

**Request for Additional Appropriation
Operating Budget
FY 2024**

TO: Members of the Board of Finance and The Board of Representative
FROM: Caroline Simmons, Mayor
DATE: 12/1/2023
PURPOSE: ADDITIONAL SPENDING AUTHORITY FOR PRIOR YEAR PURCHASE ORDERS
DEPT: 1011 - Office of Policy & Management
REQUEST AMOUNT: \$ 418,803.02
FUNDING SOURCE: Fund Balance


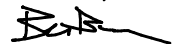

Description of Request

This request is only for this fiscal year only due to the delayed implementation of ERP. Thus, we have decided to carry forward a couple of purchase orders from fiscal year 2023 to fiscal year 2024 in order to ensure the smooth continuation of ongoing processes and operations, given the delayed delivery of essential services, such as ammunition for the police department.

Account Information

Year End Policy attached

Part D - Approvals

<p>Elda Sinani, Dept Head / OPM Director</p>  <p><small>Elda Sinani (Dec 1, 2023 16:13 EST)</small></p>	<p>Date</p> <p>Dec 1, 2023</p>	<p>Ben Barnes, Admin Director</p>  <p><small>Benjamin Barnes (Dec 1, 2023 18:51 EST)</small></p>	<p>Date</p> <p>Dec 1, 2023</p>
<p>Caroline Simmons, Mayor</p> 	<p>Date</p> <p>Dec 4, 2023</p>		

Date: May 15, 2023
To: City Directors/Department Heads/Board of Education Administrators/Managers
From: David Yanik, Controller
Subject: Fiscal Year End Closing Instructions (Purchasing & Procurement) for June 30, 2023

Attached are the Fiscal Year End Closing Instructions for the fiscal year ending June 30, 2023. Please forward these instructions to all appropriate members of your staff and ask that they familiarize themselves with the contents of this memo which provides guidance regarding purchasing and procurement cut-off dates as we transition from FY 2023 to FY 2024.

I. PURCHASES /ENCUMBRANCES

- The final day for submitting purchase requisitions for goods or services to be delivered by or before June 30, 2023, is Monday, June 13th. All the department approvals required on the purchase requisition must be completed by this date.
- Beginning July 1, 2023, please clearly indicate on each vendor's invoice the applicable fiscal year (FY 2023 versus FY 2024) of the purchase order (PO) to be paid for processing purposes (ensuring that any encumbered items are correctly charged). ***Using the Accounting Date on the invoice input screen in the Oracle module, set the date to June 30, 2023, otherwise the date will default to the current date and charge the FY 2024 budget for the FY 2023 PO.***

II. NEW PROCESS – PURCHASE ORDERS MUST BE RECEIVED BY JUNE 30th

- With the implementation of the Oracle ERP system and under the advice of Stamford's external auditor, a new year-end Purchase Order (PO) rollover process has been defined. ***The new process records the receipt of goods and services on the date you enter the receipt into the system. Rather than waiting for the actual receipt of the vendor's invoice you should record the receipt as soon as it occurs. This is important because Oracle does not allow the date of receipt to be entered separately. Therefore, the receipt of goods or services must be entered on or before June 30, 2023, to enable the order to be paid by August 15, 2023, using FY 2023 funding.***
- Non-Capital POs that are open in the current fiscal year and not received by June 30 will be cancelled in conjunction with fiscal year-end close.
- For POs for which a receipt of goods has been recorded in Oracle for ***goods or services received by June 30, 2023***, the vendor's invoice must be input no later than August 15, 2023. The invoices must reference the fiscal year in which the PO was created to enable payment against FY 2023 funding as of June 30, 2023. ***Using the Accounting Date on the invoice input screen in the Oracle module, set the date to June 30, 2023.***
- Any payments against FY 2023 POs for which goods or services have not been recorded by June 30, 2023, will be charged to the FY 2024 year without additional funding being made available.
- POs for which a department has provided sufficient justification (and Board approval) will be carried forward to the next fiscal year, with the funding to support them. Justification should be sent by

email to Elda Sinani, Director of OPM, esinani@stamfordct.gov and Erik Larson, Director of Purchasing, elarson@stamfordct.gov no later than July 15, 2023, and clearly state the business case to justify the need to keep a PO open beyond the end of the fiscal year in which it was created.

- Justification for POs and related funding that are requested to be carried forward should include why the delivery of the goods or services has been delayed beyond June 30, 2023, and the true expected delivery and invoice dates.
 - Justifications include, but are not limited to supply chain issues, material backorders, vendor scheduling issues, materials, or services essential to completion of a current ongoing process, however, decisions will be made on a case-by-case basis.
- All POs approved for carryforward will be submitted to the Board of Finance and the Board of Representatives at their first meetings after July 15, 2023, for approval of the funding to be carried forward to support the POs as an amendment to the operating budget.

III. PROCEDURES FOR THE NEW FISCAL YEAR (FY 2024)

- New purchase requisitions for FY 2024 must not be entered until after July 1, 2023.
- As a reminder, all periodic/recurring expenditures should be entered for the full FY 2024 amount.
 - *For example, if you are leasing a copy machine and need to make monthly payments, you should enter only one draw-down purchase requisition/purchase order for the 12 months of estimated expenditures.*
 - *Another example would be for office supplies. You should enter one draw-down requisition for what you expect to spend for the full year (you can always add to, or reduce, draw-down amounts as the year progresses.*
- Please review your FY 2024 budget to estimate the amount you will spend for the full year. Do not submit numerous small dollar requests to adjust POs during the year but keep the Purchasing Department informed regarding any POs that may be overspent and request their input.

Please contact Kris Bottoni, Senior Buyer x4108 in the Purchasing Dept. for instructions.

- Please process your prior fiscal year invoices no later than August 15th, for POs received by June 30, 2023. If necessary, contact the applicable vendor and request a copy of the invoice so that we can record them against existing FY 2023 POs.

Summary of Key Dates:

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|-----------------------|---|
| June 13, 2023: | Last day to submit purchase requisitions for the current fiscal year (FY 2023) operating expenditures to be delivered on or before June 30, 2023. |
| June 30, 2023: | Last day to enter receipt of goods or services to be paid for using FY 2023 funding. |
| July 1, 2023: | Date you may begin entering new fiscal year (FY 2024) purchase requisitions. |
| July 15, 2023: | Justification email due to the Director of OPM and Purchasing to keep FY 2023 POs open. |

August 15, 2023: Cut-off for submitting vendor invoices for FY 2023 POs for which the goods or services have been received in the system as of June 30, 2023.

If you or your staff require any assistance or would like guidance or perhaps an alternative approach to meeting the deadlines, please don't hesitate to contact Kris Bottoni, Senior Buyer x4108 for support.

Thank you in advance for your attention and efforts in support of this critical effort.

Cc: Sandy Dennies, Elda Sinani, Ryan Fealey (BOE), Erik Larson, Joanne Noone, Joy Hussey, Kris Bottoni, and Vivens Joachim (BOE), Auditors-RSM-US.