



ADOA – General Accounting Office

AZ360 MANUAL: INVESTMENT ACCOUNTING





Investment Accounting

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All activity demonstrations will be displayed with an icon. Demonstrations will detail which elements to input, but agency data should always be used when processing in AZ360.



Investment Accounting

The Investment Accounting (IA) manual is designed for two types of users. The first type of user works for an agency that holds its own investments. This user's activities will include processing investment transactions in AZ360, the statewide financial management system. The second type of user works for an agency that holds investments through the Arizona State Treasurer's Office. This user's activities will focus on updating investment tables in AZ360 for the purpose of investing and divesting cash through the Arizona State Treasurer's Office. Instruction will be provided for both types of users, but since the second type of user represents almost all users, scenarios will only cover making updates to investment tables in AZ360.

Manual Objectives

- Explain the agency IA responsibilities in AZ360.
- Research cash and cash sweep required balances (i.e., what to keep in cash) through queries and reports.
- Summarize the Cash Sweep process.
- Manage agency cash investments through updates to the required balance on the Cash Sweep (SWEEP) table.

Investment Accounting (IA) Basics

Section Objectives

In this section, the following processes are introduced:

- IA overview.
- Review basic financial structures in AZ360 using tables, transactions, and queries.
- Review the Department Investment process.
- Review the Treasurer Investment Transaction process.



IA Overview

IA Process

The IA process involves the buying and selling of investments. It is typically managed at the Arizona State Treasurer level unless departments have specific statutory authority to manage their own investments at the department (agency) level.

Agencies fall into two categories:

Invests with the Arizona State Treasurer's Office:	Agency Manages Own Investments:
<ul style="list-style-type: none"> ▪ Statutory authority to invest and retain interest. ▪ Uses the Cash Sweep process. ▪ Set a minimum daily remaining balance. ▪ Everything else is swept (in other words, transferred) into an investment account with the Arizona State Treasurer's office. 	<ul style="list-style-type: none"> ▪ Statutory authority to invest separately from the Arizona State Treasurer's Office and retain interest. ▪ Does not use the Cash Sweep process.

IA Management

Investment funds are managed and maintained through the use of tables and transactions in AZ360. A department identifies how much money must be kept for operations; the cash balance remaining is then identified for investment. The investment is actually processed by the Arizona State Treasurer's Office, rather than the agency, using the SWEEP table as represented by Figure 6 in the "Cash Sweep Process Overview" section later in this manual.

Financial Structures Overview

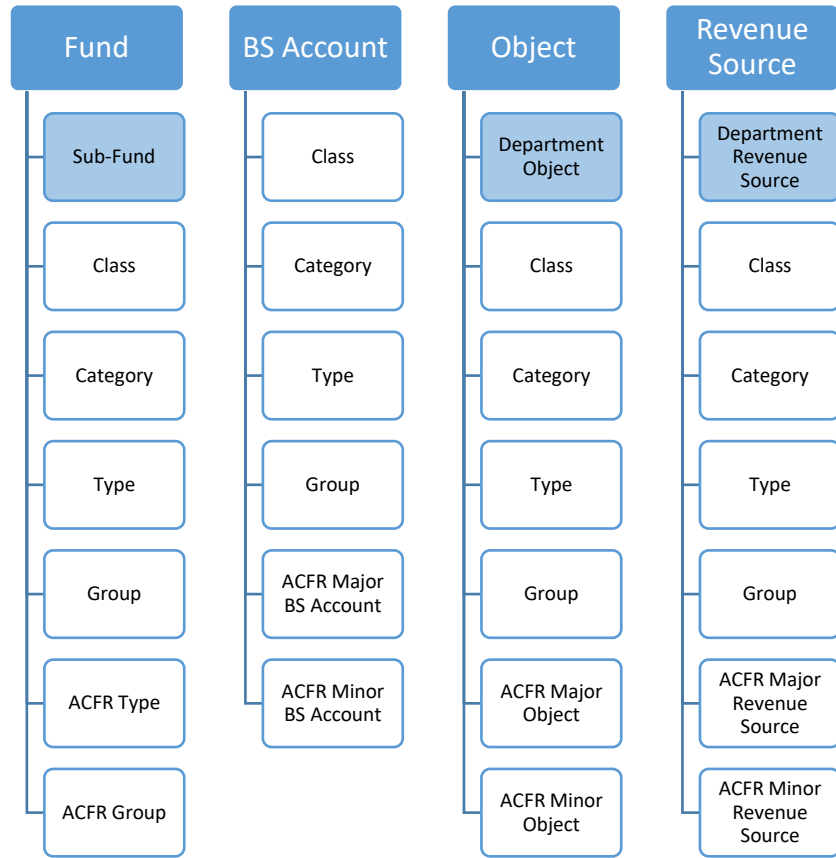
Chart of Accounts (COA) Elements

The Chart of Accounts (COA) is a group of codes that is entered on all financial transactions. The COA is a key component of AZ360 and is comprised of a set of reference tables that are used to validate the codes entered on system transactions. The COA meets the centralized need to provide a uniform set of codes that standardize the recognition of expense, revenue, and balance sheet transactions across the state. It also meets the decentralized need for distinct organizations within the state to maintain autonomy and meet their own business tracking, reporting, and budgeting needs.

Hierarchies and Roll-ups

Hierarchies represent a relationship among a series of COA elements where one element, a parent, is broken down into smaller components called children. Roll-ups allow a grouping of COA element codes for reporting or control purposes. Most elements use class, category, type, and group to roll information into higher levels of summarization. Figure 1 outlines representative COA elements with their corresponding roll-ups.

Figure 1: COA Elements with Roll Ups



AZ360 uses the codes in the structure to establish hierarchies. These hierarchies can represent a tree-type relationship among a series of codes, separate independent measures, or a mix of the two. Most hierarchies in AZ360 are optional and do not affect processing. AZ360 uses hierarchies to make reports and certain online queries more meaningful in how they are organized and how they summarize data.

The number of levels implemented in each hierarchy is dependent upon online and offline reporting needs. Most COA elements (except organizational elements) use the hierarchical elements of class, category, group, and type. Some elements, such as fund, object, revenue source, balance sheet account (BSA), and activity, also have additional roll-ups that can be used for compiling the Annual Comprehensive Financial Report (ACFR). These ACFR roll-ups are optional and any of the other four (class, category, group, or type) can be used for ACFR reporting.

Regardless of whether a user enters a COA code directly on a transaction or it is populated by an inferred value, AZ360 obtains all roll-ups associated with the COA code from the appropriate reference page. Typically, roll-up values are inferred by the system and rarely viewed within the transaction. The COA code is stored on the accounting line, posting line, and journal records for historical and reporting purposes. Although all of the roll-up codes may not be viewable on a transaction in the accounting line or posting line, they may be viewed in a journal such as the Accounting Journal (JACTG).

Centralized and Decentralized Elements

Centralized accounting elements are controlled and maintained by the General Accounting Office (GAO) for all departments who use AZ360. Decentralized elements are defined and maintained at the department level. COA fulfill both these centralized and decentralized needs with five types of COA

elements: fund accounting codes, organization codes, budgetary codes, cost accounting codes, and other codes.

Fund Accounting Elements

There are four elements that must be defined for fund accounting to work properly: fund, BSA, object, and revenue source. These four elements enable each fund to have a self-balancing set of accounts sufficient to capture all the reported attributes of a portion of the government’s activities and resources. Table 1 lists the COA elements included in Journal Voucher (JV) transactions.

Table 1: COA Elements

COA Element	Notes
Fund	Required
Sub Fund	Optional
BSA	Required
Department	Required

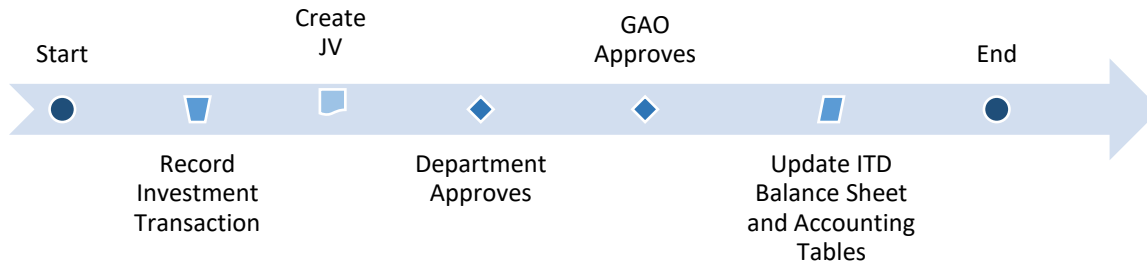
Note: For information on additional COA elements, see the “Chart of Account (COA) Elements” section of the AZ360 Manual – Foundations, available at <https://gao.az.gov/resources/training/gao-training-resources>.

IA Process for Agencies Managing Own Investments

Investment funds are managed and maintained through the use of tables and transactions in AZ360. The processes used by agencies managing their own investments, as well as the Arizona State Treasurer’s Office, differ from the Cash Sweep investment process covered in this guide.

A department can manage its own investments using a JV transaction as represented by Figure 2 below.

Figure 2: Department Managing Investments



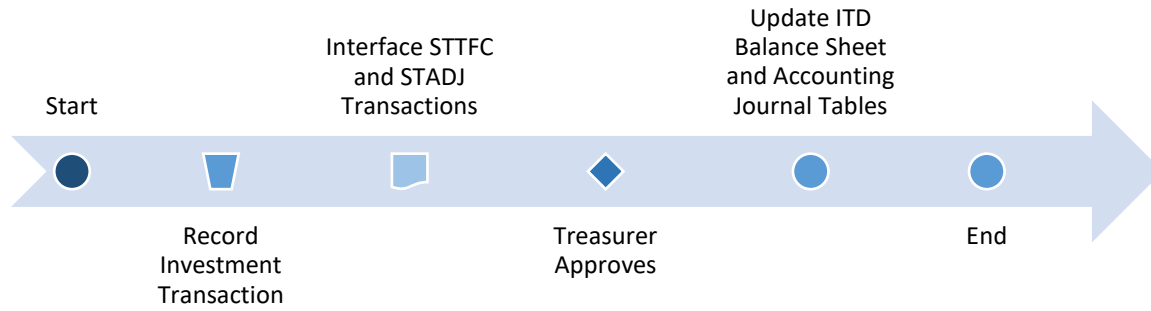
A department’s investment funds can be designated by the department, but processed by the Arizona State Treasurer’s Office using the SWEEP table as represented by Figure 6 in the “Cash Sweep Process Overview” section of this manual.

IA Process for Treasurer Investment Transactions

Treasurer investment transactions are recorded using the State Treasurer – Treasury Fund Clearing (STTFC) and State Treasurer – Treasury Adjustment (STADJ) transactions. These transactions are created through an interface as represented by Figure 3 below.



Figure 3: Treasurer Records Investment Transactions



If a department has authority and manages its own investments apart from the Arizona State Treasurer, department users will create a JV transaction to record these investment transactions. The following section of this manual covers the JV transaction as it is used by department investors.

Department Investment Process

Section Objectives

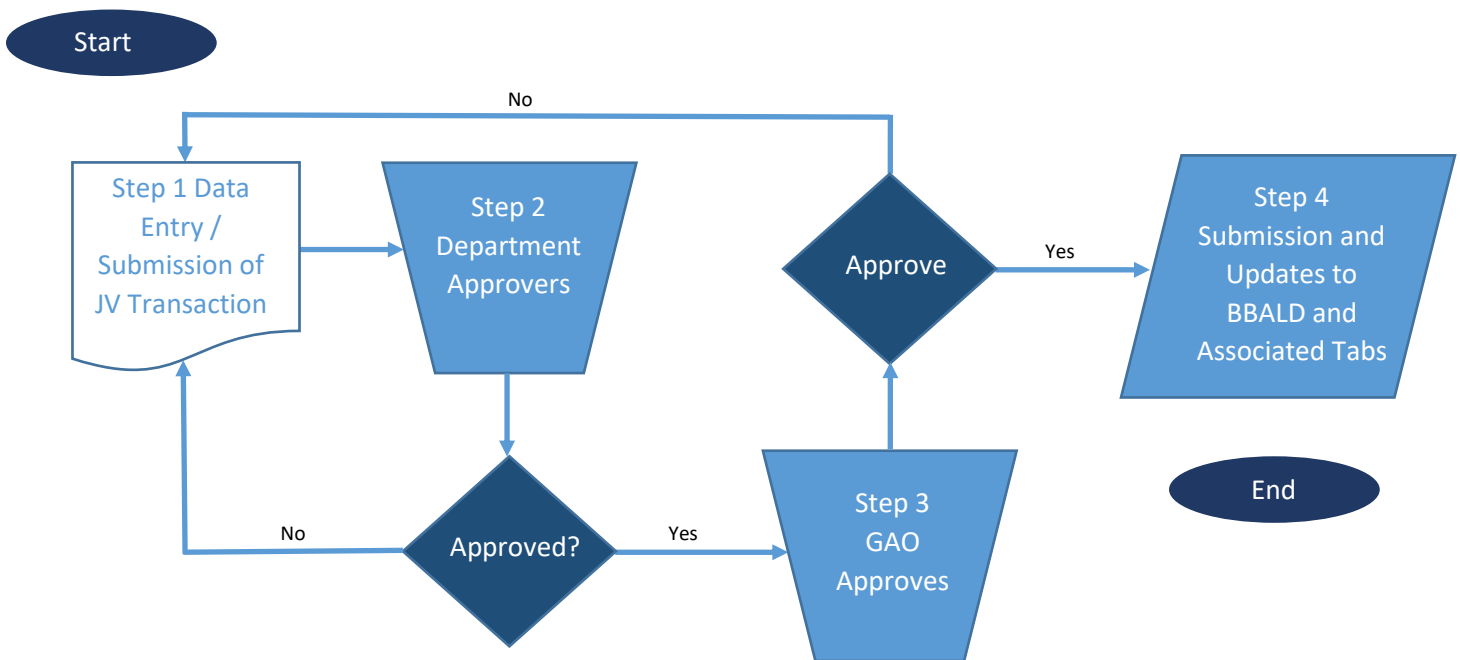
In this section, the following processes are introduced:

- Investment Sweep Journal Voucher transactions.
- Journal Voucher transaction tabs.
- Researching updates made by Journal Voucher transactions for recording investments.

Department Investment Overview

The steps below describe the standard department process for recording investments. A user’s department may have additional requirements. This process is represented by Figure 4 below.

Figure 4: Workflow Diagram for the Department Process of Creating a JV



The department is responsible for creating and submitting a JV transaction. Information regarding the purchase or sale of investments is entered on the JV transaction. Any supporting documentation may be attached to the transaction at this time. Upon completion of the data entry, the JV transaction is submitted and routed for approval.

The JV transaction and any attached documentation are reviewed by an authorized department-level approver. If the approver determines that the JV transaction has missing or incorrect data, then the JV transaction is rejected and returned for corrections, as shown in Step 1 above. If the approver determines that the JV transaction data is correct, then the JV transaction is approved at the department level and proceeds to the next step.

The JV transaction and any attached documentation are reviewed by an authorized GAO-level approver as a final review. If the GAO approver determines that the JV transaction has missing or incorrect data,

then the JV transaction is rejected and returned for corrections as shown in Step 1 above. If the GAO approver determines that the JV transaction data is correct, then the JV transaction is approved and proceeds to the next step.

The JV transaction final submission updates the Inception-to-Date Balance Sheet Detail (BBALD) and JACTG tables and other associated tables within AZ360.

Investment Sweep Journal Voucher (JVSW) Transactions

Investment Sweep Journal Voucher (JVSW) transactions are used to record the movement of cash from department participatory funds to a treasurer pool fund and vice versa for reverse sweep. JVSWs are not created by users in AZ360. They are created automatically by running a Cash Sweep chain job. This process runs at night prior to the disbursement process; the funds will be available for that day's disbursements. Once the process is complete, updates are applied to the BBALD and the Pool History (PHIS) tables.

The BBALD shows the current cash balance and payments outstanding. The PHIS table shows how much a fund has in its investment account. It keeps track of all the investing and divesting activity for the account.

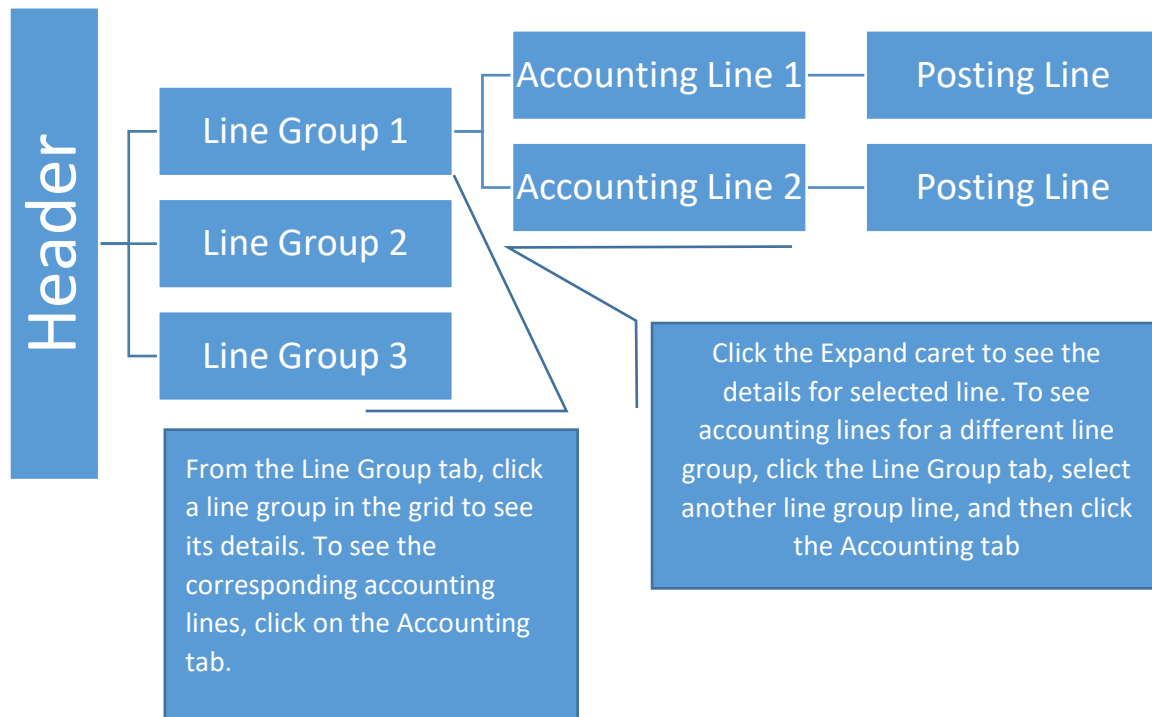
Journal Voucher (JV) Transaction Tabs

Transactions in AZ360 contain various tabs. JV transactions contain four tabs:

- Header – Stores values that apply to the entire transaction.
- Line Group – Stores event type and description.
- Accounting – Used to record COA elements (each accounting line contains a posting code).
- Posting – Represents the postings for each accounting line.

Each tab requires information and/or verification. This section includes a description and the data entry requirements for JV transactions. Figure 5 below illustrates the relationship between these tabs.

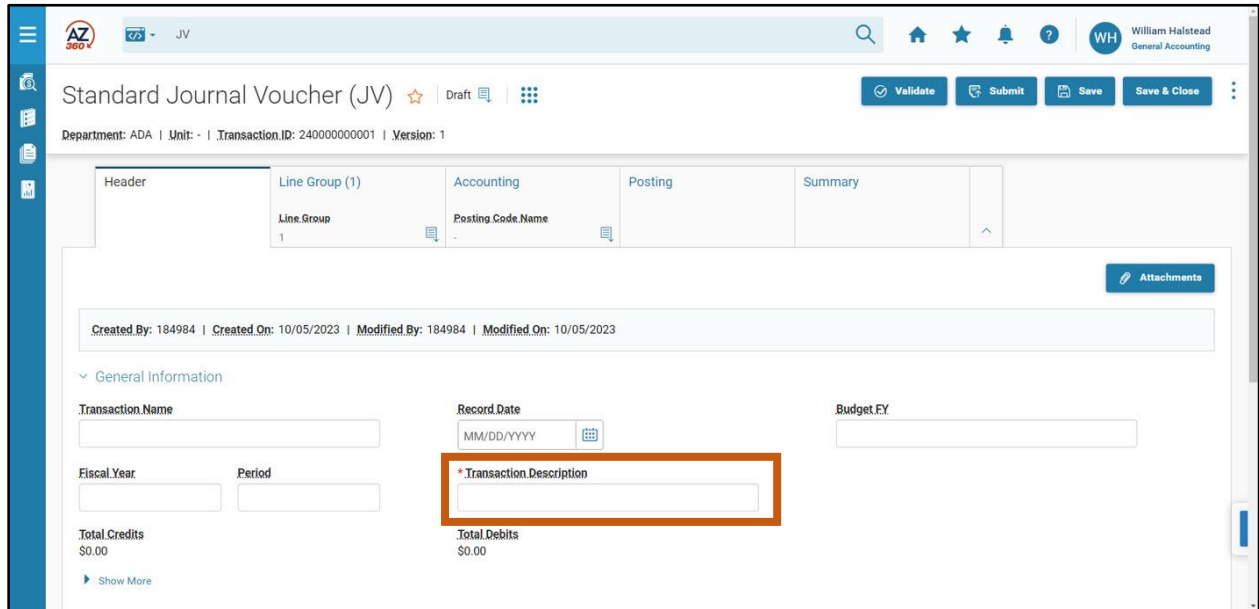
Figure 5: JV Transaction Sections





JV Header Tab

This tab stores values that apply to all sections of the JV transaction. The General Information section contains descriptive fields and date information common to most transaction headers. It also shows the total credit and debit amounts of the transaction. The Transaction Description field is required.



JV Line Group Tab

This tab is used to record the event type for the investment transaction. An event type, together with a variety of accounting and possibly budget instructions related to that type of financial transaction, describes the nature of the financial transaction being entered into AZ360 through the transaction.

For new JV transactions, a new Line Group line must be created by clicking the “+” icon in the tab level actions section. Multiple Line Group lines are allowed on a JV transaction.

The following field is required:

- Event Type – Choose from the pick list or enter to reflect the type of investment transaction (purchase, sale, interest accrual, etc.).

Available event types and applicable debit and credit for investment transactions are listed below:

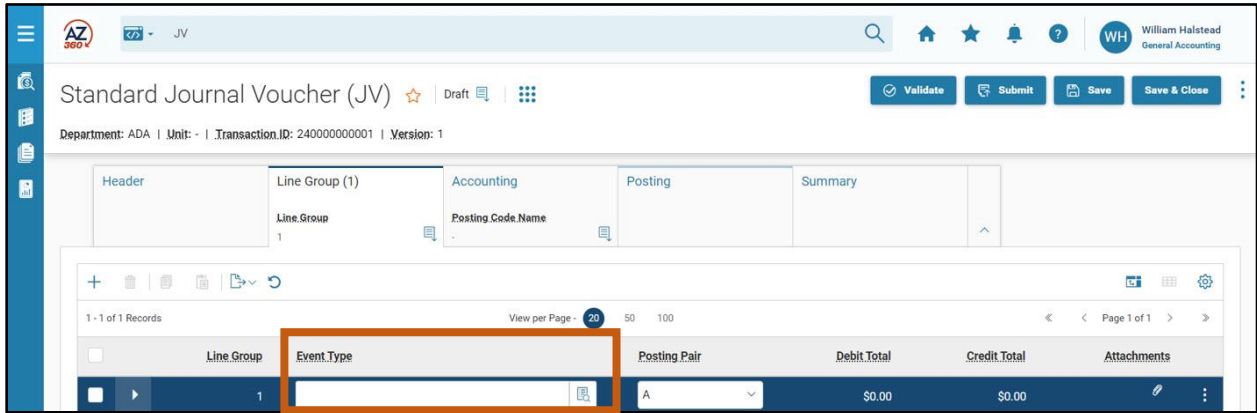
- GAZA – Debit: Asset, Credit: Accrued Revenue (e.g., interest income earned).
- GAZB – Debit: Cash, Credit: Asset (e.g., interest income received, investment sale or reverse the debit and credit for investment purchases).
- GAZC – Debit: Cash, Credit: Cash Revenue (e.g., interest income received not formerly accrued).
- GAZD – Debit: Cash Expense, Credit: Cash (e.g., investment fees).
- GAZE – Debit: Asset, Credit: Liability (e.g., securities lending).
- GAZF – Debit: Cash, Credit: Liability (e.g., payable for securities purchased).
- GAZG – Debit: Accrued Expense, Credit: Liability (e.g., accrue investment fees).
- GAZH – Debit: Accrued Revenue, Credit: Liability (e.g., deferred tax).

Other event types available on the JV transaction:

- GA05 – Collected Earned Revenue Correction; Debit: Cash, Credit: Cash Revenue.

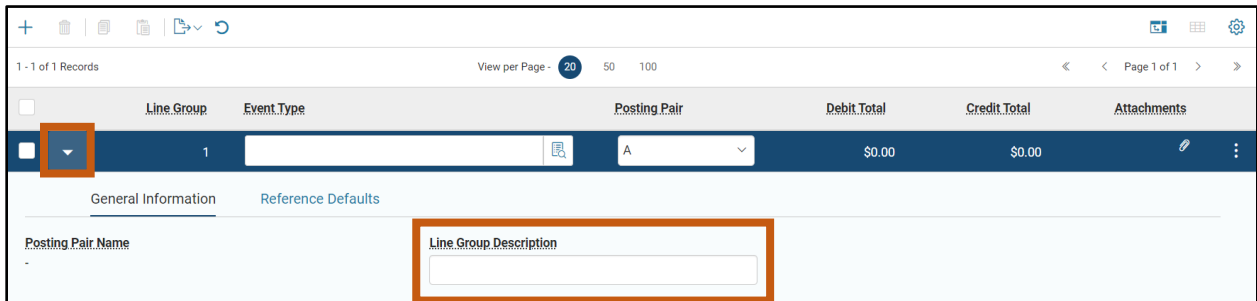


- IV01 – Record Investment; Debit: Investments, Credit: Investment Cash.



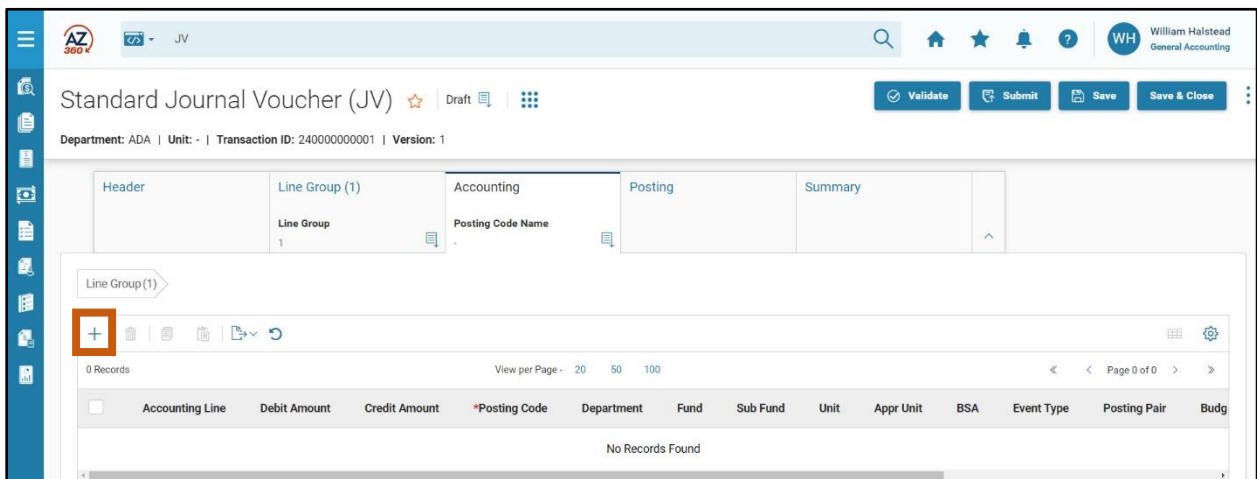
Line Group – General Information Section

This section can be accessed by clicking the Expand caret on the blue Line Group line. This section contains a field for a description.



JV Accounting Tab

This tab records the COA information used when posting the JV transaction to the JACTG. Two accounting lines are created for each Line Group line: one for recording a debit and one for recording a credit. To insert a new Accounting line click the “+” icon in the tab level actions section. A new Accounting line will then generate.





The blue Accounting line contains COA elements that define the budget structure or account that will be updated by the JV transaction. The COA data entry requirements are controlled by the event type on the Line Group line.

On the blue Accounting line, the following fields are required:

- Debit Amount – Required on the debit side on the first accounting line.
- Credit Amount – Required on the credit side on the second accounting line.
- Posting Code – Use the pick list to select a value.
- Department – An identification code assigned to the associated department.
- Fund – The identification code associated with the fund record.
- Sub-Fund – The identification code associated with the sub-fund record.
- Unit – The lowest organizational level in the main organizational structure.
- Appr Unit – The identification code assigned to a single appropriation unit.
- BSA – The identification code assigned to the balance sheet account.

A pick list is used to select the function, if one is being used.

Once the debit accounting line is complete, the credit accounting line must be completed using the same required fields as the debit side.

When the transaction data entry is complete, it will be validated against the business rules. If the transaction validates successfully, it can then be submitted for approval.

Accounting Line	Debit Amount	Credit Amount	*Posting Code	Department	Fund	Sub Fund	Unit	Appr Unit	BSA
1	\$0.00	\$0.00	A016						
2	\$0.00	\$0.00	R002						

JV Accounting – General Information Section

This section can be accessed by clicking the Expand caret on the blue Accounting line. This section contains the Accounting Template field and the pick list is used to select an accounting template (ACTPL) if one is being used.

In the General Informations section, the following fields are required:

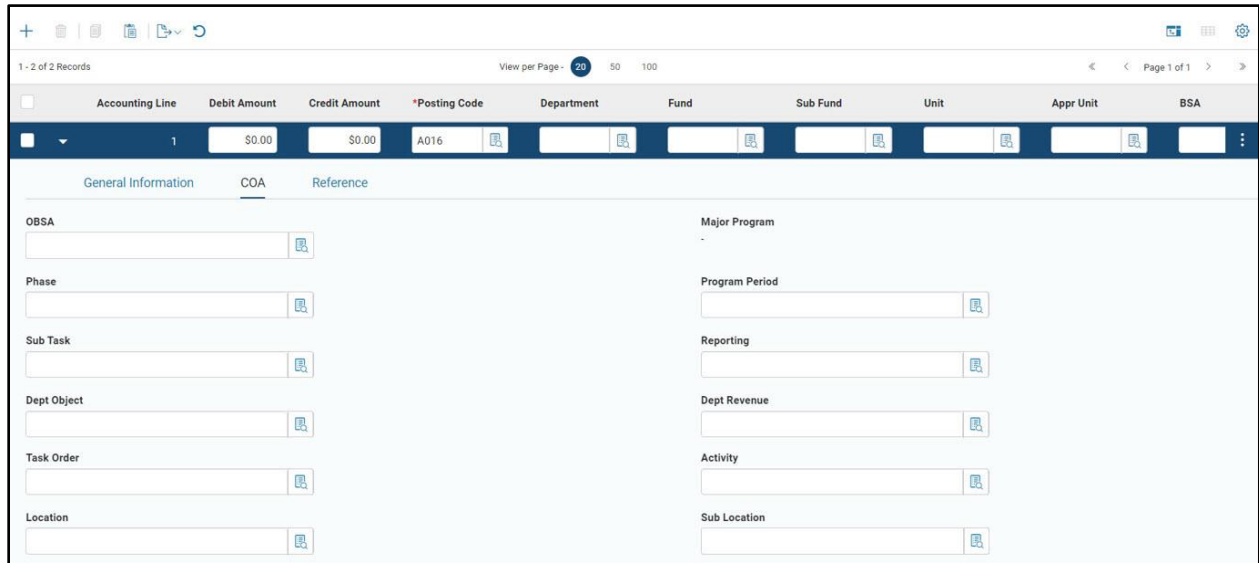
- Line Description – Enter a description for the line.
- Bank – Enter the bank code or select the bank using the pick list (value will default to BK01).

Accounting Line	Debit Amount	Credit Amount	*Posting Code	Department	Fund	Sub Fund	Unit	Appr Unit	BSA
1	\$0.00	\$0.00	A016						

General Information		COA	Reference
Line Description	Accounting Template	Bank	
Posting Pair Name	Posting Code Name	Fiscal Year	Period
	Generic Asset		

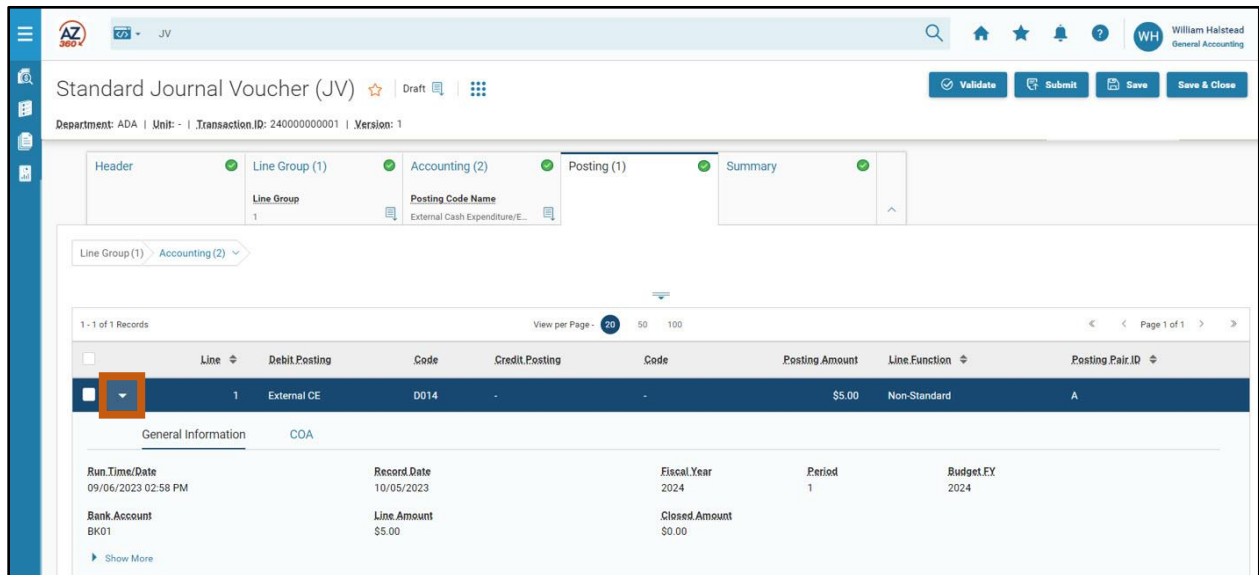
JV Accounting – COA Section

The COA section contains optional fields that can be used to further define the transaction.



JV Posting Tab

The Posting tab shows the accounting impact of the Line Group and Accounting tabs. It shows values entered on the other tabs such as the posting codes and cash amounts. No data can be entered into this tab; Posting lines are generated from the rest of the transaction data. Users can click the Expand caret on the blue Posting line to expand the posting details.



The Posting tab will only show the Posting lines for one accounting line at a time. To see the posting lines for a different accounting line, click on the Accounting tab, select another accounting line, and then click the Posting tab.

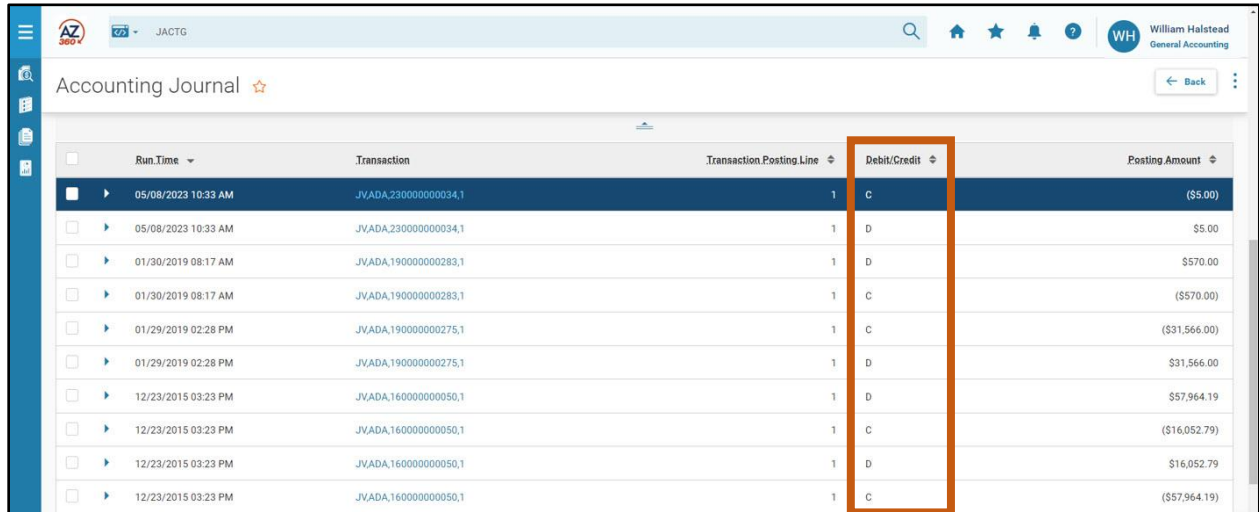
Researching Updates Made by Journal Voucher (JV) Transactions

JV transactions update several tables when they are approved through the workflow. This section reviews the tables that are updated by the JV transaction.

Accounting Journal (JACTG)

The JACTG allows users to view the detailed transaction data posted by AZ360 transactions. It is the main source of detailed transaction data. Almost every transaction in AZ360 posts to this journal. It is a balanced journal in terms of debits and credits.

For more information on the JACTG, see the "The Accounting Journal (JACTG)" section of the **AZ360 Manual – General Accounting** available at <https://gao.az.gov/resources/training/gao-training-resources>.

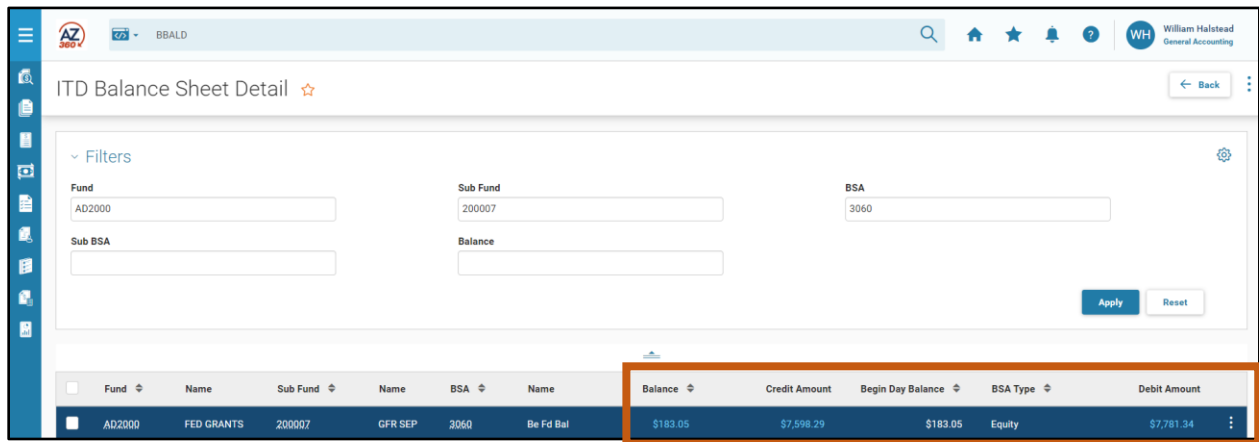


Run Time	Transaction	Transaction Posting Line	Debit/Credit	Posting Amount
05/08/2023 10:33 AM	JVADA,230000000034,1	1	C	(\$5.00)
05/08/2023 10:33 AM	JVADA,230000000034,1	1	D	\$5.00
01/30/2019 08:17 AM	JVADA,190000000283,1	1	D	\$570.00
01/30/2019 08:17 AM	JVADA,190000000283,1	1	C	(\$570.00)
01/29/2019 02:28 PM	JVADA,190000000275,1	1	C	(\$31,566.00)
01/29/2019 02:28 PM	JVADA,190000000275,1	1	D	\$31,566.00
12/23/2015 03:23 PM	JVADA,160000000050,1	1	D	\$57,964.19
12/23/2015 03:23 PM	JVADA,160000000050,1	1	C	(\$16,052.79)
12/23/2015 03:23 PM	JVADA,160000000050,1	1	D	\$16,052.79
12/23/2015 03:23 PM	JVADA,160000000050,1	1	C	(\$57,964.19)

ITD Balance Sheet Detail (BBALD) Page

The BBALD page provides a detailed view of balances at the fund, sub-fund, BSA and sub-BSA COA levels. Records are updated by all transactions posting to the unique combination of elements. The Debit Amount, Credit Amount, Balance, and Begin Day Balance fields' totals are shown. Specific transactions impacting the debit amount, credit amount, and balances can be researched by clicking the blue dollar amount fields. The hyperlink transitions users to the JACTG page so they can perform a search of transactions that updated the amount shown.

For more information on the BBALD page, see the "Balance Sheet" section of the **AZ360 Manual – General Accounting** available at <https://gao.az.gov/resources/training/gao-training-resources>.



Fund	Name	Sub Fund	Name	BSA	Name	Balance	Credit Amount	Begin Day Balance	BSA Type	Debit Amount
AD2000	FED GRANTS	200007	GFR SEP	3060	Be Fd Bal	\$183.05	\$7,598.29	\$183.05	Equity	\$7,781.34



Cash Sweep Process

Section Objectives

In this section, the following processes are introduced:

- Review the department SWEEP table update process.
- Determine the required balance needed to remain in an operating account.
- Determine and set the required balance amount on the SWEEP table.

Section Overview

This section covers the investment process used for agencies that invest with the Arizona State Treasurer’s Office. It also covers the steps to manage the transfer of cash to the investment fund for the Arizona State Treasurer’s Office to invest. This process is known as the Sweep process.

Cash Sweep Process Overview

The Cash Sweep process consists of a few basic steps. First, an agency identifies a minimum daily cash balance needed in its operating account. This amount is identified on the SWEEP table that defines the rules for investing for a particular participating fund.

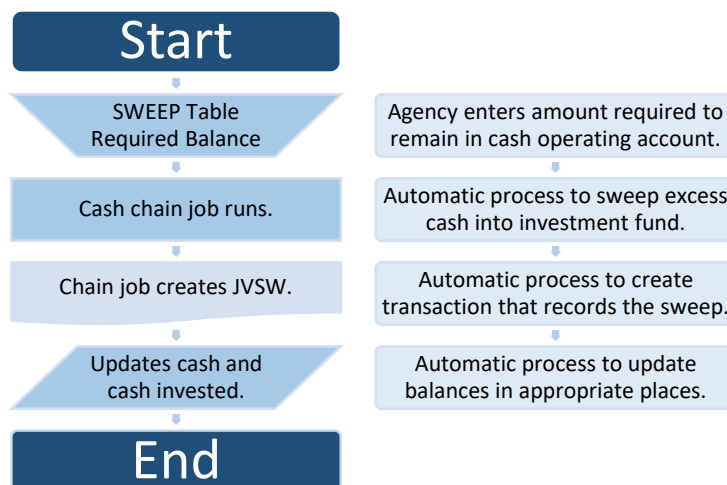
Note: The Required Balance field can be changed infinite amount of times during the day to ensure sufficient cash is available to cover the day’s payments. At the time of the nightly batch process, 8:00pm, the amount in that field is what will run.

Each night, an automatic process runs to sweep any cash above the required balance into an investment fund.

The Arizona State Treasurer’s Office invests the funds swept by this process and returns any accrued interest to the agency on a monthly basis. The Arizona State Treasurer’s Office uses an external system to actually manage the investments.

This process is detailed in Figure 6 below.

Figure 6: Department Using SWEEP Table to Designate Investment Funds





The SWEEP table defines rules for investment processing. The Arizona State Treasurer's Office sets up accounts on this table, and among other information, identifies:

- Participatory Fund – The fund from where cash is being swept.
- Pool Fund – Where cash is being invested.

The agency identifies the required balance: the minimum amount to **remain** in the Participatory Fund Cash balance sheet account.

Once the rules are set in the SWEEP table, the Cash Sweep process can begin. The automatic process, called the Cash Sweep chain job, runs overnight. This sweeps any cash above and beyond the required balance in the participatory fund into the pool fund.

The steps involved in this process are described below:

1. AZ360 looks at the cash balance on the BBALD table.
2. If there is more than the required balance for a participatory fund on the SWEEP table, the automatic process sweeps cash from cash balance to cash investment balance.
3. If there is less than the required balance in the operating account, money is returned from the investment account (divested) to the operating account.

The Cash Sweep chain job creates a JVSW transaction to record the transaction.

Cash Sweep Timing

It is important for a user to know the timing of the sweep so that the user can manage the agency's cash balance appropriately.

Cash is checked at the time that the warrants or EFTs are produced, not when the payment requests are approved. Therefore it is possible to approve more warrants than the amount set on the Required Balance field set on the SWEEP table would cover. Users can increase the amount in the Required Balance field on the SWEEP table to ensure that there will be sufficient cash on hand to cover the planned warrants.

Note: The Cash Sweep chain job will run before warrants are produced. It is critical to ensure that there is sufficient cash remaining in the account to cover the warrants.

If for some reason, the required cash balance is not adjusted and there are more payments outstanding than cash to cover it, the warrants will not be produced. Warrants will be held until there is an adequate cash balance; once there is an adequate cash balance, the payment will automatically generate.

Note: If an agency determines it needs to increase its cash balance to make cash available for the processing of pending warrants/EFTs, the agency needs to update the required balance on the SWEEP table prior to the closing of AZ360, 8:00pm, for the same night the payments will process. The Cash Sweep job runs at the beginning of the nightly cycle process.

Determining the Appropriate Required Balance

The required balance should be set at a level that is sufficient to cover typical daily payments. Users are to review the trends in payments to determine the typical amount of daily payments and choose an amount that is high enough to cover a normal day, but allows for the maximum amount to be invested.



The required balance should be adjusted when there are higher than normal payments planned in order for sufficient cash to be available to pay the outstanding warrants and EFTs. The Cash Balance Detail (CBALDQ) table can be used to determine an agency's required balance.

Assessing the Required Balance

A user's assessment should include the following considerations:

- Cash balance.
- CBALDQ: The Cash Balance field provides the current cash balance for the selected fund.
- Outstanding payments.
- CBALDQ: The Accepted Decrease Non-Cash field reports accrued expenses that will likely be disbursed during the nightly cycle.
- Planned future payments based on month/year or known pending payments.
- Typical daily payments.

Initially this process should be conducted on a daily basis to determine that day's required balance. In time, trends will emerge and users will be able to set a balance that covers most situations.

Agencies are expected to manage their fund balances. It is recommended that users periodically review the information to determine if an adjustment is needed and to adjust the required balance whenever payments will be greater than the norm.

Confirming the Current Cash Balance

The CBALDQ table can also be used to assess what the department's participating fund's cash needs are at a point in time. One of the benefits of using this table is to determine the available cash for payments for a fund. Available cash for payments is different from Cash on Deposit with Treasurer. These amounts can be determined by using the following BSAs:

- Available cash for payments = **Cash on Deposit with Treasurer** account (BSA 0070) – **Warrants and ACH Payments Outstanding** account (BSA 1011).
- Cash on Deposit with Treasurer = **BSA 0070**. Cash on hand and does not reflect any pending or outstanding payments.

It is recommended to subtract the Accepted Decrease Non-Cash total from the Cash Balance total and to compare this total to the Available Cash Balance to determine if there are any additional cash needs.

The Available Cash Balance field could be negative if there is not enough cash in the account to meet the payments outstanding. This does not mean that the fund has negative pure cash, just not enough cash to meet those warrants that are being cashed.

GAO will contact the responsible agency representative if this occurs.

Fund	Sub Fund	Cash Balance	Adjusted Cash Balance	Cash Balance Minimum	Available Cash Balance
1000	BLNK	\$9,775,769,984.25	\$9,775,769,984.25	\$0.00	\$9,775,769,984.25

Accepted Decrease Non-Cash
 (\$8,935,126.58)

Cash Balance
 \$9,775,769,984.25

Available Cash Balance
 \$9,775,769,984.25

Setting the Appropriate Required Balance

The required balance is set on the SWEEP table which defines rules for investment processing. The department’s requested investment cash account is expressed in terms of the fiscal year, participatory fund, participatory fund cash BSA, participatory fund department account, and participatory fund unit account. The SWEEP table also identifies the participatory fund revenue account, to which investment earnings will be posted, and the participatory fund investment pool asset account which is used for investment withdrawal processing.

The Arizona State Treasurer’s Office sets up the records on this table; the agency enters or modifies the required balance.

Required Balance

The Required Balance field on the SWEEP table establishes the minimum amount to remain in the participatory fund cash BSA. As mentioned above, only the operating cash that exceeds this required balance will be picked up and moved to the pool fund to be invested. Conversely, if the cash balance is below the required balance, amounts will be divested back to operating cash to bring the operating cash balance up to the required balance, if invested cash is available.



Note: If the Required Balance field was not updated appropriately to ensure the proper amount of cash either remained in the operating cash, or was divested back to the operating cash, and there is an emergency need to utilize this cash, the agency should contact the agency-specific GAO Liaison.

The screenshot shows the 'Cash Sweep' form in the AZ360 system. The form is titled 'Cash Sweep' and has 'Edit' and 'Cancel' buttons. It contains several fields organized into columns:

- Fiscal Year:** 2024
- Participatory Cash BSA:** 0070
- Participatory Unit:** 2800
- Sweep Status:** Active
- Pool Sub Fund:** P3
- Pool Fund:** TR7090
- Participatory Pool Asset Account:** 0071
- Participatory Revenue Source:** 4631
- Participatory Sub Fund:** BLNK
- External Participant Vendor Code:** -
- Participatory Fund:** AD4214
- Participatory Department:** ADA
- Required Balance:** \$200,000.00 (highlighted with an orange box)
- Participatory Cash Sub BSA:** BLNK
- External Participant Address ID:** -

A callout box on the right side of the form highlights the 'Required Balance' field with the value '\$200,000.00'.

Update the Cash Sweep Table



Scenario

A user reviewed the agency fund’s cash balance, expected disbursements, planned payments, and typical daily payments. Based on the values listed below, update the Required Balance field on the SWEEP table for the required fund to reflect a balance of \$10,000 so the remaining cash can be invested.

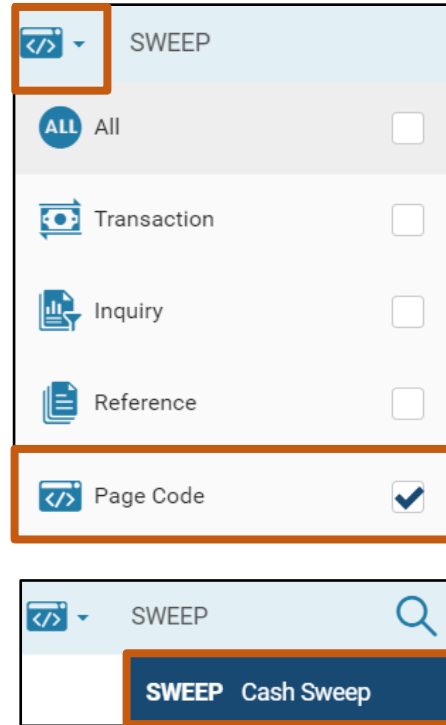
- Cash Balance: \$26,216.88
- Accepted Decrease Non-Cash: \$3,000
- Planned Future Payments: \$0
- Typical daily payments: \$7,000

Note: The Required Balance for this scenario is for training purposes. When agencies determine this amount they should factor in enough funds to cover their typical daily payments as well as the Accepted Decrease Non-Cash balance, which is made up of Warrants and ACH Payments Outstanding account (BSA 1011).

Log in to the AZ360 **Home Page**. Locate the SWEEP table.

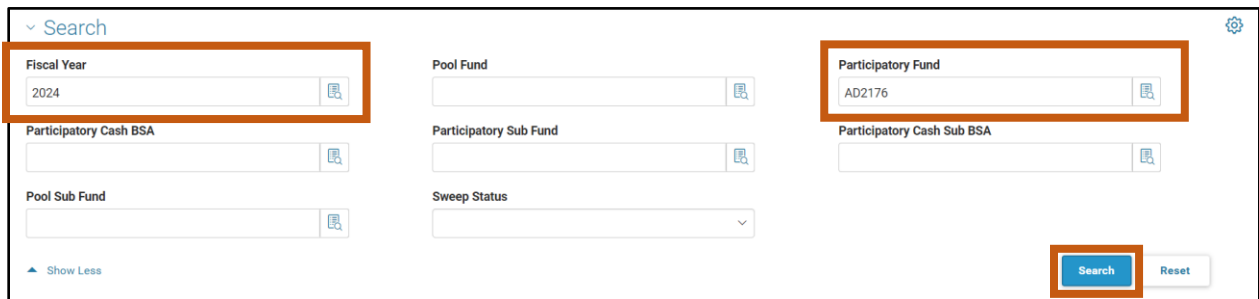


1. Click the **Expand** caret next to the **Global Search** field.
2. Select the **Page Code** option.
3. In the **Global Search** field, enter **SWEEP**.
4. In the drop down menu that generates, select **SWEEP Cash Sweep**. The SWEEP page opens.



Find the participating fund to be updated.

1. Click **Search**.
2. In the **Fiscal Year** field, enter the current fiscal year.
3. In the **Participatory Fund** field, enter the user’s department fund number. In this scenario, enter **AD2176**.
4. Click **Search**.



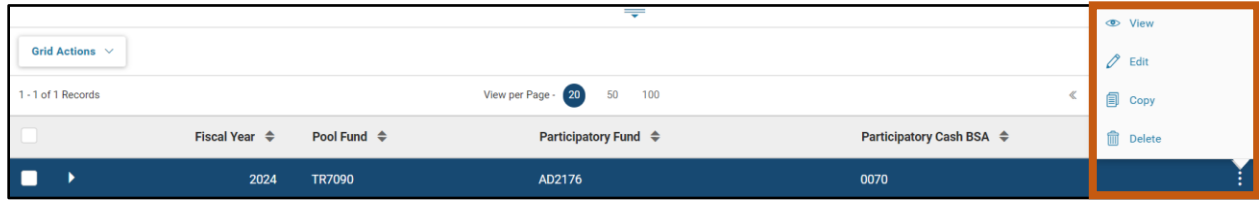
5. The Participatory Fund will generate in the grid at the bottom of the screen.

Update the Participatory Fund Required Balance field.

1. On the blue Participatory Fund line, click the **3-dot** menu.



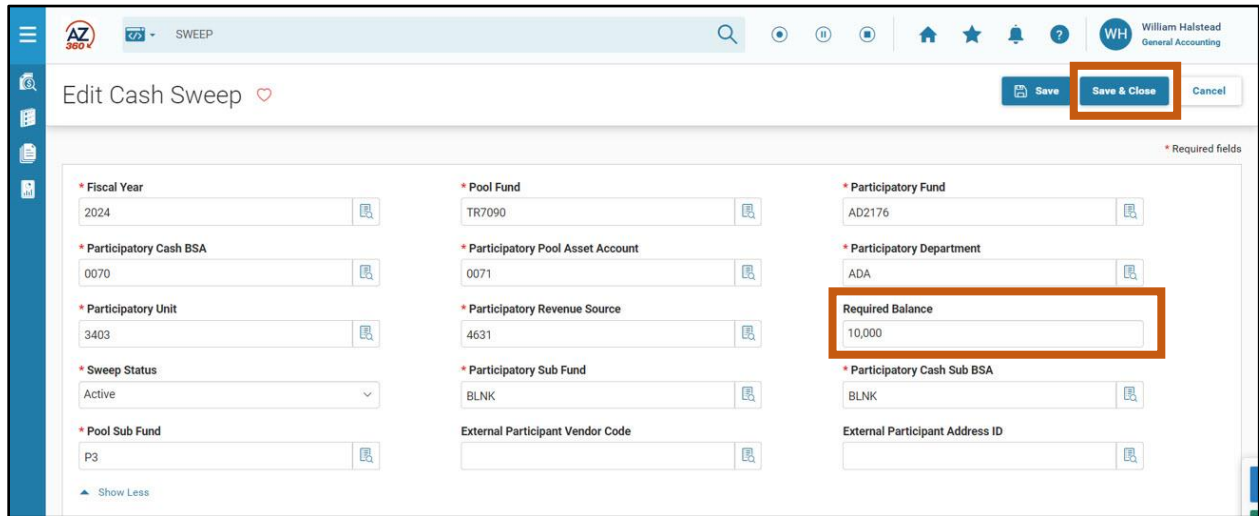
2. Click **View**.



3. Click **Edit**.

4. In the **Required Balance** field, enter the determined minimal balance amount. In this scenario, enter *10,000*.

5. Click **Save & Close**.



6. Click **Home** icon to return to the home page.

Reverse Cash Sweep

A reverse sweep is processed if the cash balance on the BBALD table is less than the required balance for a participatory fund and cash balance sheet account as specified on the SWEEP table. This directs the Cash Sweep process to return the cash balance to the required balance if sufficient cash exists on the PHIS table for the last processing day.

Insufficient Required Balance

GAO monitors the results of the Cash Sweep process on a daily/weekly basis. When negative fund balances occur for more than a few days, an agency’s GAO Agency Liaison will contact the agency to remediate the issue.

Note: Agencies are expected to monitor their fund balances.

An agency user should utilize the BBALD table to ensure that the cash balance, at a minimum, is equal to or greater than the payments outstanding for the agency participatory fund(s).



Investment Accounting (IA) Reporting

Section Objectives

In this section, the following process is introduced:

- Review reports available for IA.

Section Overview

AZ360 includes several reports for monitoring IA activities.

Interactive infoAdvantage Reports

The key reports needed to support the AZ360 IA business processes are listed below and can be found in the infoAdvantage, 1-Statewide Reports folder. The reports listed are current as of the publication of this manual and may no longer be available.

- **FIN-AZ-CM-C017** – *General Ledger vs. Check Reconciliation* – Reconciliation report of the payments outstanding in the check registry to the payments outstanding in the balance sheet accounts. This report is only showing those items that are out of balance.
- **FIN-AZ-CM-C020** – *Pending Deposits by Dept (CR)* – This report lists pending deposits by department.
- **FIN-AZ-CM-N362** – *Exp Analysis* – This report provides a cash flow analysis tool that can be utilized to generate cash projections.
- **FIN-AZ-CM-N363** – *Rev Analysis* – This report provides a cash flow analysis tool that can be utilized to generate cash projections.
- **FIN-AZ-CM-N502** – *Monthly Cash Balance* – This report shows monthly cash balance for all Funds. Excludes Fund Groups: 1000 & 9200.



Resource Section

Appendix A – Terminology

Table 2 lists some terms used throughout this manual.

Table 2: Terminology

Term	Description
Accounting Line	The fields in a transaction’s Accounting tab where users, at a minimum, enter a set of Chart of Accounts codes comprising a funding distribution and an event type (may use default).
Accounting Template (ACTPL)	A predefined set of elements that can be inferred to a transaction’s accounting line as a soft inference which means accounting elements may still be entered on a transaction that are not overwritten by elements defined on the accounting template.
AZ360	Statewide financial management system.
Cash Balance Detail (CBALDQ) table	Used to compare current cash balance to payments pending disbursement for the purpose of identifying how much operating cash is needed.
Cash Sweep	The process of moving excessive funds from a department’s cash balance to its investment balance, or the reverse process of returning invested funds back to the department’s cash balance.
Cash Sweep (SWEEP) table	Used to establish which participatory funds, associated participatory fund elements, pool fund, minimum threshold amounts, and cash balance sheet accounts are eligible for cash sweep.
Chart of Accounts (COA)	An account structure to classify financial information which captures the dimensional structure for documenting and reporting on budget data.
Financial Transaction Catalog	A central location where transactions can be generated and reviewed.
Transaction Codes	Forms used to enter and record financial transactions and activities in AZ360.
Transaction Phase	A point in time within the transaction processing lifecycle. Common phases are Draft, Pending, and Final.
Event Type (ETYP)	Identifies and records the type of financial activity for an accounting line of a transaction. For all accounting based transactions, and certain non-accounting transactions, every accounting line must have an event type. A user can either enter the event type or use the default provided by the system.
Function	A predefined set of elements that can be inferred to a transaction’s accounting line as a hard inference overwriting any existing accounting elements and unchangeable once inferred.
Grid	A list of records displayed in a table format. Up to 20 records are typically displayed at one time.
Inferred Values	Values that are automatically populated based on previous entries in the system.
ITD Balance Sheet Detail (BBALD) table	Used to identify balance sheet amounts for balance sheet accounts, like cash, cash invested, and payments outstanding.
Global Search	Used to navigate directly to a specific page within AZ360.
Participating Account	The combination of an operating fund and a balance sheet account that contributes money to a treasury accounting pool fund. Also called participatory account.



Term	Description
Participatory Fund	Any operating fund that contributes money to a treasury accounting pool fund.
Pool Fund	An investment fund established to account for all activities related the investments purchased by the fund.
Pool History (PHIS) table	Used to record the daily cash position of the participatory funds in an associated pool fund. On PHIS, the cash account balances are retained by pool fund, participatory fund, BS account and history date.
Posting Line	The section of a transaction with the most detailed accounting information. It is a common source of information used to update most of the system.
Query Page	Pages that display summary and detailed information from successfully processed transactions, for viewing only (not for modification).
Reference Tables	Pages that control how the application functions and provide valid values (codes) for data entry. Some of these pages are updated by batch or transaction processing while others can be updated by users who have appropriate security authorization. For example, Accounts Receivable (AR) reference tables determine how the Receivable (RE) and Cash Receipt (CR) transactions generated should post to journals, as well as infer values on the transactions.
Roll-up	A grouping of chart of accounts element codes for reporting or control purposes. Most elements use class, category, type, and group to roll information into higher levels of summarization.
Workflow	An online approval process for transactions.

Appendix B – List of Acronyms

Table 3 lists the acronyms used in this manual.

Table 3: Acronyms

Acronym	Definition
ACFR	Annual Comprehensive Financial Report
ACTPL	Accounting Template
BBALD	Inception-to-Date Balance Sheet Detail
BSA	Balance Sheet Account
CBALDQ	Cash Balance Detail
COA	Chart of Accounts
GAO	General Accounting Office
IA	Investment Accounting
ITD	Inception-to-Date
JACTG	Accounting Journal
JCASH	Cash Journal
JV	Journal Voucher
JVSW	Journal Voucher Sweep or Investment Sweep Journal Voucher
PHIS	Pool History Table
STADJ	State Treasurer – Treasury Adjustment
STTFC	State Treasurer – Treasury Fund Clearing
SWEEP	Cash Sweep Table