



SBCTC Memorandum

FIN-190013

November 21, 2019

TO: Business Officers, Controllers
FROM: John Ginther, Director
Accounting and Business Services
State Board for Community & Technical Colleges
SUBJECT: State Treasurer Draws and Deposits Change

Because the building fee account became overdrawn on July 26, 2019, the State Board attempted to compare building fee deposits to projected revenue and to actual revenue. The ability to determine if a college had submitted the required funds to the State Treasurer was difficult due to the inconsistent use of Treasury JV's (A7-A vs A8-A) and inconsistent values in the 'Current Document Number'. This was discussed at the October BAR meeting and a vote taken subsequent to the meeting. The following was agreed to by the vote:

A) Drawing Funds

When an A7-A is sent to OST to draw funds (for operating and capital allocations) for the Vendor Payment Advance (VPA) the following document number should be used:

College Code(NNN), J (for Journal Voucher) and the batch post period for the end-of-month (EOM) (YYMM) the funds are associated with.

So, for example, in October – when Pierce College draws funds for September totals the document number would be 637J1909.

These should be emailed to EFT_JV@tre.wa.gov

This allows OST to know which individual at a college they are working with (if they have questions). OST also emails back indicating the request has been received and they have backup staff monitor the account at OST when the primary staff person is out.

B) Remitting Funds

When an A8-A is sent to OST to notify them of an incoming wire the document number follows the same logic but replaces the J with a C (for Cash Receipt).

637C1909

These should be emailed to A8@tre.wa.gov

You should also email a copy of the wire information.

In the event VPA related funds must be returned, do not co-mingle them on the same A8-A; instead send them separately.

C) VPA Advance

If your college still returns and requests the VPA Advance each biennium, the return and request should be done on separate A7 and A8 documents on separate days.

Please use the college code, with a V (for Vendor) and the Biennium that it is referring to.

Current biennium request example for Pierce College: 637V1921.

Previous biennium return example for Pierce College: 637V1719.

As an FYI – you are NOT required to take the VPA advance. It is a local college decision.

This method has several advantages:

- Provides SBCTC with clear numbers that tie to accounting for each reconciling month end.
- Separates capital expenditures from the sending of actual building fee revenue.
- Differentiating between the A7 and A8 with the J and C (and V) also provides additional insight for colleges (as well as Truc) when researching In-Process Out of Balances.
- Separating the capital VPA and Building Fee remittance on separate A8s also provides clarity from this standpoint, as well as helps State Board capital project staff when reconciling deposits for building fees vs. return of VPA.

Colleges are **strongly encouraged to remit the building and innovation fees on the same A8 on a monthly basis**. Legally, colleges are only required to remit building fees quarterly. However, since the innovation fee must be remitted monthly, **we recommend colleges to remit both fees monthly!**