

DATE: May 30, 2006

TO: Agency Addressed (No.17, 2005-06)

FROM: Douglas A. Darling, Director
Division of Accounting and Auditing
Department of Financial Services

SUBJECT: INSTRUCTIONS FOR THE CARRY/CERTIFICATION FORWARD OF
INCURRED OBLIGATIONS (formerly CERTIFICATION FORWARD AT
JUNE 30, 2006)

In anticipation of the Governor signing SB2548, the following information is provided for the processing of carry forward transactions for operating appropriations and the certification forward of fixed capital outlay for the 2005-06 fiscal year.

1. The Department of Financial Services (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 June 30, 2006.
 - a. Accounts payable and encumbrance records with a local state fund (SF = 8) should not be included in the carry forward 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 carry forward 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 for carry forward.
2. Agencies can request an exemption from the automatic marking of subsidiary files in writing by Friday, June 9, 2006. Letters should identify which subsidiaries should *not* be marked. Mail requests to:

Mr. Herb Fillyaw
Department of Financial Services
Division of Information Systems
200 E. Gaines Street
Tallahassee, Florida 32399-4237

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 carry forward starting July 1, 2006 through 6:00 P.M. on July 28, 2006. The records can be updated as follows:
 - a. A “C” can be entered in the CF Field on the 60, 80, or 90 transaction so that record is marked for carry forward. A “Y” should be marked in the Prior Period Indicator (PPI) field so that the June 30, 2006 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, 2006 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 July 28, 2006:
 - a. A “C” can be removed from an existing record but **can not** 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 July 1, 2006 until September 30, 2006.
6. An unencumbered payment (TR51) with a “C” should be used only for the correction of a TR 70 or 53 after July 28, 2006. The system will require the User to input information into the description field for any TR51 processed with a “C” from July 28 to September 30, 2006. 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 all updates to the carry forward field starting July 1 and ending September 30 to ensure compliance with the legislative intent of the certification forward

process. DFS will require an Agency to provide a justification for any payment with carry forward funds that appears to have not been obligated by June 30, 2006. The Agency will be required to move the payment to a current year appropriation if it is determined that the use of carry forward 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 will be certified forward through the FLAIR Certified Forward system as it was done last year. Office of Policy and Budget (OPB) will provide instructions in this area. In keeping with the policy of prior years, FCO accounts will not carry a certified forward indicator, but will utilize the year indicator to identify appropriations to a specific year.
10. DFS will prepare and send a file to the MyFloridaMarketPlace (MFMP) system on June 30, 2006 to be used to mark certified forwards in MFMP for all agencies (unless exempted from the automatic marking of subsidiary records).
11. The remaining balance of carry forward appropriations for operating will revert on September 30. FLAIR will not allow the processing of a payment or receipt with a "C" after this date.
12. OPB will provide instructions for FCO reversions that are to occur in February as they have done in previous years.
13. 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 certified forward 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 call the Help Desk by 2:00 P.M. on the day the PE function is to be run so that DFS can prepare for the transfer of the certification forward file to OPB. OPB will use the file to align the LAS/PBS ledger with FLAIR for the appropriation amounts that have been carried / certified forward. The Agency will be responsible for transferring the certification forward information to OPB if the Agency does not use the PE function in FLAIR.