

Minnesota Management & Budget and Department of Administration Operating Policy and Procedure

Minnesota Management & Budget, Financial Reporting and Agency Assistance
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Using Correct Record Dates for Expenditures

Objective

To ensure that agencies correctly enter the actual date goods or services were received by the state into the Minnesota Accounting and Procurement System (MAPS).

Policy

Agencies must properly enter the date that goods or services are received for each payment so that the liability is correctly recorded in the year it was incurred. This is particularly important during the annual close period from July 1 through the end of August when two budget fiscal years are open. This date is commonly called the RECORD DATE or occurrence date.

Procedures

RECORD DATE has different field names in different systems:

Minnesota Management & Budget (MMB) Financial Reporting Unit uses the RECORD_DT field from the IA Warehouse to determine accounts payable and expenditure amounts for the state's Comprehensive Annual Financial Report (CAFR). "Record Date" has different field names depending upon which system the agency uses to enter the payment:

- In MAPS Procurement, the Record Date is called RECEIPT DATE. This is on the OREC and OINV screens in MAPS.
- In MAPS Accounting, the "Record Date" is called DATE OF RECEIPT.
- In the IA warehouse, the "Record Date" is called RECORD_DT.
- Many agencies use PAY or FPO transactions in AGPS. For these transactions, an encumbrance is not created. The Deliver Date field becomes the RECEIPT DATE and is sent to the IA warehouse as the RECORD_DT.

MAPS Accounting/Procurement Issues

In MAPS Procurement, if processing an All-in-One payment, the RECEIPT DATE on the OINV screen must be entered when paying for goods or services. The RECEIPT DATE does not default to the current date.

A problem occurs when an agency does not set up an encumbrance in MAPS Procurement, pays the invoice in MAPS Accounting, and lets the DATE OF RECEIPT default to the date of entry. As a result, the incorrect record date is entered into the MAPS. Agencies must NOT allow the DATE OF RECEIPT to default to the current date. Agencies must correctly enter the date when the goods or services were received when making the payment.

Agency staff also must ensure that they are using the correct date field when entering the record date. For instance, the INVOICE RECD DATE is a unique field in MAPS Procurement. This field is used to record when the invoice was received and is used to calculate the Prompt Pay and Scheduled Pay Dates. This is on the OINV screen only and has no relation to record date for financial reporting purposes. For further discussion on payments, see MAPS policy 0803-01, [Payment Requests, Preparation and Approval](#) and the [MAPS Training Manual](#). Additionally, a reference guide is available to view record dates on MAPS documents; [MAPS Record Dates](#).

Contract Financial Management System (CFMS) issues:

In the CFMS system, unlike Accounting and Procurement, agency staff can enter a prior receipt date under the DATE SERVICES RECEIVED field before an encumbrance is established. At all times, particularly during the annual close period, agency staff must ensure that the correct date is entered into the DATE SERVICES RECEIVED field even when a 16A.15 violation has occurred. If agencies do not input the date that the goods or services were received, including properly identifying when there is a 16A.15 violation by entering a "Y" into the 16A.15 field, the liabilities may be misstated in the CAFR.

Interface Warrant Print (IWP) payment issues

For IWP payments, MAPS currently does not allow agencies to both enter a date into the WARRANT DATE field and the DATE OF RECORD field. If an agency needs to use the DATE OF RECORD field, they must let the WARRANT DATE field

default or likewise, if the agency must use a specific WARRANT DATE, they must let the DATE OF RECORD default. In cases where agencies must use the WARRANT DATE to issue checks on a particular date, agencies must notify the financial reporting unit within MMB if individual transactions for a program exceed \$100,000. This is particularly important during the annual close period if the agency determines that the payments are for the prior year and should be recorded as an accounts payable in the CAFR. In some cases, individual transaction amounts may be less than \$100,000 but the total expenditure amount for a particular program may be significant enough for reporting accounts payable in the CAFR. For example, an agency may issue IWP payments of \$50,000 to sub-grantees totaling \$20,000,000 during the month of July for June services out of the Game and Fish fund (230 fund). The agency will need to determine if the program expenditures are material enough to notify MMB. The agency may be required to complete a separate report on year-end payables for the financial reporting unit to ensure that expenditures and payables are properly reported.

Common Inbound Transaction Architecture (CITA) payments:

Agencies are able to enter the correct DATE OF RECEIPT into MAPS to indicate when goods or services were received. As a result, agencies should ensure that the correct dates are entered when using CITA to make payments.

Examples of Payables:

- **Agency receives goods in June, but does not make the payment until July.** The record date must reflect a June date so that the transaction will show up in the correct fiscal year for the CAFR.
- **Agency receives a service in June (such as computer services), but does not pay for the service until July, the agency must use a record date of June 30 or earlier.** If the service spans a time period such as a month, the RECORD DATE will depend upon the payment agreement with the vendor. For example, if the payment for the service period is to be received at the end of the month, the RECORD date should be the last day of the month.
- **Goods arrive in split shipments, with part arriving on or before June 30 and part arriving after that date.** These must be coded as separate received dates and paid as separate invoices.
- **An agency receives an invoice for services that are for both June and July.** The payment must be split between fiscal years based on actual service received (or another reasonable allocation method such as the number of days of service if actual data is not reasonably available). Use two separate transactions with different record dates.
- **Agency receives a utility invoice that includes services for June and July.** For ongoing services of immaterial amounts (\$1,000 or less) and the agency has consistently used the last day of the billing cycle as the record date, continue to do this even though period crossed fiscal years. This provides consistency from one fiscal year to another. It is not acceptable to use an earlier or later record date that will reflect more than 12-months of service in a single fiscal year.

See Also

[MAPS Operating Policy & Procedure 0803-01: Payment Requests, Preparation and Approval](#)
[MAPS Operating Policy & Procedure 0901-02: Fiscal Year-End Closing Transactions – Pre-Encumbrances/Requisitions, Encumbrances/Purchase Orders, Expenditures/Payment Vouchers](#)
[MAPS AP740 Expenditure Accounting Manual](#)