

OFFICE OF FINANCIAL MANAGEMENT

ACCOUNTING DIVISION – STATEWIDE FINANCIAL SYSTEMS

Agency Financial Reporting System

Payment Options

Includes:

Electronic Funds Transfers (EFT)

Interagency Payments (IAP)

Interfund Transfers (IFT)

Inserted and Regular Warrants

Interagency JV Payments (Non-IAP)

Master File Inquiry functions

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Introduction and Overview

There are several methods of paying obligations using the Agency Financial Reporting System (AFRS):

- Electronic Funds Transfer (EFT)
- Interagency Payments (IAP)
- Inserted Warrants
- Regular Warrants, Local Checks
- Interagency JV Payments (Non-IAP)

Also included in this document is the Interfund Transfer (IFT). While not a payment option, the forms and process are similar enough to describe them here.

The purposes of this document are to:

- help users understand each of the payment options
- educate users about AFRS system features related to payments so these features can be utilized effectively
- explain the benefits of each payment method so users can make informed choices

Electronic Funds Transfer (EFT)

EFT payments are produced through the AFRS system and are processed through the Automated Clearing House (ACH) network. The payment is sent electronically to the vendor or employee's bank account and posts three banking days after processing. OFM sends a single statewide vendor remittance advice (paper or e-mail) to each vendor displaying payments from all agencies for that day.

This process works exceptionally well for payments to statewide vendors who request this method of payment from the state and for employees who receive their payroll by direct deposit. OFM establishes and maintains a vendor record on the statewide vendor file for each vendor who has indicated they prefer payment by EFT. Agencies set employee vendor records for EFT on the agency vendor screen (VE.2).

Interagency Payment (IAP)

Interagency payment (IAP) is a method used by agencies to pay other state agencies when the accounts involved are treasury and treasury trust accounts. The transfer of cash is automated by the use of special IAP transaction codes. The IAP process eliminates the need to send paper documents between state agencies and Office of State Treasurer (OST). Per SAAM 85.36.10: Payments are to be made in the most effective and economical manner possible, so IAP and other electronic methods are the preferred choice of payment.

Other considerations:

- A Statewide Vendor Number (SWV) is required to process an IAP to another state agency. The SWV table is maintained by OFM and has special fields to facilitate IAPs. [Refer to screen view on page 10.](#)
- Special IAP transaction codes (TCs) are used to create an IAP (select Report K from the TC decision table - AFRS TM.8.1 screen). Payments made to agencies will be converted into IAPs (both on-line and batch) as long as an SWV record created for IAP transactions is used.
- An e-mail notification is sent to the billing agency showing which agencies have paid invoices. The email message has the following information: a) amount of payment; b) invoice(s) paid; c) current document number (IAP number); d) receiving account; e) paying agency; f) payment date; g) account number and h) vendor message.
- A Master File Inquiry screen (MI.B) is available in AFRS for users to view IAPs received by their agency. Information displayed on the screen has some of the same information as the e-mails ([refer to screen on page 16](#)).

Interfund Transfer (IFT)

IFT transactions automate the transfer of cash between accounts within the same agency. Special TCs are used to create an IFT ([refer to chart on page 9](#)). The IFT process eliminates the transfer of paper documents between state agencies and OST. Therefore, it is the preferred choice for transferring cash between accounts within an agency.

Other considerations:

- IFT requires a transfer from at least one account to one or more accounts.
- Within each current document number, debit amounts must equal the credit amounts.
- IFT transactions can be combined with all types of transactions (payment and non-payment transactions).
- IFTs cannot be done in FM 99 or FM 25 as cash activity does not occur in these months.
- Any IFT errors will suspend the transfer of cash for that document number.
- There is a one day lag for In-process to clear.
- Reverse (R) indicator is not allowed on IFT.

Inserted Warrants

Inserted warrants are produced through the AFRS system and delivered to Consolidated Mail Services (CMS). At CMS, mechanical insertion equipment matches warrants with the corresponding remittance advice documents, stuffs them into envelopes and postmarks the envelope for same-day mailing.

Regular Warrants

Regular warrants are produced through the AFRS system, delivered to OST and distributed to agencies via agency courier or campus mail. At the agency, employees manually match the warrants with remittance advice documents, stuff them into envelopes, apply postage and mail (or send them to CMS for postage and mailing).

This process works well for warrants with special requirements. Examples: warrants that require documentation other than items provided on the remittance advice or special handling.

Approximate Agency Cost Per Payment

Description	Paid to:	Regular Warrant	Inserted Warrant	IAP/EFT
Warrant / EFT	OFM	0.46	0.55	0.00
Postage	Consolidated Mail	0.41	-	-
Envelope	Printer	0.02	-	-
Staff Time *	Employees	?	?	?
TOTAL		0.89	0.55	0.00
Agency Savings per Warrant / EFT			*Staff Time + 0.34	*Staff Time + 0.89

* The cost of staff time required to process payments varies by agency.

Each of these options is used for particular situations, and each option has a cost – in both **dollars** and **staff time**. At 55 cents per inserted warrant and 89 cents per regular warrant, these options are more expensive than IAP/EFT payments. Agencies using IAP/EFT and inserted warrants can **redirect staff time** previously spent stuffing envelopes and handling mail.

Local Checks

Certain agencies are authorized to make payments from a local account or a petty cash account at a bank. For example, the State Printer, universities and colleges use non-treasury accounts. At the agency, employees manually process local checks and mail payments to vendors.

Interagency JV Payments (Non-IAP)

Non-IAP journal vouchers are used only when IAP JVs cannot be used (see page 2-3 section on IAPs); e.g. the receiving agency does not have a SWV number. Both the receiving and paying agency must use treasury or treasury trust accounts. Refer to SAAM 75.30.50 to check if an account is a treasury or treasury trust account. They are designated as cash type 1 or 2. The original JV is sent to OST and a copy is sent to the billing. Alternatively, a summary JV is sent to OST and a detail JV is sent to the other agency.

JVs must include the following data items:

- Current document number
- Agency number and accounts of paying and receiving agencies
- Debit/Credit indicators
- Amount

General Guidelines

Internal Control and System Security

In considering vendor payments, a major concern for agencies is internal control. Agency internal controls must be established and practiced regardless of the payment option used. The AFRS system security feature can be used as one internal control tool. To view your agency's security records, type

- SS (System Security) at the AFRS Primary Menu and
- 2 (View System Security Records) at the System Security Maintenance Menu and
- Select the logon ID of the person you wish to view/edit

The following screen will display:

```
==== AFRS =(SS.1)===== SYSTEM SECURITY MAINTENANCE ===== C105P412 ===
TR: _____ FUNCTION: V (A=ADD, C=CHNG, D=DEL, V=VIEW, N=NEXT)
AGENCY: 1050 LOGONID: QAAC105 AFRS SECURITY: 1 STOP USE DATE:
                                         LAST MOD DATE: 070816

      NAME: TEST - ALETA QUIMBY          PHONE: 360 664 7721
      BATCH INPUT RELEASE                BATCH INPUT RELEASE
      **      2      1
FINANCIAL
TRANSACTIONS      ** designates that functions
BATCH              apply to all batch types
FLAGS

      PAY MAINT: 2      PROJECT PURGE: 0

TM FLAGS - DT: 1 OI: 1 AI: 1 PI: 1 PC: 1 VE: 1 SWVE: 1 OC: 1 TD: 1 MI: 1
MF FLAGS - APPN: 1 ALLOT: 1 GRANT PRJ: 1 OPERATING: 1 SUBSID: 1 GEN LGR/DOC : 1
RC FLAGS - MRS DESIGN: 1 MRS SUBMIT: 1 RPT REQ: 1 O-D DESIGN: 1 O-D SUBMIT: 1
DR FLAGS - DISB: 1 1099: 1 OMWBE: 1 PURGE: 1 TRAN SEL: 1 PROF: 1      JOBCARD: 0
SC FLAGS - BROADCAST: 0 ACTION MSG: 0 JOB CARD: 0 TRAN RESTRICT: 0 UPDATE SM: 0

F1 ON INPUT FIELD=HELP, F3=RETURN, F12=MESSAGE, PAUSE/BREAK=EXIT

RECORD FOUND
```

The security levels available for a logon ID are:

- 0 = No Access
- 1 = View Records and Print Reports
- 2 = Update Authority
- 3 = Release Batches with Errors – allows a batch to be released so valid transactions can process; errors will not be processed
- V = View Only (for Vendor Edit and Table Maintenance screens)

Agencies are responsible for periodically reviewing and updating their AFRS security records. OFM recommends that agencies use AFRS security to separate the functions of **input, batch release and agency vendor** maintenance *to the extent possible* to reduce the risk of error or inappropriate actions. It is recognized that it is not always possible to institute controls in this manner. In those cases, management must either have more active oversight of operations, utilize personnel from other organizational units, or develop other compensating controls. [Refer to OFM recommended policy on internal control in Chapter 20 of the SAAM \(http://www.ofm.wa.gov/policy/SAAMvol1.pdf.\)](http://www.ofm.wa.gov/policy/SAAMvol1.pdf)

AFRS System Security and Related Payment Functions

There are a number of fields in AFRS security that control portions of the payment functions. For complete information, refer to Systems Security Manual at <http://swfs.ofm.wa.gov/Reference/contentsnew.asp>

System Security Field	Function
BATCH	Determines which batch types a person can view/edit. Types are alphanumeric. “**” indicates all batch types. “WW” indicates Warrant Write transactions.
INPUT	Controls view/edit of transactions and individual or group corrections
RELEASE	Allows person to release/hold/delete batches
PAY MAINT	View/edit access to IN.2 Payment Maintenance
VE	View/edit access to agency vendor table entries
SWVE	View/edit access to statewide vendor table entries

Batch Verification

AFRS has several features that should be used to verify transactions input **prior** to batch release. It is especially important to check all payment transactions. It is recommended that agencies use the functions described below for payments and other transactions. Mistakes that are caught before batches are released can greatly reduce agency costs by eliminating the time-consuming processes of error corrections and warrant cancellations.

From the Batch Header Summary screen (IN.3), there are three powerful line functions that can be used to verify input at the level of detail you choose. Type the appropriate letter in the space to the left of batch to be reviewed and press Enter.

The **B (Browse)** function allows you to easily scroll through and review each transaction in a batch using the N (Next) function. This screen displays the complete transaction and provides access to the vendor screen, so coding elements and vendor information can be checked. In addition, transactions can be changed, added or deleted on the Browse screen.

The **P (Payments)** function displays basic information (Vendor Name and Number, Account, Amount) about transactions within a batch – 15 records at a time. This screen can be used as a quick verification to make sure the correct vendor is used for each transaction entered. The amount field on this screen will show a negative for any credit transactions. This screen does not display the coding elements, but you can display and correct a transaction by typing S (Select) next to a transaction and pressing Enter. The transaction will be displayed and can be corrected as usual.

The **L (Print)** function provides an option to order a report similar to the daily history report for a batch. After pressing Enter, a second screen will display three print options. Type S (Select) next to DWP91001 – Transaction Batch Report and press Enter. The printed report can be used to verify the coding and vendor information entered. This function is useful for agencies that have remote printers and for users who prefer to check against a hard copy report. The reviewer could sign the printed report and keep it as part of the audit trail.

Determine which of these verification features best fit your agency's needs and incorporate them into your daily procedures. This pre-release verification process may or may not take the place of the Warrant Register review – depending upon several factors specific to each agency. Agencies should review changes in procedure with their auditors.

Information Sent to the Vendor

Obviously, it is important to pay the correct vendor by using the correct vendor number. It is also very important – especially for payment transactions – that information provided in the **Account Number, Invoice Number** and **Vendor Message** fields is **accurate** and **meaningful!** The information entered in these three fields is provided to the vendor on the remittance advice and is used by the vendor to post payments. Without accurate and meaningful information, the vendor will not be able to post payments as easily. [Refer to the e-mail remittance advice on next page.](#)

OFM recommends that you enter:

- the vendor-assigned invoice number in the invoice number field
- the vendor-assigned account or customer number in account number field
- additional information in the vendor message field.

If there is no invoice number and your agency does not have an account or customer number, you may need to contact the vendor the first time you pay them to find out what information will be useful to them. On the following page is an example of two agencies making payments to the Governor's Office.

THIS IS AN AUTOMATED NOTIFICATION TO YOU REGARDING ELECTRONIC PAYMENT(S) PROCESSED BY THE STATE OF WASHINGTON.

BILLING FUND: 001

1XX0 - STATE BOARD OF ASSOCIATIONS

IAP DOC#:	208XX2/	BATCH ID:	IN-049	PHONE #:	(360) 664-7XXX	PYMT TOTAL:	\$10.00

INV DATE	INVOICE NUMBER / MESSAGE	ACCOUNT NUMBER		CURR DOC #		AMOUNT	
02-22-08	EXEC. CONF. TRAINING	MARTY MARKHAM		346		\$10.00	
	TOTAL FROM STATE BOARD OF ASSOCIATIONS					\$10.00	

2XX0 - DEPARTMENT OF HIGH TECHNOLOGY

IAP DOC#:	208XX3/	BATCH ID:	GA-554	PHONE #:	(360) 664-1XXX	PYMT TOTAL:	\$10.00

INV DATE	INVOICE NUMBER / MESSAGE	ACCOUNT NUMBER		CURR DOC #		AMOUNT	
02-20-08	D.MURKY	REGISTRATION		10802053		\$10.00	
	TOTAL FROM DEPARTMENT OF HIGH TECHNOLOGY					\$10.00	

PLEASE NOTE THAT FOR EACH PAYMENT SHOWN ABOVE WE HAVE INCLUDED A CONTACT PHONE NUMBER SO YOU CAN CALL DIRECTLY TO THE OFFICE THAT MADE THE PAYMENT. HOWEVER, IF YOU NEED ADDITIONAL ASSISTANCE, YOU MAY REPLY TO THIS EMAIL OR CONTACT OUR VENDOR HELP-LINE AT (360) 664-7779.

Statewide Vendor Records

NOTE: In most cases, the date of the invoice or a number assigned internally by your agency is NOT meaningful to the vendor and results in phone calls from the vendor for additional information. This offsets the efficiency gain made by using a more efficient payment method. Remember to look at it from the vendor's perspective and enter the information that will be meaningful to the vendor.

OFM maintains the statewide vendor table. Part of the reason for this is because the bank account information is contained in the record. This is private information and, for security reasons, is not displayed on the screen to AFRS users.

One concern often expressed by users is that the statewide vendor address is different than the address shown on the vendor invoice. In general, larger corporations have a central location that processes electronic payments. This is often different than the location that processes paper warrants and may explain the difference in addresses. If you are concerned about a particular vendor address or if you notice an address change, contact OFM.

Any vendor doing business with the State of Washington and paid through AFRS may be added to the statewide vendor table. Vendors are required to complete a Statewide Vendor Registration form and an IRS Form W-9 (Request for Taxpayer Identification Number and Certification). To print a copy of these two forms go to OFM website at <http://www.ofm.wa.gov/accounting/vendors.asp>. On the registration form, vendors are encouraged to also sign up for electronic payments although this is optional. Agencies who are interested in having OFM add more vendors to the statewide vendor table should contact Vendor Helpdesk to assist with the communication with the vendors. [Refer to page 18 for the contact information.](#)

PRIVACY PROTECTION: Please protect the private information contained in your system files and reports. The AFRS system does not collect personal information from users of the system. However, the system files and products may contain personal information about citizens. Safeguarding and disposition of AFRS files and products must be consistent with Executive Order 00-03, April 25, 2000; and Chapter 56, Laws of 2000.

Trans Codes, Vendor Tables and Batch Types

There are several variables that AFRS evaluates during nightly processing to determine the type of payment/transfer to produce on each warrant/JV transaction. It is important to have a general understanding of how the process works.

The general order of precedence is

- TC
- Vendor record
- Batch type

There are pros and cons for each of these variables. Please read this section thoroughly before deciding which features will work best for your agency.

Transaction Code (TC)

The following table has special TCs developed for IFTs. V indicates variable GLs.

IFT Trans Codes:

TC	GL Accts	TITLE
TC 669	6510 / 7140	Interfund Expenditure Transfer – Increase
TC 670	7140 / 6510	Interfund Expenditure Transfer – Decrease
TC 021	7140 / 3210	Interfund Revenue Transfer – Increase
TC 022	3210 / 7140	Interfund Revenue Transfer – Decrease
TC 025	V / 7140	Interfund GL Transfer
TC 026	7140 / V	Interfund GL Transfer

For a listing of IAP TCs, select Report K from the TC decision table (AFRS TM.8.1 screen).

Vendor Record

For each transaction that includes a vendor number, AFRS will read either the agency vendor record or the statewide vendor record to determine the payment type. (refer to [screen view below](#)). When an agency vendor number is entered online, the system compares that vendor's taxpayer ID number against the statewide vendor table looking for a match. If it finds an available statewide vendor with the same taxpayer ID, it will alert the user by displaying the VE1.1 screen. The user can then choose the appropriate statewide vendor or agency number. **This is the only time an automatic comparison between the two vendor files is performed.** If there is no statewide vendor number, AFRS will read your agency vendor file. For transactions with no vendor number or a pseudo vendor number (V0D0 or V0D1), AFRS will check for a batch type record to determine the payment type.

Note: When the transaction is paying an invoice to a mandatory statewide vendor, AFRS will automatically enters the statewide vendor.

STATEWIDE VENDOR TABLE (VE.3)

```

=== AFRS =(VE.3)===== STATEWIDE VENDOR MAINTENANCE ===== C105P146 ===
TR: _____ LAST UPDATED: 08/14/07 USER AGENCY: 0000

TRANSFER: (ENTER 'Y' TO TRANSFER TO VENDOR EDIT ONLINE VIEW = IN.1.S)
FUNCTION: (A=ADD, C=CHG, D=DEL, V=VIEW, N=NXT, B=BCK, P=PRT, G=GEN)

VENDOR NO: SWV0030105 00 IAP PAYMENT
VENDOR NAME: DEPT_OF_EARLY_LEARNING-DEL_____ PHONE: 360 725 4690
ADD1: PO_BOX_40970_____ FAX: 360 413 3482
ADD2: _____ VENDOR TYPE: 3
ADD3: _____ VENDOR STATUS: A
CITY/ST/ZIP: OLYMPIA_____ WA 985040970 US/FOREIGN ADDR: U (U OR F)
E-MAIL ADDR: DELDLIAP@DEL.WA.GOV_____ DUNS: _____
FEDERAL ID: 75-3214740_ TAX TYPE: T IRS BOX: 0
CONTRACT NO: _____ OMBWE PAY FLAG: W9 ON FILE: Y
REMARKS: CONTACT: _HANNAH_NGUYEN_____ EFT AVAILABLE: N
CCD/CTX: C VENDOR RA PRINT: E PAYMENT TYPE: J
ABA ROUTING: _____ ABA ACCOUNT: _____ DUNS: _____
PAYMENT DAY: _____ ACCOUNT TYPE: C SPECIAL USE: _
VENDOR ACCT: AQ/CONTACT_CHANGE_____ REVERSAL ALLOWED: N
BILLING AGCY: 3570 FUND: 001 MULTI-FUND: _____ BLOCK AGENCY VNDR: N
PRENOTE SEND: N STATUS: _ DATE SENT: _ / _ / _____ LAST USED: 08 / 24 / 2007
PF3=RETURN, PF4=LAST VE VIEW, PF12=MESSAGE, CLEAR=EXIT
  
```

B

C

D

E

A

- A.** PAYMENT TYPE - "J" indicates Inter-Agency Payment (IAP). Other types are mentioned below.
- B.** BILLING AGCY - This field contains the billing agency's 4 digit agency no.

- C. FUND - This field contains the account to be credited for the payment. Fund must be treasury or treasury trust accounts.
- D. MULTI-FUND - This field needs an entry in the agency TM.B - IAP MULTI-FUND MAINTENANCE table. This is used when cash is received in more than one account.
- E. E-MAIL ADDR - where IAP or EFT payment notification is sent. Email distribution list recommended.

For a transaction with an Agency Vendor Number, AFRS will check:

1. Vendor Status

- a. If 'A' (Active): go to step 2
- b. If 'B' (Blocked): the vendor number will not be allowed for on-line transaction input. If the transaction is interfaced to AFRS, the transaction will be flagged as error and the batch will be in error status on the IN.3 screen.

2. Employee EFT

- a. If 'Y' (Yes): AFRS will produce an EFT payment – note that this only pertains to employees (vendor type = 1) ¹
- b. If 'N' (No) or blank: go to step 3

3. Payment Type

- a. If 'I': AFRS will produce an Inserted Warrant
- b. If 'R': AFRS will produce a Regular Warrant
- c. If blank: AFRS will check the Batch Type (see next section)

For a transaction with a Statewide Vendor Number, AFRS will check:

1. Vendor Status

- a. If 'A' (Active): go to step 2
- b. If 'B' (Blocked): the vendor number will not be allowed for on-line transaction input. If the transaction is interfaced to AFRS, If the transaction was interfaced to AFRS, the transaction will be flagged as error and the batch will be in error status on the IN.3 screen.

2. Employee EFT

- a. If 'Y' (Yes): AFRS will produce an EFT payment
- b. If 'N' (No): go to step 3

3. Payment Type

- a. If 'I': AFRS will produce an Inserted Warrant
- b. If 'J': AFRS will produce an IAP
- c. If 'T': transactions are in a IFT journal voucher- no warrant.
- d. If 'N': this vendor is not available for payment and vendor number will not be allowed for on-line transaction input. If the transaction was interfaced to AFRS, the transaction will be flagged as error and the batch will be in error status on the IN.3 screen.
- e. If 'R': AFRS will produce a Regular Warrant (only for Vendor Status V third party payroll payments).

The benefit of using the vendor record to determine the payment type is that you do not have to separate payments into different batches based on the type of payment

¹ AFRS will also read the HRMS payroll file to obtain the bank account information. If this information is not available for any reason, AFRS will make the payment as a warrant. Please note that employees are required to complete an authorization form requesting Electronic Fund Transfer for non-payroll reimbursements.

you want. All invoices can be processed within a single batch even though the output may include EFT, IFT, IAP, Inserted Warrants, and Regular Warrants.

The drawback is that there is some work required to update the vendor records to indicate the appropriate payment type. **To save time, agencies may request that OFM change the payment type on all agency vendor records to inserted (I) or regular (R) – whichever is the most common.** Then the vendors that are exceptions can be changed by the agency as needed.

Batch Type

If the payment type has not already been determined by the TC or vendor record, AFRS will check to see if the Batch Type used indicates the payment type. This (optional) feature is maintained on the Payment Process Controls (VE.6) screen.

- If the Pay Type Switch for this batch type is **I**, AFRS will create an **Inserted Warrant**.
- If the Pay Type Switch for this batch is **R**, AFRS will create a **Regular Warrant**.
- If there is no Payment Process Control record for this batch type, AFRS will default to a **Regular Warrant**.

The benefit of using the batch type to determine the payment type is that it is easier to get started since you only have to set up one or two records in AFRS (on the VE.6 screen). This method will also allow an agency to pay the same vendor by regular warrant and inserted warrant on the same day. This may be important to some larger agencies.

The drawback is that every invoice has to be evaluated and separated into different batches based on the type of payment desired.

NOTE: The VE.6 screen gives some very useful ways for agencies to help vendors. These features can be used for either regular or inserted warrants. The message can be a convenient way to provide vendors an agency contact person and phone number by batch type. Other uses include a generic message regarding the type of payment, information about year-end cutoffs, or information about signing up for the electronic funds transfer payment option.

The Contact Phone Number listed on the VE.6 screen is included on the vendor's remittance advice but the Name field on the same screen does not print anywhere. A name does help OFM staff when calling regarding an issue on a particular batch type.

Payment Documents & Master Inquiry for Payments

Warrant Register – Detail Payment Issuance Reports

Regardless of the payment type, all payments will be reported back to the agency on the Warrant Register Detail report (DWP8250x). The type of payment (EFT Payment,

IAP, Inserted Warrant, Regular Warrant) will be indicated next to each vendor. The report also shows the Settlement Date for any EFT payments shown on this report. *The Settlement Date is the day the payment posts to the vendor's bank account.*

The Warrant Register Detail reports all payments by batch. There are three sort options agencies can choose for this report:

- Sorted numerically by **payment/warrant number** (DWP82501) – this will group each payment type together, but can make it difficult to find a particular vendor if you are unsure of the payment type.
- Sorted alphabetically by **vendor name** (DWP82502) – this makes it easy to find any vendor regardless of the payment type and is the most preferred option for agencies using inserted warrants.
- Sorted alphanumerically by **current document number** (DWP82503) – this option can be used to display the payments in the same order as the input documents.

Use the Report Request Maintenance (RR.1) screen to update the number of Warrant Register Detail reports your agency receives or to change the sort option. If you need to reprint Warrant Registers and/or Vendor Remittance Advices, go to the M.I.A screen. [Refer to the Master Inquiry for Payments section on page 16 to see how to reprint warrant registers and remittance advices.](#)

Vendor's Remittance Advices

For Inserted Warrants, OFM creates a special remittance advice that is sent to the vendor. For EFT payments, the remittance advices can be paper or e-mail. For regular warrants, the agency should send the vendor copy of the remittance advice (DWP827V) to the vendor along with the warrant. If ordered by the agency, this remittance is created **only** for regular warrants.

Some agencies also keep a copy or copies of the remittance advice in their accounting or field offices. Again, there are several sort orders for agencies to select from and agencies can choose the number of copies on the RR.1 screen. The sort options are:

- Sorted numerically by warrant/payment # (DWP82701 and DWP827V)
- Sorted by batch and then alphanumerically by vendor number (DWP82702)
- Sorted by batch and then alphabetically by vendor name (DWP82703)
- Sorted by batch and then numerically by current document number (DWP82704)

AFRS Daily Reports

Payment transactions are reported along with all other AFRS transactions on the AFRS Daily History Transaction Report (DWP7101). This report shows all the AFRS coding elements that were entered for each transaction and can be used for verification.

One group of reports that is very important to review for payments is the DWP8200 series. DWP8201 – AFRS Daily Payment Status Report – shows each payment that will be made and those payments that won't be. If your report shows that there are payments NOT to be made, you can find out why by looking at the DWP8221 – AFRS Payments In-Process. **It is important to review these reports daily to avoid delays in getting payments to vendors.**

Master Inquiry for payments

There are several screens in AFRS that give you access to information about recent payments and other transactions. These screens are updated nightly and can be viewed to obtain information prior to receipt of your daily warrant register and other reports.

These screens are all accessed by selecting function MI (Master File Inquiry) on the AFRS Primary Menu. The screen view below has the MI menu:

```
=== AFRS =(MI)===== MASTER FILE INQUIRY MENU ===== C105P05D
TR: _____

1 -- APPROPRIATION FILE INQUIRY          7 -- RECENT HISTORY DETAIL
2 -- ALLOTMENT FILE INQUIRY              8 -- PAYMENT WRITE(WW) VIEW
3 -- GENERAL LEDGER FILE INQUIRY        9 -- PAYMENTS MADE TODAY/THIS MONTH
4 -- SUBSIDIARY FILE INQUIRY            A -- REPRINT WARRANTS / REMITTANCE
5 -- DOCUMENT FILE VIEW                  B -- INTER-AGENCY PAYMENTS
6 -- DOCUMENT DETAIL

                                SELECT FUNCTION: _
```

Choose the function and press Enter. To get help windows for the following three screens, position your cursor in the function field and press PF1. To exit the help window, press F3. Other function keys allow scrolling back to the previous records (F7), the next records (F8), to the left (F10) and right (F11) of the multi-column files.

MI.7 – Recent History File: The next screen view shows, by batch, all the data elements of transactions that have posted to the history file. You can view any batch that processed in the current calendar month plus the two previous calendar months. This screen is useful if you want to check to see if a batch has processed or the type of payments processed for a particular vendor.

```
AFRS =(MI.7)===== REPORT HISTORY FILE ===== C105P355 ===
TRANSFER: _____
FUNCTION: S (S=BATCH SEARCH, N=NEXT BATCH, P=PREVIOUS BATCH, L=PRINT BATCH)

AGENCY: 1050 DATE: 070827 TYPE: IN BATCH NO: 017

SEQNO DUP TRN MOD REV BI FM PTFM PTAG MSTRINDX AIX FND FD PRIDX INDX PROJ SP
00001 _ 210 _ _ 09 02 02 1050 06AFHEXP 020 001 _ 02051 _ 06AF 00
.....
.....
.....
F1=HELP, F3=END, F7=PREV RECS, F8=NEXT RECS, F10=LEFT, F11=RIGHT, F12=EXIT
```

MI.8 – Payment Write (WW) View: This view shows, by batch, all the data elements of payment transactions that are in process. This screen is most helpful for finding out why payments did not get generated for a particular batch.

```
=== AFRS =(MI.8)===== PAYMENT WRITE FILE ===== C105P351 ===
TRANSFER: _____
FUNCTION: N S=BATCH SEARCH N=NEXT BATCH B=PREVIOUS BATCH
```

```

AGENCY: 3100 DATE: 071011 TYPE: 11 BATCH NO: 303

```

SEQNO	DUP	TRN	MOD	REV	BI	FM	AGCY	MSTRINDX	AIX	FND	PRIDX	CREATE DATE	PRINT DATE	ISSUE DATE
00006	0	210	_	_	09	04	3100	_____	201	001	21013	071015	071015	071015
00007	0	211	F	_	09	04	3100	_____	201	001	27007	071012	071015	071015
00008	0	210	_	_	09	04	3100	_____	201	001	27007	071015	071015	071015
00009	0	210	_	_	09	04	3100	_____	201	001	27002	071015	071015	071015

Split screen to show first columns and date columns.

F1=HELP, F3=END, F7=PREV RECS, F8=NEXT RECS, F10=LEFT, F11=RIGHT, F12=EXIT

Transactions that have processed and generated payments will contain dates in the Create Date, Print Date and Issue Date fields. The F11 key will display more columns to the right of the data on the screen. Transactions that have processed but have not generated payments will only contain dates in the Process Date field. If the batch you are looking for has not generated payments, there are two possible reasons that can be determined by looking at this screen.

- **Future Due Date** is indicated by D in “Negative Flag” field. These payments will be made on the assigned due date (shown under the Due Date heading), unless a warrant maintenance transaction is entered that forces an earlier payment. For example, if the due date was entered as 103008 in Oct. 2007, the warrants won’t be printed until a year later. To fix Future Due Date batches refer to Payment Maintenance http://swfs.ofm.wa.gov/Reference/PayMaintIN.2_5-06.doc.
- **Associated Error on Error File** is indicated by 1 or 2 in the “Error Flag” field. 1 = OFM error file; 2 = DSHS error file. These payments will not be made until the associated errors have been corrected.

MI.9 – Payments Made Today/This Month: This screen shows, by batch, all the payments that your agency has made today (Payment File = T) or for this month (Payment File = M). This screen is most useful for checking to make sure a payment was generated prior to receiving the payment backup reports (warrant registers and remittance advices).

```

=== AFRS =(MI.9)===== PAYMENTS MADE TODAY/THIS MONTH ===== C105P350
TRANSFER: _____
FUNCTION: P (S=BATCH SEARCH, N=NEXT BATCH, P=PREVIOUS BATCH)
PAYMENT FILE: T (T=TODAY, M=MONTHLY)
AGENCY: 1050 DATE: 070829 TYPE: VT BATCH NO: 019
--PST--

```

SEQNO	DUP	TRN	MOD	REV	BI	FM	AGNY	MSTRINDX	AIX	FND	FD	PRIDX	INDX	PROJ	SP
00001	0	398	_	_	09	02	1050	07CAHEXP	011	001	_	02052	_____	07AD	00
00002	0	398	_	_	09	02	1050	07CAHEXP	020	001	_	02052	_____	07AD	00
00003	0	398	_	_	09	02	1050	07CAHEXP	011	001	_	02052	_____	07AD	00
00004	0	398	_	_	09	02	1050	07CAHEXP	020	001	_	02052	_____	07AD	00

If the payment you are looking for is not located on this screen, check MI.7 screen to make sure the batch processed and to double check that a payment-generating TC was used. If it did process using a payment-generating TC, check the MI.8 screen to see why payments were not generated.

MI.A – Reprint Registers/Remittances: This screen allows users to reprint any warrant registers and vendor’s remittance advices as needed. To request any of these reports on MI.A, you must have the requested report on your Report Request (RR) screen. An example of the MI.A screen follows:

```

=== AFRS =(MI.A)===== REPRINT REGISTERS / REMITTANCES ===== C105P349 =
TR: _____ AGENCY: 105
                YYDD
WAR REG NO.: _____ (USE MI.9 TO VERIFY WARRANT REGISTER NUMBER)
                03139 DATE OF EARLIEST AVAILABLE REPORT: 05 / 19 / 2003

                (S=SELECT ALL / INDIVIDUAL)
WARRANT REGISTERS: _ (ALL) AND / OR REMITTANCE ADVICES: _ (ALL)

DWP82501: _ (WARRANT REGISTER)          DWP82701: _ (AGENCY COPY)
DWP82502: _                               DWP82702: _
DWP82503: _                               DWP82703: _
DWP83001: _ (FUND RECAP)                 DWP82704: _
DWP83002: _                               DWP827V : _ (VENDOR COPY)
DWP83301: _ (CROSS REFERENCE)
DWP83302: _

* PRESS 'ENTER' TO PROCEED TO JOB SUBMISSION SCREEN
* IF 'ALL' IS SELECTED FOR WARRANT REGISTER OR REMITTANCE ADVICES,
  INDIVIDUAL SELECTION IS NOT ALLOWED FOR TYPE 'ALL' SELECTED
* THESE REPORTS WILL BE BILLED TO AGENCY
* 'ALL' WILL PRINT ALL VERSIONS OF REPORTS
                PF3=RETURN, PF12=MESSAGE, CLEAR=EXIT

```

MI.B - Inter-Agency Billing Payment Display: This screen shows, by Statewide Vendor or Document number, all the payments that your agency has received based on your criteria. As in the other MI screens scrolling can be used to see columns to the right or left of the screen. An example view of the MI.B follows:

```

=== AFRS =(MI.B)===== INTER-AGENCY BILLING PAYMENT DISPLAY ===== C105P348 ===
TRANSFER: _____ 1050
FUNCTION: _ (S=SEARCH BILLING TITLE, N=NEXT TITLE, P=PREVIOUS TITLE)
SWV SWV NAME: OFM-STATEWIDE_FINANCIAL_SYSTEMS_ SWV NUMB: SWV0005899 00
DOC NUMB: 191976/____ PAY DATE: 08 27 2007
                FOR USE BY BILLING AGENCIES TO VIEW IAP RECEIPTS
PAY    PAY    DOCUMENT    INVOICE
DATE  AGY    NUMBER      NUMBER                                AMOUNT
20070827 0800 191976/... 0901-0800.....193.52.
20070827 2050 191979/... 0901-2050.....78.64.
20070827 4600 191982/... 0901-4600.....234.59.
20070827 4760 191983/... 0901-4760.....266.57.

                F1=HELP, F3=END, F8=NEXT RECS, F10=LEFT, F11=RIGHT, F12=EXIT

```

Problem Resolution

There are several problems that can occur with the various payment types. The next sections have a list of some of the problems, how they are handled and who is responsible to correct them.

PAYMENT TO INCORRECT VENDOR

If an agency makes a payment (EFT, IAP, Inserted Warrant, Regular Warrant), to an incorrect vendor, they are also responsible for recovering the cash. The agency should contact the incorrect vendor as soon as they are aware of the situation.

If paid by EFT, agencies may:

- Ask vendor for refund.

- Take a credit against another current invoice.
- Ask vendor to reject the payment through their bank. (this returns the money electronically to the state – see below for Returned EFT Procedure below)

If paid by IAP, agencies may:

- Contact the receiving agency and agree who will initiate the correcting JV.
- Take a credit against another current invoice.

If paid by Warrant, agencies may:

- Ask the vendor to return the warrant if it has not been cashed.
- Ask the vendor for refund if the warrant has been cashed.
- Take a credit against another current invoice.

OFM will assist agencies if they are having problems dealing with a particular vendor who received an overpayment or an electronic payment in error. OFM can attempt to reverse EFT payments on rare occasions. It has to be within four days of settlement and records must still be available. It is **essential** that agencies verify vendor information ***prior to releasing batches for processing***. (Refer to [Batch Verification section on page 6.](#))

INSERTED WARRANT DAMAGED BY CMS

Occasionally, the CMS machines damage an inserted warrant. When this occurs, OFM takes responsibility to issue an X-warrant. An X-warrant is a replacement warrant that is normally issued and mailed within one day of the date the original warrant would have been sent. These warrants are processed with a reference to the original warrant number, so agencies can track the warrant as they would the original warrant.

RETURNED EFT PAYMENT

Occasionally, an EFT payment is returned because a vendor's bank account has been closed and the vendor has not notified OFM. Also, the vendor could reject the payment because it does not belong to them, as in the example above, or because it is a duplicate payment. In these cases, OST receives the monies and they require a cash receipt document (A8) so that they can record the receipt. OST contacts OFM and provides information about the returned EFT.

OFM prepares a cash receipt document (A8) for the agency that originated the EFT payment, crediting the agency and account, and sends the document to OST the same day. OFM contacts the originating agency and sends them a copy of the A8.

The originating agency is responsible for entering their side of the A8 document in AFRS (to clear their in-process) and re-issuing the payment (if necessary).

RETURNED WARRANTS OR EFT REMITTANCE ADVICES

Since Inserted Warrants and EFT Vendor Remittance Advices are mailed in OFM envelopes, any warrants that can't be delivered are returned to OFM. When inserted warrants are returned, OFM forwards them to the originating agency. The usual cause is an incorrect or incomplete address. To avoid delays and returns, agencies should ensure that agency vendor records have complete addresses – including street address or post office box, city, state and zip code.

When EFT vendor remittance advices are returned, OFM checks the vendor number. If it is a statewide vendor number, OFM works with the vendor to update their address information and the remittance advice is forwarded to the vendor (either mailed or faxed). If the remittance advice is for an agency vendor, OFM forwards the remittance advice to the originating agency.

MISSING OR INCORRECT EFT REMITTANCE ADVICES

The EFT Vendor Remittance Advice reports display an agency and an OFM phone number. Since multiple agencies may be reported on a single remittance advice, OFM serves as a central contact point to assist vendors with questions about EFT payments. Vendors may call OFM to obtain copies of a missing vendor's remittance advice or a clarification about an EFT payment. If OFM cannot answer the vendor's question, the information is forwarded to the appropriate agency and the agency is then responsible for contacting the vendor with additional or corrected information, as needed.

If an agency has problems with a vendor not showing EFT payments posted to their accounts, they may call OFM for help in resolving the problem. Often, OFM has contacts within the vendor's electronic receipts unit and can resolve the problem quickly. Agencies should feel free to contact OFM with any other miscellaneous problems regarding payments. See contacts listed next.

OFM Contact List

Please feel free to contact us at the helpline numbers with questions about how the AFRS payment process works or with questions about specific payments. You will be able to talk with one of several consultants or get a quick response to a voice message. We are also interested in hearing your comments and suggestions to improve this documentation.

AFRS Helpline (360) 664-7725

Email – afrshelpdesk@ofm.wa.gov

Statewide Vendor Helpline (360) 664-7779

Email – vendorhelpdesk@ofm.wa.gov

Common Terms and Acronyms

Term	Description
ACH	Automated Clearing House – a processing and delivery system that allows for distribution and settlement of electronic credits and debits.
AFRS	Agency Financial Reporting System
CMS	Consolidated Mail Services – GA’s campus mail service
EFT	Electronic Funds Transfer – an electronic payment from the state’s bank account to a payee’s bank account. EFT can include Automated Clearing House (ACH) and wire transfers.
IAP	Interagency Payment – an automated payment through AFRS. It is the preferred method for payments between state agencies when both are using treasury accounts.
IFT	Interfund Transfer – an automated transfer through AFRS. This is the preferred method to transfer cash between accounts within the same agency.
JV	Journal Voucher – a form used to generate EFT payments through OST. It can also be used to transfer monies between agencies and between accounts that are treasury and/or treasury trust accounts. A JV can also be used to record accruals and other adjustments to account balances.
Local accounts	Accounts under control of an agency at a local bank account and requiring the signature of agency officials on a check. Some local accounts are on deposit with OST as a matter of convenience or statutory requirement.
OST	Office of State Treasurer
SAAM	Statewide Administrative and Accounting Manual
SWV	Statewide Vendor – a common vendor record maintained by OFM that can be used by any agency; certain payment types (all IAP and some EFT) require the use of a SWV.
TC	Abbreviation for transaction code – a three digit code that determines which accounting entries are produced in AFRS.
Treasury accounts	Cash is on deposit and under the control of OST. Treasury accounts are subject to expenditure authority unless specifically exempted. Refer to SAAM 75.30.20 and 75.30.50 for a list of accounts.
Vendor Remittance Advice	A form that is sent with each payment to identify what invoice/account is being paid. The vendor’s remittance advice should reference the appropriate payment number and the invoice number.