

FISCAL MEMORANDUM FAS 21-01

DATE: April 30, 2021
TO: All Administrators
FROM: Ambur Borth, Vice President of Finance & Administrative Services
SUBJECT: **REMINDER - FISCAL YEAR 2020-21 YEAR-END CLOSING SCHEDULE**

It is once again time to plan the process to close out the district's books for fiscal year-end June 30, 2021. Year-end closing requires the coordinated efforts of Budget, Accounting, Purchasing and campus departments to ensure that all financial activity is accurately recorded. Departments should begin reviewing their budgets and verifying that all requisitions, invoices, travel expenses, and payroll transactions pertaining to fiscal year 2020-21 have been recorded accurately and all corrections have been posted. Before closing, it is necessary to ensure the accuracy of all outstanding purchase orders so that our fund balances can be accurately carried forward. While many of you may be familiar with past practices, we ask that you review the information below as some may have changed this year.

Open Purchase Orders: **Automatically closes on Friday, July 30, 2021**

Purchases initiated in fiscal year 2020-21 will be applied to 2020-21 budgets ONLY to the extent that deliveries of goods and services were received by June 30, 2021.

Preliminary open P.O. reports will be provided to Division V.P.'s beginning May 1st, 2021. Review all your open purchase orders and unencumber funds from P.O.'s that are not critical to the completion of this fiscal year. All blanket P.O.'s must be reviewed and finalized. Any P.O.'s not currently needed should be closed. If the purchase order has been fulfilled (the item has been received or service has been rendered) but the P.O. is still open, contact **Amber Cross** at across@palomar.edu to close the P.O. Otherwise, all fiscal year 2020-21 P.O.'s will be automatically closed on July 30, 2021.

Purchase Order (P.O.) Rollovers **Thursday, July 15, 2021**

A limited number and certain types of purchase orders that will not be fulfilled by June 30, 2021, may be rolled over to fiscal year 2021-22. Unspent General Unrestricted budgets and certain Categorical funds from 2020-21 do not carry forward to 2021-22.

Fiscal Services will make final determination for all those P.O.'s requested to potentially be rolled over to the following year. Any intended P.O. rollovers must be received, in writing, no later than 5:00 p.m. July 15, 2021, and sent to **Amber Cross** at across@palomar.edu.

Invoices

By noon on Wednesday, July 28, 2021

During the fiscal year 2020-21, your department might incur unpaid expenses but won't receive the invoice until July. The district is required to recognize the expenses in the period it is incurred. **Goods must be received, and services must be rendered by June 30, 2021 in order to be paid from fiscal year 2020-21 funds.** Invoices for fiscal year 2020-21 expenses must be received by Accounts Payable for processing no later than **12 p.m. on July 29, 2021**. If your department has not received the invoice, **please contact the vendor, and submit your invoice to Accounts Payable by the deadline date. Invoices may be electronically sent to AP@palomar.edu** . Your expediency in handling invoices will help ensure payment in the proper fiscal year. Invoices received after this deadline will be charged against fiscal 2022-23 budgets.

Prepaid Expenses

During the fiscal year 2020-21, it may be necessary to pay for 2021-22 expenses in advance. The district is required to record these transactions as **Prepaid Expenses** and allocate them in the fiscal year when the goods or services are used/rendered; not the fiscal year in which the expenses are paid. Please add a note, **Prepayment 2021-22**, at the top of any 2021-22 invoice requiring prepayment in 2020-21. Contact **Ambur Borth at aborth@palomar.edu** for questions regarding accrual of expenditures.

Requisitions (Supplies, Equipment, & Services):

The deadlines for requisitions vary based on the type of purchase and funding source.

Requisitions (Amount Greater than Bid Limit \$96,700)

Friday, April 30, 2021

Public Contract Code (PCC) Section 20651(a) requires the district to competitively bid and award contracts involving expenditure of more than \$96,700 for any of the following:

1. The purchase of equipment, materials, or supplies to be furnished, sold, or leased to the district.
2. Services that are non-construction; and,
3. Repairs, including maintenance as defined in PCC section 20656, that are not public projects as defined in PCC section 22002(c).

Requisitions for goods and services that require a public bid (greater than \$96,700) and requisitions for public works that require informal or formal public bid (greater than \$15,000), regardless of funding source, must have complete workflow approvals and be ready for processing by Purchasing no later than April 30, 2020.

Requisitions (Unrestricted Fund/No Bid Required)

Friday, April 30, 2021

All requisitions, change requests for open P.O.'s, and service agreements for activity which should be processed against the fiscal year 2020-21 unrestricted fund source must have complete workflow approvals and be ready for processing by Purchasing no later than April 30, 2021.

Requisitions (Restricted Fund/No Bid Required)

Friday, May 7, 2021

All requisitions, change requests for open P.O.'s, and service agreements for activity which should be processed against the fiscal year 2020-21 restricted fund source (i.e., Categorical, IELM, State Scheduled Maintenance, etc.) must have complete workflow approvals and be ready for processing by Purchasing no later than May 7, 2021.

Computer equipment and software purchases: Allow at least one week before each deadline to obtain I.S. approval.

Furniture purchases: Allow at least four to six weeks lead time for the delivery and installation.

Requisitions for Fiscal Year 2021-22 Activity

Departments will be notified when fiscal year 2021-22 budget is available and when requisitions may be entered. Requisitions for fiscal year 2021-22 activity must be entered with a July 1, 2021, accounting date to differentiate between fiscal years when the new budget year is open. Contact Purchasing for more information.

CAL-Card Charges Expenditure Cut-Off:

Monday, June 18, 2021

The expenditure cut-off date for fiscal year 2020-21 processed from CAL-Card is June 18, 2021. CAL-Card charges can take 24 hours to two business days to post on your statement. Charges posted after the June statement period will be paid from fiscal year 2020-21 funds. Remember that charges made using CAL-Cards do not encumber funds and, if not tracked closely, can lead to an overspent budget. No equipment greater than \$200, services, or personal expenses may be charged against a District CAL-Card. Purchases in violation of the CAL-Card policy, overspending of budgets, and/or late submission of statements are subject to revocation of cardholder privileges.

CAL-Card Reconciliation Statements

Due to Internal Auditor by Fri., July 9, 2021

Please contact **Robert Threatt** at rthreatt@palomar.edu with any questions or assistance needs.

Pay Vouchers/Payment Requests

By noon on Friday, July 23, 2021

Any pay vouchers for **non-PO purchases** to be recorded as fiscal 2020-21 expenses must be received in Accounts Payable no later than 12:00 p.m. on July 16. Unless the request is for student refunds or travel reimbursements, **pay vouchers have a limit of \$1,000 and should not be submitted in lieu of purchase requisitions.** Purchases over \$1,000 must be processed through the regular purchasing guidelines (refer to the requisition deadlines above).

Procuring goods/services from vendors who are not in the PeopleSoft database may cause delays in our ability to pay vendors. **All new vendors must have a W-9 form on file.**

Employee Mileage Reimbursement

By noon on Friday, July 16, 2021

Claims for mileage incurred during the fiscal year 2020-21 must be received in Accounts Payable no later than 12PM, July 16, 2021.

Cash/Checks Received

By noon on Wednesday, June 30, 2021

All cash/checks collected are to be deposited with the Cashier's Office as soon as possible- do not hold funds received prior to June 30 for deposit in the following fiscal year. Departmental collections must be delivered to the Cashier's Office by June 30th, at 12:00. To make arrangements to deliver a deposit to the Cashier's Office, please contact **Cassandra Stone** at cstone@palomar.edu.

Final Commercial Warrant Disbursement

Friday, July 30, 2021

This is the final check run for all fiscal year 2020-21 activity. **No exceptions.**

Accounts Receivable

Friday, July 16, 2021

Departments aware of amounts owed to the College as of June 30, 2021, including all billings to be invoiced, must send an email to **Pai Wang-Smith Lee** at pwang-smith@palomar.edu detailing the amount owed, the name of the vendor, and the budget number which the revenue should be credited.

Payroll-related Information

Thursday, July 1, 2021

All hourly timesheets, Overtime and Extra Hours reports, and Absence reports through June 30, 2021, are due to Payroll on **July 1, 2021**.

Budget Adjustments

Wednesday, June 30, 2021

Budget adjustments/transfers must be received by close of business on June 30, 2021. Contact **Brandi Taveuveu** at btaveuveu@palomar.edu for assistance.

Expense Transfers

Wednesday, June 30, 2021

All revenue/expense transfers must be received by close of business on June 30, 2021. Contact **Pai Wang-Smith** at pwang-smith@palomar.edu for Categorical assistance. Contact **Ambur Borth** @ aborth@palomar.edu for assistance.

Grants and Categorical Funds

Project managers must review their work plan in conjunction with the grant expenditures posted on Budgets Overview. If your grant is expiring on June 30, 2021, please initiate all your purchases well in advance of May 1, 2021. As you are making plans for year-end purchases, pay particular attention to the district's fiscal year-end deadlines. If a carry forward budget is allowed by the funding agency or by a federal grant ending on September 30, 2021 Fiscal Services may use deferred revenue accounts for associated goods and services that are provided for or delivered after June 30, 2021. Use a July 1, 2021 accounting date on requisitions for all goods and services to be charged against carry forward budgets. A good rule of thumb is to match the expense with the appropriate fiscal year revenue. Contact **Pai Wang-Smith** (pwang-smith@palomar.edu) for questions regarding financial reporting and deferred revenue.

All June 30 grant reconciliations are due to Fiscal Services on Fri., August 13, 2021.

Facilities Work Requests

Friday, April 30, 2021

All Facilities work requests that are to be charged against fiscal year 2020-21 funds must be received by the Facilities Department no later than April 30, 2021. Emergency requests after the cut-off date must have written justification and approval by the Assistant

Superintendent/Vice President, Finance and Administrative Services on the prescribed form. Applications for Use of College Facilities must be submitted no later than Friday, June 4, 2021.

Unless otherwise noted in this memo, these dates represent final cut-off for financial activities and adjustments ***and will be strictly adhered to***. **Please share this memo and the attached calendar of activities with the appropriate staff in your department.**

We understand a special situation may arise, especially as we prepare for a phased-in repopulation plan, that requires an exception to an item in this document. When this occurs, please contact the appropriate department as soon as possible in order to accommodate any necessary adjustments.

Any exception must have a written justification and approval by the following:

- (1) Division Vice President
- (2) Vice President of Finance & Administrative Services