2020 FISCAL YEAR-END TRAINING
Fiscal Year-end Reminders
<table>
<thead>
<tr>
<th>TOPIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>SABHRS Reminders &amp; FYE Webpage</td>
</tr>
<tr>
<td>Fiscal Year-end Reminders</td>
</tr>
<tr>
<td>Account and Fund Review</td>
</tr>
<tr>
<td>Journals</td>
</tr>
<tr>
<td>Budget Information</td>
</tr>
<tr>
<td>Deposits and Accounts Receivable</td>
</tr>
<tr>
<td>Accounts Payable</td>
</tr>
<tr>
<td>Interentity Loans &amp; Cash</td>
</tr>
<tr>
<td>Operating &amp; Capital Leases</td>
</tr>
<tr>
<td>SAB Posted Entries</td>
</tr>
<tr>
<td>A &amp; B Accruals</td>
</tr>
<tr>
<td>Fund Balance Designations</td>
</tr>
<tr>
<td>Fund Equity Transactions</td>
</tr>
<tr>
<td>Other FYE Items</td>
</tr>
</tbody>
</table>
FISCAL YEAR-END REMINDERS

MOM Policy 375 Fiscal Year-end (FYE)
Monday thru Friday: 6 a.m.-8 p.m.

Saturday: 11 a.m.-9 p.m.

Sunday: 6 a.m.-9 p.m.

Regularly scheduled ITSD maintenance weekend has been rescheduled to after fiscal year-end close is complete.
SABHRS WEEKEND BATCH

AR and GL
July 4 & 5
July 11 & 12
July 18 & 19
July 25 & 26

GL
• All interfaced items will be picked up and processed by SABHRS
• Note for IT Staff: Each Monday additional files may need to be obtained due to the Saturday and Sunday batches
Access within SABHRS is determined by your security role

Security role changes should be requested by your manager to the agency security officer

SABHRS Security and Role Documentation
SABHRS
FINANCIALS
CONTACTS

- ServiceNow
  • SAB Portal

- GL & AM Modules
  • 444-3092

- AR Module
  • 444-4579

- AP Module
  • 444-3092
## FISCAL YEAR-END WEBPAGES

<table>
<thead>
<tr>
<th>Statewide Accounting Bureau:</th>
<th><a href="http://sfsd.mt.gov/sab/fye">http://sfsd.mt.gov/sab/fye</a></th>
</tr>
</thead>
<tbody>
<tr>
<td>HR &amp; Payroll:</td>
<td><a href="https://statehr.custhelp.com/app/answers/detail/a_id/580">https://statehr.custhelp.com/app/answers/detail/a_id/580</a></td>
</tr>
</tbody>
</table>
ACCOUNT AND FUND REVIEW
CLEARING & ZERO BALANCE ACCOUNTS

1. Clearing accounts
   - Must have a zero balance in both the Actuals and Entitywide Ledger

2. Zero balance accounts
   - Must net to zero between the Actuals and Entitywide Ledger

3. MOM 375 – Section VIII
UNUSUAL ACCOUNT BALANCES

• Accounts with a balance opposite of their normal balance
  • Debit balances in liability, equity, or revenue accounts
  • Credit balances in asset or expense accounts
• Unusual balances may be correct in some cases
Balance Sheet accounts:
MTGLAFSD_FYE_BADBAL_BALSHEET

Operating Statement accounts:
MTGLAFSD_FYE_BADBAL_OPSTMT

Equity accounts:
MTGLAFSD_FYE_BADBAL_FND_EQUITY

Account 1104 – Cash:
MTGLAFSD_FYE_BADBAL_1104
One-stop pages to view outstanding transactions

View journals/vouchers that need approval

AP Work Center

• Edits made to filters to assist agencies in searching transactions by fiscal year

Quickly navigate to common queries and reports
**Running a Trial Balance**

### Trial Balance Queries:
- MTGL_TB_FUND_ACT_ENTWIDE_COMB
- MTGL_TB_FUND_CHOOSE_LEDGER

#### MTGL_TB_FUND_CHOOSE_LEDGER - Trial Balance Choose Ledger

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bus Unit</td>
<td>61010</td>
</tr>
<tr>
<td>Fund Code</td>
<td>02029</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>2017</td>
</tr>
<tr>
<td>Period Thru</td>
<td>12</td>
</tr>
<tr>
<td>Ledger</td>
<td>ACTUALS</td>
</tr>
</tbody>
</table>

View Results
### Trial Balance Before Close

- Trial balance as of June 30

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Business Unit</th>
<th>Fund</th>
<th>Fund Descr</th>
<th>Account</th>
<th>Account Descr</th>
<th>Sum Total Amt</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>1104</td>
<td>Cash In Bank</td>
<td>125.75</td>
</tr>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>2107</td>
<td>Vouchers Payable</td>
<td>(545.23)</td>
</tr>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>4130</td>
<td>Fund Balance - Committed</td>
<td>54,799.71</td>
</tr>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>507075</td>
<td>Lottery License Fees</td>
<td>(16,558.00)</td>
</tr>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>550302</td>
<td>Lotto Ticket Sales</td>
<td>(229,600.00)</td>
</tr>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>62139</td>
<td>Lottery Retailer Commissions</td>
<td>8,901.57</td>
</tr>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>62140</td>
<td>Lottery Vendor Fees</td>
<td>13,708.80</td>
</tr>
<tr>
<td>2017</td>
<td>61010</td>
<td>02029</td>
<td>Board of Horse Racing</td>
<td>62893</td>
<td>Lottery Prize Expense</td>
<td>169,167.40</td>
</tr>
</tbody>
</table>

Total Expense & Revenue: **(54,380.23)**
TRIAL BALANCE AFTER CLOSE

- Trial Balance as of July 1 after closing process
- Total of Expense and Revenue plus the prior fund balance  -54,380.23 + 54,799.71
- Equals new fund balance of 419.48 after the FYE closing process is complete
OTHER FISCAL YEAR-END ITEMS

- Speedcharts
- Orgs
- Program Codes
- ProCard Transactions
- DataMine
New speedchart requests can be sent to SABHRS until June 30
• Send requests using ServiceNow

NOTE: Inactivation and deletions can occur at anytime

SABHRS will automatically add one year to the program code as follows:
• July 14 for revenue accounts
• July 17 for expenditure accounts
SPEEDCHARTS

Information
- MOM 375
- SABHRS Documentation

Query
MTGL_Speedchart
- Retrieve active and/or inactive speedcharts
Specific tree names are used as search criteria

Edits made prior to the roll forward for FY21 will show on both FY20 and FY21 trees

Edits made after the roll forward will be shown in the tree the changes are made

Any org trees not rolled forward by agencies will be rolled forward by SAB

- Do not rename trees

- Both trees will need to be maintained if changes are needed in both years
PROGRAM CODES

Journals can be processed with the wrong program code

Journals using balance sheet or non-budgeted accounts will process (incorrectly) with a 2021 program code because they are not budget checked

Future program codes (2021) should not be used on FY20 journals
• SAB will require correcting entries

Journals using budgeted accounts will get stopped in budget check
• SABHRS auto-generated PRO journal #1
  • First journal will be created July 9
  • Dated June 30
  • Includes all June dated transactions
  • June 23 through June 30 (transaction date not post date)
  • Excludes July 1 through July 9 (transaction date not post date)
• Account 2101A used in place of 1104
SABHRS auto-generated PRO journal #2
- Second journal dated July 30
  - July 1 through July 22
  - Excludes June 23 through June 30
- Add 2101A lines
  - 1104 lines auto populate upon edit
- This reverses the liability created with the PRO journal generated on July 9
June 23-June 30

June dated transactions being processed. To upload as SABHRS GL Journal. Acct 2101A used.

July 9

PRO journal generated

July dated transactions selected but not uploaded to GL Journal

July 9-July 22

July dated transactions being processed

Includes: July PRO trans AND reversal of 2101A lines. 1104 lines added by fund to clear.

July 30

PRO journal generated
JOURNAL IMPORT ISSUES

1. Cut and paste into Journal Import Sheet
   - Use Paste Special
   - Select Text formatting

2. Close import file and clear cache

3. Retrieve updated import files from the GL Work Center Links:
   - Save all files to one folder

4. Review the log spreadsheet for explanation of errors
Found on the SABHRS Documentation webpage

Spreadsheet Journal Import Manual

Using Spreadsheet Journal Import (user guide)
Standard Refresh: nightly

Will be refreshed over the weekends during July

Mid-day refresh: requests can be made by submitting a request in ServiceNow

Data Mine cannot be used during the refresh
DATA MINE RESOURCES

1. Manual
2. Report Listing
3. User Guide
4. Download Help
5. Disabling Pop-up Blocker
DATA MINE TROUBLESHOOTING

Data Mine isn’t working:

• Chrome is the compatible browser
• Turn off pop-up blocker

Data Mine is returning zero data:

• Contact the Help Desk (ServiceNow) with a screen shot of the criteria entered
JOURNALS AT FYE
JOURNAL REMINDERS

Do not create automatic reversing entries during fiscal year-end closing process
- Journals that have automatic reversals later than June 30 will fail budget check and will be deleted
- Manual reversals can be completed

Copying journals during fiscal year-end
- The date will default to the current date (not June 30)
### Budget Overview

#### Budget Inquiry Criteria

**Budget Overview**

- **Inquiry**: BUDG_OVRVW
- **Amount Criteria**: BUDG_OVRVW
- **Budget Type**: 81010
- **Ledger/Activity Log Integrity**: APPROP
- **Ledger Group/Set**: Ledger Group
- **Type of Calendar**: Detail Budget Period

#### Budget Criteria

<table>
<thead>
<tr>
<th>Select</th>
<th>Ledger Group</th>
<th>Calendar ID</th>
<th>From Budget Period</th>
<th>To Budget Period</th>
<th>Include Adjustment Period(s)</th>
<th>Include Closing Adjustments</th>
</tr>
</thead>
<tbody>
<tr>
<td>✓</td>
<td>APPROP</td>
<td>BD</td>
<td>2015</td>
<td>2017</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

#### ChartField Criteria

<table>
<thead>
<tr>
<th>ChartField</th>
<th>ChartField From Value</th>
<th>ChartField To Value</th>
<th>Info</th>
<th>ChartField Value Set</th>
<th>Update/Add</th>
</tr>
</thead>
<tbody>
<tr>
<td>Account</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>Update/Add</td>
</tr>
<tr>
<td>Org</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>Update/Add</td>
</tr>
<tr>
<td>Fund</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>Update/Add</td>
</tr>
<tr>
<td>Sub-Class</td>
<td>%90%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>Update/Add</td>
</tr>
<tr>
<td>Program</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>%</td>
<td>Update/Add</td>
</tr>
</tbody>
</table>

#### Budget Status

- **Open**
- **Closed**
- **Hold**
<table>
<thead>
<tr>
<th>Details</th>
<th>Budget Transaction Types</th>
<th>Ledger Group</th>
<th>CF Ind</th>
<th>Account</th>
<th>Fund</th>
<th>Org</th>
<th>Program</th>
<th>Program Code Description</th>
<th>Sub-Class</th>
<th>Journal Line Description</th>
<th>Budget Period</th>
<th>Budget</th>
<th>Expense</th>
<th>Encumbrance</th>
<th>Pre-Encumbrance</th>
<th>Available Budget</th>
<th>Percent Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>APPROP</td>
<td>ALL</td>
<td>01100</td>
<td>ALL</td>
<td>ALL</td>
<td>2015</td>
<td>Current Year FY2015 Activity</td>
<td>500F3</td>
<td>FY12 CARRYFORWARD</td>
<td>2015</td>
<td>28,747.00</td>
<td>28,747.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>APPROP</td>
<td>C</td>
<td>01100</td>
<td>ALL</td>
<td>ALL</td>
<td>2016</td>
<td>Current Year FY2015 Activity</td>
<td>500F4</td>
<td>FY2014 CARRYFORWARD</td>
<td>2016</td>
<td>17,345.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>17,345.00</td>
<td>100.00</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td>APPROP</td>
<td>ALL</td>
<td>01100</td>
<td>ALL</td>
<td>ALL</td>
<td>2016</td>
<td>Current Year FY2016 Activity</td>
<td>500F4</td>
<td>FY2014 CARRYFORWARD</td>
<td>2016</td>
<td>17,345.00</td>
<td>17,345.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td>APPROP</td>
<td>C</td>
<td>01100</td>
<td>ALL</td>
<td>ALL</td>
<td>2016</td>
<td>Current Year FY2016 Activity</td>
<td>500F5</td>
<td>FY2015 CARRYFORWARD</td>
<td>2016</td>
<td>18,987.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>18,987.00</td>
<td>100.00</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td>APPROP</td>
<td>ALL</td>
<td>01100</td>
<td>ALL</td>
<td>ALL</td>
<td>2017</td>
<td>Current Year FY2017 Activity</td>
<td>500F5</td>
<td>FY2015 CARRYFORWARD</td>
<td>2017</td>
<td>18,987.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
</tbody>
</table>
BUDGET ADJUSTMENTS

- Last day to submit Budget Change Documents (BCD) to the Office of Budget and Program Planning (OBPP) - July 24
- Last day to submit emergency BCDs - July 27 at noon
REVENUE ESTIMATES

Budget Inquiry Criteria

Budget Overview

Inquiry:BUDG_OVRW
Description:

Amount Criteria

Search Clear Reset

Budget Type

*Business Unit: 0100

□ View Stat Code Budgets
□ Display Chart

Ledger Group/Set

Ledger Group

Ledger Group

Revenue Estimate Ledger Group

Time Span

*Type of Calendar: Detail Budget Period

Budget Criteria

Select: REV/EST

Ledger Group

Calendar ID: BD

From Budget Period: 2020

To Budget Period: 2020

Include Adjustment Period(s): 

Include Closing Adjustments: 

ChartField Criteria

ChartField

ChartField From Value

ChartField To

Info

ChartField Value Set

Update/Add

Account: %

Org: %

Fund: 0856-

Program: %

Budget Status

Open

Closed

Hold

Save Return to Search Notify Refresh
## Revenue Estimation

### Budget Overview Results

<table>
<thead>
<tr>
<th>Details</th>
<th>Budget Transaction Types</th>
<th>Ledger Group</th>
<th>CF Ind</th>
<th>Account</th>
<th>Fund</th>
<th>Org</th>
<th>Program</th>
<th>Program Code Description</th>
<th>Journal Line Description</th>
<th>Budget Period</th>
<th>Revenue Estimate</th>
<th>Recognized Revenue</th>
<th>Collected Revenue</th>
<th>Available Budget*</th>
<th>Uncollected Revenue (Rec-Cont)*</th>
<th>Percent Available</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>REVEST</td>
<td>521000</td>
<td>08564</td>
<td>ALL</td>
<td>2019</td>
<td></td>
<td></td>
<td>Current Year FY2019 Activity LOAD REVERTED BALANCE ESTABLISH INITIAL ESTIMATE</td>
<td>2020</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>100.00</td>
</tr>
<tr>
<td>2</td>
<td>REVEST</td>
<td>521000</td>
<td>08564</td>
<td>ALL</td>
<td>2020</td>
<td></td>
<td></td>
<td>Current Year FY2020 Activity</td>
<td>2020</td>
<td>862,240.00</td>
<td>468,617.60</td>
<td>0.00</td>
<td>468,617.60</td>
<td>203,622.40</td>
<td>29.42</td>
<td>100.00</td>
</tr>
</tbody>
</table>
DAILY OPERATIONS
SECTION
AR FYE REMINDERS

- Deposits related to FY20 activity
  - All cash/checks to Treasury/US Bank
    - Treasury will accept cash deposits up until 5:00 p.m. on June 30
    - Deposits made directly to US Bank will need to be made by June 30, before 3:00 p.m.
    - OED deposits can be made until 9:00 p.m. on June 30
  - Deposits made to outside banks
    - Contact banks to find out when deposits must be made to be credited to account by June 30
DEPOSIT REMINDERS

SABHRS AR Deposit Entry

• Ensure Accounting Date on the Totals tab matches the Accounting Date on the Payments tab
• Verify bank code is correct
• Enter appropriate deposit sequences

All deposits must be a one-for-one ratio

• SABHRS AR deposit entry must directly correlate to a single bank deposit
• This is especially important for bank code 028 deposits
• The sequence numbers entered must match the related transaction amount
• Deposits not following this guideline cause reconciliation issues for the DOS staff
All cash received through June 30 should be recorded in either:
- 1104 – Cash in Bank
- 1107 – Cash on Hand

Deposit year must be chosen based on when money is received, not when revenue is recognized.

Deposits credited by the bank on or before June 30 will count as FY20 activity and must be recorded in SABHRS with a FY20 date.

Deposit tickets for FY20 activity must be submitted to SAB by July 13:
- Deposits must only include activity for one fiscal year
- All deposit tickets submitted to SAB during FYE must indicate which fiscal year the deposit relates to.
DEPOSIT REMINDERS (CONT.)

If monies (cash/checks) on hand are not deposited by June 30:

- Agency must post an ONL Journal to record amount
  - Dated June 30
  - Debit account 1107
  - Credit to a revenue account that appropriately identifies the cash received
- Monies must be deposited as soon as possible
- SABHRS AR Deposit
  - Dated for actual deposit date
  - Deposit coded to account 1107
  - System generated entry will debit account 1104 and credit account 1107
AR Agencies must update Automatic Entry Types, Item Entry Types, and Distribution Codes at the start of each fiscal year by entering a new effective dated row (07/01/20XX) with the new program year.
AUTOMATIC ENTRY TYPES
ITEM ENTRY TYPES
DISTRIBUTION CODES
AP FYE REMINDERS

Cancellations and Reissues – Last day for FY20 cancels/reissues is June 29

- The cancellation screen in SABHRS will be disabled
- The automated process will commence on July 29 and will process all ACH returns
- If stop payment is required contact SAB
SUPPLIER ADD/CHANGE

High volume during FYE

Make sure to submit supplier adds and supplier changes in SABHRS as soon as possible to ensure timely approval by SAB

Necessary documentation

Supplier Add
• W-9

Supplier Change
• Address 1 update = W-9

Make sure all forms are filled out properly and completely to avoid delays during FYE

Forms in SABHRS will default to a 6/30/20 date from July 1 through July 16
SUPPLIER REMINDERS

• Interfacing agencies
  • Changes to SABHRS will not automatically be reflected in outside accounting systems
  • Likewise, all changes made outside of SABHRS may not necessarily be reflected in SABHRS correctly
  • It is important to communicate these changes and submit supplier information forms/proper documentation
FOREIGN SUPPLIER PAYMENTS

1. All foreign supplier payments are automatically held in SABHRS
2. Agencies must have a W-8 on file
3. Invoices are now required for payments to foreign suppliers
4. Statewide Accounting will only release payments if the agencies can provide all necessary documentation for 1042 reporting
5. Tips:
   - Contact SAB ahead of time if considering services from foreign supplier
   - Make sure you solicit for proper documentation before procuring services
   - Soliciting for new documentation is always a good idea, especially for foreign suppliers
EFT HELD PAYMENTS

- Payments $10,000 or more
- Bank accounts that have not yet been used by suppliers
- Suppliers must be contacted to verify information
- Agencies must request release of payments using the EFT Release request in ServiceNow
INTERENTITY
LOANS/ADVANCES & NEGATIVE CASH
Each individual fund must have a positive cash balance at fiscal year-end.

Loans and/or advances must first be taken from the agency's own unrestricted funds, when administratively feasible, prior to requesting a loan and/or advance from the General Fund.

The administering BU is responsible for:
- Ensuring positive cash balances
- Requesting IE loans/advances as needed
NEGATIVE CASH

- Agencies must anticipate fiscal year-end cash needs
  - It is recommended agencies document the process they used to anticipate cash needs
- Sell STIP before loan is approved
  - Deadline: 2:00 p.m., June 29
  - Board of Investments
    - Fiscal Year-end STIP Procedures Memo
USE OF CASH

• Payment for transfers and distributions:
  • Use account 1104
  • Request IE loan/advance if needed in ServiceNow. Do not use warrants or electronic payments – use IU journal source
  • Exception: Payments dealing with Unemployment Insurance (UI)
OPERATING AND CAPITAL LEASES
LEASES

Operating Lease
• Benefits/risks of ownership remain with lessor

Capital Lease
• Benefits/risks of ownership transfer to lessee
• Capitalize as an asset
• Same treatment for installment purchases and leasehold improvements

See examples in MOM 335
DETERMINATION OF LEASE TYPE

• If any of the four are met, then the lease must be accounted for as a capital lease
  1. Title transfers to lessee by the end of the lease
  2. Lease contains a bargain purchase option for lessee
  3. Lease term > 75% of property’s useful life
  4. PV of payments > 90% FMV of property – use Excel template on SAB website
LEASE SCHEDULES

• Lease Schedule Deadline:
  • July 17
NAVIGATION TO THE LEASE SCHEDULE
NAVIGATION TO THE LEASE SCHEDULE

Navigate to:
- Fiscal Year-end webpage

LEASES
- FY20 Lease Schedule
NAVIGATION TO THE LEASE SCHEDULE
COMPLETING THE LEASE SCHEDULE
COMPLETING THE LEASE SCHEDULE

- Once all schedules are completed by agencies, SAB will protect the workbook and send it back out to agencies.
- Agencies will need to confirm information is accurate and no inadvertent changes were made.
AGENCY ENTRIES POSTED BY
THE STATEWIDE ACCOUNTING BUREAU

Compensated Absences
Other Post Employment Benefits
Pensions
• All current year entries booked during the fiscal year-end

• Compensated Absences
  • Prior year’s entry is reversed in mid July
  • Current year liability booked mid July after reversal of prior year

• Payroll Accrual
  • Account 2113 instead of account 1104
POSTING THE ENTRIES

- Pensions
  - Prior year’s entry is not reversed
  - Existing balances are adjusted (increased/decreased) as necessary to establish current year balances

- OPEB
  - GASB 75 implementation
  - Prior year’s entry is reversed as a prior period adjustment
  - Potential Fund Equity credit to proprietary funds
  - New amounts will be posted
Comp Abs

- 2605 Comp Abs – Non Current
- 2625 Comp Abs – Current
- 61905 Compensated Absences – Nonbudget

OPEB

- 2650 OPEB Implicit Rate Subsidy LT
- 61432 OPEB Contribution Expense – Nonbudget
- 6A001 Other Post Employment Expense
- 1921 OPEB Deferred Outflows
- 2122 OPEB Deferred Inflows
• Pensions
  • 1918 Pension Deferred Outflows
  • 1919 Net Pension Asset
  • 2123 Pension Deferred Inflows
  • 2606 Net Pension Liability
  • 581212 NonER Pension Revenue
  • 61433 Pension Contribution Offset – NB
  • 6A002 Pension Expense – NB
  • 6A003 OPEB Contribution Offset – NB
ENCUMBRANCES & ACCRUALS

A Accruals & B Accruals
A Accruals are encumbrances

- Items/services received after June 30
- Valid obligation criteria must be met prior to June 30
- Not used for continuing appropriations unless for budget or statutory reasons

B Accruals are standard accruals

- Expenses incurred (but not paid) prior to June 30
EXAMPLES OF VALID/INVALID A ACCRUALS

• Valid A Accrual
  • Signed contract to purchase a car prior to June 30
  • Car delivered July 1 or later

• Invalid A Accrual
  • Remodel project planned
  • No contract/MOU signed by June 30
A ACCRUALS IN SABHRS

Journals: must click on Commitment Control link in the Header tab (with Actuals as the Ledger Group)

Select the encumbrance button

Recorded in A_Accrual Ledger

Cash should not be used on A Accrual journals
• Reverse original A Accrual journal
  • Select Encumbrance button
  • Returns spending authority to budget
• Code journal or voucher against related reverted appropriation
• The related encumbrance is reversed even if the actual expense is a different amount
01
Record entry in A Accrual Ledger

02
Debit appropriate A Accrual account

03
Credit appropriate expenditure account
• Use 4301 Encumbrance Assignment related to prior prior periods
CARRYFORWARD ACCRUALS

Agencies can carry prior year A Accruals into FY21

Written requests must be made to SAB by July 24

See MOM 375 Section VI(D) for details
CONTINUING APPROPRIATIONS

If org budget goes negative, must be fixed before fiscal year-end

Appropriations continuing from FY20 to FY21 will not be established until after close of FY20

If payment needs to be made before that, use a different appropriate fund and then correct in GL after the appropriations are available
FUND BALANCE
DESIGNATIONS

GASB Statement No. 54
MOM 311
### FUND BALANCE DESIGNATIONS

Governmental Funds Only –
Modified Accrual Financial Statements

<table>
<thead>
<tr>
<th>Account Description</th>
<th>Account Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nonspendable</td>
<td>4120 (4121-4123: for fiscal year-end entries)</td>
</tr>
<tr>
<td>Restricted</td>
<td>4125</td>
</tr>
<tr>
<td>Committed</td>
<td>4130</td>
</tr>
<tr>
<td>Assigned</td>
<td>4135</td>
</tr>
<tr>
<td>Unassigned</td>
<td>4140</td>
</tr>
</tbody>
</table>
NONSPENDABLE FUND BALANCE APPLIES TO ALL GOVERNMENTAL FUNDS

- Legally required to remain intact
  - Corpus of a permanent fund – use 4120
- OR
- Not in a spendable form
  - Inventory – use 4121
  - Prepaid – use 4122
RESTRICTED FUND BALANCE

Amounts can only be spent/used for specific purposes and

Constraints placed on resources are either imposed

- Externally – Federal Government or Private Donation
- By constitutional provisions
- By enabling legislation that is legally enforceable by an external party
COMMITTED FUND BALANCE

Constraints placed on resources are imposed by formal action of the legislature

Legislature may redirect the resources or change the constraint by a formal action similar to the action used to initially constrain the resources

Amounts can only be spent/used for specific purposes and
Constraints placed on the resources are not designated as Nonspendable, Restricted, or Committed and Imposed by the government’s intent to be used for a specific purpose ‘earmarked’ by management
• Used only by the General Fund
Equity accounts are discussed in MOM 311, Section IX

SAB will send out a report to agencies indicating current fund balance designation of governmental funds

Fund responsible agencies must review and ensure proper closing designation

Requests for changes can be submitted in ServiceNow, indicating the fund balance closing designation change
FUND EQUITY TRANSACTIONS
TRANSACTIONS

Fund equity transactions are necessary for three situations

- Prior-prior period adjustments
- Closing designation changes
- Fiscal year-end adjustments

Process

- Create journal
- Submit request in ServiceNow for SAB to approve/post the journal
Must relate to 2 or more prior fiscal years

Adjustments to FY18 or prior

• Use the designated fund balance/net position account selected for that fund

Adjustments to FY19

• Adjustments related to one year prior do not require fund equity transaction
• Use the appropriate revenue/expense account with 2019 as the Program year
Agency determines a fund balance designation change is necessary

A fund equity journal is required to move any existing equity balances to the newly determined closing designation

Journal is approved and posted by SAB upon receiving request in ServiceNow
FISCAL YEAR-END ADJUSTMENTS

Entries are required for governmental funds, as applicable, to reclassify certain amounts to the Nonspendable accounts:

- 4121 Fund Balance – *Inventory* for the amount of any 18xx inventory balances
- 4122 Fund Balance – *Prepays* for the amount of any 19xx prepaid balances

Discussed in MOM 375, Section IX
Actuals Ledger trial balance at fiscal year-end

| 1104  | Cash          | $1,000 |
| 1802  | Merchandise Inventory | $5,000 |
| 1905  | Prepaid Expense   | $3,000 |
| 4130  | Fund Balance – Committed | $9,000 |

In this scenario, the manual fund balance adjustment required is (Actuals Ledger)

| Debit       | 4130          | Fund Balance – Committed | $8,000 |
| Credit      | 4121          | Fund Balance – Inventory  | $5,000 |
| Credit      | 4122          | Fund Balance – Prepaid    | $3,000 |
Federal fund entries – MOM 375, Section IX (C)

Federal fund equity nets to zero

SBECP entries with DEQ
MOM Policy 345

Terminated benefit entries
MOM policy 355

Lease obligation entries
MOM policy 340
Completed projects

- Retire completed projects from CWIP
- Add to AM by July 22

Projects not completed

- Projects not completed by June 30 recorded in CWIP
- CWIP 1811 clearing account must be zero
THANK YOU

ServiceNow Training Video