



# State Controller's Division

## STATEWIDE ACCOUNTING AND REPORTING SERVICES

### Semi-Annual Update

Six Months Ending December 31, 2010

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#### Who are we?

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The Statewide Accounting and Reporting Services (SARS) team compiles and publishes the State's audited Comprehensive Annual Financial Report (CAFR). To ensure the information reported in the CAFR is presented in accordance with "generally accepted accounting principles," SARS establishes statewide accounting policies that are published in the Oregon Accounting Manual and provides consulting and training services for agencies' fiscal staff.

The SARS unit also manages the Datamart. The Datamart contains accounting and financial data extracted from the state's central financial systems and is used by agencies for ad hoc reporting.

In addition to the CAFR, SARS coordinates the state's federally mandated reporting requirements, which include preparation of the Statewide Cost Allocation Plan, the Schedule of Expenditures of Federal Awards, the Federal Reporting Package, the Cash Management Improvement Act (CMIA) Treasury-State Agreement, and the CMIA Annual Report. Last, but not least, the SARS unit manages security access to the state's central financial systems and administers the statewide travel card program and the statewide travel policy.

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#### SARS Statistics

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- Number of years SARS has received the GFOA *Certificate of Achievement for Excellence in Financial Reporting*: **18 years (including the FY 2009 CAFR)**
- Number of training hours provided from July through December 2010: **220 hours**
- Percentage of agencies that earned the Gold Star Certificate for accurate and timely reporting for FY 2010: **94%**
- Number of agencies and component units reported in the FY 2010 CAFR: **89 agencies**
- Number of Datamart users: **725 users**
- Number of active Travel Card accounts: **1321 accounts**

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#### CAFR Compilation

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Preparing the Oregon Comprehensive Annual Financial Report (CAFR) is the single overriding performance objective of SARS and the primary focus of our activities for the latter half of each calendar year. SARS completed the FY 2010 CAFR on December 29 (the statutory due date is December 31) with an unqualified audit opinion. In addition, we received the GFOA *Certificate of Achievement for Excellence in Financial Reporting* for the FY 2009 CAFR, making it the

eighteenth year in a row that SARS has achieved this award! These successes are the result of the collaborative efforts of state agencies, Audits Division, SFMS Operations and the SARS unit. The CAFR is an important document. It is required by federal and state law and is critical to the marketability of the state's bond issues.

For the FY 2010 CAFR, SARS implemented to new GASB statements:

- GASB 51 – Accounting and Reporting for Intangible Assets
- GASB 53 – Accounting and Reporting for Derivative Instruments

Here is the link to the FY 2010 CAFR:

<http://www.oregon.gov/DAS/SCD/SARS/publications.shtml>

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## Datamart

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The SCD Datamart is a database of accounting data extracted from the Statewide Financial Management Application (SFMA) and payroll data from the Oregon State Payroll Application (OSPA) that agencies can access for ad hoc reporting needs or use to create their own custom reports. SARS has also developed a number of “standard reports” that are available to all agencies through the central Datamart Repository.

The major Datamart accomplishment of the past year was the acquisition of a single statewide license for *Oracle's Business Intelligence Reporting Studio 11 (IR Studio)*. This software replaces the various legacy versions of the Brio/Hyperion query tool in service across state agencies. In support of this purchase, SARS surveyed Datamart customers to find out what they wanted, invited agencies to participate in four “discovery” sessions with Oracle, documented alternatives/conclusions in a business case, and worked closely with the State Purchasing Office and DOJ to complete the transaction. This purchase has many benefits for the state as a whole:

- It allows for the statewide upgrade of all legacy versions of Brio/Hyperion to the current supported Oracle product.
- Unlimited user access is provided through an “enterprise” license; no additional license fees or software purchases are needed for new users.
- Agencies will no longer receive and pay separate annual Brio/Hyperion maintenance invoices for each of their individual desktop licenses. Instead, DAS will pay all support/maintenance on behalf of the State of Oregon through one central annual invoice. (NOTE: If you are still receiving separate bills for annual support of legacy desktop versions of Brio/Hyperion, **do not pay these invoices**. Oracle has worked to ensure that all legacy licenses have been rolled into the single state-wide license, but this is a major task and some may have been missed.)
- The state's financial community can continue to use the estimated 50,000 .bqy files that currently exist – users do not have to rebuild their queries.

- The current Brio/Hyperion infrastructure is maintained, thereby reducing the costs to implement IR Studio.
- From an end-user perspective, IR Studio functions the same as the earlier Brio/Hyperion versions, so no additional training is necessary.
- Increased compatibility – AJAX, Linux, XML, .NET, SOAP, J2EE, WSDL, 64 bit support, etc.
- IR Studio provides the potential for future expansion as a statewide web-based application with additional audit capabilities.

The Datamart team completed the testing of *IR Studio* in August and created a special implementation Web page for agencies that was launched in September:

<http://dasapp.oregon.gov/datamart/>

If you are a Datamart user and have not yet installed *IR Studio*, please contact the Datamart team at: [datamart.support@state.or.us](mailto:datamart.support@state.or.us)

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## Federal Compliance

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SARS is responsible for several federally mandated reports. To be eligible to receive federal funding, it is important that Oregon comply with federal reporting requirements. During the past six months, SARS:

- Negotiated the final FY 2011 Statewide Cost Allocation Plan with the US Department of Health and Human Services, as required by OMB Circular A-87.
- Prepared the proposed FY 2012 Statewide Cost Allocation Plan.
- Completed the FY 2010 Cash Management Improvement Act annual report as required by 31 CFR 205 Final Rule. This report is submitted to the U.S. Treasury Department.
- Submitted the FY 2010 agency certifications of compliance with federal arbitrage regulations to Debt Management Division of the Office of the State Treasurer.

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## Agency Support

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In July, SARS presented refresher training on *Accounting and Reporting of Capital Assets*. The purpose of this training was to address some of the most commonly asked questions received from agencies. In addition to the formal training, SARS published answers to the questions received at the end of the class in a separate Q&A document. The major point of each question was also incorporated into the related policies in the Oregon Accounting Manual (OAM).

**Statewide Accounting and Reporting Services**

Department of Administrative Services

State Controller's Division

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