

SECTION 1: Overview

Overview to AKSAS and the Accounting Procedures Manual

ALASKA STATEWIDE ACCOUNTING SYSTEM

The Alaska Statewide Accounting System (AKSAS) is a mainframe application established pursuant to authority vested in the Department of Administration by AS 37.05.140 and other statutes. AKSAS is maintained by the Division of Finance and used by authorized individuals to manage and track the state's financial resources. It is designed to present fairly and with full disclosure the financial position and results of financial operations of the funds and account groups of the state in conformity with generally accepted accounting principles (GAAP).

The effectiveness and efficiency of AKSAS depends directly upon agency accounting personnel. It is their responsibility to ensure that transactions are submitted promptly, recorded correctly, and management information is produced as required. AKSAS provides the flexibility to meet all departmental accounting needs without requiring duplicate accounting systems.

AKSAS provides for online input of transactions or when appropriate it can accept transactions generated by outside systems via a batch interface. Batch interfaces are used to load payroll warrants and charges, welfare warrants, medical assistance payments, and payments for a wide variety of other state entitlement programs. All transactions regardless of the original source are held in a suspense file and then processed overnight as part of the production batch schedule.

AKSAS Components

AKSAS is composed of multiple subsystems that interface with each other. These subsystems incorporate file management processes, management reporting facilities, online data entry, and online inquiry to provide minimum processing turnaround time and timely management and financial information.

Data Entry Subsystem

The Data Entry Subsystem uses online programs to process a variety of financial and structural transactions submitted by AKSAS users. Users enter transactions in batches through online data entry. Each transaction is edited online to detect the majority of transaction errors at the time of data entry. Certain edits such as appropriation balance checks are not done online because of the processing inefficiencies that would result.

Once a transaction is entered online, it simultaneously appears on all appropriate certification and authorization screens. Transactions can be viewed online by the input user until successfully processed or deleted.

Structural Transaction Processor

The Structural Transaction Processor (STP) processes transactions to update reporting structures contained on the Entity Structure File (ESF) and the Collocation Code/Ledger Code File (CLF). These reporting structures are the foundation of management reporting capabilities in AKSAS. For more information regarding AKSAS structures, refer to *Section 3: AKSAS Accounting*.

Financial Transaction Processor

The Financial Transaction Processor (FTP) processes all financial transactions entered in AKSAS including transactions entered through online data entry and transactions originated outside of AKSAS. Financial transactions include transactions to pay vendors, encumber funds, record the receipt of cash, recognize revenue, establish appropriation and management budgets, and adjust account balances through journal entries.

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Financial Posting/Rollup Subsystem

The Financial Posting/Rollup Subsystem maintains the central repository of financial information, the Financial Master File (FMF), and creates the Management Report File (MRF), which is available for online and batch reporting. Monday through Thursday amounts processed that day are posted to existing structures. This process is called “net-change rollup.” On weekends the MRF is totally rebuilt using all data recorded in the Financial Master File (FMF) and changes made by the Structural Transaction Processor (STP) which may have affected higher-level summarization are included. This process is called “rollup all.”

Reporting Subsystem

The Reporting Subsystem contains all online inquiry and hard copy reporting features of AKSAS. Most AKSAS reports are generated based on user-defined criteria identifying the report type and selection criteria, when the report should be created, who should receive the report, and where the report should be printed.

System Maintenance Subsystem

The System Maintenance Subsystem contains processes necessary to administer the operations of AKSAS including System Management File (SMF) Maintenance, which is an online facility used to update SMF tables that control the overall processing of AKSAS. SMF tables are maintained by the Division of Finance. This subsystem also includes Year End Processing, which creates copies of the reporting structures for use in the next year, adjusts appropriation balances at the end of the fiscal year, and closes the accounting records for the fiscal year.

Accounting Structures

Accounting structures are the framework of AKSAS. The structures provide the mechanism for holding financial information in accordance with the statewide budget and for annual financial reporting. The accounting structures also allow agencies to keep track of activity for agency-specific accounting and reporting, such as federal reporting and cost accounting.

Entity Structures

AKSAS has seven financial reporting structures (fund, appropriation, organization, program, project, contract, and grant); six account structures (assets, liabilities, fund equities, restricted revenues, unrestricted revenues, and expenditures); and an RD code structure. Structural entities, along with System Management Files in AKSAS, contain the required and optional controls for recording financial activity.

Accounting structures (also referred to as reporting structures or entities) are designed for detailed AKSAS management reporting. The structures have logical levels and reports-to relationships in order to summarize financial information at different levels to meet federal and other reporting requirements. The hierarchical relationships that structural entities have to one another result in what is called an indented structure. All entity structures consist of five-digit codes and are maintained on the Entity Structure File (ESF).

Collocation Codes/Ledger Codes

AKSAS uses collocation codes and ledger codes to record financial data to the reporting structures. Collocation codes are required and identify the fund, appropriation, organization, and internal program to which financial activity is recorded. Ledger codes are optional and identify the project, contract, and/or grant to which financial data is recorded.

Collocation codes and ledger codes are identified by eight-digit codes and are maintained on the Collocation Code/Ledger Code File (CLF). Collocation codes are the means by which financial information flows into the reporting structures. They are not accounting structures and do not have hierarchy or reporting relationships to each other.

Entering Transactions in AKSAS

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All AKSAS users are assigned RD (responsibility/distribution) codes and passwords to provide security access to AKSAS. RD codes are defined in the RD code structure, which identifies each RD code by name and address. Agencies define their own RD code structures by function, organizational groups, individuals, etc., according to the way they use AKSAS.

Users enter transactions through online data entry. Each transaction has a unique, system-assigned identifying number called a Abatch-sequence@ number. Separate batches are maintained for entering financial or structural transactions. Transactions are edited and corrected online and submitted for certification and authorization as appropriate. Once certified and authorized, transactions are selected for overnight financial processing on or after the batch effective date.

Financial Transactions

Financial transactions are recorded as the result of receipts of cash collections, invoices to be paid, budget documents, or other activities with a financial impact on agency operations. Source documents are prepared following agency procedures and statewide policies.

Receipts include estimated and actual revenues. Estimated revenues are recorded as encumbered revenue or accounts receivables and maintained in AKSAS as open items that can be adjusted and fully or partially liquidated. Actual revenues are recorded through agency receipt open items that define how the revenue should be recorded.

Expenditures include planned and actual expenditures. Planned expenditures are recorded as encumbered expenditure, accounts payable, scheduled payment, or reimbursable services agreement (RSA) open items. Actual expenditures are recorded through disbursements that partially or fully liquidate open items or record unencumbered expenditures. Disbursements are made through warrant requests, electronic payments, and wire transfers.

Budgetary transactions include appropriation budgets and management budgets. Appropriation budgets record the authorized amount for an appropriation by revenue and expenditure classifications. Management budgets are two alternate budgets that can be recorded for any of the reporting structures.

Journal Entries are balanced debit and credit entries used to correct previous transactions, record interentity transfers or cost distribution activities, and for fund management.

Online screens for financial transactions contain required and descriptive fields and financial lines. The financial lines identify the financial structures to which the transaction is recorded. Open item transactions also contain reference lines to provide additional reporting cross references.

ACCOUNTING PROCEDURES MANUAL, FINANCIAL TRANSACTIONS

The Accounting Procedures Manual, Financial Transactions volume provides general information and detailed procedures for recording financial transactions in AKSAS.

Manual Sections

Section 1: Overview - Provides an overview to AKSAS and information about the contents and structure of this Manual.

Section 2: AKSAS Security & Authority - Provides a general overview and detailed procedures for obtaining security access to AKSAS, signing on to and off of AKSAS, maintaining passwords, obtaining source RD transaction authority, and obtaining access to transactions input by other RD codes. This section also provides procedures for authorizing employees as certifying officers and approving officers.

Section 3: AKSAS Accounting - Provides general information about AKSAS processes and financial reporting

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structures in AKSAS.

Section 4: Financial Transactions & Batch Processing - Discusses the format and use of AKSAS financial transaction data entry screens and the use of function (PF) keys associated with the screens. This Section also provides an in-depth description of fields that are common to many AKSAS financial transactions and provides detailed procedures for maintaining financial batches and transactions.

Section 5: Budgets - Provides a general overview of the budget process in AKSAS and detailed procedures for processing appropriation and management budget transactions.

Section 6: Revenue - Provides a general overview of and detailed procedures for processing revenue transactions in AKSAS including procedures for establishing and changing encumbered revenue, agency receipts, treasury receipts, and accounts receivable open items; recording treasury journal entries and year end accounts receivables; and processing federal grant drawdowns.

Section 7: Expenditure Open Items - Provides a general overview of and detailed procedures for processing expenditure open item transactions in AKSAS including procedures for establishing and changing encumbered expenditure, scheduled payment, and accounts payable open items.

Section 8: Payments - Provides a general overview of and detailed procedures for processing payment transactions in AKSAS including general warrant requests, field warrants, handwritten warrants, electronic payments (EDI), and wire transfer disbursements. This Section also includes procedures for processing warrant status change transactions and for the inventory of field warrant stock.

Section 9: Journal Entries - Provides a general overview of and detailed procedures for processing journal entries transactions in AKSAS including procedures for recording journal entries to correct erroneous transactions, transfer funds between agencies, clear warrants posted to suspense, and correct warrants recorded incorrectly during the reappropriation period. This Section also includes procedures for processing journal entries to record time and equipment data in AKSAS.

Section 10: Vendors - Provides a general overview of and detailed procedures for processing vendor transactions in AKSAS including procedures for using online vendor inquiry to search for a vendor number, and for adding and changing vendor records.

Section 11: Travel, Moving and Mileage - Provides procedures for completing Travel Authorizations (TAs) for reimbursement of travel, mileage, and moving claims, and for processing and payment of such claims. It also provides guidance on procuring transportation associated with such claims.

Section 12: Reimbursable Services Agreements - Provides a general overview of and detailed procedures for both the requesting and servicing agencies to process reimbursable services agreements (RSA) including guidelines to determine when an RSA is necessary and procedures to complete the RSA form, to record an RSA open item, and to execute a payment or billing for the RSA. This Section also includes procedures for processing amendments to, and closing out, RSAs.

Section 13: Fund Accounting - Provides a general overview of accounting for the various funds managed by the state.

Section 14: Special Processes - Provides procedures for special processes in AKSAS. This Section includes procedures for *1099 Tax Reporting* which provides a general overview of and procedures for using the TR - Tax Reporting function available on the AKSAS Main Menu.

Appendix - Contains AKSAS error messages, descriptions, and corrective action. This Section also contains other AKSAS information such as source system IDs and posting types.

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Glossary - Contains an alphabetical list of all terminology provided in each Section.

Section Structure

Each section begins with an overview that summarizes the general information, authority, terminology, AKSAS transaction screens, forms, and reports required to understand the procedures contained in the Section. Detailed procedures follow the overview. Each procedure includes general information and step-by-step data entry procedures for completing the AKSAS transaction screen. Each procedure also includes a Screens and Field Entry Tables subsection. This subsection contains a view of the AKSAS transaction screen and a screen field entry table listing the field names, field values, and comments for each screen discussed in the procedure.

Conventions Used in This Manual

Throughout this manual certain conventions are used:

Field Names - All data entry field names appear in uppercase, exactly as displayed on the AKSAS transaction screens.

Field Entries - Specific field entries appear in bold uppercase.

Function Keys - All keyboard keys used are identified by brackets, such as <PF1> or <Enter>.

Section Reference - References to procedures or sections in the manual appear in italics. References to other manuals or statutes also appear in italics.

Using This Manual

Use this manual as a training manual for new employees and as a resource manual for experienced AKSAS users. Accounting staff should refer to this manual when questions regarding AKSAS procedures arise. If a procedure is unclear or is not found in this manual, make note of the procedure and section that needs updating or clarification and contact the Division of Finance, Systems Administration.