


# ALERT! ALERT! ALERT!

---

**General Support Services  
Division of Finance and Procurement  
Office of the State Controller**  
1525 Sherman St., Ste 250  
Denver CO 80203  
Phone: 303-866-3281  
Fax: 303-866-4233

## ALERT #126

TO: Department Controllers, Fiscal Officers and Other Interested Parties

FROM: Arthur L. Barnhart   
State Controller

DATE: December 17, 1999

SUBJECT: *Happy Holidays*  
*Merger with the Division of Purchasing and Central Payroll*  
*Fiscal Rule Hearing Scheduled*  
*Y2K COFRS Availability*  
*Implementation of GASB Statement No. 33 - Accounting and Financial*  
*Reporting for Nonexchange Transactions*  
*1999 Reporting for Financial Responsibility and Accountability Act*  
*Emergency Y2K Procurements*  
*Processing of Bankruptcies on Claims Due to the State*  
*Central Collections Services Tax Offset Program*

---

### Happy Holidays

Our office wishes you a joyous and happy holiday season.

### Merger with the Division of Purchasing and Central Payroll

On November 15, 1999 the State Controller's Office and the Division of Purchasing merged to become the Division of Finance and Procurement. This merger also included the addition of the centralized payroll function which was a part of the Division of Human Resource Services.

### Fiscal Rule Hearing Scheduled

A Fiscal Rule Hearing has been scheduled for January 5, 2000 at 9:00 a.m. in the State Services Building, 1525 Sherman Street, Room B70. The proposed changes can be viewed on the Internet at: [www.state.co.us/gov\\_dir/gss/acc/rules/rules.htm](http://www.state.co.us/gov_dir/gss/acc/rules/rules.htm)

### Y2K COFRS Availability

We have prepared the following schedule to address concerns regarding COFRS availability during the calendar year end 1999.

Friday, December 24th

The system will be available but there will be no nightly cycle or COFRS Helpline support because of the state holiday.



Saturday, December 25th Sunday, December 26th	The system will be available as normal.
Monday - Thursday, December 27th - 30th	Normal business hours and nightly processing.
Friday, December 31st	The system will <u>not</u> be available. There will be <u>no</u> nightly cycle or COFRS Helpline support.
Saturday, January 1st Sunday, January 2nd	The system will <u>not</u> be available. Application Services personnel will verify that COFRS is functioning but will leave the system down so the Data Center can utilize their resources to work on other systems as needed. A message will be recorded on the COFRS Helpline number (303-866-6122) after 12:00 p.m. on Saturday, January 1st concerning the status of the system.

Implementation of GASB Statement No. 33 - Accounting and Financial Reporting for Nonexchange Transactions

The State Controller's Office has implemented Statement 33 effective July 1, 1999. At June 30, 2000 all Departments and Institutions of Higher Education are required to be in material compliance with the provisions of Statement 33. Assets and revenues from nonexchange transactions that are measurable and available shall be accrued in compliance with Statement 33.

If there are any questions please contact Alan Boisvert at 303-866-3894 or alan.boisvert@state.co.us.

1999 Reporting for Financial Responsibility and Accountability Act

In November a letter was mailed to all departments and higher education institutions requesting the statement of compliance as required by the State Department Financial Responsibility and Accountability Act. The statement is due December 31, 1999. Any questions regarding the Act should be directed to your SCO accounting specialist.

Emergency Y2K Procurements

Attached is the State Controller policy regarding emergency Y2K procurements. This policy is intended to assist state agencies and institutions in quickly resolving emergency issues caused by unforeseen Y2K problems.

Processing of Bankruptcies on Claims Due to the State

SCO Alert #125 set a date of January 1, 2000 to require sending bankruptcy claims to Central Collections Services involving accounts turned over to, or eligible to be turned over to, Central Collections Services. There has not been sufficient time for CCS to get the necessary procedures in place. Therefore, the requirement to send bankruptcies to CCS starting January 1, 2000 is delayed. A new date will be set once CCS has the necessary

procedures in place. If you have any questions, please contact your SCO accounting specialist.

Central Collections Services Tax Offset Program

The GSS Accounts Receivable Administrative Rule requires all debts be run through the tax offset process before being written-off. CCS will again be using the Department of Revenue's tax offset program to collect on debts due the state. In previous years, debts of \$100 or less were not subject to tax offset. This year, debts of \$1 dollar or more will be subject to tax offset. This should result in a significant increase in the amount of collections through this process. Now is a good time to ensure debts past due more than thirty days have been submitted to CCS.

G:/DSC/ALERT125

# STATE CONTROLLER POLICY

## *Emergency Y2K Procurements January 1 - March 31, 2000*

**The following waiver of the State Fiscal Rule 3-1 is intended to assist state agencies and institutions in quickly resolving emergency issues caused by unforeseen Y2K problems.**

---

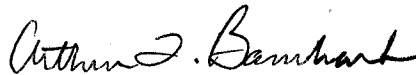
### **Background**

Unforeseen problems may arise due to computer problems and other related embedded chip problems on or after January 1, 2000. In an effort to be proactive and allow state agencies and institutions more flexibility in reducing the reaction time to these emergency situations, the state controller is issuing the following policy.

### **Policy**

Effective January 1, 2000 in emergency Y2K related situations, state agencies and institutions may issue purchase orders in lieu of contracts to secure goods and/or services. The following guidelines should be used when implementing this policy in an emergency situation.

1. The state controller's office should be notified as soon as practical and should be updated on the situation as it develops and as it is resolved.
2. The state controller must approve any procurement under this policy that requires performance beyond March 31, 2000.
3. Any personal service procurement under this policy must comply with the State Privatization Program.
4. For services greater than \$25,000, the purchase order should be bilateral by obtaining a written acknowledgment from the vendor



---

Arthur L. Barnhart  
State Controller