



Memo

Date: June 2, 2026
To: Agency Payroll and Accounting Staff
From: Katie Karow, Director, Statewide Payroll Services

RE: Budget Fiscal Year 2026 Closing Deadlines for Payroll

Year-end closing for Budget Fiscal Year (BFY) 2026 is scheduled for August 14. **Please be certain that employees in your agency are aware of these deadlines.**

Budget Fiscal Year 2026 Closing Deadlines

BFY 2026 Deadline	Payroll Transaction
July 1 by 7 p.m.	Position Funding
July 2 by 12 p.m.	Cash Receipt Transactions Generated by SEMA4
July 13 by 12 p.m.	Relocation Expense Reports and Expense Transfers
July 16 by 7 p.m.	Employee Business Expense Reports and Business Expense Transfers
July 16 by 7 p.m.	Employee Travel Advances
July 17 by 12 p.m.	Prior Period Adjustments
July 24 by 12 p.m.	Mass Expense Transfers
July 24 by 12 p.m.	Agency Default Accounts

Position Funding

Agencies using Self Service Time and Labor must complete all position funding updates **by 7 p.m. July 1**. All other necessary position funding updates must be in place no later than 12 p.m. on July 2. This will ensure that Budget Fiscal Year (BFY) 2027 labor distribution records are built correctly. In addition, it ensures that payroll cost projections are calculated for the correct accounts.

Note: When adding new position funding records, be sure to leave the Accounting Date field blank (The exception to this is for positions that are funded from a continuing appropriation). If the Accounting Date field is blank, SEMA4 will automatically derive the correct accounting date for labor distribution records based on various date values.

For more information on preparing position funding for the new budget fiscal year, please refer to the [Budget Fiscal Year 2027 Position Funding Changes](#) memo dated May 21, 2026.

Cash Receipt Transactions Generated by SEMA4

Agencies must verify the cash receipt transactions for pay period ending June 30, 2026. Verification must be completed by 12 p.m. on July 2. If adjustments between fiscal years are necessary, contact Hongyu Liu at 651-201-8156 or Courtney Salmon at 651-259-3774 with questions.

Relocation Expense Reports and Expense Transfers

Relocation expense reports with Budget Fiscal Year (BFY) 2026 expenses and requests for expense transfers on relocation payments must be received by Statewide Payroll Services by 12 p.m. on July 13. Relocation expense reports for expenses incurred in BFY 2026 received after the July 13 deadline require a written explanation and **must be** approved and signed by the agency head before the expenses can be reimbursed. These expenses will be posted to BFY 2027.

Employee Business Expense Reports and Business Expense Transfers

All Budget Fiscal Year (BFY) 2026 business expenses reports and transfers must be entered in SEMA4 by 7 p.m. on July 16. Business expense transfers for BFY 2026 travel expenses must also be entered by 7 p.m. on July 16.

- Completed SEMA4 Employee Expense Report forms for expenses incurred in BFY 2026 must be submitted to the agency business expense contact no later than 7 p.m. July 16. Since the deadline for entering these expenses is the end of that same day (July 16), agencies are encouraged to set an earlier deadline for their employees.
- Expense reports for expenses incurred in BFY 2026 received after July 16 require a written explanation and must be approved and signed by the agency head before the expenses can be reimbursed. These expenses will be posted to BFY 2027.
- Beginning July 1, users must make sure to use BFY 2027 accounts when entering business expenses in SEMA4 for travel expenses incurred in BFY 2027.
- The general rule for business expense is to leave the Accounting Date field blank for the expense to be posted in the current year. During Fiscal Year End when both budget fiscal years (BFY) are open for business expense posting, BFY 2026 expenses require a June 30, 2026 date entered in the Accounting Date field. BFY 2027 expenses will need to have the check date as the accounting date.

For more information, please refer to Minnesota Management & Budget Operating Policy and Procedure PAY0021, [Employee Business/Travel Expenses](#).

Employee Travel Advances

All Budget Fiscal Year (BFY) 2026 travel advances, whether short-term or recurring, must be settled no later than pay period ending July 14, 2026. The deadline for entering these travel advance settlements is 7 p.m. on July 16.

If an advance for BFY 2027 travel must be issued prior to July, follow these instructions:

- Establish the advance as usual, using Trip Start and End dates that reflect the actual anticipated travel dates (even though they may be in BFY 2027).

- Issue the advance from BFY 2026 funds (BFY 2027 advances cannot be paid until July 1).
- To properly settle the advance, the employee should submit the expense report immediately upon the return from the trip. Settle the advance out of BFY 2026 (where the advance was issued) and reimburse the BFY 2027 expenses out of BFY 2027 (where they were incurred).
- If the Trip End Date does not allow you to settle a BFY 2026 advance by the July 16 deadline, you may process a business expense transfer on or after July 1 to transfer the advance to BFY 2027. Then, settle the advance and reimburse BFY 2027 expenses out of BFY 2027 when the employee returns.

Advances for BFY 2027 travel can be entered in SEMA4 using BFY 2027 accounts beginning July 1. However, these must be entered as on-cycle transactions since BFY 2027 advances cannot be paid until July 1.

To monitor outstanding business expense advances, run On Demand Report FIHU0400, *BE Outstanding Adv* (Employee Business Expense Outstanding Advances), each pay period.

For more information, please refer to Minnesota Management & Budget Operating Policy and Procedure PAY0020, [Travel Advances](#).

Prior Period Adjustments

The last pay period that agencies can process prior period adjustments that affect Budget Fiscal Year (BFY) 2026 accounts is the pay period ending July 14, 2026. Adjustments can be entered until 12 p.m. on July 17.

After the pay period ending July 14, 2026, prior period adjustments entered for dates prior to July 1 can only post to BFY 2027 accounts. Labor distribution for these prior period adjustments will default to the account(s) to which the payment originally posted. Users must change the labor distribution to a valid BFY 2027 account(s). The last pay period to process any retroactive pay adjustments that need to post to BFY 2026 is the pay period ending July 14, 2026.

Mass Expense Transfers

All mass expense transfers for SEMA4 transactions that posted to Budget Fiscal Year (BFY) 2026 accounts must be completed no later than pay period ending July 14, 2026. These transfers can be entered in SEMA4 until 12 p.m. on July 24.

Reminder: To move posted payroll expenditures between accounts, you must process a mass expense transfer in SEMA4. You must **not** process an expenditure correction (AP Journal Voucher) in the accounting system for payroll expenditures.

Agency Default Accounts

Agencies must use report FIHR2190, *Expense Transfer Reconciliation* (Standard Report Viewer/InfoPac ID HP2190), to identify all SEMA4 transactions that failed to post correctly and are currently accounted for in the agency default (Fund 6401, Fin Dept ID xxx3PAYC, AppropID xxxPAYC, where xxx is the agency ID). For example, Fund 6401, Fin Dept ID G103PAYC, AppropID G10PAYC.

All items that appear on the report with an accounting date equal to, or prior to, June 30, 2026 must be transferred to a valid account(s) no later than pay period ending July 14, 2026. Transfers can be entered on the Mass Expense Transfer page until 12 p.m. on July 24.

SpeedCharts

For those agencies using SpeedCharts, changes for Budget Fiscal Year (BFY) 2027 are only needed if a SpeedChart needs to be updated or a new SpeedChart added. If the current accounting strings and percentages of a SpeedChart are correct for BFY 2027, no changes are needed.

- The SpeedChart row that is used is the one that is in effect as of the pay period end date. There is no mid-pay period proration that happens if you use an effective date that is in the middle of the pay period.
- The recommended deadline for entering SpeedChart changes is July 1 (the pay period beginning date). However, the system will include any updates to the SpeedChart up to the point of the user applying the SpeedChart.

Additional Information

Adhering to the above deadlines will ensure that SEMA4 transactions for Budget Fiscal Year (BFY) 2026 will post to the accounting system by July 24 at the latest. However, if any transaction ends up in error during the July 24 posting, it will post to the BFY 2027 agency default account. The agency must then enter a mass expense transfer to move the expenditure from the default account. By that time, BFY 2026 will be closed and there will be no alternative but to transfer the amount to a BFY 2027 account. This expenditure will reduce the amount available to spend in BFY 2027.

Therefore, please complete all mass expense transfers, prior period adjustments, business expense reimbursements and expense transfers, and any other adjustments **as soon as possible** to avoid having insufficient time to correct unexpected errors.

Questions?

Agency Payroll and Accounting staff should contact Courtney Salmon in Statewide Payroll Services at 651-259-3774 or by [email](#) if there are questions.

PLEASE SHARE THIS INFORMATION WITH APPROPRIATE AGENCY STAFF