
INTEROFFICE MEMORANDUM

STATE OF MAINE OFFICE OF THE STATE CONTROLLER

14 STATE HOUSE STATION

AUGUSTA, MAINE 04333

TELEPHONE: 207-626-8420

FAX: 207-626-8422

TO: ALL DEPARTMENTS AND AGENCIES
FROM: DOUGLAS COTNOIR, STATE CONTROLLER
MELISSA GOTT, STATE BUDGET OFFICER
KEVIN SCHEIRER, STATE PURCHASING DIRECTOR
SUBJECT: FISCAL YEAR 2017 YEAR END GUIDELINES
DATE: MAY 16, 2017
CC: RICHARD W. ROSEN, COMMISSIONER

As this fiscal year is drawing to a close, the State Controller, State Budget Officer, and the Director of Purchases are jointly providing departments and agencies with guidelines related to expending money for the purchase of goods and services at year-end. These guidelines are intended to apply to all funding sources. All requests for purchases and requests for contract or amendment approvals must be essential to meet the State's immediate needs. Please note the deadlines in this memo pertain to both electronic and paper transactions.

Procurement of Capital Items:

The purchase and related encumbrances of funds for capital items will only be processed in the fourth quarter where the test of essentiality is met. Agencies must scrutinize these purchases carefully before submitting purchase requests.

Procurement of All Other Items:

Encumbrance of purchase orders (BPO) and delivery orders (DO) will be limited only to purchases that are immediately necessary. Agencies must scrutinize these requests for purchase carefully and, where possible, postpone the purchase to FY18. Non-emergency purchases requested after June 16th will not be processed in FY17.

The Division of Purchases will process non-emergency requisitions in FY17 if the Requisitions (RQS) is received in Purchases by June 2nd. Non-emergency requests received after this date will be FY18 transactions.

Last day for Procurement Card purchases to expend FY17 funds for:

- TD Bank is June 3rd
- US Bank is June 5th

Transactions must be posted to:

- TD Bank by the close of business on June 6th
- US Bank by the close of business on June 8th

Contracts and Grants for Services:

Encumbrance of contracts and grants for service (CT) will be limited only to purchases that are immediately necessary. Agencies must scrutinize these requests for procurement of services carefully and, where possible, postpone the purchase until FY18. Non-emergency contracts requested after June 16th will not be processed in FY17.

As we move forward with end of year activities, it is incumbent upon each Agency to verify that all agreements are correctly staged with the correct event type(s). For instance, an encumbered agreement spanning two fiscal years would be coded with event type PR05 for the current fiscal year and with event type PR08 plus Budget Fiscal Year 2018 for the next fiscal year.

All encumbered documents using event type PR05 and unencumbered documents using event type PR07 will automatically roll at the fiscal year-end. There is no need to stage unencumbered contracts using event type PR88.

Prepayments for Goods and Services:

Prepayments for services or goods will not be permitted at year-end. In accordance with Title 5, section 1552, all payments must be made from proper invoices for services rendered or goods delivered. As such, the practice of overpaying or prepaying any of the various Internal Service Funds or outside vendors is not allowed. All payments must be made against invoices for completed services and any payments to the Internal Services Funds or other vendors with the intent of having that fund or vendor hold the payment for future projects or services, once identified, shall be returned to the funding account through the Office of the State Controller. If that account is a non-carrying account, the funds shall lapse.

Payroll Insufficiencies

Agencies must ensure that sufficient Personal Services allotment exists to process June payrolls by proactively resolving funding issues with the appropriate Analyst in the Bureau of the Budget in time to process any Budget Orders or Financial orders in advance of the payroll to be paid. These Orders must be posted in Advantage in advance of the payroll payment. All allotment and cash insufficiencies must be resolved before the final payroll of the fiscal year is paid. For the Cycle A payroll, there must be sufficient allotment by the close of business on June 23rd and for Cycle B, there must be sufficient Personal Services allotment by the close of business on June 30th. Payrolls will be held until there is adequate allotment to cover the cost.

Fiscal Year 17 Journal Transfers

The Controller's Office will begin preparing the journal vouchers to move account balances in accordance with the various laws before the end of May. Please ensure that any funds identified to be transferred are available in the accounts by that date. If your agency posted a journal related to a State Controller law reference, please notify Sandra Royce in the Office of the State Controller. Please reference the JV number and the date accepted by Advantage.

We have enclosed a calendar showing critical dates for processing various transactions, a Fiscal Year 2017 Closing Schedule and Notes. Please refer to these documents for guidance.

State of Maine
Department of Administrative and Financial Services
OFFICE OF THE STATE CONTROLLER

FISCAL YEAR 2017 CLOSING SCHEDULE AND NOTES

NOTICE:

Please pay close attention to dates and times. We will be operating under a very tight end of the year calendar. Advantage **will be available for all user access on Monday, July 3, 2017**. In order to run system jobs and processes necessary to close the fiscal year, Advantage **will only be available until noon on Friday, July 14, 2017**. Although online access will be available, our priority is to ensure that interfaces are processed. **Interfaces will run at noon only**. OSC Accounting staff **will not** be processing online approvals, overrides, etc. on Friday, July 14.

PAYMENT VOUCHERS (GAX'S & PRC'S OVER \$5,000)

Hard copy documentation for these FY 2017 transactions should be received in OSC Pre-Audit, properly coded and approved, no later than 5:00, Wednesday, June 28th. These documents must be clearly marked "FY 2017".

Do not schedule payments into the new fiscal year. All payment vouchers (GAX and PRC documents) with a scheduled payment date past June 30, 2017 will be rejected by OSC regardless of dollar amount.

As part of the standard procedures for processing payment vouchers, original documents supporting payments below the \$5,000 threshold should be submitted for scanning within 15 days of processing. This is also true at year-end. These documents must be clearly marked "FY 2017".

PURCHASE REQUISITIONS

The Division of Purchases will process non-emergency requisitions in FY17 if submitted and in Final status in Advantage by Friday, June 2nd. All non-emergency encumbrance requests received after this date will be FY18 transactions.

CASH RECEIPTS

The last day to record deposits of FY17 monies in Advantage is Friday, June 30, 2017. Departments are still required to make deposits at the bank on Friday, June 30, 2017 for all monies available for deposit on that day. CRs related to the Friday, June 30, 2017 deposits shall be processed as FY18 CRs in Advantage on or after July 3, 2017, with a transaction date of June 30, 2017.

RECORDS SECTION – SCANNING

In order to ensure that all documents are scanned, and to minimize the number of exceptions on edit reports, it is extremely important that agencies submit all payment vouchers, journal vouchers, and vendor forms that are processed in June, to Maine Revenue Services Records Section no later than July 15th. These documents must be clearly marked “FY 2017”.

PAYROLL INSUFFICIENCIES

Agencies must ensure that sufficient Personal Services allotment exists to process June payrolls by proactively resolving funding issues with the appropriate Analyst in the Bureau of the Budget. All Personal Services allotment insufficiencies must be resolved before the final payroll of the fiscal year is paid. For the Cycle A payroll, there must be sufficient allotment by the close of business on June 23rd and for Cycle B, there must be sufficient Personal Services allotment by the close of business on June 30th. Payrolls will be held until there is adequate allotment to cover the cost.

PAYROLL ACCRUALS

Payrolls will be charged to the fiscal year in which the payment is made. If you accrue payroll for Cycle A, please include all working days from June 11th through June 30th. If you accrue payroll for Cycle B please include all working days from June 18th through June 30th.

CARRYING ACCOUNTS

Please provide a list of General Fund and Highway Fund accounts/appropriations that carry by law to Sandra Royce at the Office of the State Controller no later than Friday, May 26, 2017. This includes any partial account balances that carry by law. You should indicate which law authorizes the appropriation to carry.