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JUN 6 1985

MEMORANDUM NO. 1985-18

TO: Heads of Departments and Agencies

FROM: Hideo Murakami, Comptroller

SUBJECT: Excessive Use of the Manual Summary Warrant Voucher

Central Accounting has recently completed a review of the departmental usage of the Manual Summary Warrant Voucher (SWV), SAFORM C-08, during the month of February 1985. Our review noted that most departments and agencies have adhered to the primary use of the Manual SWV as an emergency-type payment document; however, several departments and agencies had used the Manual SWV at least 5% or greater of their total number of SWVs processed in February.

The primary intended use of the Manual SWV was to enable the overnight preparation of a warrant, when departmental personnel had no prior knowledge of such a need that would have enabled processing the payment transactions through FAMIS' Preliminary Edit Process (PEP). Preliminary Edit Process provides departments with computer pre-editing of payment transactions, as well as the preparation of a computer-generated SWV.

By its use primarily as an emergency-type payment document, the Manual SWV disrupts and slows the regular payment process, since it requires special handling and processing. Manual SWVs also require detailed data-entry, editing and error correction to be performed by Central Accounting personnel, who are generally unfamiliar with the payment or its related transactions.

In our review, we also noted that some uses of the Manual SWVs appeared unnecessary. The replenishment of petty cash and imprest funds can be avoided by requesting earlier replenishments or requesting an increase in funding. Some Manual SWVs used payment type indicators which subjected the SWVs to the 30-day aging requirement; this prevented the warrant from being prepared overnight. Departmental FAMIS departments have the online capability to prepare computer SWVs, which should minimize the need for preparing Manual SWVs. Other common priority payments, such as advance per diem, contracts and utilities payments, should be reviewed and internal priority procedures developed which utilize PEP.

The preferred priority payment process entails departments processing through Preliminary Edit Process first and then red-tagging the computer-prepared vouchers for the overnight preparation of the warrants. The use of Manual SWVs should be required only when there has been no prior knowledge of a need for a warrant that would have enabled processing through PEP.

We request that all departments and agencies review their use of the Manual SWV and reduce its use whenever possible. Effective July 1, 1985, departments or agencies, whose use of the Manual SWV exceed 5% or more of the total number of SWVs processed in a month, will lose their privilege to process Manual SWVs.

Please note that Special Payment Processes' Manual SWVs, such as for unemployment, income tax refunds, welfare and jury payroll are excluded from the requirement. Counties and Legislative agencies are also excluded due to the small number of SWVs processed by these agencies.

If you or your staff have any questions concerning this memorandum, please contact our Control Accounts Bookkeepers at 548-3088 or 3182.

HIDEO MURAKAMI
Comptroller