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MEMORANDUM

TO: Finance Directors – Colleges & Universities

FROM: Statewide Accounting

SUBJECT: Fiscal Year 2023 Year End Accounting Guidance & Procedures
Fiscal Year 2024 Beginning of Year Accounting Guidance & Procedures

DATE: April 24, 2023

I. FISCAL YEAR AND PERIOD GUIDELINES

FY2023 Period 12: June 1 – July 14 for recording FY2023 transactions

- Per Proviso 118.1 of the 2021-2022 Appropriations Act, Accounts Payable transactions cut off on **July 14**. All documents must be received in the Comptroller General's Office workflow no later than 5:00 PM for processing in FY2023. A/P documents received after July 14, 5:00 PM will be rejected.

FY2023 Period 13: July 15 – 24 for FY2023 reclassifications and adjusting entries

- Journal entries must be received in the Comptroller General's Office workflow no later than 5:00 PM **July 24**. Journal entries received after 5:00 PM will be rejected.

FY2024 Period 01: July 1 – August 8 for recording FY2024 transactions

- Accounts Payable – to process payments for goods and services received after June 30.

As per Proviso 117.55 of the 2022-2023 Appropriations Act, audited financial statements are due no later than October 1.

II. JOURNAL ENTRY GUIDELINES & REMINDERS

1. **POSTING DATE:** During July, two fiscal years will be open – FY2023 and FY2024. SCEIS will use the "Posting Date" of each transaction to determine the fiscal year.
 - a. For FY2023 transactions posted after June 30, the "Posting Date" must be entered as **06/30/2023** for Period 12 or 13.
 - b. For FY2024 transactions, "Posting Date" must be entered as 07/01/2023 or later.
 - c. Transactions impacting more than one fiscal year cannot be processed within the same transaction/document.

2. **PERIOD 13:** In order to transact in Period 13, users must be assigned a specific yearend role in SCEIS.
 - a. If transacting in Period 13 for the first time, users will need to configure FV50 in order to be able to post in special periods:
 - b. Select transaction FV50 and select Processing Options (icon with the pencil, upper right)

The screenshot shows the 'Park G/L Account Document: Company Code SC01' window. The 'Processing Options' button, located in the top right of the document header, is circled in red. The window displays various fields for document entry, including Document Date, Posting Date (06/30/2023), Currency (USD), and Period (13). The 'Amount Information' section shows Total Dr. and Total Cr. both at 0.00 USD.

- c. Under *Special Options for single screen transactions* select the following and then click Save (red disk icon):

The screenshot shows the 'Special options for single screen transactions' dialog box. The 'Posting in special periods possible' checkbox is circled in red. Other options include 'Hide transaction', 'Propose final amount', 'D/C indicator as +/- sign', 'Display periods', 'Always Use Payment Base Deadline', 'Doc.type option' (set to 'Entry with short name'), 'Document date equals pstg date', 'Complex Search for Business Partner', 'Propose Last Tax Code', and 'Tax Code: Only Display Short Text'.

3. **PARKED DOCUMENTS:** All parked journal entries must be completed and approved at the agency level or deleted by 5:00 PM on July 24. To determine parked documents remaining, run a list of parked documents using Z_AGY_DOCLIST.

III. **ACCOUNTS PAYABLE & PURCHASING GUIDELINES AND REMINDERS**

1. **A/P PAYMENT TERMS:** Beginning July 1st, all approved invoice payments for FY2023 will be picked up immediately in the payment run for that day. Users will **not** need to make changes to the payment terms.
2. **A/P WORKFLOW ITEMS:** FY2023 A/P documents must be received in the Comptroller General's workflow no later 5:00 PM on July 14. Documents received after that time will be rejected. Beginning on July 1, FY2023 documents, including SPECIALS, will show in workflow as priority 2. The system does not differentiate between FY2023 documents and FY2023 SPECIAL documents. SPECIAL documents for FY2023 processed after July 1, will require the agency to contact the CG's A/P department for processing. FY2024 SPECIAL documents will show as a priority 3 and all other payment term documents will show as priorities 4-6.

3. **PARKED DOCUMENTS:** A/P related parked documents must be completed and approved at the agency level or deleted by 5:00 PM on July 14.

IV. YEAR END BUDGET GUIDELINES

1. **EARMARKED, RESTRICTED AND FEDERAL APPROPRIATIONS:** As per Proviso 118.1, current fiscal year Earmarked (3XXXXXXX), Restricted (4XXXXXXX) and Federal (5XXXXXXX) fund appropriations will lapse July 31.
2. **GENERAL FUND APPROPRIATIONS:**
 - Recurring General Fund appropriations – must be drawn down by July 14.
 - Nonrecurring General Fund appropriations – colleges and universities will need to work with the Executive Budget Office to determine if any nonrecurring appropriations may need to be carried forward to FY2024. These are typically capital project related appropriations.
 - Any amounts approved to be carried forward to FY2024 will be recorded in SCEIS by Executive Budget Office staff.
 - Any nonrecurring appropriations not eligible to be carried forward to FY2024 must be drawn down by July 14.
3. **APPROPRIATIONS FOR NEW FISCAL YEAR:** Appropriations for the new fiscal year will be loaded into SCEIS as soon as available. There will be a notification to agencies when this occurs.

V. YEAR END CASH GUIDELINES

1. **CASH BALANCES DURING JULY:** Although current fiscal year appropriations for Earmarked, Restricted and Federal funds lapse, cash balances remaining in these funds will be brought forward into the new fiscal year on July 1.

Cash balances for current fiscal year accounts will be pooled with new fiscal year cash balances during July. FY2024 transactions will not overdraw cash accounts if there is enough available cash from FY2023 and FY2024 combined. Transactions posted to FY2023 after June 30, however, are based upon the available cash for FY2023 only (excludes FY2024 cash activity).

- Since cash is cumulative, the *current* cash balance – as of ‘today’, must be sufficient to cover the cash being taken out – regardless of fiscal year. The system is not going to allow a fund to go negative in the new year – which it would, if the system allowed an old year transaction larger than the *current* balance to go through.
- Another way to look at this, is there needs to be sufficient cash in BOTH years. If, for example, FY2023 didn’t have sufficient cash but FY2024 did, the system would still stop the transaction. This is a conservative approach to cash management.

Use transaction FAGLB03 or ZGLA (account group SC_CASH_AVAIL_EDIT_CBF) as this transaction has the cash carryforward balance included. FAGLL03 does not include the cash carryforward.

2. **DEPOSITS WITH THE STATE TREASURER:** Reference the State Treasurer’s Office *Year End Requirements* for additional guidance on deposits.

VI. CLEARING GENERAL LEDGER LIABILITY ACCOUNT RANGE 2000000000 - 2999999999

1. **G/L 2400030002 – 2400030003 UNDISTRIBUTED LUMP SUM DEPOSITS:** Undistributed Lump-Sum Deposit G/L accounts must be zeroed out prior to the close of the fiscal year. All undistributed amounts must be reclassified to revenue. Continue monitoring these accounts for late postings from the State Treasurer's Office.
2. **OTHER GENERAL LEDGER 2XXXXXXXXX BALANCES:** Generally, balances within this account range for the colleges and universities should be cleared by the end of the fiscal year. If a college or university indicates that any balance in this account range should remain and be carried forward into the new fiscal year, it will need to be supported as a valid liability balance.