OAR Updates/SMART Fiscal Year End Presentation

May 25, 2022

Agenda

- OAR Updates
  - Leadership Updates
  - Statewide Reporting Updates
  - Audit/Policy Updates & Reminders
  - Website Redesign
  - Upcoming Agency Surveys
- SHARP/Payroll Fiscal Year End Overview
- SMART Fiscal Year End Overview

OAR Recent Leadership Updates

- Nancy Ruoff – OAR Director
- Sunni Zentner, SMART/SHARP Mgr.; Recovery Office
  - Nancy Haufler, SMART/SHARP Processing & Central Responsibilities Asst. Mgr.
    - Lisa Becker, SMART Processing Team Lead
    - Heather DeBusk, SHARP Payroll Processing Team Lead
    - Amanda Fowler, Central Responsibilities (CRT) Team Lead
  - Sarah Tongier, SMART/SHARP Systems Asst. Mgr.
    - Shelly Harvey, SMART Systems Team Lead
    - Earl Brynds, SHARP Payroll Systems Team Lead
- Martin Eckhardt, Audit/Municipals Mgr. (no change)
- Brandy Wilson, Statewide Reporting Mgr.
  - Rachel Soden, Financial Integrity (ACFR) Team Lead
- Jessica Pope, Setoff Team Lead

Statewide Reporting Updates

GASB-87 Leases

- Software implementation (Civix) in process
- Agency contacts will receive requests for additional information on identified leases

ACFR

- Kickoff mtg – July (agency contacts to be invited)
- Confirmation letters for FY22 – most are due Aug. 1st
- OCFO-FIT@ks.gov – Shared e-mail box for all questions

Federal Reporting

- Agencies will be notified when FY22 audit report is available
- Federal.Reporting@ks.gov – Shared e-mail box

Audit/Policy Updates

Account Code PM Review/Revisions:

- Updated PMs will be released effective 7/1/2022
  - 5,002 – Transfer Classification Account Codes
  - 6,002 – Revenue Classification Account Codes
  - 7,002 – Expenditure Classification Account Codes

- Changes include updated descriptions and the addition of codes established by informational circulars

- Agencies should review to ensure accuracy of selected accounts codes being used
  - OITS has updated specific column headers in their new Apptio billing module to specify the account code to be used by agencies

  - NEW Account Code 529980 – Other Contractual Services has been added to record contractual services purchased for distribution or resale within the agency or to other state agencies

Audit/Policy Updates

Travel Handbook/Form Updates:

- Updated to reflect the changes to K.A.R. 1-18-1a mileage regulation communicated in Info Circ 22-A-005
- K.A.R. changes allow the agency head/designee greater flexibility in determining reimbursement allowances for use of private vehicles (private vehicle vs. rental)
- DA-127 Mileage Comparison form is now optional
- DA-115 Agency Authorized Officials form updated to specify the agency designee authorized to approve mileage rates
- DA-121 Travel Expense Detail – Optional form
  - Form will be updated to require traveler to enter approved mileage rate from the Travel Handbook

Audit/Policy Reminders

SMART Voucher Processing Reminders:

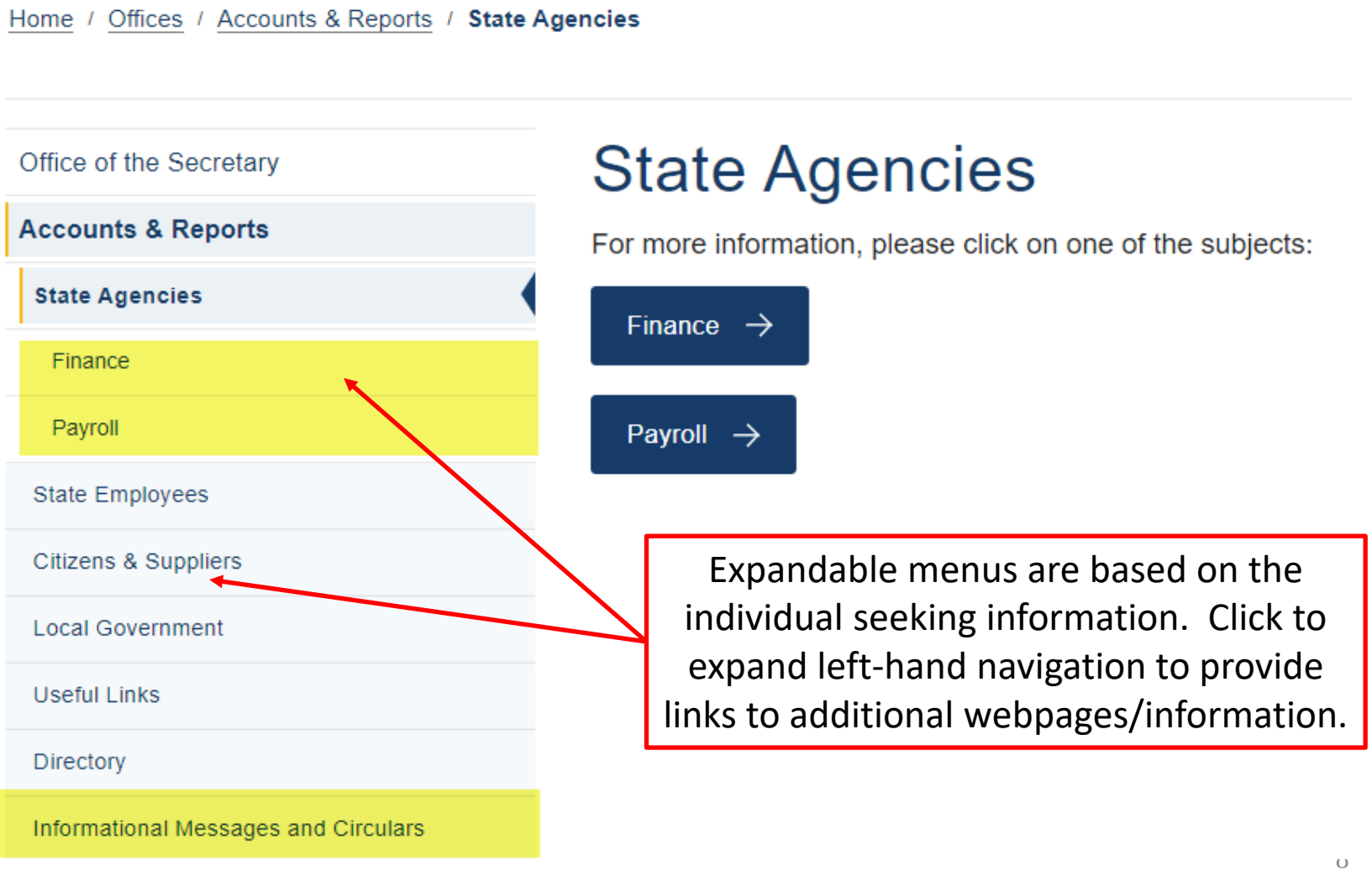
- Review PMs to ensure correct account code is being utilized
- For vouchers above agency delegated audit authority
  - Attach all related invoices, quotes and/or task orders
  - Insufficient audit trail information results in additional agency/audit work, delayed payments, and potential audit findings

Questions about OAR's audit processes can be submitted to:

ARPreaudit@ks.gov

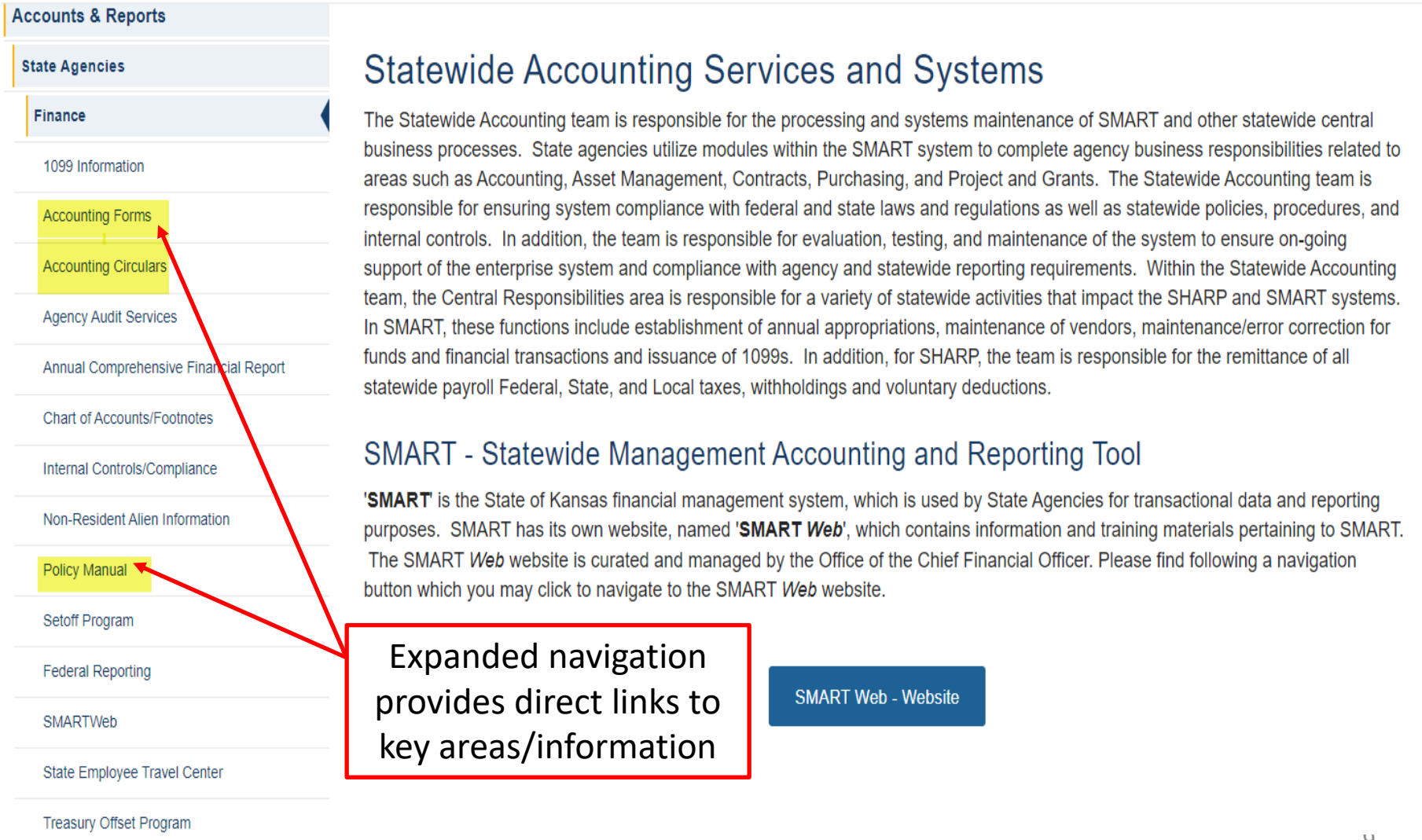
Website Redesign

https://admin.ks.gov/offices/accounts-reports



Website Redesign

https://admin.ks.gov/offices/accounts-reports/state-agencies/finance



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Website Redesign

https://admin.ks.gov/offices/accounts-reports/directory

Home / Offices / Accounts & Reports / **Directory**

- Office of the Secretary
- **Accounts & Reports**
  - State Agencies
  - State Employees
  - Citizens & Suppliers
  - Local Government
  - Useful Links
  - **Directory**

Directory link provides a listing of contact information for all OAR staff (group emails are also being added). Click on the employee's name or group email to initiate an email to the employee or group email address.

Statewide Consolidated Reporting

Name	Role/Team	Phone
Brandy Wilson	Manager, Statewide Consolidated Reporting	785-291-3238
Rachel Soden	Team Lead, Financial Integrity Team	785-296-3436
Fatima Gilbert	Financial Integrity Team	785-296-2127
Emily Downard	Financial Integrity Team	785-296-3620
Vacant	Financial Integrity Team	
Jill Martin	Team Lead, Federal Reporting Team	785-296-2909
Gayla Carr-Schmitz	Federal Reporting Team	785-296-8668
Financial Integrity Team	OCFO-FIT@ks.gov	

Please direct questions/recommendations for OAR website to Michele.Mowder@ks.gov

Upcoming Agency Surveys

SMART & Payroll Training Materials Survey

- Targeted for release in next 1-2 weeks
- Seeking agency feedback on
  - Existing training materials – what is/isn't working
  - Input on user preferences for training delivery
- Invitation for survey will be sent via SMART & SHARP info blasts

Internal Control Agency Baseline Assessment

- Targeted for release in 3rd quarter
- Intended to identify a baseline of agency existing internal control environment and statewide internal control areas for focus/training

SHARP/Payroll Fiscal Year End Overview

SHARP/Payroll Fiscal Year End

Informational Circular 22-P-008

Off-Cycle C Payroll for Pay Period End 6/11/2022 has been cancelled. The final opportunity to run payroll adjustments for fiscal year 2022 will be Off-Cycle B, which will run on 6/22/2022, with a paycheck date of 6/27/2022.

Regent Off-Cycle B Cutoff

Cutoff for Off-Cycle B for pay period end 6/11/2022 will be 9:00 A.M., 6/22/2022. We will be unable to accept any files received after this date and time, for Off-Cycle B processing for pay period end 6/11/2022.

Payroll Adjustments

Agencies need to complete all FY2022 payroll adjustments on or before the 'B' off-cycle which processes on Wednesday night, June 22, 2022. The 'B' off-cycle is the last payroll cycle for FY2022. This includes clean-up of all Rejected by Payroll (RP) rows listed on the Reject by Payroll (Payable Time) Time and Labor Workcenter Query. Any adjustments processed after Wednesday June 22, 2022 will be included with FY2023 transactions and processed with the 'A' off-cycle on Tuesday July 5, 2022 for the June 25, 2022 pay period end date.

SHARP/Payroll Fiscal Year End

Informational Circular 22-P-008

Budget End Date and Fiscal Year Changes

The Budget End Date and Fiscal Year on the Department Budget tables will be updated centrally at the beginning of the fiscal year. This process (BUD006) is scheduled to run during the nightly batch cycle on June 19, 2022. In that process, a new row will be added to the Department Budget tables with an effective date of June 12, 2022 (beginning date of the first on-cycle payroll charged to FY2023). The Budget End Date will be June 10, 2023.

Agencies should not enter any rows in the Department Budget table with an effective date greater than or equal to June 12, 2022, until agency notification has been received that the BUD006 process ran successfully.

A special run of the KPAYGL5C (paycheck accounting transactions file) will be processed on Thursday June 23, 2022, after the 'B' off-cycle process has been completed for the June 11, 2022 pay period end date. A SHARP Infolist message will be sent out to agencies after the KPAYGL5C has finished processing on June 23.

Note: A separate informational circular regarding the fiscal year 2023 payroll contribution rates will be issued as soon as the information becomes available.

SMART Fiscal Year End Overview

SMART Fiscal Year End

Informational Circular 22-A-008

Schedule of accounting events relevant to the closing of FY 2022 and the opening FY 2023

- Published on May 2, 2022
- Link to Informational Circular 22-A-008

https://admin.ks.gov/media/cms/FINAL_FY22_Events_to_Close_FY22_Open_FY23_796091be4e590.pdf

- Link to FY Close Day by Day Summary

https://admin.ks.gov/media/cms/FINAL_FY22_Close_Day_by_Day_Summary_d91beee5fed35.docx

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SMART Fiscal Year End

High Level Year End Calendar June 2022

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
12	13	14	15	16	17	18
SMART OPEN AT 1 PM	PCARD VOUCHER BUILD			PCARD VOUCHER BUILD DEADLINE TO SUBMIT GL ENCUMBRANCES >= $5,000 SGF TO CRT	REQUISITIONS>= $5,000 MUST BE SOURCED TO PO BY 7 PM TAs >= $5,000 MUST BE READY FOR CENTRAL APPROVAL	SMART OPEN 6 AM TO 7 PM
19	20	21	22	23	24	25
SMART OPEN AT 1 PM	PCARD VOUCHER BUILD	PCARD VOUCHER BUILD DEADLINE TO SUBMIT GL ENCUMBRANCES <= $5,000 SGF OR ANY AMOUNT OF OTHER FUNDS TO CRT	PCARD VOUCHER BUILD FINAL FY 2022 PCARD TRANSACTIONS FILE FROM BANK LOADED INTO SMART RECONCILE PCARD TRANSACTIONS	PCARD VOUCHER BUILD RECONCILE PCARD TRANSACTIONS	FINAL FY 2022 PCARD VOUCHER BUILD LAST DAY TO SUBMIT FY 2022 INTERFACE FILES (this does not include AR files)	SMART OPEN 6 AM TO 7 PM
26	27	28	29	30		
SMART OPEN AT 1 PM	**LAST DAY FOR AGENCY PROCESSING** SMART CLOSES AT 7 PM OFF CYCLE B PAY DATE OFF CYCLE C PAYROLL WILL NOT BE PROCESSED	SMART CLOSED TO AGENCIES	SMART CLOSED TO AGENCIES	SMART CLOSED TO AGENCIES		

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SMART Fiscal Year End

High Level Year End Calendar July 2022

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
					FY 2023 OPEN FY 2022 AR OPEN FOR DEPOSITS & DEPOSIT ADJS PCARD BANK FILES FROM JUNE 22nd - 30 th WILL BE LOADED TO SMART IN NIGHTLY BATCH	SMART OPEN 6 AM TO 7 PM
3	HOLIDAY 4	5	6	7	8	9
SMART OPEN AT 1 PM	FY 2023 OPEN FY 2022 AR OPEN FOR DEPOSITS & DEPOSIT ADJS	FY 2023 OPEN LAST DAY TO ENTER FY 2022 DEPOSITS & DEPOSITS ADJ FY 2022 AR CLOSED AFTER NIGHTLY BATCH	FY 2023 OPEN	SMART CLOSED UNTIL 10 AM for FINAL 2022 GL CLOSING PROCESSES FY 2023 REOPENS AT 10 AM	FY 2023 OPEN	SMART OPEN 6 AM TO 7 PM

SMART Fiscal Year End

Accounts Receivable
Negative Cash Federal Fund Balance at Fiscal Year End

Guidance:

Policy Manual 8,004 Federal Funds – Fiscal Year-End Negative Cash Balances
https://admin.ks.gov/media/documents/8004federalfundsfiscalyearendnegati_C08D0B7F406B0.docx

Informational Circular 22-A-008 Schedule of accounting events relevant to the closing of FY 2022 and the opening FY 2023 (see page 12)
https://admin.ks.gov/media/cms/FINAL_FY22_Events_to_Close_FY22_Open_FY23_796091be4e590.pdf

Per Policy Manual **8,004**, when a negative cash balance is anticipated in a federal fund at fiscal year-end and reimbursement from the federal agency has not been received and posted, agencies are required to record an accounts receivable in SMART for the amounts expended but not yet reimbursed by the federal agency.

- Record an accounts receivable in SMART for amounts expended but not yet received by the federal agency.
- Documentation to support the reimbursement request must be attached in SMART
- Entry of a GL journal to offset a negative cash balance is not an acceptable alternative to entering an accounts receivable

SMART Fiscal Year End

Accounts Receivable

Negative Cash Federal Fund Balance at Fiscal Year End

SMART Accounts Receivable job aids can be found in the AR-Receivables Section at the following link: Accounts Receivable | smartweb.ks.gov. These job aids can be used at other times throughout the year, but at fiscal year end, the comments below are applicable:

- Receivables: **Online Pending Item (Receivable) Entry** – used to create a pending item (receivable) for amounts expended and not yet received, and the deposit is not expected to be received before June 30

- Receivables: **Writing Off a Receivable (Pending Item)** – used after July 1 to write off a receivable that is no longer valid or the deposit was entered without the pending item (receivable)

- Deposits: **Entering an AR (Pending Item) Deposit** – used after July 1 to enter the deposit with a pending item (receivable) at the time the funds are actually received

SMART Fiscal Year End

Interfund processing reminders

- Accounting dates on both the interfund voucher and the interfund deposit must be in the same fiscal year
- To ensure the interfund voucher will pay during FY 2022, the Scheduled Due date on the Payments page of the voucher must have a date <= 06/30/2022
- Matching for an interfund voucher can be done on the Match Workbench before the interfund is approved – see job aid Matching for Interfund Vouchers
- Budget checking and matching (if matching has not been run) will happen during nightly batch after both the interfund voucher and the interfund deposit are approved
- Agencies with unprocessed interfunds due to budget check exceptions will be contacted by the SMART Team on **Tuesday, June 28, 2022** to resolve the budget check exceptions

SMART Fiscal Year End

Encumbrance processing reminders

- POs and TAs are not only used as a means of approving a purchase or authorizing a travel event, but also to 'reserve' or encumber the fund(s) and budget unit(s) to be used for the expenditure. When a PO is pulled into a voucher, or a TA is associated to an expense report, the fund(s) and budget unit(s), as well as the other ChartFields, create the funding lines for the transaction.

- The funds and budget units amounts on vouchers or expense reports shall be equal or less than the funds, budget units amounts on the encumbrance documents.

- As stated in **PM 10,300 Statewide Encumbrance Policy** https://admin.ks.gov/media/documents/10300_10219_te_C352B48B352CA.docx , a GL Encumbrance can be requested for:

  - Transactions that are not yet complete at fiscal year-end and the supplier is not yet known; for example, a bid event for procurement that is not complete by fiscal year end, where the supplier is not yet known

  - Anticipated travel at fiscal year-end and the traveler is not yet known

  - Anticipated reimbursable expenses to be paid through the Travel and Expenses module that occur at fiscal year-end and the payee is not yet known

- GL Encumbrances created at fiscal year end must contain all fields requested on the *GL-F016 GL Encumbrance Request Form* https://admin.ks.gov/media/documents/glf016glencumbrancerequestform_A68CF87ECF98F.xlsx and a clear description of the obligation that shall ultimately match to the expenditure.

SMART Fiscal Year End

Other general processing reminders

- FY 2023 Requisitions with a contract or an amount less than $5,000 shall be entered on or after July 1.
- Refer to **PM 14,002** Fiscal Year Closing Including Fiscal Year Determination to determine the appropriate processing period for each type of account code activity.
- Agencies are responsible for deleting all incomplete transactions at fiscal year end, by **7 pm Monday, June 27th.**
- Agencies should continue to use the Month End Checklist and run queries through the end of the fiscal year to ensure all transactions have processed.
- As a general rule, it is best to schedule queries, they run faster and use system resources more efficiently – see job aid Scheduling a Query on SMART Web.
- INF02 Voucher Interface files – any file submitted after the fiscal year end cutoff (7 pm Friday, June 24th) MUST contain an accounting date >= 07/01/2022
- SMART will be unavailable to users until 10 am of Thursday, July 7 as the General Ledger closing entries are generated and processed – a SMART blast will be sent out once SMART is open for users.

Questions?



Any questions about this recorded presentation should be submitted through Kansas Service Desk with the subject “SMART Fiscal Year End”.