

**DATE:** October 19, 2007

**TO:** Agency Addressed (No. 02, 2007-2008)

**FROM:** Douglas A. Darling, Director  
Division of Accounting and Auditing  
Department of Financial Services

**SUBJECT:** CONTRACTUAL SERVICE EDITS AND CORRECTING TRANSACTIONS

*Agency Addressed Memorandum No. 13, 2006-2007*, notified agencies that as of July 1, 2007, Object Code 242000 for *Repairs and Maintenance – Contracted Services*, should not be paid from a 04XXXX Expense Appropriation Category.

The purpose of this memorandum is to notify agencies that effective **November 1, 2007**, edits will be activated in Departmental FLAIR that will prohibit the addition of **new** Encumbrance Transactions (TR60), Accounts Payable Transactions (TR80) and Encumbered Payable Transactions (TR 81), using the above mentioned object code-category combination. These encumbrance and payable edits will also be activated for the object codes referenced in *Agency Addressed Memorandum No. 20, 2005-2006*. Previous edits related to *Agency Addressed Memorandum No. 20, 2005-2006*, only prevented invalid object code-category combinations for disbursement transactions, not encumbrance and payable transactions.

The November 1, 2007 edits will not prevent agencies from updating incompatible combinations in FLAIR subsidiary files. However, updates to encumbrances and payables on the same day as entered, using the 60U and 80U transaction codes, will be edited. This will allow agencies time to review and update existing items in their subsidiary files. Updates will not be allowed to the subsidiary files after **December 31, 2007**.

In addition, the Accounts Control and Budgetary Transactions Section within the Bureau of Accounting will be contacting agencies who have recorded charges to this object code-category combination in the current fiscal year. Those agencies will be requested to process a Journal Transfer to correct the charges. **These corrections must be completed by December 31, 2007**. Agencies should also eliminate any amounts recorded to this incompatible object code-category combination in FLAIR subsidiary files during this time. Items not reviewed and updated where necessary after December 31, 2007, will need to be deleted and re-entered.

Additional edits will be activated in Departmental FLAIR on **January 1, 2008** that will prohibit all disbursement and budget transactions from using Object Code 242XXX with the 040000 Expense Appropriation Category. At this time, all object codes referenced in *Agency Addressed Memorandum No. 20, 2005-2006* and *Agency Addressed Memorandum No. 13, 2006-2007*, will be edited for invalid object code-category combinations. This last action will finalize efforts to comply with Section 216.011(1)(n), Florida Statutes, which excludes contractual services from Expense Appropriation Categories. It is not the intention of this office to remove these edits once they are in place, as an effort to remain in compliance with the above referenced statute. It is imperative that agency staff complete the clean-up process in Departmental and Central FLAIR within the period specified in this memorandum.

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