

Department of Administrative Services - State Accounting Enterprise

Section	Procedure Number	Page Number	Effective Date
PRE-AUDIT	235.050	1 of 1	July 1, 2003 Revised 7/1/11
Subject	YEAR-END PROCEDURES PROPER FISCAL YEAR TO CHARGE GOODS / SERVICES		

1. Section 8.33 of the Code of Iowa reads in part, "No payment of an obligation for goods and services shall be charged to an appropriation subsequent to the last day of the fiscal year for which the appropriation is made unless the goods or services are received on or before the last day of the fiscal year, June 30, except that repair projects, purchase of specialized equipment and furnishings, and other contracts for services and capital expenditure for the purchase of land or the erection of buildings or new construction or remodeling, which were committed and in progress prior to the end of the fiscal year, are excluded from this provision".

In general, to be excluded from the above provisions, the claims for specialized equipment and furnishings must be related to the purchases of land or the erection of buildings or new construction or remodeling. However, it is recognized that some purchases of specialized equipment might not necessarily be associated with the purchase of land or the erection of buildings or new construction or remodeling of facilities. In these cases, exceptions will be reviewed and approved by the Department of Management on a case-by-case basis.

The above rules are also consistent with Generally Accepted Accounting Principles (GAAP).

2. To reduce the number of claims that appear to be charged to the wrong fiscal year, packing slips, receiving reports, and/or other supporting documentation clearly indicating when the goods/services were received are required in the instances noted below. Actual supporting documentation and not just a notation from the department, must be attached to:
 - a) All claims when the invoice is dated in one fiscal year and chargeable to another fiscal year.
 - b) All claims when the invoice indicates a shipment date of June 25 through June 30.
 - c) All claims with an invoice date of June 25 through July 5, with no shipment date.

Departments are cautioned to retain receiving/delivery information for other invoices dated in the June 15-July 31 period for possible audit.

Books and/or publications that are shipped 3rd or 4th class will be considered received in the fiscal year in which the 5th working day from the date the invoice falls. If a department is charging these items to a different fiscal year, supporting documentation must be attached. Otherwise, receiving information on books/publications is not required.

3. Any questions relating to the above should be directed to DAS-SAE-Daily Processing.