



Newsletter

The eMARS Newsletter disseminates information to agency users on key topics associated with the system.



eMARS Outage

eMARS will be unavailable Tuesday, July 4, 2017 in order to complete necessary year-end activities.



Year-End Closing Memo

All dates referenced in this newsletter are discussed in the memo in detail.

The Fiscal Year 2017 Year-End closing memo is posted at: <http://finance.ky.gov/services/statewideacct/Pages/yearendsupport.aspx>

If you have any questions, please contact the Customer Resource Center (CRC) at Finance.CRCGroup@ky.gov or via phone at 502.564.9641 (Toll-Free 877.973.4357).



New Year Table Initialization (NYTI) Process

On May 1, 2017, 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* (2017) to the new *Fiscal Year* (2018). *Fiscal Officers* should review all agency maintained tables (primarily departmental *Chart of Accounts* tables) to ensure the active 2018 records are valid.

As part of this process, the *Effective To* and *From* dates were cleared on the 2018 records. Therefore, if your agency uses these dates **for a functional purpose**, you will need to update the 2018 record on the appropriate table with the dates. Please be aware, if you intend for these records to be effective from July 1, 2017 to June 30, 2018, you do **NOT** need to update.

In addition, any new 2017 records entered after May 7, 2017, will also need to be entered as a 2018 record, if applicable.

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

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Completing Payment Documents During Period 13

Payments made **between July 1 and July 7** have the option to be paid from either 2017 *Old Year* funds or 2018 *New Year* funds. Users who intend for the payment document to post to *Fiscal Year 2017, Period 13* **must** enter the entire fiscal period on the payment document: *Budget FY (2017); Fiscal Year (2017); 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, 2018*) will infer upon final approval. In addition, payments created during June (*Period 12, 2017*) **must** be submitted and all approvals applied before **COB, June 30**. Otherwise, *Period 1, 2018* 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, 2017* will be inferred. If the final approval **is not** applied until July 1, then *Period 1, 2018* will be inferred.

Header

General Information
Payee
Additional Amounts
Extended Description
Contact
Document Information

Document Name:

Record Date:

Budget FY:

Fiscal Year:

Period:

Accounting
Total Lines: 1
Accounting Line: 1
Line Amount: \$100.00
Line Open Amount: \$100.00

Accounting Line	Line Amount	Line Closed Amount	Line Open Amount	Referenced Line Amount	
1	\$100.00	\$0.00	\$100.00	\$0.00	AP

From 1 to 1 Total: 1

General Information
Reference
Fund Accounting
Detail Accounting
Service Dates
Additional Amounts

Event Type:

Accounting Template:

Line Description:

Budget FY:

Fiscal Year:

Period:

Bank:

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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=2017, FY=2017, Period=13)* **must** be entered on the document. If the *BFY* is left blank, a *staging* error is returned.
- *Fiscal Period 13 (BFY=2017, FY=2017, 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=2017, FY=2017, Period=13)* **must** be entered on the *Header* section of a **PRCI** document.
 - *Fiscal Period 13 (BFY=2017, FY=2017, Period=13)* **must** be entered on the *Header* section of a **PRC2** document.
- *Fiscal Period 13* payment documents **must** be submitted to final by **COB, Friday, July 7**.
- *Fiscal Period 13* payments against encumbering awards must be submitted to final by **COB, Monday, July 3**.



Pending

Budget Fiscal Year (BFY) 2017 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) 2017* 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.), Monday, July 3**.
- All *BFY 2016* 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.), Friday, July 7**.

Any *BFY 2017* 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 2017 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>



Fiscal Year (FY) 2017/2018 Encumbrance Roll/Lapse

The encumbrance roll process to move encumbrances from *FY17* to *FY18* is scheduled to begin the evening of **Monday, July 3, 2017**. **Only encumbrances greater than \$1,000 will roll** to *FY18*. 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 *FY17* encumbrances prior to **COB, July 3, 2017**. 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, Monday July 3, 2017**. 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
 - Enter **YEAR-END LAPSE** Cited Authority on the PRC
- Payments against all other awards (non-*PON2*)
 - Copy Forward to PRC
 - Select "Memo" Reference Type
 - Enter **YEAR-END LAPSE** Cited Authority on the PRC



Fixed Assets News

Real Property Closing Packages will be distributed around mid-August. The cover letter will include the date the packet is due back to the Office of the Controller. Once you receive your Real Property Closing Package, should you have any questions, please contact Jessica Wilkerson at 502-564-8769 or Jessica.wilkerson@ky.gov

Please begin cleaning up your *Fixed Assets* shells. If possible, submit the shells. If the shells cannot be used, be sure to appropriately enter documents *from scratch* to record those fixed assets in eMARS. The target date for having all fixed assets shells, \$5,000 and above, processed is **August 18, 2017**.

Please submit all information requested by the Office of the Controller in a timely manner so that work can begin on the FY 2017 CAFR.



New Year Contracts

When creating contracts for the new fiscal year, FY18 prior to July 1, agencies should NOT encumber funds in FY17. 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 FY18 contracts may be modified to change the event type to an encumbering event type (PR05 or PR06), if desired. Newly created FY18 contracts may use the encumbering event types (PR05 or PR06). All FY18 contracts created before July 1 must have the entire fiscal period (FY=2018, BFY=2018, **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

On the May 16 – May 30 payroll (PP11), posted on June 8, 2017, 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, 2017 as FY18 expenditures. The document ID will be identical to the June 8 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 FY18 expenditures. Users will NOT be able to JV any of these payroll expenditures from FY18 to FY17. They must remain in FY18.



KHRIS Personal Service Contracts (PON2s)

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. It is important that these requests be submitted as soon as possible and no later than June 30.

Fiscal Year 2018 is the 2nd 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>

Proof of Necessity Agreement(PON2)			Dept: 758	ID: 1600003767	Ver.: 1
Vendor		Vendor Line: 1		Vendor Customer: PZV0008	Legal Name: BARBARA J A
Vendor Line	Vendor Customer	Legal Name			
1	PZV0008	BARBARA J ALDRIDGE			
From 1 to 1 Total: 1		First Previous Next Last			
eMARS Vendor Line Number		eMARS Vendor Number			

KHRIS FICO - PERSONAL SERVICE CONTRACTOR REQUEST

Requesting Agency Name:	Office of the Controller
Agency Org #:	10102874
Requestor:	Donald Sweasy
Contractor Name:	Barbara Aldridge
PERNR:	00123456
eMARS Document Department Code:	758
eMARS Document ID:	16000037467
eMARS Vendor Number:	PZV0008
eMARS Vendor Line Number:	1
eMARS Commodity Line Number:	
eMARS Accounting Line Number:	
KHRIS Effective Date:	

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KHRIS Screens

Commodity Total Lines: 2 Line: 2 CL Description: FY 2018 Consulting

Line	CL Description
1	FY 2017 Consulting
2	FY 2018 Consulting

From 1 to 2 Total: 2

Accounting

Line	Line Amount	Line Open Amount
1	\$100,000.00	\$100,000.00

From 1 to 1 Total: 1

General Information Reference Fixed Asset Inte

CL Description: FY 2018 Consulting

FY 2018 is the second year of the biennium. Usually, KHRIS will need to be updated to reflect the proper commodity and accounting lines for the contract. This will require an update to the functional area in KHRIS.

KHRIS FICO - PERSONAL SERVICE CONTRACTOR REQUEST

Requesting Agency Name:	Office of the Controller	Fund
Agency Org #:	10102874	
Requestor:	Donald Sweasy	
Contractor Name: Barbara Aldridge		
PERNR:	00123456	
eMARS Document Department Code:	758	PA20 - 0105 Communication Screen
eMARS Document ID:	16000037467	PA20 - 0105 Communication Screen
eMARS Vendor Number:	PZV0008	P013D - Cost Distribution Screen
eMARS Vendor Line Number:	1	PA20 - 0105 Communication Screen
eMARS Commodity Line Number:	2	P013D - Cost Distribution Screen
eMARS Accounting Line Number:	1	P013D - Cost Distribution Screen
KHRIS Effective Date:	7/1/2016	

Cost Distribution-IT 1018

Master cost center 5372100000 Office of the Secret

Cost distribution

Name	Pct.	Name of aux. account	Functional Area	SIC type	Service cat
Office of the Secret	100.00	ADMIN SUPPORT POOL C	VSN00690101		

KHRIS on the Display Position (PO13D), 1018 Cost Distribution screen

03/14/2016	12/31/9999	Z003	Document Code	PON2	
03/14/2016	12/31/9999	Z004	Department Code	721	KHRIS HR Master Record (PA20), 0105 Communication screen
04/01/2016	12/31/9999	Z005	Document ID	160000	
03/14/2016	03/31/2016	Z005	Document ID	VSN0069	
03/14/2016	12/31/9999	Z006	Document Vendor Line #	01	

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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 FY18 to FY17.**

Example: \$100 expenditure (non-personnel) was paid from *BFY* 2018 (new-year) and should have been paid from *BFY* 2017 (old-year).

Accounting Line 1 shows a negative (\$100.00) and the 2018 *Fiscal Period* (BFY=2018; FY=2018; Period=1).

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 Amount		
1	(\$100.00)	\$0.00	(\$100.00)	\$0.00		
2	\$100.00	\$0.00	\$100.00	\$0.00		
From 1 to 2 Total: 2			First	Previous	Next	Last

General Information	Reference	Fund Accounting	Detail Accounting	Service Dates	Additional Amounts
Event Type: GA01	Accounting Template: FINCRC	Line Description: Move to FY 2017	Line Amount: (\$100.00)	Line Closed Amount: \$0.00	Budget FY: 2018 Fiscal Year: 2018 Period: 1 Bank: GA Vendor Invoice Number: Vendor Invoice Line:

Accounting Line 2 shows a positive \$100.00 and the 2017 *Fiscal Period* (BFY=2017; FY=2017; Period=13).

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 Amount		
1	(\$100.00)	\$0.00	(\$100.00)	\$0.00		
2	\$100.00	\$0.00	\$100.00	\$0.00		
From 1 to 2 Total: 2			First	Previous	Next	Last

General Information	Reference	Fund Accounting	Detail Accounting	Service Dates	Additional Amounts
Event Type: GA01	Accounting Template: FINCRC	Line Description: Move from FY 2018. Should have been paid in Old year 2017	Line Amount: \$100.00	Line Closed Amount: \$0.00	Budget FY: 2017 Fiscal Year: 2017 Period: 13 Bank: GA Vendor Invoice Number: Vendor Invoice Line:

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When processing JV2E documents during fiscal year-end, remember the following:

- JV2Es to move expenditures between BFYs require the entire Fiscal Period (BFY, FY, and Period) to be entered on each Accounting Line.
- JV2Es with BFY 2017 reference may be processed within the agency up to **COB, July 7**.
- JV2Es with BFY 2017 reference processed between **July 8** and **July 13** will require override/approval by the Office of the Controller, Statewide Accounting Services.
- Agencies are **NOT** permitted to JV personnel expenditures from FY18 to FY17.

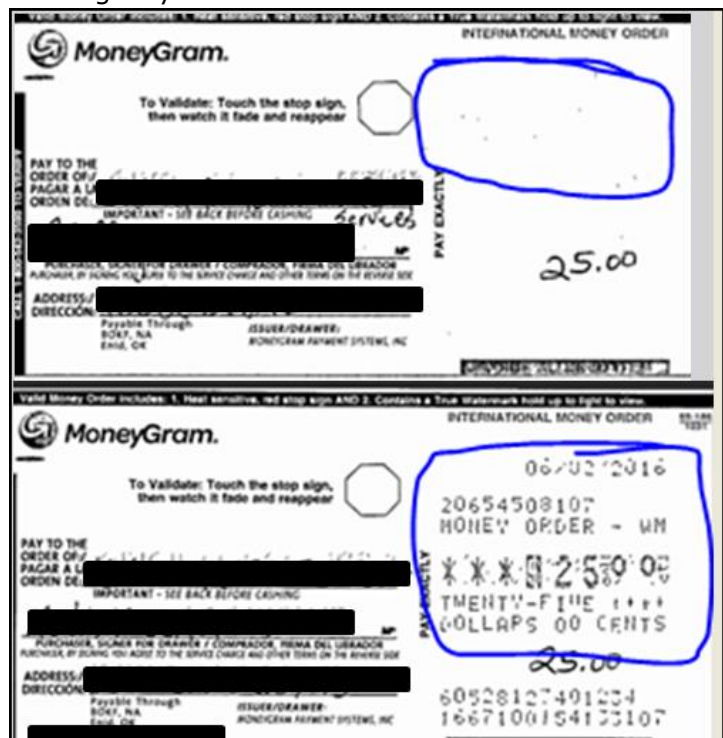


A Message from the State Treasurer’s Office

The State Treasurer’s Office asks that agencies with year-end deposits, which must be posted by June 30 (primarily Fund 0100 and Fund 1100), to not wait until the last minute to send those to the Treasurer’s Office. 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 Accounting Period 13 until Friday, July 7, 2017.

Next, it is also very important that agencies with incoming electronic deposits (EFTs) prepare their CR documents as early as possible and notify the Treasury Department Accounting Branch. The CR must be completed and posted in order for the agency to have access to the 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. An example is shown below:



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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
- Attach all required documentation including signed and notarized Required Affidavit for Bidders, Offerors and Contractors
- OPS processing documents First In First Out, please be patient and do not email asking for documents to be approved
- Include the Delivery Date for goods and services on requisitions

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

Follow Payments Through

- Daily review AD/EFT Exception report to ensure payments have been disbursed
- FY17 payments on the AD/EFT Exception report after PER 13 soft close (July 7) 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

Allotments

- All allotments must be in the "black" by the end of the Fiscal Year
- During closeout, agencies should utilize the budget screens in eMARS as reports within eMARS Reporting are a day behind and do not include pending amounts
 - BQ3LV1 (Appropriation)
 - BQ3LV2 (Allotment)
 - BQ3LV3 (Object Allotments)

Personnel Expenditures

- Personnel expenditures for the last payroll period **cannot** be JVED from FY18 to FY17

Cash Overrides

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



Year-End and New Year Frequently Asked Questions (FAQs)

Accounting/Financial FAQs

Q: How are new accounting structures established?

A: New accounting structures (*Fund, Function*) are established on an [SAS-14](#) form and processed through the Office of the State Budget Director (OSBD).

Q: When will encumbrances roll over to the New Year?

A: Beginning at COB, **Monday, July 3, 2017** all 2017 Budget Fiscal Year encumbrances **greater than** \$1,000, excluding *Capital Funds*, will roll over to *Fiscal Year 2018*. In addition, encumbrances **less than or equal** to \$1,000 **will** lapse, thus closing the respective award. *Capital Project* encumbrances require no action since their *Budget Fiscal Year* remains the same throughout the life of the project.

Q: When is the last day to make payments from FY17?

A: The last day to make any type of payment for *FY17* is **Friday, July 7, 2017**. Payments made after July 7 will pay from *FY18* funds. The last day to make payments against *FY17* encumbering awards will be **Monday, July 3**. The last day to make internal payments via *IET; ITI/ITA* is **Friday, June 30**.

Q: When is the Hard Close for June (Period 12)?

A: The *June Hard Close* will be **Friday, July 7, 2017**.

Q: When are the closing dates for Period 13?

A: The *Period 13 Soft Close* will be **Friday, July 7, 2017**. The *Hard Close* will be **COB, Thursday, July 13, 2017**.

Q: Can FY17 payments post after June 30?

A: *FY17* payments (non-encumbrance) may be made via eMARS until **COB, Friday, July 7**. The *Budget Fiscal Year (BFY = 2017)*, *Fiscal Year (FY = 2017)* and *Period (Period = 13)* **must** be entered on the payment document.

Q: Can FY17 receipts post after June 30?

A: *FY17* revenue for the *General Fund (0100)* and *Road Fund (1100)* **cannot** post to *FY17* after June 30. Receipts for all other funds (done on *CR* documents) **must** be in the Treasury no later than **COB, Friday, July 7**.

Q: Where can I find a listing of the last dates that documents may be processed?

A: Refer to the *Closing Memo - Fiscal Year 2017* document posted on the eMARS Web site at <http://finance.ky.gov/services/statewideacct/Pages/yearendsupport.aspx> for *Last Day to Process Old Year* documents.

Procurement FAQs

Note: In each *FAQ* scenario in this section the amount of the payment **must not** exceed the balance amount of the contract. In addition, all required *SPR1*'s **must** be approved prior to procurement activity.

Q: How do I liquidate encumbrances that should not roll over to the new Fiscal Year?

A: For all encumbering awards (*PON2/PO/CT/DO*), *Copy Forward* and create a zero dollar *Payment Request (PRC)* document. Mark it *Final* in the *Reference* field on both *Commodity* and *Accounting* lines. This *PRC* **must** be processed by **COB, Monday, July 3, 2017**. A second option is to modify the award to the amount paid/closed on each commodity line.

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Q: How do I pay the balance of an award (PON2/PO/CT/DO) in the new Fiscal Year that expired on June 30, 2017 for services/commodities received prior to June 30, 2017?

A: The service dates on the payment document should reflect the actual dates of service, and will occur within the service dates of the award. Payments against expired awards are permitted provided the goods or services were incurred prior to the award expiration date. Follow instructions provided in this newsletter for payments in Period 13 and/or against rolled or lapsed awards.

Q: How do I pay against a Master Agreement in the New FY that expired on June 30, 2017 for services/commodities received prior to June 30, 2017?

A: If you generally make payments directly referencing a *Master Agreement (MA)* document, the *MA* will not be found in SHOP after the expiration date. It is recommended that a *Delivery Order (DO)* be created and the *DO* approved to *Final Status* **prior** to the *MA* expiration. Should an agency fail to create a *DO* prior to the *MA* expiration date and a payment is due, create a stand-alone *PRC* and include documentation, such as the expired *MA number* and date of service in the *Document Description* field of the *PRC*. Use *Cited Authority FAP111-09-00-12*. This will send the *PRC* to the Office of Procurement Services for approval. NOTE: Approvals will only be applied with proper documentation. **To avoid this additional step, agencies should create a *DO* for any payment on *MAs*.**

Q: How do I make a FY17 payment against an encumbering award after the encumbrance rolls on July 3?

A: Once the encumbrances roll to *FY18*, the payment must reference the award and be paid from *FY18*. However, you still have an opportunity to *JV* non-personnel expenditures back to *FY17* on a *JV2E* document until **7:00 pm EDT, Thursday, July 13, 2017**.

Q: How do I make a payment against an award that lapsed?

A: All encumbrances **less than or equal** to \$1,000 **will** lapse beginning **COB, Monday, July 3, 2017**. If a payment for goods received or services rendered is required after the lapse, *Copy Forward* to a *PRC* document; select *Memo* as the *Reference Type*; and use the **YEAR-END LAPSE** as the *Cited Authority*.

