

FAMIS PROCEDURES MANUAL

VOLUME II - SYSTEM MAINTENANCE MANUAL

CHAPTER VIII

FAMIS SYSTEM RECONCILIATION

Most of the chapters in the FAMIS Procedures Manual are devoted towards describing the data input preparation requirements and the actual data entry procedures for accounting, table maintenance and error correction transactions. Once these data are entered into FAMIS, they are strictly controlled by the system. The purpose of this chapter is to describe the system reconciliation steps required to ensure the proper functioning of FAMIS' system controls and the external manual controls exercised over the system.

Data control and reconciliation procedures must be implemented for table maintenance transactions, financial transactions (including error corrections) and the reconciliation of report balances. In Chapter IV, Table Maintenance Data Entry, the steps and procedures required to properly control and reconcile the table maintenance activity are presented. These procedures include recording the submission of table maintenance transactions in the Table Maintenance Logs and reconciling the FAMIS Table Maintenance Activity Reports against those control logs.

The focus of this chapter is on the reconciliation procedures required to ensure that financial transactions have been properly processed and controlled and that the financial reports properly reflect the data recorded in the FAMIS master files. In order to ensure the proper submission and recordation of financial transactions, two basic types of reconciliations are required - daily reconciliations and report reconciliations. The daily reconciliations should be performed by DAGS central accounting personnel immediately after each FAMIS update cycle. The report reconciliations should normally be performed monthly.

DAILY RECONCILIATION

The primary objectives of the daily reconciliation of financial transactions are:

- to detect any unauthorized or erroneous updating of the system;
- to ensure that all transactions submitted for processing are actually processed by the system or are otherwise accounted for; and
- to detect any abnormal program termination or other data processing difficulties.

The daily reconciliation of financial transactions is a simple two-step process. The first step in the process is to determine the total number of transactions submitted for processing. The second step is to determine the number of transactions actually processed. The second step can only be completed after the FAMIS input, edit and update reports reflecting the results of system processing have been received.

The key controls exercised over the financial transactions are the batch controls. These controls are achieved through: the preparation of a Batch Slip or in the case of voucher batches, the batch header portion of the expenditure document for each batch of accounting transactions entered into FAMIS; and the maintenance of a Batch Control Log that identifies the number of transactions submitted and the total amount of those transactions.

The Batch Slip and Summary Warrant Voucher-Manual are illustrated in Exhibits VIII-1 and VIII-2 respectively. The control elements contained in the batch data are the batch date, the batch type and the batch number which uniquely identify each batch of transactions entered into FAMIS. The fiscal month is used to control posting while the Comptroller Voucher Number is assigned on voucher batches. Finally, the transaction count and the batch amount are entered. The transaction count is the total number of transactions in the batch and the batch amount is the total amount of all transactions in

STATE OF HAWAII BATCH SLIP

EXHIBIT VIII-1

DEPARTMENT _____

FUND _____

PART A

BATCH TYPE <input type="checkbox"/>	DEPT. CODE <input type="checkbox"/>	DEPT. BATCH REFERENCE NO. <input type="checkbox"/>	TRANS FISCAL MO. <input type="checkbox"/>	BATCH I.D.				DEPT. BATCH STATUS <input type="checkbox"/>	CENTRAL ACCTNG. BATCH STATUS <input type="checkbox"/>
				MM	DD	YY	NO.		
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		
INTERFACE <input type="checkbox"/>	ONLINE <input type="checkbox"/>	ID-A <input type="checkbox"/>			TRANS. COUNT	BATCH AMOUNT			
			ORIGINAL	<input type="checkbox"/>	ORIGINAL				
			CORRECTED	<input type="checkbox"/>	CORRECTED				

PART B

DOCUMENT NUMBER	REASON FOR REJECTION	TRANS. COUNT	AMOUNT	REJECTED BY
TOTAL BATCH CORRECTION				

REMARKS:

*** BATCH TYPE**

- A —Treasury Deposit Receipt B-13, B-14
- B —Appropriation Warrant A-01
- C —Request for Transfer of Funds A-21
- D —Unrequired Appropriations to be Lapsed A-08
- E —Request for Allotment A-19
- F —Allotment Advice A-15
- G —Estimated Receipts B-31

- P —Contract Input C-41
- Q —Requisition & Purchase Order C-03, C-04
- R —Encumbrance Advice C-06
- S —Universal Input Form A-28
- T —Journal Voucher A-27
- Y —Departmental Input

DATE	AUTHORIZED SIGNATURE

the batch, net of credit memos, if any. This total is computed without regard to either the transaction code or the reverse code entered on the input transactions. As a Batch Slip or Summary Warrant Voucher-Manual is completed and the batch is submitted for data entry, an entry must also be made in the Batch Control Log as shown in Exhibit VIII-3. The Batch Control Log contains the key control elements that were entered on the Batch Slip. Similar entries should also be made in the control log when releasing automated summary warrant voucher batches that had been processed through the preliminary edit module.

The information contained in the DAGS Batch Control Log is one source of input for the daily reconciliation process. The reconciliation of financial transactions is the process of reconciling the total number of transactions input against the total number of transactions actually processed by FAMIS. Transactions other than those recorded in the DAGS Batch Control Log may also be entered into FAMIS. These transactions would be the errors released from the Error Suspense File. To aid in the determination of the total number of transactions actually processed, a special reconciliation form is provided.

The FAMIS Daily Reconciliation Sheet, illustrated in Exhibit VIII-4, specifies the daily reconciliation steps. The top portion of the form, entitled 'STEP 1', is used to record the total transactions entered and should be completed prior to the overnight transmission of accounting transactions to FAMIS for processing. On the first line, record the total number of transactions that are currently on the FAMIS Error Suspense File. The number of transactions on the Error Suspense File can be determined from the Error File Update Report (MBP800-1) from the prior update cycle. The number of Batch Headers and the Batch Record count can both be entered from the DAGS Batch Control Log. The sum of the input of the errors from the Error Suspense File plus the current day's input count equals the total number of

STATE OF HAWAII
DAGS BATCH CONTROL LOG

BATCH TYPE _____

DEPT CODE	BATCH DATE YY MM DD	BATCH NUMBER	FISCAL MONTH	DEPT BATCH REFERENCE NO.	ORIGINAL INPUT		RETURNED BY DAGS		CORRECTED		COMPTROLLER'S VOUCHER NUMBER
					NUMBER OF TRANS	AMOUNT	NUMBER OF TRANS	AMOUNT	NUMBER OF TRANS	AMOUNT	

STATE ACCOUNTING FORM A-XX

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DAGS BATCH CONTROL LOG

EXHIBIT VIII-3

EXHIBIT VIII-4
FAMIS DAILY RECONCILIATION SHEET

RUN NUMBER: _____

RUN DATE _____

STEP 1: DETERMINE TOTAL TRANSACTIONS ENTERED

INPUT ERROR SUSPENSE FILE
(FROM FAMIS 800-1 PRIOR UPDATE) _____

ERROR FILE OUTPUT COUNT _____

BATCH HEADERS (FROM BATCH CONTROL LOG) _____

BATCH RECORD COUNT (FROM BATCH CONTROL LOG) _____

TOTAL TRANSACTIONS ENTERED _____

STEP 2: DETERMINE TOTAL TRANSACTIONS PROCESSED

TRANSACTION DELETIONS (FROM FAMIS 200-2
DELETED ER FILE RECORDS) _____

POSTED TRANSACTIONS (FROM FAMIS 710-1
DAILY HISTORY RECORDS ADDED) _____

ERROR SUSPENSE FILE POSTED (FROM FAMIS 800-1) _____

ERROR FILE OUTPUT COUNT _____

TOTAL TRANSACTIONS PROCESSED _____

NOTE: THE COUNT FOR THE ERROR SUSPENSE FILE POSTED (FROM FAMIS 800-1)
IN STEP 2 BECOMES THE COUNT FOR THE INPUT ERROR SUSPENSE FILE
(FROM FAMIS 800-1 PRIOR UPDATE) IN STEP 1 OF THE NEXT DAY'S
RECONCILIATION.

SIGNATURE OF PERSON PERFORMING RECONCILIATION

DATE

transactions submitted for processing during that cycle. The reconciliation steps described in the following paragraphs may be performed only for specific batch types, or if desired, for all transactions entered.

To aid in the reconciliation back to the batch control totals, FAMIS automatically produces (six) reports at the conclusion of each edit/update cycle. These reports are:

- the Input and Classification Report produced by the first program in the input, edit and update cycle, Program 100;
- the Error Correction Report which accepts and processes error correction transactions;
- the History File Update Report which identifies the number of transactions added to the transaction history file;
- the Daily Detail of Transactions Posted which identifies all of the transactions which passed the FAMIS edits and posted to the master files.
- the Batch Status Report which gives totals, by batch, of transactions posted to the master files during the update process; and
- the Error File Update Report which identifies the number of transactions added to the Error Suspense File during the current update cycle.

These reports should be controlled and logged at the conclusion of the reconciliation process.

The first report, the FAMIS Input and Classification Report, is shown in Exhibit VIII-5. This report identifies the number of input accounting transactions received by the system. The input record counts are broken down by batch type into the three input types: error correction transactions, accounting batch headers and accounting detail transactions. The total of the last two counts should correspond directly to the DAGS Batch Control Logs and the STEP 1 total on the FAMIS Daily Reconciliation Sheet. The number of Error Correction transactions input shown on the Input and Classification Report should not be confused with the number of errors on the Error Suspense File.

BATCH TYPE	BATCH HEADER		BATCH DETAIL		ERROR CORRECTION		TOTAL	
	IN	OUT	IN	OUT	IN	OUT	IN	OUT
A	0	0	0	0	1	1	1	1
B	0	0	0	0	3	3	3	3
F	0	0	0	0	2	2	2	2
G	0	0	0	0	7	7	7	7
L	0	0	0	0	56	56	56	56
R	0	0	0	0	1	1	1	1
S	0	0	0	0	266	266	266	266
T	0	0	0	0	88	88	88	88
*TOTAL	0	0	0	0	424	424	424	424

INPUT AND CLASSIFICATION

EXHIBIT VIII-5

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 MBP100 (101) NORMAL PROGRAM TERMINATION - ERROR CORRECTION TRANSACTIONS ONLY

This count identifies only the number of corrections submitted and not the number of erroneous transactions on the error file. The next step in the FAMIS system processing is the processing of the error correction transactions against the errors on the Error Suspense File.

In order to reconcile the error correction activity, a FAMIS Error Correction Report is produced. This report is actually broken down into two segments. The Error Correction transactions are listed exactly as they were entered on the first part of the FAMIS Error Correction Report as shown in Exhibit VIII-6. This report shows each of the error correction transactions with the transaction identification, the data element name for the data being corrected and the actual correction. If there are any errors associated with an error correction transaction, the appropriate error code and message are printed in the right-hand column of the report. This report identifies the changes processed against the accounting transactions on the Error Suspense File and is an integral part of the audit trail.

The second part of the Error Correction Report identifies by batch type, the impact that these correction transactions had on the accounting transactions on the Error Suspense File. As shown in Exhibit VIII-7, the first total is the number of input error correction transactions. This reflects the number of error correction transactions that were entered the previous day. The effect these correction transactions had on the Error Suspense File is shown in the next set of totals. The Error Suspense File record count totals include the number of transactions that were released from the Error Suspense File, the number of transactions that were deleted from the Error Suspense File and the total number of Error Suspense File releases and deletions. Note that the number of Error Suspense File deletions is used in completing the FAMIS Daily Reconciliation Sheet.

BATCH TYPE	ERROR CORR TN TRANSACTIONS	ERROR RECORDS RELEASED	ERROR RECORDS DELETED	TOTAL RELEASES AND DELETES
A	1	2	0	0
B	3	0	5	6
E	2	1	2	3
F	0	1	0	1
G	7	5	2	7
K	0	2	0	2
L	56	79	0	79
P	0	5	0	5
Q	0	5	0	0
R	1	0	1	1
S	266	224	1	327
T	38	57	3	60
V	0	3	0	3
*TOTAL	424	484	14	498

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EXHIBIT VIII-7
 ERROR CORRECTION

 MBP200 (202) - NORMAL TERMINATION : ACCOUNTING TRANS. DELETIONS

At this point in system processing, all of the daily input transactions plus those transactions released from the Error Suspense File are processed through the FAMIS edit/update module. Valid transactions are posted to the master files and invalid transactions are posted to the Error Suspense File. At the conclusion of this phase of system processing, two activity reports are prepared.

The first of these is the FAMIS History File Update Report. As shown in Exhibit VIII-8, this report identifies the number of records that came in, that is, the number of transactions that exist on the history file, the number of records added during this update cycle, and the number of history records out. The number of records out is the arithmetical sum of the records in and added. The count of records added to the file is used to complete the FAMIS Daily Reconciliation Sheet. All of the transactions that were posted and included in the count of transactions added to the history file are reported on one of the daily transaction registers. A series of registers are produced for use by both central accounting and departmental fiscal personnel. The structure and content of each of these reports is described in Volume I, Chapter VII, 'Financial Reporting' of the FAMIS Procedures Manual.

The second part of this report is the Batch Status Report shown in Exhibit VIII-9. The three columns shown on this report identify the information contained on the batch header as it was input, the actual count and amount of the transactions that passed the FAMIS edits and posted to History File and any variation between the two. The variation normally represents transactions on the Error Suspense File.

This report should be analyzed with the FAMIS Error File Update Report shown in Exhibit VIII-10. This report identifies the number of transactions contained on the input Error Suspense File, the number of transactions added to

BATCH TYPE	HISTORY REC IN	HISTORY REC ADD	HISTORY REC OUT
A	0	2	2
F	0	1	1
G	0	5	5
L	0	14	14
P	0	1	1
Q	0	4	4
S	0	137	137
T	0	33	33
Y	0	2	2
*TOTAL	0	199	199

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EXHIBIT VIII-8
 HISTORY FILE UPDATE

 MBP710 (710) - NORMAL PROGRAM TERMINATION

MONTH TO DATE BATCH STATUS REPORT

-----BATCH HEADER-----						*-----ACTUAL-----*		*-----VARIATION-----*		
D B	BATCH	S	BATCH			ACTUAL	ACTUAL	VAR	VARIATION	MESSAGE
T T RD	DATE	NUM	COUNT	BATCH	AMOUNT	COUNT	AMOUNT	COUNT	AMOUNT	
A P Q9	03/17/83	001	1		250.00	0	.00	-1	-250.00	
A Q Q9	03/16/83	001	1		400.00	1	400.00	0	.00	
A Q Q9	03/17/83	001	1		200.00	0	.00	-1	-200.00	
A S Q9	03/14/83	001	29		189,000.00	4	21,000.00	-25	-158,000.00	
A S Q9	03/14/83	002	26		253,000.00	0	.00	-26	-253,000.00	
A S Q9	03/14/83	003	20		246,000.00	7	72,000.00	-14	-174,000.00	
A S Q9	03/14/83	004	31		253,000.00	6	61,000.00	-25	-212,000.00	
A S Q9	03/14/83	005	2		20,000.00	2	20,000.00	0	.00	
A S Q9	03/15/83	001	20		121,000.00	19	120,000.00	-1	-1,000.00	
A S Q9	03/16/83	001	11		44,000.00	2	4,000.00	-9	-40,000.00	
A S Q9	03/16/83	002	1		300.00	0	.00	-1	-300.00	
A S Q9	03/17/83	001	1		100.00	0	.00	-1	-100.00	
A S S9	03/17/83	001	23		290,000.00	20	230,000.00	-3	-14,000.00	
A S T9	03/04/83	001	30		1,552,010.00	30	1,552,010.00	0	.00	
A S T9	03/25/83	001	17		2,371,000.00	17	2,371,000.00	0	.00	
A S T9	03/25/83	002	2		300,000.00	2	300,000.00	0	.00	
A S U9	03/05/83	021	1		200,000.00	1	200,000.00	0	.00	
A S U9	03/08/83	001	3		600,000.00	3	600,000.00	0	.00	
A S U9	03/09/83	001	47		1,612,067.00	46	1,610,067.00	-1	-2,000.00	
A A V9	03/24/83	001	3		730,000.00	3	730,000.00	0	.00	
A L V9	03/24/83	001	3		35,000.00	1	10,000.00	-2	-25,000.00	
A P V9	03/24/83	001	2		25,000.00	0	.00	-2	-25,000.00	
A T V9	03/23/83	001	3		730,000.00	0	.00	-3	-730,000.00	
A T V9	03/24/83	001	4		170,000.00	4	170,000.00	0	.00	
A Y V9	03/24/83	001	2		60,000.00	2	60,000.00	0	.00	
A Y V9	03/25/83	001	6		50,000.00	6	50,000.00	0	.00	
			1063		233,971,504.32	601	206,324,307.55	-462	-27,647,196.77	*** TOTAL VARIATION

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MONTH TO DATE BATCH STATUS

EXHIBIT VIII-9

BATCH TYPE	ERROR FILE INPUT COUNT	ERROR RECORDS ADDED TO FILE	REPORTED WITH WARNINGS	TOTAL EP-FILE OUTPUT COUNT
E	0	1	0	1
K	0	2	0	2
L	0	65	0	65
P	0	4	0	4
Q	0	1	0	1
S	0	187	0	187
T	0	24	0	24
Y	0	1	0	1
*TOTAL	0	285	0	285

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EXHIBIT VIII-10
 ERROR FILE UPDATE

 MBP800 (800) - NORMAL PROGRAM TERMINATION- NEW ERROR FILE GENERATED

the Error Suspense File and the number of transactions with warning messages. The number of transactions on the output Error Suspense File is used to complete the FAMIS Daily Reconciliation Form.

The transactions added to the Error Suspense File are reported on the FAMIS Edit Activity Error Report shown in Exhibit VIII-11. All transactions entered into the system are reported on either the Edit Activity Error Report or one of the daily transaction registers.

To complete STEP 2 of the FAMIS Daily Reconciliation Form, transcribe the various transaction counts from the FAMIS Edit/Update Activity Reports.

- the first line, Transaction Deletions, is obtained from the Error Correction Report (200-5);
- the second line, Posted Transactions, is obtained from the History File Update Report (710-1); and
- the number of transactions added to the Error Suspense File are reported from the Error File Update Report (800-1) and entered on line three.

Adding these three counts results in the number of transactions actually processed by the system. This total should correspond to the number of transactions entered. If any variations are identified, they can be quickly isolated by referencing the detail information contained in one of the FAMIS Input/Edit and Update Activity Reports. Again, this reconciliation must be performed after each update cycle.

This simple reconciliation procedure should be performed each morning before any of the FAMIS reports or warrants are distributed. These two reconciliation steps should disclose any unauthorized input or processing of data or lost transactions.

---TRANS ID--- TC MOD REV LVR REQ FM REF-DCC/SFX VENDOR-NO/SFX DEPT-REF TRANS AMT LINE FROM-CODE & DESCRIPTION
 DEPT VENDOR-REF UCODE CURR-DCC/SFX CC ACTV PROJ PRSE DCC-NET-AMT
 F-YR-APP ACAT SZORJ F-DTL WR WARRANT# SFUND COMPT-VOUCH#
 SUBSID-# GL INVDTE *---OPT DEPT DATA---* *---OPT REMIT DATA---*
 -----WARRANT VENDOR NAME-----

E9L830309001000010	263 E9			01		575644485T 01 1	10,000.00 .00	2101 2102	601 DOCUMENT LEVEL ERROR
	G 83 020 20 7200 390002 WAYNE HORIE				NO 13	G 00000001		2103 2104 2105	
E9L830309001000020	264 E9			01		575644485T 01 1	10,000.00 .00	2106 2107	F10 AP-FILE NO MATCH F16 AL-FILE NO MATCH
	G 00 000 20 7200 400002 WAYNE HORIE				NO 15	G 00000001		2108 2109 2110	W12 AP-AL-FILE NO MATCH
E9L830309001000030	241 E9	P		01	00002000 20000003 00	575644485T 01 1	20,000.00 .00	2111 2112	F31 FUND CODE REQUIRED K01 INVALID APP YEAR
			20 7200			G 00000001		2113 2114 2115 2116 2117 2118 2119	F15 APPN ACCT REQUIRED F20 GAAP FUND REQUIRED F16 DE-FILE NO MATCH F10 AP-FILE NO MATCH F16 AL-FILE NO MATCH W35 FNC CONTR M C W38 FNC CLMS NEG
	WAYNE HORIE								
E9L830309001000040	200 E9		Y	01	00002000 20000004 00		10,000.00 .00	2120 2121	F31 FUND CODE REQUIRED K01 INVALID APP YEAR
						G 00000001		2122 2123 2124 2125 2126 2127 2128 2129	F15 APPN ACCT REQUIRED F20 GAAP FUND REQUIRED F42 MAJOR DEPT REQUIRED F12 ALLOT CAT REQUIRED E99 VEND NO/NAME REQ F01 V VU APPN REQUIRED F16 DE-FILE NO MATCH F10 AP-FILE NO MATCH
	WAYNE HORIE								
E9L830309001000050	241 E9			01	00002000 20000005 00	575644485T 01 1	20,000.00 .00	2130 2131	F31 FUND CODE REQUIRED K01 INVALID APP YEAR
						G 00000001		2132 2133 2134 2135 2136 2137 2138 2139	F15 APPN ACCT REQUIRED F20 GAAP FUND REQUIRED F42 MAJOR DEPT REQUIRED F12 ALLOT CAT REQUIRED F16 DE-FILE NO MATCH F10 AP-FILE NO MATCH F16 AL-FILE NO MATCH W12 AP-AL-FILE NO MATCH
	WAYNE HORIE								
E9L830309001000060	221 E9			01		575644485T 01 1	20,000.00 .00	2140 2141	W14 AVAIL ALLOT DEPLY 601 DOCUMENT LEVEL ERROR
	G 83 020 20 7200 WAYNE HORIE				NO 23	G 00000001		2142 2143 2144	

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EXHIBIT VIII-11
 EDIT ACTIVITY ERROR

RECONCILIATION OF REPORT BALANCES

The second part of the reconciliation process, the reconciliation of report balances, will identify any errors in system processing. This reconciliation process essentially entails the comparison of account balances reported from each of the FAMIS master files. For example, the balance reported for encumbrances in the Daily Status of Appropriations and Allotments should equal the total of encumbrances outstanding contained on the Outstanding Encumbrance Report by Department. In a similar manner, the total of encumbrances outstanding from the Outstanding Encumbrance Report should equal the total for encumbrances reported in the Trial Balance of General Ledger Accounts by Fund.

Whenever possible, reconciliation of report balances should be performed at as high a level as possible. For example, reconciliation of financial balances should begin by comparing corresponding balances between report totals. If discrepancies are identified, the next level of analysis should be at a more detailed level, by fund for example. Each lower level of reporting detail should be analyzed until the processing error is isolated to a single account or series of transactions. To aid in this process, FAMIS also provides a series of account analysis reports. These include:

- Appropriation Symbol Transaction Analysis;
- General Ledger Account Analysis; and
- Subsidiary Ledger Account Analysis.

These and all FAMIS financial reports are described in Volume I, Chapter VII, 'Financial Reporting' in the FAMIS Procedures Manual.

Few, if any, errors in reported balances should be identified. However, if any variances are identified, they should be investigated and resolved immediately.