



**TRANSPORTATION CABINET**

Frankfort, Kentucky 40622  
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**Steven L. Beshear**  
Governor

**Michael W. Hancock, P.E.**  
Secretary

**TO:** Management Personnel

**THROUGH:** Tammy S. Branham, Executive Director  
Office of Budget and Fiscal Management

**FROM:** Bill Bell, Director, Division of Accounts  
Peggy Stratton, Director, Division of Purchases

*T. Branham*

*Bill Bell*  
*P. Stratton*

**DATE:** March 25, 2011

**SUBJECT:** Closing Schedule for Fiscal Year 2011

The Finance and Administration Cabinet (Finance) has notified the Transportation Cabinet (KYTC) of the schedule associated with closing of Fiscal Year 2011 accounts. To ensure compliance with the Finance schedule it is imperative that all KYTC personnel involved in procurement or accounting transactions follow KYTC's internal schedule and procedures outlined in the attached, including the final processing dates available for eMARS transactions.

It is the responsibility of each originating office to follow the flow of critical transactions to make certain that final KYTC approval occurs within the guidelines provided. Strict adherence to the closing schedule will also guarantee that all transactions are processed in the proper fiscal year. Fiscal Year 2011 documents processed after the closing schedule dates will have to be rejected and posted in eMARS for Fiscal Year 2012.

During this process Peggy Stratton or Ben McCray will be available to assist with issues relating to procurement as will Bob Scott, Dawn Gramig, or Dan Wood for questions regarding accounting transactions.

Attachment



## KYTC Fiscal Year 2011 Closeout Procedures and Schedule

1. Closing Dates. The soft close for accounting period 12/11 will be Thursday June 30, 2011. The hard close will be Tuesday, July 5, 2011. The soft close for accounting period 13/11 will be Friday, July 8, 2011. The hard close will be 12:00 pm Friday, July 15, 2011.
2. Encumbrances. Most budget fiscal year 2011 encumbrances (other than Capital Projects) will be liquidated in budget fiscal year 2011 and remaining balances will be established in budget fiscal year 2012 on Saturday, July 2, 2011. Capital Project encumbrances require no action since their budget fiscal year remains the same throughout the life of the project. Encumbrances under \$1000 for all other funds will be liquidated and will not be re-established in 2012. Fiscal year 2012 payments against these 2011 encumbrances must be paid on a standalone PRC document with a memo reference to the encumbering document. **We anticipate eMARS to be unavailable Saturday, July 2, 2011 and Sunday, July 3, 2011 in order to complete the encumbrance roll.**

Pending Encumbrances and Expenditure Transactions. All budget fiscal year 2011 pending encumbrance transactions, modifications, and cancellations (other than capital projects) must be posted prior to COB Friday, July 1, 2011, allowing the encumbrance roll to be accomplished. All budget fiscal year 2011 pending expenditure transactions, modifications, and cancellations (other than capital projects) must be posted prior to COB Friday, July 8, 2011, creating final budgetary balances. Any of the above 2011 documents in the pending phase will be rejected back to draft phase after the specified dates.

### **Attention Personal Service Contract and Memorandum of Agreement Owners:**

All personal service contracts (PSC) and memorandums of agreements (MOA) expiring June 30, 2011, must be (1) re-bid via competitive Request for Proposal (RFP); (2) renewed if language exists in the terms of the existing contract; or (3) re-established from a RQS document. A requesting office must submit a requisition (RQS document) by April 15<sup>th</sup> to KYTC Division of Purchases for any new PSC or MOA requiring a July 1, 2011 start date.

**Prior to July 1, 2011 a new EO1 must be submitted for the amount established for year two on all existing MOA/PSC contracts. The Contract Oversight Branch in Division of Purchases will be notifying individuals within each affected office.**

Purchases requiring Executive Order 2009-011 approval must go before the Finance Exceptions Committee; the last day to obtain Exceptions Committee approval for fiscal year 2011 documents is Thursday, June 9, 2011. The last date the Finance Office of Procurement Services will accept EO1 forms from agencies is noon on Wednesday, June 8, 2011. **This would require the EO1 document be received by KYTC Division of Purchases by close of business Friday, June 3, 2011. Goods and services must be received no later than Thursday, June 30, 2011 to be paid out of old year funds.**

**NOTE: New Year Procurement documents processed before Friday, June 10, 2011 must use a non-accounting event type in order to validate and submit into workflow.**

Please refer to the following pages for the full schedule of deadlines and cutoff dates.

### Division of Accounts

*These documents are listed by deadline or cutoff date.*

Document Code	Document Description	Last Day to Process Old Year, Must be in Accounts by:	First Day to Process New Year
ITI	1100 and 0100 Funds Revenues	6/28/2011	7/1/2011
ITI	Internal Transaction Initiator Expenditures	6/28/2011	7/1/2011
JV2R	Cash Collections Earned Revenue Correction 1100, 0100 Funds	6/30/2011	7/1/2011
RE	Receivable	6/30/2011	7/1/2011
CR	Cash Receipt (Funds 0100 and 1100). <b>Must be received in Accounts by 10 am on 6-30-2011</b>	6/30/2011	7/1/2011
GAX2	General Accounting Revenue Refund (Fund 0100 and 1100)	6/28/2011	7/1/2011
IA	Inventory/Stock Adjustment	6/30/2011	7/1/2011
IET	Internal Exchange Transaction	6/30/2011	7/1/2011
ITA	Internal Transaction Agreement	6/30/2011	7/1/2011
GAX	General Accounting Expense/Expenditure	7/6/2011	7/1/2011
GAX2	General Accounting Revenue Refund (Excluding Fund 0100 and 1100)	7/6/2011	7/1/2011
GAX3	General Accounting Balance Sheet Payable	7/6/2011	7/1/2011
IN	Commodity Based Vendor Payment	7/6/2011	7/1/2011
PRC	Commodity Based PR	7/6/2011	7/1/2011
PRCI	Commodity Based Internal PR	7/6/2011	7/1/2011
TP	Travel Payments	7/6/2011	7/1/2011
OC	Over the Counter Stock Issue	7/8/2011	7/1/2011
PRC2	Commodity Based PR Pro Card	7/8/2011	7/1/2011
CH	Charge Transaction	7/8/2011	7/1/2011
JV2E	Cash Expenditure Correction	7/14/2011	7/1/2011
JV2R	Cash Coll Earned Revenue Correction	7/14/2011	7/1/2011
CA	Cost Allocation	7/12/2011	7/1/2011
OB1	Management Budget	7/16/2011	7/1/2011

## Division of Purchases

Effective immediately, all new purchase requests should include in the document comments one of the two following statements: (1) "Delivery is desired prior to June 30, 2011," (allows for awarding of the Contract even if delivery could not be made until after June 30, 2011, but payment would be made with FY 2012 funds); or (2) "Delivery must be completed prior to June 30, 2011," (if the vendor can not meet the deadline, the Contract would not be issued.)

***These documents are listed by deadline or cutoff date.***

Document Code	Document Description	Last Day to Process Old Year	First Day to Process New Year
RQS	Standard Non-Delegated Requisition >= \$20,000 Requires Finance OPS to issue the RFB & Contract all purchases (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	4/6/2011 must be in KYTC Div of Purchases for approval	5/13/2011
PON2	Proof of necessity Agreement <b>-New Year</b> PSC/MOA requiring an effective date of 7/1 (*attach approved EO1 as required). Final approval is Finance OPS.	N/A	4/1/2011
PON2	Proof of necessity Agreement <b>-Old Year</b> PSC/MOA modifications for services performed by 6/30-place old year in document description (*attach approved EO1 as required). Final approval is Finance OPS.	5/14/2011 must be in KYTC Div of Purchases for approval	N/A
RQS	Standard Delegated Requisition <= \$20,000 KYTC Div of Purchases to issue the RFB & Contract all purchases (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	5/4/2011 must be in KYTC Div of Purchases for final approval	5/13/2011
EO1	Executive Order	6/3/2011 must be in KYTC Div of Purchases for final approval	4-1-11
CT	Contract (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6/14/2011 final approval by Finance OPS	5-13-11 if unencumbered 6-10-11 if encumbered
CT	Contract modification (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6/14/2011 final approval by Finance OPS	5-13-11 if unencumbered 6-10-11 if encumbered
CT2	Contract (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6/14/2011 final approval by Finance OPS	5-13-11 if unencumbered 6-10-11 if encumbered
CT2	Contract modification (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6/14/2011 final approval by Finance OPS	5-13-11 if unencumbered 6-10-11 if encumbered
CTT1	Contract (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6-14-11 final approval by KYTC Div of Purchases	5-13-11 if unencumbered 6-10-11 if encumbered

Document Code	Document Description	Last Day to Process Old Year	First Day to Process New Year
CTT1	Contract modification (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6-14-11 final approval by KYTC Div of Purchases Purchases	5-13-11 if unencumbered 6-10-11 if encumbered
CTT2	Contract (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6-14-11 final approval by KYTC Div of Purchases	5-13-11 if unencumbered 6-10-11 if encumbered
CTT2	Contract modification (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6-14-11 final approval by KYTC Div of Purchases	5-13-11 if unencumbered 6-10-11 if encumbered
DO	Delivery Order (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6-14-11 final approval by KYTC Dist/Div.	5-13-11 if unencumbered 6-10-11 if encumbered
DO2	Delivery Order 2 way match(allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6-14-11 final approval by KYTC Dist/Div.	5-13-11 if unencumbered 6-10-11 if encumbered
PO >\$5,000	Purchase Order, <b>Request for Spec. Auth., exception to sealed bid</b> - all purchases and modifications (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required) Requires <b>final approval by Finance OPS</b>	6/10/2011 in KYTC Div of Purchases for approval	5-13-11 if unencumbered 6-10-11 if encumbered
PO < \$5,000	Purchase Order, all purchases and modifications (allow sufficient time for goods rec by 6/30) (*attach approved EO1 as required)	6/14/2011 in KYTC Div of Purchases for final approval	5-13-11 if unencumbered 6-10-11 if encumbered
PO2	MOA/PSC exception as defined by KRS 45A.690 or agency exemption as defined by statute or the LRC - <u>New Year PO2s requiring an effective date of 7/1/2011</u> (*attach approved EO1 as required ) Some cited authorities require final approval by Finance OPS	N/A	4/1//2011
PO2	MOA/PSC exception as defined by KRS 45A.690 or agency exemption as defined by statute or the LRC - Old Year PO2 modifications for services performed by 6/30 – <b>Must indicate “Old Year”</b> in document description (*attach approved EO1 as required ) Requires final approval by Finance OPS	6/9/2011 in KYTC Div of Purchases for approval	N/A