

INTEROFFICE MEMO

To: Budget Unit Heads
From: Accounting & Financial Reporting
Budgets & Financial Planning
Procurement Services
Date: August 21, 2008
Subject: Year-End Closing of the 2007-2008 Fiscal Year

The following general year-end provisions will apply to purchase orders against University budgets at the end of the 2007-2008 fiscal year:

1. In order for purchases to be expensed in this fiscal year against your 2007-2008 budget, a Purchase Order must be issued, materials and/or services received, and the check for payment processed prior to **September 30, 2008**.
2. All Requisitions received in the Procurement Office prior to **4:00 p.m., Monday, September 8, 2008** will receive priority in processing. During the period **September 9 - 30, 2008**, Purchase Orders will be issued but they will not receive priority in processing or expediting over requisitions submitted prior to the **September 8th** cut-off date.

Processing time for requisitions requiring bids generally takes three weeks. Requisitions not requiring bids normally take 5 - 7 days to process. Timing for the delivery of services and/or materials and the required documents will vary from vendor to vendor; however, delivery time generally takes 2 - 6 weeks depending on the nature of goods or services ordered. Departments are responsible for determining the required lead time in order to meet the **September 30, 2008** cut-off deadline.

Change Order Requisitions to be issued against 2007-2008 Purchase Orders must be received and processed by Procurement Services prior to **September 30th** to be reflected in the accounting system for the 2008 fiscal year.

3. Invoices and receipt of goods documentation (Memorandum Receiving Report or shipping receipt) must be received by the Accounts Payable Department no later than **Wednesday, September 17, 2008** in order to be charged against the 2007-2008 budget.
4. Departments should insure that old outstanding encumbrances are closed.
5. Beginning on **September 15, 2008**, departments may enter requisitions against 2008-2009 fiscal year funds by changing the transaction date on the requisition to October 1, 2008.
 - If the transaction date is not changed to October 1, 2008, the requisition will need to be denied by an authorized approver.
 - Then contact Procurement Services to have the requisition deleted.
6. During the period **September 15-30, 2008**, if the requisition has been approved, but the transaction date was not changed to October 1, contact Procurement Services to cancel the requisition.

7. All requisitions, including those against contract and grant accounts, not using an October 1, 2008 transaction date must be approved by September 19, 2008, so that they can be converted into purchase orders by September 30, 2008 by Procurement Services.
 - Requisitions not approved by September 19, 2008 must be denied by an authorized approver.
 - The end user will be notified by the individual who denied their requisition.
8. Purchase Orders from FY 2008 will not be carried forward to FY 2009 until the middle of October. From October 1 to mid-month, no change orders from FY 2008 will be processed by Procurement Services and no A/P checks will be issued against FY 2008 budgets. This restriction is due to standard year-end closing procedures where FY 2008 expenses are being finalized.
9. Only Purchase Orders that have not been invoiced and paid will be brought forward into the new fiscal year. If a partial payment has been issued prior to September 30, 2008, only the remaining balance will be carried forward as an encumbrance obligation. Your available funds in your 2008-2009 budget will be reduced by the outstanding amount of prior year Purchase Orders.

The Budget Office will issue further guidelines regarding payroll deadlines pertaining to year-end closing.

If you have questions or need further information, please contact Robert Leonard (824-2233), Melanie Newby (824-2248), Chih Loo (824-2243), Terence Haley (824-6674) or Suzanne Penn (824-6687).

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