



# CIRCULAR

## STATE OF NEW JERSEY

### DEPARTMENT OF THE TREASURY

NO: 12-09-OMB	ORIGINATING AGENCY: OFFICE OF MANAGEMENT AND BUDGET	PAGE 1 OF 5
EFFECTIVE DATE: 04-30-12	EXPIRATION DATE: 12-31-12	SUPERSEDES: 11-15-OMB
SUBJECT: FINANCIAL/PAYROLL YEAR-END GUIDELINES FISCAL YEAR 2012		
ATTENTION: DIRECTORS OF ADMINISTRATION, FISCAL OFFICERS, AND PAYROLL OFFICERS		
FOR INFORMATION CONTACT: CHERYL MARTINEZ		PHONE: (609) 292-4820

This circular contains important year-end information and cutoff dates for the New Jersey Comprehensive Financial System (NJCFS) and Centralized Payroll System. Refer to the Purchase Bureau's fiscal year 2012 cutoff date memorandum for Purchase Bureau year-end information and to the Capital Assets year-end Circular 12-08-OMB for capital asset reporting requirements.

Note: OMB will be reserving fiscal year 2013 balances in OMB-defined accounts prior to NJCFS opening for activity, pending receipt of performance measure information.

#### I. PAYROLL INFORMATION

Starting with the regular bi-weekly pay period 14 (June 16, 2012 through June 29, 2012) and supplemental payrolls applicable to fiscal year 2012 - 2013, the following procedures are in effect:

##### A. Number of Working Days

1. The number of working days in fiscal year 2012 for twelve-month employees is 261. The number of working days in fiscal year 2013 will be 260. The bi-weekly gross calculations will change on pay period 15, 2012 for the new fiscal year.
2. The number of working days in fiscal year 2012 for employees paid under compensation code three (ten-month payment) is 217. The number of working days in fiscal year 2013 will be 215. The bi-weekly gross calculations will change on pay period 19, 2012 for the new fiscal year.

##### B. Overlap Pay Period

There will be no fiscal year overlap pay period this year. Regular Salary Expenditures for pay period 14, (June 16, 2012 through June 29, 2012) will be charged to fiscal year 2012. Regular Salary Expenditures for pay period 15, (June 30, 2012 through July 13, 2012) will be charged to fiscal year 2013.

##### C. Overtime Payments

1. Overtime payments paid on regular pay period 14 will be charged to fiscal year 2012.
2. Overtime payments paid on regular pay period 15 will be charged to fiscal year 2013.

#### D. Food and Other Maintenance

It shall be the responsibility of the agency payroll officer to change any food and other maintenance deductions on pay period 15, (June 30, 2012 through July 13, 2012) to reflect any revised maintenance amounts that are in effect for fiscal year 2013. Requests for mass changes of food maintenance amounts should be sent to:

Kevin McMullen  
Supervisor, Payroll Audit-Centralized Payroll  
Office of Management and Budget  
P.O. Box 207  
Trenton, New Jersey 08625-0207  
[KEVIN.McMULLEN@treas.state.nj.us](mailto:KEVIN.McMULLEN@treas.state.nj.us)

#### E. Salary Rates

Tables of bi-weekly salary, daily, hourly, and overtime rates, based on 215 and 260 working days for fiscal year 2013, will be available from the Civil Service Commission

#### F. Supplemental Payrolls

**Note: No Supplemental Pay Period will accommodate both fiscal years.**

1. The supplemental pay period "N" will only be charged to fiscal year 2012.
2. The supplemental pay period "O" will only be charged to fiscal year 2013.
3. Supplemental payroll charges for pay earned through June 30, 2012 must be received in the OMB Payroll Section no later than noon, Monday, July 9, 2012 for payment on supplemental pay period "N" 2012, in order to be charged to fiscal year 2012 appropriation accounts. Deficits created because of this action are the departments' responsibility.
4. Supplemental payroll charges for pay earned on or after July 1, 2012 must be submitted for payment on supplemental pay period "O" 2012 and charged to fiscal year 2013. These Supplemental Payrolls are due no later than noon, Monday, July 23, 2012.
5. Supplemental pay period "N" 2012 is absolutely the last opportunity for agencies to have payroll expenses charged to fiscal year 2012. All supplemental payrolls submitted after noon, July 9, 2012, will be charged to fiscal year 2013.
6. Supplemental payrolls for retroactive payments, sick leave injury, or accrued vacation after retirement or separation cannot be submitted for payment against position numbers that have been abolished in the new fiscal year. These supplemental payrolls must be submitted for supplemental pay period "N" marked "fiscal year 2012," and are due no later than noon, July 9, 2012.

## II. NEW JERSEY COMPREHENSIVE FINANCIAL SYSTEM (NJCFIS)

**Note: Continuing Appropriations-The references below to cutoff dates and pre-encumbrance cancellations do not pertain to continuing appropriations (appropriation type "02").**

A. Critical Dates

1. Year-end Cutoff Dates

The cutoff dates for fiscal year 2012 transactions that may require approval by OMB or the Office of Legislative Services (OLS) are listed below:

<u>TRANSACTION CODE</u>	<u>CUTOFF DATE</u>
TA (OLS approval)	July 6, 2012
AP	July 16, 2012
RB	July 16, 2012
TA	July 16, 2012

2. NJCFS Key Dates

- |  |   |
|--|---|
| April 09, 2012<br>to<br>April 13, 2012 | a) Fiscal year 2013 original appropriations are established in NJCFS.<br>b) EXPB records will be created with zero balances in fiscal year 2013 for all records that have a balance in fiscal year 2012 and a corresponding fiscal year 2013 appropriation record. A balance is considered a pre-encumbrance, encumbrance, or expenditure.              |
| April 10, 2012<br>to<br>May 1, 2012    | a) REVB records will be created in fiscal year 2013.<br>b) Fiscal year 2013 OMB-defined accounts will be placed in reserve, pending receipt of performance measure information.<br>c) NJCFS is opened for limited fiscal year 2013 activity based on the original appropriations, exclusive of expenditures or revenue.                                 |
| April 16, 2012<br>to<br>April 30, 2012 | a) Estimated receipt amounts are established on appropriation and revenue budget records for appropriation sources 3XX and 4XX.   |
| June 29, 2012                          | a) Year-end program will run against trust and bond funds (funds 5XX and 7XX). Free balances will be brought forward to fiscal year 2013. REVB and EXPB records will be created in fiscal year 2013 for all active records in fiscal year 2012 for trust and bond funds.<br>b) NJCFS will be down from June 29, 2012, 5 p.m. until July 2, 2012 10 a.m. |
| July 31, 2012                          | a) Travel pre-encumbrances (TEs, THs) will be converted to Agency Orders (AOs).   |

**Note: TVs processed after this date must reference the converted agency orders (AOs).**

- b) Pre-encumbrances (RAs, RPs, and RDs) will be canceled for all non-trust and bond accounts.
- c) Year-end program will run against fiscal year 2012 accounts. Free balances will lapse or carry forward, depending on the appropriation language.

- d) NJCFS will be down from July 31, 2012, 5 p.m. until August 1, 2012, 1:00 p.m.

B. Cancellation of Pre-encumbrances

On July 31, 2012 after the close of business, OMB will cancel all pre-encumbrances (RAs, RPs and RDs) in non-continuing appropriation accounts within the General Fund. In anticipation of this action, agencies are encouraged to convert pre-encumbrances that represent legitimate 2012 obligations to encumbrances with proper vendor numbers prior to July 31, 2012. Uncommitted balances created by canceled pre-encumbrances will either lapse or carry forward in accordance with the appropriation type on the appropriation record.

C. Deficit Balances

Chapter 131, P.L. 1989 established a penalty of prison or fines for purposely and knowingly over expending an appropriation. Any fiscal officer, business manager, or director of administration could be held liable under Chapter 131, P.L. 1989 if salary accounts (or any other accounts) are allowed to go into deficit without immediate corrective action. Therefore, it is the responsibility of each fiscal officer to make certain that no fiscal year 2012 appropriation account closes the fiscal year with a negative unobligated balance. Agency fiscal officers should not rely on last minute processing of transfers and other accounting documents to relieve deficits. Preparation and submission of deficit relieving documents should begin immediately upon receipt of this circular. Because of the time constraints involved, all transfers requiring OLS approval must be submitted to OMB no later than July 6, 2012.

All deficits on the Appropriation Table must be resolved by July 31, 2012. OMB does not require the elimination of deficits on the Expense Budget Table.

D. Exemption from Fringe Benefit Charges

In order for any non-state funded salary account to be considered exempt in fiscal year 2013 from applicable fringe benefit charges according to Circular 94-09-OMB, new/expired requests for such exemption must be submitted to the Director, OMB for approval prior to July 31, 2012.

E. Indirect Cost Exemptions

Effective July 2, 2012 all existing waivers for the recovery of indirect costs will be canceled. If a waiver is desired, a new request must be submitted to the Director, OMB for approval. The waiver request must provide justification for the exemption, the dollar amount of the exemption, and the funding source. All waivers will be for one fiscal year only.

F. Intra-governmental

1. Treasury - Division of Administration (Treasury Fiscal)

Treasury Fiscal requests that agencies process payments by July 20, 2012 to cover any actual or projected deficits. Central services administered by Treasury Fiscal are telephone, motor pool, postage, print shop, rent, Distribution Center, and line of credit.

**Note: Please advise OMB Financial Reporting of any material transactions not processed and recorded by July 31, 2012.**

2. Office of Information Technology (OIT)

The Office of Information Technology requires that all agencies with outstanding balances for services provided by OIT process payments on or before Friday, July 20, 2012. Payment account information to OIT can be found on agency invoices located in the Cost Allocation and Recovery System.

3. Department of Corrections (DEPTCOR)

The process to encumber funds payable to DEPTCOR (State Use Industries) if funding is not encumbered through MACS-E purchase order type "STU" is as follows:

- a) Process an encumbrance (AO) with an intra-governmental indicator of "Y."
- b) Process an intra-governmental payment voucher (AV) in accordance with the provisions of Circular 95-08-OMB, referencing the intra-governmental encumbrance.

**Note: BFY 12 must be referenced in the header of the AV transaction for payment to be credited to the seller account.**

- c) The seller account on the AV transaction will be as follows:

<u>BFY</u>	<u>Fund</u>	<u>Agcy</u>	<u>Orgn</u>	<u>AP Unit</u>	<u>Actv</u>	<u>Rev Src</u>
12	100	026	7020	001		3769

- d) The description must be the invoice number from DEPTCOR.

G. Accounting Periods

Please refer to the chart below for the correct assignment of accounting periods.

<u>MONTH</u>	<u>FISCAL YEAR</u>	<u>ACCOUNTING PERIOD</u>
May	12 and earlier	11 12
	13	01 13
June	12 and earlier	12 12
	13	01 13
July	12 and earlier	12 12
	13	01 13



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 Director