

2020 Year End eMARS User Group Meeting



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Agenda

Opening Remarks
Treasury Reminders
COVID-19 Tracking
2020 Year End
New Year Updates
KHRIS Payroll

Q & A

Welcome



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Note from the Controller

It is my pleasure to welcome you to an on-line version of our Users Group meeting. This will be our annual reminder of key dates, year- end processes and other items that need to be addressed for the fiscal year ending June 30, 2020. We will be providing information related to accounting, budgeting, purchasing and personnel matters. During the presentation we will be providing contact information if there are questions that anyone has of the Controller's Office, Statewide Accounting Services, Customer Resource Center, Office of Procurement Services or Office of the State Budget Director. I hope this session, and working together over the next few weeks will enable us to have another successful year-end close for fiscal 2020 and opening of fiscal 2021.

Again, thanks for your participation in this event.

Sincerely,
Ed Ross



Treasury Reminders



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CR Deposits – Checks, Money Orders, Cash

- Transmittal forms **MUST** include contact name and direct phone # of individual able to modify/change the CR
- Remove stubs cleanly – avoid torn or folded edges
- Assure the MICR (character line at bottom of check) is complete, legible, and not torn
 - Otherwise, not eligible for deposit
- Include adding machine tape showing total amount,
 - Assure the accurate total matches CR and Transmittal form



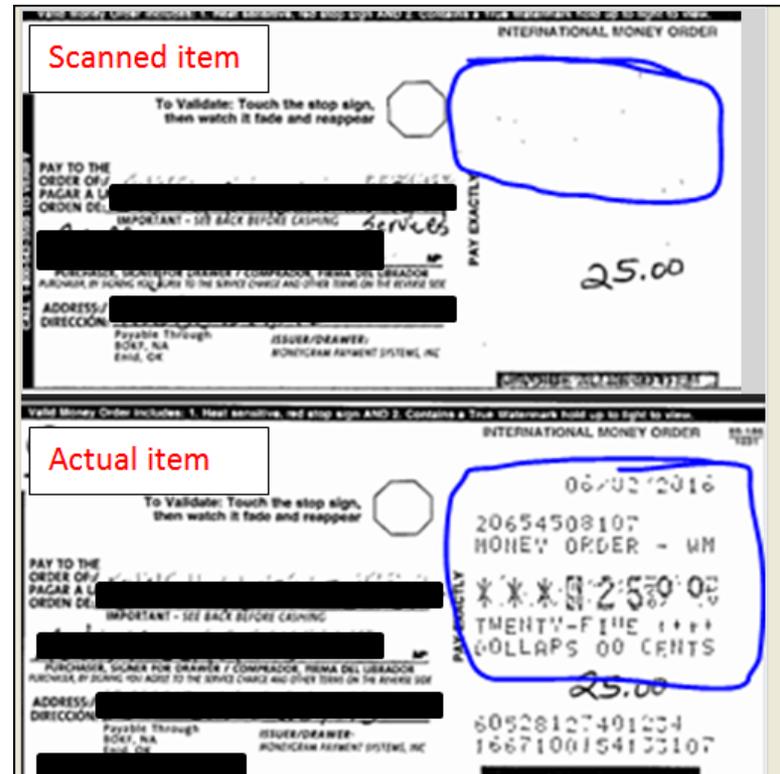
CR Deposits – Checks, Money Orders, Cash

- Verify that written dollar amount and courtesy (number box) match
- One CR may have multiple checks associated with it and include multiple accounting lines
 - It is not necessary to create a CR for each check being deposited
- Be careful to avoid sticky substances on checks

CR Deposits – Checks, Money Orders, Cash

Checks, Money Orders

- Some scanned images are not legible because the print is too light
- Please hand-write the amount on the order or check



CRs – EFTs

- Agency receiving EFT must create CR and have it approved by Treasury to have access to the dollars received
- Create CR for the amount anticipated from the EFT deposit and get it approved internally
 - Send email to TreasuryAccounting@ky.gov for anticipated electronic payment. Include the following:
 - Anticipated Date
 - Amount
 - Name of Entity initiating the payment
 - Name of Program/Agency receiving funds
- Reach out to Treasury Accounting Staff (Melissa Duvall) if you **need assistance in establishing receipts process via EFT**

Establishing EFT's Paying You

- Please request the entity/business/individual initiating the payment to include an easily identifiable abbreviation of your agency in the INDIVIDUAL NAME Field (up to 20 characters including spaces)
 - Ex. KY-ABC -- Alcoholic Beverage Control
 - Ex. KY-BOArch – Kentucky Board of Architecture
- If entity is able to send addenda information through their EFT, ask for additional information (up to 80 characters including spaces)
 - Invoice number
 - Division of your agency



Fiscal Year (FY20) Close

FOR FUNDS NEEDED TO POST TO FY20:

- Submit 0100 Fund and 1100 Fund deposits (CRs) as early as possible
 - Must be posted (CR in final status) by Sunday, June 28, 2020
 - Please **do not** wait until last minute to submit your deposits
- All other receipts for FY20 may be deposited to other funds using Period 13 up to Wednesday, July 8, 2020



Escheated Check Payment

Does your agency need to reissue payment for a check that became stale-dated/escheated?

Send the following check information to

TreasuryStaleReissue@ky.gov

- Bank Account (GA, UA, TA, etc.)
- Check Number
- Amount
- Issued Date



Stop Payment

- Minimize the risk of a lost check being cashed—
Issue a Stop Payment
 - Send the following check information to Stop.Payments@ky.gov
 - Bank Account (GA, UA, TA, etc.)
 - Check Number
 - Amount
 - Issued Date

Wire Payment - Reminders

- MDW document in eMARS
- SAS-62 form to be uploaded/attached to header of MDW
- Send an email to TreasuryAccounting@ky.gov
 - Do NOT include the SAS-62 in email
 - Serves as a control mechanism for our staff
- Cut-off time at 2:00 p.m.
 - If an exception is necessary, please call Treasury Accounting (Dawn Sudduth and/or Jerry Bryan) to review options and coordinate approvals
- Evaluate whether or not a Wire payment is necessary
 - Would an ACH transaction be sufficient for the purpose of the payment?

Payee Name Verification on Checks

- Payee name must match information in eMARS
- Unverified payee names will be rejected for payment
- Payee will have funds debited from their account
 - Payee to work with their bank
 - Request a review of the image presented
 - Re-present the check for payment (better image)

Exception Type: Payee Verification Error

Decision: RTN-See Check

Chk#: 18495395

Acct#: 936836485

Amt: 4,248.00

THE BACKGROUND OF THIS DOCUMENT IS BLUE WITH A GREEN WARNING BAND. THERE IS A SECURITY MARK ON THE BACK. DO NOT ACCEPT WITHOUT THESE FEATURES.

COMMONWEALTH OF KENTUCKY
DEPARTMENT OF THE TREASURY
Frankfort, Kentucky

TA 18495395
Date: 04/10/2019

FOUR THOUSAND, TWO HUNDRED FORTY EIGHT DOLLARS AND NO CENTS

Order of
1554 PENNINGTON COURT
LOUISVILLE KY 40245

Description: 2290514

Albin Ball
State Treasurer

COVID-19 Tracking



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COVID-19 Tracking

There are multiple purposes for tracking COVID-19 expenses:

- Maintain an inventory of total Kentucky state government spending related to the response to COVID-19.
- Document spending related to the Governor's State of Emergency Executive Order (2020-215), and any subsequent orders directing the Division of Emergency Management and the Department of Public Health to coordinate the response and relief activities of all state agencies.
- Document spending from Federal grant awards in response to COVID-19.
- Meet all required Federal reporting guidelines.
- Document required data for Year-end & SEFA reporting.



COVID-19 Tracking

- The Department of Military Affairs' Division of Emergency Management with assistance from the Department of Public Health is directing spending under the Governor's Emergency Orders – those have been tracked by Military Affairs
- Federal Grant Awards prior to CARES Act (Coronavirus Preparedness and Response Supplemental Act & Families First Coronavirus Relief Act) – use new Function code: CVID. Applicable just to CHFS, Unemployment Insurance, and Agriculture agencies affected.
- CARES Act Grant Awards – use new Fund code: 12CV and new Program Code(s) with Program Category code CARE.
- Other expenses – use of E302 expenditure code – unrelated to the above 3 items

CARES Act – Accounting

- All awarded state agencies will be required to track CARES Act activity via the following Chart of Account elements:
- **Fund ‘12CV’** - Awarded agencies should use Fund 12CV to record all expenses that specifically qualify for Federal reimbursement under the CARES Act.
 - SAS-14 requests should be submitted to OSBD to link the 12CV Fund to the agency’s Department code.
- **New Program Code Required** - Awarded agencies should create a new Program Code(s) to account for the awards received under the CARES Act.
- **Program Category ‘CARE’** - Each new Program code must include the Program Category code ‘CARE’.



CARES Act-Coronavirus Relief Fund

- The CARES act consists of multiple Federal Programs. A portion of the CARES Act is referred to as the **Coronavirus Relief Fund (CRF)**
- This subsection of the CARES Act must be tracked separately from other CARES Act awards.
 - The process for determining awards from the CRF will begin soon
 - All recipient agencies will use the new Fund 12CV and Major Program & Program codes CARES.
 - OSBD will provide additional guidance as the funds are distributed.
 - Any agency who receives funds specific to the Coronavirus relief fund should contact SAS for additional guidance with their Cost Accounting setup up.



All Other COVID-19 Federal Grant Awards

- Any COVID-19 Federal Award that is not directly awarded under the CARES Act, must be tracked separately in eMARS.
 - *Example: Dept of Agriculture: Emergency Food Assistance Program - Families First Coronavirus Response Act.*
- All awarded state agencies will be required to track Non CARES Act activity via the following Chart of Account element:
- **Function 'CVID'** - Awarded agencies should use new Function code CVID to record all expenses that qualify for Federal reimbursement, but are not awarded under the CARES Act.
 - Agencies should continue to use their agency specific Federal Funds, while using the new Function code CVID.
 - SAS-14 requests should be submitted to OSBD to link the Fund, Department, and the CVID Function code.



All Other COVID-19 Spending

- For all other COVID-19 related operating expenses not paid by Military Affairs or any of the Federal COVID-19 Funding:
- State agencies are asked to track spending via the following Chart of Account element:
Object 'E302'
- Agencies should not use Function CVID or FUND 12CV in conjunction with object code E302.
- Agencies are required to attach a copy of the itemized receipt to the Header of the eMARS transaction.
 - If the amount exceeds the agency's small purchase authority or could be considered a split purchase, Agencies are required to attach the Emergency Purchase Form signed by the Finance and Administration Cabinet Secretary.
- Object code E302 should not used for Personnel expenses. Please contact Personnel for further guidance on COVID-19 payroll tracking.



COVID 19 Tracking Assistance

- For assistance with COVID-19 budgetary tracking, please contact your Policy and Budget analyst in the Office of State Budget Directors.
 - email: OSBD.Analyst@ky.gov
 - Telephone: (502) 564-7300
- For assistance with COVID-19 Cost Accounting setup, please contact SAS.
 - Shannon Crane
 - email: SCRANE@ky.gov
 - Telephone: (502) 564-2077
 - Jason Mach
 - email: Jason.mach@ky.gov
 - Telephone: (502) 564-7232



2020 Fiscal Year End



eMARS Availability

Standard Availability

Monday – Sunday -- 7:00 am through 7:00 pm

Exceptions

eMARS will be unavailable due to encumbrance roll/lapse **Saturday, July 4, 2020.**

Any changes will be posted at the News and Alerts link at:

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



OPS Approval Reminders

OPS rejections slow down approval process

- Review Documents thoroughly prior to submitting for approval
- Ensure all corrections on rejected documents have been completed
- Ensure document has been assembled or re-assembled properly
- Attach all required documentation including the signed and notarized Required Affidavit for Bidders, Offerors and Contractors
- Include *Delivery Date* for goods or services on requisitions



Delivery Orders

- Users are encouraged to create DOs against Master Agreements
 - Sets price of items
- Users should create DO against Master Agreements set to expire on June 30
 - Once the MA has expired neither a DO nor PRC can be created and properly reference the MA

New Year Table Initialization (NYTI)

- Occurred on Thursday, May 7, 2020
- Creates FY21 records for all **ACTIVE** chart of account elements
- Effective dates on FY21 records will be blank
- Clean Up
 - Add Effective dates to FY21 records if applicable
 - FY20 records added after Thursday, May 7, 2020 may need to be added to FY21, if applicable

BFY 20 Pending Encumbrances

- Encumbering documents in *Pending* phase will not roll to FY21
 - ALL FY20 encumbering documents need to be out of *Pending* phase by COB, **July 3**
 - Complete Approval Process
 - Reject Document back to *Draft* phase
- Documents left in Pending phase will be rejected back to draft by the Office of the Controller
- Refer to spreadsheet of pending documents by department located at:

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



2020/2021 Encumbrance Roll

- Scheduled to begin COB, Friday, July 3, 2020
 - eMARS will be unavailable Saturday, July 4, 2020
- All **non-capital** encumbrances *greater than* \$1,000 will be established in FY21 on a Modification document
 - User ID **ENCROLL**
- All **non-capital** encumbrances *less than or equal to* \$1,000 will lapse, thus closing the award
 - CBDL Documents
 - User ID **ENCROLL**
- Clean Up
 - Unnecessary encumbrances (*2302 Outstanding Encumbrance Report*)
 - Pending encumbrances by COB Friday, July 3, 2020



Payments against Encumbrances

- Payments against 2020 encumbrances must be in *FINAL* status by COB, Friday, July 3, 2020.
- Payments against lapsed PON2 documents
 - PRC with “Memo” reference to PON2
 - Change Cited Authority to **Year-End Lapse**
- Payments against all other lapsed awards
 - PRC with “Memo” reference to award
 - Change Cited Authority to **Year-End Lapse**

NOTE: Users should make their best effort to get 2020 encumbrances paid or liquidated by COB Friday, July 3, 2020.



Payment Reminders

- Payment documents submitted but **NOT** approved by COB June 30 will infer **FY21** upon final approval
- Payment documents approved on or after July 1 with the fiscal period (BFY, FY, Period) blank will infer **FY21** upon final approval
- **July 3** – Last day to pay against FY20 encumbering awards
- **July 8** – Last day to pay FY20 expenditures

Coding Period 13

- **Entire Fiscal Period 13 (BFY=2020; FY=2020; Period 13) must be coded**
- **Period 13 (BFY=2020, FY=2020, Period=13) can be coded on the Header Section or on the Accounting Line of the payment document**
 - Fiscal Period (BFY, FY, Period) from Header will infer on all blank Accounting Lines
 - Fiscal Period (BFY, FY, Period) coded on an Accounting Line will override period coded on Header
 - Period 13 must be coded on the Header of PRCI documents
 - Period 13 must be coded on the Header of PRCC documents

Applies to non-capital funds



BFY 20 Pending Transactions

- Payment documents in *Pending* phase (submitted but not fully approved) affect cash and budget balances
 - ALL FY20, **non-capital**, payment documents need to be out of *Pending* phase by COB, July 8
 - Complete Approval Process
 - Reject Document back to *Draft* phase
- Documents left in Pending phase will be rejected back to draft by the Office of the Controller
- Spreadsheet listing pending documents by department

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



Follow Through

- Review the AD/EFT Exception report to ensure FY20 payments have been disbursed
 - AD/EFT report is posted daily at:
<http://finance.ky.gov/services/statewideacct/Pages/reportingandarchives.aspx>
 - FY20 payments on the AD/EFT Exception report after soft close (July 8) will be closed by the Office of the Controller – **Vendor will NOT receive payment**

Moving/Correcting Expenditures

- A JV2E document should be used to correct expenditures that have incorrectly posted to the wrong Fiscal Period
 - Reduce expenditures (negative amount) in appropriate Fiscal Period and Increase expenditures (positive amount) in the other
 - Remember to code entire fiscal period on each Accounting Line (BFY, FY, Period)
 - Period 13 Soft Close – COB July 8
 - Period 13 Hard Close – COB July 16
 - JV2E's will require Finance approval after soft close, July 8

IMPORTANT

Personnel expenditures for the last payroll
Period cannot be JVED from FY21 to FY20



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 eMARS Reporting reports are a day behind and do not include pending amounts
 - BQ3LV1 (Appropriation)
 - BQ3LV2 (Allotment)
 - BQ3LV3 (Object Allotments)

Fixed Assets

- Physical Inventory of Fixed Assets due June 12, 2020
- Fixed Asset Cleanup
 - Fixed Asset shells \$5,000 and above must be processed by August 21, 2020
 - Questions contact:
Jessica Pinkston
502-564-8769
Jessica.Pinkston@ky.gov

SAS Closing Package/SEFA

- Accounts Receivable Liquidated & Unliquidated Debt Due **August 14, 2020**
- Closing Package Due **August 17, 2020**
- SEFA Due **August 24, 2020**

Key Dates

- Period 12 Soft Close – Tuesday, June 30, 2020
- Period 12 Hard Close – Wednesday, July 8, 2020
- Encumbrance Roll – Saturday, July 4, 2020
- Period 13 Soft Close – Wednesday, July 8, 2020
- Period 13 Hard Close – Thursday, July 16, 2020

New Year



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New Year Procurements

- RQS for new year (FY21) may be submitted to OPS
 - Document comments should state, “ Delivery is not desired prior to July 01, 2020”
- PSCs/MOAs for the new year (FY21) may be submitted to OPS
 - Documents requiring a July 01, 2020 effective date should be submitted by Wednesday, June 3, 2020

New Year Procurements

Agency may begin entering New-Year Procurements using the following criteria

- Use a non-accounting event type (PR01, PR07) until the agency's allotments are loaded
 - Awards may be modified to an accounting event type (PR05, PR06) once the agency's allotments are loaded for 2021
- Two year contracts should included two commodity lines, one for each year
 - Encumber only one year at a time
- When allowable, document must include entire Fiscal Period on the Header (FY=2021, BFY=2021, **Period = 1**)



To Encumber or Not to Encumber

- Encumbrances reserve budget for future spending
 - PR05 Event Type – Encumbrance/Accounting
- Encumber only when necessary
 - Ensure encumbrance is fully liquidated with final payment
- Never Encumber more than one FY at a time
- Use PR07 Event Type (non-accounting) for DO

Payments Against Awards

- Ensure you select the correct Commodity line to reference
 - Refer to the extended descriptions
- Do not manipulate the quantity to achieve the correct total due
 - Quantity should match the invoice
 - Quantity should be a whole number

Contact your procurement office or OPS if the vendor invoice amounts do not match amounts shown on the award.

Allotments

- The deadline for agencies to submit their allotments to the Office of the State Budget Director is June 11, 2020
- Agencies may check the status of their 2021 FY allotments at:

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

Cash Overrides

ALL agency cash overrides **MUST** be reviewed annually and submitted on a SAS14 to the Office of the State Budget Director



KHRIS Payroll



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Deferred Payroll

- May 16 – May 31 Payroll (PP11) posting on June 10, 2020
 - Accounting lines for health insurance (E123) will be removed from the documents
- E123 accounting lines from May 16 – May 31 payroll will be included on documents with the same document ID with a “P” on the end
 - These documents will be processed on July 01, 2020 as FY 2021 expenditures
- June 1 – June 15 payroll (PP12) will post on July 1 as an FY 2021 expense
- You may **NOT** JV these expenditures from FY 2021 to FY 2020; they must remain in FY 2021

Biennial PON2's

Print / Home on this document is not equal to records ...

(PON2) Dept: 660 ID: 1900003376 Ver.: 1 Function: New Phase: Final Modifi

Vendor Vendor Line: 1 Vendor Customer: KY001321

Vendor Line	Vendor Customer
1	KY0013281

From 1 to 1 Total: 1

eMARS Vendor Line Number **eMARS Vendor Number**

KHRIS FICO - PERSONAL SERVICE CONTRACTOR REQUEST

Requesting Agency Name:	Office of the Controller
Agency Org #:	10102874
Requestor:	Barbara Aldridge
<hr/>	
Contractor Name:	J Contractor
PERNR:	592754
eMARS Document Department Code:	660
eMARS Document ID:	1900003376
eMARS Vendor Number:	KY0013281
eMARS Vendor Line Number:	1
eMARS Commodity Line Number:	
eMARS Accounting Line Number:	
KHRIS Effective Date:	

New Biennial PON2's

Commodity		Total Lines: 2	Line: 2	CL Description: FY2020 Consulting
Line	CL Description			
1	FY2019 Consulting			
2	FY2020 Consulting			

Accounting			Line: 1	Line Amount: \$10,000.00
Line	Line Amount	Line Open Amount		
1	\$10,000.00	\$10,000.00		

FY 2021 is the new year of the biennium. Usually, contracts will need to be updated in KHRIS to reflect the proper commodity and accounting lines. This will require an update to the functional area in KHRIS to reference the change.

Contractor Name:	J Contractor
PERNR:	592754
eMARS Document Department Code:	660
eMARS Document ID:	1900003376
eMARS Vendor Number:	KY0013281
eMARS Vendor Line Number:	1
eMARS Commodity Line Number:	2
eMARS Accounting Line Number:	1
KHRIS Effective Date:	07/01/2019



Personal Service Contracts

- Prior to the beginning of each fiscal year – personal service contract information must be updated in KHRIS
- Contract information that is not updated correctly could cause rejects in eMARS and could result in improper posting of the PRC documents
- FY 2021 contract updates must be completed in KHRIS just prior to first pay period in FY 2021.
- Good communication between accounting staff and human resources staff is essential



Personal Service Contracts

- The following are the screens in KHRIS that have to be updated:
 - On the HR Master Record (PA20), 0105 Communication screen for the employee
 - On the Display Position (PO13D), 1018 Cost Distribution screen for the employee's position

KHRIS FICO - PERSONAL SERVICE CONTRACTOR REQUEST			
Requesting Agency Name:	Office of the Controller		
Agency Org #:		10102874	
Requestor:	Barbara Aldridge		
Contractor Name:	J Contractor		
PERNR:	592754		
eMARS Document Department Code:	660		PA20 - 0105 Communication Screen
eMARS Document ID:	1900003376		PA20 - 0105 Communication Screen
eMARS Vendor Number:	KY0013281		PO13D - Cost Distribution Screen
eMARS Vendor Line Number:	1		PA20 - 0105 Communication Screen
eMARS Commodity Line Number:	2		PO13D - Cost Distribution Screen
eMARS Accounting Line Number:	1		PO13D - Cost Distribution Screen
KHRIS Effective Date:	7/1/2019		

PSC – KHRIS Example

- The following are the screens in KHRIS that have to be updated:
 - On the HR Master Record (PA20), 0105 Communication screen for the employee

0105 Communication

Type	2005	Document ID
System ID	1900003376	

- On the Display Position (PO13D), 1018 Cost Distribution screen for the employee's position

Cost Distribution-IT 1018

Master cost center 5066000000 Kentucky Fish and Wi

Cost distribution

Name	Pct.	Name of aux. account	Functional Area
Kentucky Fish and Wi	100.00		KY00132810101

Questions

