

Department of Finance and Administration
OFFICE OF FISCAL MANAGEMENT
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M E M O R A N D U M

TO: Finance Officers, State Agencies
FROM: Mark Valentine, Director
DATE: June 1, 2016
SUBJECT: **Closing FY2016 and Opening FY2017 Procedures**

MAGIC is almost two years old and its second fiscal year end is approaching. Constitutional and statutory provisions remain that affect the year-end closing functions of accounting records including MAGIC and SPAHRS. We are including procedural requirements for closing FY2016 and opening FY2017. A list of the actions is detailed in this memo by date. Hopefully, you will use this checklist as a tool during the old/new year transition period.

BUDGETS

The DFA Office of Budget and Fund Management (OBFM) issued a memorandum May 11, 2016 requiring state level budgets for BY2017 be entered in MAGIC no later than June 3, 2016. Agency level budgets for BY2017 can be entered in MAGIC either through direct entry or the spreadsheet upload as soon as the state level budget is approved.

For more MAGIC assistance, please review the [Budget](#) training material.

PROCESSING SCHEDULE FOR YEAR-END

MAGIC is available 24 hours a day unless notified via MASH. SPAHRS will be available on weekends from 8:00 a.m. to 8:00 p.m. beginning June 4, 2016 through June 26, 2016. The MMRS Call Center support is not available on weekends.

To allow for jobs that must be run to facilitate the year end close process and establish fiscal year 2017 data, MAGIC and SPAHRS will come down at **noon on June 30, 2016**. You will be notified when MAGIC and SPAHRS are available. There is a possibility the systems may not be available until **July 5, 2016**.

BY2016 ADJUSTING JOURNAL ENTRIES (JE's)

All BY2016 journal entry documents (JE's) (e.g., ZE, YV, ZK) must be processed on or before August 31, 2016. No BY2016 JE's will be processed after that date. To ensure that all BY2016 JE's are processed in MAGIC, those that require DFA approval must be approved by the agency by August 26, 2016 and include all required supporting documentation to ensure approval by DFA.

BY2016 PURCHASE ORDER (PO) DEADLINES

In accordance with section 7-7-23, Mississippi Code, Annotated 1972, **June 30, 2016** is the deadline for agencies **to enter and apply all agency approvals** to PO's for BY2016. MAGIC edits will prevent BY2016 PO's from being issued after June 30, 2016. Remember, MAGIC and SPAHRS will be unavailable beginning 12:00 noon.

Outstanding PO's at June 30, 2016 will be rolled into Fiscal Year (FY) 2017 but remain encumbered against BY2016. These PO's can be modified to add a BY2017 line(s). At August 31, 2016, open BY2016 lines on the PO's will be closed.

For MAGIC assistance, please review the [Procurement](#) training materials.

CONTRACTS

Contracts that have an end date of June 30, 2016 should have a PO issued prior to June 30, 2016 to enable lapse period payments. A PO may not be required based upon the general ledger code, but no payments can be made against a contract after the end date of the contract unless a PO exists. A PO can also not be created against a contract after the end date of the contract. The best business practice is to issue a PO for each contract as the contract is issued.

For MAGIC assistance, please review [Contracts](#) training materials.

RFx DOCUMENTS

RFx Opening and Closing dates should not be between July 29, 2016 and July 5, 2016. This is due to system availability, and to ensure that conflicts are avoided due to year-end processing. If your agency has an RFx opening or closing during that timeframe, please modify those document dates.

FY/BY 2017 BUDGET CONTROLS

Current Year Functional Area Budget Controls will be copied from 2016 to 2017. If an agency wants to change their Budget Control (i.e., turn on or off Z1 or Z3), a request must be emailed to ofm.bfm@dfa.ms.gov.

If an agency has questions about the Functional Area Budget Controls, contact Lisa Dunn at 601-359-9416.

BY16 AND BY17 CASH ACCOUNTS

In MAGIC, the general ledger (GL) account for cash is the same for both budget years. Agencies will tell OFM how much cash to move forward from BY2016 to BY2017. Please complete and return the [Cash Move Form](#) for all your MAGIC special funds (3's, 5's, 63x's) by June 24, 2016.

To calculate the amount of cash to move forward, first determine how much cash is needed in BY2016 to cover outstanding purchase orders, outstanding invoices and expected BY2016 payments for travel, utilities, etc., during July and August. Then subtract this amount from the estimated net cash balance at June 30, 2016 to determine the cash amount that needs to be moved forward.

Since this is an estimate, you will be able to move cash during the lapse period by contacting OFM. Payments will not be issued if sufficient cash is not available in the proper budget year. Please carefully monitor your cash balances in both budget years during July and August. If you need cash moved, email Barbara Elliott, Princess Bender, and Lisa Dunn. **Please email all.**

For MAGIC assistance, please review the [General Ledger](#) training materials.

PETTY CASH

Petty Cash funds must be reconciled as of June 30, 2016 and the final reimbursement for BY2016 must be submitted to OFM by July 18, 2016. The reimbursement for BY2016 as of July 18, 2016 must be requested by submitting a final petty cash reimbursement request on an invoice along with [Form](#) Statement of Petty Cash/Imprest Fund Expenses.

Please also complete the [Petty Cash Reauthorization](#) form for your agency for each fund in which petty cash is set up and return to OFM by June 24, 2016. A copy of your agency's petty cash procedures should be attached to the form. This form should be completed for all petty cash accounts, whether held in bank accounts or cash boxes.

TRAVEL ADVANCES

Advances for travel expenses issued in BY2016 must be settled by July 29, 2016. Any payments to employees, including salary, can be held by DFA if travel advances are not cleared by the end of the month following the month in which the trip was completed.

TRAVEL

Travel completed before July 1, 2016 (BY2016) should **NOT** be combined on the same travel voucher summary with travel completed after July 1, 2016 (BY2017). SPAHRS will process travel based on the "travel to date." If this ending date is after July 1, 2016 travel will be expended against your BY2017 budget. If it is necessary to change these expenses to BY2016, you will need to follow the "Mass Change Before Posting" procedures in SPAHRS.

Please remember that you cannot process Travel Vouchers (TV's) for travel advances or reimbursement for employee travel in SPAHRS for BY2017 until July 1, 2016 or after. BY2017 travel processing dates will **not** be established in SPAHRS until **after** June 30, 2016. The last travel processing date in June is June 28, 2016 and will pay on June 30, 2016. The first travel processing date in BY2017 is July 5, 2016 and will pay on July 7, 2016.

LAPSE PERIOD WAIVER REQUESTS

The deadline for all BY2016 waiver letter requests is August 19, 2016. An **XL** document should be used when requesting a lapse period waiver. MAAPP manual section 11.20.15 has been revised to include MAGIC specific instructions. Submit all waiver requests to OFM, Attn: Barbara Elliott.

LAPSE PERIOD PROCESSING

All transactions processed in July will be recorded in the first accounting period of the new fiscal year (01/2017), but can be recorded in either BY2016 or BY2017. Section 64, Constitution of the State of Mississippi, provides that appropriations may be held open for two months - through August 31, 2016. To be assured of adequate processing time, MAGIC invoices and MAGIC transfer transactions for BY2016 should be submitted to OFM through workflow by August 22, 2016.

RECEIVED DATE

Received Date will be a required field on payment documents during the lapse period. The date entered in this field should be the date the goods or services were received. The received date will be used to categorize payments on the received date reports as payables or encumbrances in order to record the proper GAAP accrual entries.

GOODS RECEIPTS

Enter all Goods Receipts documents (WE's) prior to noon on June 30, 2016 for any purchases received by that date. Doing so will reduce the year end accrual entries for GAAP.

CONTACT INFORMATION FORM

Many times it is necessary for OFM to email agencies or to contact them in emergency situations. Therefore, please provide OFM with email addresses and phone numbers on the [Agency Contact Information Form](#) provided with this memo and return it to OFM by July 1, 2016.

EXPENDITURES/PERFORMANCE BY PROGRAM

Expenditures by program and performance measures will be due to DFA and LBO on July 29, 2016. The specific due date has not yet been determined. For MAGIC assistance, please review the [Allotment Period 2 – Performance Measure Statistical Key Figure Process](#) training material.

CLEANING UP ASSET SHELLS

Review asset shells that have had no value added, and delete those that are not needed. Run the [Unposted Assets Report](#) using Transaction code S_ALR_87012056 to assist you in this process.

This report displays a fixed asset directory of unposted assets derived from asset shells that have been created but have no associated value. It is important that all unused asset shells be removed no later than June 19, 2016.

PORTAL PROCESSING AND CHANGES FOR FY2017

The MAGIC E058 table for FY 2016 will be rolled over to FY 2017 by July 6, 2016. If your agency has any changes to this table (e.g., new items to sell, licenses to issue, and changes in monetary amounts) contact Brandi King or Jim Hurst. All changes must be received by June 15, 2016 in order to be uploaded into MAGIC for FY 2017.

PARKED DOCUMENTS

Many documents are currently in a parked status in MAGIC. Use the [Agency Month End Document](#) to help identify any “parked status documents.” If you no longer need to process the parked document, it should be deleted by your agency. If the parked document still needs to be processed, it should be “saved as complete,” which will start the workflow process. All agency levels of approval should be applied, then the document will route to DFA/OFM for approval. Ensure that you review and complete any adjustments to your parked documents by June 24, 2016. Any documents started prior to July 1, 2016 will be deleted if not posted by June 30, 2016.

GRANTS AND INTERNAL ORDERS

There are several master data elements that need to be reviewed for grants and internal orders to ensure processing continues through the lapse period and to assure data integrity.

- Internal Orders – Check end dates, especially for Internal Orders related to the Grantor module
- Grant Internal Orders - Check grant number and add if missing
- Grants – Check end date – date must extend through the time warrants are generated

ACCOUNT VALIDATION & SPAHRS CROSSWALK

The Account Validation (E398 table) and the SPAHRS Crosswalk table will be rolled from FY/BY 2016 to FY/BY 2017 on June 3, 2016. During this rollover, the SPAHRS crosswalk FY/BY 2015 entries will be deleted. After June 17, 2016, if you request changes to 2016 that need to be made for 2017, be sure to request changes for both years.

MAGIC ASSISTANCE

For further information on MAGIC processes and related job aids please visit [uPerform](#). To learn more about the File Structure of uPerform please see the [File Structure](#) job aid.

CLOSING

This memo, the agency contact information form, the petty cash form, and the cash move form, are available on the DFA website at the following link:

www.dfa.state.ms.us/Offices/OFM/OFM.htm under FY16 Year-End Close. Your cooperation during this busy transitional period is appreciated. If you have any questions concerning this memo or any of these procedures, please contact the following:

Area	Name	Phone Number	Email Address
Receipts	Lynn Lawson	601-359-3550	Lynn.Lawson@dfa.ms.gov
	Greg Ramsey	601-359-2053	Greg.Ramsey@dfa.ms.gov
Payments	Chanel Cain	601-359-9450	Chanel.Cain@dfa.ms.gov
	Greg Ramsey	601-359-2053	Greg.Ramsey@dfa.ms.gov
Vendors	Sharon Chambers	601-359-3541	Sharon.Chambers@dfa.ms.gov
	Gail Marshall	601-359-2067	Gail.Marshall@dfa.ms.gov
Travel Advances	Tonya Swan	601-359-3853	Tonya.Swan@dfa.ms.gov
Waivers	Barbara Elliott	601-359-3049	Barbara.Elliott@dfa.ms.gov
Cash Moves and Other Items	Barbara Elliott	601-359-3049	Barbara.Elliott@dfa.ms.gov
	Princess Bender	601-359-9433	Princess.Bender@dfa.ms.gov
	Lisa Dunn	601-359-9416	Lisa.Dunn@dfa.ms.gov
Portal	Brandi King	601-359-3568	Brandi.King@dfa.ms.gov
	Jim Hurst	601-359-3011	Jim.Hurst@dfa.ms.gov
Office of Financial Reporting	Cindy Ogletree	601-359-2072	Cindy.Ogletree@dfa.ms.gov
	Robert Johnson	601-359-9690	Robert.Johnson@dfa.ms.gov

Pc: Princess Bender, OFM
Jenny Bearss, MMRS
Diane Langham, MMRS
Donna McFarland, OFR