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| **Office of Systems Management**  |

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| **INFORMATIONAL CIRCULAR NO. 14-a-006** |  *(supersedes 13-a-006)* |

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| **DATE:**  | March 28, 2014 |
| **SUBJECT:** | Closing of Fiscal Year 2014 and Opening of Fiscal Year 2015 |
| **EFFECTIVE DATE:**  | Immediately |
| **CONTACT:** | Nancy HauflerSMART Processing TeamAmanda EntressPayroll Services SectionLucinda AnstaettOffice of the State Treasurer  | (785) 296-5368 (785) 296-3887(785) 296-4151  | Nancy.Haufler@da.ks.gov Amanda.Entress@da.ks.govLucinda@treasurer.state.ks.us  |
| **APPROVAL:** | Sarah Gigous(original Signature on File) |
| **SUMMARY:** | Schedule of accounting events relevant to the close of fiscal year 2014 and the opening of fiscal year 2015. |
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**K.S.A. 75-3002** establishes the state fiscal year as commencing on the first day of July in each year and closing on the thirtieth day of June of the succeeding year.  In order for activity for fiscal year 2014 to be completed by June 30th, the cutoff date for most agency processing will be **Thursday,** **June 26, 2014**.

SMART will be closed to agencies on Friday, June 27, 2014 and Monday, June 30, 2014 so the SMART team can review and finalize all outstanding FY 2014 business. SMART will also be closed on Friday, July 11, 2014 to run the fiscal year 2014 closing processes and verify the fiscal year end journals were completed correctly.

The workload for both your agency and the SMART Team increases greatly during the Fiscal Year end closing period. In order to facilitate successful year end processing, reminders and guidelines for agencies are included below. Additionally, it is necessary for agency accounting staff to be available during the day Friday, June 27, 2014 and Monday, June 30, 2014 in case assistance is needed as the SMART Team is preparing the system for closing.

SMART will be open on Tuesday, July 1, 2014 for Fiscal Year 2015 activity for all modules.

**General Items**

* The cutoff for interface files into SMART for fiscal year 2014 will be 5:00 PM on Wednesday, June 25, 2014 for Expenditures and 5:00 PM on Thursday, June 26, 2014 for Deposits.
* All FY 2014 transactions must be successfully edited, budget checked, matched, agency approved, dispatched, and submitted into workflow for central approval, as appropriate, by 6:00 PM on Thursday, June 26, 2014. After this time, SMART will be closed to all agency users, and the SMART clean-up process will begin on Friday, June 27, 2014.
* State agencies should review financial data through May and process the necessary corrections in the SMART system before June 16, 2014. Please consult the month end checklists available on the SMART website, <http://smartweb.ks.gov/home/month-end-checklists/>, to assist you with this review. There are additional queries listed in the **REFERENCES** section at the end of this document.
* General Ledger Encumbrances (non-vendor specific encumbrances) will be used to encumber fiscal year 2014 budget in limited circumstances. The *GL-F016* *GL Encumbrance Request Form* is located on the Office of Systems Management website at the following link: <http://www.admin.ks.gov/resources/document-center>
* Complete the *GL-F016* *GL Encumbrance Request Form* and attach it to a Service Desk Ticket by 5:00 PM on Tuesday, June 24, 2014.
1. Provide a description of the obligation and the reason the vendor is not known or the Purchase Requisition/Order process is not practical for encumbering budget.
2. Requests will be routed to the Division of the Budget (DoB) for approval.
3. GL Encumbrance Journals may be keyed by the Office of Systems Management staff into SMART prior to receiving DoB approval in order to give each agency the opportunity to review the document and its effects in SMART prior to close. Agencies will be notified via the Service Desk of the Journal ID(s).
4. In the event DoB denies the GL encumbrance, the affected agency will be notified via the Service Desk and the document will be deleted from SMART.
* Budget Period 2014 expense, encumbrance, and revenue data from SMART Commitment Control Ledger groups (CC\_IBARS\_E, CC\_IBARS\_R) will be electronically submitted to the Division of the Budget by Monday, August 4, 2014 for loading into the IBARS system.
* The dates provided in this document that relate to fiscal year closing and opening activities will be revised, as necessary, by the Office of Systems Management.  Revisions to SMART processing dates will be sent via email to all users subscribed to the SMART listserv (subscribe at <http://www.da.ks.gov/Gov/listserv.htm>).  After issuance, SMART Announcements are also posted on the SMART Website at <http://smartweb.ks.gov/announcements/impt-announce>

* Any revisions to payroll processing dates will be issued as a SHARP message to subscribers of the SHARP listserv (subscribe at <http://www.da.ks.gov/Gov/listserv.htm>).  After issuance, SHARP messages are also posted on the SHARP Customer Service Website at <http://www.da.ks.gov/sharp/documents/message.htm>

**Accounts Payable**

The final day that agencies can enter a voucher in accounts payable for FY 2014 business will be Thursday, June 26, 2014. Here is additional information that will help you with accounts payable:

Please refer to **PM 14,002** (<http://da.ks.gov/ar/pm/pm14002.htm>) to help determine the appropriate processing period for each type of account code activity.

* In order for accounts payable transactions to complete for FY 2014, online vouchers must be entered, approved, matched, and budget checked by 6:00 PM on Thursday, June 26, 2014.
* Any FY 2014 accounts payable item that cannot be entered into SMART by the cutoff date must be encumbered by using a purchase order.
* Interfacing agencies must have their final INF02 for FY 2014 business submitted by 5:00 PM on Wednesday, June 25, 2014.
* Interfacing agencies may submit their INF02 files for FY 2015 business in advance with accounting and budget dates on or after July 1, 2014. The files received and processed prior to July 1st will be in voucher build error until FY 2015 is opened. At that time, vouchers will be built and will be eligible for pay cycle once they are matched, budget checked, and approved.

**Travel Authorizations**

Travel Authorizations are recommended as a best practice for all agency travel.  Although they are not required for either in-state or out-of-state travel, they are the mechanism available for encumbering funds for travel expenses reimbursable to employees.  Travel Authorizations must be entered prior to the dates of travel.

If you need to encumber money for Prepaid expenses that will not be paid by close of FY 2014, you will need to create a purchase order for the prepaid items.

**Expense Reports**

Expense Reports chargeable to FY 2014 must be processed in SMART by 6:00 PM on Thursday, June 26, 2014. For any travel that is chargeable to FY 2014 that cannot be processed by the deadline, the agency must process a Travel Authorization.

* Per K.S.A. 75-3201 and as stated in the Employee Travel Expense Reimbursement Handbook, employees who travel are to submit paperwork for their expenses at least once a month.
* If agency employees have expense reports for travel occurring in FY 2014, and there is no approved travel authorization in SMART, the use of the ***Prior Fiscal Year Claims Process*** as described in PM 11,966 is required. The Policy Manual can be found at the following link: <http://www.admin.ks.gov/offices/chief-financial-officer/policy-manual---pm>

**Imprest Funds**

Expenditures paid by check from locally held imprest funds dated on or before June 30, 2014 should be submitted for reimbursement as provided in PM 10,802 prior to the deadline for payment voucher submission. The expenditure fiscal year determinations contained in PM 14,002 also apply to imprest funds.

By statute, imprest funds should be intact at the end of the fiscal year. Agencies using imprest funds should submit a reimbursement voucher, including the reconciliation, prior to the closing of the fiscal year.

**Petty Cash**

Petty cash procedures are the same as those set forth in the Imprest Fund Section above. Reimbursement procedures that apply to petty cash funds are set forth in PM 10,752.

The Policy Manual can be found at the following link: <http://www.admin.ks.gov/offices/chief-financial-officer/policy-manual---pm>

**Purchasing**

To encumber monies for FY 2014, requisitions must be sourced to purchase orders (POs) and the purchase order must be approved, budget checked and dispatched by 6:00 PM on Thursday, June 26, 2014.

If an Agency needs to process a requisition using FY 2015 funds prior to July 1, 2014 the agency should take the following steps:

1. Starting Thursday, May 1, 2014 enter the requisition and select the ‘Save & preview approvals’ option.
2. Starting Monday, June 2, 2014 submit a Service Desk ticket requesting that the budget date on the requisition be changed to a FY 2015 date.
3. Once the budget date has been changed, select the ‘Save & submit’ button on the requisition.
4. The requisition will source to a PO; however, the PO will not pass budget check until the FY 2015 appropriations budget has been loaded into SMART.

Requisitions/purchase orders entered after 6:00 PM on Thursday, June 26, 2014 will **NOT** be back dated to a 2014 Fiscal Year budget date.

**Procurement Cards**

Agencies are encouraged to **reconcile P-Card transactions on a daily basis**, especially during the month of June.  Final FY 2014 P-Card transactions are expected to be available for reconciliation on Sunday, June 22, 2014.

The final P-Card voucher build process for FY 2014 will run the morning of Thursday, June 26, 2014. The resulting P-Card vouchers must be approved and successfully budget checked prior to 2:30 PM on Thursday, June 26, 2014 so they are eligible to process in pay cycle.  Consequently, agencies will have **three (3) business days** to reconcile the final 2014 P-Card transactions.

**Asset** **Management**

 All FY 2014 asset transactions must be entered by 6:00 PM on Thursday, June 26, 2014. This includes additions, adjustments, transfers, and retirements, as well as updating costs for CIP assets. Please see the AM Month End Checklist (linked at the end of this document) for links to applicable training materials covering these financial transactions.

Note that for new assets being entered in SMART, the Transaction Date will be the In Service Date. The KS\_AM\_VCHRS\_WITH\_54XXXX\_ACCT query in the **HELPFUL QUERIES** section of this circular is designed to help identify vouchers processed during a specified timeframe that utilized 54xxxx (capital outlay) account codes.

For agencies utilizing integration, all outstanding Interface ID’s for FY 2014 must be processed by 6:00 PM on Thursday, June 26, 2014. If an asset is acquired by your agency at the end of the fiscal year and the voucher will not be posted by Tuesday, June 24, 2014, please enter the asset(s) manually via Express Add. Any remaining FY 2014 Interface IDs after Thursday, June 26, 2014 will be removed.

Additional information can be found in the following Job Aid: [Asset Management Preparing for Fiscal Year End](https://webmail.ks.gov/owa/redir.aspx?C=PX2XnIzTBUizJ9XBhkzI8F_i2vnLCtEIgjkknNAqWPVwFH6rN2vi0uPCvFAa5BaVXa94-NtqjU8.&URL=http%3a%2f%2fsmartweb.ks.gov%2fdocs%2fdefault-source%2fasset-management---job-aids%2fam---preparing-for-fiscal-year-end.pdf%3fsfvrsn%3d4).

**Project Costing**

All Federal funds must be in a zero or positive cash balance position by year-end close. For agencies with Federal funds tied to Project Costing and Customer Contracts, this means that FY 2014 billing worksheets should be approved or written-off and any related deposits completed by 6:00 PM on Thursday, June 26, 2014

It is recommended that all billing worksheets created prior to April 1, 2014 be reviewed and processed by Friday, May 23, 2014. The **KS\_PC\_BILLING\_WORKSHEET** query in the **HELPFUL QUERIES** section of this circular is designed to help identify unprocessed billing worksheets by accounting date.

**Accounts Receivable**

Fiscal year 2014 deposits must be entered as follows:

* Deposits should be entered, agency approved, and budget checked prior to 6:00 PM on Thursday, June 26, 2014.
* Friday, June 27,2014 and Monday, June 30,2014 online entry into SMART will be closed to agencies.

**Any FY 2014 deposits with an accounting date of 6/20/2014 or before, that have not been released and approved by the Treasurer’s Office as of 3:00 PM on Thursday, June 26, 2014, will be considered abandoned transactions and will be deleted by the SMART team.**

Deposits received **Friday, June 27th** and **Monday, June 30th**shall be processed as follows:

* For agencies that upload and submit deposits via INF43 and INF44 -- continue to upload and submit FY 2014 deposits via INF43 and INF44 until 1:00 PM on Monday, June 30, 2014. SMART AR Deposit jobs will run according to the regular hourly schedule. If you process INF43 or INF44, please e-mail the State Treasurer’s Cash Management Group at cash@treasurer.state.ks.us to notify them of the Business Unit, Deposit ID (if known), and deposit total so they can approve the transaction in SMART.  STO will perform their normal approval and release at 3:00 PM on Friday, June 27, 2014 and Monday, June 30, 2014.
* For agencies that do not use the INF43 or INF44 processes and need to make a deposit while SMART is unavailable -- the State Treasurer’s Office has created the [Temporary Deposit Form](http://www.da.ks.gov/ar/infocirc/fy2012/Temporary%20Deposit%20Form.docx) to allow you to continue to deposit funds. Using the *Temporary Deposit Form* is preferable to holding checks and cash at your agency, and allows you to meet the requirement to deposit funds collected each day. Please bring the completed form, along with the cash and checks (calculator tape attached) to the State Treasurer’s Office. When SMART reopens on July 1, use the instructions below to complete the deposits:
* “Deposits in transit” are defined asDeposits made with the State Treasurer on Friday, June 27, 2014 and Monday, June 30, 2014 with the ***Temporary Deposit Form.***
* “Deposits in transit” should be recorded using the revenue account code series 4xxxxx. A “deposit in transit” should not debit expenditures.
* “Deposits in transit” will have special handling so that the Office of Chief Financial Officer will be able to identify them separately as requested by our independent auditors. On Tuesday, July 1, 2014 and Wednesday, July 2, 2014,the SMART Accounts Receivable module will be reopened to agency users for June 2014 (FY 2014). Agencies will enter deposits, for the “deposits in transit”, using an accounting date of June 30, 2014. Please be aware that even though these deposits have the accounting date of June 30, 2014, the transaction will actually process in the General Ledger for FY 2015.

**“Deposits in transit” transactions with June 30, 2014 accounting dates that do not have agency approvals by 3:00 PM on Wednesday, July 2, 2014, will be deleted by the SMART Team.**

**Interfunds**

The accounting dates on both the voucher and deposit must fall within the same fiscal year.

Both sides of the interfund must be successfully edited, budget checked and approved by 6:00 PM on Thursday, June 26, 2014. All remaining FY 2014 interfund deposits and interfund vouchers will be deleted by the SMART team.

**GL Journals**

In order to affect fiscal year 2014, all GL Journals must be successfully edited, budget checked, agency approved, and submitted into workflow for central approval by 6:00 PM on Thursday, June 26, 2014.

Interfacing agencies must have their final INF06 for FY 2014 business submitted by

5:00 PM on Wednesday, June 25,2014.

GL Spreadsheet Journals can be uploaded manually until 3:00 PM on Thursday, June 26, 2014. The journals must be edited, budget checked, approved and submitted for central approval by 6:00 PM on Thursday June 26, 2014.

**Any online, spreadsheet, or interface FY 2014 GL Journals with an accounting date of 6/30/2014 or before, that do not have agency approvals by 6 PM Thursday, June 26, 2014, will be considered abandoned transactions and will be deleted by the SMART team.**

**Commitment Control**

FY 2015 Budget Journals for agencies who use “Track with Budget” must be entered prior to any FY 2015 pre-encumbrance (if applicable), encumbrance, expenditure, or revenue transactions are entered into SMART. Otherwise the transactions will fail budget check.

**System Availability**

Normal hours of availability are shown below.

SMART

* Monday through Saturday, 7:00 AM to 6:00 PM.
* The cutoff for receiving SMART interface files is 5:00 PM Monday through Friday.
* Sunday, 1:00 PM through Monday, 6:00 PM. Not all Sundays are open. Please note that Sundays open for May and June may be found at: <http://www.smartweb.ks.gov/announcements/impt-announce/general-system-news/2013/11/27/smart-availability>
* July 4, 2014, 7:00 AM to 6:00 PM.  SMART Daytime and nighttime batch processes do not run.

**SMART online access will not be available to agencies on the following dates:**

* Friday, June 27, 2014 through Monday, June 30,2014
* Friday, July 11, 2014 through Sunday, July 13, 2014

Kansas Service Desk

* Monday through Friday, 8:00 AM to 5:00 PM.
* Saturdays, Sundays, and holidays, not available.

SHARP

* Monday through Friday, 6:00 AM to 6:00 PM
* Saturdays, 1:00 PM to 9:00 PM
* Sundays, 1:00 PM to 6:00 PM

 **Accounts Receivable (Deposit) Processing when SMART is closed to users on Friday, July 11, 2014:**

SMART will be closed to agency users on Friday, July 11, 2014 through Sunday July 13, 2014 to run the fiscal year close processes. The following process should be followed to make FY 2015 deposits on these days:

* The State Treasurer’s Office will have limited access to SMART to allow them to process deposits.
* If you are expecting that funds will be wired to the State Treasurer on Friday, July 11, 2014, please enter and approve the appropriate deposit into SMART by 6:00 PM on Thursday, July 10, 2014. When the wire transfer arrives at the Treasurer’s Office, they will match the funds to the appropriate deposit transaction, and complete the State Treasurer Approval on the deposit.  This deposit will then be recorded in SMART as usual during the next nightly batch.

* Agencies may continue to upload and submit FY 2015 deposits via INF43 and INF44 on Friday, July 11, 2014. SMART AR Deposit jobs will run at 10:00 AM, noon and 2:00 PM. If you process INF43 or INF44, please e-mail the State Treasurer’s Cash Management Group at cash@treasurer.state.ks.us to notify them of the Business Unit, Deposit ID (if known), and deposit total so they can approve the transaction in SMART.
* If your agency does not use the INF43 or INF44 processes and needs to make a deposit while SMART is unavailable, the State Treasurer’s Office has created the [Temporary Deposit Form](http://www.da.ks.gov/ar/infocirc/fy2012/Temporary%20Deposit%20Form.docx) to allow you to continue to deposit funds. Using the *Temporary Deposit Form* is preferable to holding checks and cash at your agency, and allows you to meet the statutory requirement to deposit funds collected each day. Please bring the completed form, along with the cash and checks (calculator tape attached) to the State Treasurer’s Office.
* On Monday July 14, 2014 (when SMART is again open for business), you will need to enter and approve the appropriate “temporary” Deposit.
* The Credit Card Receipts will run into SMART as scheduled at 8:00 AM on Friday, July 11, 2014.

Any questions about this process should be addressed to Brenda Linder, (785) 296-4144, or e-mail brenda@treasurer.ks.gov.

**REFERENCES**

*FY 2014 Close Day by Day Summary* **–** Attached

Schedule for Submission of Purchase Requisitions to Close Fiscal Year 2014 and begin Fiscal Year 2015 [*https://admin.ks.gov/offices/procurement-and-contracts/procurement-informational-circulars*](https://admin.ks.gov/offices/procurement-and-contracts/procurement-informational-circulars)

Kansas Service Desk Solutions database <https://dahelpdesk.ks.gov/sd/SolutionsHome.sd>

Solution 533: [Converting a GL encumbrance to a PO](https://dahelpdesk.ks.gov/sd/AddSolution.sd?solID=533)

Solution 741: [How do I run the Req and PO Budgetary Activity Report?](https://dahelpdesk.ks.gov/sd/AddSolution.sd?solID=741)

SMART Training Resources -- <http://www.smartweb.ks.gov/home>, click the Training link

**Month-End Checklists:**

[Accounts Payable Month-End Checklist](http://da.ks.gov/smart/Training/Payables%20Month-End%20Checklist_20120416.doc)

[Accounts Receivable Month-End Checklist](http://da.ks.gov/smart/Training/CList_AR_Month-End_20100825.doc)

[Asset Management Month-End Checklist](http://da.ks.gov/smart/Training/CList_AM_Month-End.doc)

[General Ledger Month End Checklist](http://da.ks.gov/smart/Training/General%20Ledger%20Month-End%20Checklist_20120416.doc)

[Purchasing Month End Checklist](http://da.ks.gov/smart/Training/CList_PO_Month-End_20120416.doc)

**Forms:**

[Temporary Deposit Form](http://www.da.ks.gov/ar/infocirc/fy2012/Temporary%20Deposit%20Form.docx)

[GL Encumbrance Request Form](http://admin.ks.gov/docs/default-source/osm---accounting-forms/gl-f009---chartfield-change-request---program.xlsx?sfvrsn=2)

**HELPFUL QUERIES:**

**Navigation:** Reporting Tools>Query>Query Viewer

**Travel and Expense**

**UNPROCESSED\_EXPENSE\_REPORTS** – Users will enter a date range based upon when the Expense Report was created.  The query returns all unprocessed Expense Reports sorted by status and report id.  Expense Reports with a status of DEN can either be deleted or left in the system depending on your agency’s business process.

**UNPROCESSED\_TRAVEL\_AUTHS** – Users will enter a date range based upon the accounting date of the Travel Authorization.  This will typically be the date the Travel Authorization was created.  The query returns all Travel Authorizations that have not fully processed in the system sorted by Travel Date From and Travel Auth ID number.  Note\*\* Travel Authorizations with a status of APR and a valid budget status have encumbered budget.

**Accounts Payable**

**UNPROCESSED\_VOUCHERS** – Users will enter a date range based upon the accounting date of the vouchers.  This will typically be the date the Voucher was created.  The query returns all Vouchers that have not fully processed in the system sorted by Voucher ID.

**KS\_APAR\_PENDING\_INTRFNDS -**This query will show pending Interfunds, both Initiated and Received by your agency, that are tied to a Voucher or Deposit.

**KS\_INTRFNDS\_APPR\_NOT\_POSTED -** User will enter Business Unit. The query will return results for either side (deposit or voucher) to which your agency is a party, and at least one of the following is true: 1) Voucher is not posted 2) Payment is not posted 3) Deposit is not posted. This query should give you an indication of transaction exceptions that may need further review. Depending on when you run the query, you may have interfunds that were approved in the current day’s activity that have not yet posted in the nightly batch. If the deposit or voucher approval date reflects the current or previous day’s date, you can likely ignore it.  We recommend running it first thing in the morning before new approvals are registered to avoid extraneous results. We recommend running this query at least monthly and more frequently as fiscal year end close approaches.

Additional assistance can be found in the following Job Aid: [Voucher will not Process for Payment](http://smartweb.ks.gov/docs/default-source/ap---vouchers---job-aids/voucher-will-not-process-for-payment-v-1-2.pdf?sfvrsn=4 )

**Asset Management**

**KS\_AM\_VCHRS\_WITH\_54XXXX\_ACCT** - This query displays a list of all vouchers within a specified date range with 54XXXX account codes. You should use the Asset Inventory List report in conjunction with this query to make sure all capital assets have been added to SMART. See the [KS\_AM\_VCHRS\_WITH\_54XXXX\_ACCT Query](http://smartweb.ks.gov/training/asset-management/am-queries) training document for additional information.

**Project Costing**

**KS\_PC\_BILLING\_WORKSHEET** – This query shows a list of all unprocessed billing worksheets that can be either billed or written off to help get Federal Funds into a positive cash position by year-end.

**General Ledger**

**KS\_GL\_JOURNALS\_BUDGET\_ERROR –** This query displays any GL Journals in Budget Check error.

**KS\_GL\_JOURNALS\_ERRORS –** This query will show GL Journals in Edit error and cannot be posted.

**Purchasing**

**KS\_PO\_NEGATIVE\_PO\_LINES** - The ‘KS\_PO\_NEGATIVE\_PO\_LINES’ query was designed to identify those POs that have a negative PO line. Negative PO lines create unauthorized budget. Agencies must cancel or close any negative PO lines currently in SMART prior to close of business on June 26, 2014.

Job Aid: <http://smartweb.ks.gov/docs/default-source/po---po---queries/using-the-ks_po_negative_po_lines-query.pdf?sfvrsn=2>

**KS\_PO\_PCRD\_VCHR\_DELETED** - The KS\_PO\_PCRD\_VCHR\_DELETED query was designed to identify those P-Card vouchers/lines that have been deleted. Agencies should not delete P-Card vouchers/lines. The deletion of a P-Card voucher/line does not update the P-Card transaction; consequently, the P-Card transaction retains a voucher ID and voucher line number that no longer exists in SMART. This gives the appearance that the P-Card transaction has not been paid.

Job Aid: <http://smartweb.ks.gov/docs/default-source/po---p-cards---queries/using-the-ks_po_pcrd_vchr_deleted-query.pdf?sfvrsn=4>

**KS\_PO\_REQS\_OPEN\_PNDNG** - The KS\_PO\_REQS\_OPEN\_PNDNG query was designed to identify those requisition lines that need to have some action taken by end of day June 26, 2014. Job Aid: <http://smartweb.ks.gov/docs/default-source/po---reqs---queries/using-the-ks_po_reqs_open_pndng-query.pdf?sfvrsn=6>