



**STATE OF OHIO
FINANCIAL REPORTING APPROACH — ACCOUNTS PAYABLE**

The Financial Reporting Section staff at the Office of Budget and Management (OBM) relies, in part, on the Ohio Administrative Knowledge System (OAKS) financials module for obtaining data from which the accounts payable balance, as of June 30, can be estimated. The approach for measuring the State's June 30 accounts payable balance includes a review of payments accepted in the OAKS subsequent to the June 30 year-end.

State agency personnel are required to code vouchers with the date when the corresponding good or service was received. This date is known as the "last receipt date." Annually, OBM issues guidelines to the state agencies that explain how to code the proper last receipt dates on vouchers processed in the OAKS. The most recent version of the guidelines can be found at <http://www.obm.ohio.gov/gaap/agencies/>.

By electronically retrieving data recorded on the appropriate database in the OAKS (i.e., via downloading), OBM identifies as accounts payable those transactions processed within the 60-day period after year-end (i.e., between July 1 and August 31) with last receipt dates falling prior to or on June 30. From the OAKS downloads, OBM produces special accounts payable reports that are utilized for posting accounts payable-related adjustments for the annual financial statement compilation. For the independently audited organizations (IAO), the download is only through August 31. The IAO download is by each voucher but the statewide listing is summarized by agency.

OBM financial reporting staff performs additional analysis of transactions processed between September 1 and mid-October to identify through the use of professional judgment any other potentially material accounts payable balances that have not yet been recorded in the financial statements and posts the necessary adjustments after September 30th accordingly.

OBM financial reporting staff posts accounts payable balances by fund and ALI (excluding agency funds) in the MOD_ACCRL ledger for the fund financial statements and by fund (excluding agency funds) and ALI in the FULL_ACCRL ledger for the government-wide financial statements.