

FISCAL YEAR-END REFERENCE GUIDE

FISCAL YEAR 2021-22

Introduction

This document was prepared to assist Internal Business Services in successfully closing Fiscal Year 2021-22. Please discuss this document with all employees who may have a part in this process.

We hope you will find this material helpful. If you have any questions regarding the year-end closing schedule, you may contact any of the following individuals for your respective programs:

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PURCHASING DEPARTMENT & INTERNAL BUSINESS SERVICES

Schedule of Important Closing Dates Fiscal Year End June 30, 2022

PURCHASING DEADLINES	
ROUTING PURCHASE REQUISITION	
a. April 29	Purchase Requisition over \$3,000
b. May 13	Purchase Requisitions \$3,000 and under
BLANKET PURCHASE ORDER	
c. May 31	The last day to order items on a blanket PO including Palace (Just-In-Time) orders
<u>Note:</u> The dates above indicate cutoff for requisitions to be in Purchasing's final queue on or before the deadline.	
PURCHASE ORDER CHANGE ORDER	
d. June 3	Last Day for Purchase Order Change Orders (POCO)
ACCOUNTING DEADLINES	
PURCHASE CARD (P-CARD) – ACCOUNTING DEPARTMENT	
e. May 6	P-Card transactions for the month of April
f. June 6	P-Card transactions for the month of May
g. July 6	P-Card transactions for the month of June
REIMBURSEMENT CLAIMS	
h. May 27	Reimbursement claims for the month of April
i. June 24	Reimbursement claims for the month of May
j. July 15	Reimbursement claims for the month of June
ACCOUNTS RECEIVABLE (A/R)	
k. June 17	Last day to create invoices in IBM (QCC Invoice Billing Management), for FY21/22
CASH DEPOSITS	
l. June - 29	Last day to submit cash deposit for FY21-22
JOURNAL ENTRIES	
m. July - 5	Final Journal Entries for all funds
ACCOUNTS PAYABLE (A/P)	
n. July 15	Final A/P invoices, please submit invoices to Accounting as they are received from vendors

**YEAR-END CLOSE SCHEDULE AND SUPPORT SUMMARY
AT A GLANCE**

I. PURCHASE REQUISITION & PURCHASE CHANGE ORDERS (POCO) – PURCHASING AND CONTRACT SERVICES DEPARTMENT	
<ul style="list-style-type: none"> • April 29 - Purchase Requisition over \$3,000 	<ul style="list-style-type: none"> • If the program is going to make a purchase in excess of \$3,000 the program will need to enter the requisition in QCC system before the April 29 deadline. • As of the issuance of this memo Purchase Requisitions that require a bid process and are expected to require the use of current year budgeted funds must be submitted to purchasing queue by the April 29 deadline. • Requisitions requiring a bid need 90 days for advertising, review, and approval of the awarded bids. • If this process cannot be completed prior to June 30, 2022 the funds will not roll into the next year’s budget and will need to be re-budgeted out of the 2022-23 funds. • Ensure that the requisitions are in Purchasing’s final queue by this date. • Please Note: Immediately contact purchasing and accounting representative if you have large or complicated purchases that have not been previously communicated via requisition or email. • NOTE: Immediately contact purchasing and accounting if you have large or complicated purchases that have not been previously communicated via requisition or e-mail.
<ul style="list-style-type: none"> • May 13- Purchase Requisition under \$3,000 	<ul style="list-style-type: none"> • Ensure that the requisitions are in Purchasing’s final queue by May 13, 2022.

	<ul style="list-style-type: none"> • Last day to enter purchase requisition that do not require a bid process in the QCC system. • NOTE: Please note that any exceptions to the above deadline will need prior approval by the respective Division Head, and final approval by the Chief Business Officer.
<ul style="list-style-type: none"> • May 31 -Last day to order items on a blanket PO including Palace (Just in Time) Orders 	<ul style="list-style-type: none"> • The last day to order items from Palace (Just-In-Time) orders will be May 31, 2022. • Palace will request approval from the Purchasing department to process orders placed past this deadline. • Orders placed past this deadline will require approval from the Purchasing department. • Purchase orders with multiple account lines- Programs to ensure there is enough money in the account lines before placing the order. • Internal Business Services would like to request that you sign and date all the packing slips of the supplies that you have purchased from Palace and sent it to Internal Business Services as soon as you receive it. • Without the confirmation that the items were received, Internal Business Services, will not be able to process the payment to the vendor. • A packing slip is used to denote that the physical goods have being received. • Ensure that the invoice is received in Accounting Services as soon as the items are received.
<ul style="list-style-type: none"> • June 3 - Last Day for Purchase Order Change Orders (POCO) 	<ul style="list-style-type: none"> • Ensure there is enough money in your purchase order. • Last day to increase or decrease Purchase Order Change Order is June 3.

	<ul style="list-style-type: none"> • Please Note: All (POCO) need to be in the Purchasing by June 3 deadline. • Any POCO change request received after this date will require late justification and will need to be approved and signed by the Program and Purchasing before it is processed. • All POCO requests must be submitted via signed POCO Form and via E-mail or can be routed to Purchasing via DocuSign.
<p>II. PURCHASE CARD (P-CARD) – ACCOUNTING DEPARTMENT</p>	
<ul style="list-style-type: none"> • May 6 - P-Card transactions for the month of April 	<ul style="list-style-type: none"> • Ensure that the Cardholder and the Manager have approved all the P-Card transactions in Bank of America works by this due date. • Please Note: The dates above indicate cutoff for P-Card transactions to be in Accounting's queue, that is, after P-Cardholder and Supervisor approval.
<ul style="list-style-type: none"> • June 6 - P-Card transactions for the month of May 	<p>Ensure that the Cardholder and the Manager have approved all the P-Card transactions in Bank of America works by this due date.</p> <ul style="list-style-type: none"> • Please Note: the dates above indicate cutoff for P-Card transaction to be in Accounting's queue, that is, after P-Card holder and Supervisor approval.
<ul style="list-style-type: none"> • July 6 - P-Card transactions for the month of June 	<p>Ensure that the Cardholder and the Manager have approved all the P-Card transactions in Bank of America works by this due date.</p> <ul style="list-style-type: none"> • Please Note: the dates above indicate cutoff for P-Card transaction to be in Accounting's queue, that is, after P-Card holder and Supervisor approval.
<p>III. REIMBURSEMENT CLAIMS</p>	
<ul style="list-style-type: none"> • May 27 - Reimbursement claims for the month of April 	<ul style="list-style-type: none"> • Employee to ensure that the reimbursement claim is received in Accounting Services by this date.

	<ul style="list-style-type: none"> Failure to comply with this guidance may result in denial and nonpayment of the claim.
<ul style="list-style-type: none"> June 24 - Reimbursement claims for the month of May 	<ul style="list-style-type: none"> Employee to ensure that the reimbursement claim is received in Accounting Services by this date. Failure to comply with this guidance may result in denial and nonpayment of the claim.
<ul style="list-style-type: none"> July 15 - Reimbursement claims for the month of June 	<ul style="list-style-type: none"> Employee to ensure that the reimbursement claim is received in Accounting Services by this date. Failure to comply with this guidance may result in denial and nonpayment of the claim.
<ul style="list-style-type: none"> July 15 - Reimbursement claims for Fiscal Year 2021-22 	<ul style="list-style-type: none"> Ensure that <i>ALL</i> Reimbursement claims for Fiscal Year 2021-22 (July 1, 2021-June 30, 2022) is received in Accounting Services by this date. PLEASE NOTE: July has a shorter deadline compared to the previous month, as Accounting Services will be processing any adjusting or closing entries after this date. Late claims received after July 15 will <i>NOT</i> be processed after this due date.
IV. Accounts Receivable (A/R) Billing & Cash Deposits	
<ul style="list-style-type: none"> June - 17 Last day to create invoices in IBM (QCC Invoice Billing Management), for FY21/22 	<ul style="list-style-type: none"> The last day to enter invoices is June 17, 2022. The aging report must be run on June 17, 2022 The Programs are required to run and review (A/R) aging report and determine if invoices need to be Cancelled, Accrued or Rolled into FY 22/23. Based on the determination, program will provide instructions to Grace Lacap (also a copy to the accountant via email) by June 21, 2022, and notate on report ‘ C for Cancellation, ‘A’ for invoices to be Accrued, and ‘R’ for invoices to Rollover.

	<ul style="list-style-type: none"> • PLEASE NOTE: IBM (Invoice Billing Management) re-opens on July 6, 2022 for fiscal year 2022-23.
<p>V. June 29 - Last day to submit cash deposit for FY21-22</p>	<p>The proper cut-off for cash collections will be as follows:</p> <ul style="list-style-type: none"> • Last day to submit cash deposit for FY21-22. All cash received as of June 29, 2022 at closing will be posted to the 2021-22 fiscal year. • Please continue to submit cash received after June 29 for FY21/22 to Accounting. These deposits will be accrued to correctly record to FY21/22.
<p>VI. ACCOUNTS PAYABLE (AP) INVOICES</p>	
<ul style="list-style-type: none"> • July 15 - Last day to submit cash deposit for FY21-22 	<ul style="list-style-type: none"> • Last day to submit invoice to pay 2021-22 purchase orders from 2021-22 budgets. (Items and services must have been received by June 30, 2022. • Submit all final invoices to Accounting Services on or before July 15, 2022. • In April, IBS staff will start sending out Open Purchase Order Reports to the programs once every two weeks. Programs will need to review the report and inform IBS staff of purchase orders that need to be Accrued or Rolled over into next fiscal year. • <u>Invoices to be Accrued in current Fiscal Year:</u> Invoice for services rendered on or before 6/30/22 Invoice for materials delivered on or before 6/30/22 • <u>Invoices to be Rolled into next Fiscal Year:</u> Invoice for services to be rendered next Fiscal Year Invoice for materials to be delivered next Fiscal Year <p><u>Please Note:</u> When a purchase order is Rolled Over into the new year, the funds from fiscal year 2021/22 will not roll into the next year’s budget and will need to be re-budgeted with 2022/23 funds, unless carryover funds from fiscal year 2021/22 are available to cover the cost.</p>

<ul style="list-style-type: none"> • July 8– Final Journal Entries for All Funds 	<p style="text-align: center;"><u>Journals</u></p> <p>Final Journal Entries for All Funds</p> <ul style="list-style-type: none"> ○ Finger Printing ○ Print Services ○ Adjustments or corrections ○ Internal Office Service Agreements (IOSA) \$1,000 and above ○ Interdepartmental cost transfers less than \$1,000
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Terminology

Fiscal Year - also known as budget year is a period used by the government or businesses for accounting purposes to formulate annual financial statements and report. Any 12-month accounting period and may not end on December 31.

Accounts Payable – Accounts Payable or (AP) is an amount that a company needs to give to vendors for goods and services purchased on credit. It must be paid off to its creditors or suppliers within a period. Accounts payable is a liability for a company.

Accounts Receivable – is money due to a company for goods or services delivered or used but not yet paid by customers. Accounts Receivable is any amount of money owed by customers for purchase made on credit.

Accrual - Used when goods or services are received in this fiscal year (FY2021-22) and will be paid for next fiscal year (FY2022-23). An accrual can be completed when you know the goods/services have been received and the invoice will not post to the ledgers by the end of the June Preliminary ledgers.

Accrued Expenditure

Expenditures incurred during the accounting period that are not paid until the subsequent accounting period

Accrued Revenue

Revenue earned during the current accounting period that is not collected until a subsequent accounting period

Accrual – Example

TDSD orders 2 servers against PO123456 and the servers are received on 06/30/22 at 5.00 PM. Invoice from the vendor is received on July 14, 2022.

Since the goods were received in this fiscal year 2021-22, we must recognize this expense in FY2021-22. However, because the invoice will be paid next year, in (FY2022-23) we must accrue this invoice to accurately record the expense in the correct fiscal year 2021-22.

Roll-Over – The term is used to in QCC to roll transactions and create invoices in the next fiscal year. Used when goods or services will be received in the next fiscal year (FY2022-23) even though the requisition or purchase order were initiated in the previous fiscal year (FY2021-22).

******Please Note:** When a purchase order is Rolled Over into the new year (FY2022-23), the funds from fiscal year 2021/22 will not roll into the next year’s budget (FY2022-23) and will need to be re-budgeted with 2022/23 funds, unless carryover funds such as grants, local contract revenues etc. from fiscal year 2021/22 are available to cover the cost.

Rollover of Purchase Order

Purchase Order balance or a portion of the Purchase Order balance is rolled over into the new fiscal year. The expenditure is recognized in the next fiscal year.

Example:

Since the goods were received in this fiscal year 2021-22, we must recognize this expense in FY2021-22. However, because the invoice will be paid next year, in (FY2022-23) we must **accrue** this invoice to accurately record the expense in the correct fiscal year 2021-22.