

# eMARS NEWSLETTER

JUNE 17, 2019



Issue 3

## Our First Year

Our first year in eMARS 3.11 was somewhat uneventful. Vendor issues were the most reported problem during the first few months. You will find an article on vendors in this issue as we continue to fine tune our processes.

This issue will cover Year-End deadlines, New-Year reminders and other upcoming news for Year Two of eMARS 3.11.

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*“Perfection is not attainable, but if we chase perfection we can catch excellence.”*

*Vince Lombardi*

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## 2019 FISCAL YEAR END

### EMARS OUTAGE

eMARS will be unavailable **July 4, 2019**. If any other outages arise, they will be posted on the [eMARS News and Alerts page](#).

## NEW YEAR TABLE INITIALIZATION (NYTI)

On May 6, 2019, the Office of the Controller ran the *New Year Table Initialization (NYTI)* process in eMARS. This process copied all active records on all tables keyed by *Fiscal Year* from the current *Fiscal Year (2019)* to the new *Fiscal Year (2020)*. *Fiscal Officers* should review all agency maintained tables (primarily departmental *Chart of Accounts* tables) to ensure the active 2020 records are valid.

As part of this process, the *Effective To* and *From* dates were cleared on the 2020 records. Therefore, if your agency uses these dates **for a functional purpose**, you will need to update the 2020 record on the appropriate table with the dates. Please be aware, if you intend for these records to be effective from July 1, 2019 to June 30, 2020, you do **NOT** need to update.

In addition, any new 2019 records entered after May 6, 2019, will also need to be entered as a 2020 record, if applicable.

If you have any questions concerning this process, please contact the Customer Resource Center at [Finance.CRCGroup@ky.gov](mailto:Finance.CRCGroup@ky.gov) or via phone at 502.564.9641 (Toll-Free 877.973.4357).

## COMPLETING PAYMENT DOCUMENTS DURING PERIOD 13

Payments made **between July 1 and July 8** have the option to be paid from either 2019 *Old-Year* funds or 2020 *New-Year* funds. Users who intend for the payment document to post to *Fiscal Year 2019, Period 13* **must** enter the entire fiscal period on the payment document: *Budget FY (2019)*; *Fiscal Year (2019)*; and *Period (13)*. These fields may be entered on the *Header* of the payment document or on each *Accounting Line*. If entered on the *Header*, the *Fiscal Period* will apply to all accounting lines on the document.

**If the fiscal period is not entered on the payment document, then the current fiscal period (*Period 1, 2020*) will infer upon final approval.** In addition, payments created during June (*Period 12, 2019*) **must** be submitted and all approvals applied before **COB, June 30**. Otherwise, *Period 1, 2020* will be inferred. For example, a *PRC* is created and submitted on June 25 with the *Budget FY, Fiscal Year* and *Period* left blank; if the final approval **is** applied before **COB, June 30**, then *Period 12, 2019* will be inferred. If the final approval **is not** applied until July 1, then *Period 1, 2020* will be inferred.

The screenshot displays a software interface for creating a payment document. At the top, a summary bar shows 'Accounting' with 'Total Lines: 1', 'Accounting Line: 1', 'Total Line Amount: \$0.00', and 'Line Closed Amount: \$0.00'. Below this is a table with the following columns: 'Accounting Line', 'Total Line Amount', 'Line Closed Amount', 'Outstanding Amount', and 'Interest Ineligible'. The table contains one row with values: '1', '\$0.00', '\$0.00', '\$0.00', and 'No'. Below the table are navigation buttons: 'First', 'Previous', 'Next', 'Last', and a 'Show Lines: 10' dropdown. The interface is divided into two main sections: 'Header' and 'Accounting Line'. The 'Header' section has tabs for 'General Information', 'Payee', 'Extended Description', 'Contact', and 'Document Information'. It contains fields for 'Document Name', 'Record Date', 'Budget FY: 2019', 'Fiscal Year: 2019', and 'Period: 13'. The 'Accounting Line' section has tabs for 'Additional Amounts' and 'Extended Description' and contains fields for 'Budget FY: 2019', 'Fiscal Year: 2019', and 'Period: 13'. Yellow boxes highlight the 'Accounting Line' and 'Header' labels in the interface.

In summary, please pay attention to the following points when completing payment documents during *Period 13*:

**Note:** These rules **do not** apply to *Capital Funds (BFY=9999)*.

- The entire *Fiscal Period 13 (BFY=2019, FY=2019, Period=13)* **must** be entered on the document.
- *Fiscal Period 13 (BFY=2019, FY=2019, Period=13)* may be entered on the *Header* section or on the *Accounting line* of the document.
  - *Fiscal Period* entered on the *Header* **will** infer on all blank *Accounting* lines.
  - *Fiscal Period* entered on an *Accounting line* **will** always override *Fiscal Period* on *Header*.
  - *Fiscal Period 13 (BFY=2019, FY=2019, Period=13)* **must** be entered on the *Header* section of a **PRCI** document.
  - *Fiscal Period 13 (BFY=2019, FY=2019, Period=13)* **must** be entered on the *Header* section of a **PRCC** document.
- *Fiscal Period 13* payment documents **must** be submitted to final by **COB, Friday, July 8**.
- *Fiscal Period 13* payments against encumbering awards must be submitted to final by **COB, Wednesday, July 3**.

## BUDGET FISCAL YEAR 2019 PENDING TRANSACTIONS

Documents submitted with a *Phase of Pending* affect cash and budget balances. Therefore, expenditure and encumbrance transactions **must** be cleared by the following dates:

- All *Budget Fiscal Year (BFY) 2019* encumbering documents, modifications and cancellations (other than *Capital Projects*) **MUST** be submitted to *Final* phase or rejected back to *Draft* phase by **COB (7:00 p.m.), Wednesday, July 3.**
- All *BFY 2019* pending expenditure documents, modifications and cancellations (other than *Capital Projects*) **MUST** be submitted to *Final* phase or rejected back to *Draft* phase prior to **COB (7:00 p.m.), Monday, July 8.**

Any *BFY 2019* documents in *Pending* phase after the dates specified above **will** be rejected back to *Draft phase* by the Office of the Controller.

**Note:** To assist in identifying *Pending Documents*, agencies may reference the *FY 2019 eMARS Pending Transactions.xls* file posted under the *Year-End Information* on the eMARS Web site at: <http://finance.ky.gov/services/statewideacct/Pages/yearendsupport.aspx>

## 2019 ENCUMBRANCE/PRE-ENCUMBRANCE LAPSE

The encumbrance roll process to move encumbrances from *FY2019* to *FY2020* is scheduled to begin the evening of **Wednesday, July 3, 2019.** **Only encumbrances greater than \$1,000 will roll** to *FY2020.* Encumbrances less than or equal to **\$1,000** will lapse, thus closing the award. This process applies to **ALL** non-capital fund encumbrances on **all** award documents including *PON2s*.

Users should make every effort to clean up or pay *FY2019* encumbrances prior to **COB, July 3, 2019.** The *2302 Outstanding Encumbrance* report within eMARS Reporting may be used to aid in cleanup efforts.

## PAYMENTS AGAINST LAPSED AWARDS

Remember **all** non-capital encumbrances **less than or equal to \$1,000 will lapse** after **COB, Wednesday, July 3, 2019.** The *Cited Authority, YEAR-END LAPSE*, has been established to accommodate payments against lapsed awards. Please adhere to the following when making payments against these awards after July 4:

- Payments against lapsed *PON2s*
  - Copy Forward to PRC
  - Select "Memo" Reference Type
  - Change the Cited Authority on the PRC to **YEAR-END LAPSE**
- Payments against all other awards (non-*PON2*)
  - Copy Forward to PRC
  - Select "Memo" Reference Type
  - Change the Cited Authority on the PRC to **YEAR-END LAPSE**

## COLLAPSE OBJECT TYPE – GENERAL FUND

The Office of the State Budget Director is providing approval to collapse allotment control by object type of the General Fund accounts, effective **June 17, 2019.** Users will still need to contact the Office of Statewide Accounting if an override is required.

## FOLLOW THROUGH

Please be sure and review all payment request documents (i.e. GAX, GAX2, GAX3, PRC, PRCC, TP) to ensure the payments have been properly disbursed. Refer to the [AD/EFT Exception Report](#) for a list of payment request document with rejected disbursements. Any payment request document on the report after soft close, **July 8, 2019**, will be closed by the Office of the Controller. **NOTE: The vendor will NOT receive payment.** CRC posts the AD/EFT Exception Report daily.

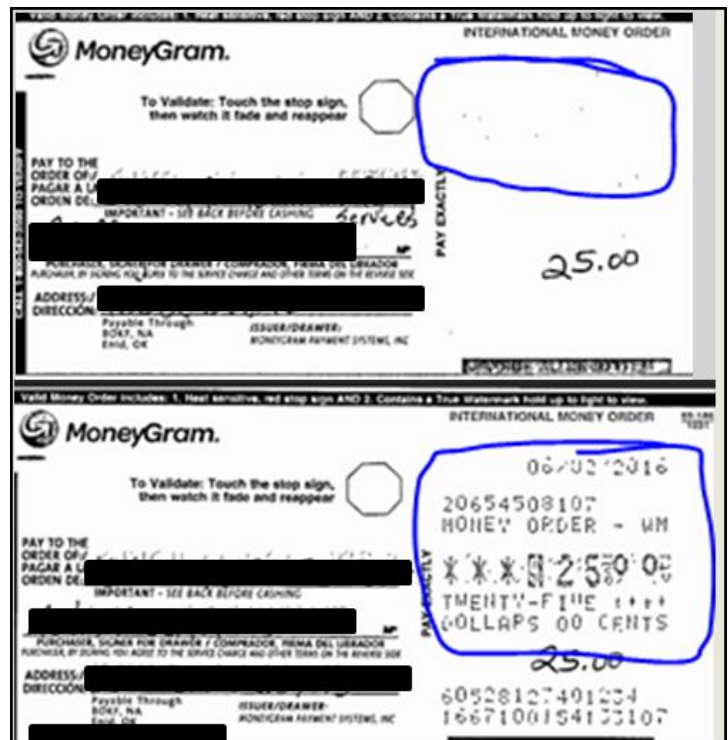
## A MESSAGE FROM THE STATE TREASURER'S OFFICE

The State Treasurer's Office asks that agencies with year-end deposits required to post by June 30 (primarily *Fund 0100 and Fund 1100*), to submit those as soon as possible and not wait until the last minute. Sending agency deposits to the Treasurer's Office prior to the June 30 deadline will help ensure that they are processed in a timely manner. Deposits to Funds *other than 0100 and 1100* may continue using Period 13 (FY2019) until **Monday, July 8, 2019**.

Next, it is also very important that agencies with incoming electronic deposits (EFTs) prepare their CR documents as early as possible and send an email to [TreasuryAccounting@ky.gov](mailto:TreasuryAccounting@ky.gov). The CR must be completed and posted in order for the agency to have access to the funds. Please be sure to include the following in the email:

- Anticipated Date
- Amount
- Name of Entity Initiating Payment
- Name of Agency Receiving Funds

Lastly, scanned images of money orders and cashier's checks are not legible. Therefore, please hand-write the amount on the order or check for reference. Please refer to the example.



## IMPORTANT DATES

Please refer to the following information when processing documents nearing year end.

- Soft Close for Period 12 – **Sunday, June 30, 2019**
- Hard Close for Period 12 – **Friday, July 5, 2019**
- Encumbrance Roll/Lapse – **Thursday, July 4, 2019**
- Soft Close for Period 13 – **Monday, July 8, 2019**
- Hard Close for Period 13 – **Thursday, July 11, 2019**

## CLOSING PACKAGE/SEFA DATES

Please submit all information requested by the Office of the Controller in a timely manner so that work can begin on the FY2019 CAFR. Due dates known at this time are listed below:

- Real Property Closing Package will be distributed mid-August
  - Cover letter includes due date of the packet
  - Fixed Asset Shells >\$5,000 must be cleaned up by August 19, 2019
  - Questions Contact [Jessica.Pinkston@ky.gov](mailto:Jessica.Pinkston@ky.gov)
- Closing Package due August 19, 2019
- Accounts Receivable Liquidated & Unliquidated due August 19, 2019
- SEFA due August 26, 2019

## MOVING EXPENDITURES BETWEEN FISCAL YEARS

A *JV2E* document may be used to move non-personnel expenditures between *Budget Fiscal Years*. **Please be aware agencies are not permitted to JV personnel expenditures from FY2020 to FY2019.**

Accounting Line 1 shows a positive \$100.00 and the 2019 Fiscal Period (BFY=2019; FY=2019; Period=13).

Accounting					
		Total Lines: 2	Accounting Line: 1	Line Amount: \$100.00	Line Open Amount: \$100.00
Accounting Line	Line Amount	Line Closed Amount	Line Open Amount	Referenced Line Ar	
1	\$100.00	\$0.00	\$100.00		
2	(\$100.00)	\$0.00	(\$100.00)		
From 1 to 2 Total: 2					

Example: \$100 expenditure (non-personnel) was paid from BFY 2020 (new-year) and should have been paid from BFY 2019 (old-year).

General Information	Reference	Fund Accounting	Detail Accounting
Event Type: GA01			
Accounting Template: FINCRC			
Line Description: Move from FY2020 to FY2019			
Line Amount: \$100.00			
Budget FY: 2019			
Fiscal Year: 2019			
Period: 13			
Bank: GA			
Vendor Invoice Number:			

Accounting Line 2 shows a negative (\$100.00) and the 2020 Fiscal Period (BFY=2020; FY=2020; Period=1).

Accounting					
		Total Lines: 2	Accounting Line: 2	Line Amount: (\$100.00)	Line Open Amount: (\$100.00)
Accounting Line	Line Amount	Line Closed Amount	Line Open Amount	Referenced Line	
1	\$100.00	\$0.00	\$100.00		
2	(\$100.00)	\$0.00	(\$100.00)		
From 1 to 2 Total: 2					

General Information	Reference	Fund Accounting	Detail Accounting	Service Dates	Additional Amounts
Event Type: GA01					
Accounting Template: FINCRC					
Line Description: Move from FY2020 to FY2019					
Line Amount: (\$100.00)					
Budget FY: 2020					
Fiscal Year: 2020					
Period: 1					
Bank: GA					
Vendor Invoice Number:					
Vendor Invoice Line:					

## FRIENDLY REMINDERS

### Approvals

- Review documents before submitting
  - Rejections slow down process
- Assemble or re-assemble procurement documents prior to submitting
  - Please review assembled document carefully and correct any errors before submitting
- Include the Delivery Date for goods and services on requisitions
- Attach all required documentation

### Delivery Orders

- Creating DOs against MAs is a good practice
  - Establishes pricing on order
  - Minimized problems with payment process
- Once MA has expired neither DO or PRC can be properly referenced
  - Many MAs expire June 30

### Allotments

- All Allotments must be in the black by the end of the Fiscal Year
- Agencies should utilize the budget tables/screens in eMARS during year-end as they provide a real-time view of balances including pending amounts
  - BQ3LV1 (Appropriation)
  - BQ3LV2 (Allotment)
  - BQ3LV3 (Object Allotment)

### Follow Payments Through

- Review AD/EFT Exception report daily to ensure payments have been disbursed
- FY2019 payments on the AD/EFT Exception report after PER 13 soft close (July 8) will be closed by the Office of the Controller
  - **Vendor will NOT receive payment**

### JV2T's

- When ready for approval, submit JV2T into *Pending* status
  - Do Not leave in *Draft* status

### Personnel Expenditures

- Personnel expenditures for the last payroll period **cannot** be Jved from FY2020 to FY2019

### Cash Overrides

- All agency cash overrides MUST be reviewed annually
- Submit request on a SAS14 to the Office of the State Budget Director

### Cash Receipts

- Include direct contact information for CR on the transmittal form
- Ensure MICR line is legible and complete (no rips)
- Ensure adding machine tape total matches CR total
- Hand write amount on Money Orders as copies are not legible
- May include multiple checks per CR
  - Only one Deposit Type per CR ( i.e. Cash, Check, Foreign Checks, EFT)

## NEW YEAR – FISCAL YEAR 2020



### ALLOTMENTS

Agencies should be preparing and submitting their 2020 fiscal year allotments in KBUD. The deadline for submitting FY2020 allotments was June 11, 2019. If you have not yet submitted these, please do so ASAP. A spreadsheet of FY2020 allotments loaded into eMARS can be found at:

<https://finance.ky.gov/services/statewideacct/Pages/yearendsupport.aspx>

### TO ENCUMBER OR NOT TO ENCUMBER

Encumbrances are used to reserve budget for future spending. Agencies will be able to modify/establish contracts for the new-year using the Encumbering - PR05 Event Type as the agency's allotments are loaded into eMARS. The Office of the Controller encourages agencies to examine the need to establish an encumbrance and do so only if needed for budgetary reasons.

Please use the following guidelines when establishing encumbrances:

- Ensure the encumbrance is fully liquidated with the final payment
- Never encumber more than one fiscal year at a time
- Use non-encumbering Event Type PR07 on DO/DO4

### UPDATE SAS-14 – CASH OVERRIDE

All agency cash overrides **MUST** be submitted annually on a SAS-14 to the Office of the State Budget Director for review.

Recall that eMARS 3.11 brought several new agency chart of account fields that can be required per the Fund Department Requirements (FDREQ) table. The beginning of the fiscal year is a good time to set these requirements if the agency desires. A SAS-14 must be completed and submitted to the Office of Statewide Accounting Services to accomplish this.

Require Chart of Accounts Elements for Spending (S) or Revenue (R):											
S	R		S	R		S	R				
<input type="checkbox"/>	<input type="checkbox"/>	Require Function (Capital)	<input type="checkbox"/>	<input type="checkbox"/>	Require Appropriation Unit	<input type="checkbox"/>	<input type="checkbox"/>	Require Sub Location	<input type="checkbox"/>	<input type="checkbox"/>	Require Sub Task
<input type="checkbox"/>	<input type="checkbox"/>	Require Sub Function	<input type="checkbox"/>	<input type="checkbox"/>	Require Reporting	<input type="checkbox"/>	<input type="checkbox"/>	Require Dept Object	<input type="checkbox"/>	<input type="checkbox"/>	Require Task Order
<input type="checkbox"/>	<input type="checkbox"/>	Require Activity	<input type="checkbox"/>	<input type="checkbox"/>	Require Sub Reporting	<input type="checkbox"/>	<input type="checkbox"/>	Require Dept Revenue	<input type="checkbox"/>	<input type="checkbox"/>	Require Program
<input type="checkbox"/>	<input type="checkbox"/>	Require Sub Activity	<input type="checkbox"/>	<input type="checkbox"/>	Require Location	<input type="checkbox"/>	<input type="checkbox"/>	Require Task	<input type="checkbox"/>	<input type="checkbox"/>	Require Program Period

Agencies are encouraged to get the paperwork submitted as soon as possible so that the requirements will be set and ready the first day of the fiscal year.

## NEW YEAR CONTRACTS

When creating contracts for the new fiscal year, FY2020 prior to July 1, agencies should NOT encumber funds in FY2019. If the agency allotments have not been loaded, the non-accounting event type (PR07) must be used. Once the agency allotments have been loaded, the existing FY2020 contracts may be modified to change the event type to an encumbering event type (PR05 or PR06), if desired. Newly created FY2020 contracts may use the encumbering event types (PR05 or PR06). All FY2020 contracts created before July 1 must have the entire fiscal period (FY=2020, BFY=2020, **Period=1**) entered on the header or accounting line of the document. Lastly, biennial (two-year) contracts should have a Commodity line per fiscal year and only encumber one fiscal year at a time. The Office of the Controller advises that agencies use encumbrances wisely and ensure they are managed properly if established.

## DEFERRED PAYROLL

The May 16 – May 31 payroll (PP11), posted on June 10, 2019, the accounting lines for health insurance (E123) were removed from the documents. These charges appear on a separate document that will process on July 1, 2019 as FY2020 expenditures. The document ID will be identical to the June 10 document ID except a “P” will be at the end of the ID. June 1 – June 15 payroll (PP12) will post on July 1 as FY2020 expenditures. **Users will NOT be able to JV any of these payroll expenditures from FY2020 to FY2019.** They must remain in FY2020.

## KHRIS PON2’S

Prior to the beginning of each fiscal year, personal service contract information must be updated in KHRIS to prevent improper posting of PRC documents submitted via the KHRIS to eMARS interface. Fiscal Year 2020 is the 2<sup>nd</sup> year of the biennium. Therefore, the KHRIS position costing details may have to be updated to reflect new Commodity and/or Accounting Line numbers. eMARS accounting/procurement staff should work with their human resource staff and utilize the *FICO/PSC Request Vendor Form* located at: <https://hr.personnel.ky.gov/Pages/Forms-F-H.aspx>. Please submit these requests to Rebecca Billings, Personnel Cabinet, by June 30, 2019.

KHRIS FICO - PERSONAL SERVICE CONTRACTOR REQUEST		
Requesting Agency Name:	Office of the Controller	
Agency Org #:	10102874	
Requestor:	Barbara Aldridge	
Contractor Name: J Contractor		
PERNR:	00123456	
eMARS Document Department Code:	758	PA20 - 0105 Communication Screen
eMARS Document ID:	1900003376	PA20 - 0105 Communication Screen
eMARS Vendor Number:	KY0013281	P013D - 1018 Cost Distribution Screen
eMARS Vendor Line Number:	1	PA20 - 0105 Communication Screen
eMARS Commodity Line Number:	2	P013D - 1018 Cost Distribution Screen
eMARS Accounting Line Number:	1	P013D - 1018 Cost Distribution Screen
KHRIS Effective Date:	7/1/2019	



## PAYMENTS AGAINST AWARDS

As we begin making payment in the new-year, users should pay close attention to how their payment documents are created. This will ensure the integrity of the contract and reduce the number of modifications. Please refer to the following when creating your referencing PRC documents:

- Ensure you select the correct Commodity line to reference
  - Refer to the Extended Descriptions for detail
- Do not manipulate the quantity to achieve the correct total due
  - Quantity should match the Vendor Invoice
  - Quantity should be a whole number in most cases

If you find that the information on your Vendor Invoice is not matching up to the award, please contact your agency's procurement office or the Office of Procurement Services for assistance.

## VENDORS

The Office of the Controller continues to fine tune vendor processes to ensure the vendor records are accurate and efficient. Below are some of these processes:

- The KHRIS to eMARS interface for employees is running daily. This loads new employees, modifications to existing employees and inactivates terminated employees.
- Be responsible with sensitive information
  - Use #encrypt in the subject line of the email
  - Make one-on-one contact with your vendors to verify changes (use a known phone number)
  - Be on the lookout for fraud and phishing attempts
- Looking a new functionality to verify banking information
  - Pre-Note Processing
  - JP Morgan Early Warning System

Please send all your vendor related information to [eMARS.Vendors@ky.gov](mailto:eMARS.Vendors@ky.gov).

## KENTUCKY ONLINE GATEWAY

The Kentucky Online Gateway (KOG) has been selected as the enterprise tool for single sign-on functionality. Users will log on to KOG and once they are logged in will NOT be required to a password when accessing applications integrated with KOG. Although a go-live date has not been determined, we are working with the KOG team to integrate the following eMARS applications into the KOG:

- eMARS Financial
- eMARS Administration
- EBI
- KBUD

We will be in contact with agencies when more information is available.

### Customer Resource Center

502-564-9641

877-973-4357

[Finance.CRCGroup@ky.gov](mailto:Finance.CRCGroup@ky.gov)

<https://finance.ky.gov/services/statewideacct/Pages/default.aspx>

