

CHAPTER 284

STATE FINANCIAL MANAGEMENT

S.F. 119

AN ACT relating to state financial management by revising provisions governing the reversion of appropriations, the prescribing of uniform accounting systems and forms, account coding to identify authorizing statutes, and authorization for the prepayment of claims, and providing properly related matters.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 8.6, subsection 1, unnumbered paragraph 1, Code 1989, is amended to read as follows:

FORMS. To ~~prescribe all accounting and business forms and the system of accounts and reports of financial transactions by all departments and agencies of the state government other than those of the legislative branch, and to consult with all state officers and agencies which receive reports and forms from county officers, in order to devise standardized reports and forms which will permit computer processing of the information submitted by county officers, and to prescribe forms on which each municipality, at the time of preparing estimates required under section 24.3, shall be required to compile in parallel columns the following data and estimates for immediate availability to any taxpayer upon request:~~

Sec. 2. Section 8.33, unnumbered paragraph 1, Code 1989, is amended to read as follows:

No obligation of any kind shall be incurred or created subsequent to the last day of the fiscal year for which an appropriation is made, except when specific provision otherwise is made in the Act making the appropriation. On ~~September 30~~ August 31, or as otherwise provided in an appropriation Act, following the close of each fiscal year, all unencumbered or unobligated balances of appropriations made for that fiscal term revert to the state treasury and to the credit of the funds from which the appropriations were made, except that capital expenditures for the purchase of land or the erection of buildings or new construction continue in force until the attainment of the object or the completion of the work for which the appropriations were made unless the Act making an appropriation for the capital expenditure contains a specific provision relating to a time limit for incurring an obligation or reversion of funds. This section does not repeal sections 19.11 through 19.14.

Sec. 3. Section 8.34, Code 1989, is amended to read as follows:

8.34 CHARGING OFF UNEXPENDED APPROPRIATIONS.

Except as otherwise provided by law, the director of the department of ~~management revenue and finance~~ shall transfer to the fund from which an appropriation was made, any unexpended or unencumbered balance of that appropriation remaining at the expiration of ~~three~~ two months after the close of the fiscal term for which the appropriation was made. At the time the transfer is made on the books of the department of ~~management revenue and finance~~, the director shall certify that fact to the treasurer of state, who shall make corresponding entries on the books of the treasurer's office.

Sec. 4. Section 8.35A, subsection 1, Code 1989, is amended to read as follows:

1. By July 1 the director of the department of management shall provide a projected expenditure breakdown of each appropriation for the beginning fiscal year to the legislative fiscal bureau in the form and level of detail requested by the bureau. By the fifteenth of each month, the director shall transmit to the legislative fiscal bureau a record for each appropriation of actual expenditures for the prior month of the fiscal year and the fiscal year to date in the form and level of detail as requested by the bureau. By ~~November~~ October 1 the director shall transmit the total record of an appropriation, including reversions and transfers for the prior fiscal year ending June 30, to the legislative fiscal bureau.

Sec. 5. Section 218.85, Code 1989, is amended to read as follows:

218.85 UNIFORM SYSTEM OF ACCOUNTS.

The director of the department of human services through the administrators of the divisions in control of state institutions shall install in all such state institutions under the director's control and supervision the most modern, complete, and uniform system of accounts, records, and reports possible, which system shall be prescribed by the director of management revenue and finance as authorized in section ~~8.6, subsection 1~~ 421.31, subsection 10, and, among other matters, shall clearly show the detailed facts relative to the handling and uses of all purchases.

Sec. 6. Section 421.16, Code 1989, is amended to read as follows:

421.16 EXPENSES.

The director, deputy directors, secretary, and assistants are entitled to receive from the state their actual necessary expenses while traveling on the business of the department. The expenditures shall be sworn to by the party who incurred the expense, and approved and allowed by the director. However, ~~no such expense expenses shall not be allowed the director, deputy directors, secretary, or employees of the department residents of Polk county~~ while in the city of Des Moines or traveling between their homes and the city of Des Moines.

Sec. 7. Section 421.31, Code 1989, is amended by adding the following new subsection:

NEW SUBSECTION. 10. FORMS. To prescribe all accounting and business forms and the system of accounts and reports of financial transactions by all departments and agencies of the state government other than those of the legislative branch.

Sec. 8. Section 421.39, subsection 1, Code 1989, is amended to read as follows:

1. That the creation of the claim is clearly authorized by law. Statutes authorizing the expenditure may be referenced through account coding authorized by the director.

Sec. 9. Section 421.40, unnumbered paragraph 1, Code 1989, is amended to read as follows:

Before a warrant or its equivalent is issued for a claim payable from the state treasury, the department shall file an itemized voucher showing in detail the items of service, expense, thing furnished, or contract for which payment is sought. However, the director may authorize the prepayment of claims when the best interests of the state are served under rules adopted by the department. The claimant's original invoice shall be attached to a department's approved voucher. The director of the department of revenue and finance shall adopt rules specifying the form and contents for invoices submitted by a vendor to a department. The requirements apply to acceptance of an invoice by a department. A department shall not impose additional or different requirements on submission of invoices than those contained in rules of the director of the department of revenue and finance unless the director exempts the department from the invoice requirements or a part of the requirements upon a finding that compliance would result in poor accounting or management practices.

Approved June 1, 1989