



The Commonwealth of Massachusetts
Office of the Treasurer and Receiver General

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TO: Fiscal Officers
FROM:  Minot L. Powers IV, Director of Cash Management Operations
DATE: June 20, 2013
SUBJECT: "As of" Procedures

In accordance with the framework provided within the Statewide Single Audit and enumerated within the Closing Instructions for fiscal year 2013 (FY13), the Treasury (TRE) maintains an "as of" cash period subsequent to year-end. Due to the lag that exists between the receipt of funds and the submission of documentation, this period is established to capture all activity after year-end that should be appropriately recorded before year-end. For FY13, this period will be from **Monday, July 1, to Wednesday, July 3.**

Processing

Documents prepared by the source department are to include budget and fiscal year for posting. Treasury staff will review documents for completeness and compliance with the following:

- Two department staff with authorized signatory authority must sign all documents. Stamped or typed signatures are not acceptable.
- All CD's must have a time stamp with dated deposit slip attached.
- All deposits for FY13 must be in the bank per instructions below. If a courier pickup occurs for security reasons, the log must state that the deposit was picked up on June 28, 2013 for proper credit. Final authority on disputed items rests with the Office of the Comptroller (CTR).
- The budget fiscal year field on all transactions for FY13 during this period must be completed as FY13.

The Treasury will take the following actions:

- Any incomplete forms will be returned to the Agency.
- TRE will keep track of incomplete documents returned. It is the responsibility of the Agency to return the documents timely to ensure proper processing. TRE will not call the Agency looking for the return of the documents.
- Questionable items will be brought to the attention of CTR.

Daily, CTR will review each document before TRE input into MMARS. CTR will preliminarily assign a budget fiscal year or fiscal year to the documents, overriding the department identification where appropriate. TRE will also review each entry for accuracy. TRE staff will enter documents into MMARS.

After the close of the "as of" period, CTR and TRE will conduct a post audit review. Both staffs will do the review jointly with the final authority for proper posting to the fiscal year resting with CTR. Each office will conduct its own review of year-end entries and bring to the group any items deemed appropriate for further review.

Lockbox processing

Receipts credited through lockboxes must be received by June 30 for posting as FY13 revenue. All pickups before 11:59 P.M. on Sunday, June 30 (and earlier pickups), are considered FY13 work. TRE will complete its sweep of lockbox and intermediary banks on July 1. Deposits made after June 30 will be considered FY14 business; therefore, the 12:00 midnight pickup and later ones will be considered FY14 work. The two separate groups of mail will be processed separately and the resulting batch totals get noted into their separate fiscal year classifications.

Policy

Cash Receipts

Cash receipts on hand or on deposit as of June 30 are FY13 assets and revenue of the Commonwealth and need to be reflected as such on the annual financial statements. Final deposits, as of June 30 collections, must be posted by the bank by noon on July 1. Revenue collected by June 30 will be credited to FY13. TRE will process sweeps to properly credit closing year collections. (CR's must be entered and final by close of business, Monday, July 1, and marked period 12 2013.) CR's will process nightly as TRE sweeps are posted. In the event that funds deposited with the bank on June 30 are swept late or posted to the opening year by TRE, departments should contact the CTR Accounting Bureau for assistance.

Deposits received at all sponsored lockbox-banking facilities by 11:59 P.M. on Sunday, June 30, 2013, must be recorded in MMARS as FY13 revenue. All departments that do not have a CMCR lockbox must reconcile the lockbox deposit register to MMARS to ensure that the deposits are recorded in the appropriate fiscal year.

Clearing Accounts

To ensure that all deposits reflected in clearing accounts are fully allocated for the FY13 closing, departments should enter CR's in MMARS simultaneous to deposits made for cash received through June 30. All cash received through the close of business on June 30 must be deposited by noon on July 1. All CR's must be entered and final in MMARS by Monday, July 1. Departments should enter accounting period 12 2013 onto the CR transaction: **DO NOT LEAVE THE ACCOUNTING PERIOD BLANK**. Initially, these CR's may be in "REJECT" STATUS; during the nightly cycle, the documents will clear automatically. **ALL CLEARING ACCOUNTS (FUND 699) MUST BE ZEROED OUT BY THE CLOSE OF PERIOD 12.** Departments needing assistance should contact the CTR Accounting Unit.

Electronic Transfers (Wire of Department Bank Deposits to TRE)

Receipts credited through electronic transfers, such as lockboxes, must be received by June 30 for posting as FY13 revenue. TRE will complete its sweep of lockbox and intermediary banks on July 1. Deposits made after June 30 will be considered FY14 business.

Federal Grants

All federal grant receipts applicable to FY13 received after June 30, 2013 need to reference expenditures that occurred before June 30, 2013 for inclusion in FY13 business. The final grant deposit for FY13 must occur on or before August 30, 2013. For FY13 deposits, the CD must be coded as FY14 for budget year 2013.

If you have any questions please call me at (617)-367-9333, extension 510.

We thank you in advance for your cooperation.