



# Utah Division of Finance

Newsletter for State Accounting  
& Budgeting Professionals  
May 2019

## In This Issue:

- New Assistant Directors for the Utah Division of Finance
- Post-Audits
- Purchasing Card Reminders for Users and Approvers
- Mass Change Process
- Receivables Write-Offs (Office of State Debt Collection)
- 2019 Meeting Dates for Budget & Accounting Officers and Agency Coordinator Team



### New Assistant Directors for the Utah Division of Finance

The Utah Division of Finance has two new Assistant Directors. Janica Gines is the Assistant Director over Financial Reporting and Operations. Jerry Gearheart is the Assistant Director over Technology and Systems.



## POST-AUDIT

By Internal Control Team

The Division of Finance conducts post-audits on a sample of payments on a quarterly or semi-annual basis. The division performs the audits to determine whether state agencies and their employees have complied with state laws, rules, policies and procedures. Audit exceptions are reported to the agency.

Over the past two years, the post-audit team in State Finance has utilized data analytics to increasingly tailor the post-audit samples of disbursements. By utilizing the entire population of FINET payments and reducing sampling of payments that have a lower risk of error, a larger percentage of higher risk transactions are identified and included in the samples. The analytics process has resulted in an increase in the number of exceptions received by State agencies because the sample payments are now more targeted and less random than in the past. Another factor that has caused an increase in exceptions is an expansion of the number of policies that are reviewed for compliance when payments are audited.

The intent of the post-audit function is to provide additional assurance to the quality of accounting within the State. As the team continues to improve analytics, the nature of exceptions may evolve. If there are any questions regarding any findings on a post-audit report, please contact your assigned post-auditor, Debbie Empey ([debbieempey@utah.gov](mailto:debbieempey@utah.gov)), or Cory Weeks ([cweeks@utah.gov](mailto:cweeks@utah.gov)).

# Purchasing Cards



## PURCHASING CARD REMINDERS FOR USERS AND APPROVERS

By Internal Control Team

Finance policy FIACCT 05-15.00 outlines the specific purchasing card (P-card) policies. **Please note that all other Finance policies related to purchases should still be followed when using a P-card**, including purchasing policies (FIACCT 04-xx), payment policies (FIACCT 05-xx), and travel policies (FIACCT 10-xx). The following reminders are based on best practices identified by the Finance post-audit team related to P-Card transactions:

P-card users should **learn and review purchasing policies PRIOR to making purchases** with their P-card. A common mistake is not obtaining bids or quotes prior to purchasing, when required.

P-card users should **learn and review all applicable travel policies PRIOR to traveling**. Certain travel policies require action prior to the trip (or during the trip if problems occur causing travel plans to change). A common mistake is not going through the State Travel Office to book out-of-state hotels and rental cars.

P-card users should **learn and review all applicable payment policies prior to making purchases**, to ensure the purchases comply with policies. Common mistakes include:

- Recording payments in the wrong fiscal year. Typically, the July P-card statements include purchases for goods/services from both old and new fiscal years.

- Not documenting both the signature of the person receiving the goods/services and the date good/services were received. The date is essential since the date the goods/services are received determines which year the goods/services are required to be booked in FINET for accurate financial reporting. NOTE: For P-card purchases only, signature and date of goods/services received is not required for over-the-counter purchases.
- Not obtaining the supervisor's signature on the P-card log, an important internal control procedure because it documents that the log has been reviewed and reconciled to receipts and the credit card statement.
- Not providing a detailed receipt that includes the items purchased along with the credit card receipt that only includes the total dollar amount and not the items purchased.
- Not completing the Purchasing Card Missing Receipt Form when a receipt is missing, or using an outdated form which doesn't follow current policy, which requires signatures of the cardholder, manager, and finance director (and Director of State Finance if amount of over \$100).
- Not obtaining prior authorization from the Director of State Finance for the purchase of gift cards.

P-card approvers should **be knowledgeable of all purchasing, payment, and travel policies**. Common mistakes include:

- Failure to review completed P-card logs.

- Improper approval of travel purchases made with a P-card.
- Not reconciling and approving P-card IETs in FINET within 30 days of the P-card statement date. One important reason for having P-cards entered timely (as well as travel reimbursements submitted timely within 45 days from the date of returning from the trip) is that it helps enable approvers to verify travel transactions are not duplicated.

Agencies should ensure P-card users and approvers are adequately trained and knowledgeable of all current policies applicable to P-card purchases. Current Finance FIACCT policies are available on the Finance website.

If there are any questions or concerns, please contact Debbie Empey ([debbieempey@utah.gov](mailto:debbieempey@utah.gov)), or Cory Weeks ([cweeks@utah.gov](mailto:cweeks@utah.gov)).



Twice a year the Division of Finance allows agencies to make a mass change to their coding block. This generally occurs in June and September for adjustments that need to be made for the new state fiscal year and for the new federal fiscal year, respectively. The mass change process allows agencies to make changes to their coding block that will update personnel charge codes in the State Payroll and DHRM systems, ELCIDs for DTS data processing and phone, as well as ELCIDs for Fleet billings. This is an extremely efficient way to make coding changes once that will update multiple systems. If agencies don't take advantage of the mass change process, they will have to make changes individually for each code string in each of the above listed systems. Therefore, the Division of Finance highly recommends that agencies take advantage of the mass change process. The Division of Finance FIS team will send out an e-mail

with instructions on the mass change process prior to the June and September change windows. If you have any questions, please contact either Marci Soper ([msoper@utah.gov](mailto:msoper@utah.gov)) or Jerry Gearheart ([jgearheart@utah.gov](mailto:jgearheart@utah.gov)).

## WRITE-OFFS

Every year, the Office of State Debt Collection (OSDC) receives requests to write-off receivables. The process surrounding write-offs is cumbersome, as it works through different levels of the Division of Finance to review the collectability of the underlying debts as well as the effects of the write-off request on the books of the State. In order to ensure your write-offs are processed within this fiscal year, please send Rob Johnson ([robjohnson@utah.gov](mailto:robjohnson@utah.gov)) your request as soon as possible, but no later than June 10th.

Additionally, OSDC is working on cleaning up the inventory of receivables assigned to them and will be requesting additional write-offs for noncollectable accounts. These debts have passed their statute of limitations for collection efforts. As such, in order to accurately portray the accounts receivable of the State, these accounts should be removed from our reporting. This process will take time, but the Division of Finance asks for agency support in this clean-up effort.

## Upcoming Meetings

**June 19, 2019**

**August 21, 2019**

**October 1, 2019**

**November 20, 2019**

**Budget & Accounting Officers Meeting**

**Agency Coordinator Team (ACT) Meeting**

**Agency Coordinator Team (ACT) Meeting**

**Agency Coordinator Team (ACT) Meeting**

Meeting handouts and training schedule are available on the website: <https://finance.utah.gov/user-groups/>

## Website

[finance.utah.gov](http://finance.utah.gov)

Finance Support

[financesupport.utah.gov](http://financesupport.utah.gov)

### Mailing Address:

Utah Division of Finance  
State Office Building, Suite 2110  
450 N State Street  
Salt Lake City, Utah 84114



