



**MICHAEL J. BAKALIS**

COMPTROLLER  
STATE OF ILLINOIS

201 STATE HOUSE  
SPRINGFIELD, ILLINOIS 62706  
217/782-6000

ACCOUNTING BULLETIN NO. 15

May 12, 1978

TO: Agency Heads and Chief Fiscal  
Officers of All State Agencies

SUBJECT: Instructions for Closing Fiscal Year 1978 Expenditure  
Authority Accounts

GENERAL

The present fiscal year ends June 30, 1978. Appropriations for this fiscal year will lapse September 30, 1978. All invoices for goods or services contracted for or received prior to July 1, 1978, must be vouchered against FY1978 expenditure authority accounts (appropriated and non-appropriated).

REAPPROPRIATED ACCOUNTS

Vouchers payable from the FY1978 expenditure authority accounts that are reappropriated for FY1979 must reach the Office of the Comptroller on or before Monday, June 26, 1978, in order for warrants to be issued before July 1, 1978, and charged against the FY1978 accounts. NO LAPSE PERIOD SPENDING WILL BE PERMITTED ON ACCOUNTS THAT ARE REAPPROPRIATED. The unliquidated obligations at June 30, 1978, will be carried forward to FY1979. No allotment balances (other than Capital Releases) will be automatically transferred to FY1979.

POSTAGE VOUCHERS

All FY1978 VOUCHERS FOR THE PURCHASE OF POSTAGE MUST BE RECEIVED BY THIS OFFICE ON OR BEFORE JUNE 29, 1978. Vouchers received after June 29, 1978, for the purchase of postage from an FY1978 expenditure authority account will be returned to the transmitting agency for re-vouchering from an FY1979 expenditure authority account.

LAPSE PERIOD - VOUCHERS

From July 1, 1978, through September 30, 1978, all vouchers and schedules must be stamped with a rubber stamp, either "FY78" or "FY79" to clearly

designate whether the voucher is to be paid from a FY1978 or FY1979 expenditure authority account. The stamp should be placed on the upper right side of each voucher and also on the upper right side of each schedule. All vouchers covering goods or services to be paid from FY1978 expenditure authority accounts during the lapse period should be stamped "Contracted for Prior to July 1" in a prominent place and should bear, in the description block, the date(s) the goods were actually received or the services actually rendered.

During the lapse period, continue using the same series of voucher numbers for vouchers covering FY1978 goods and services for which payment had not been vouchered as of June 30, 1978. Continue this voucher series until all vouchers which are paid from FY1978 expenditure authority accounts have been completed.

Lapse period expenditures from operational accounts are limited to those liquidating liabilities for goods and services received or contracted for prior to July 1. Lapse period expenditures from expiring capital improvement accounts are limited to those for work contracted for prior to July 1. Lapse period expenditures from grant accounts are limited to those claims for payments to grantees for outstanding liabilities as of June 30.

ON OR BEFORE SEPTEMBER 29, 1978, EVERY INVOICE THAT SHOULD BE PAID FROM AN FY1978 EXPENDITURE AUTHORITY ACCOUNT MUST HAVE BEEN VOUCHERED AND RECEIVED BY THE OFFICE OF THE COMPTROLLER.

#### LAPSE PERIOD - OBLIGATIONS

Lapse period vouchers should liquidate obligations which were outstanding (open) at June 30, 1978. Obligations established in the FY1978 expenditure authority accounts after June 30th must cover goods or services contracted for or received prior to July 1, 1978. The obligating document should be stamped "Contracted for Prior to July 1".

Outstanding obligations at June 30, 1978, may be cancelled or reduced at any time during the lapse period. This procedure should be used to eliminate the potential over-obligation of an account and to eliminate unneeded obligations. Outstanding obligations representing actual contractual liabilities may be decreased or cancelled if such notice is accompanied by a contract amendment reflecting the corresponding decrease or cancellation. Contractual liabilities may also be increased during the lapse period as long as the increase is relevant to the original contract and does not substantially alter the scope of the work. Agencies should strive to process all FY1978 obligation establishments and increases prior to July 1, thereby minimizing FY1978 lapse period obligation activity.

The monthly reconciliation of your obligation records with the Obligations Activity Report is extremely important during the remainder of FY1978. In addition, we have fiscal year-to-date microfiche which shows the cumulative history of each obligation from the date it was established through the month-end date of the microfiche. Agencies will be provided copies of this microfiche on request. Additional obligation and contract information can be found in Section 15 of the CUSAS manual.

#### LAPSE PERIOD - "LAST MINUTE" TRANSACTIONS

In order to facilitate the fiscal year end voucher processing, please schedule your vouchers, and related obligation establishments, increases, reductions, cancellations, and 2% transfers, etc., so they will reach the Office of the Comptroller no later than 2:00 p.m., Tuesday, September 26, 1978. This will allow us to concentrate our efforts on the "last minute" transactions we receive during the remaining days of the lapse period. We cannot guarantee successful processing of FY1978 vouchers received after September 26, 1978 that contain, or are related to transactions that contain, errors.

#### FISCAL YEAR 1979 VOUCHERS AND OBLIGATIONS

Expenditures for goods or services contracted for after June 30, 1978 must be charged against FY1979 expenditure authority accounts and cite obligations established in the FY1979 accounts. This requires preparing the applicable obligating documents and filing them with the Office of the Comptroller prior to processing the voucher for payment. All agencies that come under the jurisdiction of the Governor will now be required to use as their obligating number for the FY1979 purchase of computer hardware and software and for EDP professional and maintenance services, the DAS number (formally the MID number) assigned by the Department of Administrative Services. If this number is not used as the obligating number, the "Miscellaneous Obligation Document" will be returned. All vouchers payable from FY1979 expenditure authority accounts should carry a new series of voucher numbers. Each agency should use only one series of voucher numbers for each expenditure authority account for the fiscal year.

#### FISCAL YEAR 1979 NON-APPROPRIATED ACCOUNTS

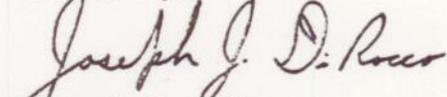
Prior to FY1978 it was our practice, at the beginning of each fiscal year, to automatically renew all non-appropriated accounts from the expiring fiscal year. This has presented problems. In some cases a non-appropriated purpose of the expiring year is appropriated in the new year. In other cases the program supporting a non-appropriated account of the expiring year will not be continued in the new year, but this office is not notified and the account remains on CUSAS. Consequently, we are continuing our FY1978 procedures in FY 1979, and on July 1, 1978, we will automatically renew only non-appropriated accounts of a continuing nature, e.g. the Toll Highway Authority and retirement systems accounts, and those accounts for programs which extend beyond June 30, 1978. We will inform each agency as to which of its non-appropriated accounts will be available for FY1979. Other FY1979 non-appropriated accounts will be established only by application and justification by the agency.

May 12, 1978

If you have any questions concerning these instructions and guidelines, please call me at 782-3426. Questions concerning specific details within the various functional areas of this office may be directed to the following persons:

<u>Name</u>	<u>Responsibility</u>	<u>Telephone Extension</u>
Joe Conklin	FY1979 Appropriation Account Code Assignments	2-8084
Mary Jacobs	Obligations	2-5628
Roy Miller	Vouchers (except payroll vouchers)	2-3608
Dan Steven	Payroll Vouchers	2-4758
Sam Stiles	FY1979 Non-Appropriated Expenditure Authority Accounts	2-6084
Sharon Young	Accounting (2% transfers, error corrections, allotments, etc.)	2-7633

Sincerely,



Joseph J. DiRocco  
Manager, Accounting Operations

JJD:tm

FISCAL YEAR 1979 REAPPROPRIATED ACCOUNTS - SPECIAL PROCEDURES

1. June 30, 1978, outstanding obligations which are obligated under FY1978 expenditure authority accounts will be "rolled over" as of July 1st (or when the appropriation bill is signed) to the FY1979 reappropriated expenditure authority accounts in accordance with items (6), (7), (8) and (9) below. In these instances, the agencies will not have to establish the obligations in the FY1979 accounts. It will be done automatically by the Office of the Comptroller.
2. Obligations which are "rolled over" to the FY1979 expenditure authority accounts may be amended at any time. If a positive amendment to an obligation is submitted which in the aggregate (initial amount established plus the total of all positive amendments) exceeds the contract amount, the positive amendment will not be accepted until the contract amendment is also filed.
3. Obligations which are "rolled over" will have the same obligation number under the FY1979 expenditure authority account as they had under the FY1978 account.
4. Obligations which are "rolled over" will appear in the Obligations Activity Report and the Appropriation Ledger as establishments generally during the month of August in the FY1979 expenditure authority account.
5. If an obligation is automatically "rolled over" and the agency decides the obligation is not needed or would prefer it be assigned another number, the "rolled over" obligation will have to be cancelled by the agency and reestablished under another obligation number if applicable. If the agency does change obligation numbers, then the number on the contract which was filed with the Comptroller must also be changed. To do this, please type the following in the description area of the obligating document "Contract was formerly obligated and filed under account number xxx-xxxxx-xxxx-xx-xx. Obligation number was xxxxxxxxxx". The Office of the Comptroller will change the contract number on the hard-copy contract.
6. Obligations established under the current FY1978 accounts which are reappropriated from one account to one account will be "rolled over" automatically if the reappropriated amount is equal to or greater than the outstanding obligations in the FY1978 account at June 30, 1978.
7. Obligations established under the current FY1978 accounts which are reappropriated from more than one account to one account will be "rolled over" automatically to the new account if the reappropriated amount is equal to or greater than the combined outstanding obligations in the FY1978 accounts at June 30, 1978.
8. Obligations established under the current fiscal year accounts which are reappropriated from one account to more than one account will NOT be rolled over. The agency will have to establish the obligations under the applicable expenditure authority accounts.

9. Under no circumstances will obligations be "rolled over" if the reappropriated amount is less than the total outstanding obligations at June 30th in the account(s) being reappropriated. By reconciling your obligation records early in June with the May 31, 1978, Obligation Activity Report, corrections (if any) can be made in June to avert this potential problem.