



STATE OF WASHINGTON

**OFFICE OF FINANCIAL MANAGEMENT**

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July 26, 2017

**OFM DIRECTIVE 17A-04**

**TO:** Agency Directors and Policy Manual Users

**FROM:** /s/ Brian Tinney, Assistant Director  
Accounting Division

**SUBJECT: Chapter 22, Internal Audit Policies; Chapter 25, Payroll; Chapter 55, Audit Tracking; and Chapter 75, Uniform Chart of Accounts**

We have revised several policies in the *State Administrative and Accounting Manual (SAAM)* effective for July 2017. Key changes to the policies in SAAM include the following:

**Chapter 22: Internal Audit Policies**

(Chapter 22 is established)

- Designates agencies required to have an internal audit program.
- Requires agencies with an internal audit program (required or elected) to follow professional standards.
- Establishes policies for internal audit programs.

**Chapter 25: Payroll**

(Section 25.40)

- Adds information related to the new Veterans' In-state Service Shared Leave Pool (25.40.10 and 25.40.13).

**Chapter 55: Audit Tracking**

(Section 55.10)

- Requires OFM to submit agency responses and plan for remediation for findings of noncompliance with state law to the governor, the state auditor, the Joint Legislative Audit and Review Committee, and the relevant fiscal and policy committees of the Senate and House of Representatives within sixty days of receipt of the finding in accordance with RCW 43.09.310.

- Modifies corrective action plan templates agencies are required to use for corrective action plans.

### **Chapter 75: Uniform Chart of Accounts**

(Sections 75.30, 75.65, and 75.70)

Added new statewide sub-subjects (75.70.10)

Changes effective **June 30, 2017**:

- Added three new accounts: 21U, 22A, and 22B
- Abolished accounts: 18T, 447

Changes effective **July 1, 2017**:

- Changed expiration date: 16W
- Added new account: 21V
- Created new agency: 3070 – Department of Children, Youth and Families

Changes effective **July 6, 2017**:

- Added two new accounts: 22C and 22D

Changes effective **July 7, 2017**:

- Added new account: 22G

Changes effective **July 23, 2017**:

- Added 11 new accounts: 21E, 21G, 21H, 21J, 21K, 21L, 21M, 21N, 21P, 21Q, and 21T
- Changed budget and treasury type: 20L

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](http://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>.