



COLORADO

Office of the State Controller

Department of Personnel
& Administration

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Office of the State Controller Alert # 208

TO: Controllers and Chief Fiscal Officers of State Departments
And Higher Education Institutions and Boards

FROM: Robert Jaros, State Controller *Robert Jaros*

DATE: July 11, 2016

SUBJECT: Travel Report - Use of 2WHD and 4WHD Sub-Object Codes
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Travel Report - Use of 2WHD and 4WHD Sub-Object Codes

At the Open/Close training in May, the OSC provided additional guidance regarding the use of sub-object code 2WHD - Two Wheel Drive Vehicle Mileage. To reiterate, if you have mileage that is related to 2-wheel drive vehicles, it is now **OPTIONAL** to use the 2WHD sub-object code. When preparing the travel report, the OSC will treat any blank sub-object codes associated with personal mileage as 2 wheel drive. The sub-object code 4WHD is required in all cases. Please be sure to analyze any blank sub-object codes related to employee mileage object codes (2513, 2523, 2533, 2543) and re-class any that should be coded to 4-wheel drive to this sub-object code 4WHD. Please make sure that your analysis and entries are completed by the end of period 13.



Capital Construction Six-Month Encumbrance Certification, and Expired/Expiring Projects

Six Month Encumbrance Certification: Departments receiving capital construction appropriations (capital projects, controlled maintenance projects, and information technology projects) must comply with CRS 24-30-1404(7) which is known as the six-month rule. The OSC must have a 6-month rule certification on file for all applicable projects. If you have not already submitted your certification for projects funded by SB 15-234 (6 month date of 10/25/2015) please submit them to dpa_FARmailbox@state.co.us by 7/15/2016. The forms are available at: <https://www.colorado.gov/pacific/osc/financial-resources>.

Budget - Long Bill, Capital, Special Bills

Budget documents are now being reviewed and interfaced from PB into CORE for the operating and Capital Long Bill, HB16-1405, and for special bills. Most of the budget documents have already been booked into CORE.

As soon as all of the capital construction budgets are booked, the OSC will place a Controller's restriction on any informational only federal lines posted from the long bill for FY 2017. As in prior years, these restrictions will not be lifted. To create spending authority for the federal lines for FY 2017, please submit a BGA document with SAI4 (custodial), and provide a attachment of the federal award document.

For capital projects, controlled maintenance, and information technology projects, the amounts booked through the PB to CORE will be reduced by a Controller's restriction in Fiscal Year 2016 once all budgets have been booked. To begin spending or encumbering against projects, departments will need to provide a signed SC4.1 or OIT Letter with the increase of the budget (removing the restriction). For new lines on this Long Bill, if you need to begin encumbering against these projects in FY 2017, you will need to prepare a \$0 budget document for FY 2017.

The 6 month date for capital projects related to HB16-1405 (funded on May 3, 2016) is November 2, 2016.

Calendar Date Change for Continuing Portion of Expired Capital Projects

The due date for approved BGA documents related to continuing portion of expired capital projects was incorrectly listed in the Calendar. These documents are due on 8/22/2016. The calendar on the website has been updated.



FY 2016 Close Dates - Importance of Meeting the Schedule

On July 5th, 2016, the State Controller provided a letter to the General Assembly which outlines the following anticipated statewide financial reporting timeframe for FY 2016:

Report	Statutory and Usual Timing	Projected Timing for FY2016
Official books closed	8/4/16*	8/26/16
Department financial statements submitted	8/25/16*	9/30/16
Certifications and Schedules of Nonexempt TABOR Revenue	9/1/16**	9/1/16 – on time
Basic Financial Statements	9/20/16*	10/14/16
Comprehensive Annual Financial Report	12/15/16	1/27/17 - 2/17/17
Schedule of TABOR Computations	12/15/16	1/27/17 - 2/17/17
A-133 Report and SEFA	3/31/17***	3/31/17 – on time

* Statutory timing in C.R.S. 24-30-206 Fiscal Year

** Statutory timing in C.R.S. 24-77-106.5 Annual Financial Report – Certification of excess state revenues

*** Federal deadline

In order to meet these deadlines and avoid potential sanctions from federal agencies, it is critical that departments meet the FY 2016 close scheduled dates, including the Period 13 close date of August 22nd. To that end, we would ask that you work with your OSC consultant to work out any potential issues, including diagnostics, to ensure the closing dates are met. We would also ask that you work with your auditors in responding to audit requests in a timely manner, which facilitates their timely completion of testwork.

FY 2016 Cash Cutoff

Departmental entries to redistribute Treasury pooled cash are not allowed after 7/29/2016. This includes payment documents, cash receipts, ITI/ITA, and IET documents. ITI/ITA and IET documents remain available for the remainder of period 13, however, departments should use non-cash offset event types or accrue inter/intra departmental receivable and payables for these



transactions. Please remember to submit payable/receivable confirmation forms for these balances. Your assistance in cash cutoff will assist the OSC allocate and more timely post Treasury pool unrealized gain and loss and sweep entries and meet the close dates outlined above.

Compensated Absence Liability - Percentage of Employees Expected to Retire Under PERA

In conjunction with PERA's latest actuarial valuation, PERA's actuary, Cavanaugh Macdonald Consulting, LLC has provided the Office of the State Controller (OSC) with the percentage of state employees expected to retire with PERA benefits. Seventy percent (70.0%) of State Troopers and fifty-six and five-tenths percent (56.5%) of other State Division members are expected to retire with PERA benefits. Please note that these percentages are different than those used in the prior year (Fiscal Year 2014-15), and must be used in computing the sick-leave related portion of the Fiscal Year 2015-16 compensated absences liability. Chapter 3, Section 3.11 of the May 2016 Fiscal Procedures Manual will be updated with this information and contains additional instructions related to the compensated absences accrual.

Mass Depreciation Dates

Mass Depreciation will be run for Period 12 on Wednesday July 20th as of 6/30/2016. It will run again as of 6/30/2016 on August 20th to depreciate any additional assets that were added in Period 13. If you determine the depreciation is not correct you can correct it using an FE (manual depreciation) until Period 13 close on August 22nd.

