

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES
January 27, 2000

In attendance:

Steve Allison, SCO, Chairperson
Dave Tolman, DFM
Kristi Kelly, SCO
Jane Wright, P&R
Tom Wilkerson, DOI
Larry Kirk, LSO
Kathy Chase, ITD
Robin Haley, TAX

Agenda 1: **Minutes** were approved.

Agenda 2: **Software Capitalization:** Memo drafted from J.D. for committee to review. Jane would like summary of SOP 98-1 to be included in memorandum. Steve said he would include the summary in the memo.

Agenda 3: **Dollar Limits:** Concerns on raising the inventoriable limits to \$2000 is the perception of the public thinking we won't manage items less than this cost. Letter from Steve was handed out giving background, discussion, consideration, accountability, analysis, and recommendation. It is recommended that the limit be increased to \$2000. An agency would still be allowed to inventory items in more detail, if they chose too.

Agenda 4: TBA. Angie billings will attend next meeting and review changes made to the **Fixed Asset** section of the FPAC Manual.

Agenda 5: Dave handed out draft of policy for "**Prior year adjustments**". This handout is to give direction to agencies. Dave will add TC's.

Special agenda: **Taxable Fringe Benefits** need to be added back on the agenda. Steve will get clarity from Ann Heilman about taxable fringe benefits.

Meeting adjourned at 2:15. Next meeting February 24, at 1:15.

FPAC POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, FEBRUARY 24, 2000

To add items to the agenda, contact:

Steve Allison, SCO 334-3150 sallison@sco.state.id.us
Dave Tolman, DFM 334-2883 dtolman@dfm.state.id.us

Agenda items:

Approve/disapprove minutes
Dollar limit on items that should be inventoried.
General Fixed Assets: Angie Billings
Taxable Fringe Benefits-review draft from Dave Tolman
Review Mission Statement and Vision. Decide if Payroll, Personnel, and Human
Resources are in or out.
Discuss having FPAC meetings every two weeks vs. monthly
Round table discussion on review of future topics (description)

Future Topics:

FPAC Table of Contents
Joint Ventures
Authorized use of petty cash
Require reconciliation of the STARS 7101 report of receipts and disbursements
Third party payer card policy
Rotary policies and procedure's

Committee member: If you or your designated representative is unable to attend the next regularly scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.

Thank you.

STATEWIDE FISCAL POLITY ADVISORY COMMITTEE MINUTES
FEBRUARY 24, 2000

In attendance: Steve Allison, SCO,
Dave Tolman, DFM, Chairperson
Kristi Kelly, SCO
Jane Wright, P&R
Tom Wilkerson, DOI
Darla Rankin, SCO

Agenda 1:

Dollar limit on items that should be inventoried. Steve handed out a document that stated the background needed to sell this topic. Tom will take this document to Risk Management to review. Larry will present to JFAC and Dave will give to Brad for more information. Report back on inventory and we will meet again on this.

*Per-diem letter to J.D.? Yes. May need a change.

Agenda 2:

Fixed assets: Angie Billings presented changes she made to this policy. Most were clean-up changes. A couple of changes were brought to Angies attention and she said she would change those. Before we put this revised policy out, a cover letter stating the policy is not revised to address GASB 34 needs to be written and sent with revised policy. Also, the cover letter should briefly state those changes made. Motion to make changes needed, cover letter with brief description of changes made, and to send out revised policy was made by Steve. Seconded by Jane Wright.

Agenda 3:

Taxable Fringe Benefits: Dave commented on some changes made to the preface. A motion to move that this draft be sent out for agency comment was made by Dave and seconded by Jane.

Tom will ask Chuck and Peggy what they think about wording in the draft. Comments to be back in 60 days.

Agenda 4:

Mission Statement: Mission needs clarification. The scope and mission are unclear. An example brought up by Steve, was with "prior year adjustments". Does it belong in the FPAC Manual? It's a budgetary item that should stay with DFM. Darla said when FPAC was created it was to help prepare for the CAFR by making sure the agencies were consistent when recording and reporting. Darla also suggested sending out a memo to the agencies to see what problems may need addressed by the FPAC committee.

Ways to get agencies to start using the FPAC Policy Manuals were discussed. It was mentioned that maybe Larry's people need to start auditing to make sure the policies are being followed.

Kristi will draft a memo to the resource agencies (in front of manual) to ask for an update description of each, and for their e-mail address. E-mail addresses should also be printed with description of resource agency.

Agenda 5:

More frequent meetings: The need for more frequent meetings and to hold them in the morning was discussed. The majority of the committee felt this is necessary to get FPAC moving. A motion by Steve to meet Thursday, March 9, at 10:00 and a second by Tom was made. Jane asked to change the start of that meeting to 8:00. Committee agreed.

Assignments were made by Steve to review the State of Oregon Policy Manual, <http://scd.das.state.or.us/oam.htm>, for further topics. These will be discussed at the next meeting.

	01-04 GAAP- Jane
0	5-09 GAAP- Tom
Fin	ancial Reporting –Kristi
Inter	nal Control Structure-Kathy
Aud	it-Larry
Bu	dgetary Accounting-Dave
Tax-R	obin

Meeting adjourned at 2:45

FPAC POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, MARCH 9, 2000

To add items to the agenda, contact:

Steve Allison, SCO 334-3150 sallison@sco.state.id.us
Dave Tolman, DFM 334-2883 dtolman@dfm.state.id.us

Agenda items:

Ap prove minutes
 Dollar limit on items that should be inventoried
 Round table discussion on review of future topics (description of)
 Future topics: each member to present ideas for future topics
 Discuss who should receive the FPAC minutes-should Fiscal Officers be included

Future Topics:

 FPAC Table of Contents
Jo int Ventures
 Authorized use of petty cash
 Require reconciliation of the STARS 7101 report of receipts and disbursements
 Third party payer card policy
 Rotary policies and procedures
 501(c)(3)-(Jane Wright)- getting state agencies their own designation to make getting gifts easier
 from organizations who require those organizations to be a 501(c)(3) organization.

Committee member: If you or your designated representative is unable to attend the next regularly scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.

Thank you.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES

March 9, 2000

In attendance: Steve Allison, SCO, Chairperson

Larry	Kirk, LSO
Jane	Wright, P&R
Tom	Wilkerson, DOI
Mike	Aiello, ITD
Darla	Rankin, SCO

Agenda 1:

Tom Wilkerson moved that minutes of the February 24, 2000, meeting be approved (noting a typing correction on page 2). Larry Kirk seconded. Motion passed.

Agenda 2:

Dollar limit on items that should be inventoried. Tom met with Cynthia Ness and Joe Campbell, Department of Administration, Risk Management Services. They supported the proposed policy and will send a letter to the FPAC Committee documenting Administration's support. Larry reported that he has been working to educate JFAC on this issue since an *Idaho Code* change will be necessary. Jane added that she met with the Director of Parks and Recreation who is not supportive of raising the inventory limit to \$2,000. Parks and Recreation operates in an environment with numerous remote operations and temporary personnel. The Director wants to keep the \$300 limit. The Committee discussed sending a survey to all agencies to determine their acceptance of the proposed limit. However, later in the meeting the Committee discussed improving the process of providing policies to agencies in a more timely manner. The Committee agreed to turn the policy over to the State Controller's Office for further action. It was discussed that if any agency desires to continue the \$300 limit, the proposed policy does not prevent that. It will, however, allow agencies to increase the limit, if they choose. Tom Wilkerson moved that the Inventory Policy be given to the State Controller's Office to take further action. Larry Kirk seconded. Motion passed. No further action from the Committee.

Agenda 3:

Prior-year adjustments. The Committee discussed the draft policy and determined that additional information needs to be included. Additional transaction codes that affect prior year adjustments need to be added, and the format of the policy needs to be changed to place the transaction codes with the example adjustments in the policy. It was further agreed that the journal entry (debit/credit) created by the transaction code and the affects on appropriation need to be added. Darla will work with Connie Stearns, since she has expertise in this area, to include this additional information. Connie will be invited to the meeting on March 23 to discuss this issue.

Agenda 4:

Future topics. Jane suggested future topics include a fixed asset expenditure policy—when to use other expense (object 5000) and when to use capital outlay (object 6000), a policy on reconciling suspense accounts, and interagency transactions. These topics have been added to the future topics list.

Mike suggested looking at a policy to assist agencies with credit card fees. For example, when a customer pays for a service by credit card for an extensive amount, i.e. \$250,000, how should the agency account for the fee charged by the credit card company? Should this fee be a reduction of revenue? Should it be a cost of service? Mike will research this issue and prepare a proposed policy. He will talk with the Tax Commission to see how they account for these fees. He will talk with the State Treasurer, research legal issues, and review previous research done by Transportation. Kristi Kelly will research practices in other states.

Tom shared information that he gained from looking at other state's websites for future topics. He stated that he was able to find updated information on a number of topics, and he didn't believe that finding topics was the Committee's problem, which brings us to the following agenda item.

Agenda 5:

Policy process improvement: Revise policy on General Information, Policy

Adoption/Revision Procedures/Exceptions. Tom stated that as he looked at various policies for future topics, it was his opinion that the policies created by the FPAC Committee should be driven by accounting and reporting issues, not necessarily by agency concerns. He felt that the Committee should be assisting the SCO, but not necessarily making final policy decisions. That should be left to the State Controller. After discussing this view, the Committee agreed that both SCO and agencies should drive issues and concerns. However, in order to improve the process of issuing new policies to agencies quicker, timeframes should be incorporated into the process. A timeframe of two months should be sufficient for the Committee to finalize a policy. After two months, the Committee should vote to allow additional time if required, send the policy to agencies for input, or discard the policy and remove from the agenda. Therefore, in order to improve the process, the following steps have been suggested:

- 1) Committee members, or representatives, will comprehensively research topics and prepare a proposed policy.
- 2) The research and resultant proposed policy will be presented to the entire Committee for discussion and conclusion (possibly over the course of a number of meetings).
- 3) If the policy is still on the agenda after two months, the Committee will either agree to extend the timeframe, approve the policy to be sent for agency input, or discard the policy and remove from the agenda.
- 4) The SCO will then consider all agency input and revise, adopt, or discard the policy. (At this point the policy will not be returned for additional Committee input.)

This issue will be placed on the agenda for the next meeting for Committee vote.

Other Issues

Tom suggested that the State Controller's Office offer a one-day training/orientation for new fiscal personnel to acquaint them with SCO operations. Tom will develop a suggested agenda for this orientation. It was also suggested that other agencies such as DFM, and Administration also provide training/orientation. Steve will discuss this with other agency personnel.

Meeting adjourned at 10:10.

The next meetings will be held as follows at 8:00 a.m.:

Thursday, March 23

Thursday, April 6

Thursday, April 20

FPAC POLICY ADVISORY COMMITTEE (FPAC) AGENDA

THURSDAY, MARCH 23, 2000

8:00-10:00 a.m.

To add items to the agenda, contact:

Steve Allison, SCO 334-3150 sallison@sco.state.id.us

Dave Tolman, DFM 334-2883 dtolman@dfm.state.id.us

Current Agenda Items:

1. Dave Tolman (chair)--Approve minutes
2. Connie Stearns--Third-party payer card policy
3. Connie Stearns--Prior-year adjustments
4. Jane Wright--501(c)(3) - getting state agencies their own designation to make getting gifts easier from organizations that require those organizations to be a 501(c)(3) organization.
5. Darla Rankin--Policy process improvement: Revise policy on General Information, Policy Adoption/Revision Procedures/Exceptions.
6. Darla Rankin--Discuss who should receive the FPAC minutes-should Fiscal Officers be included?

Pending Agenda Items:

Mike Aiello--Credit card fees. Mike to outline research effort and estimate date for committee to report back.

Steve Allison--Future topics: each member to present ideas for future topics

Larry Kirk--Require reconciliation of the STARS 7101 report of receipts and disbursements

Future Topics:

FPAC Table of Contents
Joint Ventures
Authorized use of petty cash
Rotary policies and procedures
Fixed Asset Expenditures—when to use other expense (object 5000) and when to use capital outlay (object 6000)
Reconciling Suspense Accounts
Interagency Transactions

Committee member: If you or your designated representative is unable to attend the next regularly scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.

Thank you.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES

March 23, 2000

In attendance: Dave Tolman, DFM, Chairperson

Tom	Wilkerson, DOI
Mike	Aiello, ITD
Darla	Rankin, SCO
Connie	Sterns, SCO
Kristi	Kelly, SCO
Robin	Haley, TAX

Agenda 1:

Minutes approved: Tom Wilkerson moved that the minutes of the March 9, 2000, meeting be approved. Mike Aiello seconded. Motion passed. Meeting started at 8:10.

Agenda 2:

Third-party payer cards: Connie needs to meet with Steve Allison to get questions answered before she presents to the committee. This will be put on the agenda for the April 6 meeting.

Agenda 3:

Prior-year adjustments: Connie Sterns handed out "Prior-year adjustments scenarios" and a list of TC codes explaining what journal entries were created when using those TC codes. The committee decided the proper TC's to be used for prior-year adjustments with the exception of a few, which need to be reviewed by Larry Kirk and Budget Analysts. Connie will meet back with the committee at the April 6 meeting and Dave Tolman will give feedback from the Budget Analysts; decisions on the proper TC's for those scenarios will be decided at that time. Connie will revise scenarios with proper TC's to be used.

Agenda 4:

501(c)(3): Tabled until next meeting when Jane could be present. Bob Curl from Health and Welfare mentioned in the last FRUG meeting, there is code that covers this. Darla Rankin will research the code and let us know what/where it is.

Agenda 5:

Policy process improvement: It was agreed by the committee that committee members, or representatives will research topics and prepare proposed policies. The research and resulting proposed policy will be presented to the entire Committee for discussion and conclusion. It was also agreed that a timeframe of two months should be sufficient to get the topic approved, put into an exposure draft, and sent out for agency input. If needed, an extension could be voted upon; otherwise, the proposed policy should be removed from the agenda. There was discussion as to whether only the SCO should consider agency input and revise, adopt, or discard the policy. The concern is the committee not having input to the agency responses. The committee agreed it would be beneficial to have agency responses presented to the committee and the committee review and revise the policy, if appropriate, prior to being presented to the State Controller. This will be discussed more at the next meeting and voted upon.

Agenda 6:

FPAC Minutes: It was decided by the committee that the minutes should be mailed to members, Fiscal Officers, and other interested parties that have asked to be put on the mailing list. Kristi will use the “FPAC” mailing list to send out the minutes.

Other issues:

The committee suggested a sign-off sheet be developed to ensure that all control agencies affected by a policy have an opportunity to review and approve the proposed policy. The sign-off sheet would provide documentation that the appropriate agencies were notified. Darla and Kristi will design a simple sign-off sheet.

Tom’s suggestion that the SCO offer a one-day training/orientation for new Fiscal personnel was discussed. Darla thought it would be a good idea to give the different bureaus an hour of one-on-one training when a new fiscal person came to the State. Connie mentioned she thought a lot of the issues were already addressed in the STARS Manual. The committee wasn’t sure how new Fiscal personnel would know the STARS Manual addressed all that information. More discussion needed and more feedback from agency personnel that would be involved in this training/orientation.

Meeting adjourned at 10:05. Next meeting, April 6 at 8:00.

The next meetings will be held as follows at 8:00 a.m.:

Thursday, April 6

Thursday, April 20

Thursday, May 4

FPAC POLICY ADVISORY COMMITTEE (FPAC) AGENDA
THURSDAY, APRIL 6, 2000

To add items to the agenda, contact:

Steve Allison, SCO 334-3150 sallison@sco.state.id.us
Dave Tolman, DFM 334-2883 dtolman@dfm.state.id.us

Current Agenda Items:

1. Steve Allison (chair)- approve minutes.
2. Connie Sterns- Third-party payer card policy (start date 4-6-00).
3. Connie Sterns- Prior-year adjustments- make final decisions on proper TC's to be used (start date 3-23-00).
4. Jane Wright- 501(c)(3)- getting state agencies their own designation to make getting gifts easier from organizations that require those organizations to be a 501(c)(3) organization (start date 4-6-00).
5. Darla Rankin: Policy process Improvement: Revise policy on General Information, Policy Adoption/Revision Procedures/Exceptions (3-23-00).
6. Mike Aiello- Credit card fees. Mike to outline research effort and estimate date for committee to report back on (start date 4-6-00).
7. Other issues: Tom's suggested agenda for new Fiscal personnel orientation/training (3-23-00).

Pending Agenda Items:

Steve Allison- Future topics: each member to present ideas for future topics
Larry Kirk-Require reconciliation of the STARS 7101 report of receipts and disbursements

Future Topics:

FPAC Table of Contents
Joint Ventures
Authorized use of petty cash
Rotary policies and procedures
Fixed asset expenditures-when to use other expense (object 5000) and when to use capital outlay (object 6000)
Reconciling Suspense Accounts
Interagency Transactions

Committee member: If you or your designated representative is unable to attend the next regularly scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.

Thank you.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES
April 6, 2000

In attendance: Steve Allison, SCO (chair)
Dave Tolman, DFM
Larry Kirk, LSO
Mike Aeillo, ITD
Darla Rankin, SCO
Connie Sterns, SCO
Kristi Kelly, SCO
John McClintock, TAX
Dave Hiatt, P&R
Renae Heinsohn, Arts Comm.

Agenda 1:

Minutes approved: Tom Wilkerson moved that the minutes of the March 23, 2000 meeting be approved. Steve seconded. Motion passed. Meeting started at 8:10.

Agenda 2:

Third-party payer cards: Connie handed out a draft policy on “Third-party payer cards.” The “P-card” helps facilitate a timely payment to a vendor. The Committee discussed whether a generic vendor should be utilized for non-1099 reportable items or whether these items could be posted to Wells Fargo. Steve felt that by not posting to Wells Fargo and using a generic vendor, balances not yet reclassified could not easily be determined.

One main concern with the “P-card” is detail in using sub objects so agencies can keep track of reportable 1099-misc. items. Connie mentioned the concern with public information requests. If someone wants detailed information for items grouped under a generic vendor/Wells Fargo, the detail will have to come from the agency.

The Legislative Services Office is currently conducting an audit of Parks and Recreation who are piloting this project. Once the audit is complete, the issues of generic vendors, sub objects, and transaction codes will be discussed and resolved.

After a one-hour discussion, the committee decided to provide the following materials to the committee prior to the next meeting:

- 1) Clarify definitions and what the policy intends to cover (*State Obligated vs. Employee Obligated, vs. Employee cash paid*).
- 2) Develop an alternative policy which addresses accounting the way it is working in the pilot program at Parks & Rec.
- 3) The STARS Manual section on P-Card Accounting

Agenda 3:

Prior-year adjustments: Dave Tolman reported back after meeting with the DFM Budget Analysts. He reported that agencies will not receive reappropriations for prior-year adjustments. Connie suggested a new TC be established that posts to expenditures. The current prior year TC's only post to revenues. Connie will finish typing up correct ways to handle prior-year adjustments and consolidate scenarios that have the same result. A new/revised policy will be written and presented to the committee at the next meeting.

Agenda 4:

501(c)(3)- Darla received correspondence from Steve Thomas, District VII Health Dept. Since the State is already tax exempt, the State would not qualify as a 501(c)(3) organization. The Idaho Community Foundation may be able to help the State on this issue. Dave Hiatt will contact the foundation and get more information. Also, Renae Heinsohn said the Commission on the Arts gives funding to 501(c)(3) organizations. ICA sends a letter to the non profits that are requesting funding, a tool they use when they submit their application to ICA. She will fax a copy of the letter to Darla for Committee review.

Agenda 5:

Policy process improvement: A copy will be e-mailed to each committee member of proposed changes. Be ready to discuss at next meeting.

Agenda 6:

Credit-card fees: Mike Aeillo handed out a packet of information on Idaho Statutes and existing Legislation on electronic transfers. Discussion on how other states account for credit card fees were discussed. The Committee discussed whether the fees should be an expense or reduction of revenue. Larry will contact Lottery to see how they account for these fees. Kristi will research other states and contact NASACT for possible information. She will also invite Laura Steffler to the next meeting. The issue of who will pay the fees when the State goes to a full service website was also discussed. Mike will research this matter and report back to the committee.

Agenda 7:

Other issues: Time did not permit discussion on Tom's suggested agenda for new Fiscal personnel orientation/training. To be addressed at next meeting.

Meeting adjourned at 10:20.

The next meetings will be held as follows at 8:00:

Thursday, April 20

Thursday, May 4

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
THURSDAY, APRIL 20

To add items to the agenda, contact:

Steve Allison, SCO 334-3150 sallison@sco.state.id.us
Dave Tolman, DFM 334-2883 dtolman@dfm.state.id.us

Current Agenda Items:

1. Dave Tolman (chair)- approve minutes.
2. Mike Aeillo-Credit card fees- research how “Access Idaho” will charge fees (4-6-00).
3. Get approval on form for buy-off from resource agencies for new, revised, or reinstated policies.
4. Third Party payer Cards (4-6-00)-incorporate changes to proposed policy for review.
5. Jane Wright/Dave Hiatt- 501(c)(3) organizations-Contact Idaho Community Foundation (4-6-00).
6. Darla Rankin: Policy process improvement: Revise policy on general Information, PolicyAdoption/Revision Procedures/Exceptions (3-23-00). Get approval on minor changes to policy.
7. Larry Kirk-discuss topic of unreimbursed meals at teleconference.
8. Larry Kirk-review of how agencies should account for donated items. Discuss possibility of issuing a memo to remind agencies how to properly account for such a transaction.

Pending Agenda Items:

Steve Allison- Future topics: each member to present ideas for future topics
Larry Kirk-Require reconciliation of the STARS 7101 report of receipts and disbursements

Future Topics:

Joint Ventures
Authorized use of petty cash
Rotary policies and procedures
Fixed asset expenditures-when to use other expense (object 5000) and when to use capital outlay (object 6000)
Reconciling suspense accounts
Interagency transactions

Committee member: If you or your designated representative is unable to attend the next scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.
Thank You.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES
April 20, 2000

In attendance: Dave Tolman, DFM (chair)
Steve Allison, SCO
Larry Kirk, LSO
Darla Rankin, SCO
Mike Aiello, ITD
Kristi Kelly, SCO
Laura Steffler, STO
Robin Haley, TAX
Tom Wilkerson, DOI
Jane Wright, P&R

Agenda 1:

Minutes approved: Tom Wilkerson moved that the minutes be accepted as written; second by Robin Haley.

Agenda 2:

Access Idaho/credit card fees: Mike Aiello reported he was unable to find anyone who had information on how Access Idaho would charge credit card fees. Since very little information is available, Jane suggests the committee gather all their questions, submit them to Access Idaho Committee, and ask for the committee to put on a presentation for the FPAC or Fiscal Officers. Jane will meet with Access Idaho and get presentation set-up.

Credit card fees: Laura Steffler said one of the risks of accepting credit card payments is the fee charged by the bank. Many times after budgets have been set, the banks may change the rates they charge for use of the credit card. Agencies need to know of these risks. Dave Tolman suggested Mike draft a policy for how the State should account for credit card fees- amount to be recorded as an expense IF the State pays these fees. Larry will report at the next meeting what the Legislative Auditors have decided on what TC's are to be used by the Tax Commission.

Dave Tolman says the Legislature needs to pass legislation for convenience fees, etc. Larry will write a "white paper": "How to deal with fees on credit cards."

Agenda 3:

Resource agency buy-off form- Steve needs to look into further.

Agenda 4:

Third Party Payer Card- Jane told committee how their accounting personnel were able to override the system edits when entering transactions under a generic vendor. When entering under a generic vendor, the transaction automatically posts as a 1099 misc. Jane sees a need for a new sub-object code to make system edits work again. Transactions need to tie to the expenditure sub-object verses the vendor id. Jane says proposed wording under Fiscal Impact and Administrative Procedures (generic vendor) is too narrow. She suggests we should promote the Third Party Payer Cards and rewrote part of the proposed policy written by Connie Sterns (see handout). Jane suggested the TC's be left out of the Fiscal Manual and instead have the Fiscal Manual reference to the TC's in the STARS Manual. Steve stated he would like the TC's left in the Fiscal Manual. Dave Tolman suggested the committee look at both Connie's proposed changes and Jane's

suggestions to see how we can incorporate them. Jane will have Marion call Connie to review changes she had marked on the proposed accounting for the P-Card.

Agenda 5:

501(c)(3) organizations: The Commission on the Arts had faxed over a letter that ICA sends out to 501(c)(3) Non-Profit Organizations when they are applying for funding from the Arts Commission.

Jane said P&R has used one similar in the past but it hasn't worked. It was suggested that we look at how other states are handling this situation. Darla will contact Pat O'Connor with NASACT for information.

Agenda 6:

Policy process improvement: Committee reviewed revisions to the Policy Adoption/Revision Procedures/Exceptions section to the Fiscal Manual. All proposed changes were agreed upon with the exception of elimination of the "NOTE". The "NOTE" was revised (see revised policy), and a sentence stating a quorum of four members is required for action of the committee to take place. Larry suggested the changes be made and the revised policy put out to the agencies for review.

Other items:

Final decisions were made on proper TC's for Prior-year adjustments. Drafts to be sent to agencies for review.

Since Robin Haley will be leaving the State next month, it was agreed to have Laurel Williams sit in on the meetings until the next IFOA meeting.

Meeting adjourned at 10:05.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
THURSDAY, MAY 4

To add items to the agenda, contact:

Steve Allison, SCO 334-3150 sallison@sco.state.id.us

Dave Tolman, DFM 334-2883 dtolman@dfm.state.id.us

Current agenda items:

1. Steve Allison (chair)- approve minutes.
2. Jane Wright- meet with "Access Idaho" committee to see if they can put on a presentation for the committee or Fiscal Officers.
3. Mike Aiello- credit card fees: draft policy on credit card transactions for credit card fees.
4. Third Party Payer Cards- finalize proposed policy.
5. Jane Wright-501(c)(3) organizations: Darla to contact Pat O'Connor and report back.
6. Take action on changes in Fixed Asset Policy and Taxable Fringe Benefits. No agency comments so ready to take action to publish.
7. Larry Kirk- discuss topic of unreimbursed meals at teleconference.
8. Larry Kirk- review of how agencies should account for donated items. Discuss possibility of issuing a memo to remind agencies how to properly account for such a transaction.

Pending agenda items:

1. Darla Rankin- update on SCO action on inventoriable limit.
2. Kristi Kelly- update on web availability of FPAC Manual.
3. Steve Allison- future topics: each member to present ideas for future topics.
4. Larry Kirk- require reconciliation of the STARS 7101 report of receipts and disbursements.

Future topics:

1. Joint ventures
2. Authorized use of petty cash
3. Rotary policies and procedures
4. Fixed asset expenditures- when to use other expense (object 5000) and when to use capital outlay (object 6000).
5. Reconciling suspense accounts
6. Interagency transactions

Committee member: If you or your designated representative is unable to attend the next scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.

Thank you.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES

May 4, 2000

In attendance: Steve Allison, SCO (chair)
Dave Tolman, DFM
Larry Kirk, LSO
Darla Rankin, SCO
Mike Aiello, ITD
Kristi Kelly, SCO
Robin Haley, TAX
Tom Wilkerson, DOI
David Hiatt, P&R

Agenda 1:

Minutes approved: Tom Wilkerson moved that the minutes be accepted. Second by Dave Tolman. Approved by all.

Agenda 2:

Access Idaho: Steve reported that he and Larry had attended a meeting of the steering committee of Access Idaho. Tom and Larry mentioned we need Legislature leadership on credit card fees. Each agency has the decision as to whether they absorb the fees or tack on these fees to the service. David Hiatt said there needs to be an expenditure sub-object code to track credit card fees; Darla will talk to Sharon about this sub-object. Bill Farnsworth and Scott Somerhalder will attend next meeting and talk about Access Idaho and will answer questions that the committee may have.

Agenda 3:

Credit card fees: Mike Aiello presented a policy on credit card changes. Changes in the code would need to be made to allow a convenience fee or a contract fee to be charged. He has changes he has made to this draft and will e-mail Kristi the final draft, which she will mail to the committee members. Be ready to discuss this draft and vote to have it put out for agency review/comment.

Agenda 4:

Third party payer cards: Tom Wilkerson commented that he didn't feel there needed to be a policy on third party payer cards. The issue of 1099 reportable items still needs to be addressed but a broader policy incorporating more than just third party payer card items that are 1099 reportable needs to be written. Darla will contact Connie to see what her concerns are for 1099 reportables.

Agenda 5:

501(c) (3) organizations: Darla contacted Pat O'Connor at NASACT and the feedback that came back from other states was to have the donor organization amend their rules or charter to include state agencies; or find another 501(c)(3) organization that could pass the donation to the state agency; or have the agency set up their own 501(c)(3) organization. The committee decided there doesn't need to be a policy set. The agency needs to deal with the donor on an individual basis. Issue closed.

Agency 6:

Fixed Asset and Taxable Fringe Benefits: Darla questioned the current policy for software not being capitalized. She thinks software should be capitalized (if over \$5,000). Although it makes sense to capitalize purchased software, Federal Cost Recovery would prevent the State from recapturing the expense for several years. The committee will leave the policy as is. The Fixed Asset Policy changes and the Taxable Fringe Benefit Policy were approved by the committee and will be put in proper format and sent up for J.D.'s signature.

Pending Agenda Item:

Inventoriable limit: Darla and Steve led discussion with the accounting group at SCO on raising the inventoriable limit to \$2000 (from \$300). They received good feedback on the limit change. Keith Johnson, Deputy State Controller, is also supportive of this change. Steve will follow-up on this issue and meet with Keith and J.D. The Legislature would need to approve to change the amount for inventoriable limits; Larry will talk to the Legislature. Darla will format proposed policy change, which will be e-mailed out to the FPAC, but the exposure draft will not be put out for agency review/comment until Larry has met with the Legislators.

Other items:

Dave Tolman will e-mail the agreement between Access Idaho and the State to Kristi and she will then e-mail the agreement to the other committee members.

Meeting adjourned at 10:00. Plan on next meeting to last for three hours.

**STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, MAY 18**

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us
Dave Tolman, DFM 334-2883 dtolman@dfm.state.id.us

Current agenda items:

1. Dave Tolman (chair)- approve minutes
2. Access Idaho- Bill Farnsworth and Scott Somerhalder will do a presentation about Access Idaho and answer questions from the committee.
3. Mike Aiello- get comments from committee on credit card fee draft; if no comments, put out exposure draft to agencies for review/comment.
4. Larry Kirk- discuss topic of unreimbursed meals at teleconference.
5. Larry Kirk- review how agencies should account for donated items. Discuss possibility of issuing a memo to remind agencies how to properly account for such a transaction.

Pending agenda items:

1. Kristi Kelly- update on web availability of FPAC Manual
2. Connie- Third party payer card- need broader policy drafted for committee review
3. Steve Allison- future topics- each member to present ideas for future topics.
4. Larry Kirk- require reconciliation of the STARS 7101 report of receipts and disbursements.

Future topics:

1. Joint ventures
2. Authorized use of petty cash
3. Rotary policies and procedures
4. Fixed asset expenditures- when to use other expense (object 5000) and when to use capital outlay (object 6000)
5. Reconciling suspense accounts
6. Interagency transactions

Committee members: If you or your designated representative is unable to attend the next scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.

Thank you.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES

May 18, 2000

In attendance: Dave Tolman (chair)

Steve	Allison, SCO
Larry	Kirk, LSO
Darla	Rankin, SCO
Mike	Aiello, ITD
Kathy	Chase, ITD
Dave	Hiatt, P&R
Kristi	Kelly, SCO
Tom	Wilkerson, DOI
Laura	Steffler, STO

Special guest: Scott Somerhalder, Access Idaho

Agenda 1:

Approve minutes: Motion to accept minutes was made by Tom Wilkerson and seconded by Larry Kirk.

Agenda 2:

Access Idaho: Scott Somerhalder from Access Idaho attended the meeting to give an overview of what Access Idaho is about and to answer questions the committee had. Access Idaho acts as the "Portal" manager for the State to provide and enhance access to public information and to allow businesses and citizens to conduct business with the State. Scott told the committee it is up to the individual agencies to come on board with Access Idaho and how they choose to charge convenience fees. Access Idaho is "free" to agencies but they do take a cut of the convenience fee that is collected by the State.

Discussion continued after Scott left about accounting issues. Mike suggested that everyone look at what accounting issues are affected by using Access Idaho. Tom thinks revenue should be recorded gross while Kathy thinks it should be recorded net. Larry and Steve suggested that they would draft a list of issues relating to credit card fees and e-mail to the committee members to add-on issues. The list will give the committee areas of accounting that need to be reviewed and decide if new policy needs to be implemented.

Larry said any charge for a convenience fee should be disclosed to the customer. Steve suggested a person from Admin. be invited to attend the next meeting- no action taken. Larry suggested DFM and LBO be invited to next meeting.

After a lengthy discussion, the committee decided to adjourn at 10:10. Next meeting to be held June 1, at 8:00.

**STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, JUNE 1, 2000**

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us

Dave Tolman, DFM 334-2883, dtolman@dfm.state.id.us

Current agenda items:

1. Steve Allison (Chair): approve minutes
2. Access Idaho: further discussion (ongoing)
3. Kathy Chase: get comments from committee on credit card fee draft; if no comments, put out exposure draft to agencies for review/comment. (4-6-00)
4. Kristi Kelly: update on web availability of FPAC Manual
5. Larry Kirk: discuss topic of unreimbursed meals at teleconference. (New)
6. Larry Kirk: review how agencies should account for donated items. Discuss possibility of issuing a memo to remind agencies how to properly account for such a transaction. (New)

Pending agenda items:

1. Connie Sterns: Third party payer card- need broader policy drafted for committee review.
2. Darla Rankin: draft of inventoriable limit change to committee members.
3. Fixed asset and taxable fringe benefits to J.D. for approval.
4. Prior year adjustment and Policy process improvement to go out for agency review.
5. Steve Allison: Resource memo to agencies for update on agency descriptions.
6. Dave Tolman: mail each committee the agreement between Access Idaho and the State.

Future topics:

1. Require reconciliation of STARS 7101 Report of receipts and disbursements.
2. Joint ventures
3. Authorized use of petty cash
4. Rotary policies and procedures
5. Fixed asset expenditures: when to use other expense (object 5000) and when to use capital outlay (object 6000)
6. Reconciling suspense accounts
7. Interagency transactions
8. State Vehicle Policy: Larry Kirk

Committee members: If you or your designated representative is unable to attend the next scheduled meeting, please contact Kristi Kelly at kkelly@sco.state.id.us prior to the meeting.

**STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, JUNE 29, 2000**

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us

Dave Tolman, DFM 334-2883, dtolman@dfm.state.id.us

Current agenda items:

1. Dave Tolman, (chair): approve minutes
2. Tom Wilkerson: Convenience fees: how should the State account for these items
3. Kathy Chase: final draft on credit card fees
4. Larry Kirk: discuss topic of unreimbursed meals at teleconference (6-29-00)
5. Larry Kirk: discuss issuing a memo to remind agencies how to properly account for donated items (6-29-00)
6. Larry Kirk: State vehicle policy

Pending agenda items:

1. Connie Sterns: Third party payer card- need broader policy drafted for committee review.
2. Darla Rankin: draft of inventoriable limit change to Steve for final changes, if any; then to Pam Ahrens.
3. Fixed asset and taxable fringe benefits to J.D. for approval.
4. Steve Allison: Resource memo to agencies for update on agency descriptions.
5. Dave Tolman: Mail each committee the agreement between Access Idaho and the State.

Other items:

1. Prior year adjustment and Policy Process Improvement sent to agencies for agency review on June 15, 2000.

Future Topics:

1. Connie Sterns: TC's not processing in the current year on the Warrant Write file; need policy to identify when a credit should be posted to STARS and when it has to be cleared.
2. Tim Wendland: Policies for: eliminating internal activity in the statement of activities, for defining operating and non-operating revenues of proprietary funds, for spending of restricted net assets, and relating to Compensated Absences (LIFO approach).
3. Larry Kirk: moving expenses: buying out a renters lease when they have to move.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES
June 15, 2000

In attendance: Steve Allison, SCO (chair)
Brad Foltman, DFM (sit-in for Dave Tolman)

Larry	Kirk, LSO
Kathy	Chase, ITD
Kristi	Kelly, SCO
Joh	n McClintock, TAX (guest)
Laura	Steffler, STO
To	m Wilkerson, DOI
Jane	Wright, P&R

Doug Miley, DEQ (new member)

Agenda 1

Approve minutes: Motion to accept minutes as written was made by Larry Kirk and seconded by Tom Wilkerson.

Agenda 2

Access Idaho: An outline of issues was handed out from Steve and Larry and opened up for comments. Jane said a big issue is the credit card fee is mandated in the contract between vendor and each agency.

John McClintock said uniformity should be a goal. To have different policies on how credit card fees are charged would be frustrating to people. He said his agency allows use of credit card payments and it costs about half to take credit card payments versus payment by check.

Tom looks at the credit card fees as a cost of doing business.

Larry said there are two sides to this: a management side and an accounting side. The management side is out of FPAC's scope.

Brad also thinks uniformity is a big issue. He said the Legislature has concerns when agencies have too much discretion in doing the same things in different ways. He also highlighted the general concern about fees being accounted for outside of State systems and the corresponding reduction in legislative oversight that goes along with that.

Steve put a chart on the board to show the different ways to account for these credit card fees. For the next meeting it was decided to put these different scenarios into the credit card policy and possibly providing guidance on which scenario would be the best way to account for these fees.

Agenda 3

Kathy Chase will revise credit card policy incorporating comments from the committee and to have the policy read closer to typical FPAC tone. Jane will work up some examples using specific examples discussed and documented on the board to account for credit card fees to include in the policy.

Question: whether we want we want to include convenience fees in with the credit card fees policy. Tom says "yes"; it was decided to table convenience fees until next meeting. Larry will look and see if GASB has any authoritative statements (Darla and Kristi to research also).

Agenda 4

Announcement that the FPAC Manual is now on-line.

Agenda 5

Briefly reviewed issue of providing lunches at teleconferences. May need to send memo to Board of Examiners. More discussion to follow.

Agenda 6

Briefly discussed how agencies should be accounting for donated items such as grants. This topic is to be discussed in more detail next meeting.

A general discussion about State vehicle policies occurred, referring to recent press coverage of this issue and possible action from the Governor's Office. This item will soon be addressed by FPAC.

Meeting adjourned at 10:05.

Next meeting:	Thursday, June 29	8:00-10:00
Thu	rsday, July 13 8	:00-10:00
Thu	rsday, July 27 8	:00-10:00

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES
June 29, 2000

In attendance: Dave Tolman, DFM (chair)
Steve Allison, SCO
Darla Rankin, SCO
Doug Miley, DEQ
Kathy Chase, ITD
Larry Kirk, LSO
Tom Wilkerson, INS
Kristi Kelly, SCO
Jane Wright, P&R

Agenda 1: Approve Minutes. Motion to accept minutes as written was made by Tom Wilkerson and seconded by Larry Kirk.

Special Topic: Capitalization. Darla handed out an “Analysis of Changing Capitalization Levels.” The Colleges and Universities currently do not track depreciation and do not have a system in place to facilitate this. By changing the capitalization limits, this would help the Colleges and Universities cut down on the amount of assets they would need to report for the CAFR. The assets that would fall into the new limits would need to be flagged with a new indicator, which the agencies would have to put into the system. Darla shared what impact this would have on agencies. Even if changes in the capitalization limits were changed, the agencies are still required to capitalize assets over \$5,000, so it wouldn’t save the agencies any time. The committee was not supportive of increasing capitalization thresholds. Darla will do further research of other states.

Agenda 2: Convenience fees. Tom Wilkerson stated the State needs to account for convenience fees and it doesn’t matter how a third party accounts for these. Convenience fees need to be separated credit card fees. Steve and Kathy said convenience fees needs it’s own policy. Larry Kirk agreed there needed to be two different policies also, one for credit card fees and one for convenience fees. Steve Allison also suggested the two chairs write Bill Farnsworth a letter for clarity on the contract between Access Idaho and the State.

It was decided that Bill Farnsworth would be invited to the July 27 meeting to address issues with accounting for convenience fees and the State’s access to this information. Kathy Chase will draft a convenience fee policy for the committee to review at the next meeting.

Agenda 3: Credit card fees. A motion by Jane Wright to have the policy on credit cards put into final format and seconded by Tom was made. Kristi will put the policy into final format.

Agenda 4: Unreimbursed meals at teleconference. Larry Kirk discussed the issue of meals being reimbursed at teleconferences when it runs less than six hours. Any change in meal reimbursement would have to be approved by the Board of Examiners. The committee decided policy is policy and doesn’t need to be changed. If a teleconference is being run from the East Coast and the lunch hours happens to fall around 10:00 (our time), people should plan on bringing a lunch to eat during their normal lunch hour during the teleconference. Also if so desired, a larger fee could be charged to attend the teleconference to cover the cost of the meal.

Dave Tolman asked if per-diem rates needed to be changed. A letter would have to be drafted and sent to the Board of Examiners and they would have to present the proposal to the Speaker pro-tem.

Agenda 5: Accounting for donated items. There is a policy already in place in the FPAC Manual on how to account for donated items. Larry Kirk is concerned on the amounts currently reported in FAS versus what is reported in STARS. Larry will look into this further.

Agenda 6: State Vehicle Policy: There is already a policy on this. Steve wonders how much is in statewide accounting system when it comes to State vehicles. Jane Wright mentioned a fleet management system would be nice.

Meeting adjourned at approximately 10:10.

Next meeting: Thursday, July 13.
Thursday, July 27.

**STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, JULY 13, 2000**

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us

Dave Tolman, DFM 334-2883, dtolman@dfm.state.id.us

Current agenda items:

1. Steve Allison, (chair), approve minutes
2. Kathy Chase: draft on credit card convenience fees
3. Darla: Overview of GASB 34 policies for eliminating internal activity in the statement of activities; defining operating and non-operating revenues of proprietary funds; spending of restricted net assets; and relating to Compensated absences (LIFO approach)
4. Dave Tolman: Per diem rate change, part 2
5. Prior Year Adjustments and Policy Improvement Process: discuss agency comments and make a motion to have a final draft sent to J.D. for approval.

Pending agenda items:

1. Connie Sterns: Third party payer card-need broader policy drafted for committee review.
2. Draft of inventoriable limit change to Pam Ahrens; waiting for response
3. Fixed assets and taxable fringe benefits: waiting for J.D.'s approval
4. Steve Allison: Resource memo to agencies for update on agency descriptions
5. Dave Tolman: mail each committee the agreement between Access Idaho and the State
6. Prior Year Adjustment Policy draft and Policy Improvement Process awaiting agency feedback (30 day exposure period expires July 14)

Future topics:

1. Connie Sterns: TC's not processing in the current year on the Warrant Write file; need policy to identify when a credit should be posted to STARS and when it has to be cleared.
2. Larry Kirk: moving expenses- buying out a renters lease when they have to move

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES
July 13, 2000

In attendance: Steve Allison, SCO
Darl Rankin, SCO
Doug Miley, DEQ
Kathy Chase, ITD
Tom Wilkerson, INS
Kristi Kelly, SCO
Larry Kirk, LSO

Agenda 1: Approve minutes. Motion to accept minutes as written was made by Tom Wilkerson and seconded by Kathy Chase.

Agenda 2: Credit card convenience fees. Kathy Chase will finish up the final draft on credit card convenience fees and send to Kristi. Kristi will distribute the draft to the other FPAC members. Be ready to discuss and possibly move to adopt this policy.

Agenda 3: Overview of GASB 34 policies. Darla gave an overview of a few of the policies that the Reporting and Review section will have to set in order to accommodate GASB 34 changes. Among these were the compensated absences, which will be accounted for on a LIFO basis, restricted vs. unrestricted assets, and fixed assets. These policies would be used for reporting only and would not directly affect the agencies on an individual basis, except for the fixed assets. Therefore, it is out of the scope of the Fiscal Policy Advisory Committee. However, there will be a change in the fixed asset policy and when the GASB 34 committee finalizes these policies, they will be presented to the committee.

Agenda 4: Per diem. Dave Tolman sent a memo to the FPAC members showing the federal rates for reimbursement for meals and a schedule showing the difference in the cost to the State.

Tom proposed using the federal schedule when traveling in or out of State including exceptions for location. Tom said where the costs of meals are concerned, there is no difference between traveling in or out of State but that there was a difference being in a metropolitan area.

Steve said to have a base rate set and if the Fed's raise their rates then the base rate would automatically change too. This would keep from having this issue legislated each time an increase is needed. Steve was concerned how hard it would be to audit different rates. Kathy Chase mentioned she thought it would be a nightmare and Tom thought it would be a piece of cake if you were to use the website that has the rates.

Darla wondered if different rates would affect the P-card. Steve said it wouldn't but it would affect Travel Express and would require a systems modification.

Larry thinks the number one choice would be to use the federal rate schedule and the second choice would be to raise the per diem to \$30 whether traveling in or out of State.

Kathy said if the in-state rate is increased, the out-of-state rate should also be increased. Kathy likes either policy but prefers the federal rate schedule. Doug also likes the federal rate schedule.

**STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, JULY 27, 2000**

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us

Dave Tolman, DFM 334-2883, dtolman@dfm.state.id.us

Current agenda items:

1. Dave Tolman (chair): approve minutes
2. Connie Sterns: TC's not processing in the current year on the Warrant Write File; need policy to identify when a credit should be posted to STARS and when it has to be cleared.
3. Connie Sterns and Larry Kirk: Third party payer card- need broader policy drafted for committee review
4. Bill Farnsworth (Access Idaho) will be joining us to address issues with accounting for convenience fees at 9:00.
5. Kathy Chase: review draft on credit card convenience fees
6. Larry Kirk: moving expenses- buying out a renter's lease when they have to move.

Pending agenda items:

1. Draft of inventoriable limit change to Pam Ahrens: waiting for response
2. Fixed assets and taxable fringe benefits: ready to publish
3. Steve Allison: Resource memo to agencies for update on agency descriptions
4. Dave Tolman: mail each committee the agreement between Access Idaho and the State
5. Prior Year Adjustments and Policy Improvement Process: submitted; waiting for J.D.'s approval
6. Credit card fee policy: wait until convenience fee policy is finished and send out together for agency review

Future Topics:

Please bring more topics!!!!

Dave will write a letter from the FPAC and Jane Wright will write a letter from the Idaho Fiscal Officers Association to the Board of Examiners and propose a change to the per diem rate.

Agenda 6: Prior Year Adjustments and Policy Improvement Process. Motion by Larry to send the Prior Year Adjustments and Policy Improvement Process policies to J.D. for approval was made and seconded by Tom.

Due to lack of agency feedback on exposure drafts, Tom suggested we send out a comment sheet with exposure drafts with “yes/no” boxes that the agencies would check if they agree or disagree with changes or new policy. No action was taken.

Other items:

Steve suggested we wait to send out the credit card fee policy until the convenience fee policy was ready and then send both out together. Members agreed this would be less confusing and eliminate too many memos coming across the desks of busy agencies.

Meeting adjourned at 9:00.

Next meeting July 27.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES
July 27, 2000

In attendance: Dave Tolman, DFM
Tom Wilkerson, INS
Kathy Chase, ITD
Doug Miley, DEQ
Kristi Kelly, SCO
Jane Wright, P&R
Steve Allison, SCO
Darla Rankin, SCO
Larry Kirk, LSO
Connie Stearns, SCO

Agenda 1: Approve minutes. Motion to accept minutes as written by Kathy Chase and seconded by Tom Wilkerson.

Agenda 2: Warrant Write File. Connie Stearns gave overview of warrant write file:

1. Transactions process in STARS updating all files. Reverse transactions (such as the 230R) create a credit transaction that updates all files reducing expenditures, which gives back cash and appropriation to the agency.
2. All transactions feed into the Warrant Write file. Once all the transactions have processed, warrants are created from the information on the Warrant Write file. If the total of all of the transactions is a credit, a warrant is not issued. Those transactions remain in the Warrant Write file until there is enough transactions to override the credit.
3. If there is no more transactions to that vendor information (which must be an exact vendor/sfx match), those transactions could remain in the Warrant Write file without ever getting the actual cash back from the vendor, even though the agency shows the cash and appropriation restored on STARS.

Should the agency that has credits in the Warrant Write file at the end of the year reverse those credits and request a refund directly from the vendor? If they do not request a refund from the vendor, should the credit transaction be reversed in the current year and then re-established in the next year?

Dave Tolman suggested agencies read their monthly reports on credit memos. Tom Wilkerson mentioned if a vendor changes it's id number, this would cause a problem for credit. Larry Kirk wants these credits cleared off at year-end. The decision is no policy guidance needed. Larry and Steve will decide how agencies should address this issue.

Agenda 3: Third party payer card. Policy that Jane Wright drafted will be put on the table for next meeting. Kristi will send out policy to members for review. Public requests for information must be made through the agency.

Agenda 4: Access Idaho. Bill Farnsworth with Access Idaho answered questions about convenience fees. When Access Idaho sets an agency up, the convenience fees are collected and accounted for by Access Idaho. Bill will review convenience fee policy and give feedback.

Agenda 5: Convenience fees. Convenience fee policy was reviewed with minor suggestions for changes. Kathy will revise policy and Kristi will get the policy out to members.

Agenda 6: Moving expenses. Tabled until next meeting.

Other items: Per diem rates- Dave will draft a letter and e-mail to committee members. The Fiscal Officers Assoc. meets August 9 and will discuss. The letter will be sent to J.D. and go to the subcommittee. Letter should be ready for the Board of Examiners meeting in September.

Meeting adjourned at 10:10. Next meeting August 10.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, AUGUST 10, 2000

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us
Dave Tolman, DFM 334-2883, dtolman@dfm.state.id.us

Current agenda items:

1. Steve Allison (chair): approve minutes
2. Kathy Chase: Get approval on final draft on Convenience fees
3. Larry Kirk: Moving expenses
4. Jane Wright: Third-party Payer Card 1099 reporting
5. Dave Tolman: Per-diem

Pending agenda items:

1. Draft of inventoriable limit change to Pam Ahrens: waiting for response
2. Fixed assets and taxable fringe benefits: ready to publish
3. Steve Allison: Resource memo to agencies for update on agency descriptions
4. Dave Tolman: mail each committee the agreement between Access Idaho and the State
5. Prior period adjustments and Policy Improvement Process: submitted; waiting for J.D.'s approval
6. Credit card fee policy: waiting for final approval of draft for convenience fees. The two policies will be sent out together to the agencies for review.

Future agenda items:

1. Sharon Weber: Rotary policy and procedures: update (possibly petty cash)

STATEWIDE FISCAL ADVISORY COMMITTEE MINUTES
August 10, 2000

In attendance: Kathy Chase, ITD
Doug Miley, DEQ
Jane Wright, P&R
Tom Wilkerson, INS
Larry Kirk, LSO
Kristi Kelly, SCO
Dave Tolman, DFM
Steve Allison, SCO

Agenda 1: Approve minutes. Two revisions to agenda. Need to include Third Party Payer Card 1099 Reporting and Per-diem.

Agenda 2: Convenience fee policy. Discussion continued on what should and should not be included in the policy. Larry suggested guidance on accounting entries could be provided. Kathy Chase presented the final draft and changes were suggested. It is important that the agencies understand that if a fee is a statutory fee, it cannot be netted against revenue. Policy was approved for exposure with two changes: 1. Delete "credit card" from title 2.) Delete first bullet from fiscal impact.

Agenda 3: Moving expenses. Board of Examiners (BOE) is dealing with moving expenses involving universities. What's happening is contracts for moving expenses are being signed and permission is being sought/granted later. How is this allowed to happen? The committee requests the BOE to have renters reimbursed up to a maximum of a set amount. The policy should state that agencies MAY help renters with nonqualified moving expenses. Dave and Larry to draft letter to BOE. Jane will meet with the Fiscal Officers Assoc. and will get feedback to Larry and Dave.

Agenda 4: Third Party Payer. Two policies were reviewed- a draft from the SCO and another from Jane Wright. The committee agreed to use the Preface, Definition, and Policy sections of Jane's draft, but the Administrative Procedures section from the SCO draft. The committee agreed the title of the policy should be Third Party Payer-1099 Reporting. The committee also moved portions of the policy section to the preface and deleted the reference section to the use of personal credit cards. The committee agreed to expose this policy, as updated, for agency comment.

Agenda 5: Per-diem rates. Jane said the Fiscal Officers Association (FOA) is dealing with the issue of getting appropriations to cover increased costs of meals. This should be a 2002 budget request.

Steve says to keep it simple and stay with the \$30 flat rate. The Legislature currently receives \$75/day for meals and lodging.

Larry Kirk reported that in 1990 the per-diem rate was \$26. At this rate, we were ahead of the IRS for out-of-state rates. Today, we are behind.

Letter needs to be sent to the BOE. Jane Wright will also get a similar letter from FOA to send to BOE.

Other: Jane Wright handed out an article from *Governing Magazine*, titled "No Free Lunch On-line."

Kathy handed out contract between ITD and AI. The contract talks about how AI is taking over the business ITD used to do with providing information to outside sources.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, AUGUST 24, 2000

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us

Dave Tolman, DFM 334-2883, dtolman@dfm.state.id.us

Current agenda items:

1. Dave Tolman (chair): approve minutes

Pending agenda items:

1. Draft of inventoriable limit change to Pam Ahrens. Status: waiting for response.
2. Fixed Assets and taxable fringe benefits are ready to publish. Status: get put in proper format and put onto the web.
3. Resource memo to agencies for update on agency descriptions. Status: Steve to draft memo.
4. Agreement between Access Idaho and The State. Dave to mail each member a copy.
5. Prior Period Adjustments and Policy Improvement Process Policies. Status: submitted to J.D. and waiting for final approval.
6. Credit card and Convenience Fee Policy. These two policies are to be sent out together. Status: waiting on final drafts.
7. Send out Third Party Payer- 1099 Reporting Policy draft. Status: will be sent out with the Credit Card and Convenience Fee policies.

Future agenda items:

1. Sharon Weber: Rotary policy and procedures update (possibly petty cash).

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA
FOR THURSDAY, OCTOBER 12, 2000

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us
Dave Tolman, DFM 334-2883, dtolman@dfm.state.id.us

Current agenda items:

1. Steve Allison (chair): approve minutes
2. Larry Kirk- abusive use of 282 TC's
3. The retention of Outstanding Warrants at agencies - possible uses of Accounts Payable functions in STARS instead
4. Connie Sterns: Appropriation Transfers- *Idaho Code 67-3511*
5. Kathy- Revision of Convenience Fee Policy

Pending agenda items:

1. Draft of inventoriable limit change to Pam Ahrens. Status: Steve will follow up.
2. Resource memo to agencies for update on agency descriptions. Status: Steve to draft memo.
3. Prior Period Adjustments and Policy Improvement Process Policies. Status: Prior year adjustment policy on hold until Attorney General's Office has a chance to review proposed policy.
4. Third Party Payer- 1099 Reporting Policy Draft. Out for agency review until Sept. 23.

Future agenda items:

Sharon Weber: Rotary policy and procedures update (possibly petty cash).

STATEWIDE FISCAL ADVISORY COMMITTEE MINUTES

September 14, 2000

In attendance: Kathy Chase, ITD
Doug Miley, DEQ
Jane Wright, P&R
Tom Wilkerson, INS
Larry Kirk, LSO
Kristi Kelly, SCO
Dave Tolman, DFM
Steve Allison, SCO
Darla Rankin, SCO

Agenda 1: Approve minutes. Motion to approve minutes (as written) by Doug Miley and seconded by Larry Kirk.

Other topics:

Update on per-diem rates: Dave and Steve presented a memorandum to the Board of Examiners (BOE) asking for an increase in the per-diem rates. Ben and Darrell decided to table for one month to give the Attorney General's Office time to review the proposed rate changes. The BOE agreed a change was long over due.

Update on moving expenses: Memorandum on revising the State Moving Policy to include renters was drafted by Dave Tolman. The committee discussed changes to the memo; Dave will rewrite memo with proposed changes to current policy.

Conventions: Darla questioned whether monies that agencies were holding as custodian, should be accounted for in an agency fund. It was decided that the monies should be kept separate. Agencies still are obligated to notify the State Treasurer and State Controller of all outside cash accounts. Darla suggested that outside cash accounts of material amounts should be disclosed in a closing package and put in an agency fund for reporting purposes. No change in current policy for conventions is needed.

Credit Card and Convenience Fees Policies: Agency feedback was reviewed. A decision to include examples of accounting for credit card and convenience fees in the policy was made. Kathy Chase will draft the examples to include sub-objects and TC's and present to the committee at next meeting.

Prior year adjustments: There were concerns about prior year adjustments after reading an insert in an opinion issued by the Attorney General's Office that stated adjustments beyond the current fiscal year cannot be made without a legislative appropriation. Dave will draft a letter, attach the Prior Year Adjustments Policy Exposure Draft and send to the Attorney General's Office for their review and response.

The committee will start meeting on a monthly basis again. Next meeting to be held Thursday, October 12, 2000, at 8:00.

Meeting adjourned at approximately 9:30.

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES

October 12, 2000

In attendance: Kathy Chase, ITD
Doug Miley, DEQ
Tom Wilkerson, INS
Larry Kirk, LSO
Kristi Kelly, SCO
Dave Tolman, DFM
Steve Allison, SCO
Darla Rankin, SCO

Guests: Connie Stearns, SCO
Jeremy Ward, SCO

Agenda 1: Approve minutes. A motion to approve the minutes as corrected was made by Dave and seconded by Tom.

Agenda 2: Abusive use of TC 282. When using a TC 282, no vender number is needed. This causes a problem for 1099 reporting. The 282 was originally set-up to be used with one-time, non-1099 reporting disbursements. Larry will have his team pull from the LSO transaction database 282's by agency fund, and sub-object, and make it available to Statewide Accounting for investigation and research. Depending on the outcome of this research, SCO may write a memo to agencies reminding them that this TC is to be used ONLY when absolutely necessary.

Agenda 3: Outstanding warrants. Currently there is no code stating how long an agency can hold onto a returned warrant. The committee decided this is an issue the Legislative Auditors should be looking for when doing audits and not an FPAC matter.

Agenda 4: Appropriation Transfers-*Idaho Code 67-3511*. This code needs interpretation. Overall, the committee felt this was not an FPAC issue but an issue that DFM needs to address. Dave wanted committee input on what "buckets" were included in the appropriated amount for the 10% cumulative change. Dave thinks the following appropriations are included: original, supplemental, Governor's holdbacks, BOE reduction, and PY reappropriation. He would exclude receipts to appropriations and non-cognizable funds. Dave will review this issue with LBO. There needs to be a change in code or official approval from the BOE. Dave will talk with Brad Foltman and Darrell, and possibly get AG's opinion. Steve suggested detailed examples be included in the Budget Manual. Dave to report resolution at future FPAC meeting.

Agenda 5: The committee reviewed agency comment on the convenience fees policy. One agency questioned the labor involved in adjusting payments to the original vender when using fuel cards. It is not anticipated that there will be a large impact when using a fuel card because fuel is not a 1099 reportable item.

Other:

Dave Tolman reported the Board Of Examiners (BOE) approved FPAC's recommendation to change the code section governing state travel expenses. DFM will put forth legislation for the upcoming legislative session to accommodate that change.

Dave Tolman also reported the BOE changed the moving policy to require all new hires be approved for any moving expense. Those at \$5,000 or less can be approved by the BOE sub-committee. Any amounts above \$5,000 must be approved by the full board. Paybacks: those who voluntarily resign within one year will be required to payback 100%; between 1 and 2 years will be required to payback everything over \$5,000; and those who resign between 2 and 3 years will be required to pay back everything over \$10,000. Kathy Chase recommended the meeting time be changed to follow the AGA Luncheon. All agreed. Next meeting is Thursday, November 16 at 1:00.

(Meeting canceled per Dave Tolman).

STATEWIDE FISCAL POLICY ADVISORY COMMITTEE (FPAC) AGENDA

For Thursday, January 25, 2001
(Last meeting October 12, 2000)

To add items to the agenda, contact:

Steve Allison, SCO 334-3150, sallison@sco.state.id.us

Dave Tolman, DFM 334-2882, dtolman@dfm.state.id.us

Current agenda items:

1. Dave Tolman (chair): approve minutes.
2. Prior year adjustments: Dave Tolman to report on response from Attorney General's Office.
3. Follow-up from October meeting: TC282 research: Larry and Steve
10% appropriation transfer: Dave.
4. Statutes of Travel Per Diem: Dave (update).

Pending agenda items:

1. Draft of inventoriable limit change to Pam Ahrens. Status: No news from Administration.
2. Resource memo to agencies for update on agency descriptions. Status: Memo drafted for review.
3. Credit card, convenience fees, and policy improvement policies: approved. Format and get on the web: Kristi.

Future agenda items:

Sharon Weber: Rotary policy and procedures update (possibly petty cash).