To: All Bi-Tech Users

From: John Johnston

Date: May 1, 2015

Subj: Accounts Payable Year-end Processing Procedures

FY 2015 vs FY 2016:

Presented below are the reporting dates and guidelines for year-end processing which are necessary to close the College’s books in a timely manner to meet stringent filing deadlines with various reporting authorities.

Expenses for goods received and services performed on or before June 30, 2015 will be charged to FY 2015 and expenses for goods received and services performed on or after July 1, 2015 will be charged to FY 2016.

The Accounting Office will follow this rule for all vendor invoices and employee reimbursements regardless of the fiscal year in which the purchase order or voucher was created – until we close our books for FY 2015. After that date, all expenses will be charged to FY 2016.

- 7/6/2015 – Last day for Foundation and auxiliary corporations to submit invoices relating to FY 2015. After this date all invoices received will be charged to FY 2016.
- 7/16/2015 – Last day for College departments to submit invoices relating to FY 2015. After this date all invoices received will be charged to FY 2016.

PRE-PAID EXPENSES AND EXPENSES THAT CROSS FISCAL YEARS:

Pre-paid expenses are expenses chargeable to FY 2016 that are actually paid before July 1, 2015.

Any department with expenses relating to FY 2016 which must be paid prior to July 1, 2015 (for example: on-going maintenance contracts, memberships, subscriptions, or travel/conference fees), should enter the entire amount against their FY 2015 budget and indicate in the Notes of the requisition or voucher that the expenses are to be fully or partially applied to FY 2016. If you do not have available FY2015 budget funds to do this, contact Al Place (x73603) or Shelci Graham (x73617) to provide access to enter these items.

Remember, any travel that occurs after July 1, 2015 will be charged to FY 2016.
CONTRACTS THAT CROSS FISCAL YEARS:

If your department has a service contract, lease, membership or subscription that crosses fiscal years and needs to be paid prior to July 1, 2015, you should contact Al Place (7-3603) or Sheli Graham (7-3617) to ensure that the expense is properly allocated and split between fiscal years. You will need to provide the vendor number, cost center and object code to be charged, and submit the appropriate back-up (invoice, contract, etc) for Accounts Payable. The contract should have already been approved by the Purchasing Office.

FY 2015 EXPENSES PAID AFTER JULY 1, 2015:

Departments receiving or holding invoices or creating Expense Reports relating to FY 2015, after June 30, 2015, should submit the appropriate paper work via direct delivery (regular POs), email (to blanket PO, if appropriate) or workflow (vouchers) to Accounts Payable as soon as possible. Any invoices or vouchers received by Accounts Payable after the closing dates will be charged against the department’s FY 2016 budget.

- If an invoice belongs to an open FY 2015 regular purchase order (PO Type P), you should write the purchase order number and FY 2015 on the invoice before submitting it directly to Accounts Payable for payment. Only invoices properly chargeable to FY 2015 will be paid against FY 2015 purchase orders.

- If an invoice belongs to an open FY 2015 blanket purchase order (PO Type B), you should write the PO#, Vendor #, FY 2015 and O.K. to PAY on the APPROVED INVOICE before scanning and submitting it to Accounts Payable. Only invoices properly chargeable to FY 2015 will be paid against FY 2015 blanket purchase orders.

- If an invoice does not belong to an open FY 2015 purchase order, the department should process a voucher (PR.VOUCH) for the invoice against its FY 2015 budget. To do this, the user will need to change the Date field in the POUPPR screen back to 06/30/2015:

AFTER JULY 1, 2015, YOU MUST CHANGE THE DATE TO 06/30/2015 IN ORDER TO CHARGE AGAINST THE FY 2015 BUDGET
You should also type *FY 2015* in the *Notes* section of the voucher. Then scan and attach the required back-up to the voucher and send it through workflow to get the proper approvals as it makes its way to Accounts Payable for payment. *This procedure should be used only for vouchers, not purchase requisitions, and must be completely approved in workflow to be paid against FY 2015.*

If you do not have available FY2015 budget funds to do this, contact Al Place (x73603) or Shelci Graham (x73617) to provide access to enter these items. If a department needs to release part or all of an unspent encumbrance to free up funds for FY 2015 expenses, please use the *Request to Revise a Purchase Order Amount form at the Purchasing link on INSIDEFIT.* If a department has questions about transferring budgets between cost centers and object code groups, they should contact the Budget Office (7-3640).

**ENCUMBRANCES AND PURCHASE ORDERS:**

Departments awaiting delivery of goods against FY 2015 purchase orders should contact the vendor and/or Purchasing Department. As mentioned above, any items received after June 30, 2015 will be charged to FY 2016.

*Departments should review and follow up on any unpaid items in the “Encumbrance” column on their “Budget to Actual with Encumbrance” CDD Reports to ensure that all expenses belonging to FY 2015 are paid before the books close for FY 2015. Please contact Accounts Payable (7-3610) if you see Vouchers or POs still in the “Encumbered” column for which you know the goods have been received or services provided.*

Since the FY 2015 cutoff is July 6, 2015 for the Foundation and auxiliary corporations and July 16, 2015 for the College, departments have very little time to submit payments for FY 2015. Any payment or invoice submissions after the cutoff dates will be charged to your FY 2016 budget.

If, after the cutoff date, you know you have received goods or had services performed before July 1, 2015, you should contact the Accounting Department with the invoice number and/or the amount that will be paid so an accrual entry, if appropriate, can be processed to charge the expense to the correct fiscal year. If an accrual is created for a FY 2015 expense, it may be processed/paid in FY 2016 since the expense will have been recorded in FY 2015 and will offset the payment in FY 2016.

Questions regarding FY 2015 expenses should be directed to Shelci Graham 7-3617 or Al Place 7-3603 for clarification and handling.

A department’s unexpended encumbrances at June 30, 2015 (for both open PO’s and blanket PO’s) will not carry over into the department’s FY 2016 budget, nor will a department be able to charge FY 2016 expenses against a PO created in FY 2015. All FY 2016 expenses will be charged against the department’s FY 2016 budget, regardless of any remaining balances or open PO’s from FY 2015.

Since departments will not be able to charge FY 2016 expenses against PO’s created in FY 2015, each department will need to create required PO’s and blanket PO’s for FY 2016 expenses as soon as possible after July 1, 2015.