

SECTION 3: AKSAS ACCOUNTING

Overview

INTRODUCTION

Section 3: AKSAS Accounting provides general information about the processes and financial reporting structures of the Alaska Statewide Accounting System (AKSAS). AKSAS is a mainframe application maintained by the Division of Finance and used by authorized individuals to manage and track the state's financial resources.

AKSAS conforms to rules established by the Governmental Accounting Standards Board (GASB); the Department of Administration, Division of Finance; and department commissioners, directors, and finance officers. These rules provide budget and spending controls and ensure financial information is presented fairly and fully discloses the financial position and results of financial operations of the funds and account groups of the state.

AUTHORITY

General Accepted Accounting Principles (GAAP)
Federal Laws and Regulations
Alaska Statutes
Alaska Administrative Manual

TERMINOLOGY

Account Structures - Maintain the real and nominal accounts according to fund accounting and reporting requirements and generally accepted accounting principles (GAAP). The Division of Finance sets up and maintains the account structures.

Appropriation Structure - Maintains the statewide budget for the fiscal year. The Office of Management and Budget (OMB) and the Division of Finance oversee the recording of the budget to the appropriation structures. Agencies can add lower level appropriation entities to manage and control spending and to record receipts.

Collocation Code - An eight-digit code that identifies the accounting structure (fund, appropriation, organization, and internal program) and links the appropriation to the fund through which the appropriation's financial activity is authorized.

Contract Structure - Agency-assigned entities used to record and report financial activity on an inception-to-date basis across multiple fiscal years or federal fiscal years. Contracts can be maintained as subsidiary ledgers to provide detail by contractor or subgrantee of installment payments according to the contract budget.

Financial Reporting Structure - A hierarchy consisting of individual entities created to account for and report detail financial activity.

Fully Qualified Account (FQA) - Refers to the financial coding entered in financial transactions. The FQA consists of the mandatory set-up year, collocation code, account code, and federal fiscal year. The FQA also contains the optional program and ledger codes.

Fund Structure - Used to maintain the assets, liabilities, and equities of the state in accordance with state statutes and generally accepted accounting principles (GAAP). All financial activity of the state is accounted for within a fund.

Grant Structure - Agency-assigned entities used to record and report on financial activity on an inception-to-

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date basis across multiple state fiscal years or by federal fiscal year.

Indented Structure - The hierarchical relationships that structural entities have to one another.

Ledger Code - An eight-digit code used for agency-specific accounting and reporting, such as cost accounting and federal reporting. Ledger codes identify the project, contract, and/or grant structure to which financial activity is recorded.

Logical Level - The available summarizing levels for a reporting structure identified by level name and number. Up to 99 levels are available for a structure.

Net-Change Rollup - A daily (Monday - Thursday) process of adding that day's financial activity to the Management Report File (MRF).

Nominal Accounts - The expenditure and revenue accounts used to report the results of operations.

Organization Structure - Used to maintain the management and reporting hierarchy for each of the state agencies to summarize appropriation activity along organizational lines. Financial activity is recorded to the organization structure through collocation codes.

Program Structure - Agency-assigned entities used to keep track of financial activity across appropriation and organizational lines. Financial activity is recorded to the program structure through collocation codes or by entering the program code in the financial line of coding.

Project Structure - Agency-assigned entities used to record and report financial activity on an inception-to-date basis across multiple state fiscal years or by federal fiscal year. Financial activity is recorded in the project structure through ledger codes.

Real Accounts - Used to maintain the balances of the assets, liabilities, and equities of the funds of the state.

Reports-to Relationship - Defines the exact location of an entity in a structure by specifying the next higher-level entity through which its activity is summarized or controlled. Also referred to as the "points to" relationship.

Rollup All - A weekly process of creating a new Management Report File (FMF) with data contained on the Financial Master File (FMF).

AKSAS TRANSACTIONS

A variety of financial and structural transactions are used to record data in AKSAS. Refer to the individual sections in this manual for procedures on recording financial transactions.

REPORTS

AKSAS provides a variety of online and hard copy reports. Refer to the Overview in each Section of this manual for a list of available reports for a particular function or transaction.