

MEMORANDUM

DATE: April 12, 2011

TO: Vice Provosts, Deans, Directors, Department Chairpersons and Personnel-Related Staff

FROM: Katrina Yoakum, Comptroller

RE: Closing Procedures for the Fiscal Year Ending June 30, 2011

As the University closes fiscal year 2011 and opens fiscal year 2012, we are asking for everyone to be especially conscious of the year-end deadlines and changes outlined in this memo. Please read the memo in its entirety as the year end processing will be different than in previous years.

Highlights for FY 2011

- *There will be no encumbrances at year-end. Due to State of Kansas changes with their financial system, no encumbrances will be submitted to the State.*
- *Purchase orders are still needed because they are created based on Purchasing rules and procedures. Purchase orders are not submitted to the State and do not create an encumbrance. Purchase orders on non-appropriated funds will be carried forward to FY 2012 with a budget year of FY 2011. All purchase orders on appropriated funds (Funds 003 – 037) must be paid or cancelled by June 20th. This purchase order exception is a requirement for appropriated funds to have a \$0 cash balance at year-end.*
- *Travel occurring in FY 2011 and not reimbursed until FY 2012 will utilize FY 2012 funds. If FY 2011 travel is completed June and FY 2011 funds are intended to be used, the voucher must be received by the dates set forth in this memo.*
- *Carry forward balances will be based on a “cash” basis instead of “unencumbered cash” basis as in the past. Purchase orders may be required for purchasing purposes, but are not used for an encumbering process as in past years. Internal carry forward processes are not changing.*

In order for all University activities to take full advantage of the current year's resources, it is important that you review remaining budget balances and take action without delay to complete spending plans. We ask for your full support and cooperation to ensure that receipts, expenditures, and obligations pertaining to the current fiscal year are properly processed. This memorandum provides dates and instructions that we ask you to observe, so these state requirements are satisfied.

These guidelines apply equally to all funds deposited with the State Treasurer. If it is necessary that the expense be recorded in fiscal year 2011, the transaction must meet the deadlines as set out in this memo. Please speak to your Central Accounting Services contact if you have questions.

Since the dates listed are final dates, we urge you to place orders, pay bills and submit travel documents earlier when feasible. Items must be received in CASPUR (Central Accounting and Purchasing Services) by the dates in the following table. Simply dropping transaction logs and supporting material in campus mail on the deadline dates is not acceptable. These materials must be received in CASPUR (or other appropriate offices as indicated below) by the deadline dates.

We are also strongly encouraging that departments utilize their BPC cards during the month of June to purchase items when appropriate. Please remember that *the BPC card information is provided at the time of the purchase, not when the invoice is received.*

For additional information in obtaining a BPC card, please visit Central Accounting Services website at: http://www.comptroller.ku.edu/central_accounting_services/bpc/ or send an e-mail to Mike Lewis at malewis@ku.edu.

Please attend one of the year-end closing meetings below for additional information.

UKANS Year-End Closing Information Meetings		
Date	Time	Location
May 20	2:00 p.m.	Simons Auditorium, Room 100
May 24	9:00 a.m.	JRP Room 150
May 26	2:00 p.m.	JRP Room 150

Year-End Deadlines			
Date	Time	Subject Matter	Topic
April 15	5:00 p.m.	Negotiated procurement for professional services (ex. Consultants, CPAs, attorneys) \$25,000 or greater	Purchasing
April 29	5:00 p.m.	Purchase requisitions (DA-100) \$50,000 and greater	Purchasing
May 20	5:00 p.m.	Purchase requisitions (DA-100) under \$50,000	Purchasing
June 3	5:00 p.m.	FY 2011 payroll Retroactive funding adjustment (RFA)	Payroll

Year-End Deadlines			
Date	Time	Subject Matter	Topic
June 3	5:00 p.m.	FY 2011 payroll adjustments due in Payroll office	Payroll
June 10	5:00 p.m.	All budget transfers that must be processed by the Budget Office for FY 2011	Budget Office
June 17	5:00 p.m.	Internal budget transfers processed by depts.	Budget Office
June 20	5:00 p.m.	Cancellation of warrants, accounting changes or journal vouchers (org., fund, etc.)	Payments
June 20	5:00 p.m.	Transaction logs for purchase orders, vouchers (including any travel completed prior to 6/20/2011), SOVs and dept. refunds. All departments are restricted from entering any voucher, purchase order, or service order after 6/20/2011. Departments will be notified, via Hawkfin, when transactions may be entered again.	Payments
June 21 Through July 1	All day	Emergency FY 2011 voucher transactions needing paid after the June 20 cut-off date will need to be entered in the CASPUR office. Contact Debra Murdock (864-5977) for emergency situations.	Payments
June 27	3:00 p.m.	Dept. deposits due in Bursar's office	Deposits
June 30	5:00 p.m.	BPC logs for June statement due in CASPUR	BPC
July 1	12:00 noon	Travel voucher logs for travel ending 06/20 – 06/30 due in CASPUR. Contact Mike Lewis (864-5938) to enter these transactions. Travel ending 06/19 or earlier is due 06/20	Travel

Because departments will not be able to enter FY 2012 payments until mid-July, the use of the BPC is encouraged so payments will not be late. As noted above, please remember that the BPC card information should be provided at the time of the purchase, not when the invoice is received.

As noted previously, departments do not encumber funds for FY 2011 transactions occurring in FY 2012. FY 2011 charges occurring in FY 2012 are charged to FY 2012. *This is new.* If a transaction is to be recorded in 2011, it must meet the deadlines established in this memo. There is no mechanism for encumbering FY 2011 funds. Purchase orders may still be required based on purchasing rules, but the purchase order does not create an encumbrance regardless of when the FY 2011 purchase order was created. *Note: FY 2010 and prior transactions occurring in FY 2012 must have an encumbrance from that budget period.*

Existing encumbrances from previous fiscal years: Because all encumbrances from FY 2010 and earlier are on file with the State, it is important to request the cancellation of encumbrances (purchase orders) that have balances but you no longer plan on expending the funds. Cancellation requests must be made online at:

(http://www.comptroller.ku.edu/central_accounting_services/peoplesoft/po_cancellation.aspx) in order to release encumbered funds. Encumbered funds are considered delayed expenditures and should not be considered part of your available cash balance until the funds have been officially released from the PO transaction.

Travel: All travel ending June 20 or earlier, is due in CASPUR by 5:00 p.m. on June 20. Only travel ending on or after June 21 may be entered after June 20. The last day to enter travel is July 1 before 12:00. These travel reimbursements can only be entered in CASPUR. FY 2011 travel that must be paid with FY 2011 funds must be received by the deadline in this memo. **Since there will be no encumbering, any travel not paid by July 1 will be paid with FY 2012 funds. *This is new.***

Business Procurement Card: Posted transactions for the June statement will download to PeopleSoft. Regardless of when the order was placed, all BPC purchases appearing on the July 2011 statement will be charged as July business against fiscal year 2012 funds. Pending and posted transactions may be viewed at www.commercialcardcenter.com.

SOVs: Departments are strongly encouraged to complete FY 2011 transactions if at all possible. SOV cancellations should be made online at: (http://www.comptroller.ku.edu/central_accounting_services/peoplesoft/sov_cancellation.aspx), **Service Departments:** Please complete the Sales Information panels on all SOVs before June 20, which have the Buyer Information Complete box checked, if you have invoiced the department for the goods or services.

Purchase Orders: Purchase Orders (POs) are still created based on purchasing guidelines. The creation of PO does not also create an encumbrance.

Carry forward balances: As noted in the beginning, carry forward balances will be based on a "cash" basis instead of "unencumbered cash" basis as in the past. ***This is new.*** Purchase orders may be required for purchasing purposes, but are not used for an encumbering process as in past years. Internal carry forward processes are not changing.

To facilitate the closing of fiscal year 2011 in the financial system, we will temporarily make changes to departmental users' access. Beginning 5:00 p.m. June 20th, and continuing through mid-July, departments will have reporting and inquire access only. No transactions can be entered for vouchers, PO vouchers and SOVs. Departments will have continuous access to BPC and Travel Authorizations throughout the year-end processing.

If you have any emergency expenditure during this period, please contact Debra Murdock (864-5977), or the main Comptroller's Office number at 864-3066. Only exceptions for *extreme* emergencies will be considered. It is possible the transaction may not be approved. Transactions not meeting those criteria will be entered in July with FY 2012 funds.

Notification will be sent via HAWKFIN when 2012 transactions can be entered. Due to State of Kansas restrictions, we cannot process any prior year encumbrances until the State closes fiscal year 2011 in late July.

For questions or concerns, please contact the following individuals:

Topic	Contact Name	Telephone	Email
Budget Office	Richard McKinney	4-3136	rlm@ku.edu
Central Accounting Services	Mike Lewis	4-5938	malewis@ku.edu
	Wendy Reese	4-5943	wreese@ku.edu
Purchasing Services	Sherry Draper	4-5976	sldraper@ku.edu
-Purchasing Requests	Julie Bellucci	4-3063	jbellucci@ku.edu
-Purchasing Requisitions	Carla Swoyer	4-5972	cswoyer@ku.edu
Accounting Changes	Wendy Reese	4-5943	wreese@ku.edu
	Vickie Avery	4-5949	vavery@ku.edu
Payments:	<u>Your CAS Contact:</u>		
-BPC	Patti Anderson	4-5940	patti6@ku.edu
-Vouchers & PO Vouchers	Aimee Garcia	4-5943	amieeg@ku.edu
-Purchase Orders	Carla Harris	4-5939	carlah@ku.edu
-SOV	Rechelle Wustefeld	4-5941	rwustefeld@ku.edu
-Travel			
Sponsored Program Admin.	Teri Herberger	4-2382	therberger@ku.edu
Bursar & Cash Transactions	Danita Robinson	4-5961	drobin@ku.edu
Payroll	Payroll Services	4-4385	payroll@ku.edu
	Debra Murdock	4-5977	debramurdock@ku.edu
Other Matters	Katrina Yoakum	4-3261	kyoakum@ku.edu
	Barry Swanson	4-5978	bswanson@ku.edu
	Diane Goddard	4-4904	dgoddard@ku.edu