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**FINANCE AND ADMINISTRATION CABINET
OFFICE OF THE SECRETARY**

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TO: Constitutional Officers, Cabinet Secretaries,
All Agency Heads, and Fiscal Officers

FROM: Holly M. Johnson, Secretary
Finance and Administration Cabinet

DATE: April 1, 2025

SUBJECT: Closing Schedule – Fiscal Year 2025


In accordance with KRS 45.229(2), the Finance and Administration Cabinet is legally required to close the old year accounts within thirty days of June 30. The schedule of closing procedures for fiscal year 2025 is attached. It includes the deadlines for final eMARS transaction approvals that apply to accounting, purchasing, budgeting, and personnel matters. It is important that all agencies comply with the transaction completion schedule and procedures outlined in this memorandum.

Purchases requiring Strategic Procurement Review (SPR) approval must be submitted by May 16, 2025 to obtain approval for fiscal year 2025 transactions. The agency needs to allow sufficient time for SPR approval and the normal procurement process. A copy of the APPROVED SPR1 must be attached at the header of all applicable procurement/payment transactions.

During the closing period, it is important to segregate all transactions for goods and services received by June 30, 2025, from transactions for fiscal year 2026.

Statewide Accounting Services will open fiscal year 2026 in eMARS on Thursday, May 1, 2025. Any additions or changes that agencies make to departmental chart of account elements after May 1, 2025, will need to be made in both fiscal year 2025 and fiscal year 2026.

Deadlines vary according to the type of transaction. No deadline is earlier than Friday, April 4, 2025, and none is later than Thursday, July 10, 2025. All transactions for fiscal year 2025 must be final in the eMARS Accounting System by close of business, Tuesday, July 8, 2025. After Tuesday, July 8, 2025, all transactions will post to fiscal year 2026 and will be charged to fiscal year 2026 allotments, except those journal voucher transactions necessary to close out fiscal year 2025.


Holly M. Johnson, Secretary
Finance and Administration Cabinet

4-1-2025
Date

The Closing Schedule shows the responsibility for approval of eMARS transactions, whether Agency, Statewide Accounting Services (SAS), Office of Procurement Services (OPS), Office of the State Budget Director (OSBD), or Department of Treasury (Treasury). This should facilitate agency knowledge of transaction due dates for final fiscal year 2025 approval. Additional comments follow the charts. **Remember that the last date to post fiscal year 2025 transactions is Tuesday, July 8, 2025. Only CA, JV, JVA, JV2P, JV2IN, JV2T, JV2E, JV2R, and JVC transactions will be allowed to post in fiscal year 2025 after this date, and only with override approval from Statewide Accounting Services. ALL transactions posting to fiscal year 2025 must be marked Final by 7:00 PM EDT Thursday, July 10, 2025.**

New Year Procurement transaction activity before **Friday, May 2, 2025**, must use non-accounting event types in order to validate and submit into workflow unless your agency's fiscal year 2026 allotments have been loaded to eMARS. Agencies may check the status of their fiscal year 2026 allotments on the eMARS website <https://finance.ky.gov/Office-of-the-Controller/Pages/Year-End-Information.aspx> under the "Fiscal Year 2026 Allotments to eMARS" section.

****When creating Fiscal Year 2026 contracts before Friday, May 2, 2025, DO NOT code Fiscal Year 2026 in the Fiscal Year field or you will not be able to open the transaction.****

Ordered by Transaction Code

Transaction Code	Transaction Description	Final Approval Responsibility	Last Day to Process Old Year	First Day to Process New Year
AD	Automated Disbursement	Agency	6/30/2025	7/1/2025
CA	Cost Allocation	Agency	7/10/2025	7/1/2025
CH	Charge Transaction	Agency	7/8/2025	7/1/2025
CR	Cash Receipt (Funds 0100 and 1100)	Treasury	6/30/2025	7/1/2025
CR	Cash Receipt (Funds Non-0100 and Non-1100)	Treasury	7/8/2025	7/1/2025
CT	Contract (Allow sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable, to RQS)	OPS	5/30/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments
CT	Contract Modification (Allow sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	OPS	5/30/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments
CTRP1	Contract regarding Real Properties	Facilities Mgmt / Real Properties	5/30/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments
CTRP1	Contract Modification regarding Real Properties	Facilities Mgmt / Real Properties	5/30/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments

Transaction Code	Transaction Description	Final Approval Responsibility	Last Day to Process Old Year	First Day to Process New Year
CWA	Check Writer Accounting	SAS	6/30/2025	7/1/2025
CWI	Check Writer Intercept Transfer	SAS	6/30/2025	7/1/2025
DO	Delivery Order (Allow sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	Agency	5/30/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments
DO4	Punch-out Delivery Order (non-Procard) (Allow sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	Agency	5/30/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments
EFT	Electronic Funds Transfer	Agency	6/30/2025	7/1/2025
GAX	General Accounting Expense/Expenditure	Agency	7/8/2025	7/1/2025
GAX2	General Accounting Revenue Refund	Agency	7/8/2025	7/1/2025
GAX3	General Accounting Balance Sheet Payable	Agency	7/8/2025	7/1/2025
IET	Internal Exchange Transaction	Agency	6/30/2025	7/1/2025
IT	Intercept Transfer	SAS	6/30/2025	7/1/2025
ITA	Internal Transaction Agreement	Agency	6/30/2025	7/1/2025
ITI	Internal Transaction Initiator	Agency	6/30/2025	7/1/2025
JV	Standard Journal Voucher	SAS	7/10/2025	7/1/2025
JV2E	Cash Expenditure Correction	Agency	7/10/2025	7/1/2025
JV2IN	Investment Adjustments	SAS	7/10/2025	7/1/2025
JV2P	Parks Receivable	SAS	7/10/2025	7/1/2025
JV2R	Cash Collected Earned Rev Correction	Agency	7/10/2025	7/1/2025
JV2T	Transfer	SAS	7/10/2025	7/1/2025
JVA	Advanced Journal Voucher	SAS	7/10/2025	7/1/2025
JVBK	Bank Transfer Journal Voucher	SAS	6/30/2025	7/1/2025
JVC	Cost Accounting Journal Voucher	SAS	7/10/2025	7/1/2025
KBUD	KBUD Budget Requests/Modifications	OSBD	7/8/2025	5/2/2025
MD	Manual Disbursement	Treasury	7/8/2025	7/1/2025
OB1	Management Budget	Agency	7/10/2025	7/1/2025
PO	Purchase Order and Modification (Allow sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	Agency	5/30/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments
PO	Request for Spec Authority, exception to sealed bid - all purchases and modifications (Allow sufficient time for Rec by 6/30) (*Attach approved SPR, if applicable)	OPS	5/16/2025	<u>Unencumbered</u> - 5/2/2025 <u>Encumbered</u> - after New Year allotments
SC	New Year MOA/PSC exception as defined by KRS 45A.690 or agency exemption as defined by statute or the	OPS	NA	Now if using non-encumbering event type.

Transaction Code	Transaction Description	Final Approval Responsibility	Last Day to Process Old Year	First Day to Process New Year
	LRC – New Year SC requiring an effective date of 7/1)			
SC	Old Year MOA/PSC exception as defined by KRS 45A.690 or agency exemption as defined by statute or the LRC – Old Year SC modifications for services performed by 6/30 – Place Old Year in Transaction Description	OPS	5/30/2025	NA
PON2	New Year Proof of Necessity Agreement- New Year PSC/MOA requiring an effective date of 7/1 (*Attach approved SPR, if applicable)	OPS	NA	Now if using non-encumbering event type
PON2	Old Year Proof of Necessity Agreement- Old Year PSC/MOA modifications for services performed by 6/30-Place Old Year in Transaction Description (*Attach approved SPR, if applicable)	OPS	4/25/2025	NA
PON3	Proof of Necessity Agreement New Year requiring an effective date of 07/01/2025	OPS	NA	Now if using non-encumbering event type
PON3	Proof of Necessity Agreement – Old Year modifications for services performed by 6/30 – Place Old Year in transaction Description	OPS	4/25/2025	NA
PRC	Commodity Based PR (*Attach approved SPR if applicable)	Agency	7/8/2025	7/1/2025
PRCC	Commodity Based PR Pro Card (*Attach approved SPR if applicable)	Agency	7/8/2025	7/1/2025
PRCI	Commodity Based Internal PR	Agency	7/8/2025	7/1/2025
RC	Receiver	NA	6/30/2025	7/1/2025
RE	Receivable	Agency	7/8/2025	7/1/2025
RQS	Standard Requisition < \$40,000- all purchases (Allow Sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	OPS	5/2/2025	5/5/2025
RQS	Standard Requisition >= \$40,000 all purchases (Allow Sufficient time for Goods Rec by 6/30) (*Attach approved SPR, if applicable)	OPS	4/4/2025	4/7/2025
CAS	Cost Accounting Setup	Agency	6/30/2025	7/1/2025
CAM	Cost Accounting Modification	Agency	6/30/2025	7/1/2025
CEC	Commodity Encumbrance Correction	Agency	6/30/2025	7/1/2025
TP	Travel Payments	Agency	7/8/2025	7/1/2025

ADDITIONAL COMMENTS

AGENCIES

1. Imprest/Petty Cash Reimbursement Schedules. Final imprest cash reimbursement schedules for fiscal year 2025 must be processed on a GAX transaction type by close of business Tuesday, July 8, 2025, to charge old year funds. Reimbursements processed after Tuesday, July 8, 2025, will be charged to fiscal year 2026. Requests for amendments to present authorities should be sent to Phil Nally in Statewide Accounting Services at phil.nally@ky.gov.

STATEWIDE ACCOUNTING SERVICES

1. Closing Dates. The Soft Close for accounting period 12 will be Monday, June 30, 2025. The Hard Close will be Tuesday, July 8, 2025. The Soft Close for accounting period 13 will be Tuesday, July 8, 2025. The Hard Close for Agencies will be 7:00 PM EDT Thursday, July 10, 2025.
2. Reimbursement Output. The last FY 2025 Reimbursement Output will run on Friday, June 27, 2025, for transactions posted through Friday, June 27, 2025.

The chart below describes the accounting periods (i.e. Fiscal Month and Fiscal Year) that apply to transactions generated by Reimbursement Output.

	BILLING DATES			
	JUNE 13	JUNE 20	JUNE 27	*JULY 3
Calendar Dates Covered	06/09-06/13	06/16-06/20	06/23-06/27	06/30-07/03
RE submission Accounting Period	12/2025	12/2025	12/2025 13/2025	13/2025 01/2026
Open Accounting Periods for the CR submission	12/2025	12/2025	12/2025 13/2025	13/2025 01/2026

*Transactions generated from the July 3, 2025, Reimbursement Output run will post to fiscal year 2026, but may be JV'd back to fiscal year 2025 with OSBD and SAS approval.

3. Cost Allocation. Cost allocation will run for accounting period 12/2025 with the following schedule.
 - CHFS 7-1-2025
 - COT 7-1-2025
 - DMA 7-1-2025
 - EEC 7-1-2025
 - LABOR 7-1-2025

4. CA transactions created from the 12/2025 allocation must post to final by COB Tuesday, July 8, 2025.
5. Cost Allocation. Cost allocation will run for accounting period 13/2025 with the following schedule.
 - CHFS 7-09-2025
 - DMA 7-09-2025
6. CA transactions created from the 13/2025 allocation must post to final by COB Thursday, July 10, 2025.

Note: The dates for Cost Allocation outlined in this Schedule pertain to internal allocations in those agencies and are not related to multi-agency billings such as COT, Printing, Fleet, etc...

7. Encumbrances. Budget fiscal year 2025 encumbrances will be liquidated in budget fiscal year 2025 and remaining balances will be established in budget fiscal year 2026 on Friday, July 4, 2025, except for the capital projects fund (since the budget fiscal year remains the same throughout the life of the project). **Encumbrances under \$1,000 for all other funds** will be liquidated, but they will not be re-established in 2026. Fiscal year 2026 payments against these 2025 encumbrances that were not re-established must be paid on a standalone PRC transaction with a memo reference to the encumbering transaction. Encumbrances that were re-established in fiscal year 2026 must be paid as a 2026 payment after July 4, 2025. A JV2E transaction may be used to move the expenditure back to fiscal year 2025. **We anticipate eMARS to be unavailable Friday, July 4, 2025, in order to complete the encumbrance roll.**

Pending Encumbrance and Expenditure Transactions. All budget fiscal year 2025 pending encumbrance transactions, modifications, and cancellations (other than capital projects) must post to final prior to COB Thursday July 3, 2025, allowing the encumbrance roll to complete. All budget fiscal year 2025 pending expenditure transactions, modifications, and cancellations (other than capital projects) must post to final prior to COB Tuesday, July 8, 2025, creating final budgetary balances. Any of the above 2025 transactions in the pending phase will be rejected back to draft phase after the specified dates.

Note: Because of statutory requirements, the Office of the State Budget Director and the Office of Statewide Accounting Services will not be able to unilaterally increase appropriations during the closing period.

Note: All Old Year General and Road Fund revenue must post by July 8th, COB. Revenue after June 30, 2025, should be hard-coded to AP12. No General or Road Fund revenue is permitted to post to AP13.

STATEWIDE ACCOUNTING SERVICES - Financial Reporting

The Chart below includes all established fiscal year 2025 financial reporting deadlines.

Task	Due Date
Fixed Asset Inventory	Friday, May 30, 2025
GASB 42 – Asset Impairment	Friday, August 1, 2025
Attorney Letters	Friday, August 1, 2025
GASB 49 – Pollution Remediation	Friday, August 1, 2025
AFR 34 A, B, C (Accounts Receivable)	Friday, August 8, 2025
Agency Closing Package	Friday, August 8, 2025
Fixed Asset Shells Clean-up	Friday, August 15, 2025
SEFA	Monday, August 18, 2025
Real Property	Friday, September 12, 2025
CU Closing Package	Friday, October 3, 2025
SSPAF	Friday, October 17, 2025
Subsequent Event	Thursday, December 11, 2025

1. Annual Financial Report and Annual Inventory. The Office of Statewide Accounting Services will be requesting closing financial data for the purpose of preparing the Commonwealth's Annual Comprehensive Financial Report (ACFR) in compliance with Generally Accepted Accounting Principles (GAAP). The AFR Closing Package will be submitted via Workiva's WDesk. More information will be sent to agency heads and fiscal officers by Thursday, May 1, 2025. It is extremely important that all the agencies submit their closing packages as thoroughly and accurately as possible. The fiscal year 2025 Annual Comprehensive Financial Report (ACFR) training will be held via MS TEAMS using the CRC "eMARS User Training" channel. Training dates have not yet been set, but training will occur in May or June. All preparers must complete the training. Additional inquiries may be sent to Christina Shuffett at Christina.Shuffett@ky.gov.
2. Fixed Asset Inventory. **BOTH non-expendable personal property AND real property are required to be inventoried for Fiscal Year 2025. Agencies are required to contact the APA with your inventory schedule at least 10 days before inventory counts begin.** Certified inventory reports are due to the Office of Statewide Accounting Services by Friday, May 30, 2025. Physical Inventory Procedures are found at the following website: <https://finance.ky.gov/office-of-the-controller/office-of-statewide-accounting-services/financial-reporting-branch/Pages/fixed-assets.aspx>
3. SEFA. Training will be held via MS TEAMS using the CRC "eMARS User Training" channel. Training dates have not been set at this time but will occur in May or June. It is important that all preparers attend the training due to these significant changes made by the Office of the Controller. Additional inquiries may be sent to Gina Shall at ginac.shall@ky.gov.

OFFICE OF PROCUREMENT SERVICES

Old Year Purchase requests (RQS) for all goods that are not currently on contract that exceed the agency's small purchase limit shall be sent to the Finance and Administrative Cabinet, Office of Procurement Services, no later than Friday, April 4, 2025, for requests equal to or above \$40,000. Requests less than \$40,000 must arrive no later than Friday, May 2, 2025. All Purchase requests (RQS) shall be processed using the same procedures that are required per the Strategic Procurement Request process. The agency must allow enough time for the approved disposition to be returned to them and attach it to the header of the RQS. The Finance and Administration Cabinet will not begin processing the RQS until the SPR1 has been approved. The agency must receive an approved SPR transaction (if applicable) before the items can be purchased by any method. All items must be received no later than Monday, June 30, 2025, to be paid out of old year funds. If a purchase for furniture is authorized, the Division of Correctional Industries or the Division of Surplus Property shall be utilized whenever possible.

1. Purchase Requests (RQS) Equal to or Above \$40,000 (Old Year). Old Year purchase requests equal to or above \$40,000 must be received by the Office of Procurement Services (OPS) by close of business Friday, April 4, 2025, and delivery must be assured by Monday, June 30, 2025, to be paid out of fiscal year 2025 funds. Purchase requests submitted between now and Friday, April 4, 2025, **should state in the transaction comments of the purchase request one of two statements: "Delivery is desired prior to Monday, June 30, 2025," allowing OPS to award the Contract and if delivery could not be made until after Monday, June 30, 2025, payment would be made with fiscal year 2026 funds; or "Delivery must be completed prior to Monday, June 30, 2025," and if the vendor could not meet the delivery requirement, OPS would not issue a Contract.** *If neither of the above statements is indicated, the purchase request will not be processed until this information is received from the requesting agency. It will be the agency's responsibility to add the appropriate statement to the transaction comments prior to the Friday, April 4, 2025, deadline for fiscal year 2025 funding.* Due to the volume of old year purchase requests received by OPS, agencies are to submit their purchase requests as soon as possible. If an agency delays its requests until just before the deadline, the chances of processing and obtaining deliveries by Monday, June 30, 2025, are greatly reduced. *Agencies should also ensure that their purchase request provides complete information on the transaction (i.e. adequate specifications, best value criteria, suggested sources (added to the free form vendor section), quantity, estimated price, valid account codes, etc.).* This requirement does not apply to purchase requests for the establishment of master agreements since no encumbrance of funds is involved. Agencies should not submit requests for new year purchases before Friday, May 2, 2025, and must clearly state on the purchase request that delivery is not desired or required prior to July 1, 2025. Place this information in the transaction comments.
2. Small Purchase Requests (RQS). For purchase requests that exceed an agency's small purchase authority, the Office of Procurement Services (OPS) may exercise its Small Purchase Authority, to a maximum of \$40,000, when it can be determined that the purchase will not exceed the estimated amount in accordance with KRS 45A.100. The small purchase request should be received in OPS by close of business Friday, May 2, 2025, to allow time for required solicitation of quotations, encumbrance of funds, contract award, and vendor delivery by Monday, June 30, 2025. Purchase requests submitted between now and Friday, May 2, 2025, **should state in the transaction comments of the purchase request one of two statements: "Delivery is desired prior to Monday, June 30, 2025," allowing OPS to award the Contract and if**

delivery could not be made until after Monday, June 30, 2025, payment would be made with fiscal year 2026 funds; or “Delivery must be completed prior to Monday, June 30, 2025,” and if the vendor could not meet the delivery requirement, OPS would not issue a Contract. *If neither of the above statements is indicated, the purchase request will not be processed until this information is received from the requesting agency. It will be the agency’s responsibility to add the appropriate statement to the transaction comments prior to the Friday, May 2, 2025, deadline for fiscal year 2025 funding.* Due to the volume of old year purchase requests received by OPS, agencies are to submit their purchase requests as soon as possible. If an agency delays its requests until just before the deadline, the chances of processing and obtaining deliveries by Monday, June 30, 2025, are greatly reduced. *Agencies should also ensure that their purchase request provides complete information on the transaction (i.e. adequate specifications, best value criteria, suggested sources, quantity, estimated price, valid account codes, etc.) and has the approved SPR1 attached at the header.* The total aggregate amount cannot be artificially divided by submitting more than one requisition for the same item during the closeout period. This would be in violation of KRS 45A.100(2). Old year small purchase requests totaling \$40,000 or less will be awarded from fiscal year 2025 funds when delivery is guaranteed and completed by Monday, June 30, 2025. Deliveries made after Monday, June 30, 2025, will be charged against fiscal year 2026 funds. All requests must comply with the guidelines listed in the introductory paragraphs for this section.

3. Purchase Orders, Requests for Approval for Special Authority, Exception to Sealed Bid. All requests for special authority contracts with a delivery date required before Monday, June 30, 2025, and payment from old year funds must arrive in the Office of Procurement Services (OPS) by close of business Friday, May 16, 2025, to allow adequate time for services to be performed and goods delivered by the end of the fiscal year. Special authority contracts that are for payment only must arrive in OPS by close of business Friday, June 6, 2025. All requests must comply with the guidelines listed in the introductory paragraphs for this section and with the requirements of the Finance Policies and Procedures Manual. **A copy of the APPROVED SPR1 and the Required Affidavit for Bidders, Offerors and Contractors must be attached at the header of all procurement/payment transactions.**
4. Modifications. All requests for changes to contracts issued by the Office of Procurement Services (OPS) that affect old year allotments must arrive in OPS by the close of business Friday, June 6, 2025. Agencies must process changes to their own contracts that affect old year allotments by close of business Friday, June 27, 2025.
5. Personal Service Contracts/Modifications/MOAs for Services performed by Monday, June 30, 2025. In order to guarantee payment from fiscal year 2025 funds, agencies must submit all PSCs/Modifications/MOAs to the Office of Procurement Services (OPS) by close of business Friday, April 25, 2025, to allow adequate time to process for the June meeting of the Legislative Research Commission (LRC). Agencies that do not process PSCs and MOAs through OPS must submit all PSC’s/Modifications/MOAs to LRC no later than Friday, May 9, 2025. PSCs/Modifications/MOAs arriving in OPS after Friday, April 25, 2025, or LRC after Friday, May 9, 2025, will not be processed for approval prior to the end of fiscal year 2025 and shall be paid from fiscal year 2026 funds.

New Personal Service Contracts or MOAs that require an effective date so that services begin on Tuesday, July 1, 2025. Agencies may submit to OPS beginning immediately, but no later than Friday, May 9, 2025,

to allow adequate time to process for the July meeting of the Legislative Research Commission (LRC). Agencies should plan their contracting schedule taking into consideration the additional review process of their RFPs by the Finance Cabinet. The RFP shall be submitted at least 7 days prior to the intended RFP “let date” (published date), and a “close date” a minimum of 7 calendar days after the “let date”.

FUND BALANCES

1. **General Fund.** *All General Fund balances at the close of the fiscal year shall lapse to the surplus account of the General Fund, with the exception of statutory or budget bill authorized continued appropriations.*
2. **Capital Projects Fund.** Capital Projects fund balances (appropriations, allotments, cash, and encumbrances) will remain in the same budget fiscal year. No carry forward entries are required.
3. **Road Fund.** All Road Fund balances at the close of the fiscal year shall lapse to the surplus account of the Road Fund, with the exception of statutory or budget bill authorized continuing appropriations.
4. **All Funds (except Capital Projects Fund).** The final period cash report will serve as the ending balance resource as cash is not segregated by fiscal year. Agency funds are not allowed to close with negative balances. Beginning in the first week of July, Statewide Accounting Services staff will work with agencies to clean up any remaining negative cash balances. On Friday, July 11, 2025, Statewide Accounting Services staff will begin final preparations for the Hard Close. All allotment balances except continued appropriations will lapse.
5. **Requests for Fund Transfers to the General Fund.** Requests for fund transfers to the General Fund must be submitted in writing to the Office of the State Budget Director by close of business Monday, June 30, 2025.