

FY 2019 ENCUMBRANCE POLICY FAQs

Q: When do I need to get all my FY 2018 invoices to Accounts Payable?

A: 1/11/2019 for any other Open POs. After 11/30/2018, users must manually change GL Date in EBS to "NOV-30-18" for all FY18 invoices to be charged to FY18 budget.

Q: What happens if I do not get my FY 2018 invoices to Accounts Payable before the 1/11/2019 cut-off date?

A: Invoices entered in EBS after 1/11/2019 will be charged to your FY 19 budget, and the Encumbrance, will be carried forward into FY 19, negatively impacting your funds available.

Q: I have an operating purchase order that receives invoices for services in both FY 18 and FY 19. What should I do?

A: Operating purchase orders should only be for services that occur in the current fiscal year. On 1/30/2019 purchase orders from the prior fiscal year will be canceled and departments will need to develop a new purchase order to fund the remaining contract using FY 19 funds. Work with your vendor to make sure that all FY 18 invoices reference the new PO number provided by procurement to insure prompt payment. Moving forward, departments should develop POs and requisitions that terminate at the end of the fiscal year.

Q: My FY 2018 purchase order was not canceled on 1/30/2019. What happened to it?

A: Purchase orders where the amount received, and the amount invoiced do not match cannot be cancelled. If the Purchase order continues to have an active encumbrance, then that Encumbrance value will be carried over into FY 2019, negatively impacting your funds available until maintenance on the PO is completed.

Q: What kind of maintenance is required on My PO to prevent it from carrying Forward encumbrances into the following fiscal year.

A: In general, to negate the active encumbrance on a PO, the amount received and the amount invoiced must match, and the PO must be cancelled in EBS. Please work with ERP and Procurement to identify step by step instructions on how to cancel a PO perform returns, and receive amounts.

Q: How do I know if my purchase order should use FY 2018 Appropriations?

A: If the goods or services are received in the EBS on or before 11/30/2018 then the PO should use FY 2018 appropriations.

Q: I didn't spend everything in my budget, what should I do?

A: Departments should only spend the money that they need for each fiscal year. Any funds not spent for the services or goods received for that fiscal year will be swept into the corresponding fund balance to improve the County's total fiscal condition.

Q: My operating purchase order spans multiple years. How will I pay my vendor if it is canceled on 1/11/2019?

A: Operating Purchase orders should only span the fiscal year they are associated with. Create a new requisition for FY 2019 for the remaining balance or create a new requisition that covers the entirety of FY 2019.

Q: My Grant doesn't expire until after the end of the County's fiscal year. What will happen to my Purchase orders and expenses on 1/11/2019?

A: All grant purchase orders with end dates that are different from the county's fiscal year will be carried over into the next fiscal year. However, you will not be able to create new requisitions or POs after the end date of the Grant.

Q: Will vendors be notified about the timeline to submit the 2018 invoices?

A: It will be the responsibility of departments to reach out to their vendors prior to the 1/12/2019 deadline.

Q: Currently, the Comptroller's Office does not process a partial invoice amount. However, there may be a dispute or an error on an invoice that will not be resolved in a timely manner to meet the 1/11/19 deadline?

A: If an invoice cannot be paid before 1/11/2019 the Active encumbrance on the Purchase order will be carried over into the new fiscal year, negatively impacting your funds available in FY 19.

Q: I am developing my Capital and Grant Budget how much can I carry over into the new fiscal year.

A: For Grants and Capital Equipment, departments will be able to carry over the funds available at the end of the year. The funds available include the associated appropriation for any open encumbrances. For Capital Improvement POs only the encumbrances and their appropriations can be carried forward.

Q: I must pay a vendor upon receipt of the first invoice for services that will be received in the next fiscal year. What should I do?

A: As a general rule, departments should never pre-pay invoices. Work with your vendor and request that you be billed on a monthly basis or as the goods and services are received. Your operating purchase order should reflect the timing of the fiscal year. If you have further questions about this concern please work with the Comptroller's office.

Q. Will we be able to pay both FY17 and FY18 invoices during the grace period between 12/1/17 and 1/12/18?

A: Yes, the date that the goods or services are received in the EBS will help determine which fiscal year the invoice should be applied.

Q. The Financial System is normally shut down for the first 3 weeks of the fiscal year. If we must wait to enter a new operating requisition until the 3rd or 4th week in December, how would we pay our December invoices?

A: At the end of FY 2017 there will most likely be another shutdown period. We expect this period to be significantly less than in prior years. More information will be provided once it is available.