

# FISCAL YEAR-END 21 & 21-23 BUDGET ALLOTMENT WORKSHOP

06.15.2021

*Small Agency Financial Services*

# ACCOUNTING CLOSE

*PAYROLL, ACCOUNTS RECEIVABLE, & ACCOUNTS PAYABLE*



# PAYROLL SUMMARY

**June 24:** Donations for shared leave due

**June 30:** Comp time cashed out

**July 1:** Payroll due

- June 16-30 activity
- Board/Commissioner stipends
- Commute Trip Reduction (CTR)
- Cost coding for FY22





# PAYROLL CONTACT INFO

**[DESpayroll@des.wa.gov](mailto:DESpayroll@des.wa.gov)**

**360-407-2239**

# ACCOUNTS RECEIVABLE SUMMARY

**July 1:** Checks dated July 1 or later must be separated from June dated checks, submitted on separate deposit slips and/or A45's

**July 9:** Deadline to submit invoicing information if DES prepares invoices for your agency

**July 16:** Deadline to mail internally prepared invoices and report receivable information to DES

**August 20:** Interagency receivables balancing due



# CASH RECEIPTS / AR ACCRUAL

If a July check is payment for a June service, an accrual will be entered in FY21.

Please ensure all checks are properly filled out and signed. A missing signature can delay deposit.

If you know of a June service that will be paid for after July 1, please submit this information to DES for accrual in FY21.





# AR CONTACT INFO

**Shared Cashier Inbox:** [financecashier@des.wa.gov](mailto:financecashier@des.wa.gov) 360-407-2237

**Crystal Marshall, Fiscal Analyst:** [crystal.marshall@des.wa.gov](mailto:crystal.marshall@des.wa.gov) 360-277-7229

**Kara Skinner, Manager:** [kara.skinner@des.wa.gov](mailto:kara.skinner@des.wa.gov) 360-490-8762

# ACCOUNTS PAYABLE SUMMARY

**June 24:** deadline to submit invoices that need paid before June 30 (including petty cash replenishments)

**June 29 & 30:** invoices will not be processed for payment

**June 30:** cash cut-off, goods/services must be delivered/provided

**August 6:** deadline for payment of July US Bank Statements

**August 6:** deadline to submit completed accrual template

**August 6:** deadline to submit all FY21 invoices and TEMS requests





# CASH CUT OFF

State Treasurer deadline for cash transactions: **June 30<sup>th</sup>**

**Payments will not be processed on Tuesday, June 29<sup>th</sup> or Wednesday, June 30<sup>th</sup> due to cash cut-off**

- Invoices that need to be paid by the end of June must be received in AP by **June 24<sup>th</sup>**

Cash cut off will affect how fund transfers are processed



# PURCHASES

**To use FY21 funds, goods and services must be received by June 30<sup>th</sup>**

Identify correct fiscal year on backup related to when the goods were received or the dates service was provided

- Goods: must be delivered on or before June 30<sup>th</sup>, plan your orders accordingly
- Services: based on the day or period the service was completed/provided
- Give particular attention to Purchase and Travel cards: the transaction date on the statement will not always reflect the date of service or delivery of goods



# INVOICES

## Split A45s between years: FY21 and FY22

Deadline for FY21 payment: **August 6<sup>th</sup>**

- Send to: [payments.safs@des.wa.gov](mailto:payments.safs@des.wa.gov)

Be proactive: track down invoices, set up new vendors ASAP

- Reminder: 7-10 business days to process vendor forms
- New forms are located here: <https://ofm.wa.gov/it-systems/accounting-systems/statewide-vendorpayee-services>



# TRAVEL

**Split TEMS requests between years: FY21 and FY22**

Deadline for FY21 payment: **August 6<sup>th</sup>**

- Send to: [travel.safs@des.wa.gov](mailto:travel.safs@des.wa.gov)

Timely Submissions: give yourself enough time to prepare, submit, and approve all requests in TEMS before **August 6<sup>th</sup>**

**Pending reimbursements? Let us know!**



# US BANK STATEMENTS

Deadline for payment of July US Bank Statements:  
**August 6<sup>th</sup>**

Submit the entire statement on one batch

- **Do not split by fiscal year**

Tip: cut off purchasing in June to ensure all goods are delivered by June 30<sup>th</sup>



# ACCRUALS

## What is an accrual?

- Setting aside FY21 money for invoices that have not been received or paid

## Why is it important?

- If not accrued in FY21, will need to pay out of FY22 budget
  - Belated Claim process to pay out of FY22
  - Even if money was left in FY21, that money is lost if not accrued or paid in time



# ACCRUAL DEADLINES

Who	What	When
SAFS AP	Send template to agencies	July 27 – 29
Agencies	Verify template and make necessary changes	July 27 – Aug 5
Agencies	Send completed template back to SAFS AP Send all FY21 invoices available for payment	August 6
SAFS AP	Review and upload templates Send notification to agencies once upload complete	August 9 – 19

**Send all accrual correspondence to:**

**[APquestions.safs@des.wa.gov](mailto:APquestions.safs@des.wa.gov)**



# ACCRUAL TEMPLATE

Complete the form with as much info as possible, to the extent known or applicable to your agency

- Coding, vendor name, amount, invoice #, etc.

Mark **Yes** if an estimated amount, **No** if not

Include a reason for accrual: not invoiced yet, waiting on vendor #, etc.

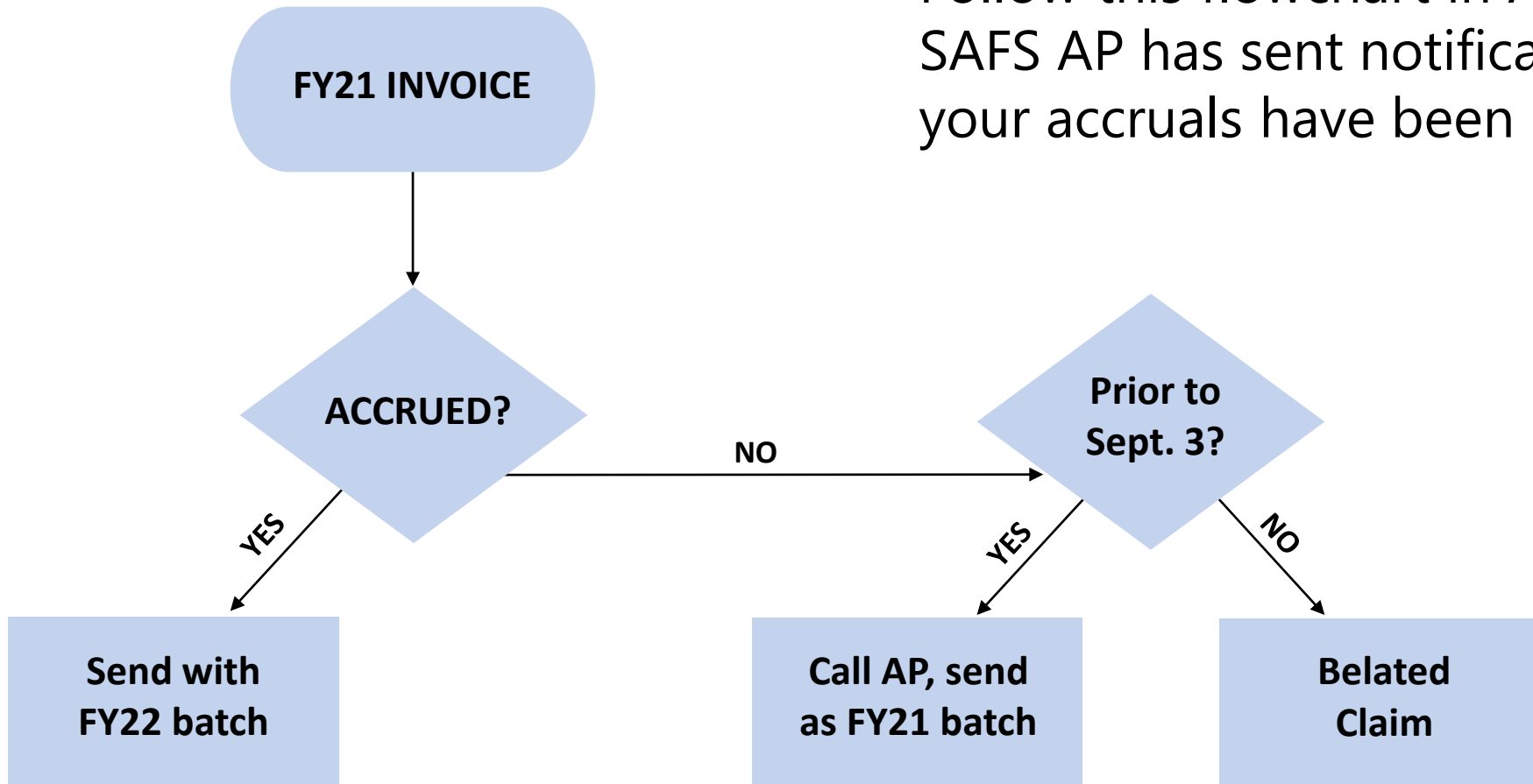
	A	E	F	G	H	I	L	M	N	O	P	Q	R	X	Y	Z	AB	AC	AD
1																			
2	<b>Request for Fiscal Year-End Expense Accrual</b>																		
3	Name:			Instructions: Complete form with as much information as possible. Include any applicable supporting documentation (copies of invoices, contracts, quotes, etc.)										Email completed list to: <a href="mailto:APquestions.safs@des.wa.gov">APquestions.safs@des.wa.gov</a> by August 6, 2021. Please include your agency number and the word "Accrual" in the email subject line. Call 360-407-8183 with questions.					
4	Phone:																		
5	Agency:																		
6																			
7	Vendor Name	Reason for Accrual	Estimated? Y/N	SWV Number	SWV Suffix	Master Index	Sub Objec	Sub-Sub Object	Amount	Invoice Number	Invoice Date	Account/Contract Number	Fund	Approp. Index	Program Index	Project	Sub Proj	Proj Phase	
8																			
9																			
10																			
11																			
12																			





# ACCRUAL FLOWCHART

Follow this flowchart in August after SAFS AP has sent notification that your accruals have been uploaded.



# BELATED CLAIMS

**When an unexpected invoice comes up after both payment and accrual cut-offs:**

- Talk to SAFS AP and your Financial Consultant – we will determine if OFM approval is needed to pay old year expenses with new year funds





# AP CONTACT INFO

**[Apquestions.safs@des.wa.gov](mailto:Apquestions.safs@des.wa.gov)**: accrual correspondence

**[Payments.safs@des.wa.gov](mailto:Payments.safs@des.wa.gov)**: payment batches and invoices

**[Travel.safs@des.wa.gov](mailto:Travel.safs@des.wa.gov)**: travel receipts/approvals, TEMS admin

**360-407-8183**: shared line for all AP or Travel related questions

# BUDGET TOPICS

*CAPITAL ASSETS, DISCLOSURE FORMS, & ALLOTMENTS*



# CAPITAL ASSETS SUMMARY

**Capital assets must be recorded in Capital Asset Management System (CAMS).**

- \$5,000 or more in value for a tangible asset
- \$1,000,000 or more in value for an intangible asset

**What we need from you:**

- By June 30<sup>th</sup> – Perform a physical inventory of items. (Only once every two years. If you did it last year, you do not need to do one this year.)
- By July 23<sup>rd</sup> – Inform SAFS budget analysts of any added items during the period or any items that were disposed of.

**Agencies must keep an inventory of Small and Attractive Assets, either in CAMS or an in-house system.**



# CAPITAL ASSETS

Any tangible or intangible assets held and used in state operations, which have a service life of more than one year SAAM 85.60.10.

- \$5,000 or more in value for a tangible asset
- \$1,000,000 or more in value for an intangible asset



# ACCOUNTING FOR CAPITAL ASSETS

**Capital assets must be recorded in Capital Asset Management System (CAMS).**

## **What we need from you:**

- By June 30<sup>th</sup> – Perform a physical inventory of items.
- By July 23<sup>rd</sup> – Inform SAFS budget analysts of any added items during the period or any items that were disposed of.

## **What you can expect from us:**

- Today (June 15<sup>th</sup>) – A current list of your agency's capital assets.
- By July 30<sup>th</sup> – Input changes into CAMS to ensure proper reconciliation of General Ledgers for year end and disclosure reporting.



# SMALL & ATTRACTIVE ASSETS

**Agencies must keep an inventory of Small and Attractive Assets, either in CAMS or an in-house system.**

- Generally consist of portable electronic equipment that has a high risk of loss
- Do not include items that meet the state's capitalization criteria

## **Examples include:**

- Laptops, tablets, and smart phones over \$300
- Cameras, video cameras, projectors, TVs, and desktop computers over \$1,000





# DISCLOSURE FORMS SUMMARY

**In August, your SAFS budget analyst prepares all the necessary disclosure forms and will send these to you with a cover memo**

## **What we need from you:**

- Review the forms
- Sign the state/federal certification:
  - State due to OFM by **September 14<sup>th</sup>, 2021**
  - Federal due to OFM by **February 28<sup>th</sup>, 2022**
- Email signed certification form back to SAFS budget by the end of August
- Please sign the disclosure forms post-dated to the due dates set by OFM.
- Provide any required supplemental information
  - Summary of internal control deficiencies/corrective actions



# DISCLOSURE FORMS

Disclosure forms communicate required financial information not readily available in AFRS for use in preparing the state Comprehensive Annual Financial Report (CAFR).

Disclosure forms also provide assurances that the agency is following good accounting and internal control practices.

**SAFS will prepare all the necessary disclosure forms.**



# STATE DISCLOSURES

## Required state disclosure forms

- Miscellaneous disclosure form
- Financial disclosure certification form
- Cash and investments restricted disclosure form

## Other state disclosure forms

- Cash on hand and in bank
- Capital assets – summary of activity
- Lease disclosure
- Liabilities by major class
- Deferred and unearned revenue



# FEDERAL DISCLOSURES

## **Required federal disclosure forms – only if you had federal expenditures or revenue**

- Federal assistance certification
- Federal financial assistance direct
- Federal identification numbers

## **Other federal disclosure forms**

- Federal assistance received from nonfederal sources
- Federal loan balances
- Federal nonfinancial assistance
- Federal nonfinancial assistance inventory balances



# ALLOTMENTS

**Preparing your spending plan for the 2021-23 Biennium**



# WHERE ARE WE IN THE BUDGET PROCESS?



# BASIC PROCESS - ALLOTMENTS

SAFS will draft a two year spending plan based on historical spending.

We will add in changes we are aware of such as:

- Changes to central service costs
- Salary step increases



# BASIC PROCESS - ALLOTMENTS

We will prepare the plan in a format that separates fixed and discretionary costs to show where your spending flexibility may be.

**Fixed Costs:** expenses that do not fluctuate and the agency is obligated to pay

**Discretionary Costs:** expenses that an agency can control





# SAMPLE SPENDING PLAN

Biennium 17-19						
FY 2019 Fixed						
OBJECT	DESCRIPTION	FIXED	VARIABLE	CENTRAL SERVICE	ANNUAL	ASSUMPTIONS
	FTE	9.5				
A	SALARIES	59,178	0	0	710,138	2% COLA for existing staff 7/1/18 and 2% COLA oon 1/1/19, Commission meets 5 times per year-\$1,300 each time
B	BENEFITS	18,863	0	0	226,357	\$25 for DRS March, \$38/qtr for FSA, CTR \$600/yr June
EB-B010	INTERNET	105	20	3	1,503	Arkadin Web Conferencing \$17/qtr, Comcast \$95, DUO Security \$10, <b>SSL Cert \$175/yr February?</b>
EB-B030	STATE PROVIDED PHONE SERVICE		238	(3)	2,853	CTS \$238
EB-B050	POSTAGE AND PARCEL		22		264	FedEx \$28/yr, PO Box \$236/yr March
EC	UTILITIES		2		24	WCI Shred \$24/yr
ED-D030	RENTALS & LEASES-LAND & BLDG			145,356	145,356	Per estimate provided at budget submittal (January-June)
EH	EQUIPMENT LEASES	9			108	Mtn Mist \$9/mo
EK-K020	DES CMS CAMPUS MAIL		190		2,280	FY 17 average
EK-K030	FACILITIES AND SERVICES			0	0	
EK-K050	OTHER CENTRAL SERVICE BILLING CHARGES			41,084	41,084	SAFS \$33,479, Perry Street Daycare \$82, Cap Proj Surcharge \$3,799, Campus Contracts \$1,724, DES Rate changes \$2,000
EK-K060	DES PARKING SERVICES			0	0	
EK-K080	PUBLIC & HISTORIC FACILITIES			1,110	1,110	Central Service Model
EK-K090	REAL ESTATE SERVICES			0	0	
EL	DATA PROCESSING SERVICES			2,886	2,886	OFM ERP Financing Estimated at \$372/Qtr, DES Applications Fee \$399, Other WaTech Fee for Service \$1,000
EL-L020	ENTERPRISE SECURITY			338	338	Security Gateways \$338
EL-L030	ENTERPRISE SYSTEMS FEE			5,065	5,065	Central Service costs
EL-L050	OFF. OF THE CHIEF INFO OFFICER			831	831	Central Service Model
EL-L060	OTHER CTS SERVICES			0	0	
EL-L070	STATE DATA CENTER			2,330	2,330	Central Service Model
EL-L090	WARRANTS			37	37	estimate from FY17
EM	ATTORNEY GENERAL			3,650	3,650	Central Service costs
EP-P010	OTHER INSURANCE	25		1,000	1,025	Fidelity Bond, Paid Family Leave \$1,000



# WHEN WE MEET WITH YOU

## **Allotment Meetings**

- Will be scheduled in June or July (via Zoom, Teams, or telephone).
- We will discuss the draft spending plan and will work on preparing the final plan.

## **Meeting Goal**

- The goal of the allotment meeting is to resolve any difference between the draft spending plan and the authorized spending authority.



# DOCUMENTS SAFS WILL UTILIZE

Expenditure Authority Schedule

Budget Bill

Recommendation Summary

Copies of the central service model

Salary Projections

Preliminary estimates of fixed and discretionary costs



# WHAT WE NEED FROM YOU

**We need your help to know what is changing.**

*The earlier we know,  
the more we can incorporate in the  
initial draft we bring to you.*



# WHAT WE NEED FROM YOU

## **Examples of what we may need from you:**

- Grant or contract award amounts
- Updated interagency agreements or leases
- Planned raises, new hires, and retirements
- Updated revenue estimates
- Changes due to legislative action or agency restructure
- Impacts of changes in your line of business, practices, or policies
- Unusual costs
- Equipment needs



# YOU WILL HEAR FROM US

**Over and Over and Over and Over...**

Who?

Effective when?

For how long?

How much?

How many?



# NEXT STEPS

SAFS will incorporate your input into the spending plan to create a final spending plan.

We will send your spending plan to you for review and approval.

Once final, SAFS will electronically submit the spending plan to OFM.



# FY22 SUPPLEMENTAL BUDGET

FY22 supplemental budget requests will be due in late September or early October.

## **Submittals should focus on the following:**

- Non-discretionary changes in legally-mandated caseloads or workloads
- Necessary technical corrections to the current enacted budgets
- Only the highest priority policy enhancements or resource reprogramming operations and transportation budget proposals
- High priority capital budget projects needed in addition to the enacted re-appropriation-only capital budget







# BUDGET CONTACT INFO

**Gwen McClanahan, Manager:** [gwen.mcclanahan@des.wa.gov](mailto:gwen.mcclanahan@des.wa.gov) 360-407-8132

**Diann Lewallen, Financial Consultant:** [diann.lewallen@des.wa.gov](mailto:diann.lewallen@des.wa.gov) 360-407-8121

**Paul Bitar, Financial Consultant:** [paul.bitar@des.wa.gov](mailto:paul.bitar@des.wa.gov) 360-407-8129

**Seth Flory, Financial Consultant:** [seth.flory@des.wa.gov](mailto:seth.flory@des.wa.gov) 509-496-2024



Washington State Department of

**Enterprise Services**