

MEMORANDUM

STATE OF ALASKA
Department of Administration

To: All Agencies
Date: September 30, 2009
From: Annette Kreitzer *Kreitzer*
for Commissioner
Department of Administration
Phone: 465-2200
Subject: Administrative Manual

STATE ADMINISTRATIVE MANUAL—TRANSMITTAL NUMBER 64

The following sections within the Alaska Administrative Manual are being revised with this transmittal letter effective October 1, 2009.

Expenditures

AAM 35.100 – Prepayment of Charges, Contracts, and Lease Payments. Revised the prepayment threshold from \$100,000 to \$1,000,000 in which agencies should notify Treasury Division for fiscal review.

Payment Methods

AAM 38.180 – Forgeries. Added the process related to Alaska Permanent Dividend Division forgeries.

Revenue

AAM 40.010 – Revenue Term Definitions. Expanded the definition of “abatements” to include recoveries under performance bonds for budget purposes only. These recoveries restore an existing appropriation, and their expenditure is authorized by the original appropriation that paid for the performance bond. However, if they are material, they must be recorded in the Comprehensive Annual Financial Report. Agencies should contact the Division of Finance in these cases.

Cash

AAM 50. This section had minor grammatical and wording changes to agree with current terminology and practice within 50.010, 50.020, 50.050, and 50.120.

AAM 50.030 – Control. This section was revised to include the safeguard of physical items deposited via imaging.

AAM 50.040 – Receipt of Cash Payments. Revised the requirement of triplicate prenumbered receipts to the current practice of duplicate prenumbered receipts.

AAM 50.070 – Restrictive Endorsements. Revised to include the updated restrictive endorsement components prescribed by the Treasury Division to be used on negotiable instruments received by the State.

AAM 50.090 – Transfer of Cash. Revised the example to replace locked bank pouch with tamper-evident sealed bank pouch.

AAM 50.100 – Frequency of Deposits. Updated for the process of Direct Drop deposits using tamper-evident poly bags, which have replaced the locking canvas banking bags in the banking industry. Revised the deposit slip requirement to reflect the duplicate receipts as revised in 50.040.

AAM 50.110 – Depositing Intact. Added section disallowing the exchange of cash receipts for cashier's checks, and reference to the relevant laws prohibiting this. Expanded section to describe the exception to the deposit intact requirement, that foreign and nonconforming items must be segregated out and physically deposited separately.

AAM 50.115 – Clearing Treasury Receipts. Added new section establishing timely liquidation policy, within 30 days, for Treasury receipts, or they will be deemed delinquent. Memorialized year-end policy which requires State agencies to liquidate all Treasury receipts for the prior fiscal year by the third week of July without exception.

AAM 50.140 – Remote Deposit Capture. Changed the name of this section from "Lockbox" to Remote Deposit Capture. Updated to describe the new Remote Deposit Capture (RDC) process which utilizes a scanner to capture the images of the checks to be deposited and transmits the images to the bank electronically. This process will be utilized by agencies with a large volume of check deposits as required by the Treasury Division Cash Management Section.

AAM 50.200 – Dishonored Checks and Charge Adjustments. Revised section to include images of checks, require that agencies zero balance their NSF suspense accounts each fiscal year, and establish a \$5 threshold for processing agency requests for deposit correction adjustments.

AAM 50.210 – Petty Cash and AAM 50.220 – Change Funds. Added guidance when a petty cash or change fund is temporarily suspended due to circumstances in which it will not be utilized for a period of 60 days or more. In these cases, the cash should be deposited back into the fund from which it was originally drawn, and a request to replenish the fund should be submitted when the time frame of the temporary suspension is over.

Travel

AAM 60.020 – Travel Definitions. Clarified that discretionary tips are included in M&IE, and that any incidental expenses charged to a State credit card will be deducted from M&IE.

AAM 60.040 – Travel Approvals. Replaced “all estimated costs” with “a total not-to-exceed amount” for approval required in advance of purchase. Added requirement for re-approval at the same level before traveler reimbursement is approved if total cost of travel exceeds the amount approved in advance by more than 10%.

AAM 60.070 – Travel Advances. Deleted warrants as an approved method for making travel advances, but added language broadening agency authority to make exceptions when circumstances justify.

AAM 60.250 – Meal and Incidental Expense Allowances. Clarified that discretionary tips are included in M&IE.

In addition, the following forms were also updated to reflect the increased federal per diem rates for out-of-state travel that are effective October 1, 2009:

- Alaska Per Diem Rates
<http://fin.admin.state.ak.us/dof/travel/resource/rates.pdf>
- M&IE Alaska and CONUS Rates
http://fin.admin.state.ak.us/dof/sto/resource/M&IE_AK_&_CONUS_Rates.pdf

You should keep this memorandum, as well as future transmittal memorandums, in your manual for reference.

AK/lp