Impacts to Bulkload Agencies with Lapsing Appropriations

- September 15 or September 30

August, 2016

For use with New York State agency staff
and SFS users. Contents subject to change.

Presentation Information

- Overview of lapsing processes
  - Travel and Expense
  - Procure to Pay
  - KK Financial Plan and PSP
  - Budget
- Extract Details
- Schedule
- Reference Materials
  - Data files
  - Training

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Introduction

- Although a number of Lapsing processes remain the same this year, there are a number of significant changes to the process that came about for June lapsing and remain the same for September lapsing.
- Reminder of the improvements for Lapsing are:
  - SFS will no longer be deleting ALL in-flight vouchers referencing a lapsing appropriation
  - SFS will no longer be force closing POs that reference a lapsing appropriation, we will use the roll and new “Resolve Lapsing” processes
  - SFS will no longer create “Orphaned receipts” although this generally will not impact Bulkload activity
- Bulkload file extracts will not be changing
  - However, there are changes in the way transactions are handled in our lapsing processes.

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Lapsing Processing – Travel Documents

Mass Denied/Reject

- All Expense Reports not in an approved and posted status
- All Travel Authorizations not in an approved status

  Agencies can re-submit denied documents for approval through the normal approval workflow after updating chartfields

Cancelled

- All Travel Authorizations approved but not sourced to an expense report and charging lapsed funds

  Resubmit the Travel Authorization per your agency's travel policy (if applicable) after processing

Rolled

- The roll process for Travel Authorizations will not be run as part of lapsing

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Lapsing Processing - Vouchers

No Action

- All vouchers approved, posted and paid
- Non-PO voucher if no expenditure exists in the KK ledgers

Agencies will need to update chartfield information on the non-PO vouchers before submitting for budget check

To be Deleted

- PO vouchers that have not been posted whether or not KK activity exists
- Non-PO vouchers if expenditure exists in the KK ledgers (Budget Checked)

Agencies will need to re-enter these vouchers after processing

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Lapsing Processing – Receipts

Cancelled

- PO receipts related to cancelled POs that haven't been vouchered will be canceled and re-established as non-PO receipts*

Rolled

- PO receipts related to rolled POs are retained with new PO distribution line numbers

Agencies may need to cancel non-PO receipts created if creating a new PO to replace the closed PO. Agencies would need to create new PO receipt and cancel the non-PO receipt

***Note:** The non-PO receipt created* will reference the PO number of the PO that was closed

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Lapsing Processing – Receipts

<u>Adjusted</u>

- PO receipts will be adjusted down to what has been vouchered
  - New PO Receipts for the unvouchered amount/quantity will be associated to rolled POs
  - New Non-PO Receipts for the unvouchered amount/quantity will be created for closed POs
  - Receipt adjustments are offset by Inventory adjustments so that Inventory levels are not impacted
  - Non-inventory PO receipts adjusted to vouchered quantities/amounts will be re-established as non-PO receipts if the PO is closed or PO receipt if the PO is rolled
- Serialized inventory receipts will be adjusted to the quantity vouchered and will be re-established as non-PO receipts
  - Inventory is not impacted through this process

Agencies will not need to take any action on these as a result of processing

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Lapsing Processing – Purchase Orders

No Action

- Stand-alone POs and non-funded contract POs not sourced from a Requisition that are not dispatched and **have not been** successfully budget checked

Agencies can continue acting on these documents normally after Lapsing processing. Agencies will need to update chartfield information.

Closed

- All POs that are fully liquidated including funded contract POs regardless of appropriation will be closed

Cancelled

- POs referencing a lapsed appropriation originated from a Requisition and have no KK activity posted against them will be cancelled

Agencies will NOT be able to act on these documents after Lapsing Processing

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Lapsing Processing – Purchase Orders

Change Order then Close *

- Non-funded contract POs and funded contract POs where the PO cannot be rolled (e.g., data issue)
- All POs that have KK activity and are currently in a budget check error status.
  - POs will be change ordered down and closed or canceled if no expenditures have been posted

Agencies will not be able to use this PO, including issuing change orders. A new PO will need to be created or different PO utilized to procure from this vendor

Example: Agency has a PO for $100 related to a contract with $50 expended

- Change order created on the PO to bring down to $50 dollars updating release amount (reducing by expended amount)
- Run PO close process

*** Note:** *The change order then close process is put into place to maintain the validity of the released amount on the procurement contracts*

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Lapsing Processing – Purchase Orders

<u>Rolled as part of Lapsing</u>

- All POs (e.g., *Stand-alone* POs, non-funded contract POs, requisition POs and funded contract POs) that **have been** successfully budget checked and are not fully liquidated that reference a lapsing appropriation
  - Exceptions are any that fail the roll process due to data issues
- Roll process will run on all distribution lines on the purchase order
- Old distribution line will be closed/cancelled and new distribution line created for the unexpended amount
- Distribution lines referencing a lapsing appropriation will be updated using “Resolve Lapsing”
- Budget reference field will be updated with the new year budget reference if valid budget exists
  - 2015-16 to 2016-17
  - There may be budget exceptions which agencies will need to resolve
- If valid budget does not exist with the updated budget reference, the line will be left unchanged

Agencies can continue acting on these documents normally after Lapsing processing

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Lapsing Processing – Requisitions

No Action

- Purchase requisitions and contract requisitions with no KK activity

Agencies can continue acting on these documents normally after Lapsing processing. Chartfield information will need to be updated

Cancel

- Any funded contract requisition where a contract has been successfully created but the contract has not been updated to pending OSC approval status
  - Contract will be cancelled resulting in the requisition being cancelled

Agencies will need to create a new contract requisition/contract after Lapsing processing

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Lapsing Processing – Requisitions

Close

- Purchase requisitions that are fully liquidated
- Contract requisitions that have a pre-encumbrance but failed to create a contract through the requisition-RFQ/contract process referencing a lapsing appropriation
- All requisitions not related to a funded contract with a remaining pre-encumbrance balance exists referencing a lapsing appropriation

Agencies will not be able to use these requisitions after Lapsing processing. A new requisition will need to be created or different requisition utilized to procure from this vendor.

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Lapsing Processing – Procurement Contracts

Staged Releases

- Error status will be purged from the auto-sourcing workbench
- All scheduled releases that have not been completed will be cancelled

Agencies will need to create new schedules to stage releases after Lapsing processing

Contract Versions

- Open/draft status will be deleted

Any contract versions in "Req Update Failed" status will need to be resolved by agencies prior to the lapsing event

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Lapsing Processing – Procurement Contracts

<u>Processing occurs to calculate Life-to-date (LTD) expenditures on Funded Contracts</u>

- Used in requisition refresh process to sync the requisition and contract line amounts
- Calculates LTD expenditures on the contract distribution line
- The LTD expenditure amount for each distribution line will be updated
- Process will run on all contract distribution lines regardless of lapsed date
- Update using resolved lapsing on the contract distribution lines referencing a lapsed appropriation

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Lapsing Processing – Procurement Contracts

<u>Processing occurs to calculate Life-to-date (LTD) expenditures on Funded Contracts - continued</u>

- Budget reference field will be updated
  - 2015-16 to 2016-17
- Expended amount and budget reference updates referenced above will be updated on a new contract version created by the lapsing process
- Run the Requisition refresh to establish new Requisitions
  - There may be budget exceptions which agencies will need to resolve

Agencies can continue acting on these contracts normally after Lapsing processing

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Lapsing Processing – Procurement Contracts

<u>No action</u>

- Contracts with no associated requisition require no action
- Contracts with requisitions that do not have distribution lines referencing lapsed appropriations

Agencies can continue acting on these contracts normally after Lapsing processing

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Lapsing Processing – Procurement Contracts

Requisition Refresh Process

- Requisition refresh is a process that applies to funded contracts
- Contract requisitions that have a pre-encumbrance and are linked to a contract
- This process will close an open requisition that is not fully liquidated, and then create a new requisition for the unexpended balance of the closed requisition
- Links the new requisitions, created by the requisition refresh process, to the appropriate associated contracts and rolled POs

Agencies can continue to initiate new purchases against the associated funded contract after Lapsing process is completed (SFS automatically uses the NEWLY CREATED requisitions)

Note: *This is applicable to all contract distribution lines*

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Requisition Refresh Process

Prior to Fiscal Year End

Requisition Distribution Detail						
Requisition ID	Distrib Line #	Bud Ref	Distrib Max	Liquidated	Expended	Remaining
Original ID	1	2015-16	1000	500	250	500

Purchase Order Distribution Detail					
Requisition ID	Distrib Line #	Bud Ref	Distrib Max	Expended	Remaining
Original ID	1	2015-16	500	250	250

Prior to Lapsing

Requisition Distribution Detail						
Requisition ID	Distrib Line #	Bud Ref	Distrib Max	Liquidated	Expended	Remaining
New ID	1	2015-16	750	250	150	500

Purchase Order Distribution Detail					
Requisition ID	Distrib Line #	Bud Ref	Distrib Max	Expended	Remaining
Original ID	1	2015-16	250	250	0
New ID	2	2015-16	250	150	100

Post Lapsing

Requisition Distribution Detail						
Requisition ID	Distrib Line #	Bud Ref	Distrib Max	Liquidated	Expended	Remaining
New ID 2	1	2016-17	600	100	0	500

Purchase Order Distribution Detail					
Requisition ID	Distrib Line #	Bud Ref	Distrib Max	Expended	Remaining
Original ID	1	2015-16	250	250	0
New ID	2	2015-16	150	150	0
New ID 2	3	2016-17	100	0	100

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Requisition Refresh Process

- Contract Line Impacts – New Contract Version Created

Prior to Lapsing					
Contract Line and Distribution Line Impacts					
Line Max Amount	Distrib Line #	Bud Ref	Distrib Max Amount	LTD Expended	Remaining
1000					
	1	2015-16	1000	250	750
Post Lapsing - New Contract Version					
Contract Line and Distribution Line Impacts					
Line Max Amount	Distrib Line #	Bud Ref	Distrib Max Amount	LTD Expended	Remaining
1000					
	1	2016-17	1000	400	600

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Processing – PSP

- Planned amounts in the lapsing quarter and subsequent quarter may be impacted by the SFS lapsing process

- The PSP method on rolled POs will not be changed

- For POs with a valid PSP budget status that are closed or cancelled during FYE processing, the projected spending will be liquidated and will no longer reserve funds against the DOB Financial Plan

Some rolled POs may fail the PSP budget check and Agencies will need to follow-up on any PSP budget checking errors received on Purchase orders as a result of lapsing processing

Agencies otherwise do not need to take any additional action on the PSP methods contained on POs as a result of lapsing processing

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Reminder: PSP Re-budget Check

- In collaboration with the Division of the Budget, SFS will perform a PSP budget check on POs that met the overspending criteria (*spending in the current year is greater than PSP planned amounts for the current year)*

- For POs that fail the PSP budget check against the Commitment Control (KK) Financial Plan, agencies will need to follow up on these to ensure they are PSP budget checked successfully

Agencies should continue to monitor POs spending in excess of planned amounts throughout the year

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Planned but Unspent Lapsing Budgets

- As part of the PO Rollover for any PO that is against lapsing funds, SFS will be performing a mass PSP budget check using the PSP Mass Adjustment page that will adjust planned amounts to vouchered amounts

- As part of the PO Rollover for any PO that is against lapsing funds, SFS will be performing a mass PSP budget check using the PSP Mass Adjustment page that will:
  - For Allocation type PO's - move any unspent planned amounts based on a pro-rata basis according to the existing PSP allocation. Since the allocation will not be changed by the lapsing process, the unspent planned amounts will primarily update the current quarter (Q2)
  - For Source Type PO's - move any unspent planned amounts to the current quarter (Q2)

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Resolve Lapsing Impacts

- Project Child budgets and segregation should remain aligned

- Lapsing will close or move pre-encumbrance/encumbrance and planned amount
  - Adjustments with updated budget reference in KK_SEG may be required in KK_PRJC
  - There may be budget exceptions which agencies will need to resolve

- Generate parent will impact PRJP for any adjustments to PRJC

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Project Budget Impact Example

- Adding budget amounts to PRJC will impact PRJP

Example: PO with 50,000 will roll at Lapsing

PRJC_BD: 100,000 2015-16

PRJP_BD: 100,000

Add 50,000 to project child budget for PO that will roll

PRJC_BD: +50,000 2016-17

PRJP_BD: 150,000

- Also, bring down old year amount to ensure project parent is not inflated

PRJC_BD: +50,000 2016-17

PRJC_BD: -50,000 2015-16

PRJP_BD: 100,000

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Lapsing – Project Child Budgets

- Lapsing Segregations:
  - Run report NYKK0004 to identify Segregations that are about to lapse
  - Run report NYKK5499 to identify any available Project child balances for these lapsing Segregations

Prepare project budget adjustments as needed to transfer any available project child balances to a budget string that will match a non-lapsed Segregation

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Extract Information (Post Lapsing)

- PO Extracts (POH, POL, POS and POD)
  - Reflects the adjustments to the PO's (Change Order, Closed or Cancelled)
- PC Extracts (PCH, PCL and PCD)
  - Reflects current release amounts at the end of the Lapsing
- KEL
  - Reflects the impacts to the Liquidation of Encumbrance
- M Files
  - M061 shows released amounts on the contracts

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Reminder: PO Rollover Impact

- When POs are rolled over the new Bulkload process (from FYE) inserts new records with the new distribution id from the PO Roll process and carries over the data from previous records onto the new rows of the Bulk Trans Table
  - Note: This table is also the source for other extracts (i.e. LTF)

- Going forward agencies need to send in the new PO distribution ID and the correct amounts (minus expended)

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Example: BT Extract with rolled PO

Source Record	Source Field Name	Target Fieldname
PS_PO_ROLLOVER_DTL	LINE_NBR_TO	NY_PS_DSTRB_LN_NO
NY_BULK_TRANS	TRUNC(SYSDATE) System Date when the process insert the new rows (so that it will arrive on current extracts)	NY_BLK_TRANS_DT
NY_BULK_TRANS	'99999' (So the legacy systems can determine the values created by the rollover process)	NY_BLK_AGENCY_ID

NY_BLK_LOAD_ID	NY_BLK_DOC_REF	NY_PS_BU	NY_PS_DOC_ID	NY_PS_DSTRB_LN_NO	NY_BLK_AGENCY_ID	NY_CHARGE_TAIL	NY_TRANS_CD	NY_BLK_TRANS_DT	NY_COST_CENTER
194673	C113481005	SNY01	C113481005	1	28100	361302013200	POD	18-SEP-15 12.00.00.000000000 AM	282101007H14
194673	C113481005	SNY01	C113481005	2	99999	361302013200	POD	17-FEB-16 12.00.00.000000000 AM	282101007H14
			PO ID that was rolled						

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STATEWIDE FINANCIAL SYSTEM

Schedule for 9/15 Lapsing

Now – 9/12/16

- Pre-Lapsing Clean-up

9/15/16 3:00 p.m.

- Blackout begins
- Full batch including extracts will be run
- Book of record reports will be run

9/19/16

- SFS Re-opens. Bulkload files will begin processing

9/20/16

- Extracts delivered

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STATEWIDE FINANCIAL SYSTEM

Schedule for 9/30 Lapsing

Now – 9/26/16

- Pre-Lapsing Clean-up

9/30/16 3:00 p.m.

- Blackout begins
- Full batch including extracts will be run
- Book of record reports will be run

10/4/16

- SFS Re-opens. Bulkload files will begin processing

10/5/16

- Extracts delivered

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STATEWIDE FINANCIAL SYSTEM

Key Lapsing Dates

Important Lapsing key transaction dates have been published by OSC and BSC

- **OSC Resources**
  - OSC Calendar of Events and Deadlines
  - The following chapter is from OSC's Guide to Financial Operations regarding OSC guidance and additional details on Lapsing:
  - End of Year (GFO Chapter XIX)
    - https://www.osc.state.ny.us/agencies/guide/MyWebHelp/

- **BSC Resources**
  - BSC Hosted Agencies: Agencies hosted by the BSC should be aware of BSC deadlines; the BSC may require earlier completion of certain activities
    - Calendar of Key BSC Processing Dates

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Data Files Provided by SFS

- Pre-Lapsing Transaction Clean-up files
  - Will be available beginning the week of 9/2
  - Actions SFS is taking on agency documents in Production
- Lapsing results from SFS actions
  - Will be available after SFS re-opens
  - Should be used by your agency with the Lapsing Checklist when entering new transactions after Lapsing processing

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Pre-Lapsing Transaction SFS Clean-up Schedule

Cleanup Type	Schedule	Notes
Close fully liquidated POs for all business units	9/12 & 9/26	This will be done for all POs, lapsing **and non-lapsing** appropriations
Close or cancel all POs that meet OSC's new policy criteria	9/2	In compliance with the Data Quality guidelines in the *Guide to Financial Operations Chapter III, Section 7 - Data Quality*, the Office of the State Comptroller (OSC) has instructed SFS to execute the clean-up activities during June 2016 This will be done for all POs, lapsing and non-lapsing appropriations
Receipts will be adjusted down to the vouched amount for POs that have partially vouchered receipts (related agency authorized PO)	9/2	
Run PSP Budget Check on POs with spending in the current year that was greater than PSP planned amounts for the current year	9/11	

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Pre-Lapsing Transaction SFS Clean-up Schedule

Cleanup Type	Schedule	Notes
Agency Authorized POs using the PO close and dispatch closure option	Weekly 9/9 – 9/26	These POs will need to be authorized to close by your agency by 9/7 for closure on 9/9 for 9/15 lapsing. For 9/30 lapsing Pos will need to be authorized to close by your agency by 9/21 and will be closed on 9/23. Requests received after 9/21 will roll and be closed at a later date after lapsing. Instructions to request PO closure are posted on SFS Secure.
Cancel any contract versions = 1 in a Req Update Failed status	9/9-9/10 & 9/23	Associated requisitions will also be cancelled
Delete any contract versions > 1 in a Req Update Failed status	9/9-9/10 & 9/23	The requisition will be re-synced with the prior version.
Cancel any contract versions = 1 in an Open status	9/9-9/10 & 9/23	Procurement Contract Req Update Failed 9/12 & 9/26
Delete any contract versions > 1 in an Open status	9/9-9/10 & 9/23	Procurement Contract Reqs Open 9/12 & 9/26
Resolve regular budget exceptions for POs, Requisitions and PSP budget exceptions for POs and close these documents	9/12 & 9/15 9/28 & 9/30	Budget Exceptions PO/Req Closed 9/12 & 9/28

OSC Close or Cancel PO Guidance

- Any PO transaction with a budget status error for 30 days or more should be resolved or deleted
- Any PO transaction with a remaining balance less than $500 and less than five percent of the total value remaining not utilized in the last 45 days will be closed on 9/2
- Any non-contract PO transaction that has been inactive for 12 months or more will be closed on 9/2
- Any PO transaction fully expended as of 9/12 will be closed on 9/12 and during the lapsing event on 9/15 and again on 9/26 and during the 9/30 lapsing event.

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Lapsing home page

The SFS Lapsing page is home to all agency Lapsing reference documentation

- The Lapsing Checklist should be used to ensure that your agency is clear on the actions that must be performed for Lapsing
- The Lapsing data results will be posted for your agency to utilize on the Lapsing Transaction Data files page.

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NYAP1547 Pending Transactions for Lapsing Budget

- Lists transactions that will be impacted and need to be deleted, closed or rejected as part of the Lapsing Process
- These reports will be listed by the transaction type:
  - Expenses
  - Purchase Orders
  - Requisitions
  - Travel Authorizations
  - Journals
  - Vouchers-BAO/RoA
  - Vouchers-BAO/JV
  - Vouchers- BSE
- Reports User Guide available on SFS*Secure: NYAP1547 Pending Transactions for Lapsing Budget*

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Lapsing Training Materials

- SFS Self-Paced Training (SPT) topics relating to Lapsing can be found in the appropriate training course in SLMS
  - Lapsing related topics will be found under the “Lapsing Transaction Processing” lesson in the appropriate training course

- All SPT courses can be found in SLMS. To access one or more SFS SPT courses, log into SLMS and search for SLMS Course Code: **SFS-9.2-SPT**

- Visit the SFS Training and User Education page for information on SPT course details and enrollment instructions

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Support

- SFS*Secure* Lapsing Home page

- SFS Help Desk (HelpDesk@sfs.ny.gov)
  - Please email/call with any questions or concerns

- Fast Track Support
  - Pose questions at the Tuesday afternoon Bulkload and Online Agency sessions from 1-2 pm

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