



STATE OF WASHINGTON

OFFICE OF FINANCIAL MANAGEMENT

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OFM DIRECTIVE 15A-04

TO: Agency Directors and Policy Manual Users

FROM: /s/ Wendy Jarrett, Assistant Director
Accounting Division

SUBJECT: Chapter 25, Payroll; Chapter 30, Capital Assets; Chapter 50, Federal Compliance; Chapter 75, Uniform Chart of Accounts; Chapter 80, Accounting Policies; and Chapter 85: Accounting Procedures

We have revised several policies in the *State Administrative and Accounting Manual* (SAAM) effective July 1, 2015. A number of the policy revisions reflect the state's implementation of the Governmental Accounting Standards Board Statement No. 72 *Fair Value Measurement and Application* (GASB 72).

Key changes to the policies in SAAM include the following:

Chapter 25: Payroll

(Subsection 25.30.40, 25.40.10 and 25.70.30)

- Corrected the link to the website for IRS guidance on taxable fringe benefits. (25.30.40).
- Updated the Fringe Benefit Rate for shared leave calculations. (25.40.10).
- Adjusted the limit for payments to the relatives of deceased employees based on the increase in the consumer price index for Seattle (RCW 49.48.120). (25.70.30.c).

Chapter 30: Capital Assets

(Subsection 30.20.10)

- Changed valuation of donated capital assets from fair value to acquisition value (GASB 72).

Chapter 50: Federal Compliance

(Subsection 50.30.80)

- Changed valuation of donated capital assets from fair value to acquisition value (GASB 72).

Chapter 75: Uniform Chart of Accounts

(Sections 75.20 and 75.70)

- Updated agency titles for agencies 1950, 5080, 6340, 6390, 6490, 6520, 6910.
- Updated subobject EY to include subscription-based computing services.
- Deleted subobject NX as it is no longer used.

Chapter 80: Accounting Policies

(Subsections 80.20.60, 80.30.30 and 80.30.45)

- Revised policies to reflect investments are generally to be valued at fair value and donated capital assets are required valued at acquisition value (GASB 72).

Chapter 85: Accounting Procedures

(Subsections 85.52.30, 85.60.30, 85.65.52, and 85.90.40)

- Revised policies to reflect investments are generally to be valued at fair value and donated capital assets are required valued at acquisition value (GASB 72).
- Updated revenue source code for the Consolidated Technology Services' state data center allocation.

The policies and procedures prescribed in SAAM are the minimum requirements that state agencies must meet. An agency may adopt more restrictive or detailed policies as long as the agency meets the required minimum standards.

Please be aware that in addition to the SAAM policies, all OFM directives, technical corrections, and superseded policies are available online on OFM's website at:

<http://www.ofm.wa.gov/policy/default.asp>.

Additional administrative and accounting resources are also available on OFM's website at:

www.ofm.wa.gov/resources/default.asp.

If you are maintaining a hardcopy manual, a link to the replacement pages is available at:

<http://www.ofm.wa.gov/policy/replacement-pages.asp>.