



INTEROFFICE CORRESPONDENCE
Accounting Operations

Date: April 4, 2006

From: Joseph R. Jones, Director Accounting Operations
H. James Dunlop, Director Procurement Services

To: Heads of Departments
Campus Directors of Business Services
Financial Officers

Re: Carryforward Policy and Year-End Closing Guidelines

As in the past, guidelines must be set to ensure that the accounts of the University are properly and timely closed for the 2005-06 fiscal year. Your cooperation in observing these dates will be most appreciated. The attached table lists all the critical deadlines as established by Purchasing Services and Accounting Operations.

We also want to remind you of the carryforward policy that was implemented a few years ago. **Purchase orders that are open as of June 30th will be funded in the new fiscal year.** The Financial Officer will return the funds directly to any account with an open PO encumbrance carried over to the new fiscal year when this funding is released.

In addition, open purchase orders will not be considered part of the 8% Carryforward limitation currently in place. Undesignated carryforward, not related to open purchase orders, will be returned in full to the budget executives.

The carryforward policy was implemented to reduce the amount of unwise spending decisions that appear to have occurred in the past, with a rush to not only initiate, but to pay and close open purchase orders by year-end. We believe this change encourages units to use their funds wisely to make financially responsible purchasing decisions at year-end.

Please note that in order for a purchase order to be encumbered in FY 2005-2006, purchase requisitions must be completely through the departmental approval path and waiting for the Purchasing Central Desk by June 29 at 3:30 p.m. FY 2005-06 requisitions received in Purchasing after June 30th will be rejected and these orders will need to be placed as FY 2006-2007 orders.

Questions about the carryforward policy, and how your unit can assure that year-end spending is done wisely and efficiently, can be directed to your Financial Officer.

Thank you for your cooperation.

cc: Gary C. Schultz
Thomas Gibson
Kenneth S. Babe

YEAR-END CLOSING GUIDELINES FOR 2005-2006

May 12, 2006	<p>All Standing Order requests for 2006-07 fiscal year must be received by Purchasing Services no later than May 12, 2006 to allow sufficient time for review and processing. Exceptions will be handled after that date, but priority will be given to those received by May 12, 2006.</p> <p>Final date to have all routine 2005-06 regular purchase orders to Purchasing Services. Exceptions will be handled after that date, but time and workload will not allow for an undue number of exceptions and delivery cannot be guaranteed.</p>
June 29, 2006 3:30 pm	<p>Foreign invoices due in Purchasing Services to be charged to 2005-06 fiscal year.</p> <p>Purchase requisitions must be completely through departmental approval path and waiting for the Purchasing Central Desk by June 29 at 3:30 p.m.</p> <p>General Stores eBuy Orders must be through the order entry process by June 29 at 3:30 p.m. to be processed and billed against the 2005-06 fiscal year.</p>
June 30, 2006	<p>Goods delivered and services rendered through this date are chargeable to the 2005-06 budget, including General Stores eBuy Orders which have a June 29, 3:30 p.m. cut-off time. Please contact Purchasing Services to assure that invoices are received and processed as soon as possible for items received through June 30. All payments after year-end will be reviewed for proper inclusion in the 2005-06 fiscal year – applicable items will be charged to 2005-06.</p> <p>FY 2005-06 requisitions received in Purchasing after June 30th will be rejected. Requisitions for the new fiscal year are to be identified with 2006-07.</p>
July 3, 2006	<p>Employee Reimbursement System (ERS) forms must be in “Pending Payment” status to be processed in the 2005-06 fiscal year.</p>
July 5, 2006 NOON	<p>Receiving Reports and Limited Orders for 2005-06 business, provided the material has been received by June 30th, are due in Purchasing Services. The Pay by Exception process for invoices under \$5,000 should be complete as well. After this date, open 2005-06 Purchase Orders will be transferred as an encumbrance against 2006-07 budgets. If you wish to cancel a Purchase Order, notify Purchasing Services by use of a Purchase Order Change Form.</p> <p>The following must be processed:</p> <ul style="list-style-type: none"> • Non-routine Budget Amendments for 2005-06 • Departmental Invoices for 2005-06 • Paper Request for JV and PO Change Forms <p>Electronic SRFC’s (backup required) chargeable to 2005-06 are due in Accounting Operations. If paper backup is not received in Accounting Operations by noon, forms will be rejected.</p>
July 6, 2006 4:00 pm	<p>JTDP’s & JVDP’s & JVCN’s for 2005-06 (Electronic Departmental Transfers & JV’s) must be through the department approval and waiting for the Central Desk approval.</p> <p>Purchasing card and EBUY transactions for 2005-06 must be completely processed.</p> <p>Electronic SRFC’s (no backup required) for 2005-06 must be through the departmental approval and waiting for the Central Desk approval.</p>
July 6, 2006 5 pm	<p>The following Electronic forms with no Central Desk approval must be completely processed:</p> <ul style="list-style-type: none"> • Electronic Cash Reports (ROCR) for 2005-06 • Travel Expense, Group meal, and petty cash SRFC’s for 2005-06 • IDCC’s for 2005-06 • Routine Budget Amendments for 2005-06
July 7, 2006	<p>Payroll transfers (PYTR) for 2005-06 must be completely processed by this date at 4:00 p.m.</p> <p>New Year (2006-07) SRFC’s can be processed on this date but will not be paid until July 11, 2006.</p>