



*The Commonwealth of Massachusetts*  
*Department of the State Treasurer*

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**TO:** Fiscal Officers  
**FROM:** Minot L. Powers IV, Director of Cash Management Operations  
**DATE:** June 15, 2011  
**SUBJECT:** "As of" Procedures

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In accordance with the framework provided within the Statewide Single Audit and enumerated within the Closing Instructions for fiscal year 2011 (FY11), 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 FY11, this period will be from **Friday, July 1, to Wednesday, July 6.**

**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 FY11 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 30, 2011 for proper credit. Final authority on disputed items rests with the Office of the State Comptroller (OSC).
- The budget fiscal year field on all transactions for FY11 during this period must be completed as FY11.

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 OSC.

Daily, OSC will review each document before TRE input into MMARS. OSC 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, OSC 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 OSC. 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 FY11 revenue. All pickups before 12:59 P.M. on Wednesday, June 30 (and earlier pickups), are considered FY11 work. TRE will complete its sweep of lockbox and intermediary banks on July 1. Deposits made after June 30 will be considered FY12 business; therefore, the 12:00 midnight pickup and later ones will be considered FY12 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 FY11 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 FY11. TRE will process sweeps to properly credit closing year collections. (CR's must be entered and final by Friday, July 1, and marked period 12 2011.) 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 OSC Accounting Bureau for assistance.

Deposits received at all sponsored lockbox-banking facilities by 12:59 p.m. on Thursday, June 30, 2011, must be recorded in MMARS as FY11 revenue. All departments that do not have a CMCRR 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 FY11 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 Friday, July 1. Departments should enter accounting period 12 2011 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 OSC 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 FY11 revenue. TRE will complete its sweep of lockbox and intermediary banks on July 1. Deposits made after June 30 will be considered FY12 business.

### **Federal Grants**

All federal grant receipts applicable to FY11 received after June 30, 2011 need to reference expenditures that occurred before June 30, 2011 for inclusion in FY11 business. The final grant deposit for FY11 must occur on or before August 31, 2011. For FY11 deposits, the CD must be coded as FY12 for budget year 2011.

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

We thank you in advance for your cooperation.