

*FISCAL YEAR 2008 YEAR-END PROCEDURES
FOR ALL AGENCIES IN THE
FOUNDATION FINANCIAL INFORMATION SYSTEM
OFFICE OF THE CHIEF FINANCIAL OFFICER
CONTROLLER OPERATIONS DIVISION*

I. PURPOSE AND APPLICATION

This memorandum prescribes special requirements for recording obligations as of September 30, 2008, and submitting period-end estimates in lieu of actual obligation documents.

Compliance with these requirements will ensure that final financial reports are complete and valid with supporting documentary evidence as prescribed by fiscal law.

Although actual obligations are officially recorded in the Foundation Financial Information System (FFIS) records, there are normal delays in recording some obligations prior to the due date for the final reports. Therefore, it is critical for your agency to process period-end estimates to cover obligations that have not been received and not yet processed in a feeder system by close of business (COB), September 22, 2008. Obligations input to the feeder systems through September 22, 2008, will be updated and available for review on September 23, 2008.

With the exclusion of Integrated Acquisition System (IAS), September 24, 2008, is the last day payment transactions will be processed in the administrative feeder systems for FY 2008. Please take the necessary steps to ensure that all documents for payment for FY 2008 are transmitted or mailed in time to be processed and scheduled for payment by September 24, 2008. All documents scheduled for payment after September 24, 2008, will be processed as FY 2009 business.

Please note: The Office of the Chief Financial Officer and the Office of Inspector General have established **October 20, 2008**, as the date for submission of final, unaudited FY 2008 USDA Financial Statements. This date results in compressed time frames for the production and review of reports.

Below are the Controller Operations Division (COD) cutoff dates for the submission of documents and electronic transmissions for Fiscal Yearend 2008 processing:

- IAS will be available for processing and disbursing until 8 p.m., September 29, 2008.
- Payment transactions must be entered and accepted into FFIS by COB September 24, 2008, whether they are updated through direct entry or a feeder system interface job.
- The last day feeder systems will process FY 2008 Undelivered Orders for inclusion in FY 2008 Financial Statements is September 22, 2008.

- IAS and Travel feeder systems will remain available for processing of FY 2008 undelivered orders until September 30, 2008; however, any obligations entered into these feeder systems subsequent to September 22, 2008, should also be entered directly into FFIS as a period-end estimate by COB September 30, 2008, for inclusion in the FY 2008 reports. The feeder system will continue to run but the interfaces will not be executed in FFIS until the system is opened for the new fiscal year. All activity entered after September 22, 2008, will be dated October 1, 2008 (FY 2009).
- The final FY 2008 Administrative Billings and Collections (ABCO) and IAS jobs will run September 29, 2008.
- The final FY 2008 On-line Payment, Collection, and Reconciliation System (OTRS) job will run September 30, 2008.
- Corrections to the suspense files (SUSF) should be corrected prior to close of business on September 30, 2008, for inclusion in FY 2008 reports.
- Corrections to Reprocessed Payroll (REPROC) should be completed prior to close of business on September 26, 2008, for inclusion in FY 2008 reports.

II. ANALYZING AND ADJUSTING OBLIGATIONS

- A. Personnel Costs. Regular payroll costs are chargeable to the fiscal year in which the salary is earned. Lump sum payments are chargeable to the fiscal year in which the date of separation occurs, and cash awards are chargeable to the fiscal year in which the award is approved.

The Controller Operations Division (COD) will use estimated payroll costs for Pay Period (PP) 19. COD will compute obligation estimates for PP 19 that occur in FY 2008. The basis for these estimates will be 120 percent of the actual PP 17 costs. Please note: Period-end estimates should be recorded in FFIS for: (1) any cash awards approved within the last 5 days of the month, and (2) lump-sum leave payments for all separations during September.

The Government Employees Services Division (GESD) will use estimated payroll costs for Pay Period (PP) 19. GESD will compute obligation estimates for PP 19 that occur in FY 2008. The basis for these estimates will be 120 percent of the actual PP 17 costs. Please refer to Title I, Payroll Personnel Manual, Chapter 7, Time and Attendance Procedures, Section 1, Time and Attendance Instructions, Bulletin TNAINST 08-1, Fiscal Year-end

Reminder, dated August 8, 2008 for all Payroll Obligation Estimates, Stored Accounting Procedures, Premium Pay Charges, and any/all payroll related matters..

1. Accounting Entered in System for Time and Attendance Reporting (STAR).

a. Stored accounting (Code 1) cannot be used in the accounting Data Usage Code block in PP 20. Payroll accounting can be stored beginning PP 21 for the new fiscal year.

B. Travel and Transportation

1. Government Transportation System

When requesting transportation tickets from Fed Traveler, Gov Trip, travel agencies, travel management centers, or the scheduled airline ticket office using the Bank of America Visa account, obligate all travel beginning on or prior to September 30, 2008, as FY 2008 business. All requests for round-trip tickets procured for trips beginning on or prior to September 30, 2008, even though return travel will be after September 30, 2008, should be obligated as FY 2008 business. Since the billing for all tickets issued in September by the travel agency will not be received at COD until October, a period-end estimate should be input to FFIS for the value of all travel commencing in September.

2. Per Diem, Mileage, and Other Incidental Expenses, Including Car Rental

a. Travel System - Charges for per diem, mileage, and other incidental expenses are chargeable to the fiscal year in which they are actually incurred. If you are not using the obligation feature in TRVL, you may need to prepare a period-end estimate for any unvouchered travel as of September 30, 2008, or for a travel voucher not mailed in time to reach COD by Noon, CDT, September 22, 2008.

b. GOVTRIP - Charges for per diem, mileage, and other incidental expenses are chargeable to the fiscal year in which they are actually incurred. You may need to prepare period-end estimates for any unvouchered travel as of September 30, 2008.

Please note: All agencies using Form AD-202 (Revised 11/96) as an obligation document in TRVL should enter a period-end estimate for any AD-202's that will not reach COD by September 22, 2008.

C. Procurement of Supplies, Materials, Equipment, and Services.

Integrated Acquisitions Systems (IAS) - All adjustments or updates to the IAS on-line system at the National Finance Center (NFC) complex must be completed by 8:00 p.m., September 29, 2008, to be included in the final September reports for FY 2008. (Please see attached exhibit.)

D. Telephone and Utilities - COD will charge FY 2008 when the period of service as shown on the invoice ends September 30, 2008, or earlier, and FY 2009 funds when the period of service ends later than September 30, 2008. NFC will develop and report estimates of telephone and utility obligations. The estimates will cover complete unbilled periods of service. Period-end estimates should not be input to FFIS to cover the unbilled September service since the entire October bill will be charged to FY 2009. When the billing period is bi-monthly, billings should be reviewed to ensure that charges are distributed to the proper fiscal year, accordingly.

E. Purchase Card Management System - COD will charge the FY 2008 profile accounting classification established for each credit card for purchases made by September 23, 2008. Period-end estimates should be submitted for purchases made between September 24, 2008 and September 30, 2008. Agencies should contact their Local Agency Program Coordinator to facilitate any changes to the profile accounting. The last file will be run the morning of September 24, 2008. Last day agencies can access PCMS is September 23, 2008.

F. Administrative Billings and Collections - All government IBILs requiring collection before fiscal year end must be entered by noon, September 24, 2008. All others where accounts receivables are to be established must be entered by noon, September 25, 2008. Estimated unbilled receivables should be established for any items not input by September 25, 2008.

Please Note: Do not enter any activity with Budget Fiscal Year 2003 after September 24, 2008.

III. ELECTRONIC TRANSMISSIONS FOR FY 2008

Electronic transmissions for FY 2009 may resume on September 30, 2008.

**FY-2008 Annual Close Time-Line; Integrated Acquisition System
(IAS) excerpts from Ray Varner's Brief on 26 Jun 08**

On Monday 29 September 2008 the Commitment Reversal will be run in **FINAL Mode** during the cycle reversing all Commitments that were never obligated and the un-obligated portion of the commitment is then reversed in FFIS.

IAS remains up but the MQ Channels between IAS and FFIS are disconnected at the same time FFIS applications go down, approximately 15 minutes prior to 8:00 PM EST, (approximately 7:45 PM). The Final Commitment Reversal Report is used as input to reverse IQ lines in IAS that have never been obligated. If it was partially obligated then the IQ line is skipped in IAS.

On Tuesday September 30th, 2008 at approximately 6:00 a.m. Central Standard Time (CST), FFIS Applications will become available as agencies finish their cycles. FFIS and IAS are both up; (not connected via MQ) FFIS will be up for period end estimates. IAS will be up for next year's business (use 09 accounting) or late obligations on commitments that are now reversed (use 08 accounting). If the procurements are new, then users use "IN" documents with 08 accounting. At approximately 6:00 PM all FFIS applications go down, nightly cycles process documents, and the FDW is updated.

Tuesday September 30th, 2008 FFIS **will be up all day** for year-end processing and annual reports etc

At 6:00 AM CST Wednesday October 1, 2008, IAS and FFIS MQ Channels are reconnected and brought up. All FFIS applications are brought up except FS. Accounting periods that will be open are 01 and 13. IAS transactions will default to period 01. The Retry for Close Button is enabled in IAS to retry "IO's" without referencing the reversed Commitment and will remain enabled the entire month of October. On November 1, 2008, it will be disabled. "IO's" and "IN's" will reject for EXPIRED ACCOUNT; this is a level 9 override by the error manager.

(**Please note**: All other questions relative to the IAS system, please contact Ray Varner at email address:

Raymond.Varner@usda.gov or Ruby Harvey @ email address Ruby.Harvey@usda.gov).