



June 5, 2020

AC202007

MEMORANDUM

TO: All Financial Managers
FR: Nick Miller, SAE Division Administrator
RE: Budget Fiscal Year 2020 Year End Close Reminders

PLEASE PASS THIS INFORMATION TO THE APPROPRIATE PERSONNEL

To eliminate numerous memos, [Section 235 - Year End Procedures](#) was created in the State Accounting Policy and Procedures Manual relating specifically to the year-end process. While all of Section 235 contains important information, I would like to take this opportunity to emphasize certain policies and procedures.

Prepaid Expenses [235.200](#)

When it is necessary to pay for expenses in one fiscal year that won't actually be incurred until the next fiscal year (e.g. air fares, registration fees, state fair expenses, working capital advances, etc.), a CDE/JV1 must be prepared in I/3 to correct the budget fiscal year. Each department is responsible to pre-audit, on-line, and apply the department's three levels of approval in I/3. The CDE/JV1 should be referenced on the original document for payment. The CDE/JV1 document is then approved in I/3 no later than July 15 for processing.

TDA Documents

Instructions for entering TDAs for BFY21 are located on the I/3 website at [TDA Documents](#).

Cash Receipts [235.450](#)

Appropriable receipts will be held open during the 60-day encumbrance period. Departments must deposit all receipts, including those deposited into appropriable receipts 990-999, into the appropriate fiscal year.

Goods and Services Received-Receiving Information [235.050](#)

Chapter 8.33 of the Code of Iowa requires that goods and services be **received by June 30** in order to be charged to BFY20. To verify documents are charged to the correct budget fiscal year, packing slips, receiving reports, and/or other supporting documentation clearly indicating when the goods/services were received is required in certain instances as detailed in Procedure 235.050. Please inform all employees who may receive goods from June 25-July 5 to obtain and retain receiving information as noted in Procedure 235.050. The receiving information must be attached as supporting documentation to the document in I/3.

Payroll for the Pay Period of May 29 - June 11

Payroll for this pay period will be written one day early on Monday, June 15, with pay day on the normal Friday pay date of June 19. Payroll rewrites will be written on Monday, June 22. Changes that have to be made each budget fiscal year-end which impact the first pay period of the new budget fiscal year (June 26 - July 9) will be processed on July 6th.

Payroll on a GAAP Basis [235.250](#)

To close BFY20, the pay period of June 12-25, written one day early on Monday, June 29 and paid on Thursday, July 2, will be the last full pay period charged 100% to BFY20.

For the pay period June 26 - July 9, written on Tuesday, July 14 and paid on Friday, July 17, 30% of the payroll cost will be automatically distributed back to BFY20 using a CDE. These Payroll CDE transactions will be processed the night of Wednesday, July 15.

Standing Unlimited Appropriations

Standing unlimited appropriations are held open during the encumbrance period and treated as any other appropriation for revenues and expenditures.

Deadline for Processing BFY20 Documents [Calendar Summary](#)

The statutory deadline for processing BFY20 documents is August 31. Procedure [235.100](#) establishes certain deadlines for meeting the August 31 date. For your planning purposes, use the Calendar Summary link to view June, July, August, and September deadlines. These deadlines are based on current staffing levels and expected activity and are subject to revision.

Corrections/Carry-Forwards

Corrections and carry-forwards relating to BFY20 will be processed through Tuesday, September 15.

Crossing BFY Policies

Review your department's internal policy for payment of documents crossing budget fiscal years. Updates are required if there were any changes, by close of day on June 30. Submit the forms electronically to DASSADailyProcessingTeam@iowa.gov. If you need a copy of your current policies, contact [Nick Miller](#) at (515) 281-4877. [Click here for the blank form.](#)

BFYs During Hold-Open Period

Payments for documents using different BFYs will need to be placed on separate documents for payment. Previous budget fiscal year documents must have the Budget FY, Fiscal Year, and Period fields completed in I/3.

Closing/Recreating Pre-Encumbrances and Encumbrances

The pre-encumbrances and encumbrances are combined into one Data Warehouse report titled "FR031 – Combined EDAP PDAP". The report is designed to be ran by departments independently.

Instructions for closing and recreating these open encumbrances have not changed and are located on the [I/3 website](#).

DOs and PRCs for the CAI Contract

Instructions for creating DOs and PRCs against the CAI (Computer Aid Inc.) contract are located on the [I/3 website](#).

Instructions for the Delete-Roll Encumbrance process are also located on the [I/3 website](#).

For assistance running the FR031 report or closing and recreating encumbrances, email a member of the I/3 Functional Team at DASVendorHelp@iowa.gov.

1099 Vendor Transactions

The data warehouse report **1099 Vendor Transactions by Dept & Unit** is available for departments to run at any time for reviewing their payments and determining if the payments will be 1099 reportable or not. Please review your calendar year 2020 payments made to date and prepare any necessary CDEs before the close of budget fiscal year 2020, so the corrections will **not** impact your BFY 2021 budget.

It is important to use the appropriate object code, as the object code not only determines if the vendor receives a 1099, but which 1099 will be issued (1099-MISC or 1099-NEC).

Hopefully, these highlighted key processes to close BFY20 will assist you. If you have any questions on the above, please feel free to contact me at Nick.Miller@iowa.gov or by phone at (515) 281-4877.