



**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

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November 27, 2013

PROCUREMENT CIRCULAR NO. 2013-12

TO: Office of the Governor, Chief of Staff
Office of the Lieutenant Governor, Chief of Staff
Executive Department Heads (excluding Department of Education, University of Hawaii
and Hawaii Health Systems Corporation)
Hawaii State Public Library System, State Librarian

Chief Procurement Officers:
Judiciary, Administrative Director of the Courts
Senate, President
House of Representatives, Speaker of the House of Representatives
Office of Hawaiian Affairs, Chairperson of the Board

ATTENTION: Administrative Services Officers

FROM:

Sarah Allen

A handwritten signature in black ink, appearing to be "Sarah Allen", written over the printed name.

SUBJECT: Reconciliation of Financial Accounting Management and Information System
(FAMIS) – Quarterly

The State Procurement Office (SPO), Inventory Management Office is responsible for the accounting for the State's capital assets as reported in the State's Comprehensive Annual Financial Report (CAFR), because this reconciliation process is necessary to satisfy the auditor's reportable condition while doing the Annual Financial Audit of the State. It is essential to preserve the financial reporting integrity of the FAIS to prevent any adverse report on the General Fixed Asset Account Group of the State. There is no separate comprehensive capital assets system to identify and monitor all capital assets owned by the State.

Verification is requested of your department's FAMIS payment transaction for reportable state properties as recorded in the DAGS, Fixed Asset Inventory System (FAIS). The Excel worksheets are provided to assist your staff in completing the reconciliation process:

1. FAMIS Reconciliation Report.

This report is for the latest completed quarter and should be submitted within **21 business days** after receiving the Excel worksheets to the SPO Inventory Management Office via email to inventory.management.office@hawaii.gov.

Each line of this report is separated into two sections:

- Section One is a FAMIS payment transaction with object codes from 7500 to 7999 and cost of \$1,000 or more. The data fields identify the agency and their purchase.
- Section Two is to be completed by the expending agency with the corresponding FAIS recorded information or other reason not recorded in the FAIS (e.g. supply items under \$1,000). **Submit the *Detail Inventory of Property SPO 017A* for new items to be recorded.**

2. FAIS Additions.

This worksheet is a listing of property additions to the FAIS with acquisition code 5 (purchases) for the latest completed quarter.

The FAIS reporting requirements includes all non-expendable state property with an acquisition cost of \$1,000 or more; theft sensitive items with an acquisition cost of \$250 or more; and weapons regardless of cost. Refer to Chapter 5, Property Reporting, *Inventory System User Manual April 2003* for more information.

Your staff may call the Inventory Management Office at 586-0574 if they have any questions.