

All:

The end of fiscal year 2017 is approaching fast. In order for us to comply with the prescribed closing schedule of the State Comptroller, we need your assistance in the timely processing of revenue and expenditure related transactions. The importance of timely submission cannot be emphasized enough.

Accordingly, we have developed the below schedule and appreciate your compliance for a smooth close-out process. Please review the below information very carefully, paying particular attention to stated due dates. If a staff member responsible for any of the below tasks is scheduled for vacation during these crucial time periods, please be sure to assign a designee to accomplish the required tasks.

## **PROCURE TO PAY – PURCHASING**

**A. AY17 ORDERING AND EXPRESS PO's** - Please have all of your ordering and Express PO's completed by Friday, June 16. This should allow time for receipt of invoices and processing of vouchers by the cut-off date of Friday, July 14 (see below detail under invoices/vouchering). The Express PO should be done at the same time of the order prior to June 16.

### **B. REQUISITIONS:**

#### **1. Requisitions Associated with AY18 only:**

- a. Can be entered into GEARS on Monday, March 13.
- b. Please start your requisition name with "AY18" for easy identification. This naming convention should be used for all requisitions throughout the year. Additional details and information can also be entered in the comments section.
- c. Please ensure that the correct "AY2018" Appropriation Year is referenced in the chartfield distribution line(s).
- d. Please have the requisition approved.
- e. Do not budget check the requisition. If a user happens to budget check the requisition, you should receive a budget status of "error", due to the entry date of the requisition.
- f. The GEARS Team will perform a weekly process to change the accounting and budget dates on the requisitions to coincide with AY2018 (required) and perform a mass budget check. This process will be done on a regular basis and as needed to allow the Department of Procurement (DPCGA) time to issue the AY18 purchase orders. AY18 purchase orders cannot be used or have any activity associated with them prior to July 1.

#### **2. Requisitions Associated with AY17 and AY18 both:**

- a. Must be entered as two different requisitions.
- b. Can process the AY17 requisition as currently done and complete the full process.
- c. Any AY18 requisitions would need to follow the process noted above in B-1.
- d. AOC requires that all requisitions and purchase orders be done on a fiscal year basis.

### **C. END OF YEAR REQUISITION AND PURCHASE ORDER ANALYSIS:**

#### **1. Courts and Departments Process:**

- a. Courts and Departments should review the status of their **requisitions** on a regular basis throughout the year, but this review is essential at year-end. A requisition reserves budgeted funds, so action should be taken on unneeded requisitions to fully spend your budget. Follow the navigation below to enter your PCA and get a listing of requisitions by PCA number.

Main Menu > Purchasing > Purchase Orders > Reports > Req and PO Budgetary Activity

1. If requisitions are listed that should not have a remaining amount after PO issuance, please contact DPCGA for assistance.
2. Review the listing for open requisitions that are no longer needed. Please cancel these requisitions.
3. Review open requisitions applicable to FY17 and follow-up with DPCGA to ensure that a PO is dispatched, if still required. Please keep in mind that all goods and services ordered must be received by June 30, unless the PO is eligible for encumbrance. If the goods or services are not received and the PO is not eligible for encumbrance, the PO will be closed and if still needed, a new AY18 requisition will need to be created.

4. Review open requisitions applicable to FY18 goods or services to ensure they have the correct AY2018 appropriation year referenced and have not been budget checked. If they happen to have been budget checked, they should be in a budget status of “error” until the DBF process stated in B-1-f above is completed.
- b. Courts and Departments should review the status of their **purchase orders** on a regular basis throughout the year but this review is even more critical at year-end. Please review the “Monitoring Procurement” tip sheet section on the GEARS site and take all appropriate action to close unneeded PO’s. As noted in the guidance, these actions should be started immediately for a smooth year-end and performed continuously. This message has been relayed in GEARS Notification emails and by the DPCGA numerous times already. If you should have any questions or concerns, please reach out to DPCGA now.
- c. Courts and Departments should notify the Budget Unit within DBF of all purchase orders that they would like to be considered for an encumbrance by Friday, July 14<sup>th</sup>. **The PO Encumbrance Request form should be utilized and sent via email to [JFBU@mdcourts.gov](mailto:JFBU@mdcourts.gov) by the due date of July 14.**

## 2. Administrative Office of the Courts Process:

- a. With GEARS, every purchase order with a remaining balance at the end of vouchering AY17 invoices will need to be reviewed and have appropriate action taken. After vouchering ends on Friday, July 14, the Department of Budget and Finance (DBF) will analyze all open PO’s taking into account Judiciary-wide year-end budget status and make a determination which ones will be encumbered. Your input from C-1-c above will be considered in this process.
- b. If a PO is selected to be encumbered or accrued, it will be moved forward into FY2018 with corresponding AY2017 open lines.
- c. All other remaining PO’s will be closed. For current PO’s with services crossing the two fiscal years, a new requisition/PO will be required, as these PO’s will be closed as well. We require all service PO’s to be established on a fiscal year timeframe.
- d. DBF will work with the DPCGA to make adjustments as needed on the purchase orders.
- e. After July 14, AY2017 PO’s selected for encumbering or accruing, as well as any additional open prior year encumbered PO’s, will not be available for vouchering. We are anticipating this timeframe to be an approximate three week window. **A notification will be sent when vouchering can be resumed against these PO’s. Please do not attempt to voucher after the cut-off date against any AY2017 PO’s or earlier, as it may lock up the PO and cause additional issues.**
- f. DBF will notify the courts/departments via email of all final encumbered purchase orders.

## PROCURE TO PAY – ACCOUNTS PAYABLE INVOICES/VOUCHERING

### **D. GEARS INVOICES: Please process all FY17 invoices in GEARS by Friday, July 14. (This includes travel expense reimbursement requests.)**

1. **FY17 Invoices received before July 14** – Invoices applicable to FY17 can be processed through Friday, July 14. Between July 1 and July 14, please be sure to use a **June 30** accounting date on all FY17 vouchers and ensure AY2017 (or earlier encumbrance year) is referenced in the voucher distribution lines.
2. **FY17 Invoices received after July 14** – These invoices will need to be processed against your FY18 budget (unless related to an encumbrance or accrual, see C-2-e above). The accounting date used must be after July 1 (it should default to the current date) and the distribution lines should contain AY2018 (or the appropriate encumbrance/accrual AY year).
3. **Post Office Box Rentals** – It is important to note that invoices for box rentals **must be processed immediately** upon receipt as a voucher in GEARS (as FY17) or you may call and make payment via credit card. The Post Office will lock your box pretty quickly if payment is not received very timely.
4. **Petty Cash** – Please be sure that you reconcile all petty cash funds at year-end and submit a reimbursement voucher in GEARS by Friday, July 14. This should be done even if the reimbursement is under the normal \$10 threshold.
5. **All FY18 invoices should be held for processing until after Friday, July 14.** On Monday, July 17, the FY18 accounting periods will be open and available for use in the Accounts Payable module of the system. Please be sure to have your FY18 PO’s completed and ready for use before attempting to voucher any related invoices.
6. **After July 14, all invoices needing to be vouchered against encumbered or accrued AY2017 (or earlier) purchase orders should be held until notification is given by DBF to proceed.** (See C-2-e above.)

**E. NON-GEARS INVOICES: Please submit the below items as currently done by Friday, July 7:**

1. All FY17 local jurisdiction reimbursement requests through June 30 for jurors and masters should be submitted to DBF.
2. Original employee expense account forms for tuition reimbursements through June 30 should be submitted to the Education Division.
3. Please submit all inter-agency invoices normally processed by DBF.
4. All other invoices not processed by users in GEARS should be sent to DBF.

**F. GEARS VOUCHER REVIEW AND CLEAN-UP (for expenditure and revenue vouchers): Please start and continue this review through June 30.**

All FY17 vouchers must be in a full complete finished status at year-end. DBF will be monitoring and reviewing vouchers but it is important that the courts/departments review their vouchers as well. This can be done through the Voucher Activity Inquiry page. Details about this functionality can be found under the Tip Sheet section of the GEARS site. Please review vouchers in different statuses, such as budget statuses that are in “Error” or “Not Checked”, approvals that are “Pending” or “Denied”, and match statuses with “Exceptions.” Again, vouchers with these statuses need review and in most cases, need further action. If it is determined that a voucher is no longer needed, please notify Brittanie Collier via email with the details and requested action. If you need any assistance in processing vouchers, please contact Service Now x1114 or DBF staff.

## GRANTS

**G. JUDICIARY GRANT ACCRUALS: Please submit your grant accruals to DBF by Friday, July 7.**

For those departments that award Judiciary grants an email from DBF with specific guidance and instructions to record your grant accrual amounts and process your invoices will be distributed in June. Please watch for this email and be sure to complete the requirements within the stated deadline.

## BUDGET

**H. FY18 BUDGET:** DBF is anticipating to have the exact detailed FY18 budgets entered in GEARS by the end of May. Until this time, a preliminary budget has been entered, which allows users to process FY18 requisitions. DBF will notify you when your preliminary budget is replaced with your final budget (approximately May 31).

## ORDER TO CASH

**I. DEPOSITS:**

1. It is important that the processing of daily deposits is kept current as we get close to the end of the year. The weekend of June 24<sup>th</sup>-25<sup>th</sup> would be a good time to complete any catch-up work as needed.
2. As typical, the deposit for Friday, June 30 will be the done the next business day, July 3, for GEARS users. However, it will be posted using the accounting day of June 30.
3. Non-GEARS users, such as COA, COSA, Board of Law Examiners, Law Library, should email your daily deposits to DBF [jfru@mdcourts.gov](mailto:jfru@mdcourts.gov) beginning June 26<sup>th</sup> through June 30<sup>th</sup>.
4. For Prince George’s and Montgomery, beginning June 26<sup>th</sup> and through June 30<sup>th</sup>, please send daily credit card totals to DBF [jfrcs@mdcourts.gov](mailto:jfrcs@mdcourts.gov). For all other circuit courts, no additional actions are required for credit card payments. Please process as normally completed.
5. For Circuit Court only, please ensure all interest from Escrow accounts has been transferred for the period of July 2016 through May 2017 to account 8049 by Thursday, June 15. June’s interest should be deposited by July 14<sup>th</sup> utilizing FY18.

**J. JUNE END OF MONTH (EOM) DISBURSEMENTS:**

1. Please ensure all previous months have been processed.
2. Please process your June end of month disbursements in a timely manner (by July 14 approximately). However, **please be sure to wait for June interest amounts to ensure that June interest is allocated and paid with your June EOM.**

(Please be sure to include all earlier year-to-date interest amounts not previously disbursed.) The accounting date used on the disbursements should be June 30 with appropriation year AY2017 referenced.

#### **K. REVENUE REFUNDS:**

1. **FY17 Revenue Refunds:** Please process all applicable FY17 revenue refunds no later than Friday, July 7 in the system and ensure the accounting date is June 30 and AY2017 is referenced.
2. **FY18 Revenue Refunds:** All applicable FY18 revenue refunds should be held from processing until after Friday, July 14. A notification will be distributed to confirm when these invoices can be processed. Upon entry, the accounting date used must be after July 1 and the distribution lines should contain AY2018.
3. **Please refer to section F above for review and clean-up of revenue refunds.**

#### **L. REVENUE ADJUSTMENTS:**

1. **Chargeback Clearing Account 9651 must have a zero balance at year end.** Please ensure all adjustments have been processed, including returned checks and deposit errors. If you have questions about any item in this account please contact Suzie Bishop.
2. **Non-GEARS OTC Adjustments:** Non-GEARS users (COA, COSA, Board of Law Examiners, and Law Library) should send all remaining FY17 revenue adjustments, such as returned checks, to DBF for processing via email to [jfru@mdcourts.gov](mailto:jfru@mdcourts.gov) by Friday, June 30.
3. **FY17 Adjustments:** Please ensure all FY17 adjustments, such as CCU, and P&P, are completed in the GEARS system and send all remaining DBF OTC adjustments, such as appeals and return of funds to other agencies, to DBF via fax or email to [jfru@mdcourts.gov](mailto:jfru@mdcourts.gov) by Friday, July 7.
4. **For MDEC locations, any Circuit Court lien revenue received for FY17, but not sent to the Circuit Courts by Friday, July 7<sup>th</sup> must be accrued.** The accrual amount should be sent to Laura Jones by Friday, July 7.

#### **M. REVENUE REPORTS: Please submit the below reports to DBF by Friday, July 7.**

- Nonresident withholding report for June 2017 (MW506 monthly report)
- Litigants (Escrow) Bank Account Information.
  - \* Please send copies of statements from July 2016 to May 2017 showing any interest earned. The Ledger Activity may be run to identify what months are needed.
  - \* Please send copies of the final bank statements that include June 30 as they are received.

**N. CHILD SUPPORT GRANT by Tuesday, June 27:** Cooperative Reimbursement Agreement Reports (Child Support Expense Allocations and Project Timesheets through PPE 6/20/17) are due to the Family Division at [cra@mdcourts.gov](mailto:cra@mdcourts.gov) by Tuesday, June 27.

**O. ACCOUNTS RECEIVABLE by Monday, July 10:** Please submit Accounts Receivable Summaries for the month of June 2017 and fiscal year-end compilation reports to DBF by Monday, July 10.

### **PURCHASING CARD**

#### **P. FINAL PCARD REVIEW: The last statement of P-card charges for AY17 will be June 23.**

Please be advised that due to timing issues, charges that post to your purchasing card account after June 23<sup>rd</sup> (the statement cycle end date for June) through June 30<sup>th</sup> (the fiscal year end) will be applied against your FY18 budget with the July statement. In addition, once email notification to review your June statement has been received, please be sure to complete this action in a timely manner. A journal entry should be completed by Friday, July 7, to reclass any charges applied to default object 0995.

### **GENERAL LEDGER**

**Q. JOURNAL ENTRIES: Please complete all journal entries and submit to DBF by Friday, July 7.**

1. GEARs USERS: Please complete any FY17 journal entries in GEARs. **For any FY17 journal entries done between July 1 and July 7, please ensure that the journal date is manually changed on the first screen of entry to June 30, 2017 to reflect the correct appropriation year.** (It normally defaults to a current date, which would be incorrect for these entries.) In addition, please ensure that journals are approved timely to allow for timely posting as well to complete the journal process.

If you have any questions or expect to have difficulty in meeting any of the above deadlines, please contact:

GEARs Project Director / DBF Deputy Director, Tammy Sitar 410-260-1419

DBF Unit Director, Accounting Operations, Brittanie Collier 410-260-1379

DBF Revenue Unit Supervisor, Suzie Bishop 410-260-1413

DBF Accounts Payable Unit Supervisor, Sharon Hoff 410-260-1412

DBF Reports and Reconciliation Supervisor, Jaye Hall 410-260-1242

DBF Senior Accounting Analyst (Pcard), Trish Gugliotta 410-260-1251

DPCGA Deputy Director, Kevin Jones 410-260-1411

DPCGA, Procurement Manager, Lisa Peters 410-260-1265

Thank you for your cooperation with this schedule.