payment to vendors as a means to cut costs. SAO has not addressed this issue recently, but acknowledged it is a good idea.

IX. Next Meeting

- Tier I – Tuesday, June 16<sup>th</sup> 1 PM – 2:30 PM (SAO offices)
- Tier II – Thursday, June 18<sup>th</sup> 9:30 AM – 10:30 AM (Conference Call)
- Potential Agenda topics
  - Greg has asked Carl Vinson Institute of Government to speak at the next CFO meeting about training objectives.

LIST OF AGENCIES IN ATTENDANCE

Georgia Bureau of Investigation  
Subsequent Injury Trust Fund  
Dept. of Early Care & Learning  
Dept. of Transportation  
Dept. of Natural Resources  
Dept. of Human Resources  
Dept. of Corrections  
Judicial Branch  
Dept. of Community Health  
Dept. of Education  
GA State Financing & Investment Commission  
Juvenile Justice  
North Georgia RESA  
Northeast RESA  
Northwest Georgia RESA  
Southwest Georgia RESA  
Metro RESA  
Griffin RESA  
Lottery Corporation  
Soil and Water Conservation Commission  
Environmental Facilities Authority, Georgia

Dept. of Administrative Services  
Pardon & Pardons  
Economic Development  
Banking & Finance  
Forestry Commission  
Dept. of Agriculture  
GA Building Authority  
Audit & Accounts  
Dept. of Technical & Adult Education  
Office of Planning & Budget  
Veterans Services