



# STATE CONTROLLER'S BULLETIN

Edward Karass  
State Controller

Rebecca M. Wyke, Commissioner  
Administrative & Financial Services

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**SUBJECT: State Administrative and Accounting Manual**

**DATE: September 9, 2004**

**TO: All Department and Agency Finance Officers**

**FROM: Edward A. Karass, State Controller**

By way of this Controller's Bulletin, the Office of the State Controller (OSC) is releasing the new State Administrative and Accounting Manual (SAAM) for use by all agencies of Maine State Government. The development and dissemination of the manual is required by Title 5, Chapter 143, § 1541 – A. The Manual supercedes the State of Maine Manual of Financial Procedures which has its origins in the early 1950's. SAAM covers those activities that fall under the supervision of the Office of the State Controller; however, other central agencies such as Purchases, Bureau of the Budget, and the Bureau of General Services may choose to include their statewide policies in SAAM.

The purpose of SAAM is to provide control and accountability over financial and administrative affairs of Maine State Government, to assist agencies in gathering and maintaining information needed for the preparation of financial statements, and to ensure that uniform financial management practices are in place throughout state government. The policies promulgated in SAAM are the minimum requirements that State of Maine agencies must meet in conducting their daily business. An agency may adopt additional policies and procedures in greater detail, or use additional or alternative supporting documentation, as long as the agency meets the required minimum standards set forth in SAAM.

The authority for the policies included in SAAM may be found in Title 5, Chapter 143, §1541 which requires the OSC to maintain the official system of accounts for Maine State Government, embracing all the financial transactions of the State Government. The purpose of the systems implemented by the OSC is to provide accountability over all revenues, expenditures and expenses, receipts, disbursements, resources (assets), and obligations (liabilities) of the State. It is the policy of the Office of the State Controller to establish a Generally Accepted Accounting Principles (GAAP) – based accounting system and procedures.

The manual is comprised of two sections: (1) Administrative policies, and (2) Accounting policies. We have constructed SAAM to allow for expansion of chapters, sections, and subsections and to include additional statewide policies as deemed necessary by the OSC or other central agencies. SAAM is being released today sans Chapter 85 which is still in the QCR process and is scheduled to be published for inclusion in SAAM by month's end. SAAM is organized in three basic layers:


1. Chapters – The major subjects of the manual
2. Sections – Define the major topic within a subject
3. Subsections – The actual policies

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14 State House Station  
Burton M. Cross Building, 4<sup>th</sup> Floor  
Augusta, ME 04333-0014

Phone: (207)626-8420  
Fax: (207)626-8422

[www.maine.gov](http://www.maine.gov)



The manual has taken the staff of the OSC approximately 14 months to research and compile information for inclusion in SAAM, write and edit, review and edit, and prepare SAAM for release. Each chapter of SAAM has undergone an extensive QCR process. However, we welcome agency comments that would improve the clarity of the policies and requirements contained in SAAM. Additionally, the OSC expects that annual updates will be required as programs, laws, state and federal regulations, and accounting requirements change.

The OSC will make SAAM available in electronic format on our website as well as provide each agency with a paper-based copy to allow for local reproduction as the agency determines necessary. Updates will be communicated via a Controller's Bulletin.

We look forward to working with you as you begin to implement these policies. If you have any questions regarding SAAM or its requirement, please contact the Office of the State Controller.

Street Address  
Address 2  
City, ST ZIP Code

E-mail address  
Phone number  
Fax or URL

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