



**FY 2022  
YEAR END CLOSING  
INSTRUCTIONS  
AND  
REQUIREMENTS**

**Issued by Financial Operations  
4/21/2022**

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## What's New for the FY 2022 Close?

These closing instructions have been prepared by the Financial Operations Division of the Department of Finance and Management and were developed to aid departments and Financial Operations in facilitating a timely year end close. **Below is a list of new or different requirements and deadlines in the FY 2022 Year End Closing Instructions:**

- The Governmental Accounting Standards Board (GASB) has officially adopted a new name for the Comprehensive Annual Financial Report. The new name is Annual Comprehensive Financial Report. This report can appropriately use the ACFR acronym.
- GASB 87 Lease Accounting took affect for the State of Vermont on July 1, 2021. Year-end lease reporting has change significantly. Initial year end reporting requirements were sent to all users on March 14, 2022, which aim to identify the State's lease population for both expenses and revenue. Additional closing requirements will be issued to departments/agencies found to have lease obligations under the new reporting standards. Supplemental reporting requirements are tentatively scheduled for June.
- The last day to enter expense reports for FY22 will be June 29<sup>th</sup>. Expense reports will not be available to be created on June 30, 2022. Expense reports will be available to enter again on July 1, 2022.

**More information on each of the requirements and deadlines listed above are included in the appropriate section of these Year End Closing Instructions.**

We hope this document gives all departments an understanding of the year end accounting process and a clear outline of the requirements needed for the State of Vermont to successfully close the books and issue the Annual Comprehensive Financial Report in a timely and efficient manner. The instructions are indexed by both function and timeline for the users' convenience. If you have any questions regarding the instructions or would like to give us feedback on this document, please contact Joe Harris, Director of Statewide Accounting at [joe.harris@vermont.gov](mailto:joe.harris@vermont.gov) or 828-0671.

## FY2023 Changes to Prepare For

GASB 96 Subscription-based Information Technology Arrangements (known as SBITA) reporting starts on 7/1/2022. The reporting requirements for SBITA will mirror those of GASB 87 for Leases. Subscription assets that will need to be reported under this new standard include cloud computing arrangements, such as Software as a Service, Platform as a Service, and Infrastructure as a Service. An inventory log form and instructions for identifying a complete population of SBITAs will be issued soon. Agencies and departments will have until January 1, 2023 to complete and report on SBITA expenses and/or revenue contracts.

## **Overview**

# **Annual Comprehensive Financial Report**

## **How are the State's Financial Statements Prepared?**

Throughout the year, the State of Vermont (State) processes transactions using the statutory basis of accounting, often referred to as the “budgetary basis.” For its Annual Comprehensive Financial Report (ACFR), the State reports on the basis of generally accepted accounting principles (GAAP) as defined by the Governmental Accounting Standards Board (GASB). The financial statements are prepared using a modified accrual or accrual basis of accounting, whichever is appropriate. “Basis of accounting” refers to when revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in the accounts and reported in the financial statements. In order to convert VISION data from the budgetary to the GAAP basis, Financial Operations must obtain supplementary information from other state agencies, departments, offices, and boards. It is imperative that the information in VISION is accurate and ledgers are closed timely so that the GAAP conversion can begin.

Once the conversion and the financial statements are complete, the GAAP financial statements and footnotes (ACFR) are forwarded to the Auditors for a thorough audit. The audited ACFR, which includes an independent auditor’s report, is made available to the public so that citizens have the opportunity to review the state’s overall financial status. Additionally, a timely ACFR is very critical to the State of Vermont’s ability to obtain the best bond rating possible. A high bond rating makes the State of Vermont more attractive to potential investors when the state issues General Obligation Bonds.

## **What Is Required of Departments?**

The most important requirement is for departments to closely follow all year end closing instructions and meet all deadlines to ensure the ability to close VISION timely and to ensure the information captured in VISION is correct. Any delay in closing VISION or any further adjustments to VISION transactions due to incorrect or inappropriate data can and will cause significant delays in producing the State’s ACFR.

## General Guidelines

### System Availability

**VISION Production is available to end users 24 hours a day, with the exception of planned or unplanned outages for system maintenance. From now through July 15, 2022 there are no planned system outages.**

**No expense reports may be entered or submitted from 12:00am June 30 through 12:00am July 1, 2022. Please make sure that all employees are aware of this.**

Please be aware that unplanned circumstances can occur at any time that may change system availability. If the status of the system availability changes, we will let everyone know as soon as possible. Please be aware that Financial Operations Staff including VISION Support will be available only during normal working hours.

### Month End Closing Instructions

All departments are required to follow the Month End Closing Instructions for ACTUALS & ACCRL/ADJ ledgers for month ending June 30, 2022 in addition to the FY 2022 Year End Closing Instructions outlined in this document. An exception to the Month End Closing Instructions is that **for month ending June 30, 2022 departments must have all transactions (except for adjustment period 998 journals) at the correct status(es) to post on June 30, 2022 but will have until 4:00pm on July 15, 2022 to complete some of their reconciliations and all adjustment period 998 journals.**

You can find the Month End Closing Instructions under VISION Closing Instructions at the following link: <http://finance.vermont.gov/policies-and-procedures/vision-closing-instructions>

### Requirements and Deadlines

**Departments are responsible for reading this document thoroughly, being aware of all requirements and meeting all deadlines.** It is imperative that the requirements and deadlines for all areas in this document are met to ensure a timely closing of the State's FY 2022 books and the production of the State's ACFR.

## Department Contact – Availability on June 30

Finance requires each Business Unit to provide the name, phone number and e-mail addresses of the contacts who will be available to answer questions or process transactions until 5:00pm on June 30, 2022 – email this information to [tanya.jarvis@vermont.gov](mailto:tanya.jarvis@vermont.gov) by end of day June 20, 2022.

**These contacts must have the knowledge and security to process and approve transactions in all VISION modules.** If Finance has a question about or cannot post a transaction that is required to be at the correct statuses to post by 4:00pm and Finance cannot get a hold of these contacts, the transaction will be deleted.

If on June 30, 2022 prior to 5:00pm, the contacts know that their business unit has met all the June 30 processing requirements and that no additional transactions will be entered, they may contact Tanya Jarvis at [tanya.jarvis@vermont.gov](mailto:tanya.jarvis@vermont.gov) or 802-828-0354. If Finance confirms that all the requirements have been met, contacts will be notified as soon as possible that they are no longer required to stay until 5pm. Any additional transaction entered after this notification will be deleted.

**Important Note:** If being available until 5:00pm causes issues with your department's established work schedule, then **all deadlines must be met by 3:00pm** and notification that all has been completed must be submitted to Tanya Jarvis at that time at the email or number noted above. This will give Finance time to confirm that the department has met the year end requirements and/or follow up with any issues prior to 4pm.



## **VISION Security and Approval Authority**

### **FY 2023 VISION Security and Approval Authority**

All VISION security, including approval access, as of June 30, 2022 will automatically renew and carry forward into FY 2023. It is the department's responsibility to review and maintain employee VISION access.

Vision Support will email each department their current security access by May 13, 2022 so that it can be reviewed. Expense Coordinators will receive expense access information and any changes will need to be made by submitting the VISION Expense Access Request form. Employees with VISION Module Security form access within each department will receive module security access information and any changes will need to be made by submitting the VISION Module Security form. Contact VISION Finance Support by email at [Fin.VisionSecurity@vermont.gov](mailto:Fin.VisionSecurity@vermont.gov) if you have questions regarding user security for your department.

All VISION Module security forms submitted that request the following approval access: Accounts Payable, GL Journal, Direct Journal, Requisition, Contract, or Purchase Order approval, or form access: Supplier Add/Update, Chartfield Request or Vision Module Security form, must have a signed Module Security Signature Authority form attached to the request in VISION and be signed by an Appointing Authority or designee. The Module Security Signature Authority form is available on the Finance and Management website under VISION Security Forms. <http://finance.vermont.gov/forms/vision>

All VISION Expense Access Request forms submitted that request Expense Coordinator access must have a signed VISION Expense Module Security Signature Authority form attached to the request in VISION and be signed by an Appointing Authority or designee. The VISION Expense Module Security form is available on the Finance and Management website under VISION Security Forms at <https://finance.vermont.gov/forms/vision>.

Digital or electronic certificate signatures are accepted on all Year End forms requiring appointing authority signature. The digital or electronic certificate signature must be of the appointing authority, or their designee listed on the department's Delegation of Authority for Signature Authorization form. Physical signatures are also still accepted and must match the signatures on the form. The Delegation of Authority for Signature Authorization form must be submitted annually by January 15<sup>th</sup> or as necessary due to staff change of Appointing Authorities or their designees. If the digital/electronic certificate signature is not of the appointing authority or is not of a delegate listed on the form, or the physical signature does not match or the form is not on file, the security access request will not be accepted.

# Spending Authority and Appropriations

## FY 2022 Spending Authority

### DAB 26 Transfer Forms and Excess Receipt Forms

FY 2022 DAB26 Transfer Forms and Excess Receipt Forms requesting spending authority to cover remaining FY 2022 expenditures, including payroll expenditures, are due in the Department of Finance and Management's Budget and Management Office by **June 15, 2022**.

### Special Fund Spending Authority Transfer Request Forms

FY 2022 Special Fund Spending Authority Transfer Request Forms requesting spending authority to cover remaining FY 2022 expenditures, including payroll expenditures, are due in Financial Operations by **June 22, 2022**.

### Demand Driven Spending Authority Requests

FY 2022 Demand Driven Spending Authority requests to cover remaining FY 2022 expenditures including payroll are due in Financial Operations by **June 22, 2022**.

### Spending Authority Monitoring

FY 2022 accounts payable vouchers and other expenditure type transactions should not be entered into VISION during the final business days of FY 2022 unless there is sufficient spending authority available in your FY 2022 budget to cover them. Check organizational budgets and appropriation balances before entering these types of transactions.

### Organizational Budget Journals

FY 2022 organizational budget journals entered after June 30, 2022 must be entered with a June 30, 2022 date. If the date of the journal is not changed to June 30, 2022, the budget journal will be unposted by Financial Operations.

## FY 2023 Spending Authority and Appropriations

### Appropriations

All FY 2023 appropriations will be available to departments by 12:00pm on June 30, 2022, unless otherwise authorized by law.

### Organizational Budgets

FY 2023 Organizational budgets can be entered by departments beginning at **12:00pm June 30, 2022** and must be entered before FY 2023 expenditure transactions can be budget checked.

You must change the journal date to 7/1/2022 when entering the FY 2023 Organizational budgets prior to July 1.

### **Demand Driven Spending Authority**

Funds (internal service, enterprise, custodial, administrative special) that have **demand-driven expenditure authority** must have requests for FY 2023 expenditure authority submitted to Samantha Beaudoin at [samantha.beaudoin@vermont.gov](mailto:samantha.beaudoin@vermont.gov), with Appointing Authority Signature, **no later than June 22, 2022**. Requests for spending authority amounts that differ significantly from prior years, must be accompanied with an explanation of the variances or they will be returned for more information.

All requests received by June 22, 2022 will be processed and the spending authority will be available to departments on June 30, 2022. Requests received after this date will be processed as soon as possible but are not guaranteed to be available by June 30, 2022.

Digital or electronic certificate signatures are accepted on all Year End forms requiring appointing authority signature. The digital or electronic certificate signature must be of the appointing authority or their designee listed on the department's Delegation of Authority for Signature Authorization form. Physical signatures are also still accepted and must match the signatures on the form. The Delegation of Authority for Signature Authorization form must be submitted annually by January 15<sup>th</sup> or as necessary due to staff change of Appointing Authorities or their designees. If the digital/electronic certificate signature is not of the appointing authority or is not of a delegate listed on the form, or the physical signature does not match or the form is not on file, the request will not be accepted.

### **Carry Forward from FY 2022**

Subject to the approval of the Secretary of Administration, **General, Transportation, Transportation Infrastructure Bond, Education Fund, Clean Water Fund, and Agricultural Water Quality Fund** appropriations remaining unexpended as of June 30, 2022 shall be carried forward and shall be reserved for expenditure. **Funds carried forward will be available** to departments, which have an approved carry forward plan, by **July 20, 2022**. More detailed information from the Budget Office of the Department of Finance and Management regarding carry forward plans will follow.

Unexpended FY 2022 expenditure authority in **Capital Projects Funds** will carry forward to FY 2023 and will be available by **July 20, 2022**.

Unexpended FY 2022 expenditure authority in all other funds will not carry forward to FY 2023 unless specifically authorized to do so by legislative language. Excess receipt requests must be submitted to the Budget Office of the Department of Finance and Management for approval before remaining FY 2022 expenditure authority will be re-established in funds not authorized to be carried forward.

## Organizational Budget and Chartfield Changes

### FY 2023 Organizational Budget Structure Changes

Organizational budget structure refers to whether departments enter their organizational budgets at the appropriation level deptid or lower level deptid's. Changes to organizational budget structure can only occur at the start of each fiscal year.

**Changes to FY 2023 Organizational Budget Structure** must be submitted in writing to [VISION.ChartfieldRequests@vermont.gov](mailto:VISION.ChartfieldRequests@vermont.gov) by **May 13, 2022**. Any changes requested after May 13, 2022 will be performed only as time permits.

### FY 2023 Chartfield and Payroll Combo Code Changes

**All known chartfield changes or additions including payroll combo codes for FY 2023 must be submitted by May 13, 2022.** Any changes requested after May 13, 2022 will be performed as time permits.

Chartfield requests are submitted in VISION using the Chartfield Request form. However, for large batch requests to set up new FY 2023 project codes and associated payroll combo codes, we will accept batch requests of 10 or more projects using the Project Code Request Form available at <https://finance.vermont.gov/forms/YE>. The form is located under "Other Year-End Closing Forms" and must be submitted to the [VISION.ChartfieldRequests@vermont.gov](mailto:VISION.ChartfieldRequests@vermont.gov) email.

**Note:** For payroll combo codes to be effective for the first payroll in FY 2023 they must have an effective date of 6/18/2022 or earlier.

# VISION Transactions

## Travel Authorizations

### FY 2022 Travel Authorizations

All submitted VISION travel authorizations with an accounting date of 6/30/2022 or prior must be **approved by 4:00pm June 30, 2022.**

If a submitted travel authorization cannot be approved by 4:00pm June 30, 2022, the travel authorization may be sent back for revision by the supervisor by 4:00pm June 30, 2022 to be resubmitted in July, or steps must be taken to delete the travel authorization. **Travel authorizations in a pending status at 4pm June 30, 2022 may be submitted on July 1, 2022.**

**Important Note:** Travel authorizations that have been sent back and resubmitted on July 1 will not be able to be successfully budget checked and used in an expense report until FY 2023 organizational budgets have been entered.

All approved FY 2022 travel authorizations in VISION for travel that was completed before June 8, 2022 will be **closed at the end of the day on June 30, 2022** by the Department of Finance and Management and the encumbrances liquidated, regardless of whether an expense report has been entered against it or not. Travel Authorization encumbrances for travel completed through June 8, 2022 will not carry forward to the new fiscal year.

All approved FY 2022 travel authorizations in VISION for travel completed June 8, 2022 or later will be rolled to FY 2023 if an expense report has not already been entered in VISION for the travel. This travel authorization rollover process will be done automatically by the Department of Finance and Management and will be completed prior to July 1, 2022.

**Important Note:** Travel authorizations that have been rolled from FY 2022 to FY 2023 will not be able to be successfully budget checked and used in an expense report until FY 2023 organizational budgets have been entered.

**No travel authorizations may be entered or submitted from 4:00pm June 30 through 12:00am July 1, 2022. Please make sure that all employees are aware of this. Travel Authorizations entered or submitted during this time will be deleted by Finance.**

### Year End Clean Up

Prior to June 30, 2022, please run the VT\_MER\_TA\_OPEN\_ENC for your business unit. This query will list all travel authorizations that have not been marked as closed. This means that an expense report has not been entered against the travel authorization. For each TA listed, do the following:

1. If the travel has been completed and the employee has not entered an expense report, have the employee enter the expense report from the travel authorization. The expense

report must be submitted by the employee by the **end of the day on June 29<sup>th</sup>** and approved by **4:00pm June 30, 2022**.

2. If an expense report has already been entered but it was not created from the TA, please have the employee or delegate cancel the TA by **4:00pm June 30<sup>th</sup>** : Employee Self Service > Travel and Expense Center > Travel Authorization > Cancel.
3. If travel has not and will not be completed, please have the employee or delegate cancel the TA by **4:00pm June 30<sup>th</sup>** : Employee Self Service > Travel and Expense Center > Travel Authorization > Cancel.

**Helpful Hint:** The VT\_MER\_TA\_OPEN\_ENC query should be run in conjunction with the VT PO Budgetary Activity Report to reconcile to the encumbrance amount on your budget.

### **FY 2023 Travel Authorizations**

FY 2023 travel authorizations may be entered and submitted beginning **July 1, 2022**.

## **Cash Advances**

### **FY 2022 Cash Advances**

All submitted FY 2022 cash advances must be **approved for payment by 4:00pm June 30, 2022**.

If a submitted cash advance cannot be approved for payment by 4:00pm June 30, 2022, it may be sent back for revision by the expense coordinator by 4:00pm June 30, 2022 to be resubmitted in July, or steps must be taken to delete the cash advance. **Cash advances in a pending status at 4pm June 30, 2022 may be submitted on July 1, 2022.**

**No cash advances may be entered or submitted from 4:00pm June 30 through 12:00am July 1, 2022. Please make sure that all employees are aware of this. Cash advances entered or submitted during this time will be deleted by Finance.**

### **FY 2023 Cash Advances**

FY 2023 cash advances may be entered and submitted beginning **July 1, 2022**.

## **Expense Reports**

### **FY 2022 Expense Reports**

If there is an approved FY 2022 travel authorization in the system, and the travel has been completed, the employee must enter and submit an expense report by the end of the day on **June 29, 2022** from this travel authorization, and it must be **approved for payment by 4:00pm June 30, 2022**.

All submitted FY 2022 Expense reports must be **approved for payment by 4:00pm June 30, 2022.**

If a submitted expense report cannot be approved for payment by 4:00pm June 30, 2022, it may be sent back for revision by 4:00pm June 30, 2022 to be resubmitted in July, or steps must be taken to delete the expense report. **Expense Reports in a pending status at 4pm June 30, 2022 may be submitted on July 1, 2022.**

**IMPORTANT – This does not include expense reports tied to travel authorizations. Expense Reports tied to travel authorizations must be submitted by the end of the day June 29, 2022 and approved for payment by 4pm June 30, 2022 or if the expense report is not valid, it must be deleted by 4pm June 30, 2022.**

**Important Note:** Expense Reports that have been sent back and resubmitted on July 1 will not be able to be successfully budget checked until FY 2023 organizational budgets have been entered.

**No expense reports may be entered or submitted from 12:00am June 30 through 12:00am July 1, 2022. Please make sure that all employees are aware of this.**

### **FY 2023 Expense Reports**

FY 2023 expense reports may be entered beginning **July 1, 2022.**

## **Help with FY 2022 Expense Module Transactions**

Please refer to the Month End Closing Instructions to help you process expense module transactions that are not in a status of Approval in Process or Approved for Payment.

<http://finance.vermont.gov/policies-and-procedures/vision-closing-instructions>

Please contact VISION Support at 828-6700 option 2, option 1 or [Vision.FinHelpdesk@vermont.gov](mailto:Vision.FinHelpdesk@vermont.gov) for additional help with Expense Module transactions.

**Helpful Hint:** Remind supervisors to assign an alternate user to approve transactions if they will be unavailable.

## **Requisitions**

### **FY 2022 Requisitions**

**All requisitions for FY 2022 purchases** are due in the Office of Purchasing and Contracting of the Department of Buildings and General Services by the end of the day **May 12, 2022.**

**Reminder:** Requisitions must be approved and budget checked in the VISION system to be available to the Office of Purchasing and Contracting.

For requisitions submitted by the May 12th deadline, the Office of Purchasing and Contracting will conduct the appropriate acquisition process and have Purchase Orders available for encumbrance in the VISION system by the end of the day June 7, 2022. Requisitions submitted after the May 12th deadline will be processed if there are sufficient resources and time available to meet the June 17, 2022 year end close deadline for FY 2022 purchase orders.

**FY 2022 requisitions must be at a status of complete, budget checked** and no longer appear on the VT Req Budgetary Activity Report by **end of day on June 17, 2022**. For year-end close cleanup purposes, run this report for **“Remaining Amount” <> \$0 and Req Status <> Complete**. (See the Purchasing Reporting Manual <https://finance.vermont.gov/vision-module-support/purchasing> for more information on how to run this report and what you will encounter if you have no outstanding requisitions.) Use the Requestor’s Workbench to close all requisitions that are returned by this report that are not at a status of complete.

**Helpful Hint:** Requisitions tied to PO’s rolling to FY 2023 will not move to a status of complete. Even though the REQ will not be at a status of complete, the pre-encumbrance must be liquidated. Requisition lines not used on a PO must be cancelled and lines partially used on a PO must be finalized. Refer to the Requisitions Manual <https://finance.vermont.gov/vision-module-support/purchasing> for information on cancelling lines and finalizing lines.

#### **Help for FY 2022 Requisition Clean Up**

If you need assistance in cleaning up your FY 2022 requisitions, please contact VISION Support at 828-6700, option 2, option 1 or [Vision.FinHelpdesk@vermont.gov](mailto:Vision.FinHelpdesk@vermont.gov).

#### **FY 2023 Requisitions**

FY 2023 Requisitions may be entered beginning **July 1, 2022**.

## **Purchase Orders**

#### **FY 2022 Purchase Orders**

**Office of Purchasing and Contracting will create FY 2022 purchase orders by end of day June 7, 2022, from FY 2022 requisitions received by May 12, 2022.**

**All FY 2022 purchase orders being rolled must be approved, budget checked and dispatched** by departments by **the end of the day June 17, 2022**. The creation of FY 2022 purchase orders will not be allowed after this date – this includes purchase orders for personal service contract payments. **Please plan accordingly with your contractors – departments will be unable to enter purchase orders and contract payments from June 18 – June 30, 2022.**

**All purchase orders that are not being rolled to FY 2023, must be at a status of complete and budget checked** and no longer appear on the VT PO Budgetary Activity Report by **June 17, 2022**. Purchase orders that appear on this report that are not at a status of complete and are not being rolled to FY 2023, must be closed through the Buyer’s Workbench.



**Helpful Hint:** The VT\_MER\_TA\_OPEN\_ENC query must be run in conjunction with the VT PO Budgetary Activity Report to reconcile to the encumbrance amount on your budget.

**Help for FY 2022 Purchase Order Clean Up**

If you need assistance in cleaning up your FY 2022 purchase orders, please contact VISION Support at 828-6700, option 2, option 1 or [Vision.FinHelpdesk@vermont.gov](mailto:Vision.FinHelpdesk@vermont.gov).

**FY 2022 PO Rollover**

**Important!** - Read this section and comply with the deadlines **even if your department is not rolling any purchase orders.**

***Important Notes!***

- **Purchase Orders that are bypassing the Match process will not be able to be rolled to FY 2023.** These PO's are generally a result of PO's originating in 8.8 being copied to create 9.2 PO's. Notice was sent to all VISION users on 2/20/2019 instructing users not to copy 8.8 PO's nor change any matching fields on a PO. Departments must close all PO's in VISION that are bypassing the Match process. Run the query VT\_YEC\_PO\_CANNOT\_ROLL to identify PO's for your business unit that cannot be rolled and need to be closed.

*Please make sure that you follow the Helpful Hint #2 below for closing these purchase orders if they are tied to contracts.*

All departments must run the VT PO Budgetary Activity Report to Excel through June 17, 2022 for their GL Business Unit. **For year-end close cleanup purposes, run this report for “Remaining Amount” <> \$0 and PO Status <> Complete.** (See the Purchasing Reporting Manual <https://finance.vermont.gov/vision-module-support/purchasing> for information on how to run this report and what you will encounter if you have no outstanding purchase orders.)

Departments must close all PO's in VISION that are not rolling, so that this report returns only those PO's that the department wants to roll – all other purchase orders must be at a complete status with a valid budget check. (see Helpful Hint #2 below regarding PO's tied to contracts.)

Please verify the purchase orders that you want rolled by highlighting them in yellow on this report. This Excel report with the highlighted PO's must be e-mailed to Joe Harris at [joe.harris@vermont.gov](mailto:joe.harris@vermont.gov) **by end of day on June 17, 2022.**

If the department does not wish to roll any purchase orders, please send an e-mail to Joe Harris at [joe.harris@vermont.gov](mailto:joe.harris@vermont.gov) indicating what your PO business unit is and that your department is not rolling any purchase orders. You must also make sure that all your purchase orders and requisitions are at a status of complete and valid budget check by June 17, 2022. (See [Helpful Hint](#) in the FY 2022 Requisitions section regarding requisitions tied to rolling PO's)

**Please Note:** It is every department's responsibility to make sure that all PO's not rolling to FY 2023, are at a status of complete with a valid budget check. Financial Operations does not have the resources to do this clean-up for departments.

Financial Operations will complete PO Rollover for all Business Units by June 30, 2022.

Financial Operations will do journal entries to encumber the funds for rolled PO's in FY 2022 so that these funds cannot be used in FY 2022 and will be available in the departments' FY 2023 budgets to be encumbered by the rolled PO's.

Once spending authority has been established in FY 2023 to cover the rolled purchase orders, departments will be responsible for budget checking the rolled purchase orders.

**Helpful Hint #1:** The VT\_MER\_TA\_OPEN\_ENC query must be run in conjunction with the VT PO Budgetary Activity Report to reconcile to the encumbrance amount on your budget.

**Helpful Hint #2:** Prior to completing a PO that is tied to a contract, validate that the PO amount matches the vouchered amount. If the amounts do not match, then process the appropriate change order against the PO prior to completing the PO to ensure the released amount on the contract is properly updated. If a PO was entered against a procurement contract and never vouchered, then **cancel** the PO prior to completing the PO to ensure the released amount on the contract is properly updated. These steps will avoid the need for a manual contract adjustment and will assist in making the ACFR-6 form process easier. (See the Purchasing 102 Manual <http://finance.vermont.gov/vision-module-support/purchasing> for information on how to process a change order, cancel, complete, and close a PO.)

### **FY 2023 Purchase Orders**

FY 2023 Purchase Orders may be entered beginning **July 1, 2022**.

## **Accounts Payable Vouchers**

### **FY 2022 PO Vouchers**

All FY 2022 **PO vouchers** must be entered, approved and budget checked by departments by **end of day June 17, 2022**. The creation of FY 2022 PO vouchers will not be allowed after this date – this includes PO vouchers for personal service contract payments. **Please plan accordingly with your contractors – departments will be unable to enter contract payments from June 18 – June 30, 2022.**

### **FY 2022 Vouchers (Non-PO)**

All budget checked FY 2022 vouchers (except PO vouchers – see above) must be submitted and approved by **4:00pm June 30, 2022**.

If FY 2022 vouchers cannot be processed/approved by 4:00pm June 30, 2022, the accounting date on the voucher may be updated by your department to 07/01/2022 and the C/P indicator updated to P on **June 30, 2022 by 4:00pm**, or steps must be taken to delete the voucher by 4:00pm June 30, 2022.

***Important Notes on changing the accounting date:***

- Do not change the accounting date on a budget checked voucher if you do not have a FY 2023 appropriation to cover the expenditure in FY 2023.
- **You must enter FY 2023 organizational budgets after 12:00pm June 30, 2022** to cover any voucher that had a valid budget check status prior to the accounting date being changed to 7/1/2022.
- Vouchers that have the accounting date changed to 7/1/2022 will be processed in the overnight BATCH budget check process June 30, 2022 and will go to error unless FY 2023 organizational budgets have been entered.
- Vouchers that go to budget check error will be deleted by Finance if there is no FY 2023 appropriation to cover the expenditure.
- Do not forget to update the C/P indicator to “P” – see [FY 2023 Vouchers for Prior Year Payables below](#).

**FY 2022 Journal Vouchers**

Departments must review all FY 2022 expenditures that have occurred in Accounts Payable before June 30, 2022. The last day to enter FY 2022 Journal Vouchers to correct FY 2022 expenditures that have occurred in A/P is June 30, 2022.

All **FY 2022 Journal Vouchers** must be approved by **4:00pm June 30, 2022**.

**FY 2022 Interfaced Vouchers**

Vouchers interfaced into VISION with an accounting date of June 30, 2022 or prior must be loaded on or before 3:00pm June 30, 2022 and budget checked by 4:00pm June 30, 2022. Interfaced vouchers with a June 30, 2022 date or prior may not be loaded into VISION after 3:00pm June 30, 2022. (Exception: Treasurer’s Office interface will run as scheduled.)

**FY 2023 Vouchers**

All FY 2023 Vouchers (PO and Regular) may be entered and interfaced beginning **July 1, 2022**.

**FY 2023 Vouchers for Prior Year Payables**

The State’s ACFR reports all accounts payable on its balance sheet as of June 30, 2022. In order for us to identify these amounts, departments must identify all vouchers entered in FY 2023 that pertain to prior year payables (goods received, or services performed prior to July 1, 2022) by using a P value in the C/P Indicator field on the voucher invoice information page.

**If an invoice is only for prior year charges:** When entering a voucher for goods or services received in the prior fiscal year, the C/P indicator field on the invoice information page of the voucher must reflect a value of “P” = Prior Year on each invoice line.

**If an invoice includes prior year and current year charges:** When entering a voucher that includes goods or services received in the prior fiscal year and current fiscal year, enter separate invoice lines and indicate prior year or current year by using the appropriate value in the C/P Indicator field on each invoice line; ‘P’ = Prior Year and ‘C’ = Current Year.

### **AP Journal Vouchers and Adjustment Vouchers:**

When entering an AP Journal Voucher or an AP Adjustment Voucher to correct or adjust an AP voucher that is related to a prior year payable, please refer to the Accounts Payable Manual exercise for Enter a Journal Voucher to Correct a C/P Indicator for the correct process.

<https://finance.vermont.gov/vision-module-support/accounts-payable>

### **Invoices That Span Multiple Years:**

The splitting of invoices that span fiscal years has been an area of repeat audit findings. Careful analysis of invoice detail is required to have the proper amounts allocated to the correct fiscal years. Business Managers should work with the employees (project/program managers) that approve the invoices to ensure the invoices and invoice supporting materials are reviewed to determine the correct allocation of the liabilities. We have discovered during the audit, that the summary invoice itself may not show the information necessary to make the allocation to the correct fiscal year, but the invoice supporting detail does. Therefore, it is very important for invoice supporting materials to be reviewed in addition to the invoice to determine the correct allocation across fiscal years. These invoices that cover a period including the fiscal year just ended and the new fiscal year that are clearly itemized by date and amount will require separate invoice lines on the voucher for each fiscal year's amount. The voucher invoice line covering the goods received for services performed for the period prior to July 1, 2022 must use the value of "P" = Prior Year in the C/P indicator field.

Invoices that span multiple years but cannot be determined to which year the goods were received or services were performed, should not be coded as a prior year payable – use the value of "C" = Current Year in the C/P indicator field on each invoice line. However, this option should be the last resort and all efforts should be made to properly allocate the invoice to the correct fiscal periods.

**Business managers are responsible for making sure all prior year payables are being entered correctly in VISION.** In response to the audit finding, the financial reporting staff will be performing more analytical procedures while preparing the financial statements to try to avoid these findings in the future. Thus, we will be asking Business Managers to analyze underlying invoice supporting materials on more invoices than we have in the past.

**A "P" value in the C/P indicator field should be used any time an invoice is for prior fiscal year goods and services.** The financial reporting staff continues to review accounts payable data for additional liabilities through completion of the ACFR Audit. Departments are also responsible for reviewing their payments, at least monthly, for C/P coding accuracy. If it is determined that any FY 2023 voucher did not use the "P" value, but should have, the department business office will be responsible for processing a journal voucher to correct the error to reflect the proper C/P indicator. **Department's review and corrections must continue through June 30, 2023.**

**For more information, please see Operational Guidance #4: Prior Year Payables Reporting** <http://finance.vermont.gov/training-and-support/vision-job-aids-and-operational-guidance>

# Accounts Receivable Transactions

## Unclaimed Property

Departments are required to search the unclaimed property list on the Treasurer's Office website <https://vermont.unclaimedproperty.com/> to search for property listed as belonging to State of Vermont Agencies and Departments.

Search in various ways using the Last Name field. For example, enter "Vermont" or "VT" or a word in your agency's or department's name in the Last Name field and click search. Search the entire list returned for property belonging to your agency or department.

If property belonging to your agency or department is listed, follow the instructions on the website to claim the property. Enter the appropriate transaction in VISION to record receipt of the property.

**Departments must search this list for property and take steps to claim the property at least annually.**

## FY 2022 Federal Draws

To the extent possible, departments should plan to process requests for federal draws relating to FY 2022 expenditures so that the funds will be deposited into the bank prior to June 30, 2022. This will ensure that the Treasurer's Office and the receiving department will have the opportunity to record all federal funds deposited in the bank for the fiscal year ending June 30, 2022. If this request causes conflict with CMIA compliance, CMIA takes precedence.

Items on the Incomplete Federal Funds List sent out by the Treasurer's Office, periodically throughout the year, must be taken care of by Departments by **June 30, 2022**.

## FY 2022 ACH and Wire Receipts

The Treasurer's office will enter deposits in VISION for all federal ACH and Wire receipts received through June 30, 2022 by 1:00pm on June 30, 2022. Departments must have payment worksheets for these deposits **set to post by 4:00pm on June 30, 2022**.

If the Treasurer's office must enter a FY 2022 federal deposit after 1:00pm on June 30, they will work with the receiving department to ensure that the department can meet the 4:00pm deadline.

If the Treasurer's office receives a non-federal Wire or ACH on June 30, 2022, they will notify the receiving department of the wire so that the department can enter the VISION deposit prior to the 4:00pm deadline.

## FY 2022 Cash Receipts

All monies received on or prior to June 30, 2022 must be **deposited into the bank by 4:00pm, June 30, 2022**. All **VISION entries** pertaining to cash receipts deposited in banks on June 30, 2022 and prior must be **completed and budget checked by 5:00pm June 30, 2022**. There will be no exceptions.

If your department receives automatic deposits at the bank after the 4:00pm deadline on June 30 (for example lock boxes and credit card receipts), these deposits can be entered in VISION beginning July 1. The VISION deposit must be entered with a received date equal to the date it was received at the bank (Example: June 30, 2022). The received date must be manually changed on the deposit. **The deposit date and accounting date must remain the default and will be a July date.**

### **FY 2022 Interfaced Deposits**

Deposits interfaced into VISION with an accounting date of June 30, 2022 or prior must be **loaded on or before 3:00pm June 30, 2022 and budget checked by 4:00pm June 30, 2022.** Interfaced deposits with a June 30, 2022 deposit/accounting date or prior may not be loaded into VISION after June 30.

### **FY 2022 Pending Items and Worksheets**

All FY 2022 Pending Items and Worksheets must be **set to post by 4:00 pm June 30, 2022.** FY 2022 pending items and worksheets will not be able to be entered after this time.

### **FY 2022 Supplier Interunit Cash Account Receipts**

*Note:* This applies only to departments that are set up as a supplier to receive wire payments from other state agencies and departments.

Departments that are set up as a supplier in VISION to receive wire payments from other state agencies and departments must **run the Payment History by Supplier report after 10:00am on June 30, 2022** to see all payments created with a payment date through June 30, 2022.

All receipts for all supplier payments with payment dates through June 30, 2022 must be **posted in VISION by 4:00pm June 30, 2022.**

### **FY 2023 Accounts Receivable Transactions**

All FY 2023 Pending Items and Worksheets may be entered, and Deposits may be entered or interfaced beginning **July 1, 2022.**

## **Billing Transactions**

### **FY 2022 Billing Invoices**

All FY 2022 invoices processed in the Billing module must be completed and **ready to post by 4:00 pm June 30, 2022.** FY 2022 billing invoices will not be allowed to be entered after this time.

### **FY 2023 Billing Invoices**

All FY 2023 invoices processed in the Billing module may be entered or interfaced beginning **July 1, 2022.**

# General Ledger Transactions

## FY 2022 General Ledger Journals

**FY 2022 General Ledger journals must be edited, submitted for approval and approved at the department level by 4:00 pm June 30, 2022** except for those general ledger transactions listed below. All journals that are not listed as exceptions below and are not approved at the department level must be deleted by departments by **4:00pm June 30, 2022**.

Exceptions:

- **ONL Journals**; departments may choose Adjusting Entry in the Adjusting Entry Box on the Header page of ONL journals. This will allow the journal to post to FY 2022 period 998. This must be done by **4:00pm June 30, 2022**.
- **ALO Journals**; departments may choose Adjusting Entry in the Adjusting Entry Box on the Header page of ALO journals. This will allow the journal to post to FY 2022 period 998. This must be done by **4:00pm June 30, 2022**.
- **CAJ Journals** (Treasurer's Office only); the department may choose Adjusting Entry in the Adjusting Entry Box on the Header page of CAJ journals. This will allow the journal to post to FY 2022 period 998. This must be done by **4:00pm June 30, 2022**.

## FY 2022 Interfaced General Ledger Journals

Journals interfaced into VISION, with an accounting date of June 30, 2022 or prior, must be loaded on or before 3:00pm June 30, 2022 and edited, submitted for approval and approved by 4:00pm June 30, 2022. Interfaced Journals with a June 30, 2022 date or prior, may not be loaded into VISION after June 30, 2022.

## FY 2022 TSF Journals

All initiating FY 2022 TSF journals must be entered and approved at the department level by the end of the day **June 25, 2022**. All responding FY 2022 TSF journals must be entered and approved at the department level by **4:00pm June 30, 2022**. If possible, please have responding TSF journals entered and approved at the department level prior to June 30, 2022.

## Last Payroll of FY 2022

The last payroll of FY 2022 will occur on June 30, 2022. To provide departments with additional time to process any corrections needed to allow payroll to post, we will process this last payroll in VISION by the **end of the day June 27, 2022** with journal dates of 6/30/2022.

Departments must run the VT\_MER\_JOURNALS\_NOT\_POSTED Query with a through date of 06/30/2022 to identify payroll journals that are in error.

All payroll journal corrections must be forwarded to Tina Rich at [tina.rich@vermont.gov](mailto:tina.rich@vermont.gov) in Financial Operations immediately. **All payroll journals must be posted by 4:00pm June 30, 2022.**

### **FY 2022 Adjustment Journals – ACTUALS Ledger**

Period 998 will be available for departments who need to process FY 2022 ONL, ALO and CAJ (CAJ is Treasurer's Office only) journal entries in the ACTUALS Ledger after June 30, 2022. To enter Period 998 ONL, ALO and CAJ journal entries after June 30, 2022, follow general instructions for entering journals with two exceptions:

1. The journal date must be entered using a journal date of 6/30/2022.
2. Choose Adjusting Entry in the Adjusting Entry Box on the Header Tab of the journal, and 998 will appear as the Period and the fiscal year will be 2022.

FY 2022 journals entered after June 30, 2022 which have not followed these instructions will be unposted or deleted from the system by Finance.

**Note:** Period 998 is an adjustment period for FY 2022 so the use of CY and PY in the journal class field follows the same rules as periods 1 through 12 of FY 2022.

**Note:** When copying a prior year period 998 journal to FY 2022 period 998, on the journal header of the new journal, the user must change the Adjusting Entry field to "Non-Adjusting" and then change it back to "Adjusting" in order for the FY to be updated to the correct year.

Departments will have until **4:00 pm on July 15, 2022** to enter, edit, submit for approval and approve FY 2022 period 998 journal entries in the ACTUALS Ledger. Departments will not be allowed to enter FY 2022 transactions in the ACTUALS Ledger after this time. There will be no exceptions.

### **FY 2022 Adjustment Journals - ACCRL/ADJ Ledger**

Period 998 will be available only to those departments who prepare full accrual financial statements to be included in the ACFR and to those departments who enter journals for construction/development in process activity and need to process FY 2022 ONL or ADJ (ADJ is only applicable to some departments) journal entries in the ACCRL/ADJ Ledger after June 30, 2022. To enter Period 998 ONL journal entries, follow general instructions for entering journals with two exceptions:

1. The journal date must be entered using a journal date of 6/30/2022.
2. Choose Adjusting Entry in the Adjusting Entry box on the Header tab of the journal. The Period will appear as 998 and 2022 will be the fiscal year.

FY 2022 journals entered after June 30, 2022 which have not followed these instructions will be unposted or deleted from the system by Finance.

**Note:** Period 998 is an adjustment period for FY 2022 so the use of CY and PY in the journal class field follow the same rules as periods 1 through 12 of FY 2022.

**Note:** When copying a prior year period 998 journal to FY 2022 period 998, on the journal header of the new journal, the user must change the Adjusting Entry field to "Non-Adjusting" and then change it back to "Adjusting" in order for the FY to be updated to the correct year.



Departments will have through **September 16, 2022** to enter, edit, submit for approval and approve FY 2022 period 998 journal entries in the ACCRL/ADJ Ledger for full accrual financial statement adjustment entries other than capital asset related entries. Departments with one Proprietary Fund will not be allowed to enter FY 2022 transactions in the ACCRL/ADJ Ledger after this date.

Departments that prepare multiple proprietary fund statements may request an extension. All extensions will be reviewed by the Reporting Unit and granted on a case by case basis.

### **FY 2022 Journals for Construction/Development in Process Activity**

All capital asset related entries, including Construction/Development in Process entries, must be completed as specified in the Asset Management section of these instructions.

Departments that enter journal entries in the ACCRL/ADJ ledger to book Construction/Development in Process activity must have journals approved by **May 13, 2022** to reflect all activity through April 30, 2022. Journals to book activity from May 1 through June 30 must be approved by **July 15, 2022**. An ACFR-4 form must be submitted documenting the cost of construction/development for the journal entries entered. ACFR-4 can be found on the Finance and Management website: <https://finance.vermont.gov/forms/YE>

### **FY 2023 Journals**

All FY 2023 General Ledger Journals may be entered or interfaced beginning **July 1, 2022**.

### **FY 2023 ONL Journals for Prior Year Adjustments**

Departments must identify all ONL journals entered in FY 2023 that pertain to prior year adjustments by using a PY in the Journal Class field on the Header tab of ONL journals. Current year and prior year adjustments must be split into separate journals so that the prior year adjustments can be coded correctly.

### **FY 2023 TSF Journals for Prior Year Payables**

Departments must identify all TSF journals entered in FY 2023 that pertain to prior year payables (goods or services received or performed prior to July 1, 2022) by using a PY in the Journal Class field on the Header tab of TSF journals. Both business units must enter the PY in the Journal Class field. (The business unit receiving the cash should not report this receivable on the ACFR-1 form: See Receivables Reporting Requirements section.)

**Invoices That Span Multiple Years:** Invoices that cover a period including the fiscal year just ended and the new fiscal year that are clearly itemized by date and amount will require the preparation of a separate TSF journal entry for each fiscal year's amount. The TSF journal covering the goods received or services performed for the period prior to July 1, 2022 must have a PY in the journal class field. Invoices that span multiple years but cannot be determined to which year the goods were received or services performed, should not be coded as a prior year payable – use the value of “C” = Current Year in the C/P indicator field on each invoice line. However, this option should be the last resort and all efforts should be made to properly allocate the invoice to the correct fiscal periods.

For more information, please see **Operational Guidance #4: Prior Year Payables Reporting** <http://finance.vermont.gov/training-and-support/vision-job-aids-and-operational-guidance>

### **FY 2023 Journals for 6/30/2022 Reconciliation of Accounting Systems Maintained Outside VISION**

All departments who maintain an accounting system outside of VISION must reconcile the activity in their system to the VISION system balances as of June 30, 2022. All FY 2023 adjusting journal entries for reconciling items must be posted in VISION by **August 12, 2022** and they must be entered with a PY in the journal class field on the journal header.

## **Asset Management Transactions**

### **Physical Inventory and Adjustments of State Owned Assets**

Per VISION Procedure #1: Asset Management, revised February 5, 2019, all departments must conduct an annual physical inventory between May 1, 2022 and June 1, 2022. Please use the VT\_AM\_ASSET\_LIST query to complete this task. You can find the Asset Management Procedure on the Finance and Management website: <https://finance.vermont.gov/vision-module-support/asset-management>

Departments must properly **record all acquisitions, retirements/disposals, and transfers** of assets needed based on the results of the physical inventory in VISION by **end of day June 17, 2022**.

### **Additional Adjustments**

All **additional asset acquisitions, retirements/disposals and transfer entries** needing to be done in VISION based on assets acquired, assets retired, and assets transferred during the time period between the completion of the physical inventory and 6/30/2022, must be completed in VISION by **4:00pm June 30, 2022**.

**Requests for transfers of capital assets between departments** (business unit to business unit in VISION) as required by reorganizations or consolidations which have been authorized by statute or legislation must be made to [rhonda.partlow@vermont.gov](mailto:rhonda.partlow@vermont.gov) in Financial Operations by **June 6, 2022**. Financial Operations will approve and process these transfers by June 30, 2022. Non-Financial assets being transferred from one department to another that still meet reporting requirements must be retired in the initial BU and then added in the receiving BU. These transactions are performed at the department level and must be completed per the transfer deadline above.

### **FY 2022 Construction/Development in Process Entries**

The ACFR-4 instructions found on the Finance and Management website provide the reporting requirements for recording CIP. Departments must enter all transactions for FY 2022 Capital Construction/Development in Process activity through April 30, 2022 in the asset management module by **May 13, 2022**. Capital Construction Project activity for May 1 through June 30,

2022, entered in the Asset Management Module, must be completed **by 4:00pm June 30, 2022**, in the asset management module. This includes internally generated intangible asset projects, such as computer software development and implementation projects, with a total project cost of \$500,000 or more (including State personnel costs). Supporting documentation for the expenditures recorded must be submitted with the ACFR-4 Form.

**Help for Clean Up and Recording of Assets**

If you need assistance in cleaning up your FY 2022 assets, please call VISION Support at 828-6700, option 2, option 1 or [Vision.FinHelpdesk@vermont.gov](mailto:Vision.FinHelpdesk@vermont.gov).

## Reporting Information and Deadlines

### Financial Reporting Questionnaire

The Financial Reporting Questionnaire (FRQ) notifies Finance & Management which year-end/accrual forms are required to be prepared by your department. In order for you to determine which forms are required, please refer to the description of each form in the sections that follow. If you answer “Yes” to any item, you will be required to certify and submit the corresponding form/report to Finance & Management by its deadline. You will not need to submit a form or additional certification related to any item for which you answer “No” or “N/A”. If you respond “Yes” and later determine that the form is not applicable, you should submit the form and indicate “not applicable” on the form itself. In most cases, it will not be necessary to revise your FRQ.

The FRQ must be completed by all departments by the primary business manager or fiscal director no later than **May 27, 2022**. This form is an online survey, and a link to the FRQ will be emailed to the primary business manager approximately one month before the due date.

### Identification of Confidential Expenses

Confidential Expenses are those expenses deemed as confidential in statute, or by federal or state regulation and that must be excluded from statewide payment reporting. If a department incurs such expenses, they must notify Finance & Management annually of the accounts to be excluded. Departments should indicate whether or not they incur confidential expenses on the Financial Reporting Questionnaire. When “Yes” is checked, the Identification of Confidential Expenses form is required to be **submitted no later than June 30, 2022**. The Identification of Confidential Expenses form is not required to be submitted if “No” is checked on the FRQ.

The instructions are on the form itself, which can be found on the Finance and Management website: <http://finance.vermont.gov/forms/vision> .

**The form must be signed by the Appointing Authority and** emailed to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) **by June 30, 2022**.

Digital or electronic certificate signatures are accepted on all Year End forms requiring appointing authority signature. The digital or electronic certificate signature must be of the appointing authority or their designee listed on the department’s Delegation of Authority for Signature Authorization form. Physical signatures are also still accepted and must match the signatures on the form. The Delegation of Authority for Signature Authorization form must be submitted annually by January 15<sup>th</sup> or as necessary due to staff change of Appointing Authorities or their designees. If the digital/electronic certificate signature is not of the appointing authority

or is not of a delegate listed on the form, or the physical signature does not match or the form is not on file, the form will not be accepted.

## **Cash Reporting Requirements**

### **FY 2022 Petty Cash Verification**

FY 2022 Petty Cash Verification forms must be submitted to Samantha Beaudoin at [Samantha.Beaudoin@vermont.gov](mailto:Samantha.Beaudoin@vermont.gov) in Financial Operations at the address on the form by **July 30, 2022**. A reminder will be forwarded in early July to departments who have petty cash accounts.

The Petty Cash Verification Form can be found on the Finance and Management website at: and <https://finance.vermont.gov/forms/YE> must be signed by the appointing authority.

Digital or electronic certificate signatures are accepted on all Year End forms requiring appointing authority signature. The digital or electronic certificate signature must be of the appointing authority, or their designee listed on the department's Delegation of Authority for Signature Authorization form. Physical signatures are also still accepted and must match the signatures on the form. The Delegation of Authority for Signature Authorization form must be submitted annually by January 15<sup>th</sup> or as necessary due to staff change of Appointing Authorities or their designees. If the digital/electronic certificate signature is not of the appointing authority or is not of a delegate listed on the form, or the physical signature does not match or the form is not on file, the form will not be accepted.

### **Special and Federal Funds' Cash Reporting Requirements**

All special and federal funds should reflect a positive balance at June 30, 2022. Departments that close out the year with a negative cash balance in their special funds or federal funds must forward a **Receipt Confirmation Form** outlining the cause of the negative balance and what action will be taken to eliminate the negative balance.

The form can be found on the Finance and Management website at: <https://finance.vermont.gov/forms/YE>

This form must be submitted by **July 23, 2022** to [Adm.budget@vermont.gov](mailto:Adm.budget@vermont.gov).

### **Custodial Funds' Cash Reporting Requirements**

Departments with Custodial Funds, formerly called Agency Funds (funds that begin with 63) must prepare a detailed listing of payables and receivables if the cash balance as of June 30, 2022 is not equal to zero. This listing must include the entity and amount owed to the fund (receivable), the supplier's name and amount (payable), or if due to or due from another fund – the fund number, deptid, account number and amount. This listing must be submitted by **July 15, 2022** via email to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov).

## **Accounting Systems Maintained Outside of VISION Reconciliation Reporting Requirements**

All departments who maintain an accounting system outside of VISION must reconcile the activity in their system to the VISION system balances as of June 30, 2022 and make adjusting entries to VISION as needed. (See section under General Ledger Transactions.)

**Full documentation of this reconciliation** must be kept on hand and available for audit. The reconciliation and documentation must be **completed by August 12, 2022**.

## **Receivables Reporting Requirements**

**Important! – Please read this section and comply with the deadlines even if your department is not reporting any receivables.**

The ACFR-1 submission must include detail listings to support the amounts reported on the ACFR-1. This can be in spreadsheet form or another acceptable format, but the detailed support must clearly be able to tie to the amounts reported on the ACFR-1.

Accounts receivable, unearned revenue and cash on hand information is collected by Financial Operations for ACFR reporting and audit purposes. The State's ACFR reports all accounts receivable net of any allowances for uncollectible amounts on its balance sheet as of 06/30/2022. In addition, the State recognizes the revenue or expense reimbursement related to these accounts receivable.

**If your department does not have any of these types of balances, check “No” on the Financial Reporting Questionnaire.**

### **Form ACFR-1**

The ACFR-1 form should include information about amounts that were owed to the State from private persons, organizations, other governments, or other state agencies/departments. Amounts owed could be for any source of State revenue, or expenditure reimbursements owed to the State on or before June 30, 2022 and for which payment has not yet been received by the State by June 30, 2022.

The form will be emailed to your department's primary business manager by August 1<sup>st</sup>. The instructions are available on the Finance and Management website:

<https://finance.vermont.gov/forms/YE>

Internal service, enterprise and pension trust funds are not required to report their receivables on the ACFR-1.

The name and phone number of the individual responsible for the information reported on the form must be entered in the certification section on the form and the spreadsheet emailed to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) by **September 7, 2022**.

#### Requirements

- Your submission must include a copy of your procedure for estimating allowances for uncollectible receivables.
- Your submission must include detail listings to support the amounts reported on the ACFR-1. This can be in spreadsheet form or another acceptable format, but the detailed support must clearly be able to tie to the amounts reported on the ACFR-1.
- The ACFR-1 will include the 2021 accounts receivable, a tab to compare your 2021 receivable to the 2022 receivable, and provide an explanation for significant changes.
- The certification tab must be completed by the authorized individual responsible for preparing the form.

**Your department is required to maintain detail listings to support the amounts reported on the ACFR-1 and submit the detail listings to Finance & Management as part of your ACFR-1 submission. The listings should also be readily available for detail testing by the auditor. Totals on the detail listings must equal the amounts reported on the ACFR-1.**

The Fund, Deptid and Account listings on the form are based on revenues in those chartfields recorded during fiscal year 2022. Please insert rows to add any receivables that do not have a Fund, Deptid, Account listed.

#### **What should not be reported on the ACFR-1 form?**

- Receivable balances from pending items and billing transactions that you have entered in VISION during FY 2022, such as federal draws, should not be reported on the ACFR-1. These are already included in the ACTUALS ledger balances.
- The business unit receiving the cash on a TSF journal that has **PY** entered in the Journal Class field **should not** report this receivable on the ACFR-1 form. These receivables are accrued based on the transaction being a PY journal class entry.

Please contact Peggy Brooks at 828-1467 or [peggy.brooks@vermont.gov](mailto:peggy.brooks@vermont.gov) if you have questions on Accounts Receivable reporting requirements.

# Asset Management Reporting Requirements

## **Asset Inventory Verification Form (Form AA-F-18) for State Owned Assets**

When all asset information is complete in the VISION Asset Management Module based on the physical inventory taken between May 1 and June 1, departments with tangible and/or intangible assets must re-run the VT\_AM\_ASSET\_LIST query to Excel and send a copy of this data with an Asset Inventory Verification Form signed by the appointing authority to Rhonda Partlow in Financial Operations at [rhonda.partlow@vermont.gov](mailto:rhonda.partlow@vermont.gov) or at the address on the form by **June 20, 2022**.

**If your department does not have any tangible or intangible assets, check “No” on the Annual Year End Checklist.**

The Asset Inventory Verification Form can be found on the Finance and Management website at: <https://finance.vermont.gov/forms/YE>

Digital or electronic certificate signatures are accepted on all Year End forms requiring appointing authority signature. The digital or electronic certificate signature must be of the appointing authority or their designee listed on the department’s Delegation of Authority for Signature Authorization form. Physical signatures are also still accepted and must match the signatures on the form. The Delegation of Authority for Signature Authorization form must be submitted annually by January 15<sup>th</sup> or as necessary due to staff change of Appointing Authorities or their designees. If the digital/electronic certificate signature is not of the appointing authority or is not of a delegate listed on the form, or the physical signature does not match or the form is not on file, the request will not be accepted.

## **Asset Management Guidance (Revisions for Leased Assets are forthcoming):**

The State utilizes the VISION Asset Management Manual module to track, provide inventory control of and accountability for assets, and to gather auditable information for preparation of the ACFR. Each department is principally responsible for stewardship of assets under their control and for adhering to established procedures to achieve accurate asset reporting and compliance with accounting industry standards. Please refer to the following guidance related to capital asset reporting requirements:

**Finance and Management Policy # 10 Capital Assets- Tangible and Intangible:** Provides instructions to ensure assets are acquired/disposed in accordance with State requirements, properly recorded and tracked in the VISION Asset management module and accounted for in accordance with generally accepted accounting principles.

<https://finance.vermont.gov/policies-and-procedures/finance-and-management-policies>

**VISION Procedure #1: Asset Management:** Provides VISION related business requirements. <https://finance.vermont.gov/vision-module-support/asset-management>

**Asset Management Manual:** Provides the “how to” guide with sample exercises for entering assets in VISION. <https://finance.vermont.gov/vision-module-support/asset-management>



**Best Practice #6 Fixed Assets:** Provides practical guidance and recommendations on internal controls for capital assets. <https://finance.vermont.gov/vision-module-support/asset-management>

### **Impairment of Capital Assets and Insurance Recoveries (Form ACFR-3) For Leased and Owned Capital Assets**

The State is required to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of the asset's usefulness or functionality has occurred. Any department that owns a capital asset **valued at greater than \$100,000** that has undergone impairment must submit a completed Capital Asset Impairment Form (Form ACFR-3) with the signed Asset Inventory Verification Form by **June 20, 2022**. An asset impairment is a *significant, unexpected decline in the service utility of a capital asset* due to events such as; fire or flood, unanticipated technological obsolescence, enactment of new regulatory laws causing the asset to lose useful value, or construction stoppage on a capital improvement project due to some unexpected occurrence. In some cases, evaluations may require outside assistance from an appraiser and/or the Department of Finance & Management to determine significance and applicability.

The ACFR-3 form, Instructions and Capital Asset Impairment Guide are available on the Finance and Management website: <https://finance.vermont.gov/forms/YE>

### **Construction/Development in Process Form (Form ACFR-4) For Leased and Owned CIP Projects**

The construction/development in process ("CIP") form is used to report the cost of construction work that is directly associated with constructing a tangible asset such as a building and development work in process which is used to report the cost of developing intangible assets such as software applications or websites.

Please refer to the ACFR-4 Instructions for construction/development related costs that should be capitalized (actual cost of construction or deliverables related to an internally generated intangible capital asset). In addition to completing the form, departments are required to provide a detailed listing from VISION of the current year expenditures reported on the ACFR-4 form.

Completed projects must be capitalized and recorded in the Asset Management Module after the constructed asset is accepted and ready for its intended use. Software/ development projects should be recorded as depreciable assets following the go-live date which is also defined as when the system is put into "production". Include the asset ID from VISION on the ACFR-4 Form for projects completed.

Departments are responsible for maintaining documents in support of the in-service date, value, term and life expectancy of the asset. For audit purposes, the working papers should include source documents such as contracts, invoices, and payroll records.

**If your department does not have any CIP transactions, check "No" on the Financial Reporting Questionnaire.**

All departments with construction/development projects, (except BGS and AOT) must complete the Construction/Development in Process form and email it to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) no later

than **July 15, 2022**. The CIP worksheets received from BGS and AOT must comply with all the audit requirements as discussed in the ACFR-4 Instructions and should be emailed to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) no later than **July 30, 2022**.

Please see the General Ledger and Asset Management Transactions sections above for the FY2022 Construction in Process VISION entry requirements and completion dates.

The ACFR-4 form, instructions and fiscal year beginning balances are available on the Finance and Management website: <https://finance.vermont.gov/forms/YE>

### **Leases - Form (Form ACFR-12)**

The FIN-ACFR12 LOG completed by departments and submitted to Finance & Management on April 15<sup>th</sup> will be the supporting documents used to formulate the State's leased asset inventory and associated lease liability. Departments with leased assets will be receiving additional guidance and reporting instructions needed by Finance & Management to properly record the assets and lease liability. Once complete, Finance & Management will provide departments with their inventory log of assets. Departments will be asked to review their asset inventory log for completeness and certify the information is correct. Timely reporting to Finance & Management of any changes to existing agreements, new agreements or terminations that follow the annual inventory must be reported to Finance & Management using the ACFR-12 and emailing to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov).

The ACFR-12 form and instructions are available on the Finance and Management website: <https://finance.vermont.gov/forms/YE>

Questions should be emailed to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov).

## **Contract & Grant Reporting Requirements**

Along with lease commitments and litigation claims, the State is required by GASB to report on all contractual commitments from construction projects and any other significant contractual obligations (including grants) committed by the State.

### **Contractual Commitments (Form ACFR-6)**

Contractual Commitments include **capital** or **expense** funded commitments for construction projects, highway projects, and other related construction projects.

Include construction commitments contracts for highway projects, school construction projects and other related construction projects through BGS and elsewhere throughout State government.

Include other contractual commitments that are non-construction related including personal service contracts and any other contract agreement.

Do not include commitments for lease agreements, litigation liabilities, settlement claims, memorandum of understandings (MOU's), and grant obligations.

VISION contract data as of June 30, 2022 will be pre-populated on the ACFR-6. Departments will need to verify and provide corrected data where necessary. Each department's data will be on separate tabs.

Your department is required to review your contract files to support the remaining obligation on the ACFR-6 form. This file should be readily available should these contracts remaining obligation be selected for detail testing by the auditor.

A Query called VT\_VENDOR\_PAYMENT\_REVIEW has been created to assist you with your review. Run this query for each supplier in your list with accounting dates that range between the contract dates. If your contract can be used by any department use % for the two Business Unit prompts. This will give you all payments to the supplier during the time period and will include the contract that was used, if any. If a payment used the wrong contract or no contract where one should have been, be sure to adjust the "Actual Paid" amount on your ACFR-6 form. Please also contact Financial Operations to request a contract adjustment be entered in VISION.

**If your department does not have any contracts, check "No" on the Financial Reporting Questionnaire.**

Any department with contractual commitments extending into FY 2023 and beyond must complete the form **ACFR-6 Contractual Commitments** and email it to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) no later than **August 5, 2022**. Your submission should be based on the actual legal standing of these contracts which is not necessarily what is reflected in VISION.

The ACFR-6 form, along with the instructions will be available on the Finance and Management website on July 6th and is combined with the ACFR-8 in one file.

<https://finance.vermont.gov/forms/YE>

### **Grant Commitments (Form ACFR-7)**

If your business unit has expenditures charged against any of the account numbers used for grants which begin with 550% or (6% for AHS) then you must complete the ACFR-7 Grant Commitment Form. The purpose of the form is to report by department the total amount of grants and/or loans committed to entities outside of State government. Grant Commitments include sub-grants awarded from federal or other outside grant funding sources, and grants awarded using state funds (such as general and special funds). Loans are reportable in the same way as a grant. ***Do not include grants awarded to other State of Vermont business units, lease commitments, litigation liabilities, settlement claims or contract obligations in any section of this form.***

**Supporting Documentation:** Agencies/Departments are required to retain readily available supporting documentation for the expenditures, awards, and outstanding grant balance at fiscal year-end. The supporting documentation for the balance outstanding in Section IV should include by grant award the name of the subrecipient, award number/description, and amount of

grant obligation outstanding. The supporting documentation must be made available to Finance and Management and auditors upon request.

**Departments are encouraged to begin working on the grant commitment form prior to the year-end close to ensure VISION Grant Tracking are up-to-date and accurate. If there are awards that have not yet been entered into the Grant Tracking module, they must be entered prior to submitting the ACFR-7 Form.**

**If your department does not award any grants to entities outside state government, check “No” on the Financial Reporting Questionnaire.**

Any department that has awarded grants with obligations in FY 2022 and/or extending into FY 2023 and beyond must complete the form ACFR-7 Grant Commitment Form and e-mail it to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) no later than **August 12, 2022**.

The ACFR-7 form, instructions and beginning balances required for completing the form are available on the Finance and Management website: <https://finance.vermont.gov/forms/YE>

### **Retainage Payable Listing (Form ACFR-8)**

**Retainage payable** is the amount due on a contract that will be deliberately withheld pending final approval of the project or the lapse of a specified period. The unpaid amount is usually a stated percentage of the contract amount.

Per Bulletin 3.5 (Procurement and Contracting Procedures), *“retainage strengthens the position of the State to enforce contract compliance and helps ensure that the work is completed without material error. The purpose of Retainage is to ensure the State retains sufficient funds in the event a Contractor does not perform in accordance with the specific requirements in the Contract. When Retainage is utilized, the Contract sets an amount of funds to be withheld from each payment to the Contractor. The terms under which Retainage is paid must be detailed in the Contract. The Retainage language in the Contract must specify any additional conditions and requirements that must be met prior to the release (payment) of the Retainage, in whole or in part.”*

Contractual agreements that have a retainage provision must be documented in the contract’s Scope of Work (Attachment A).

**If your department does not have any Retainage, check “No” on the Financial Reporting Questionnaire.**

On this form, you must list the total amount of retainage being withheld by each contract at June 30, 2022 that has not been paid to the contractor on a FY 2023 voucher with a P value in the C/P indicator field on the invoice line of the voucher.

The ACFR-8 form, and instructions will be available on the Finance and Management website on July 6th and is combined with the ACFR-6 in one file:

<https://finance.vermont.gov/forms/YE>

The completed spreadsheet must be e-mailed to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) by **August 5, 2022**.

### **Schedule of Expenditure of Federal Awards (SEFA) Requirements (Form ACFR-9)**

The SEFA is a report of federal grant expenditures and is required as part of the State's annual Single Audit. The completed FY 2022 SEFA Form must be returned by email to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) no later than **August 31, 2022**. Compliance with the August 31, 2022 deadline is crucial for timely completion of the single audit. Complete instructions and a checklist are available on the website to help you complete your SEFA Form accurately.

**Reminder:** When a State department (A) grants funds to another State department (B) as a subrecipient, Department A must include any subrecipient payments made by Department B in Column 13 of its own SEFA. Although the full award is not reported by Department A in Column 13, the amount Department B expends in subrecipient payments must be reported by Department A in order to report the total amount of subrecipient payments issued by the State overall. There are no changes to SEFA reporting for Department B other than communicating their subrecipient payments to Department A. Please review the ACFR-9 form instructions for more information and for a detailed example.

**If your department does not expend federal funds, check “No” on the FRQ.** If your department expends federal funds that are *not subject to SEFA reporting*, check N/A on the FRQ and you will be required to *enter a brief explanation* in the comments box.

If your department receives and expends federal grants, check “Yes” on the FRQ and submit the completed SEFA Form no later than August 31, 2022.

**The ACFR-9 form, Instructions, Checklist and VISION Reconciliation Expenditure Report will be available on the Finance and Management website:**

<https://finance.vermont.gov/forms/YE>

**Please note** – The *VISION Reconciliation Expenditure Report* will be posted to the Finance and Management website in early August after FY 2022 expenditures are closed in VISION.

## **Pollution Remediation Obligation**

A pollution remediation obligation is an obligation to address the current or potential detrimental effects of existing pollution by participating in pollution remediation activities. Pollution remediation activities include the following:

- a. Pre-cleanup activities, such as the performance of a site assessment, site investigation, and corrective measures feasibility study, and the design of a remediation plan;

- b. Cleanup activities, such as neutralization, containment, or removal and disposal of pollutants, and site restoration;
- c. External government oversight and enforcement-related activities, such as work performed by an environmental regulatory authority dealing with the site and chargeable to the government; and
- d. Operation and maintenance of the remedy, including required monitoring of the remediation effort (post remediation monitoring).

Departments must recognize and report a liability for a pollution remediation obligation when a site it operates or is responsible for is known to be polluted **and any** of the following recognition triggers occur:

1. The pollution poses an imminent danger to the public or environment and the department has little or no discretion to avoid fixing the problem.
2. The department is in violation of a pollution prevention-related permit or license.
3. A regulator has identified (or evidence indicates a regulator will identify) the department as responsible (or potentially responsible) for cleaning up pollution, or for paying all or some of the cost of the clean-up.
4. The department is named in a lawsuit (or evidence indicates that it will be) to compel it to address the pollution.
5. The department begins or legally obligates itself to begin cleanup or post-cleanup activities.

### **Pollution Remediation Obligations (Form ACFR-10)**

At least annually, departments should consider whether they have any new pollution remediation obligations and analyze any changes to previously reported pollution remediation obligations. The Department of Finance & Management has established a reporting threshold of \$100,000 in estimated costs over the life of the pollution remediation activities.

**If your department does not have potential pollution remediation obligations, check “No” on the Financial Reporting Questionnaire and you do not need to submit anything further.**

If you checked yes on this questionnaire, you must submit the completed Pollution Remediation Obligations Form no later than **July 30, 2022.**

The ACFR-10 form and instructions are available on the Finance and Management website: <https://finance.vermont.gov/forms/YE>

## **Asset Retirement Obligations**

An asset retirement obligation (ARO) is a legally enforceable liability associated with the retirement of a tangible capital asset. This legally enforceable liability comes from an obligation created by laws, regulations, contracts or court judgements that require the State to take specific actions to retire certain tangible capital assets, such as removal and disposal of wind turbines in

wind farms, dismantling and removal of sewage treatment plants, and removal and disposal of x-ray machines.

AROs result from the normal operations of tangible capital assets, whether acquired or constructed, and include legally enforceable liabilities associated with all of the following activities:

1. Retirement of a tangible capital asset
2. Disposal of a replaced part that is a component of a tangible capital asset
3. Environmental remediation associated with the retirement of a tangible capital asset that results from the normal operation of that capital asset.

Departments with a legal obligation for future asset retirement activities for tangible capital assets would recognize a liability related to the ARO when the liability is incurred and reasonably estimable.

A liability is considered incurred by the occurrence of an obligating event resulting from normal operations. An obligating event refers to an event whose occurrence determines the timing for recognition of an ARO.

An obligating event is one of the following:

1. Approval of federal, state, or local laws or regulations
2. Creation of a legally binding contract
3. Issuance of a court judgment.
4. Contamination as a result of normal operations of the asset that is not considered a reportable pollution remediation.
5. Placing an asset that requires ARO in service and/or using a portion of its usable capacity
6. Abandonment of an asset not yet placed into operation.
7. The purchase of a tangible asset that requires ARO

Please address questions pertaining to this requirement to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov).

### **Asset Retirement Obligations (Form ACFR-11)**

At least annually, departments should consider whether they have any new asset retirement obligations and analyze any changes to previously reported asset retirement obligations. The Department of Finance & Management has established a reporting threshold of \$100,000 in estimated costs over the life of the asset retirement obligations.

**If your department does not have potential asset retirement obligations, check “No” on the Financial Reporting Questionnaire and you do not need to submit anything further.**

If you checked yes on this questionnaire, you must submit the completed Asset Retirement Obligations Form no later than **July 30, 2022**.

The ACFR-11 form and instructions are available on the Finance and Management website: <https://finance.vermont.gov/forms/YE>

## Revenue and Expense Lease Obligations

A lease is defined as a “contract that conveys control of the right to use another entity’s nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction”. Any contract that meets this definition should be reported to Finance & Management by completing the ACFR-12 Form and submitting a copy of the contract to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) either when the contract is executed, or (at a minimum) annually with the closing instructions.

The State may be a lessor of an underlying asset (lease revenue) and/or a lessee of an underlying asset (lease expense). Both types of leases must be reported on the form if applicable to your department.

A Contract (both revenue and expense) contain the following meanings -

- Contract refers to any contractual obligation which may or may not contain the use of “lease agreement” within the contract but meet the definition of a lease (conveys control of the right to use).
- Control in the lease applies to the right-to-use the asset; the contract should convey both of the following:
  - a. The right to obtain the present service capacity from use of the underlying asset as specified in the contract
  - b. The right to determine the nature and manner of use of the underlying asset as specified in the contract.
- Nonfinancial assets refer to capital assets – like buildings, land, vehicles, and equipment.
- The lease term must be greater than 12 months, including any options to extend, regardless of their probability of being exercised.
- Period-of-time is the Lease Term of the contract that meets the capital lease criteria as defined under GASB87. The *Terms and Options Exceptions Form* defines the period of time to be used in determining a lessor’s lease receivable or a lessee’s lease liability. Finance & Management will advise departments/agencies if the *Terms and Options Exceptions form* is needed following review of all inventory logs submitted. Reporting



requirements and instructions will be provided as needed to departments/agencies. The form will be available on Finance & Management's website for those departments seeking additional information regarding this requirement.

- Exchange or exchange-like transactions occur when the transaction gives things of similar value to lessee/lessor. Contracts that transfer the right to use asset for only \$1 per year would be a consider a donation which is not an exchange-like transaction.
- The lessor on an expense contract cannot be a state agency or department.
- No contract may be excluded due to materiality. Contracts with annual revenue and/or annual expense less than \$5,000 must be reported separately on the ACFR12 Form.

### **Inventory Log for Leases (Form ACFR-12)**

The ACFR-12 form and instructions are available on the Finance and Management website: <https://finance.vermont.gov/forms/YE>. All departments and agencies must submit a completed ACFR-12 form no later than April 15, 2022.

If you have questions, please send an email to [VISION.ACFR@vermont.gov](mailto:VISION.ACFR@vermont.gov).

## **Bulletin 5 Granting Plan Annual Certification**

In accordance with Agency of Administration Bulletin 5 and the Bulletin 5 Supplement-*Granting Plan Guidelines*, all departments must certify whether their approved granting plan is still accurate and will be in effect for the upcoming fiscal year, or that their business unit does not issue grants and is exempt from submitting a plan. Annual certification is made via a question on the Financial Reporting Questionnaire and **a separate certification form is not required.**

**If the granting plan needs to be updated, the revised plan must be submitted to Finance & Management no later than May 31**, so it can be reviewed and approved prior to July 1.

Revised granting plans must be submitted in accordance with the requirements of the *Bulletin 5 Supplement-Granting Plan Guidelines* which can be found on the Finance and Management website: <http://finance.vermont.gov/policies-and-procedures/grant-guidelines-and-procedures>.

# Proprietary Funds' Financial Statement Requirements

## FY 2022 Financial Statements

All **Financial Statements with supporting documentation** must be submitted by **September 16, 2022**. The Department of Finance and Management's Statewide Reporting staff is required to review the financial statements and analytical explanations that departments provide prior to submitting them to the Auditors. If you have multiple funds, please send each fund as it is completed. Do not wait until you have all your funds done. We appreciate your efforts in providing all the information requested no later than this due date.

Requirements for Proprietary Funds' financial statements prepared by agencies and departments include but are not limited to the following:

- **nVision reports** – Please run the nVision reports for the balance sheet and income statement. These reports were designed to roll up the detail accounts to the lines as reported in the ACFR.
- **Completion of the comparative analytical financial statement template** - (The Microsoft Excel spreadsheet file will be emailed to your department.) This template is a spreadsheet tool, which provides the prior year's financial statements in the same format as presented in the ACFR and ensures consistency in the presentation of the current year's financial statements. Cells which require data to be input are marked and the template is designed to identify instances where the financial statements do not balance or where data is not consistently presented on all the components of the financial statements. When completing this template, **please enter whole dollar numbers only** (do not include cents).
- **Written analytical explanations for significant account balance changes** on the Statement of Net Position and the Statement of Revenues, Expenses and Changes in Net Position. Please provide explanations for significant balance changes that are greater than 10% but not less than \$5,000 increase or decrease from the prior year.
- **For cash balances in bank accounts not managed by the State Treasurer or not in VISION** - Please provide a listing of 6/30/2022 bank account balances.
- **A capital asset and associated accumulated depreciation roll-forward analysis with balances agreeing to the financial statements** - The template file that will be emailed to your department contains a capital asset roll-forward worksheet. This sheet will assist you in verifying that additions, deletions and other adjustments to capital assets agree with applicable financial statement line items such as depreciation expense, acquisition of capital assets, proceeds from the sale of capital assets and gain (loss) from sale of capital assets. (See Capital Assets and CIP sections above for entry cutoff dates and requirements.)
- **Funds with a deficit total net position or deficit unrestricted net position** – Provide a written deficit reduction plan to be included in the footnotes to the financial statements. This plan must be submitted at the time the financial statements are submitted.

Template files will be emailed to the business manager of those departments that prepare these fund-types statements. Additional footnote disclosure requirements will also be sent to the business managers of the related proprietary and fiduciary funds.

The financial statement package for these funds must be emailed to [Vision.acfr@vermont.gov](mailto:Vision.acfr@vermont.gov) by **September 16, 2022**.

**FY 2022 Information Available for Audit**

You must keep the following information available for the auditors, should they request to review these items:

- **Detail listings** supporting aged accounts receivable, inventories, prepaid accounts, and accounts payable financial statement balances schedules. For accounts requiring adjusting entries please include reconciliations which tie back to the financial statements for all balance sheet (Statement of Net Position) accounts.
- **For cash balances in bank accounts not managed by the State Treasurer or not in VISION:** a copy of your reconciliation to the book balance for each bank account.
- Reconciliation of the nVision trial balance to the financial statements.
- Ensure any procedure documents and/or process memos are updated.

## Timeline

<b>Date Due</b>	<b><u>What is Due</u></b>	<b><u>Section Where Addressed in Instructions</u></b>	<b><u>Page # of Section</u></b>
Annually	Departments search for unclaimed property and make claims for any found belonging to department.	Unclaimed Property	21
4/15/22	Inventory Log for Leases (Form ACFR-12)	Leases – Form (Form ACFR-12)	34&41
5/01/22 – 6/01/22	Departments conduct physical inventory of capital and expensed assets tracked in Asset Management Module	Physical Inventory and Adjustments	26
5/12/22	Requisitions for FY 2022 purchases due in Purchasing - No new requisitions after this date	FY 2022 Requisitions	15
5/13/22	All FY 2022 Entries in the Asset Management Module and to the GL in the ACCRL/ADJ Ledger for Capital Construction/Development in Process activity through April 30, 2022 are completed	FY 2022 Journals for Construction/Development in Process Activity FY 2022 Construction/Development in Process Entries	26 26
5/13/22	FY 2023 changes to Organizational Budget structure due in Finance	FY 2023 Organizational Budget Structure Changes	12
5/13/22	FY 2023 changes to VISION Chartfields & payroll Combo Codes due in Finance	FY 2023 Chartfield and Payroll Combo Code Changes	12
5/27/22	Financial Reporting Questionnaire (FRQ) is due in Finance	Financial Reporting Questionnaire	28
5/31/22	Revised Granting Plan (if required) due in Finance	Bulletin 5 Granting Plan Annual Certification	41
6/01/22	Last day to conduct physical inventory of capital and expensed assets tracked in Asset Management Module	Physical Inventory and Adjustments	26

<u>Date Due</u>	<u>What is Due</u>	<u>Section Where Addressed in Instructions</u>	<u>Page # of Section</u>
6/06/22	Requests for transfers of depreciable assets between departments are due in Finance	Additional Adjustments	26
6/07/22	Purchasing creates FY 2022 PO's from FY 2022 Req's received	FY 2022 Requisitions FY 2022 Purchase Orders	15 16
6/15/22	FY 2022 DAB 26 Transfer Requests due in Finance	DAB 26 Transfer Forms and Excess Receipt Forms	10
6/15/22	FY 2022 Excess Receipt Requests Due in Finance	DAB 26 Transfer Forms and Excess Receipt Forms	10
6/17/22	Last date to enter FY 2022 PO's	FY 2022 Purchase Orders	16
6/17/22	Last date to enter FY 2022 PO Vouchers	FY 2022 PO Vouchers	18
6/17/22	All FY 2022 Req's are completed	FY 2022 Requisitions	16
6/17/22	All FY 2022 PO's are completed	FY 2022 Purchase Orders	16
6/17/22	VT PO Budgetary Activity Report as of 6/17/2022 due in Finance	FY 2022 PO Rollover	16
6/17/22	Additions, deletions, transfers of FY 2022 assets per completed physical inventory must be done in VISION	Physical Inventory and Adjustments	26
6/18/22 – 6/30/22	Departments <b>may not</b> enter Purchase Orders or PO vouchers to pay contract payments	FY 2022 Purchase Orders FY 2022 PO Vouchers	16 18
6/20/22	FY 2022 Asset Inventory Verification Form including Impairment of Capital Assets and Insurance Recoveries Form (ACFR-3) and VT_AM_ASSET_LIST Query data due in Finance	Asset Inventory Verification Form (AA-F-18) Impairment of Capital Assets and Insurance Recoveries (Form ACFR-3)	32 33

<b>Date Due</b>	<b><u>What is Due</u></b>	<b><u>Section Where Addressed in Instructions</u></b>	<b><u>Page # of Section</u></b>
6/20/22	June 30 contact information due in Finance	Department Contact – Availability on June 30	8
6/22/22	FY 2023 demand driven expenditure authority requests are due in Finance	Demand Driven Spending Authority	11
6/22/22	FY 2022 demand driven expenditure authority requests are due in Finance	Demand Driven Spending Authority Requests	10
6/22/22	FY 2022 special fund spending authority transfer requests are due in Finance	Special Fund Spending Authority Transfer Request Forms	10
6/24/22	Last day to initiate TSF journals	FY 2022 TSF Journals	23
6/27/22	Last payroll of FY 2022 is processed in VISION for Pay date 6/30/2022	Last Payroll of FY 2022	23
6/29/22	All expense reports must be submitted	FY 2022 Expense Reports	14
Prior to 6/30/22	Process requests for Federal draws related to FY 2022 expenditures	FY 2022 Federal Draws	21
6/30/22	All submitted Cash Advances must be approved for payment by 4:00pm	FY 2022 Cash Advances	14
6/30/22	All submitted Travel Authorizations must be approved by 4:00pm	FY 2022 Travel Authorizations	13
6/30/22	Approved Travel Authorizations clean up must be completed by 4:00pm	Year End Clean Up	13
6/30/22	All submitted Expense Reports must be approved for payment by 4:00pm	FY 2022 Expense Reports	14
6/30/22	All FY 2022 Vouchers (Non-PO) must be approved, and budget checked, or the accounting date changed to 7/01/2022 by 4:00pm. None may be entered after this time.	FY 2022 Vouchers (Non-PO)	18

<b>Date Due</b>	<b><u>What is Due</u></b>	<b><u>Section Where Addressed in Instructions</u></b>	<b><u>Page # of Section</u></b>
6/30/22	All FY 2022 Journal Vouchers must be approved, and budget checked by 4:00pm. None may be entered after this time.	FY 2022 Journal Vouchers	19
6/30/22	FY 2022 responding TSF journals entered by 4:00pm	FY 2022 TSF Journals	23
6/30/22	All FY 2022 Payroll Journals are posted by 4:00pm	Last Payroll of FY 2022	23
6/30/22	All FY 2022 General Ledger Journals must be edited and approved by 4:00pm	FY 2022 General Ledger Journals	23
6/30/22	Additions, deletions, and transfers of FY 2022 assets from activity between the time of physical inventory and 6/30/2022 are completed in VISION by 4:00pm. This includes assets for Construction in Process (CIP).	Additional Adjustments FY 2022 Construction/Development in Process Entries	26 26
6/30/22	The Treasurer's Office will enter deposits for all Federal ACH and Wire receipts received through 6/30/2022 by 1:00pm.	FY2022 ACH and Wire Receipts	21
6/30/22	All FY 2022 pending items & worksheets must be set to post by 4:00pm. None may be entered after this time.	FY 2022 ACH and Wire Receipts FY 2022 Pending Items and Worksheets	21 22
6/30/22	All FY 2022 receipts for supplier interunit cash account payments must be posted by 4:00pm. None may be entered after this time. The Payment History by Supplier report can be run after 10am to identify receipts to be posted.	FY 2022 Supplier Interunit Cash Account Receipts	22
6/30/22	All FY 2022 invoices in the Billing Module must be ready to post by 4:00pm. None may be entered after this time.	FY 2022 Billing Invoices	22
6/30/22	All FY 2022 cash receipts are deposited at the bank by 4:00pm and processed in VISION by 5:00pm	FY 2022 Cash Receipts	21

<b>Date Due</b>	<b><u>What is Due</u></b>	<b><u>Section Where Addressed in Instructions</u></b>	<b><u>Page # of Section</u></b>
6/30/22	Last day to interface FY 2022 transactions	FY 2022 Interfaced Vouchers FY 2022 Interfaced Deposits FY 2022 Interfaced General Ledger Journals	19 22 23
6/30/22	FY 2022 PO Rollover is completed for all departments	FY 2022 PO Rollover	17
6/30/22	Identification of Confidential Expenses Form	Identification of Confidential Expenses	28
6/30/22	FY 2023 Appropriations are available by 12:00pm	Appropriations	10
6/30/22	FY 2023 organizational budgets may be entered starting at 12:00pm. Organizational budgets to cover Vouchers with the accounting date changed to 7/1/2022 must be entered.	Organizational Budgets FY 2022 Vouchers (Non-PO)	10 18
7/01/22 – 7/15/22	Enter closing ACTUALS Ledger FY 2022 transactions into Period 998	FY 2022 Adjustment Journals - ACTUALS	24
7/01/22 – 9/16/22	Enter closing ACCRL/ADJ Ledger FY 2022 transactions into Period 998	FY 2022 Adjustment Journals – ACCRL/ADJ	24
7/01/22	FY 2022 Travel Authorizations are rolled to FY 2023	FY 2022 Travel Authorizations	13
7/01/22	FY 2023 Travel Authorizations, Cash Advances and Expense Reports may be entered	FY 2023 Travel Authorizations FY 2023 Cash Advances FY 2023 Expense Reports	14 14 14
7/01/22	Departments may enter FY 2023 Purchase Orders	FY 2023 Purchase Orders	18
7/01/22	Departments budget check PO's rolled from FY 2022 after organizational budgets are entered	FY 2022 PO Rollover	17



<b>Date Due</b>	<b><u>What is Due</u></b>	<b><u>Section Where Addressed in Instructions</u></b>	<b><u>Page # of Section</u></b>
7/01/22	Departments may enter FY 2023 Requisitions	FY 2023 Requisitions	16
7/01/22	Departments may enter FY 2023 vouchers	FY 2023 Vouchers	19
7/01/22	Departments may enter FY 2023 pending items, worksheets and deposits	FY 2023 Accounts Receivable Transactions	22
7/01/22	Departments using the Billing Modules may enter FY 2023 invoices	FY 2023 Billing Invoices	22
7/01/22	Departments may enter FY 2023 general ledger journals	FY 2023 Journals	25
7/15/22	Last day to enter FY 2022 ACTUALS Ledger period 998 transactions – deadline of 4:00pm	FY 2022 Adjustment Journals - ACTUALS	24
7/15/22	Month End Closing Instructions are complete for month ending June 30, 2022	Month End Closing Instructions	7
7/15/22	All FY 2022 journal entries to ACCRL/ADJ Ledger for Construction/Development in Process activity from May 1 through June 30, 2022 are completed	FY 2022 Journals for Construction/Development in Process Activity	26
7/15/22	Construction/Development in Process Form (ACFR-4) due in Finance	Construction/Development in Process Form (ACFR-4)	33
7/15/22	Listing of payables and receivables for all Custodial Funds with a cash balance not equal to zero is due in Finance	Custodial Funds' Cash Reporting Requirements	29
7/20/22	Carry Forward from FY 2022 is available	Carry Forward from FY 2022	11

<b>Date Due</b>	<b><u>What is Due</u></b>	<b><u>Section Where Addressed in Instructions</u></b>	<b><u>Page # of Section</u></b>
7/23/22	FY 2022 Receipt Confirmation Form due in Budget and Management office	Special and Federal Funds' Cash Reporting Requirements	29
7/30/22	FY 2022 Petty Cash Verification Forms Due in Finance	FY 2022 Petty Cash Verification	29
7/30/22	Pollution Remediation Obligations Form ACFR-10 due in Finance	Pollution Remediation Obligations (Form ACFR-10)	38
7/30/22	Asset Retirement Obligations (Form ACFR-11) is due in Finance	Asset Retirement Obligations (Form ACFR-11)	38
7/30/22	CIP Worksheets (BGS & AOT only) due in Finance	Construction/Development in Process Form (ACFR-4)	33
8/05/22	Contractual Commitments Form ACFR-6 and retainage Payable Form ACFR-8 (combined form) due in Finance	Contractual Commitments – Form ACFR-6 Retainage Payable Listing – Form ACFR-8	34 36
8/12/22	Accounting systems maintained outside of VISION are reconciled to VISION as of 6/30/20	Accounting Systems Maintained outside of VISION Reconciliation Reporting Requirements	30
8/12/22	Grant Commitments Form ACFR-7 due in Finance	Grant Commitments – Form ACFR-7	35
8/31/22	FY 2022 Schedule of Expenditure of Federal Awards (SEFA) Form (ACFR-9) are due in Finance	Schedule of Expenditure of Federal Awards (SEFA) Requirements – Form ACFR-9	37
9/07/22	Accounts receivable form ACFR-1 due in Finance	Form ACFR-1	30
9/16/22	Last day to enter FY 2022 ACCRL/ADJ Ledger period 998 transactions	FY 2022 Adjustment Journals – ACCRL/ADJ Ledger	24
9/16/22	Proprietary Funds' financial statement reporting package due in Finance	FY 2022 Financial Statements	42