

DATE: April 30, 2009
TO: Agency Addressed (No. 13, 2008-2009)
FROM: Kimberly D. McMurray, Director
Division of Accounting and Auditing
Department of Financial Services
SUBJECT: FISCAL YEAR CLOSEOUT

The following dates and times have been established for processing transactions affecting fiscal year 2008-2009. All times are Eastern Daylight Savings Time.

MYFLORIDAMARKETPLACE (MFMP)

MFMP transactions must be received in the Bureau of Auditing's queue by 5:00 P.M. on Monday, June 22, 2009, to be processed as fiscal year 2008-2009 disbursements.

PAYROLLS

All payrolls and related transactions submitted in accordance with your agency payroll calendar for June 2009 will be processed as fiscal year 2008-2009 transactions.

Negative FLAIR Central accounting cash and/or budget balances resulting from the supplemental and monthly payrolls warrant dated Monday, June 29, 2009 and Tuesday, June 30, 2009 respectively, must be cleared by noon on the respective paydays. Similarly, negative FLAIR Central accounting cash and/or budget balances for the biweekly payroll that processes Friday, June 26, 2009 and posts on Monday, June 29, 2009, must be cleared via the submission of manual vouchers by noon on Wednesday, July 1, 2009.

Agencies must input data into Departmental FLAIR by 5:00 P.M. on Monday, June 29, 2009 in order for vouchers to be posted on Tuesday, June 30, 2009. Agencies that have negative FLAIR Central accounting cash and/or budget balances on either of the above-mentioned dates, and no payroll vouchers pending, must provide the Bureau of State Payrolls (BOSP) with one FLAIR account code so these balances can be cleared. We will be unable to post to multiple accounts. If a FLAIR account code is not provided by the agency, one will be chosen by BOSP to clear the negative balance.

It is recommended that agencies closely monitor account balances in order to avoid delays in paying employees at the end of the fiscal year.

ON-DEMAND PAYROLLS

As published in the 2009 BOSP agency payroll calendar, no on-demand payroll will be processed on Friday, June 26, 2009. Any on-demand payroll transactions entered and approved by 5:00 P.M. on Tuesday, June 30, 2009 will be processed as fiscal year 2008-2009 disbursements.

CASH DISBURSEMENTS

1. Vouchers presented to the Bureau of Auditing for payment by 5:00 P.M., Tuesday, June 30, 2009 will be processed as fiscal year 2008-2009 disbursements.
2. Disbursement transactions must be input into Departmental FLAIR by 8:00 P.M., Monday, June 29, 2009 to be processed as fiscal year 2008-2009 disbursements.
NOTE: Agencies should adjust their last day of voucher input into Departmental FLAIR to allow for mailing time to Tallahassee.
3. Vouchers input into Departmental FLAIR on or before Monday, June 29, 2009 but not delivered to the Bureau of Auditing by 5:00 P.M., Tuesday, June 30, 2009 will be deleted from DFS pre-audit file. These vouchers will have to be corrected in FLAIR and resubmitted as fiscal year 2009-2010 vouchers.
4. Departmental FLAIR will not process disbursement transactions entered on Tuesday, June 30, 2009. Departmental FLAIR will generate a Transaction 58 for all vouchers producing disbursements. Consequently, all disbursement transactions, including purchasing card and invoice tracking, entered into Departmental FLAIR on Tuesday, June 30, 2009 will return to approval level 008. FLAIR will purge the voucher print file on the night of Tuesday, June 30, 2009 to ensure that no vouchers print on Wednesday, July 1, 2009.
5. Batch disbursement transactions processed through Departmental FLAIR must be presented to Production Control by 1:00 P.M., Monday, June 29, 2009 in order for the resulting voucher schedules to be available for printing on the morning of Tuesday, June 30, 2009.
6. Expense tape batches input into the FLAIR Central Accounting System must be delivered to Production Control by 1:00 P.M., Tuesday, June 30, 2009. The Bureau of Auditing must receive the supporting documentation by 5:00 P.M. on the same day.

CASH RECEIPTS

1. The Treasury will receive bank deposit slips that have been validated by 2:00 P.M. Tuesday, June 30, 2009 via facsimile or hand delivery until 5:00 P.M., Tuesday, June 30, 2009 to:

Department of Financial Services
1801 Hermitage Boulevard, Suite 400
Tallahassee, Florida 32308
FAX: (850) 488-0699

For agencies using the Remote Deposit Service (RDS), a copy of the Deposit Information Report stating the Transfer Date, Time and Amount of the deposit must be faxed or hand delivered to the Treasury by 5:00 P.M., Tuesday, June 30, 2009. These will be processed if the Treasury receives a confirmation and the deposit is entered into a "T" status in FLAIR prior to 5:00 P.M., Tuesday, June 30, 2009. Once all deposits received have been verified, any

remaining unverified receipts on the Treasury's file will be rejected (placed in "R" status) and returned to the agencies by the Treasury. Agencies should monitor their deposits to ensure all are verified, if appropriate, before FLAIR closes on Tuesday, June 30, 2009. On the night of Tuesday, June 30, 2009 Departmental FLAIR will purge all outstanding cash receipts records from the cash receipts file. FLAIR will produce a report for each agency that had outstanding records purged. Agencies should make correcting entries in Departmental FLAIR for all records purged from the cash receipts file.

2. Cash receipts may be input on Tuesday, June 30, 2009, transmitted to the Treasury, and verified on Tuesday, June 30, 2009. Supporting documentation that is validated by 2:00 P.M., Tuesday, June 30, 2009 must be delivered to the Treasury by 5:00 P.M., Tuesday, June 30, 2009 for the deposit to be posted to fiscal year 2008-2009. The Treasury must be able to read the bank validation on the deposit slips.
3. Agencies depositing through the Treasury's concentration system must deliver a validated bank deposit slip on deposits made before 2:00 P.M., Tuesday, June 30, 2009 to the Treasury by 5:00 P.M., Tuesday, June 30, 2009. Except for wire transfers, the Treasury will not accept deposits made after 2:00 P.M., Tuesday, June 30, 2009 for fiscal year 2008-2009.
4. Cash receipt transactions for current year refunds must be verified by the Treasury no later than 3:00 P.M., Friday, June 26, 2009. The resulting JT-2 will then be available for printing on Monday, June 29, 2009 and should be delivered to the Bureau of Auditing by 5:00 P.M., Tuesday, June 30, 2009. Expense refunds verified by the Treasury on Tuesday, June 30, 2009 will remain in the refund account (001800).
5. Cash refunds in clearing accounts must be cleared to the Treasury by 5:00 P.M. Friday, June 26, 2009 to be transferred to the Treasury and verified on Monday, June 29, 2009. Expense refunds cleared from clearing accounts after this time will remain in the refund account (001800).
6. Agencies should review all uncleared clearing fund deposits by requesting the Immediate Detail of Clearing Funds Deposits report through the CP function. A report of clearing funds not cleared is also available in the standard logon.
7. The Treasury's last day of processing debit memorandums for returned checks for agencies will be on Thursday, June 25, 2009 for fiscal year 2008-2009. The Treasury's last day of processing debit memorandums for returned EFT transactions will be on Tuesday, June 30, 2009 for fiscal year 2008-2009.

WARRANT/EFT CANCELLATIONS

1. Warrants cancelled by the agencies using the on-line cancellation system must be added and approved by 8:00 P.M., Tuesday, June 30, 2009.
Note: payroll warrant cancellations must be entered and approved online by the Agency no later than 5:00 P.M., Tuesday, June 30, 2009.

2. Warrants to be cancelled by the Reconciliation Section must be received and entered into the system by 5:00 P.M., Tuesday, June 30, 2009.
3. EFT Cancellations entered and approved by 11:00 A.M., Friday, June 26, 2009 will be restored to agency accounts in fiscal year 2008-2009.
4. Agencies should review their accounts to ensure the appropriate prior year cancellation revenue category code, 003700, has been established.

REFUND OF OVERPAYMENT OF SALARY

Any online refund of overpayment of salary approved by entering the deposit number online by 5:00 P.M., Tuesday, June 30, 2009 will be processed in fiscal year 2008-2009. For more information, please access the BOSP website at: http://www.myfloridacfo.com/aadir/bosp/BOSP_MANUAL2.pdf . Go to Volume V, Section 6.

SETTLEMENT VOUCHERS

Proposed or provisional settlement agreements must be received by the Bureau of Auditing, Room 448Q, Fletcher Building, or BOSP, Room 364, Fletcher Building, no later than 5:00 P.M., Monday, June 1, 2009. Previously approved, proposed or provisional settlement agreements, attached to payment vouchers received by the Bureau of Auditing by 5:00 P.M., Tuesday, June 30, 2009 will be processed as fiscal year 2008-2009 disbursements.

The BOSP no longer processes settlement agreements with manual vouchers or journal transfers. This is now an automated process utilizing a function in the on-demand system. In order for a settlement to be processed as fiscal year 2008-2009 disbursements, the completed package must be received by BOSP by 5:00 P.M., Tuesday, June 23, 2009. Any settlement entered by BOSP for payment by Tuesday, June 30, 2009 will be processed as fiscal year 2008-2009 disbursements.

Timely resolution of settlement agreements is encouraged and recommended; however, settlement agreements must be submitted with sufficient detail and in a form sufficient to enable a prompt pre-audit. Those settlement agreements with voluminous detail that may hinder timely processing of other settlement agreements should be considered for processing as incurred obligations. All settlement agreement payment vouchers not meeting the requirements of the Reference Guide for State Expenditures, page S-1, or the Payroll Preparation Manual, Volume IV, Section 13, will be returned for rescheduling as charges against fiscal year 2009-2010 appropriations or as incurred obligations. Questions relating to this process and/or documentation requirements should be directed to the Bureau of Auditing or BOSP.

STATEWIDE FINANCIAL STATEMENTS

Information regarding requirements related to statewide financial reporting can be found by accessing the Statewide Financial Reporting Section website at: http://www.myfloridacfo.com/aadir/statewide_financial_reporting/cafr.htm

The Trial Balance Check (TBCK) report containing a trial balance for each fund will be provided after closing. Other closing reports will be provided only if exceptions are noted. Additional closing instructions and information requests will be sent to agency statewide financial statement contacts. Contact Regina Ballard at (850) 413-5689 or Paul Reynolds at (850) 413-5687 for questions related to statewide financial statements.

OTHER ITEMS

1. Because of the heavy workload experienced at year-end, it is our intent to not accept manually prepared vouchers. Requests for exceptions should be directed to the appropriate Bureau Chief. Your cooperation in minimizing these exception requests will help us close out the fiscal year in a timely manner.
2. All negative FLAIR Central cash and/or budget balances should be cleared no later than Wednesday, June 17, 2009. The 5% budget amendments require a 3-day review, as specified in Section 216.292(2)(a)4, Florida Statutes. All 5% budget amendments for fiscal year 2008-2009 must be received by the Office of Policy and Budget (OPB) no later than Wednesday, June 24, 2009. Any 5% budget amendments received after this date will not post to FLAIR for fiscal year 2008-2009.
3. All functions of FLAIR will be operational for the entire day on Tuesday, June 30, 2009 except as noted otherwise. FLAIR will purge the voucher print file on the night of Tuesday, June 30, 2009 to ensure that no vouchers will print on Wednesday, July 1, 2009.
4. Statewide document numbers will be reset to begin with number x0000000001 on Wednesday, July 1, 2009, where x denotes the database on which the number is used. The number in the first position is incremented each year to avoid duplication of statewide document numbers across fiscal years.
5. Departmental FLAIR will be available from 7:00 A.M. to 7:00 P.M. on Saturday, June 13, 2009, Saturday, June 20, 2009 and Saturday, June 27, 2009. Information regarding the FLAIR extended hours of operation will also be posted on the FLAIR news screens.

INCURRED OBLIGATIONS/CERTIFICATION FORWARD AT JUNE 30, 2009

Agencies are permitted to carry forward incurred obligations, which have not been disbursed by June 30th pursuant to Section 216.301, Florida Statutes. Incurred obligations should not exceed the June 30th unexpended release balance of any authorized appropriation. The statutes also allow agencies to certify forward undisbursed fixed capital outlay appropriation.

1. DFS will automatically mark all the accounts payable and encumbrance subsidiary records in FLAIR with a "C" that have an operating appropriation on the night of Tuesday, June 30, 2009. This marking indicates that the incurred obligations will be carried forward to the following fiscal year and available to be disbursed by September 30. Exceptions to the automatic marking are:

- a. Accounts payable and encumbrance records with a local state fund (SF = 8) should not be included in the incurred obligations process for operating appropriations or certification forward process for fixed capital outlay appropriations and, therefore, will **not** be marked automatically.
 - b. Memo Receivables and Memo Encumbrances do not include a vendor number and should not be included in the incurred obligations process for operating appropriations. These records will **not** be marked automatically.
 - c. Receivables will **not** be marked automatically. Agencies will have to manually mark receivable records.
2. Agencies can request an exemption from the automatic marking of subsidiary files in writing by Friday, June 5, 2009. The request should identify which subsidiaries should **not** be marked. Mail or fax the request to:

Mr. Craig Vollertsen, Interim Director
Division of Information Systems
Department of Financial Services
200 East Gaines Street
Tallahassee, Florida 32399-4237
FAX: (850) 413-3013

Agencies can include a request for FLAIR to create a Fixed Capital Outlay (FCO) certifications forward file from their Project Information file records. Otherwise, these records will have to be built manually as part of the FCO certification process. FCO certification records from last year have been purged from the 1S-X file and are not available for update.

3. Agencies will have the ability to manually mark or unmark items for incurred obligations starting Wednesday, July 1, 2009 through Wednesday, July 29, 2009 although it is encouraged to finish the process by Friday, July 24, 2009. This will allow DFS staff sufficient time to ensure no negative appropriation exists before your files are transmitted to OPB. The records can be updated as follows:
- a. A “C” can be entered in the CF Field on the TR60, TR80, or TR90 so that record is marked as an incurred obligation. A “Y” should be marked in the Prior Period Indicator (PPI) field so that the June 30, 2009 balance is also updated.
 - b. A “C” can be added or removed from the CF Field on subsidiary records using the encumbrance, payable, or receivable subsidiary inquiry/update screens (6s, 8s, and 9s). A “Y” should be marked in the PPI field so that the June 30, 2009 balance is also updated.
 - c. A “C” can be added or removed from the CF Field on an encumbrance, accounts payable or receivable record on the 1S-X screen. The date received field should be updated for

- any accounts payable record that has a “C.” The system will prevent an update to any subsidiary record on the 1S-X screen that has had a payment/receipt processed against it.
- d. The “C” can be added or removed from payment/receipt transactions (70, 53, 33 and 51).
4. Updates to the encumbrance, payable, and receivable subsidiary records will be limited after Wednesday, July 29, 2009:
 - a. A “C” can be removed from an existing record but **cannot** be placed on a new or existing record.
 - b. The amount can be decreased but not increased on an existing record with a “C”.
 5. Payment and receipt transactions from the subsidiary records (70, 53 and 33) will be allowed to process with a “C” from Wednesday, July 1, 2009 until Wednesday, September 30, 2009.
 6. An unencumbered payment (TR51) with a “C” should be used only for the correction of a TR70 or TR53 after Wednesday July 29, 2009. The system will require the user to input information into the description field for any TR51 processed with a “C” from Thursday, July 30, 2009 to Wednesday, September 30, 2009. Agencies must indicate the encumbrance number or payable number and, if applicable, the purchase or direct order number that is associated with the TR51 in the description field. The contract number field should also be updated if applicable.
 7. Transaction 58 recorded with a “C” will be allowed throughout the fiscal year.
 8. DFS will monitor updates to the incurred obligation field starting Wednesday, July 1, 2009 and ending Wednesday, September 30, 2009 to ensure compliance with the legislative intent for undisbursed balances. DFS will require an agency to provide a justification for any payment with incurred obligation funds that appears to have not been obligated by Tuesday, June 30, 2009. The agency will be required to move the payment to a current year appropriation if it is determined that the use of incurred obligation funds was inappropriate on a payment. If an agency fails to move the payment in a timely manner, DFS will move the payment on behalf of the agency.
 9. Fixed Capital Outlay (FCO) will be certified forward through the FLAIR Certified Forward system as it was done last year. OPB will provide instructions in this area. In keeping with the policy of prior years, FCO accounts will not carry a CF indicator, but will utilize the year indicator to identify appropriations to a specific year.
 10. DFS will prepare and send a file to the MFMP system on Tuesday, June 30, 2009 to be used to mark incurred obligations in MFMP for all agencies (unless exempted from the automatic marking of subsidiary records).
 11. DFS will monitor that agencies do not exceed available spending authority. If an agency has a negative balance the morning after their CF process for incurred obligations was run, DFS

Accounting and Auditing staff will contact OPB and notify them not to pick up the file for that agency. DFS staff will work with the agency to help clear the negative balance and request DIS to recreate only the file portion of the CF incurred obligation process for that agency. Every effort should be taken to complete the incurred obligation/certification forward process on or before Friday, July 24, 2009. This will allow ample time for agency and DFS review before the final request is transmitted to OPB. OPB will provide instruction for the specific incurred obligations/certified forward due dates as they have done in previous years. To assist agencies in their monitoring effort, agencies are encouraged to use the carry forward monitoring report available at <https://flair.dbf.state.fl.us>. Click on the Information Warehouse Menu link. Enter a valid RDS user ID and password. Once on the Information Warehouse page, go to Master Balance Reports, click on Carry Forward Monitoring and enter the FLAIR agency L1 code. This report can be run for all tentative carry forward accounts or only those accounts with negative Adjusted Unexpended CF Appropriation Balances.

12. The remaining balance of appropriations for operating funds will revert on Wednesday, September 30, 2009. FLAIR will not allow the processing of a payment or receipt with a "C" after this date.
13. OPB will provide instructions for FCO reversions that are to occur in February as they have done in previous years.
14. Agencies will have the option as in previous years to use the period end (PE) function in FLAIR. Only subsidiary records with positive balances will be processed and reflected on the reports. If you close the year without first completing the PE function, the transaction 07s to record GLs 122xx, 131xx, 134xx, 911xx, and 931xx will not be recorded.

Agencies must contact the DFS Help Desk by 2:00 P.M. on the day the CF PE function is to be run so that DFS can prepare for the transfer of the certification forward file to OPB. The help desk will contact the Bureau of Accounting to verify that the agency does not have a negative balance before the PE Function is run.

OPB will use the file to align the LAS/PBS system ledger with FLAIR for the appropriation amounts that have been identified as incurred obligations for operating appropriation and as certified forward for FCO appropriations. If an Agency chooses to not use the CF PE function in FLAIR, the Agency will be responsible for transferring the information to OPB.

SUMMARY

In addition to the items specifically noted in this correspondence, each agency can assist with closing fiscal year 2008-2009 in the following manner:

1. Make every effort to submit all vouchers to the Bureau of Auditing by Friday, June 12, 2009.
2. Carefully check cash and appropriation balances in all accounts to ensure sufficient cash and budget authority are available. This will eliminate delays or rejections of payments due to funds shortages.

3. Agencies using selected operating accounts for consolidating salary payments must adjust these accounts to reflect the correct salary disbursements before the close of the fiscal year. Transfers of salary charges must be made to the applicable accounts to eliminate year-to-date negative disbursement balances.
4. Carefully review year-to-date balances in all accounts to ensure appropriations are not over-expended and atypical balances do not exist. Generally, accounts must not be closed out showing atypical year-to-date balances.
5. For additional information, please contact the following:

Bureau of Accounting	(850) 413-5511
Bureau of Auditing	(850) 413-5512
Bureau of State Payrolls	(850) 413-5513
Bureau of Funds Management (Treasury)	(850) 413-2768