

## GUIDELINES TO FACILITATE YEAR END CLOSING TRANSACTIONS

**May 17, 2016**

These guidelines are intended to assist agencies with closing for Fiscal Month 12 (FM12) and Fiscal Month 13 (FM13) of FY16 / AY17.

**Fiscal Month 12 (FM12) - June effective dates, fiscal month closes July 15<sup>th</sup>**

**Fiscal Month 13 (FM13) - June 31 effective date - Begins July 1<sup>st</sup> through August 12<sup>th</sup>**

FM13, also known as Period 13, is the last fiscal period in R\*STARS to record year end accounting adjustments.

FM13 should be used generally to post material items that cannot be posted to FM12.

**530 Screen**  Remind your staff when viewing batches from the 530 screen to select a batch with F2-Details and select a transaction from the 520 screen with F2-Select. Another option to view is to select a batch from the 530 screen with F11-Correct Batch, on the 510 screen select F7-Details, and select a transaction from the 520 screen with F2-Details. When F4-CHGE is selected from the 510 screen, it can either put an approved batch on hold or cause user class errors on system generated batches such as type “8” tcode 857/858 batches.

**Note – when two fiscal years are open**, a transaction effective date cannot be changed on a tracked document in an edit mode ‘2’ batch.

	<b>Fiscal Month 12 - Closes Friday, July 15, 2016</b>	<b>Fiscal Month 13 – Closes Friday, August 12, 2016</b>
<b>530 SCREEN</b> Edit Mode 2 batches remaining on 530 screen <i>after month close</i>  Changes to the batches can cause reconciliation and reporting problems	___ <b>Release</b> Edit Mode 2 batches with a 6/30 or earlier June effective date that are still on the 530 screen on Monday after June month end close. ___ These should not be deleted or changed! They posted to June.  ___ <b>If</b> changed or deleted, reorder June reports ___ Accrue in Month 13 if necessary. ___ Please notify your SFMS analyst if changes or deletions have been made.	___ <b>Release</b> Edit Mode 2 batches with a 6/31 effective date that are still on the 530 screen on Monday after Month 13 close. ___ These should not be deleted or changed! They posted to month 13.  ___ <b>If</b> changed or deleted, reorder month 13 reports. ___ Please notify your SFMS and SARS analysts if changes or deletions have been made.
<b>530 SCREEN</b> Edit Mode 0, 1 or 3 batches (which must clear by Thursday) remaining on 530 screen <i>after month close</i>	___ Change the effective date to 6/31 (FM13/FY16) or a July date (FM01/FY17) by doing a Mass Batch Change (54A screen). See instructions on page 5.  The system will not allow you to change the effective date on-line.	___ Change the effective date to a July date (FM01/FY17) by doing a Mass Batch Change (54A screen). See instructions on page 5.  The system will not allow you to change the effective date on-line.
<b>530 SCREEN</b> For batch types R, W and 8 (not TCs 850/851)	___ SFMS Analysts change and may request action by agency.	___ SFMS Analysts change and may request action by agency.

	<b>Fiscal Month 12 - Closes Friday, July 15, 2016</b>	<b>Fiscal Month 13 – Closes Friday, August 12, 2016</b>
<b>COST ALLOCATION</b>	<p>June CA (FY16): Runs July 5, 7, 8  <input type="checkbox"/> Use the 25 Profile for FY17.  <input type="checkbox"/> Use run type ‘S’ (Standard Cost) and NO ranges. The allocation is based on the prior period’s expenditures. Do not use Run Type ‘R’ and a range of 12 to 12 for June; this will allocate June 2017 amounts, which will be \$0.00.</p>	<p><input type="checkbox"/> There is no cost allocation for Month 13.</p>
<p><b>DEPOSITS - Cash Availability</b>  Reminder: Cash from deposits is not available until the deposit reconciles with Treasury.  <b>Cash Recognition</b> - General ledger accounts 0065 and 0070 are both considered “cash” at fiscal year end for financial reporting purposes.</p>		
<b>DEPOSITS</b> Adjustment deposits reconciled prior to June 30	<p><input type="checkbox"/> Adjustments can be backdated to 06/30 or 6/31. (If an adjustment requires a balance transfer, do not backdate if between GAAP funds <u>or</u> treasury funds.)</p>	<p><input type="checkbox"/> Adjustments can be backdated to 06/31. (If an adjustment requires a balance transfer, do not backdate if between GAAP funds <u>or</u> treasury funds.)</p>
<b>DEPOSITS</b> <b>June</b> bank activity	<p><input type="checkbox"/> For purposes of the year end cutoff of cash receipts, deposit reconciliation activity (including wire/ACH activity) should be recorded to the date the event occurred even if Treasury posts the activity in July.  <input type="checkbox"/> Post to FM12. The TC190 transaction can be backdated to June 30. If the transaction in FM12 is released after calendar date June 30<sup>th</sup>, TC332 will be created with a July effective date.</p>	
<b>DEPOSITS</b> <b>July</b> bank activity	<p><input type="checkbox"/> Record as July (FM01/FY17).  <input type="checkbox"/> <b>If</b> it is later discovered the activity actually applies to June, an accrual should be posted in June (FM12). Use <b>TC436</b> for Accrued Revenue. The system automatically generates a reversing entry in July 2016 (FM01/FY17) using <b>TC981</b>.</p>	<p><input type="checkbox"/> Record as July (FM01/FY17).  <input type="checkbox"/> <b>If</b> it is later discovered the activity actually applies to June, an accrual should be posted with effective date 6/31 (FM13) if June is closed. Use <b>TC436</b> for Accrued Revenue. The system automatically generates a reversing entry in July 2016 (FM01/FY17) using <b>TC981</b>.</p>

	<b>Fiscal Month 12 - Closes Friday, July 15, 2016</b>	<b>Fiscal Month 13 – Closes Friday, August 12, 2016</b>
<b>DEPOSITS</b> <b>Undistributed Cash Receipt - GL 0060</b>	___A balance in unidentified receipts (GL 0060) must be cleared prior to the fiscal year end close because GL 0060 is a liability and revenues or reduction of expenditures may be misstated.	___A balance in unidentified receipts (GL 0060) must be cleared prior to the fiscal year end close. Reminder: Do not back date balanced transfers between treasury funds <u>or</u> GAAP funds. If the reclassification requires crossing funds, record BT in FM01/FY17 and accrue revenue in FM13/FY16.
<b>DEPOSITS</b> <b>Unreconciled Deposits - GL 0065</b>	___Deposit reconciliation items in GL 0065 should be resolved and reclassified by the close of fiscal month 12.	
<b>EXPENDITURES</b> Services/supplies <b>are received</b> as of calendar date June 30, 2016, FY16 Expenditures paid after 6/30.	FY16 Expenditure paid July 1 through the close of fiscal month 12: ___Use a warrant generating TC, effective date 06/30, AY17. In this scenario, the expenditure will show in FY16, and the movement of cash will show in FY17 because the cash transaction will have a current effective date (FM01/FY17).	FY16 Expenditure paid July 16th through the close of month 13: ___Use a warrant generating TC with effective date of 06/31. ___If the payment cannot be made by the close of FM13, accrue with <b>TC437</b> * prior to the close of Month 13. The system automatically generates a reversing entry in July 2016 (FM01/FY17) using <b>TC983</b> . (*To accrue Distribution to Subrecipients, see OAM 15.42.00.PR.116.f)
<b>PAYROLL</b> Payroll transactions with errors on 530 screen	___Correct all errors in <b>TC850</b> transactions that exist at calendar date 6/30/16. This will create cash transactions for the payroll payments ( <b>TC857</b> ) with an effective calendar date of 6/30/16. This ensures payroll is reimbursed by the July 1 <sup>st</sup> pay date.	
June “Run 2” Payroll transactions (scheduled to post July 13 <sup>th</sup> ) with errors on 530 screen	___ Correct all expenditure error transactions by Thursday night’s cycle (7/14/16) prior to the close of fiscal month 12.	
<b>TC850</b> Edit Mode 3 batches for payroll remaining on 530 screen after Thursday, July 14th	___ Change the effective date to July (FM01/FY17) by doing a Mass Batch Change (see instructions on page 5). The system will not allow you to change the effective date on-line. ___Accrue the amount in FY16 with a <b>TC437</b> using either a 06/30 or a 06/31 effective date. The accrual automatically reverses in July (FM01/FY17) with a <b>TC983</b> .	

	<b>Fiscal Month 12 - Closes Friday, July 15, 2016</b>	<b>Fiscal Month 13 – Closes Friday, August 12, 2016</b>
June “Run 2” Payroll expenditures posted to July	Accrue the amount in FY16 with a <b>TC437</b> using either a 06/30 or a 06/31 effective date. The accrual automatically reverses in July (FM01/FY17) with a <b>TC983</b> .	
T-Codes other than 850 Edit Mode 3 batches for June	___Agencies with TC 857 Cash errors can send a request to your agency’s SFMS Analyst to change effective dates.	
<b>SET 25 PROFILE</b> Last Month Closed Indicator on 25 Profile for FY16	___Set the Last Month Closed Indicator on the 25 profile for FY16 to ‘12’ by <b>5:00 PM on Friday July 15</b> .	___Set the Last Month Closed Indicator on the 25 profile for FY16 to ‘13’ by <b>5:00 PM on August 12</b> .
<b>CREATE 25 PROFILE</b> Create FY17 25 Profile by <b>July 1<sup>st</sup> if none exists</b>	___ Create a 25 profile for FY17 for your agency by July 1 <sup>st</sup> . ___Set the Last Month Closed Indicator on the 25 profile for FY17 to ‘00’ by July 1 <sup>st</sup> . ___When ordering reports at the agency level (when <b>FREQ CONTROL: A</b> is used on 91 screen) after calendar date June 30, 2016, the weekly and/or monthly flags on the FY17 25 profile will need to be set.	
<b>SUSPENSE ACCOUNT ACTIVITY</b>	___Transactions related to suspense account balances for FM12 must be posted by the close of fiscal month 12.	___FM13 may be used to post material reconciling items that cannot be posted to FM12.
<b>UNEARNED REVENUE</b> Please work with SARS to determine how to proceed	___Reclassify in FM12.	___Reclassify in FM13.

**BALANCED TRANSFERS**



**Do not “Back Date” interagency or interfund BT transfers** to FY16 after calendar date 6/30/16.

(When a prior month BT is released in the current month, it is the same as backdating.) SARS consulted with Secretary of State Audits Division and the **auditors do not want any backdating between GAAP funds**. An adjustment affecting cash is acceptable **ONLY** if: 1) The adjustment is within the same agency, 2) the D23 funds involved have the same GAAP fund, **and** 3) the D23 funds involved are tied to the same Treasury Fund.

**Agency BT Contact List** - You can access the “Agency BT Contact List” at:

[http://www.oregon.gov/das/Financial/AcctgSys/Documents/agency\\_bt\\_contact\\_list.pdf](http://www.oregon.gov/das/Financial/AcctgSys/Documents/agency_bt_contact_list.pdf)

## HOW TO DO A MASS BATCH CHANGE:

Link to the 54A Screen.

Select the desired batch. Your cursor tabs to the FID field.

Press <F6> for a batch change.

**On the 54D screen**, leave the SEQ No field blank. Enter '24' for Effective Date in the FID field or press <F4> for the Field Identification Value (FID).

Enter the new date (i.e. 070116) in the Correction Value field.

**Press <F11> to ADD the value.** DO NOT PRESS <F10> to CHANGE the value. Using the <F11> will "trick" the system into thinking that we are adding rather than changing the batch. Be sure you don't get an error message. The effective date is changed by the system overnight during batch cycle, so the change will not show on the batch transactions. **NOTE: For interfaced voucher documents, the effective date will update only on transactions that have an error; the effective date will not change on transactions without errors.**

This 'work-around' can be used all year, but is especially useful when two fiscal years are open at the same time. It can also be used for individual transactions within a batch when the system does not allow you to fix them on line. In this instance you would input the sequence number(s) then <F11> to ADD. This procedure works only on batches in Edit Mode 0, 1 and 3. It does not work on Edit Mode 2 batches.

## COST ALLOCATION - July and August 2016

There will be one cost allocation run for the month of July and one for August.

\_\_\_\_ July CA (FY17): runs August 23, 25, 26

(One cost allocation run for July)

- This is a 'normal' process, use either run type 'R' or 'S'
  - Run Type 'R' CA Range = 01 To = 01
  - Run Type 'S'
- Use FY17 25 profile

\_\_\_\_ August CA (FY17): runs September 13, 15, 16

(One cost allocation run for August)

- This is a 'normal' process, use either run type 'R' or 'S'
  - Run Type 'R' CA Range = 02 To = 02
  - Run Type 'S'
- Use FY17 25 profile