



ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL

TOPIC: Section 2 – Cash and Cash Equivalents 4.1	EFFECTIVE DATE: 08/30/2012
TITLE: Cutoff Dates for Payment Processing	REVISION DATE: 04/15/2019
AUTHORIZED BY: Director, Bureau of Fiscal Services	

BACKGROUND

Cutoff dates for Bureau of Fiscal Services (BFS) processing of documents or data files to generate payments to vendors are essential to control the specific date, fiscal year or calendar year in which the payment is intended to be issued.

BFS must adhere to a schedule as it pertains to daily system processing in the State Accounting System (STAR) for our transactions and interfaces.

Below is the processing schedule for payment documents entered into STAR.

Schedule for Payment Generation

It is the general policy of the Department of Administration (DOA), that agencies approve payments as close to the scheduled payment date as administratively feasible. The default payment term for payments made through Accounts Payable is 30 days (see WAM Section 05 sub section 09).

Day 1: Payment document keyed into STAR online, and provided no code errors are found, document is included in the next payment processing cycle. For the details in the STAR daily processing cycle see [WAM Section 01, sub section 5](#).

Day 2: On the next business day, DOA processes the batch payment ACH file and transmits it to the State's Financial Institution.

Day 3: On the next business day, ACH payments are deposited in the supplier's (vendors) bank. Paper checks are processed and mailed to the supplier's address. Any paper checks designated as "return to Agency" are obtained from the Department of Administration for distribution.

It is important that all organizations are aware of the cutoff dates. In order to produce a check with a specific date, you must use the above schedule to determine the entry date for the document.

Schedule for Check Generation from Electronic Data File (specialized check write)

For some Department of Health Services (DHS) programs, BFS has established a specialized check write process in which an IM document is keyed into STAR, but an electronic data file is created that includes detail check information. The file is processed through STAR and sent to DOA for check generation.

Below is the schedule for payment processing when the specialized check write process is used:

- Day 1: Specialized check write file from program area, i.e., Disability Determination Bureau, is provided to BFS.
- Day 2: On the same business day, BFS Managerial Accounting reviews and submits it to BFS Accounts Payable staff for processing within STAR by the 1:00 p.m. cutoff so processing will occur overnight.
- Day 3: On the next business day, if no coding errors exist, the vouchers are processed, and checks dated next business day or a specific future date requested by BFS are released.

REFERENCES

[WAM Section 01, sub section 5, STAR Processing Schedules](#)

[WAM Section 05, sub section 09, Accounts Payable](#)

CONTACTS

[Section Chief, Expenditure Accounting Section](#)