APPENDIX 9: PURCHASE CARD ACCRUAL PROCEDURES AND RESPONSIBILITIES

A9-1. **Purpose:** The purpose of this appendix is to identify the procedures and responsibilities referenced in *Chapter 4. Purchase Card Accrual Policy* of the *Accounting Policies Handbook.*

A9-2. **Effective Date of These Procedures:** September 2015. These procedures will be reviewed annually and updated as needed.

A9-3. **Procedures and Responsibilities:**

A. The Assistant Chief Financial Officer for Accounting (ACFOA) will maintain an employee as a GPC user of the servicing bank's electronic access system with capability limited to generating and downloading reports from the electronic access system. The ACFOA's designated user will have no authorization or capability to make purchases within the GPC system.

B. ARC will determine the billing cycle covered by the GPC invoice, which generally is a 30 day period ending on the 3rd calendar day of the month of the accounting period for which financial statements are being prepared.

C. Assuming the preceding billing cycle example, ARC will generate a GPC report to determine the GPC expenses that have been incurred from the 4th calendar day of the accounting period through the end of the accounting period (end of month).

D. ARC will provide the report to be used for accruals to the Office of the Chief Financial Officer's Accounting Center (CFOAC) for quarterly review and approval. Upon approval by CFOAC, ARC will work to generate a Journal Entry (JE) template for the accruals using the data from the report and request approval from CFOAC to process. This will ensure recognition of the GPC expenses which have been incurred, but not included in the latest GPC invoice previous to the expense.

E. Upon receiving the GPC report from ARC to be used for accrual purposes, the CFOAC staff will review the report for accuracy and provide an approval to proceed with the JE template. Upon receiving the JE template, CFOAC staff will review the JE and provide approval to ARC for quarterly entry in Oracle and ultimately the general ledger.

F. The JE for the accruals will be broken down by the accounting string used to incur the charge.

G. ARC will execute the JE document for the accruals quarterly under the following posting model.

ARC USSGL	Description
Dr 61000001	Operating Expenses/Program Costs
Dr 31070001	Unexpended Appropriations - Used
Dr 46100004	Allotments - Spending
Cr 21100002	Accounts Payable - Receipt Accruals
Cr 57000001	Expended Appropriations - Expensed
Cr 49010001	Delivered Orders - Obligations; Unpaid

H. ARC is responsible for maintaining adequate documentation to support the purchase card accrual and the CFOAC staff is responsible for reviewing the information to ensure accuracy.