

Volume No. 3—Automated System Applications	TOPIC NO.	70105
Function No. 70100—Agency-Based Automated Accounting Systems	TOPIC	AGENCY-BASED AUTOMATED ACCOUNTING SYSTEMS
	DATE	August 2001

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Overview

Introduction

This topic establishes policies and procedures for the

- design,
- development,
- implementation and
- operation of agency-based automated accounting systems.

It establishes the **Commonwealth Accounting and Reporting System (CARS)** as the official accounting records of the Commonwealth and requires all agency-based accounting systems be capable of reconciling to and, as directed by the Comptroller, interfacing electronically or through magnetic media with CARS.

This topic also establishes the **Commonwealth Integrated Payroll/Personnel System (CIPPS)** and the **Fixed Asset Accounting and Control System (FAACS)** as official accounting records of the Commonwealth for those agencies which use these systems as they are centrally operated and maintained by the Department of Accounts (DOA).

Agencies authorized by the Comptroller to use alternative systems for payroll and fixed asset accounting (i.e., "summary user" fixed asset accounting systems) must ensure these alternative systems are capable of reconciling to and, as directed by the Comptroller, interfacing electronically or through magnetic media with CARS, CIPPS and FAACS.

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Policy

Introduction The central automated accounting systems operated by DOA are the official accounting records for the Commonwealth. It is the responsibility of all agencies to ensure that any automated accounting systems operated by the agency are fully reconciled to the DOA records and that timely corrections and adjustments are made to agency or DOA records as a result of these reconciliations.

Reconciling Central & Agency-Based Systems Agencies seeking to design, develop, implement, operate or modify agency-based accounting systems, as herein defined, must ensure that these systems are capable of being reconciled in a timely manner to the

- Commonwealth Accounting and Reporting System (CARS),
- the Commonwealth Integrated Personnel and Payroll System (CIPPS), and
- the Fixed Asset Accounting and Control System (FAACS),

as may be applicable, and, where appropriate, that all transmissions of accounting data in electronic or magnetic form must be fully compatible with the data transmission and transmission security requirements of DOA.

DOA publishes and maintains a current set of data transmission standards for CARS which must be used by agencies in designing, developing, implementing, operating or modifying agency-based accounting systems. These data transmission standards are contained in CAPP Topic No. 70210, *CARS Magnetic Media Interface Requirements*. DOA provides data transmission standards for CIPPS and FAACS on a case-by-case basis.

DIT Data Transmission The central automated accounting systems operated by DOA primarily use the computer facilities and telecommunications networks of the Department of Information Technology (DIT). Agencies seeking to use agency-based accounting systems which interface electronically or through magnetic media with central automated accounting systems at DIT must also comply with data transmission security requirements promulgated by that agency.

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Policy, Continued

Cost/Benefit

In all applications of this *CAPP* topic, agencies must consider the relative costs and benefits of agency-based automated accounting systems and ensure that investments in such systems are prudent and economical. Further, the agency should consider the life-cycle cost of such systems.

DOA reserves the authority under Section 2.1-196.1 (D) of the *Code of Virginia* to prohibit the operation of an agency-based automated accounting system that fails to support the statutory requirement for

- Statewide, unified financial accounting and control and
 - the maintenance of a modern, effective and uniform system of accounting for the Commonwealth.
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Definitions

Agency-Based Automated Accounting Systems Any form of computerized applications operating under the control of an agency which produce accounting data which are required to

- (1) interface electronically or through magnetic media with DOA automated accounting systems,
- (2) are reconciled to data residing in DOA automated accounting systems,
- (3) generate accounting information which is used in the financial statements of the Commonwealth as provided for in Section 2.1-207 of the *Code of Virginia*, or
- (4) generate accounting information which provides internal control over, or audit trails for, data which are ultimately recorded in DOA automated accounting systems.

As used herein, *summary user* fixed asset accounting system is considered an agency-based automated accounting systems.

Data Security Protection of data against deliberate or accidental access, destruction or alteration by unauthorized persons. Data security requirements are found in CAPP Topic No. 70210, *CARS Magnetic Media Interface Requirements*.

Data Transmission Standards Transfer of defined representations of data from one location or computer to another.

Electronic Interface The junction at which two electronic entities meet and interact.

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Definitions, Continued

Magnetic Media Interface Magnetic storage devices (magnetic tape or magnetic disk) that contain data that will interface with various types of hardware, operating systems and the application software.

Reconcile All actions carried out pursuant to CAPP Topics:

- 20905—*Reconciliation Requirements (CARS)*
- 50905—*Monthly Reconciliation (CIPPS)*
- 50910—*Quarterly Reconciliation and Certification (CIPPS)* and
- 50915—*Calendar Year-End Reconciliation and Certification (CIPPS)*

Where provided for in the *Appropriation Act*, or other statute or regulation, agency-based automated accounting systems must provide for additional reconciliations beyond the scope of CAPP Topic No. 20905, *Reconciliation Requirements*, to include the subprogram and project levels.

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Procedures

Data Transmission and Security Requirements

Agencies intending to design, develop, implement, operate or modify an agency-based automated accounting system must obtain from DOA the current published data transmission and data security requirements for interfacing with DOA automated systems.

It is the responsibility of each agency to initiate this request and to ensure that agency staff and such consultants and contractors as may be employed by the agency understand the requirements.

Reconciliation Requirements

Agencies are required to incorporate and provide for the reconciliation requirements of the applicable topics of the *CAPP Manual* in the design, development, implementation, operation or modification of an agency-based automated accounting system.

Agency Plans and Reports

Agencies are encouraged to advise DOA of plans regarding agency-based automated accounting systems and to consult with DOA payroll, fixed asset, technical and general accounting staffs regarding the requirements of this CAPP topic.

Agencies are required to provide DOA with copies of post-implementation reviews/evaluation reports as may be prepared pursuant to the agency's adopted systems development methodology.

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Internal Control

Internal Control

Agencies involved in the design, development, implementation, operation or modification of an agency-based automated accounting system must plan and conduct such projects consistent with the

- information systems security and systems development and maintenance policies of the **Council on Information Management**, and
- applicable policies and regulations of the **Department of Information Technology**.

Nothing in this CAPP topic is intended to supersede other authoritative guidance on internal control systems and procedures as may be promulgated from time to time by the Comptroller pursuant to Section 2.1-227 of the *Code of Virginia*.

Contacts

DOA Contact

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Subject Cross References

References

CAPP Topic No. 20905, *Reconciliation Requirements (CARS)*

CAPP Topic No. 50905, *Monthly Reconciliation (CIPPS)*

CAPP Topic No. 50910, *Quarterly Reconciliation and Certification (CIPPS)*

CAPP Topic No. 50915, *Calendar Year-End Reconciliation and Certification (CIPPS)*

CAPP Topic No. 70210, *CARS Magnetic Media Interface Requirements (CARS)*