

MONTGOMERY COLLEGE

Office of Business Services

April 14, 2011

MEMORANDUM

To: All Administrators and Account Managers

From: Thomas Sheeran, Chief Business Officer

Re: **FY2011 Collegewide Fiscal Year End Closing, Transactions, and Payments**

Annually, the Office of Business Services notifies the College community about financial closing processes and provides due dates for submitting materials. A successful fiscal year-end close assures that the College can meet its legal, financial, and budgetary obligations. **Account Managers** are the key to a successful fiscal closing since they ensure that the unit's accounts are allocated properly; appropriate documentation is submitted timely; and the budget is accurate and consistent with financial records. In addition, the Office of Business Services will be offering **Year-End Closing Training Sessions** to be announced soon.

As a reminder of the College's fiscal condition and budget constraints, account managers should continue to monitor and reduce expenditures. Units are asked to defer any major purchases that are not absolutely necessary to operations at this time. Each purchase resolution proposed for action by the Board of Trustees will be reviewed very carefully by the Senior Vice President for Administrative and Fiscal Services.

IMPORTANT DEADLINES:

- ✓ The final due date for receipt of all requests for payment, including purchasing card transactions, is **June 15, 2011**.
- ✓ **Requests received for goods and services received by June 30th from the period of June 16, 2011 through July 8th will be accrued.**

To assist with the process, attached is a Fiscal Year-End Planning Guide, which includes a calendar of due dates and instructions, a frequently asked questions section, and a glossary of terms. The fiscal year-end close process applies to operating budget funds. ***Please share this information with appropriate members of your staff.***

All departments should review and take appropriate action for fiscal activity consistent with these guidelines.

Attachments

cc: Office of Business Services Staff

A FISCAL YEAR-END PLANNING GUIDE

Accounts Payable Unit Fiscal Year 2010 Key Actions and Due Dates

Due Date	Subject	Action	Instructions
(ongoing)	Closing Purchase Orders/Encumbrances	<p><i>Review open purchase orders to determine if any can be closed.</i></p> <p><i>Review FY2011 and any prior year open encumbrances.</i></p> <p><i>This process should continue throughout the year-end close process.</i></p>	<p>Complete the close encumbrance request form located at www.montgomerycollege.edu/Departments/obs/apforms.html</p> <p>Email the accrual form and supporting documentation attached to: AccountsPayable@montgomerycollege.edu</p> <p>If you are unable to attach the documentation in an email, please send by mail to: Accounts Payable Office</p> <p>Required Information</p> <ul style="list-style-type: none"> ▪ The purchase order number ▪ The vendor name ▪ The complete FOAPAL (fund, org, account, program, index) number to be charged ▪ The amount remaining on the purchase order ▪ Account Manager signature approval ▪ Detailed explanation and any supporting back-up documentation (copy of contracts, PO, etc.)
Wednesday June 15	Petty Cash Reimbursements and Local Travel	<p><i>Submit all 2011 petty cash reimbursements under \$50 and local travel under \$25 to cashiers to ensure expenses are allocated in 2011.</i></p>	<p>Campus Cashiers Office</p> <p>There are NO accruals of petty cash</p>
Thursday June 30	<p>Blanket Purchase Orders</p> <p>Maintenance and Service Contracts</p> <p>Continue to reconcile your accounts to ensure ALL invoices and reimbursements for FY11 are processed</p>	<p>All Blanket Purchase Orders will be closed on June 30, 2011.</p> <p><i>Review all maintenance and service agreements with June 30th contract end dates. Create a new requisition to continue these contracts in FY2012. Also review all Blanket Purchase Orders with a B# that have outstanding balances.</i></p> <p><i>Contact the vendor if you have not received an invoice.</i></p>	<p>Departments receiving original invoices directly from vendors should retain copies and immediately forward the originals to Accounts Payable. Do not send original invoices to Procurement with the requisition.</p> <p>IMPORTANT</p> <p>Forward all approved invoices and reimbursements for FY 2011 purchases received by 6/30/2011. If you are out on leave during this period, please ensure there is a staff person with account manager authority available to review and approve invoices.</p>

A FISCAL YEAR-END PLANNING GUIDE

Accounts Payable Unit Fiscal Year 2010 Key Actions and Due Dates

Due Date	Subject	Action	Instructions
Friday July 8	<p>Accruals</p> <p>*IMPORTANT</p> <p>ACCRUAL Procedures Listed Below In Diagram</p>	<p>Forward accrual listings of all vendors from whom FY2011 goods and services have been received by June 30th but for which the College has not been invoiced, in order to ensure expenditures are posted to the proper fiscal year.</p> <p>Check banner (finance system) to make sure invoices have not been paid before submitting the accrual listing.</p>	<p>Complete the Accounts Payable Accrual Request Form located at www.montgomerycollege.edu/Departments/obs/apforms.html and email accrual form and supporting documentation attached to: AccountsPayable@montgomerycollege.edu</p> <p>If you are unable to attach the documentation in an email, please send by mail to: Accounts Payable Office</p> <p>In the subject line please type: FY11 ACCRUALS, and include the following information:</p> <ul style="list-style-type: none"> ▪ The vendor's name ▪ The dollar amount(s) ▪ The purchase order number (if applicable) ▪ The complete (fund, org, account, program, index) number to be charged ▪ Reason for the accrual ▪ Description of expenditure for goods or services ▪ Supporting back-up (estimate, quote, proforma invoice, contract, purchase order)
Friday July 15	Update Account Manager account signing authorization form.	Review your account manager listing and assigned budgetary account numbers for approval of invoices and purchases	<p>NEW REVISED FORM COMING SOON!</p> <p>Complete an account manager change form for any new accounts, deletions or changes in primary or secondary account managers. The form is located on the Accounts Payable website. www.montgomerycollege.edu/Departments/obs/apforms.html</p>

If you have any questions, please contact one of our Accounts Payable Staff:

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