

ARS □ NIFA □ ERS □ NASS

Bulletin

Title: Year-End Closing Dates and Closing Guidance

Number: 12-304

Date: August 9, 2012

Expiration: October 30, 2012

Originating Office: Financial Management Division

Distribution: Business Service Center Directors
ARS Division Directors
Budget and Fiscal Officers
Administrative Officers/Technicians
Research Leaders
Budget and Program Management Staff
ARS Operations Section, NFC

This bulletin provides guidance for managing year-end activities as well as Timeline/Cutoff Dates and Contact List Enclosures. See Also:
Bulletin 12-305 on Obligation of Appropriations:
Fiscal Year Chargeable

ANNUAL CLOSING GUIDANCE

The following provides annual closing guidance for various financial operations in order to meet externally imposed accelerated deadlines associated with the preparation and submission of the Department's fiscal year (FY) 2012 financial statements. All fund holders, Administrative Officers/Technicians (AO/Ts), program managers, contracting officers, purchasing agents, Budget and Fiscal Officers (BFOs), and all other employees responsible for preparing, reviewing, approving, and submitting obligation documents to the National Finance Center (NFC) should give special attention to these procedures and make a special effort to meet the established cutoff dates.

Preparing for Year-End Close:

1. Review of Unliquidated Obligations

Departmental Regulation 2230-001 (April 21, 2009) requires us to formally review and certify unliquidated obligations on a quarterly basis. Additionally, for the period ending June 30, obligations with no activity for the most recent 12 months will be deobligated unless there is a documented bona-fide purpose for the obligation to remain and a justification for the period of inactivity. **It is especially important for us to ensure that all invoices associated with FY 2007 obligations are paid prior to September 25. Properly executed invoices must be received by NFC by 4 p.m. (CDT) on September 7, 2012, in order to disburse prior to September 25, 2012. Unless FY 2007 invoices are paid prior to September 25, 2012, the management units will have to pay for these invoices from FY 2013 or other future appropriations.** When submitting invoices requiring payment prior to September 30, 2012, please notify the Agricultural Research Service (ARS) Operations section so that they can have someone shepherd the payment through the system.

Payments against cancelled appropriations are governed by the statutory provisions of Public Law (PL) 101-510. Briefly, PL 101-510 states that budget authority is canceled after the five-year period of expired authority have ended for an annual (1 year) appropriation. At the end of the five-year period all budget authority, both obligated and unobligated, is cancelled and the unused budget authority is transferred to the Treasury. **Thereafter, payments against cancelled years must be funded from current years' direct appropriated funds within the Area. There is no central funding source to draw upon.**

As part of this process, it is important to review all prior year (FY 2007 - 2011) unliquidated obligations and to clear all invalid obligations so that our financial records provide an accurate picture of our obligated balances and to maximize the availability of prior year budget authority for paying invoices properly chargeable to prior year periods. Please refer to **Bulletin 09-303** for additional guidance on reviewing unpaid obligations.

2. Expenditure of Funds

The CRIS Allocation Tracking System (CATS) Status of Funds (SOF) Reports (reconciled with June's Financial Management Modernization Initiative (FMMI) data) issued July 25, 2012, must be as "clean" and up-to-date as possible. This includes all appropriated and non-appropriated ("soft fund") accounts. Aging documents must be researched and estimates reviewed and updated, as necessary. **Beginning in August, SOF Reports should be issued to the fund holders on a weekly basis.**

Fund holders should make every effort to identify and obligate available funding by procurement cut-off dates established by the Acquisition and Property Division (see website www.afm.ars.usda.gov/acquisitions/cutoff.htm). Additionally, routine purchases should be accomplished by the end of August (August 31). **Needs identified after August 31 should be unexpected or unforeseen (emergency) and must be coordinated through the AO.** AOs should develop internal processes to control and capture these obligations. The BFOs will provide specific guidance to the Locations on options for maintaining funds control during this period.

The Financial Management Division (FMD) will work with the Budget and Program Management Staff (BPMS) and the Office of National Programs (ONP) to ensure that High Priority Requirements List (HPRL) and program funding is released as early as possible. Obviously, business will not come to a halt and there will be occasions where requirements will be unexpectedly identified late in the year or funding will be made available at the last minute. However, these occasions should be kept to a minimum and routine, "common" purchases should be completed prior to August 31.

The Area and Location administrative and accounting personnel will be required to finalize the year-end estimates between September 30 and October 3, 2012. All obligations to be made using FY 2012 funding must be known by the accounting staff prior to the end of September 30, 2012.

Of equal importance to the direct funds are the reimbursable, "soft" funds. All reimbursable and trust fund accounts must be reconciled and all transactions captured. If any costs are residing on direct accounts which belong on the soft fund, they must be transferred prior to September 26, 2012, or captured in a year-end estimate. In order to ensure processing through the accounting system, the last day a trust fund or Cooperative Research and Development Agreement (CRADA) check may be accepted for use in FY 2012 is **September 4, 2012**. FY 2012 Reimbursable Agreements (new or amendments) must be established prior to **September 7, 2012**, in order for the funds to be available for FY 2012 business. Conversely, if you are closing out a trust fund or technology transfer account and you need to process a refund against FY 2012 funds, please complete the **down-payment/reapplications/refunds form – Sales Orders with Advances and email to the Debt Management and Collections Group (CODCOLLECTION.DEBTMGT@NFC.U.S.A.GOV)** by **September 4, 2012**. This will allow sufficient time for the payment to be made and the allocation to be adjusted before the end of the FY.

FMD issues a bulletin every fiscal year-end entitled, "Obligation of Appropriation: Fiscal Year Chargeable," which provides general guidelines to aid managers and fund holders in deciding spending priorities prior to expiration of the annual appropriation on September 30. This bulletin has been updated for FY 2012. Refer to this bulletin for guidance. Please call your BFO, Business Service Center (BSC) Director, or Headquarters Staff if you have any questions.

3. Year-End Estimates (YE) Documents

Federal statutes require all agencies, at the end of each FY, to record all of their valid obligations for that FY. These obligations are required to accurately reflect the financial status of the agency relative to its appropriated and non-appropriated funds. Obligations reflected in the records captured in FMMI must be accurate as of September 30. FMMI records will be used to prepare ARS' final official financial reports which are sent to Congress, the Department of the Treasury, and the Office of Management and Budget. To record these obligations, source documents must be received at NFC in accordance with the cutoff dates. When the source documents cannot be submitted to NFC by the cutoff date, year-end estimates must be used to record those documents as well as transactions where individual documents are not used to obligate funds (e.g., travel vouchers, blanket purchase agreements, etc.) for all annual activity (including incoming agreements that expire as of September 30).

After the close of the FY, YE documents should continue to be input on a monthly basis for any significant obligations (greater than \$50,000) until the obligations are recorded in FMMI. Although YEs are entered at the Area level for the annual appropriations, once the FY closes, the applicable Financial Technician is responsible for reconciling and entering these individual YEs each month.

Guidance for processing YE documents in FMMI is attached.

For audit purposes, please retain the appropriate documentation for your year-end estimates. Per Departmental Bulletin OCFO 06-03, no "adjustments or estimates will be processed in FMMI without the benefit of a detailed analysis and supporting documentation." This includes documents reflected on CATS reports (i.e., procurement requisitions, cardholder logs, etc.) and Salary Management System (SAMS) reports **as well as a cover sheet identifying the YE number, the date prepared, and the dollar amount. This cover sheet must be signed by the preparer and approved by a second party (Enclosure 5).**

Payroll estimates for Pay Periods 19 and 20 (5 days) will automatically be entered by the Payroll System. The Area will only need to enter payroll estimates for any pending salary adjustments, awards, overtime, etc.

4. Travel

In GovTrip, the approval of an authorization creates an obligation for travel. Because annual fund accounting codes are not available until the new FY begins, please follow these directions when preparing an authorization for travel that begins in the next FY. These instructions apply only to authorizations that use annual funds. If the authorization is

created using No-Year funds (indicated by a “-XX” after the FY indicator in the line of accounting, (see screenshot below), prepare the authorization as usual.

At year-end, when travel will span both FY 2012 and FY 2013, a No-Year accounting code must be used in addition to the FY 2012 accounting code. Additionally, if travel will begin immediately in FY 2013 requiring that an authorization be created in FY 2012, a No-Year accounting code must be used.

Each Agency must set up a mock No-Year accounting code/line of accounting (LOA) in FMMI and make it available to each GovTrip organization within the Agency. This account code will be available for use on September 1, 2012. You may use the accounting code established last year or create a new one. For example ARS has created the following in FMMI:

Selected Accounting Code(s)		
Budget Period	Accounting Code	Description
FY10 - FYXX	Z93FYCROSS	TRAVEL THAT CROSS FISCAL YEARS

When creating the authorization the “mock No-Year accounting code” must be selected, and expenses allocated using the Allocate Expenses by Date Range feature in GovTrip. Be aware that the authorization will reject and NO funds will be obligated. Units should work with their financial personnel to ensure that a YE/DE document is entered in FMMI to obligate the FY 2012 funds for the travel.

Prior to vouchering, and when the new FY 2013 accounting codes are available, the authorization must be amended to reflect the appropriate FY 2013 accounting. When travel begins in FY 2012 and ends in FY 2013 the expenses should be allocated to the proper FY’s using the Allocate Expenses by Date Range feature in GovTrip.

5. Year End Close – the following dates are preliminary and subject to change once the official NFC guidance is issued:

As in previous years, the deadlines are constricted for preparing year-end estimates. This year, the last day of the FY falls on a Sunday. NFC requires this day to close-out their systems. Therefore, September information must be reconciled and year-end estimates must be entered in FMMI no later than **October 3, 2012.** See the enclosed timeline (Enclosure 1) to assist you in managing your Area and Location year-end close out activities. **NOTE: It is strongly suggested that the majority of your YE documents be entered and approved prior to Wednesday, October 3, and then use this date for your “clean-up” and final adjustment opportunity.**

All direct-entered obligation and payment activity (Agreements, and RSA Task Orders) processed by ARS Operations Section, NFC, must be received by **September 26, 2012,** to ensure

processing in FY 2012. Locations should continue to mail these documents to ARS Operations through the end of the FY; however, if any are not received by September 26, 2012, they may not get processed in time to be reflected on year-end reports.

All accounting adjustments (B2 documents) should be completed by COB September 26, including those for Indirect Program Support Costs and or Indirect Research Costs. If not, they must be entered as a year-end estimate.

Obligations can continue to be executed against the available funding through September 30. **However, the obligation amounts must be captured by accounting personnel using year-end estimates by October 3, 2012. Every effort must be made to provide accounting personnel with the appropriate documentation (purchase card logs, purchase orders, etc.) by COB September 28, 2012.**

Year-end estimates must be submitted for all annual and soft fund accounts.

Integrated Acquisition System - the following dates are preliminary and subject to change once the official NFC guidance is issued:

The Integrated Acquisition System (IAS) has a “real time” link with FMFI. Once a transaction is approved by the Budget Approver, a commitment of funds (ZIQ) is recorded in FMFI. When a Contracting Officer (CO)/Purchasing Agent (PA) completes the transaction in IAS, an obligation (ZIO) is recorded in FMFI and the previous commitment is de-committed (negative ZIO).

The interface between IAS and FMFI will not shut down until 2 a.m (EST) (1 a.m. CST; 12 a.m. MST; 11 p.m. PST). COs/PAs will be able to process all transactions in FMFI as usual. Any new requisitions or line items which need to be ordered by a CO/PA on September 30 should be entered into IAS.

CO's/PA's must complete all IAS transactions prior to 2:00 a.m. (EST) (1 a.m. CST; 12 a.m. MST; 11 p.m. PST) September 30, 2012.

6. Final Close Out Activities

Review of year-end estimates and balances by fund type will be required from the BFO by division (Area) for all Fund Types (01, 08, 91, 92, 93, 95, etc.), review the information, notate that it is complete/correct to the best of their knowledge, and fax the information to the Chief, FOB, FMD, on 301-504-4302, by October 4, 2012, 3:00 p.m. EST.

Additional information will be provided, as soon as detailed instructions for the above review are available.

NOTE: locations MAY NOT enter transactions (B2's, etc.) against FY 2012 activity after September 30, 2012.

The CRIS Activities Module (CAM) will still be required. Additional guidance with due dates will be provided later in the FY.

Location accounting and administrative personnel are responsible for researching pending transactions for which year-end estimates were entered to ensure that the obligation is posted in FMMI as quickly as possible.

4 Enclosures

/s/
ROBERT H. MAGILL
Acting Director
Financial Management Division

TIMELINE/CUTOFF DATES

July 1, 2012 (Sunday) *

- PROCUREMENT REQUISITION DEADLINE¹ (Supplies /Equipment) - \$3,001-150,000. Requests for supplies, and equipment (including IT) between \$3,001 and \$150,000 must be received by the procurement office.
- PROCUREMENT REQUISITION DEADLINE (Services) - \$2,501-\$150,000. Requests for services between \$2,501 and \$150,000 must be received by the procurement office.
- PROCUREMENT REQUISITION DEADLINE (Construction) - \$2,001 - \$150,000. Requests for construction (including construction with completed design, and A-E design only) between \$2,001 and \$150,000 must be received by the procurement office.
- PROCUREMENT REQUISITION DEADLINE - \$2,501 - \$25,000. Requests for task orders under Operations & Maintenance contracts between \$2,501 and \$25,000 must be received by the procurement office.

July

- Facilities Division will request “wish list” from Areas for year-end R&M funds (if any).

July 25, 2012 (Wednesday)

- Fiscal community provides clean, up-to-date Status of Funds reports to fund holders.

August 3, 2012 (Friday)

- Review and update obligations related to Motor Pool and FTSP. Send changes for fiscal year (FY) 2012 obligations to the Agricultural Research Service Operations (ARS Ops), National Finance Center (NFC) (Attn: Lucille Davis).

August 10, 2012 (Friday)

- Locations, through Areas, provide list of anticipated agreements still to be received during FY 2012 to Budget and Program Management Staff (BPMS).

*Receiving the procurement requisition by this date provides reasonable assurance that the request will be completed prior to the end of the Fiscal Year. Procurement requisitions received after this deadline will be handled on an “if-possible” basis and will not be assured completion prior to the close of the Fiscal Year.

August 31, 2011 (Friday)

- PROCUREMENT REQUISITION DEADLINE (see footnote on Page 1 of Enclosure) - \$3,000 and under. All “routine” purchases of supplies, services and equipment (includes IT, construction with completed design, and A-E design only) should be procured by this date. Requests for \$150,000 and under for “Special or additional tasks for major facilities support services contracts” due to procurement office.
- **Control Spending!** Any spending of FY 2012 funds after this date **must be coordinated through your Administrative Officer (AO)**.

September 4, 2012 (Tuesday)

- Last day to accept and send a Cooperative Research and Development Agreement (CRADA) or Trust Fund checks to the Lock Box to ensure deposit for FY 2012 appropriations.
- Cash award documentation to be received by the Human Resources Division in order to ensure transaction is recorded in the Financial Management Modernization Initiative (FMMI) by PP 18.
- All requests for refunds against Trust Fund and Technology Transfer agreements must be received by the **Debt Management and Collections Group**.
- Last day for the National Finance Center (NFC) to receive relocation travel vouchers in order to ensure processing in FY 2012.

September 7, 2012 (Friday)

- Invoices chargeable to FY 2007 should be received by NFC by **4 p.m. (CDT)** to ensure that they will be scheduled for payment. Pursuant to the provisions of Public Law 101-510, payments for FY 2007 must be cleared and released by Treasury before the close of FY 2012. Any invoices not received in time to clear Treasury will be processed as FY 2013 business and charged to FY 2013 funds. **NOTE: For invoices against FY 2007 submitted to NFC in late August/early September, contact ARS Ops for assistance in ensuring payment is processed prior to September 30.**
- Last day to accept incoming FY 2012 reimbursable agreements and post in the Agricultural Research Information System (ARIS).
- Last day to enter CRIS transfers in ARIS. Areas to transfer funding from dummy CRIS.

- Final day for NFC to receive and process updates or corrections to Stored Master files via TUMS (Telephone/Utilities).
- BPMS will begin processing allotment documents on a daily basis through October 1, 2012. The Budget and Fiscal Officers (BFOs) will enter financial plans/allocations and provide plans to AO's on a daily basis through September 30, 2012.

September 14, 2012 (Friday)

- **BFOs review AVC report FOR SOFT FUNDS - ALL FYs to ensure no agreements have negative balances. Note that Payroll CAN overspend a reimbursable/trust fund/CRADA account.**

September 26, 2012 (Wednesday)

- All Agreements and RSAs must be received by ARS Ops, to ensure processing in FY 2012. **Locations may continue to send documents to ARS Ops through September 26; however, if not received by this date, any remaining agreements and RSA Task Orders should be sent directly to the BFO to manually enter into FMFI. Anything received by ARS Ops after September 26 will be sent back to the Area Office. The BFO will send copies of these locally entered documents to ARS Ops.**
- **Last day for purchase card holders to approve open transactions to ensure capture of information in FY 2012 reports.**
- Last day to direct enter obligating documents for FY 2012. Last day to process B2s, including those for Indirect Program Support Costs.

September 27, 2011 (Thursday)

- Last day for disbursements to be made in FY 2012. After today, no payments will be issued until October 2, 2012.

September 27 - 28, 2012

- Contracting Officers (COs)/Purchasing Agents (PAs) and requestors provide information to accounting personnel of any last minute requirements which must be captured with a YE document.

September 30, 2012 (Sunday)

- The link between the Integrated Acquisition System (IAS) and FMFI will be disabled at **2:00 a.m. (EST) (1 a.m. CST; 12 a.m. MST; 11 p.m. PST)**. No more commitments or obligations will be fed from IAS through the end of the FY.
- NFC Feeder systems will perform final feed at close of business.

September 30, 2012 (Sunday)

- IAS will be available to COs/PAs until 11 p.m. CT.

October 1, 2012 (Monday)

- All documents posted in period 12 (on or after October 1, 2012), are required to have the posting date and document date of September 30, 2012.

October 3, 2012 (Wednesday)

- Last day to enter period end estimates for FY 2012 business by 9:00 p.m. EST. (See Enclosure 3 for instructions for using the CRIS Allocation Tracking System (CATS) to develop year-end estimates and Enclosure 4 for instructions on entering the year-end estimates into FMFI.)
- ARS units enter year-end documents (YEs) until close of business 10/3/12. **ARS Ops will NOT prepare ANY year-end estimates.**
- Accounting personnel must ensure all unposted items are included in CATS and the Salary Management System as estimates and reflected on a YE.
- Regular payroll and utility estimates will automatically be input. Only adjustments will need to be year-end estimated.
- Last day for Areas to finalize FY 2012 Financial Plans (BLs).

October 4, 2012 (Thursday)

- BFOs verify ending balances for their Areas for all Fund Types (01, 08, 91, 92, 93, 95, etc.), review the information, notate that it is complete/correct to the best of their knowledge, and e-mail or fax the information to the Chief, Fiscal Operations Branch, Financial Management Division, on 301-504-4302 by 3:00 p.m. EST.
- AXOL profile accounting codes will be rolled to FY 2013 accounting codes.
- Units begin entry of FY 2013 business (accounting period 01 13).
- Appropriation Level Management Staff and Financial Systems and Analysis Branch enter unfilled/unbilled transactions and final Agency adjustments in FMMI.

Mail, Telephone and Contact Information

ARS Operations Section, NFC:

Telefax Number
(504) 426-9717

SUBJECT	NAME	PHONE NUMBER
Training, Leases, GBLs	Ronelda Brown	(504) 426-5360
General Information, Mailing, New Business	Pam Wynn	-5364
	David Perez	-5427
Reimbursable Agreements:	JoAnn Dixon	-5358
	Anh Robinson	-5365
	Cheryl Brown	-5356
	Cheryl Ragas TTY (1-866- 377-8642) then 504-426-5339	
	Traneica Curry	-5369
Interagency Agreements (outgoing funds; only those that were in FFIS), Contracts, Agreements	Lucille Davis	-5341
	Ronelda Brown	-5360

ARS, FMD-FSAB:

Telefax Number
(301) 504-4390

ARS, FMD-FOB:

Telefax Number
(301) 504-4302
(301) 504-1300

Chief, Fiscal Operations Branch, FMD

Kim Parks

FMMI Inquiries

FMMI Help Desk

(301) 504-4429

Express Mail/Postal Service Information for Document Delivery

The following address is provided to assist you with the use of express mail and postal service:

ARS Operations Section Express Mail Address:

OCFO, COD, ACPRB, ARS Operations Section
13800 Old Gentilly Road
2nd Floor, Post N-46
New Orleans, LA 70129

For documents that are not processed by the Agricultural Research Service Operations Section (ARS Ops), National Finance Center (NFC), such as purchase orders and relocation vouchers, which need to be expedited to other offices at NFC, the express mail address is:

NFC's Express Mail Address:

USDA, NFC
*Addressee**
13800 Old Gentilly Road
New Orleans, LA 70129

**Be specific as to the addressee (i.e., name of section within NFC such as the PRCH unit, and/or designated person)*

NOTE: You should consult with your local or express mail service about the exact mailing time (days) for service to New Orleans, Louisiana.

ARS Operations Section's Regular Mailing Address:

OCFO, COD, ACPRB, ARS Operations Section
P.O. Box 53326
New Orleans, LA, 70153

NFC's Regular Mailing Address:

USDA, NFC
P.O. Box 60000
New Orleans, LA 70160

To expedite the routing and subsequent processing of all documents, please remember to separate documents for mailing as offered in the above instructions. Do not commingle the documents which need to be sent to ARS Ops, NFC, with the documents which must be sent to other NFC offices.

Instructions for Using CATS to Prepare Year-End Estimates

All obligating documents must be entered into the CRIS Allocation Tracking System (CATS) for the fiscal year (FY) and all **Unreconciled** obligating documents must be included in the Year-end Estimates.

All Year-end Estimates should be completed at the Area Level except Soft Funds – these should be completed at the WBS/account code level.

The Year End Estimate Report is used by accounting personnel to prepare a report to document all outstanding obligations and commitments that have not yet been processed through the Financial Management Modernization Initiative (FMMI). This report groups all unreconciled transactions by budget object class codes as required. This report can be run by account code, Location, or Area. If it is run at the Location or Area level it will print the No list for each account and then a cumulative summary by BOC at the end of the report. When entering the Location or Area ranges, you must check the box that says ‘Only include X01 account’. This will exclude the soft fund accounts.

The Year End Estimate Report is located in CATS under the Reports menu. It can be run by account or by a range of accounts. The totals on this report must match the Unreconciled totals on the Status of Funds reports. (*CATS Manual, Chapter 3.12, pages 303-305, Year End Estimate Report*)

****Each YE MUST have a signed coversheet. Any method used to aggregate the data for direct entry of YE documents must contain detailed information to support the entries. This method will facilitate the reconciliation of the financial reports and must be retained for 3 years for audit purposes.****

NOTE: Retain all CATS records created during this FY. Do NOT modify CATS records after the close of the FY and Year-end estimates have been entered into FMMI until after the CRIS Activities Module (CAM) exercise has been completed. The Budget and Fiscal Officer will notify locations when prior year records may be accessed for reconciliation. CAM will be utilizing the current FY records to accumulate and summarize CATS entries by CRIS. DO NOT delete the current FY.

Generally, the following BOCs should be used when entering estimates on YE documents:

REQUIRED BOCs FOR YEAR END ACCRUALS

G/L Acct	Long Text	YE_DE Commitment Item
6100001199	Payroll Salary – Estimate	1199
6100001299	PR Benefits – Estimate	1299
6100002199	Travel Obligations – Estimate	2199
6100002299	Transportation of Things – Estimate	2299
6100002399	Rent, Communications, and Utilities – Estimate	2399
6100002499	Printing and Reproduction – Estimate	2499
6100002599	Other Services – Estimate	2599
6100002699	Supplies and Materials – Estimate	2699
6100003199	Equipment Estimate	3199
6100003299	Lands and Structures – Estimate	3299
6100004099	Grants, Indemnities, and Interest – Estimate	4099
6100004199	Grants, Subsidies, and Contributions – Estimate	4199

Sub-Object Codes for Extramural Agreements
(From ARS FMMI Learner's Guide, Overview, Page 36)

<u>Sub-object Name</u> <u>(Performing Organization Category)</u>	<u>Sub-object Code</u>
Cooperative State Research, Education and Extension Service	CO
Female Owned	FO
Other Federal Research	FR
1890 Land-Grant College	HB
Individual	IN
1862 Land-Grant College	LG
Minority Owned	MO
Other	OT
Private Non-Profit	PN
Private for Profit	PP
Private University or College	PR
Public University or College	PU
State Agricultural Research Station	SA
Small Business	SB
State or Local Government	SL
Veterinary School or College	VE

