



STATE CONTROLLER'S OFFICE – BULLETIN 07/13/2021

Wisconsin Department of Administration – Division of Executive Budget and Finance

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Target Audience:

- **Agency Financial Managers**
- **Agency Fiscal Staff**

Lease Invoice Payment Coding

Background

Starting 7/1/2021 with the implementation of GASB 87 (Leases) in fiscal year 2022, the State Controller's Office (SCO) needs more detail on payments agencies make related the building leases administered by DOA's Division of Facilities Management (DFM). In order for SCO to gather the required data for GASB 87, we need to know which payments align with each building lease contract and which account codes the payments are made to.

DOA's Division of Facilities Management (DFM) oversees State owned and leased buildings. For each lease through DFM, agencies are provided with a unique six-digit identifier (ex. 165-530). Each lease invoice DFM provides to agencies also includes this unique six-digit identifier.

Lease expenditure account codes are identified in detail in [Wisconsin Accounting Manual 02-03](#). Lease expenditures codes should be used when the term of the agreement exceeds one year. Conversely, when the term of the lease agreement is one year or less, rental expenditure codes should be used.

When coding DFM invoices, agencies must use:

- 7405000 Operating Lease – Land
- 7415000 Rental of Space – Privately Owned (only if the term of the agreement is one year or less)
- 7420000 Operating Lease – Privately Owned Space

Agency Responsibilities

Starting with payments made for fiscal year 2022 (7/1/2021) when entering the AP payment for leases, agencies are required to include the six-digit DFM lease number as the first text to be included in the 'Invoice No' field, followed by the first three letters of the month and the calendar year which the payment relates to. If payments cover multiple months, agencies should list all months pertaining to the payment (Annual payments may be noted as 'Annual' rather than listing each month). Agencies may



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add additional detail in the Voucher Line Description and/or Payment Message fields. This will allow agencies and SCO-FRS to easily identify which lease a payment relates to.

Below is an example of how the lease number and date must be referenced (AP Regular Entry):

The screenshot shows the 'FSCM Employee Self-Service' interface for a 'Regular Entry'. It features three tabs: 'Invoice Information', 'Payments', and 'Voucher Attributes'. The 'Invoice Information' tab is active, displaying the following fields:

- Business Unit: 50500
- Voucher ID: NEXT
- Voucher Style: Regular Voucher
- Invoice Date: 07/13/2021
- Invoice Received: 07/13/2021
- Invoice No: 165-530 JUL 2021
- Accounting Date: 07/13/2021
- *Pay Terms: NET30
- Basis Date Type: Inv Date
- Net 30

An 'Invoice Total' section is also visible, containing:

- Line Total: 1.00
- *Currency: USD
- Miscellaneous: (empty field)
- Freight: (empty field)

Agencies should also review lease coding and ensure the account classifications are appropriate based on the descriptions in [Wisconsin Accounting Manual 02-03](#). Note the term length when determining if a rental or lease account should be used.

If agencies have questions on how to code/identify lease payments, please contact Aaron Stoltenberg in SCO-FRS (aaron.stoltenberg@wisconsin.gov, 608-266-3052).