

**CHAPTER 10. YEAR-END PROCEDURES**

**APPENDICES**

<b><u>Appendix</u></b>	<b><u>Title</u></b>	<b><u>Page</u></b>
I	Overview of the Cut-off Schedule for Fiscal Year End 2000-2001	3
ii	Processing transactions in SSP/IFMMS at Year End	7
1	Old Year Accrual Entries, Adjusting Entries and Closing Old Year Accounts	9
2	New-year Accounts Opening Balances, Reversing Entries and Reconciliations/Control Accounts	13
3	Accountable Advances	16
4	Treatment of Salaries and Wages at Year End	22
5	Receipts of Public Money and Cash Balances	30
6	Interdepartmental Settlements	33
7	Cancellation of Canadian and Foreign Receiver General Cheques	36
8	Correction of Receiver General Cheques Issued or Reported Issued in the Wrong Fiscal Year	37
9	Departmental Bank Accounts (DBA)	38
10	Goods and Services Tax (GST)	39
11	Revaluation of Assets and Liabilities denominated in a foreign currency	40
12	Suspense Accounts	42
13	Certificate of Representations Related to the Final Trial Balance	45
14	Glossary	46
	<b>CSC-Specific Procedures</b>	
15	Revolving Funds - CORCAN Only	47
16	List of FIS-compliant Departments in 2001-2002	48
17	Inmate Trust Funds (ITF)	49
18	Cost Reallocation Exercise (COMO)	51
19	Accrued Liabilities - Payables at Year-end (PAYE)	55
20	Accrued Receivables - Receivables at Year-end (RAYE)	60

**Appendix I  
OVERVIEW OF THE CUT-OFF SCHEDULE  
FISCAL YEAR-END 2000-2001**

<b>PERIOD 12 Regular Component - Regions</b>	<b>PWGSC Cut-off Eastern Time</b>	<b>Regional CSC Cut-off Eastern Time</b>
Final input and section 34 approval in IFMMS accounts payable module <b>for Non-OGD amounts</b> (Section 33 approval for cheques issue data to PWGSC will be in the new-year)	N/A	March 31, 7:45 PM
Payment cancellations by online or Client Action File to SPS	March 30, 11:59 PM	March 29, 7:45 PM
Cheque cancellations Form 5495 (Cheques issued by SPS) or Form 5497 (Salary Garnishments Cheques) to be received by CRCD	March 29, 4:00 PM	March 29, 4:00 PM
IS requisitions -OGD amounts (includes section 34 approval and section 33 authorization for all Payables and Receivables whether Creditor or Debtor initiated transactions)	N/A	March 29, 7:45 PM
Departmental Bank Account (DBA) Cheque issue data, cancellations, adjustments or corrections input to IFMMS	March 30, 11:59 PM	March 27, 7:45 PM
DBA Cheque (form 5494) to CRCD	March 29, 4:00 PM	March 29, 4:00 PM
Deposits to Financial Institutions Canadian Deposits Foreign Deposits ( <i>see appendix actual deposit date may be later</i> )	March 30, 2:00 PM March 30, 2:00 PM	March 30, 2:00 PM March 30, 2:00 PM
Payroll payment input to Regional Pay System (RPS) <b>Bulk input</b> Eastern Region Western Region <b>On-line input</b> Eastern Region Western Region	March 21, 2:00 PM March 21, 3:00 PM March 22, 2:00 PM March 22, 3:00 PM	March 21, 2:00 PM March 21, 3:00 PM March 22, 2:00 PM March 22, 3:00 PM
Proforma pay records - files available for changes	Mar 23, 2:00 PM & Mar 26, 2:00 PM	Mar 23, 2:00 PM & Mar 26, 2:00 PM
Payroll cheque cancellations to PWGSC Payroll Accounting Offices	March 19, 11:59 PM	March 19, 11:59 PM
Ensure all OGD Suspense Accounts and Undistributed Interdepartmental Settlements (ISs) are cleared and all input to IFMMS is completed	March 30, 11:59 PM	March 29, 7:45 PM
Final date to remit GST/HST collected to CCRA - Debtor Initiated IS	N/A	March 29, 7:45 PM
Run Inmate Trust Fund Trial Balance	N/A	March 30 (COB)
Process PP 26 Inmate Pay in IAS	N/A	April 5 (COB)
All <b>receipts</b> for goods and services received on or before March 31 must be entered in SSP / IFMMS	N/A	April 6, 2001
Report <u>opening balances</u> for Prepaid & Deferred Revenues as at Apr 1/01	N/A	April 20 <sup>th</sup> , 2001

**10. YEAR-END PROCEDURES**

**Appendix i (cont'd)  
OVERVIEW OF THE CUT-OFF SCHEDULE  
FISCAL YEAR-END 2000-01**

<b>PERIOD 12 Regular Component _(NHQ Only)</b>	<b>PWGSC Cut-off Eastern Time</b>	<b>Regional CSC Cut-off Eastern Time</b>
IS requisitions to SPS (NHQ EAA process - Michel Hupe)	March 30, 11:59 PM	March 30, 7:45 PM
External payment requisitions to SPS (NHQ EAA process - Michel Hupe)	March 30, 11:59 PM	March 30, 7:45 PM
IFMMS Trial Balance to CFMRS	April 6, 4:00 PM	April 6, 4:00 PM
<i>IFMMS Trial Balance resubmission to CFMRS (if required)</i>	<i>April 10, 4:00 PM</i>	<i>April 10, 4:00 PM</i>
Final date to remit NHQ GST/HST collected to CCRA - Debtor Initiated IS	March 30, 11:59 PM	March 29, 7:45 PM
Final date for NHQ Accounting Services to Creditor Initiate to CCRA for Balance in RAA	March 30, 11:59 PM	March 29, 7:45 PM

<b>Extended Component (sub period 12.1)</b>	<b>PWGSC Cut-off Eastern Time</b>	<b>Regional CSC Cut-off Eastern Time</b>
Regional JVs to NHQ for processing region-to-region-to-NHQ entries	N/A	April 20
Monitoring of April Cash Receipts Worksheets to NHQ	N/A	May 7
Record 50% of Pay Period 01-2001-02 inmate pay in the old year	N/A	May 11
Input all of PAYE/RAYE Journals in IFMMS	N/A	May 11
Cost Reallocation Exercise (COMO)	N/A	May 11
OGD - A/R and A/P to Receiver General /Corporate Accounting	May 21, - 4:00 PM	May 14
Trial Balance to CFMRS	May 14, 4:00 PM	N/A
<i>Trial Balance resubmission to CFMRS if required</i>	<i>May 16, 4:00 PM</i>	<i>N/A</i>
Standing Advance Certificate to NHQ	N/A	May 19, 2001
Advances Outstanding at April 30, 2001	N/A	May 19, 2001

**Appendix i (cont'd)**  
**OVERVIEW OF THE CUT-OFF SCHEDULE**  
**FISCAL YEAR-END 2000-01**

<b>Extended Component (sub period 12.2)</b>	<b>PWGSC Cut-off Eastern Time</b>	<b>Regional CSC Cut-off Eastern Time</b>
Standing Advance Certificate to PWGSC	June 5, 4:00 PM	N/A
IFMMS <b>Final Trial Balance</b> to CFMRS (Final Financial Statement equivalent)	June 20, 4:00 PM	N/A
<i>IFMMS <b>Final Trial Balance resubmission</b> to CFMRS (if required due to errors in CFMRS validation edits)</i>	<i>June 22, 4:00 PM</i>	N/A
Certificate of Representation for Final Trial Balance	June 20, 4:00 PM	N/A
Certificate of Representation for Final Trial Balance (If resubmission required)	June 22, 4:00 PM	N/A
OGD - A/R and A/P detail to Receiver General <i>(if required)</i>	June 27	N/A
Public Accounts Input for Volume I, II (I)	June 18, 4:00 PM	June 15 (TBC)
All adjusting entries to NHQ for RHQ processing <i>(should only be for corrections)</i>	N/A	June 15
IAS Reconciliation - P12 Inmate Trust Fund Reconciliation IAS/IFMMS	N/A	June 15
Letter of Representation	July 23, 4:00 PM	June 15
<b>Extended Component (sub period 12.3)</b>	<b>PWGSC Cut-off Eastern Time</b>	<b>Regional CSC Cut-off Eastern Time</b>
Public Accounts Input for Volume II (II)	July 9, 4:00 PM	N/A
OGD A/R and A/P detail to RG if required	As requested by RG	N/A
IFMMS Trial Balance to CFMRS for significant & material adjustments as agreed to by Receiver General. <b>NB. Submission of this Trial Balance is only if adjustments are required.</b>	July 9, 4:00 PM	N/A
<i>IFMMS Trial Balance to CFMRS for significant &amp; material adjustments as agreed to by Receiver General (If resubmission was required)</i>	<i>July 23, 4:00 PM</i>	N/A
<i>Certificate of Representation for Final Trial Balance, if required</i>	<i>July 23, 4:00 PM</i>	N/A

**Appendix i (cont'd)  
OVERVIEW OF THE CUT-OFF SCHEDULE  
FISCAL YEAR-END 2000-01**

<b>Period 01 New-year</b>	<b>PWGSC Cut-off Eastern Time</b>	<b>Regional CSC Cut-off Eastern Time</b>
New-year pay (salaries) processing starts	N/A	March 27
New-year accounts payable processing	N/A	April 2, 2001
Reverse Reversible accruals, e.g. Inmate Pay, Accountable Advances etc.	N/A	May 4, 2001

**Appendix ii**  
**Processing transactions in SSP/ IFMMS at Year End****Old Year "Clean-up":**

- NHQ Comptrollership Systems has issued an IFMMS 3<sup>rd</sup> Quarter Activities bulletin to assist Materiel Management and Finance in finalizing old year transactions. The bulletin is to be found in [http://infonet-staging/finance/bulletins/ifmms/bulletin2001\\_02\\_e.doc](http://infonet-staging/finance/bulletins/ifmms/bulletin2001_02_e.doc)
- All **commitments** (requisitions, purchase orders or releases) must be analyzed to determine what has been received, billed, paid and what is outstanding. Reports recommended for this analysis are the Open Purchase Orders by Cost Centre, the Encumbrance Detail report and the Detailed Commitment report in IMRS. Orders may also be viewed in IFMMS and SSP.
- **Commitments** not required in the new-year are to be cancelled by March 31, 2001. Those which will be required in the new-year will be cancelled by March 31 and set up again once new-year budgets are in place.
- All unapproved, unposted or unpaid **invoices** must be approved or cancelled before March 31, 2001. Reports recommended to identify these transactions are the CSC Invoice Aging PODD report (for unpaid invoices), the Invoice Register (for unapproved invoices, except for automatically-generated invoices) and the CSC Invoice on Hold report (for invoices on hold). Lists of unapproved, automatically created invoices have been distributed to regions.

Prior to cancelling invoices, Finance users should verify purchase orders and proceed as follows:

- If the purchase order is cancelled and a receipt has been entered, process a zero dollar invoice.
  - If the purchase order is cancelled and no receipt has been entered, cancel the invoice.
  - If the purchase order is approved, cancel the invoice, then final close the purchase order.
  - If the purchase order is finally closed, cancel the invoice. Subsequently, NHQ Comptrollership Systems will run a job which will restore funds to the free balance.
- All unposted or error **journals** must be deleted or posted before March 31, 2001. Locate journals using a Journals-General report or a Journal Enquiry.

**Purchasing**

- Starting March 5, 2001, SSP and IFMMS auto invoicing will be disabled until mid-April (date to be confirmed by systems). During this time, the CSC Uninvoiced Receipts report can be used to identify receipts that have not yet been invoiced.
- Up to and including March 31, 2001 transactions are processed as usual in SSP and the Purchasing module of IFMMS.
- P12 (Purchasing) will be held open until April 6, 2001 to permit users to enter receipts in SSP of all old year goods and services received up to and including March 31, 2001.
- **Normally the Expected Receipt Date field defaults to the current date. During the period of March 31<sup>st</sup> to April 6<sup>th</sup>, the Expected Receipt Date MUST be changed to March 31, 2001.**

**Fixes Assets Module**

- Friday, April 6, 2001 is the last date for P12 input to the Fixed Assets Module.
- The Fixed Assets Module will be unavailable from April 7<sup>th</sup> - 22<sup>nd</sup>, 2001.

**Appendix ii (Cont'd)**  
**Processing transactions in SSP/ IFMMS at Year End**

**Accounts payable**

- While automatic invoicing is disabled, invoices will be entered manually and matched to purchase orders in the normal manner. IFMMS will perform 3-way matching i.e. PO to receipt to invoice. As usual, holds must be analyzed carefully to determine whether they should be released.
- No special responsibilities nor special arrangements (e.g. payment priority 99, changes to the terms date, used at year end 99-00) are required for processing invoices or payments this year end.
- Invoices entered in IFMMS in March will be charged to old year budgets. Invoices entered in April will be processed as new-year transactions.
- Old year invoices may be entered in IFMMS up to and including March 29, 2001 for OGDs and March 31, 2001 for suppliers. Charges for goods and services received in the old year for which invoices have not been entered in IFMMS by these dates will be set up as accrued liabilities (PAYE) by processing a journal in the GL during P12 Extended period 1.
- In order to free up encumbered funds to process PAYE transactions, in cases where goods or services have been received by March 31, but an invoice was not processed, proceed as follows:
  - The manager or Materiel Management staff enter a receipt, backdated to March 31 if entered between April 1 - 6.
  - After April 6, Finance runs an Uninvoiced receipts report.
  - Finance finally closes purchase orders identified by the Uninvoiced receipts report, backdating the action date to March 31. Note that if the action date is not changed to March 31, a negative encumbrance will be created in the new-year. Note also that the action required is to final close the purchase order. Cancellation would not free up the funds associated with the receipt.
- P12 (Accounts payable) is scheduled to close on March 31, 2001, 7:45 AM.

**Journals entered during P12 Extended periods:**

- Finance Technicians who enter old year journals in IFMMS during P12 Extended periods will use special year end GL34 responsibilities which will default the journals into P12.
- Finance Technicians entering new-year journals will use their usual GL34 responsibilities.

**Transactions crossing two fiscal years:**

- Every effort must be made to avoid transactions that cross two fiscal years e.g. an invoice created in the old year and cancelled in the new-year. NHQ Comptrollership Systems will run reports periodically during April and May to identify these transactions and advise users of the corrective action to be taken.

**NHQ CONTACT: Ruth Willsher at (613) 996-5000**

**Appendix 1**  
**Old Year Accrual Entries, Adjusting Entries and Closing Old Year Accounts**

**Reference: RGD 2001-3, Appendix 1**

**TRANSITION PROTOCOL**

When CSC became "FIS Systems ready" on April 1, 2000, certain accrual accounting policies and requirements were mandatory.

The Transition Protocol for 2000-01 identified the following mandatory minimum requirements for departments that would be in transition during 2000-01:

- Accounts Receivable
- Allowance for bad debts
- Loans, investments, and advances (including advances to employees)
- Accounts Payable
- Accrued Salaries

CSC committed to implement full accrual accounting for the following items as of April 1, 2001:

- Prepays
- Capital Assets
- Deferred Charges
- Accrued Vacation Pay
- Accrued Compensatory Time

For the above accounts, the asset/liability value will not be included in CSC's 2000-2001 accounts. However, they must be included as opening balances in CSC's 2001-2002 accounts. Regions may be required to provide some of the information, as indicated in the various appendices to follow and NHQ Corporate Accounting will be responsible to ensure the amounts are correctly reflected in the correct fiscal years. More information is available through the following URL: [http://www.tbs-sct.gc.ca/fin/sigs/Information Bulletins/info\\_fis\\_tp2000\\_e.html](http://www.tbs-sct.gc.ca/fin/sigs/Information%20Bulletins/info_fis_tp2000_e.html)

**ACCRUAL AND ADJUSTING ENTRIES**

NHQ Comptrollership Systems have issued Bulletin No. 2001-05 "Use of Application Desktop Integrator (ADI) to enter Journals in IFMMS" Dated March 15, 2001. This bulletin explains the process for entering journals into IFMMS using ADI, an EXCEL spreadsheet-based extension of the IFMMS General Ledger. This process allows users to upload data from an EXCEL Spreadsheet into IFMMS. IFMMS Users at RHQs who wish to use the ADI feature to enter large journals, e.g. PAYE, should request access from NHQ Comptrollership Systems by e-mail to GEN-NHQ\_IFMMS.

The following is a summary of the accruals required for Year-end

**a) Accrual of regular salary, overtime and retroactive salary settlements**

Overtime, retroactive salary settlements and other pay related items not processed by the RPS cut off dates of March 21<sup>st</sup> or March 22<sup>nd</sup> must be accrued.

**b) Operating expense accrual (External – Non OGD)**

**Regions are required to** set up accruals in the accounts at the end of the fiscal year for goods or services received by CSC that have not been recorded– see Appendix 19 in these procedures.

**Appendix 1 (Cont'd)**  
**Old Year Accrual Entries, Adjusting Entries and Closing Old Year Accounts**

**c) Operating expense accrual (Other Government Departments (OGDs))**

The processing of transactions between CSC and OGDs (Interdepartmental Settlements) is different to that employed when dealing with non- Federal Government trading partners. **Regions are required to** set up accruals for goods or services received by CSC from OGDs and which have not been recorded in the accounts at the end of the fiscal year. See Appendix 6 for processing up to March 29, 2001 and Appendix 19 for processing accruals in P12 Extended Component 12.1.

**d) Other Accruals - Not required - Capital Assets will not be capitalized until next fiscal year**

**e) Amortization - Not required**

There is no requirement for CSC to charge amortization of Capital assets this year. Capital assets will be valued and carried as closing balances for the year 2000-2001 - therefore, no amortization expense will be recorded.

**f) Allowance for doubtful accounts**

**Regions are required to** record an adjusting entry to set up their Allowance for Doubtful Accounts. See Appendix 20 for details.

**g) Inventory expense**

There is no requirement for CSC to charge inventory expense for 2000-2001. Inventories will not be carried on the Balance Sheet of CSC- they are to be expensed in the year of acquisition

**h) Prepaid expense adjustment**

There is no requirement to set up prepaid expenses at March 31, 2001 for this fiscal year end. However, **regions are required to** report to NHQ the opening balances for Prepaids as at April 1, 2001 - NHQ will ensure that they are included in the opening balances - See Appendix 2.

**i) Adjustment to allowance for accrued vacation, sick leave or severance benefits Not Required**

Various accruals are required to ensure that all amounts pertaining to salaries are reflected in the books of the Government of Canada. Not all items have been devolved o departments or regions. Treasury Board will continue to do some accruals, others will be done by NHQ while the regions will have the responsibility to set-up others. Each item is addressed separately in Appendix 4.

**j) Adjustment to allowance for valuation of loans, investments and advances**

There is no requirement for CSC to set up accruals for valuation of loans, investments and advances; Treasury Board will record these. NHQ is responsible for reporting to Treasury Board.

**k) Payroll transfers (i.e., salaries and wages for employees transferred or loaned to OGDs)**

**l) Adjustment for employee benefit plans - NHQ, Accounting Services can expect to receive a revised estimate from Treasury Board in May that will have to be accrued. See Appendix 4.**

**m) Accrued non-tax revenue (External - Non OGD)**

**Regions are required** to ensure that all amounts owing to CSC from external parties are recorded as an accounts receivable invoice or are accrued before the cut-off for year-end. See Appendix 20. This is a change from previous years.

---

Appendix 1(Cont'd)  
Old Year Accrual Entries, Adjusting Entries and Closing Old Year Accounts

**n) Accrued non-tax revenue OGD**

The processing of transactions between CSC and OGDs (Interdepartmental Settlements) is different to that employed when dealing with non-Federal Government trading partners. Regions are required to set up accruals for goods or services rendered to OGDs by CSC and which have not been recorded in the accounts at the end of the fiscal – see Appendix 6 and 20 in these procedures. There are different procedures for CORCAN - See Appendix 15.

**o) Adjust deferred revenue (received but not earned)**

Under cash-based appropriation accounting revenues are recognized when the monies are received. Under accrual accounting revenue is recognized as earned when goods are provided or services are rendered. Thus, under accrual accounting money received in advance and not yet earned should be recorded as a deferred revenue liability.

If deferred revenues exist at year-end March 31, 2001, **regions are required** to report the amount of the deferred revenue liability to NHQ. NHQ will ensure that the amounts are reflected in the Opening Balances - See Appendix 2.

**p) Old year cheque cancellations (Receiver General cheques) processed in the new-year**

Regions are required, during the Period 12 Extended Component, to recognize and record the effect of cancellation of the old year cheques on the appropriation. See Appendix 7.

**q) Old year DBA cheque issue not processed by SPS during the Period 12 Regular Component cut off date**

Regions are required to make adjusting entries to record any old year DBA cheques issued and not forwarded to SPS for processing on or before March 30. See Appendix 9 for details.

**r) Money received and deposited on or after April 1 related to refunds of old year expenditures**

**Regions are required** to distinguish between April deposits for Old Year and those applicable to New-year – for details see Appendix 5

**Appendix 1(Cont'd)  
Old Year Accrual Entries, Adjusting Entries and Closing Old Year Accounts**

**IFMMS Categories to use for the various accounting entries in the GL Module.**

Categories currently available in IFMMS and their recommended usage in relation to the requirements in the year-end procedures.

<b>Category</b>	<b>Description</b>	<b>Recommended Usage</b>
Adjustment	Adjusting Journal entries	<ul style="list-style-type: none"> <li>Appendix 3 - Used to recognize old year expenses for Accountable Advances</li> <li>Correcting coding errors - regular</li> <li>Correcting coding errors -deposits</li> <li>Appendix 18 - Cost Reallocation Exercise</li> </ul>
Bank Deposit	Bank Deposits (Regular - DP, BMCS - AD and RG)	<ul style="list-style-type: none"> <li>Entering Regular Deposits (DP)</li> <li>Making adjustments to Regular Deposits - except coding errors</li> <li>To enter deposit Types AD and RG, Alias: BCMS</li> </ul>
CORCAN IS	CORCAN IS transactions	<ul style="list-style-type: none"> <li>To enter CSC recoveries from CORCAN</li> </ul>
Deposit Adjustments	Deposit Adjustments (NSF - Deposit type CB)	<ul style="list-style-type: none"> <li>To record NSF cheques related to deposits - Type CB, Alias: CBACK</li> </ul>
Salary Garnishment	Garnishment Salary	<ul style="list-style-type: none"> <li>To enter IJV received from Rec. Gen. - re Garnishee</li> </ul>
IS Creditor	IS Transaction	<ul style="list-style-type: none"> <li>To enter receipt of funds</li> </ul>
IS Redistribution	IS Redistribution of Creditor IS	<ul style="list-style-type: none"> <li>To redistribute receipt of funds coded to IS Suspense Account</li> </ul>
Pay Corrections	Pay Corrections	<ul style="list-style-type: none"> <li>To enter all pay corrections</li> <li>Appendix 4 - clearing of salary suspense coding</li> </ul>
Pay Expense Redistribution	Pay Expense Redistribution	<ul style="list-style-type: none"> <li>To redistribute pay expense</li> <li>Appendix 4 - clearing of salary suspense coding</li> </ul>
Pay Returns from CORCAN	Pay Returns from CORCAN/NHQ Only	<ul style="list-style-type: none"> <li>To record CSC pay transactions in IFMMS previously sent to CORCAN/NHQ only</li> </ul>
Reversal/Settlement PAYE	Reversal/Settlement PAYE	
Carry forward	Carry forward Journal entries	<ul style="list-style-type: none"> <li>Appendix 2 Set-up opening balances for prepaids and deferred revenues</li> <li>Appendix 4 - set-up opening balances for Allowances for Vacation Pay and Compensatory Time not being paid out</li> </ul>
PAYE*	Payables at Year End (PAYE)	<ul style="list-style-type: none"> <li>Appendix 3 - Setup of outstanding advance amounts</li> <li>Appendix 4 - salary accruals</li> <li>Appendix 9 - set-up accruals for old year DBA blotters</li> <li>Appendix 17 - set-up old year inmate pay PP26</li> </ul>
RAYE*	Payables at Year End (Receivables-RAYE)	<ul style="list-style-type: none"> <li>Appendix 3 - Setup of outstanding advance amounts</li> <li>Appendix 4 - salary accruals</li> <li>Appendix 7 - reflect affect of old year cheque cancellation in the old year</li> </ul>
Accruals to be reversed*	Reverse accruals made in prior periods	<ul style="list-style-type: none"> <li>Appendix 3 Carry forward of new-year advances issued in the old year</li> <li>Advances issued in Old Year for expenses to be incurred in New-year</li> <li>Appendix 4 - salary accruals to be reversed in new-year</li> </ul>

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

Appendix 2

New-year Accounts Opening Balances, Reversals and Control Accounts

Reference: RGD 2001-3, Appendix 2

1.0 FINANCIAL REPORTING ACCOUNTS CARRY FORWARD OF THE OLD YEAR BALANCES TO THE NEW-YEAR

No requirement for regions - this will be a NHQ responsibility

2.0 NEW-YEAR OPENING BALANCES

Regions are responsible for ensuring that all entries affecting the following accounts have been recorded in the IFMMS by the close of Period 12.1. These accounts will be automatically rolled over to the new-year.

Account Type	Allotment
Accrued Interest Payable	Code Requ'd
DBA Payments in Transit	XXX
Suspense Accounts OGD - Must be Zero	187
Sales Taxes - (PST)	601
Sales Taxes - (GST/HST)	603
Sales Taxes - (GST/HST) Refund Advance A/c Credit	604
Deposit Control Account	610
Cash in Transit	611
MRMAOFY	612
Officer's Custom Deposits	640
Canteen Tokens	650
Suspense Accounts - CSC	660
Advance Overpayments to be Recovered	661
American Express	670
Accounts Payable, Non-OGD	690
Accounts Payable, OGD	691
Accrued Liabilities, CORCAN	692
PAYE - DBA Cheques	694
Accrued Accounts Receivable CORCAN	696
Accrued Accounts Receivable Non-OGD	697
Accrued Accounts Receivable OGD	698
Accounts Receivable - (OGD and Non-OGD)	700
Accountable Advances (Temporary Advances)	701
Accounts Receivable Refund of Program Expenses	702
Standing Advances (Incl. Petty Cash)	730
Parolee Loans	750
Pay Deduction Suspense	760
Contractor Holdbacks	790
Garnisheed Salaries	800
Specified Purpose Accounts - Inmate Trust Fund	820
ITF Interest Payable	850
ITF Unclaimed	870
Receivable Canteen	880

Appendix 2

New-year Accounts Opening Balances, Reversals and Control Accounts

**Prepays**

Regions are required to report to NHQ the opening balances for Prepays as at April 1, 2001 by April 20<sup>th</sup>, 2001. NHQ will ensure that they are included in the opening balances.

**Deferred Revenues**

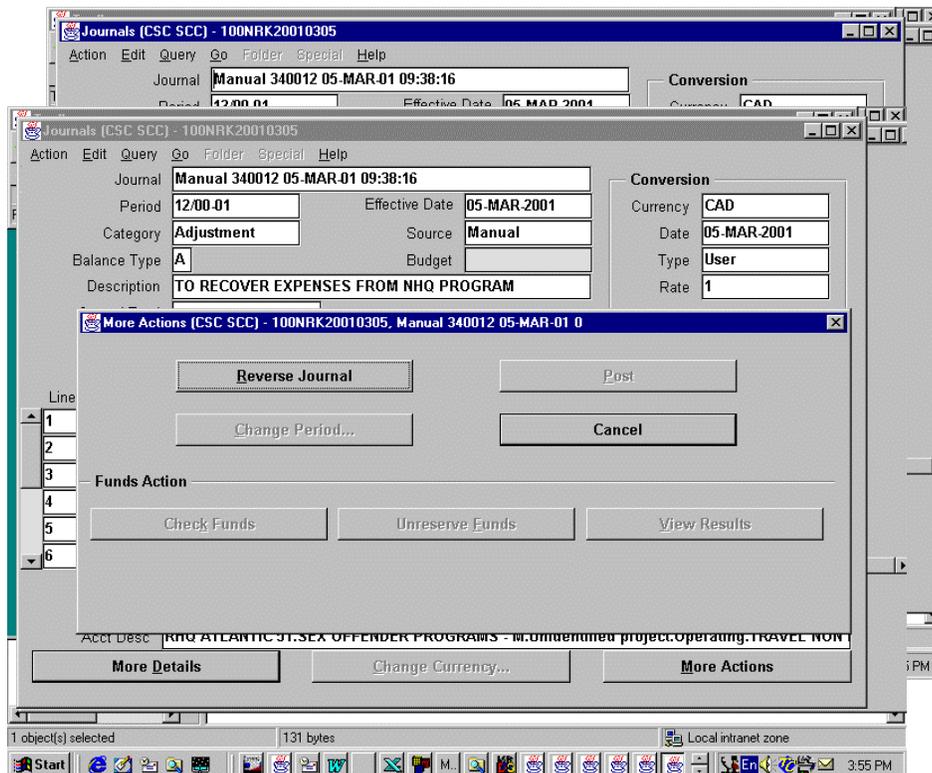
If deferred revenues exist at year-end March 31, 2001, regions are required to report the amount of the deferred revenue liability to NHQ as at April 1, 2001 by April 20<sup>th</sup>, 2001. NHQ will ensure that they are included in the opening balances.

**3.0 NEW-YEAR ADJUSTING ENTRIES**

After the old year has been adjusted and closed, new-year reversing of accrued entries may be made to simplify the new-year recording of routine transactions. Generally, accruals are reversed with an entry reversing the debits and credits of the entry that set up the accrual. The process should be the same as the monthly reversing entries processed during the year.

Some year end accruals are not reversed in the new-year because the entire payment or receipt applies to the old year and is charged to the accrued liability e.g. PAYE/RAYE. Others (Reversible) are reversed to correctly allocate new-year payments or receipts between old year and new-year.

It is possible to reverse a journal entry by locating the journal and clicking the "reverse" button on the particular journal entry. A new category, "Accruals to be reversed" has been created to facilitate the identification of such entries. To reverse an entry, select the entry to be reversed as shown on the following screen:



Click on the "More Actions" button to display the following screen:  
Click "Reverse Journal" and select the period in which you wish to record the reversal.

**Appendix 2**

**New-year Accounts Opening Balances, Reversals and Control Accounts**

**4.0 RECONCILIATIONS OF CONTROL ACCOUNTS**

Corporate Accounting is responsible for these reconciliations.

Regions will be contacted when their assistance is needed to clear reconciling items.

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

Appendix 3

Accountable Advances

**Reference: RGD 2001-3, Appendix 3**

Temporary Accountable Advances in CSC are indicated in the table below. The instructions that follow pertain to all advance types. **NOTE THIS IS A CHANGE FROM PREVIOUS YEARS.**

Line Object	Advance Type	Line Object	Advance Type
01500	Vacation Pay	04161	Contract Teachers and Instructors - Travel
01501	Emergency Salary	04490	Chaplaincy Contracts - Fees
02400	Travel	04491	Chaplaincy Contracts - Travel
02550	Relocation	04515	Counseling and Liaison Services - Fees
04091	Tuition	04516	Counseling and Liaison Services - Travel
04160	Contract Teachers and Instructors	04610	Residential Services

The advance would have been issued in the old year as illustrated in the following example:

Dr Travel Advance (240-02400)	\$1000	
Cr. Accounts Payable		\$1000
Dr Accounts Payable	\$1000	
Cr. Cash Clearing		\$1000

**Advances issued in the old year for expenses to be incurred in the NEW-YEAR.**

All advances that were issued in the old year for expenses that will occur in the new-year must be removed from old year expenses and carried forward to the new-year.

Regions must prepare adjusting journal entries in the GL module in Period 12.1 before the cut-off as illustrated in the following example:

Dr Travel Advance	(Allot.701-LOBJ 02400)	1000.00	
Dr Tuition Advance	(Allot 701-LOBJ 04091)	1000.00	
Cr. Travel Advance	(Allot 240-LOBJ 02400)		1000.00
Cr. Tuition Advance	(Allot 240-LOBJ 04091)		1000.00

Allotment 701 is an asset account that will be automatically carried forward to the new-year by IFMMS

NOTE: You will use the same line object.

In the new-year the regions must reverse old year entry in the GL module to charge the advance against the new-year budget as illustrated in the following example:

Dr Travel Advance	(Allot 240-LOBJ 02400)	1000.00	
Dr Tuition Advance	(Allot 240-LOBJ 04091)	1000.00	
Cr. Travel Advances	(Allot. 701-LOBJ 02400)		1000.00
Cr. Tuition Advance	(Allot. 701-LOBJ 04091)		1000.00

**If an advance is issued in the old year for expenses to be incurred in BOTH old year and new-year, the portion applicable to the new-year is to be carried forward to the new fiscal year.**

Appendix 3 (Continued ...)

Accountable Advances

**Advances issued in the old year for expenses incurred in the OLD YEAR.**

Regions must make every effort to clear outstanding advances before the closing of the old year accounts in PERIOD 12.

If the expense has been incurred in the old year, regions must:

- Recognize the expense in the old year;
- Clear the advance in the old year;
- Set-up any amounts owing to CSC as Accounts Receivable; or
- Set-up any amounts owed to the payee as PAYE.

If the claim has been received and not processed by March 30<sup>th</sup>, the amounts will be known. If the amounts are not known, regions must estimate the amount to be expensed.

**Amount owing to CSC**

Regions must prepare adjusting journal entries in the GL module, in Period 12.1 before the cut-off as illustrated in the following example:

To recognize the old year expense, clear the advance and record the amount owing to CSC as Accounts Receivable:

Dr Travel Expense	(Allot. 240-LOBJ 02100)	800.00	
Dr Travel Receipt Suspense	(Allot. 660-LOBJ 43500)	200.00	
Cr. Travel Advance	(Allot. 240-LOBJ 02400)		1000.00
Dr Tuition Expense	(Allot. 240-LOBJ 04105)	800.00	
Dr Advance Overpayments to be recovered *	(Allot. 661-LOBJ 04091)	200.00	
Cr. Tuition Advance	(Allot. 240-LOBJ 04091)		1000.00

\* The allotment will be 661, the LOBJ will describe the type of advance.

When the claim / invoice is received for processing in the new-year:

- no entry is required in the new-year records, except
- when the outstanding amount is received - it will be credited to the Travel Receipts Suspense coding, Allotment 660, line object 43500 or Advance Overpayments to be recovered (Allot. ~~704-661~~ LOBJ as applicable) to clear the amount due.

If the expense is less than estimated:

- the remaining balance in the Travel Receipts Suspense coding / Advance Overpayments to be recovered is to be credited to Refund of previous year's expenditures.

If the expense is more than estimated:

- the additional amount will be charged to the current year's expense.

Appendix 3 (Continued ...)

Accountable Advances

**Amount owing to payee**

Regions must prepare adjusting journal entries in the GL module, in Period 12.1 before the cut-off as illustrated in the following example:

To Recognize amount owing to Payee as PAYE:

Dr Travel Expense	(Allot 240-LOBJ 02100)	1200.00
Cr. Travel Advance	(Allot. 240-LOBJ 02400)	1000.00
Cr. PAYE	(Allot. 690-LOBJ 84200)	200.00
Dr Tuition Expense	(Allot 240-LOBJ 04105)	1200.00
Cr. Tuition Advance	(Allot. 240-LOBJ 04091)	1000.00
Cr. PAYE	(Allot. 690-LOBJ 84200)	200.00

When the claim / invoice is received for processing in the new-year:

- it will be recorded in the accounts payable module with a debit to the PAYE coding to clear the amount owing to the Payee.
- In addition, If you debit Allot 240 LOBJ 02400 for the amount of the prepayment and apply the prepayment to the invoice, the net effect on Allotment 240 will clearly be zero.

If the expense is less than estimated:

- the remaining balance in the PAYE account will be credited to Refund of previous year's expenditures.

If the expense is more than estimated:

- the additional amount will be charged to the current year's expense.

**Advances Outstanding April 30, 2001**

If an advance has been issued and the claim has not been received by April 30, 2001, provide the following information for each advance. (Exclude any advance carried forward to new-year for new-year travel).

<b>Date Advance Issued</b>	<b>Name of Advance holder</b>	<b>Amount advanced</b>
		\$
		\$
	<b>Total</b>	\$

The schedule is to be received at NHQ, Corporate Accounting by May 19, 2001.

**Prepayment Records**

When processing your adjusting Journal entries in the G/L Module in P12.1, you will not have access to these payment records.

At present there is no published procedure describing how to clear prepayments that have not been applied. These prepayments could be cleared by entering an `Expense report' type invoice using the same coding and amount as the original advance and applying the prepayment to it. Because the application of the prepayment creates a credit line, the `Expense report' is effectively a zero dollar invoice and could be processed in the new fiscal year.

**Appendix 3 (Continued ...)****Accountable Advances****Standing Advances - Standing Travel and Petty Cash Advances:**

NHQ Corporate Accounting must provide the Receiver General with the Certificate of Standing Advances (illustrated on Page 16 of this appendix) on or before June 5, 2001. The total amount of the advances issued by the department from the Central Working Capital Advance Fund by type (e.g., travel, petty cash, etc.) must be reported. The total amount to be certified must agree with the amount to be reported in the *Public Accounts of Canada* in respect of such accountable advances.

- Holders of standing advances i.e. petty cash and standing travel advances are required to confirm the amount of their respective advances as at March 31, 2001 using the attached Certification of Standing Advance Form on page 17.
- Completed certificates are to be sent to the A/Manager, Financial Operations by May 19, 2001.
- These advances are recorded as assets in allotments 720 and 730 and are automatically carried forward.

**NHQ CONTACT: Francois Labrie at (613) 943-2249**

Appendix 3 (continued)

Accountable Advances

CERTIFICATE OF STANDING ADVANCES

Department Name	Department Number
Name of Contact	Telephone Number

I hereby certify, in accordance with Section 6 (4) (b) of the *Accountable Advances Regulations*, that the following advances issued from the central working capital advance account are held in this department and will be reported in the *Public Accounts of Canada* for the fiscal year ending March 31, 2001.

Type of Advance	Amount \$
1. Standing Travel Advance	_____
2. Petty Cash Advance	_____
3. Other (Specify)	_____
4. Other (Specify)	_____
Total Financial Reporting Account 13315	\$_____

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Print Name	Title
------------	-------

Reference: RGD 2001-3 (Departments FIS in 2000-2001, page 39)

Appendix 3 (Continued ...)

Accountable Advances

**Reference: RGD 2001-3, Appendix 3**

CERTIFICATION OF STANDING ADVANCE

Due Date: May 19, 2001

To: A/Manager, Financial Operations  
NHQ

From: \_\_\_\_\_  
Advance Holder (Print or type name)

**STANDING ADVANCE - YEAR-END 2000-01**

I certify that on March 31, 2001, I had in my possession the following advance(s) and that the funds will be required for the same purpose during fiscal year 2001-02. I also certify that I am using the standing advance on a regular and frequent basis as required by the Accountable Advance Regulations.

Standing Travel Advance: \$ \_\_\_\_\_

Petty Cash Advance: \$ \_\_\_\_\_

\_\_\_\_\_  
Standing Advance Holder's Signature      Date      Responsibility Centre Name

\_\_\_\_\_  
Manager's Signature      Date

**Petty cash** coding: \_\_\_\_\_-00000-720-41400-1(2 for CORCAN)-1  
RESP-Sub-resp-Cost Centre\*

**Standing travel** coding: \_\_\_\_\_-00000-730-41500-1(2 for CORCAN)-1  
RESP-Sub-resp-Cost centre\*

\* CORCAN must indicate the applicable cost centre while the cost centre must be zero-filled for the rest of CSC.

**Appendix 4****Treatment of Salaries and Wages at Year End**

**Reference: RGD 2001-3, Appendix 4**

- 1.0 Regular pay processing - Regional Pay System (RPS) - Current Status Salaries**
- 2.0 Regular pay processing - Regional Pay System (RPS) - Positive Time Salaries**

Current Status Salary employees are those regular indeterminate and term employees for whom benefits (including vacation pay) are paid by the employer. The pay processing is automatic and paid up to the pay date.

Positive time employees are casual employees paid in arrears (7A) who receive payment only for actual time worked. They are paid two weeks in arrears and do not receive vacation pay or other benefits. Lobj 01140 and 01150

The 2000-2001 cut-off of pay action requests for payroll processing to the RPS is as follows:

- **On-line Pay Input:**
  - 2:00 p.m. ET March 22, 2001** - Eastern Region
  - 3:00 p.m. ET March 22, 2001** - Western Region
- **Bulk Pay Input:**
  - 2:00 p.m. ET March 21, 2001** - Eastern Region
  - 3:00 p.m. ET March 21, 2001** - Western Region

In order for the RPS to process payroll cheque cancellations and provide the accounting in the old fiscal year, the PWGSC Payroll Accounting Office (PAO) must receive the cheques by **11:59 p.m. March 19, 2001**.

Departments that have old year cheques for cancellation, but have missed the cut-off date will have to accrue the transaction in the old year (PAYE) see appendix 19 and 20.

All pay action requests not submitted to the RPS by the foregoing dates will be processed in the new fiscal year.

**3.0 Accruals to recognize current and positive time salary expenses to March 31, 2001**

Old year salary accruals for March 29 and 30<sup>th</sup> will be automatically calculated and recorded by NHQ Corporate Accounting. This will include a 2-day accrual for current status and positive time employees.

The accrual will only include those entitlement codes included in the normal regular pay. Other entitlement codes such as overtime, shift premiums, etc., which are paid in arrears, are not included in this accrual. Therefore, any such amounts incurred up to March 31<sup>st</sup>, and not paid by the March 21<sup>st</sup>/22<sup>nd</sup> cut-off dates, must be accrued by the regions manually.

In addition to the 2-day accrual, a 10-day accrual is required for the positive time salaries for the period March 15 - 28<sup>th</sup>, 2001.

- NHQ Corporate Accounting will use the 2-day portion of the above accrual and extrapolated it for 10 days. Information from the 2-day will be extracted from the last pay accrual in IFMMS, loaded in an EXCEL spreadsheet and the 2-day amounts will be extended to 10 days (Multiplied by 5)
- NHQ Corporate Accounting will enter these amounts in IFMMS in old year IFMMS using the GL ADI capability. All liability accounts will be automatically carried forward.
- NHQ Corporate Accounting will reverse this entry in IFMMS in the New-year.
- No regional input required (If this works)

Appendix 4

**Treatment of Salaries and Wages at Year End**

Corporate Accounting will distribute a copy of the EXCEL spreadsheet to the regions. Regions may wish to review the amounts recorded on the spreadsheet and adjust the accrual if it was not applicable, i.e. if positive time employees did not work during the last 12 days of March. To adjust the accrual the following entry will be required:

Dr Payee coding used (Allotment 690, Line object 84200 - Operating)	\$xxx	
Dr Payee coding used (Allotment 690, Line object 84500 - Capital)	\$xxx	
Cr. Salary expense		\$xxx

Any adjustments made by the regions will have to be reversed by the regions in the new-year.

**4.0 Overtime earned in old year – to be paid out**

Overtime earned as of March 31 that is to be paid out must be included in the old year expenses. Amounts not paid by the March 21/22 dates will have to be set-up in PAYE using the following entry:

Dr Overtime Expense	\$xxx	
Cr. PAYE - Supplier (Allotment 690, Line object 84200 - Operating)		\$xxx
Cr. PAYE - Supplier (Allotment 690, Line object 84500 - Capital)		\$xxx

**5.0 Overtime earned in old year – to be taken in time (compensatory)**

We are required to enter the opening balance of this overtime in the accrual set of books. There is no impact on Manager's budgets for this accrual. We have asked NHQ Personnel to supply this information and expect to be able to calculate the opening balance from this information. Accordingly, no regional input is expected at this time. Our entry in will be:

DR Net Equity	\$xxx	
CR Accrued Compensatory Overtime (Allot 693 LOBJ 84400)		\$xxx

**6.0 Annual leave earned in old year – to be paid out**

Annual leave earned as of March 31 that is to be paid out must be included in the old year expenses. All collective agreements usually state the allowable annual leave that may be carried forward to the next fiscal year. You will need to consult with your personnel staff to obtain the required information for the amounts to be paid out. As in previous years, this **will impact on the Manager's budget**. Amounts not paid by the March 21/22 dates will have to be set-up in PAYE using the following entry:

Dr Salary Expense	\$xxx	
Cr. PAYE - Supplier (Allotment 690, Line object 84200 - Operating)		\$xxx
Cr. PAYE - Supplier (Allotment 690, Line object 84500 - Capital)		\$xxx

**7.0 Annual leave earned accumulated as of March 31 – to be carried forward**

Annual leave accumulated as of March 31 that is to be carried forward to the next fiscal year must be set-up in the new-year opening balances. CSC must recognize the amount of this liability. All entries will be to non-appropriated coding this year and next. There **will not** be any impact on the Manager's budget. NHQ Finance will be able to obtain the value of this liability from NHQ Personnel's peoplesoft system and establish the liability for all of CSC. Our entry in will be:

DR Net Equity	\$xxx	
CR Accrued Annual Leave (Allot 693 LOBJ 84300)		\$xxx

Appendix 4

Treatment of Salaries and Wages at Year End

**8.0 Other Severance Pay and Employee Benefits**

No entry required by CSC. Treasury Board has not yet devolved the responsibility for these accruals to departments.

**9.0 Employee Benefit Plan**

No requirement from the regions. In early May Treasury Board will advise NHQ if we must make adjustments in IFMMS prior to the June 22<sup>nd</sup> trial balance submission. NHQ will set-up an adjusting entry to accrue amounts owing as follows:

Additional amount owing:			
Dr EBP coding	(Allot 235 LOBJ 019XX)	\$xxx	
CR Accounts Payable - OGD	(Allot 691 LOBJ 86200)		\$xxx
Treasury Board owes CSC:			
DR Overpayments to be recovered - OGD	(Allot 661 LOBJ 86201)	\$xxx	
Cr. EBP coding	(Allot 235 LOBJ 019XX)		\$xxx

In the new-year Treasury Board will initiate a new-year IS, debtor or creditor initiated as appropriate, that will be cleared to the above Accounts Payable or Overpayments coding.

**10.0 Retroactive Salary Settlements**

Retroactive salaries determined by collective agreements, that have been negotiated but not paid, will be recorded as a liability by CSC under the following conditions:

1. When collective agreements **have been ratified and signed** before March 31, the retroactive amounts incurred under the agreement must be charged to CSC's appropriation. If the budgets have been distributed to the Regions they must accrue any amount not paid by the Period 12.1 cut-off.
2. If the collective agreements **have been ratified but not signed**, the amounts must be accrued, but only upon the direction of the Treasury Board Secretariate. NHQ will establish the entry for the salary expense and the accrued liability.

**11.0 Employee Leave Plans**

For Self Funded Leave (SFL), 100% of the salary would have been charged when earned - no adjustment is required.

For employees with income averaging they are earning at a rate of 100%, but collecting at a lesser rate depending on the amount of time they have elected to take off. For example, if an employee decides to work 9 months and take 3 months off, they would be collecting 75% of what they have earned and CSC would have a liability for the 25% until the amount was paid out. Regions may wish to accrue the liability portion and charge it to the old year. This **will impact** on the Manager's budget. In accordance with our materiality limit for PAYE, amounts earned and not paid greater than \$5,000.00 should be set-up in PAYE. The entry would be as follows:

Dr Salaries expense	(Allot 240 LOBJ 011XX)	\$xxx	
CR Accounts Payable	(Allot 690 LOBJ 84200 - Operating)		\$xxx
CR Accounts Payable	(Allot 690 LOBJ 84500 - Capital)		\$xxx

## Appendix 4

## Treatment of Salaries and Wages at Year End

**12.0 Accounts Receivable from OGDs****Invoices issued:**

CSC must prepare invoices for all amounts owing to CSC from OGDs, where CSC knows the amount. On these invoices, it is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by the OGD. The invoices are sent to the OGD and recorded in IFMMS. All invoices must be processed in IFMMS (Section 34 and Section 33 completed) by March 29, 2001.

Dr Accounts Receivable-OGD	(Allot XXX LOBJ XXXXX)	\$xxx	
Cr. Salaries expense	(Allot 210 LOBJ 011XX)		\$xxx

**Invoice not issued:**

Amounts owing to CSC not invoiced and / or processed in IFMMS by the cut-off date must be set-up in RAYE – Receivables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by the OGD when recording the accrual. Regions must communicate the amount to the OGD. The entry would be as follows:

Dr Accrued A/R (RAYE) -OGD	(Allot 698 LOBJ 88200 - Operating)	\$xxx	
Dr Accrued A/R (RAYE) -OGD	(Allot 698 LOBJ 88500 - Capital)	\$xxx	
Cr. Salaries expense	(Allot 210 LOBJ 011XX)		\$xxx

**13.0 Accounts Receivable from External Parties**

CSC must prepare invoices for all amounts owing to CSC from external parties. The invoices are sent to the external party and recorded in IFMMS. CSC uses the GL module to record invoices, so Regions will have up to the close of P12.1 (May 11<sup>th</sup>) to record these invoices.

**Invoices issued:**

The invoices are processed in IFMMS and the following entry is generated:

Dr Accounts Receivable-External	(Allot XXX LOBJ XXXXX)	\$xxx	
Cr. Salaries expense	(Allot 210 LOBJ 011XX)		\$xxx

**Invoice not issued:**

If amounts are not known, and / or the invoice is not ready to be recorded, Regions must estimate the amount owing to CSC as of March 31st and record an accrual in IFMMS.

Dr Accrued Accounts Receivable-External	(Allot 697 LOBJ 89200 - Operating)	\$xxx	
Dr Accrued Accounts Receivable-External	(Allot 697 LOBJ 89500 - Capital)	\$xxx	
Cr. Salaries expense	(Allot 210 LOBJ 011XX)		\$xxx

**14.0 Accounts Receivable from CORCAN****Invoices issued:**

CSC must prepare invoices for all amounts owing to CSC from CORCAN. On these invoices, it is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CORCAN. The invoices are sent to CORCAN and recorded in IFMMS. All invoices must be processed in IFMMS by the close of P12.1 – May 11<sup>th</sup>.

Dr A/R-CORCAN	(Allot XXX LOBJ XXXXX)	\$xxx	(maps to CORCAN IS Clearing)
Cr. Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	

Appendix 4

Treatment of Salaries and Wages at Year End

**Invoice not issued:**

Amounts owing to CSC not invoiced and / or processed in IFMMS by the cut-off date must be set-up in RAYE – Receivables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CORCAN when recording the accrual. Regions must communicate the amount to CORCAN. The entry would be as follows:

Dr Accrued Accounts Receivable-CORCAN	(Allot 696 LOBJ 87200 - Operating)	\$xxx	
Dr Accrued Accounts Receivable-CORCAN	(Allot 696 LOBJ 87500 - Capital)	\$xxx	
Cr. Salaries expense	(Allot 210 LOBJ 011XX)		\$xxx

**15.0 Accounts Payable from OGDs**

**Invoice received and recorded:**

OGDs will send invoices to CSC for amounts that CSC owes the OGDs. On these invoices will be the CSC IS Organization Code and the IS Reference number supplied by CSC. All OGD invoices must be processed in IFMMS (Section 34 and Section 33 completed) by March 29, 2001. The IS Organization Code and the IS Reference number must be input in the appropriate fields in order for the automatic reconciliation process to function as intended.

Dr Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	
Dr Accounts Payable-OGD	(Allot XXX LOBJ XXXXX)		\$xxx

**Invoice not received / processed in IFMMS:**

Amounts owed by CSC as of March 31<sup>st</sup> and not processed in IFMMS by the March 29<sup>th</sup> cut-off date must be set-up in PAYE – Payables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CSC when recording the accrual. The entry would be as follows:

Dr Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	
Cr. PAYE-OGD	(Allot 691 LOBJ 86200 - Operating)		\$xxx
Cr. PAYE-OGD	(Allot 691 LOBJ 86500 - Capital)		\$xxx

**16.0 Accounts Payable from External Parties**

**Invoice received and recorded:**

Suppliers will send invoices to CSC for amounts that CSC owes. These invoices must be processed in IFMMS (Section 34 and Section 33 completed) by March 30, 2001.

Dr Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	
Cr. Accounts Payable-Suppliers	(Allot XXX LOBJ XXXXX)		\$xxx

**Invoice not received / processed in IFMMS:**

Amounts owed by CSC as of March 31<sup>st</sup> and not processed in IFMMS by the March 30<sup>th</sup> cut-off date must be set-up in PAYE – Payables at Year-end. The entry would be as follows:

Dr Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	
Cr. PAYE-Suppliers	(Allot 690 LOBJ 84200 - Operating)		\$xxx
Cr. PAYE-Suppliers	(Allot 690 LOBJ 84500 - Capital)		\$xxx

Appendix 4

Treatment of Salaries and Wages at Year End

**17.0 Accounts Payable from CORCAN**

With the introduction of FIS, departments were not permitted to process ISs within their own department. A slightly different process, in particular coding to which we must map, exists for CORCAN.

**Invoice received and recorded:**

CORCAN will prepare invoices for all amounts owing to CSC from CORCAN. On these invoices, it is imperative that the IS Organization Code and the IS Reference number supplied by CSC is indicated. The invoices are sent to CSC and recorded in IFMMS. All invoices must be processed in IFMMS by the close of P12 – March 31<sup>st</sup>.

Dr Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	
Cr. Accounts Payable-CORCAN	(Allot XXX LOBJ XXXXX)		\$xxx

**Invoice not received / processed in IFMMS:**

Amounts owing by CSC to CORCAN not invoiced and / or processed in IFMMS by the cut-off date must be set-up in PAYE – Payables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CSC to CORCAN when recording the accrual. The entry would be as follows:

Dr Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	
Cr. PAYE-CORCAN	(Allot 692 LOBJ 85200 - Operating)		\$xxx
Cr. PAYE-CORCAN	(Allot 692 LOBJ 85500 - Capital)		\$xxx

**18.0 Premiums and Allowances**

Some premiums and allowances are paid in arrears. Any material amounts incurred as of March 31<sup>st</sup> and not included in the March 21/22 cut-off must be accrued.

- Shift Premium
- Statutory Holiday Premiums
- Commuting Allowances

The entry would be as follows:

Dr Salaries expense	(Allot 210 LOBJ 011XX)	\$xxx	
Cr. PAYE-OGD	(Allot 690 LOBJ 84200 - Operating)		\$xxx
Cr. PAYE-OGD	(Allot 690 LOBJ 84500 - Capital)		\$xxx

**19.0 Cancellation of old year payroll cheques**

- The PWGSC Payroll Accounting Offices must receive old year payroll cheque cancellations by midnight, **March 19, 2001**. Payroll cheque cancellations received after this date will be processed and accounted for in the New-year.
- If Regions want to reflect the cancellation in the old year – see appendix 7 for accrual entries required.

Appendix 4

Treatment of Salaries and Wages at Year End

**20.0 Regional Journal Vouchers**

All regional journal vouchers to be processed by NHQ are to be received at NHQ by April 20, 2001. This includes JVs for charges/credits for NHQ or interregional JVs.

**21.0 Salary Advances**

See Appendix 3 for the treatment of advances at year-end. Salary Advances includes the following:

- Vacation Pay
- Emergency Salary
- Overpayments

**22.0 Garnishments**

There is no requirement for year-end accruals as amounts would only be transferred from one liability account to another. Form 5497 (Salary Garnishment Cheque Cancellation Form) must be received at CRCD by March 29, 4:00PM to be included in the Old Year. After this date all requests will be processed as new-year transactions.

**23.0 Clearing of Salary Suspense Coding**

Regions must make every effort to clear the salary suspense allotment 520 and salary suspense line object 01000 by the close of P12 – April 5<sup>th</sup>.

These accounts must be cleared before we close the books.

**24.0 New –Year Pay Proforma Updates**

The last pay for old year will be processed on March 22<sup>nd</sup> and the first date for new-year pay processing will be March 29<sup>th</sup>. Regions will have March 23<sup>r</sup>, 2:00 PM EST and March 26<sup>th</sup>, 2:00 PM EST to make on-line changes to the pay proforma records.

**25.0 New-year Carry Forwards**

All amounts recorded in "Asset or Liability" accounts, including regular accruals by NHQ will be automatically carried forward to the New-year.

**26.0 New-year Settlement of PAYE**

Some PAYE accruals for salaries must be reversed because the new-year pay period will be processed to the expense accounts. Reversing the accrual will have the effect of leaving the net amount applicable to the current fiscal year (2001-02) in the expense account.

Regions should pay particular attention to which accruals should be reversed, and which accruals will be cleared by processing entries against the accrual. If assistance is required, please contact NHQ, Corporate Accounting.

**Appendix 4**

**Treatment of Salaries and Wages at Year End**

Regions must monitor the amount of payments against the amount of the accrual. Surplus PAYE **MUST NOT** be credited to the current year expenses. However, it may be used to pay other old year expenses not set up in PAYE. If not required it must be credited to the Refund of Previous Years Expenditures (RPYE) Allotment 165, Line Object 1470XX, with appropriate cost centre - Do not use Cost Centre 000.

**NHQ CONTACT: Michelle Gravelle at (613) 943-2784**

**Appendix 5****Receipt of Public Money and Cash Balances****Reference: RGD 2001-3, Appendix 5**

The date of the deposit on the electronic transfer will be the official date of deposit.

All deposit listings with a deposit date of March 30, 2001 or prior must be recorded in IFMMS GL Module, Category Bank Deposits, in the **old year**.

All deposit listings with a deposit date after April 30, 2001 must be recorded in IFMMS GL Module, Category Bank Deposits, in the **new-year**.

All amounts to be deposited during the period March 31, 2001 to April 30, 2001 must first be analyzed to separate the deposit into amounts that pertain to the old year and those that pertain to the new-year. **Separate deposits must be made for each fiscal year.** In addition, it may be necessary to separate IAS receipts and deposit these as a separate deposit if they are to be recorded as a separate batch. Critical to this process will be the requirement to ensure that one deposit at the bank equals one journal in IFMMS.

Regions must align the April deposits with one of the three categories on the **Monitoring of April Cash Receipts worksheets** – see Excel Spreadsheet "[Appendix 5 April Cash Receipts.XLS](#)". The daily deposit listings for the month of April will be forwarded to the regions regularly (possibly daily).

**1. April deposits applicable to the old year (Category A - CHCT)**

This will include the following:

- The amounts were received by CSC on or before March 31<sup>st</sup> 2001, or
- CSC received the amounts on April 2<sup>nd</sup> and it is clear that the remitter's intention was to discharge an old year obligation.

**2. April deposits applicable to the old year (Category B - MRMAOFY):**

The amount represents a refund of an old year budgetary expenditure. This will include:

- Refunds of travel advances,
- Refunds for supplier overpayments,
- Recovery of salary advances,
- Previous years expenditures, and
- GST/HST recovered as part of the previous year's expenditure.

**3. April deposits applicable to the new- year (Category C).**

All other deposits will be considered applicable to the new-year. Money received after March 31 for tax and non-tax revenue must be reported as a new-year transaction and revenues received after April 1, 2001 must be recorded as new-year (2001-02) revenue in IFMMS using a category Bank Deposit journal. Included are:

- all revenue line objects;
- Inmate Trust Fund money;
- parolee loan repayments; and
- custom work, this is considered revenue and not the recovery of expenditures.

Note: System operation will be modified to establish processing rules similar to GL34 profiles to ensure that old year deposits with an old year G/L date will default to March 31, 2001.

**CHARGE BACKS AND BANK ADJUSTMENTS**

If the date of the electronic deposit listing from BFS is March 31, 2001 or later, these must be recorded as new-year transactions.

Appendix 5

Receipt of Public Money and Cash Balances

**CORRECTION OF CASH RECEIPTS RECORDED IN THE WRONG FISCAL YEAR**

To correct deposits recorded in the new-year but which are related to old year and vice versa, reverse the entry and record it in the correct fiscal year.

**SUBMISSIONS TO NHQ**

Regions must complete the attached "Monitoring of April Cash Receipts" worksheets and "Summary of Regional April Deposits" and return them electronically to NHQ Corporate Accounting attention: **Danielle Philbert by May 7, 2001**. Regions must review their site schedules for accuracy and completeness and provide NHQ Corporate Accounting with a Regional Summary Report and a copy of each site submission.

NHQ Corporate Accounting will make the necessary adjusting entries to "47100/47200" and the corresponding new-year reversals, based upon the information supplied. The old year adjusting entry will be as follows:

Dr Category A	Allotment 611 LOBJ 47100 (11123)	\$xxx	
Dr Category B	Allotment 612 LOBJ 47200 (11231)	\$xxx	
Cr. Deposit Clearing Account	Allotment 610 LOBJ BCM01		\$xxx

Please note that the total amount under the "Receipt" columns must agree with the total value of the deposit listings for the entire month of April i.e. April 1<sup>st</sup> to the 30<sup>th</sup> inclusively.

Please ensure that IAS receipts are batched separately from all other receipts.

**FOREIGN DEPOSITS**

For foreign deposits, the delay between the date of the deposit and the reception of the foreign bank statement may be up to two months. Due to this delay, foreign deposits made in February or March for which a bank statement was not received prior to March 30 will be recorded as new-year deposits. The date of the electronic deposit listing will determine which fiscal year the transaction will be recorded.

If the old year deposit has a new-year deposit date, regions may want to set-up an Accounts Receivable Accrual to recognize the effect of the deposit in the old year if it impacts on their budget. The following entry would be recorded:

Dr Accrued A/R-External	(Allot 697 LOBJ 89200 - Operating)	\$xxx	
Dr Accrued A/R-External	(Allot 697 LOBJ 89500 - Capital)	\$xxx	
CR Applicable coding			\$xxx

In the new-year when the deposit is recorded it will be credited to the Accrued Accounts Receivable.

**CORCAN**

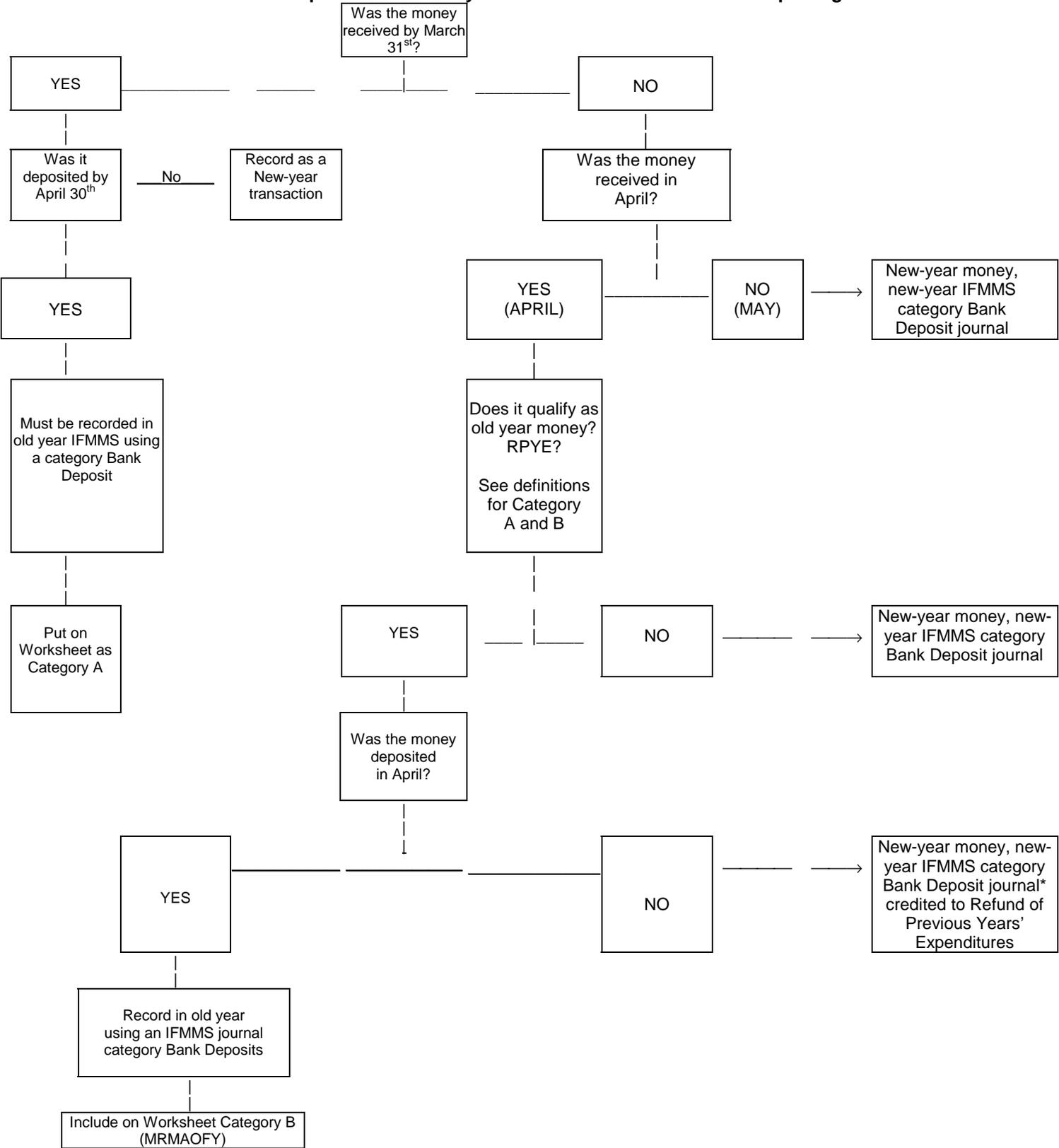
Only A/R received by March 31 are to be recognised as revenue in their authority code. CORCAN may need to do further adjusting entries to properly reflect their responsible authorities on an appropriation basis.

Similarly, cash receipts received after April 1 for net voting authorities and revolving funds must be recorded as a new-year transaction unless the money is for the refund of an old year expenditure (standard objects 01 to 12) - see above.

**NHQ CONTACT: Danielle Philbert at (613) 996- 4081**

Appendix 5

Receipt of Public Money and Cash Balances - Year-end Reporting



\* ENSURE THAT ONE DEPOSIT EQUALS ONE IFMMS JOURNAL / SYTELIN RECEIPT BATCH

Appendix 6  
Interdepartmental Settlements (IS)

Reference: RGD 2001-3, Appendix 6

**PERIOD 12 PROCEDURES**

All IS transactions (receivables or payables) with OGDs for period 12 must have the section 34 and section 33 approvals completed March 29<sup>th</sup>, 7:45 PM EST. On March 30<sup>th</sup>, NHQ Accounting Services will be doing the EAA to transmit the data to PWGSC. **SPS will reject any IS requisitions bearing the fiscal year 2000-2001 after that time.**

**Old Year IS transactions may only be questioned before 11:59PM March 30, 2001. CSC will have up to the close-off date of March 30<sup>th</sup> to question any IS transactions. After that date, for all amounts in question, departments must make accrual entries.**

**Before questioning an IS, departments are strongly encouraged to first contact the partnering department of the IS, which is being considered for questioning, to see if other means of dealing with the problem can be identified and agreed to by the two departments.**

**PERIOD 12.1 PROCEDURES**

All IS transactions (receivables or payables) with OGDs not processed by the March 29<sup>th</sup>, 7:45 PM EST. must be set-up in PAYE/RAYE by the P12.1 close-off date of May 11, 2001.

**Accounts Receivable to OGDs not processed in P12:**

Amounts owing to CSC not invoiced and / or processed in IFMMS by the cut-off date must be set-up in RAYE – Receivables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by the OGD when recording the accrual. Regions must communicate the amount to the OGD. The entry would be as follows:

Dr Accounts Receivable-OGD	(Allot 698 LOBJ 88200 - Operating)	\$xxx	
Dr Accounts Receivable-OGD	(Allot 698 LOBJ 88500 - Capital)	\$xxx	
Cr. Applicable coding	(Allot XXX LOBJ 011XX)		\$xxx

**Accounts Receivable to CORCAN not processed in P12:**

Amounts owing to CSC from CORCAN and not invoiced and / or processed in IFMMS by the cut-off date must be set-up in RAYE – Receivables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CORCAN when recording the accrual. Regions must communicate the amount to CORCAN. The entry would be as follows:

Dr Accrued Accounts Receivable-CORCAN	(Allot 696 LOBJ 87200 - Operating)	\$xxx	
Dr Accrued Accounts Receivable-CORCAN	(Allot 696 LOBJ 87500 - Capital)	\$xxx	
Cr. Applicable coding	(Allot XXX LOBJ 011XX)		\$xxx

**Accounts Payable to OGDs not processed in P12:**

Amounts owed by CSC as of March 31<sup>st</sup> and not processed in IFMMS by the March 30<sup>th</sup> cut-off date must be set-up in PAYE – Payables at Year-end. The entry would be as follows:

Dr Applicable coding	(Allot XXX LOBJ 011XX)	\$xxx	
Cr. PAYE-OGD	(Allot 690 LOBJ 84200 - Operating)		\$xxx
Cr. PAYE-OGD	(Allot 690 LOBJ 84500 - Operating)		\$xxx

Appendix 6  
Interdepartmental Settlements (IS)

**Accounts Payable to CORCAN not processed in P12:**

Amounts owing by CSC to CORCAN not invoiced and / or processed in IFMMS by the cut-off date must be set-up in PAYE – Payables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CSC to CORCAN when recording the accrual. The entry would be as follows:

Dr Applicable coding	(Allot XXX LOBJ 011XX)	\$xxx	
Cr. PAYE-CORCAN	(Allot 692 LOBJ 85200 - Operating)		\$xxx
Cr. PAYE-CORCAN	(Allot 692 LOBJ 85400 - Capital)		\$xxx

**OLD YEAR AMOUNTS NOT RECORDED BY THE CLOSE OF P12.1**

Contact NHQ Corporate Accounting and provide details of the amounts prior to June 15, 2001.

**AMOUNTS IN DISPUTE**

If any amounts being charged to CSC on an IS invoice from an OGD are in dispute, CSC may question the IS by March 30<sup>th</sup> which has the effect of cancelling the IS on the OGDs books and no further action is required by CSC. It is recommended that we only question amounts when the total amount charged to CSC has been charged in error.

When amounts are incorrectly charged, it is recommended that the total amount of the invoice be processed. This is important if the automatic reconciliation processes are to function as intended.

For the amounts charged in error, the following procedures apply:

- The CSC Manager must communicate with the OGD to determine the correct amount;
- Process the invoice / PAYE for the full amount, e.g. \$10,000;
- Code the correct amount to the Manager's coding, e.g. \$8,000;
- Code the amount charged in error to the RAYE-OGD coding eg. \$2,000;
- Credit the amount under charged to PAYE-OGD coding; (e.g. \$10,000 invoice should be \$12,000, then Code \$12,000 to the manager's coding and credit \$2,000 to PAYE-OGD coding equals net invoice)
- Agree on how the PAYE/RAYE will be settled in the new year with the OGD- see below for possible scenarios;
- Exchange IS Organization and IS Reference number codes to be used when the corrections are processed; and
- In the new-year process the required entries to clear the PAYE/RAYE, as agreed to with the OGD.

In the new-year two scenarios are possible to clear disputed PAYE-OGD/RAYE-OGD transactions. Either CSC can initiate the corrections or the OGD can initiate the corrections. The critical thing is to communicate with the OGD to determine which department will initiate the correction. **Whichever scenario is adopted it should be with the agreement of both trading partners.**

If the OGD overcharges CSC:

1. CSC can request the OGD to raise a "debtor initiated" IS back to CSC for the difference:
  - CSC would have to monitor that the IS is received in our IS Undistributed IS Receipts Suspense Account,
  - Identify to whom the IS should be credited to in CSC and
  - Prepare the necessary journal entries to transfer the amount from the Undistributed IS Receipts Suspense to the applicable RAYE coding

**Appendix 6  
Interdepartmental Settlements (IS)**

2. CSC can raise a "creditor initiated" IS to the OGD for the amount charged in error:
  - CSC prepares an invoice (must quote the IS Org Code and IS Reference No. from the OGD)
  - CSC processes the invoice using the RAYE coding and send a copy to the OGD.

From CSC's perspective option 2 is preferred as it avoids the necessity to monitor the repayment and CSC is in control of the clean-up process.

If CSC has been undercharged by the OGD:

1. CSC can raise a debtor initiated transaction to the OGD for the amount owing (CSC does invoice) or
2. CSC can request the OGD to raise another "creditor initiated" IS to CSC for the difference (Ogd does invoice).

Again, from CSC's perspective option 1 is preferred as it avoids the necessity to monitor the repayment and CSC is in control of the clean-up process.

**If managers are unable to resolve the dispute they should contact Charlene Lance at NHQ (613) 996-3052.**

**UNDISTRIBUTED IS RECEIPTS ACCOUNT**

The balance in the Interdepartmental Settlement account - allotment 175, line object 14900, must be zero at year-end. NHQ Corporate Accounting will be clearing this account on a monthly basis. However, they may require input from the regions to clarify transaction details.

**NHQ CONTACT: Charlene Lance (613) 996-3052**

Appendix 7

**Cancellation of Canadian and Foreign Receiver General Cheques**

Reference: RGD 2001-3, Appendix 7

The processing of old year Receiver General cheque cancellations at year-end can be complicated. It requires the submission of various documents and files and the recording of all the related transactions to be completed by March 31, 2001.

After March 30, 2001, all cheque cancellations, except payroll, will be identified as fiscal year 2001-2002 and processed in the new fiscal year. Payroll cheque cancellations received after the Payroll Accounting Offices' cut-off date of midnight, March 19, 2001. See appendix 9 for Departmental Bank Account (DBA) cancellations.

We recommend that all requests for cheque cancellations during the last two weeks of March be held and processed as new-year cancellations. If you wish to proceed with an old year cheque cancellation during that time please refer to Appendix 7 of the Receiver General Directive RGD 2001-3 for specific instructions.

To reflect in the old year the effect of cancellation of and old year cheque not processed in P12, the following entry should be made in the G/L module.

Dr Refund of CY program expenditures (Resp/Sub 000 00000 702 88301)	\$xxx	
Cr. Original cheque coding		\$xxx

In the new-year, when processing the cheque cancellation it will be credited to the following coding:

Dr. Cheque Cancellations - normal coding	Allotment XXX LOBJ XXXXX
Cr. Old Year cheque cancellation set up at previous year end (Resp/Sub 000 00000 702 88302)	\$xxx

**STATUTORY AUTHORITIES**

It should be noted that statutory authorities are not to be adjusted during the Period 12 Extended Component to reflect any associated cancellations of old year cheques. CSC has the following statutory authorities

Allotment	LOBJ	Description
001	All	CORCAN Operating
009	All	CORCAN Capital
235	All	Employee Benefit Plans
290	All	Spend Crown Assets - Operating
570	All	Spend Crown Assets - Capital
240	12308	Forgiveness of Parolee Loans
240	12400	Refund of Previous Years Revenue
240	12505	Court Awards to Persons

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

**Appendix 8  
Correction of Receiver General Cheques Issued or Reported Issued  
in the Wrong Fiscal Year**

**Reference: RGD 2001-3, Appendix 8**

- No impact on Regions
- NHQ (Corporate Accounting - Systems) should monitor/test all April - June SPS payment requisitions to ensure that they are correctly identified as fiscal year 2001-2002.

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

**APPENDIX 9  
Departmental Bank Accounts (DBAs)**

**Reference: RGD 2001-3, Appendix 9**

**DBA Cheque issue data:**

- Last day to issue a DBA cheque under the old year is March 31, 2001. Period 12 cut-off for the SPS is 11:59 PM EST, March 30, 2001 at PWGSC. However, we are experiencing problems with the DBA cheque issue data to SPS and NHQ may require a couple of days at month end to clear the data. There currently exist some 2000 DBA cheques for which the proper data was not transmitted to SPS. Therefore, the regional cut-off for DBAs will **be 7:45 P.M. on March 27<sup>th</sup>, 2001** to make any entries in IFMMS for DBA cheque issue, corrections, adjustments or cancellations.
- All DBA Blotters not input by March 27 must be set up as an accrual - PAYE DBA Cheques:
 

Dr Applicable coding	(Allot-LOBJ)	\$xxx	
Cr. DBA Payments in transit at year end	(Allot 694 LOBJ 84600)		\$xxx
- In Period 1 (2001-2002) Regions will reverse the accrual and record the cheques as usual.

**Clearing of Outstanding DBA Items**

- We are experiencing problems with the DBA cheque issue data to SPS. There currently exist some 2000 DBA cheques for which the proper data was not transmitted to SPS. Reasons include the entering of duplicate cheque numbers, entering information in the wrong fields, etc. Therefore, we have set the regional cut-off for DBAs as **7:45 P.M. on March 27<sup>th</sup>, 2001** as NHQ may require a couple of days at month end to clear the data.
- In the meantime, Regions should review their list of outstanding DBA cheques/PIPI Listings (unreconciled cheques) and clear as many as possible before March 27, 2001. Please make every effort to clear as many items as possible.
- NHQ Corporate Accounting has provided the regions with their respective listings of outstanding DBA cheques i.e. not recorded (an excel spreadsheet) containing the Coding, Cheque Amount, and Cheque Number of outstanding items. Regions will be required to review the listing and advise NHQ Corporate Accounting of the reason for the item being outstanding by March 28<sup>th</sup>, 2001. See the e-mail from Danielle Philbert dated March 13, 2001, Subject: "New DBA PIPI List"
- NHQ will determine how best to adjust the year end entries and clear the remaining items. If NHQ Corporate accounting needs more information or your assistance to complete this exercise, you will be contacted as necessary.
- Corporate Accounting will be working with systems to determine if a system solution is possible.

**NHQ CONTACT: Danielle Philbert at (613) 996-4081**

**Appendix 10  
Goods and Services Tax (GST)**

**Reference: RGD 2001-3, Appendix 10**

**PAYE:**

GST is not to be recorded as part of the PAYE process.

**Public Accounts:**

NHQ Corporate Accounting will provide the required information for Public Accounts purposes. There is no requirement for regions to submit information.

**OGD Suspense Accounts:**

GST should not be a consideration in the year-end settling and clearing of the OGD's account. If CSC has paid an outside supplier on behalf of another department, the GST portion will be charge to the GST account.

**Year-end Cash Receipts:**

GST revenue received after April 1<sup>st</sup> must be reported as new-year tax revenue. However, GST recovered during April as part of refunds of old year expenditures must be reported as old year transactions and credited to the GST RAA.

**GST or HST Collected by the Regions**

In the month that sales are to be reported to CCRA, the regions will transfer the GST/HST collected to the CCRA by a debtor initiated IS. The CCRA contact for GST submissions by Government Departments is Diane Cote-Roy, her phone number is (613) 954-5905.

For GST submissions in the codes for IS transactions to CCRA are as follows:

- CCRA Department Code 122
- IS Reference Code (ISREF) 9608
- IS Organization Code (ISORG) 9600

Regions must ensure the final 2000-2001 transfer of GST /HST to the CCRA must be processed by SPS on or before 11:59 PM EST, March 29, 2001. The balance in the Regional GST/HST liability account, for sales made during March, will be transferred to the CCRA in April of the new-year. Amounts collected by CSC are credited to Allotment 190, LOBJ 14650. This same coding will be debited when processing the debtor initiated IS to CCRA.

**Appendix 10  
Goods and Services Tax (GST)**

**GST/HST on purchase of Goods and Services (RAA)**

The GST/HST payable to suppliers is recorded at the time that an invoice is recorded as an accounts payable. The GST/HST portion of the accounts payable is recorded in the GST Refundable Advance Account (Allot 604 LOBJ 35100).

NHQ Accounting Services is responsible to "Creditor Initiate" an IS to CCRA by March 29, 2001 for the balance in the Refundable Advance Account. The recipient identifier field is to contain department number 122 and the recipient organization code field is to contain intra number 1220. The GST/HST component of any old year accounts payable established after the transfer will remain in the RAA and be transferred to CCRA in the following year.

NHQ Accounting Services must complete the Interdepartmental Settlement Advice form (see RGS 2001-3 page 101) to confirm the processing of the IS through SPS and forward it to CCRA by Fax (613) 952-2939 on or before April 15, 2001.

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

Appendix 11

Revaluation of Assets and Liabilities denominated in a foreign currency

**Reference:** RGD 2000-n, Appendix 11

Not applicable to CSC

**NHQ CONTACT:** Michel Gravelle at (613) 943-2784

**Appendix 12****Suspense Accounts****Reference: RGD 2001-3,**

Suspense accounts are accounts to which transactions are recorded temporarily, pending their ultimate disposition. CSC has established the following suspense accounts:

- Salary suspense - Allotment 520,
- Salary suspense - LOBJ 01000
- GST Refundable Advance Account (RAA) - Allotment 603, LOBJ 35001
- Losses awaiting write-off or recovery - Allotment 720, LOBJ 41404
- Petty Cash Liabilities - Allotment 660, LOBJ 41450
- Officers' Custom deposits - Allotment 640, LOBJ 4210X
- CSC Suspense - Allotment 660, LOBJ 4300X
- American Express Suspense - Allotment 670, LOBJ 4310X
- Travel Receipts Suspense - Allotment, LOBJ 43500
- Pay Deductions Suspense - Allotment 760, LOBJ 45XXX
- Garnisheed salaries suspense - Allotment 760, LOBJ 46XXX
- OGD suspense receipts - Allotment 187, LOBJ 14990
- OGD suspense - payments - Allotment Various - usually 240, LOBJ 12990
- Undistributed IS receipts - Allotment 175, LOBJ 14900
- Unposted IFMMS journals

Regional finance staff must monitor the clearing of their regional suspense accounts on a regular basis to ensure they are cleared to the appropriate coding.

**Salary Suspense Allotment 520:**

Regions must clear all items coded to allotment 520 in IFMMS by the P12.1 cut-off date of May 11, 2001 in accordance with the instructions described in CAC 1999-04R. Due to the modifications to the GL34 responsibility, the journals will be forced into P12.

**Appendix 12 (Cont'd)  
Suspense Accounts****Unposted IFMMS Journals:**

Regions must post these journals by the P12.1 cut-off date of May 11, 2001 in accordance with the e-mail instructions sent to the regional designates by **Danielle Philbert**. **Corrections are to be posted as follows:**

- Re: 99999... coding. Corporate Accounting will post those journals that contain only 99999... Regions are responsible for those journals that contain both their own regional codes and 99999... coding.
- Corporate Accounting will post all multi-region journals, i.e. those which contain the sites from more than one region and any unposted journals that contain 99999... coding. Our understanding is that no one region cares to post journals that may affect another region without the latter's consent. At this late stage of the fiscal year, we will simply proceed with posting while hoping that no one will be adversely affected by our actions.
- The regions are responsible for the posting of all of their respective "unposted JVs. Corporate Accounting will monitor this on a regular basis from now until the end of the fiscal year to ensure as little as possible.

**OGD Suspense – for money we received from an OGD (CSC is the spending department):**

When CSC participates with an OGD on a project or program e.g. CIDA / Kosovo project, the OGD may provide funds to CSC to carry out the project. When the funds are received they are credited to Allotment 187, Line Object 14990. The balance in this account must be cleared to zero by the close of the fiscal year. Following are the procedures to be followed:

- Prior to March 29, sites must review the balance in allotment 187 that pertains to each OGD and identify amounts as either **owing to the OGD or owed to CSC**.
- **For amounts owing to the OGD**, sites must 'debtor initiate' an IS, i.e. generate a payment voucher, to the OGD for the amount owing prior to the March 29<sup>th</sup> cut-off date for ISs.
- **For amounts owing to CSC**, sites must creditor initiate an IS, i.e. generate an invoice, to the OGD for the amount owing prior to the March 29<sup>th</sup> cut-off date for ISs.
- Sites must provide the OGD with a listing of what they spent the OGDs money on.
- CSC must the prepare a JV to debit the balance in Allotment 187 Line Object 14990 and credit each of the types of expenditures provided in the listing sent to the OGD, e.g. travel, temporary help, etc. This is the process whereby the expenses are transferred from the CSC to the OGD. This entry must be processed before the close of P12.1, May 11<sup>th</sup>, 2001.
- If any credit balances remain in allotment 187 in P12.1, sites must clear the credit amounts to a miscellaneous CSC revenue account, Allotment 160, Line Object 14607 before the close of P12.1.
- If any debit balances remain in allotment 187 in P12.1, sites must clear the debit amounts to the CSC's Manager's budget, Allotment 240, Line Object 12409 before the close of P12.1.
- If CSC has any outstanding invoices for the project. **CSC will not set-up PAYE** amounts for these items. Instead, it will provide the OGD with the information, so that the OGD can set-up the PAYE.
- In the new-year, CSC must request funding from the OGD for the amount of the outstanding invoices. CSC will credit the funding to allotment 187, Line Object 14990, when received.
- CSC will then pay the supplier invoices charging them to Allotment 187, and the applicable line object in the new-year.

---

**Appendix 12 (Cont'd ...)  
Suspense Accounts****OGD Suspense – for money CSC provided to OGD (OGD is the spending department):**

When CSC participates with an OGD on a project or program, CSC may provide funds to the OGD to carry out the project. When the funds are paid they are charged (Dr) to OGD Suspense - payments Allotment 240, Line Object 12990. The balance in this account must be cleared to zero by the close of the fiscal year. Following are the procedures to be followed:

- Prior to March 30<sup>th</sup>, the OGD should send to CSC the balance of the funds not spent. This amount will initially be recorded in the Undistributed Receipts Suspense Account, Allotment 175, Line Object 14900.
- NHQ will clear the Undistributed Receipts Suspense Account amount to the Manager's budget, Allotment 240 Line Object 12990.
- The balance remaining in the Manager's Budget, Allotment 240 Line Object 12990 should represent the amount that the OGD has spent on CSC's behalf and must be cleared to zero.
- The OGD must provide CSC with a listing of what they spent the CSC money on.
- CSC must prepare a JV to credit the balance in Allotment 240 Line Object 12990 and debit each of the types of expenditures provided in the listing received from the OGD, e.g. travel, temporary help, etc. This is the process whereby the expenses are transferred from the OGD to CSC. This entry must be processed before the close of P12.1, May 11<sup>th</sup>, 2001.
- If it is not possible to completely clear the suspense account in P12, any credit balances remaining in the Manager's Budget Allotment 240 Line Object 12990 in P12.1, sites must be cleared to miscellaneous CSC revenue account, Allotment 160, Line Object 14607 before the close of P12.1.
- If any debit balances remain in Allotment 160, Line Object 14607 in P12.1, sites must clear the debit amounts to the CSC's Manager's budget, Allotment 240 Line Object 12409 before the close of P12.1.
- If the OGD has any outstanding invoices for the project. They will provide CSC with the information, so that CSC can set-up the PAYE, Dr the applicable expense coding, e.g. travel, and credit PAYE-Supplier coding.
- In the new, the OGD will request funding from CSC (creditor initiate) for the amount of the outstanding invoices. CSC will charge the payment to the PAYE-Supplier coding when processing the ISN. (Note there may be an edit restricting the use of PAYE-Supplier coding (external) when paying to an Internal Supplier. If this happens, JV the amount to an OGD coding suspense and pay from there.)

**Undistributed IS Receipts Account:**

Refer to previous Appendix 6 for details.

**General - Suspense Account:**

Wherever possible, the balance in all CSC/CORCAN suspense allotments should be zero at year-end.

**CORCAN/CSC Clearing Account**

NHQ Corporate Accounting, in conjunction with CORCAN, must ensure that the balance in this account at year end is zero.

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

**Appendix 13**

**Certificate of Representations Related to the Final Trial Balance**

**Reference: RGD 2001-3, Appendix 12**

There is no requirement for the regions. NHQ Corporate Accounting will prepare and submit the Certificate of Representations. Regional certification will be requested in the Year-end Letter of Representation required with the public accounts information.

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

Appendix 14  
Glossary

<p><b>ACAS</b> Accounts of Canada Analysis Section  <b>AUTH</b> Authority Code</p> <p><b>BCMS</b> Banking and Cash Management Sector  <b>BFS</b> Bank Facilities System</p> <p><b>CAIS</b> Central Agencies Information System  <b>CFMRS</b> Central Financial Management Reporting System  <b>CHCT</b> Cash in hands of collectors and in transit  <b>CICA</b> Canadian Institute of Chartered Accountants  <b>CMOD</b> Cash Management Operations Division  <b>CPARD</b> Central and Public Accounts Reporting Directorate  <b>CRCD</b> Cheque Redemption Control Directorate (Matane)  <b>CRF</b> Consolidated Revenue Fund</p> <p><b>DBA</b> Departmental Bank Account  <b>DCA</b> Deposit Control Account  <b>DFMS</b> Departmental Financial Management System  <b>DRS</b> Departmental Reporting System</p> <p><b>(E)</b> External accounting transaction  <b>ECON(s)</b> Economic Object(s)  <b>ET</b> Eastern Time</p> <p><b>FAA</b> <i>Financial Administration Act</i>  <b>FCI</b> FIS CAIS Interface  <b>FIS</b> Financial Information Strategy</p> <p><b>FIS Departments</b> which have implemented a DFMS that interfaces with the FIS-compliant Receiver General and Compensation Systems and provides double-entry trial balance data to the CFMRS in the prescribed format using the FIS chart of accounts. Also, often referred to as "FIS ready" or "FIS compliant"</p> <p><b>FRA</b> Financial Reporting Account RGD 2001-3 (Departments FIS in 1999-2000) Appendix 13 Page 102.</p> <p><b>FRPD</b> Financial and Reporting Products Directorate</p> <p><b>GL</b> General Ledger  <b>GOS</b> Government Operational Service  <b>GST</b> Goods and Services Tax</p> <p><b>GST-RAA</b> Goods and Services Tax - Refundable Advance Account</p>	<p><b>HST</b> Harmonized Sales Tax</p> <p><b>(I)</b> Internal accounting transaction  <b>IJV</b> Internal Journal Voucher  <b>IS</b> Interdepartmental Settlement  <b>ISN</b> Interdepartmental Settlement Notification</p> <p><b>JV</b> Journal Voucher</p> <p><b>MRMAOFY</b> Moneys received after March 31, but applicable to the old fiscal year</p> <p><b>OGD</b> Other Government Department  <b>OGDs</b> Other Government Department Suspense (account)  <b>PAIM</b> Public Accounts Instructions Manual  <b>PAYE</b> Payables at Year End</p> <p><b>PAYE-OGD</b> Payables at Year End - Other Government Department</p> <p><b>PS-GL</b> Payroll System - General Ledger  <b>PWGSC</b> Public Works and Government Services Canada</p> <p><b>RAA</b> Refundable Advance Account  <b>RAYE</b> Receivable at Year End  <b>RG</b> Receiver General  <b>RGD</b> Receiver General Directive  <b>RG-GL</b> Receiver General - General Ledger  <b>RPS</b> Regional Pay System</p> <p><b>RPYE</b> Refunds of Previous Years Expenditures RGD 2001-3 (Departments FIS in 1999-2000) Appendix 13 Page 103.<b>RS</b> Responsible site</p> <p><b>SO</b> Standard Object</p> <p><b>SPS-IS Processing</b> Standard Payment System - Interdepartmental Settlement Processing</p> <p><b>TBS</b> Treasury Board Secretariat</p>
--	---

**Appendix 15  
Revolving Funds**

**Reference: RGD 2001-3, Not Referenced - CSC Specific**

**General:**

CSC Year-end closing procedures and timetables and RGD 2001-3 are applicable to CSC's CORCAN operations. In addition, CORCAN should review with NHQ Corporate Accounting the following items:

- Cash Receipts – see RGD page 47 – spendable revenue
- Entries after P12 that affect statutory accounts – see page 22
- Clearing of CSC/CORCAN Suspense Account
- CORCAN schedule of Authorities Used – must balance to amount reported on Public Accounts FORM A.

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

**Appendix 16**  
**List of FIS-compliant Departments in 2000-2001**

**Reference: RGD 2001-3,**

A complete list of assigned department numbers is now available in the Receiver General Manual (RGM) as Appendix 4 "**Department Numbers and FIS Compliancy Status of Departments**".

The complete list is available at the following URL address:

<http://publiservice.pwgsc.gc.ca/cars-sccr/text/recgen-e.html>

**Appendix 17  
Inmate Trust Funds**

**Reference: RGD 2001-3 Not applicable - CSC Specific**

All transactions, except inmate pay-period 26, that are posted to the Inmate Accounting System (IAS) after March 30, 2001 will be batched (overnight) by the IFMMS/IAS interface and posted to IFMMS in the new-year. Consider the IAS closed as of the end of the day on March 30, 2001.

**Processing of Inmate Pay - Period 26:**

Inmate pay for pay period 26, which ends on March 25, 2001, will be a 2000-01 expenditure. Sites will have until Friday, April 5, 2001 to process their pay period 26 inmate pay. NHQ Comptrollership Systems will ensure that pay period 26 inmate pay expenditures posted in IAS up to April 5, 2001 will be posted to the old year in IFMMS. Amounts not processed will be set up in PAYE and regions should reverse in the new-year and record the pay in the normal manner. The accrual would be as follows:

Dr Inmate Pay Expense	(Allot 240 LOBJ 1261X)	\$xxx	
Cr. Inmate Trust Fund	(Allot 820-LOBJ 44001)		\$xxx

**Processing of Inmate Pay - Period 01 (March 26 to April 8, 2000 inclusively):**

1. 100% of inmate pay will be posted to the Inmate Accounting System 2001-02
2. The IFMMS/IAS batch interface will post a pay period 01 journal for 100% of the inmate pay to IFMMS in the New-year.
3. In order to recognize the 50% of inmate pay applicable to the old year (March 26, 27, 28, 29 and 30), **sites must process an IFMMS journal entry, in P12.1**, to debit inmate pay expenditure LOBJ's and credit the ITF LOBJ.

Dr Inmate Pay Expense	(Allot 240-LOBJ 1261x)	\$xxx	
Cr. Inmate Trust Fund	(Allot 820-LOBJ 44001)		\$xxx

4. In the new-year, this P12.1 IFMMS journal entry must be reversed as follows:

Dr Inmate Trust Fund	(Allot 820-LOBJ 44001)	\$xxx	
Cr. Inmate Pay Expense	(Allot 240-LOBJ 1261x)		\$xxx

This will result in a net expenditure of 50% of pay period 01 charged to the New-year.

**Old Year Inmate Money**

Old year inmate money deposited by March 30 should be recorded in the IAS by March 30 to be included in the old year. If inmate money is deposited in the old year and recorded in the new-year in IAS, it will be necessary before May 11, 2001 to prepare an IFMMS journal to record the money in the old year and then cancel the entry out of new-year. For further instructions, contact Michelle Gravelle should this situation arise.

Appendix 17  
Inmate Trust Funds

Carry Forward to New-year

The IAS old year balances will be automatically carry forward of into New-year in IFMMS.

Inmate Trust Fund Reconciliation - Allotment 820:

Reconciliation of the Inmate Trust Fund trial balance to IFMMS must be done after the closing of Extended Component period 12.1 (May 14<sup>th</sup>, 2001). The recommended Word format is attached. You may wish to use an Excel format. Your two-way reconciliation should report:

- March 31, 2001 Inmate Accounting System trial balance which should be run immediately after March 31, 2000.
- IFMMS allotment 820 balance as at May 14, 2001.

At this time of the year, variances should not exist, except for the inmate pay discussed above.

Each individual site must submit a reconciliation as of P12.1 to Michelle Gravelle, NHQ Corporate Accounting, by June 15, 2000. The month and year of each reconciling item must be identified.

Inmate Trust Fund Reconciliation 2000-01 P12.1			
Responsibility Centre Name: _____			
Responsibility Centre Number: _____			
Contact Name: _____			
Contact Phone Number: _____			
Description	ITF Trial Balance March 31	IFMMS ITF Account P12.1	
ITF Trial Balance	\$	\$	\$
Current Accounts	\$		
Savings Accounts	\$		
IFMMS ITF Account		\$	
DRS Balance			\$
RECONCILING ITEMS (Description, Year, Month)			
Totals (All must agree)	\$	\$	\$

NHQ CONTACT: Michel Gravelle at (613) 943-2784

**Appendix 18  
Cost Reallocation Exercise  
Cost of Maintaining Offenders (COMO)**

**Reference:** RGD 2001-3 Not applicable - CSC Specific

**General:**

The following procedures document the process to formally reallocate expenditures for **shared services between institutions at close proximity, including services provided from a clustered site as well as centrally-paid, services.** Expenditures will not be reallocated for Staff Colleges. The cost of maintaining offenders exercise, carried out by André Richer in August, will still be required for the remaining cost reallocation scenarios (i.e. Staff Colleges, etc.).

As in previous years, NHQ will reallocate EBP, officer uniforms, inmate clothing, PIDs contracts and CORCAN training activity costs.

**Timing of Entries:**

An IFMMS journal entry must be processed prior to the P12.1 cut-off of **May 11, 2001** for electronic input. The costs to be reallocated will be based on P12 IFMMS / IMRS amounts as of April 1, 2001. Copies of the journals with attached completed Forms A, B and C must be forwarded to NHQ by **May 14, 2001**.

**Source of Information:**

**Offender Population:** The annual average offender population for each facility should be calculated by using weekly Wednesday, March 31, 2001, midnight inmate counts (***not on register counts***) as they appear in IMS (Inmate Movement System).

**Staff:** The total FTE utilization for each responsibility center, according to the final 2001-02 ***FTE Utilization and Forecast Report No. 2*** from SIMS should be used.

**Financial Data:** Salaries and O&M expenditures for each institution, as applicable, should be compiled from Period 12 IFMMS / IMRS amounts as of April 1, 2001. **CORCAN, major and minor capital expenditures should be excluded from the calculations relating to this exercise.**

**Other:** In addition, for specific items, **SQUARE METERS FOR BUILDINGS AND/OR LAND AREA** as reported in the **Real Property Inventory of October 1994** prepared by Technical and Inmate Services, should be used. If more recent data are available, do not hesitate to use them and to inform us of the changes in your FORM A narrative.

**Items to be Considered for Cost Reallocations:**

Reallocation of actual expenditures should be performed using the list of items below when it is applicable. Add additional items specific to your institution. In some instances only a portion of the total Activity Centre's expenditures, identified by Cost Centres and/or Line Objects, may be used to indicate the amount to be reallocated from that Activity Centre. At certain sites these items may already be reallocated as part of the Activity Centres, however, at other sites they may be treated separately.

**Appendix 18 (cont'd)  
Cost Reallocation Exercise  
Cost of Maintaining Offenders (COMO)**

<b>Item #</b>	<b>Activity Centre Cost Centre Line Object</b>	<b>Description</b>	<b>Basis of Reallocation</b>
1	180 to 195	All Personnel Activities	Actual number of FTE's utilized at each site, as reported in the final 2000-01 SIMS Report no. 2.
2	120	Administration	Actual number of FTE's utilized and annual average offender population for each responsibility center.
3	125	Management and Corporate Services	
4	150	Financial Services	
5	160	Information Management Services	
6	200	Technical Services - management	Annual average offender population for each responsibility centre.
7	210	Food Services	
8	220	Institutional Services	
9	230	Materiel Management	
10	232	Warehousing – stores	
11	408	Volunteer Programs	
12	410	Chaplaincy	
13	460	Education	
14	600	Correctional Operations Management	
15	607	Unit Management	
16	608	Urinalysis	
17	629	Admissions and Discharges	
18	640	Case Management Coordination and Offender Reintegration	
19	810 to 870	All Health Care Activities	
20	500	Special Needs Programs	To the extent possible, allocate based on the number of offenders participating in each program. If other bases are used, please provide details in your Form A narrative.
21	530	Sex Offender Programs	
22	560	Substance Abuse Programs	
23	700	Aboriginal Programs	
24	740	Women Programs	
25	900	Family Violence Programs	
26	930	Living Skills	
27	960	Personal Development	
28	240	Engineering and Maintenance Electronics	Square meters occupied by each responsibility centre.
29	280	Engineering Policy and Services	
30	283	Electronic Systems Maintenance	
31	223	Laundry Services	Average Offender Population.
32	261	Transp - Motor vehicle mtce and ops	Number of Vehicles at each Site.
33	231	Procurement and Contract Administration	Contracting Value for each Site.
34	268	General Mtce and Landscaping	Land Area Size Occupied by each Site.
35	02700	Telephones	Number of Lines at each Site.

**Appendix 18 (cont'd)  
Cost Reallocation Exercise  
Cost of Maintaining Offenders (COMO)**

<b>Item #</b>	<b>Activity Centre Cost Centre Line Object</b>	<b>Description</b>	<b>Basis of Reallocation</b>
36	04584	Snow Removal	Land Area Size Occupied by each Site.
37	07100	Light & Power	Building Square Meters Occupied.
38	07101	Water	Average Offender Population.
39	07102/07104	Gas & Oil (Heating)	Building Square Meters Occupied.
40	07105	Sewage	Average Offender Population.

**IFMMS INSTRUCTIONS (to process journal vouchers):**

Process an IFMMS journal entry using the appropriate reallocation of expenditures Line Objects (MOBJ 1290).

*Forms A, B and C should be attached to the journal vouchers.*

Reference Excel File "[APNDX18E.XLS](#)" for copies and samples of FORM A, B and C.

Path <x:\finance\finpol\consult audit canada\period end\apndx18e.xls

Also included in this file is an electronic version of the internal journal voucher form.

**INSTRUCTIONS FOR COMPLETING ATTACHED FORMS**

**FORM A**

- Step 1.** Identify all Institutions at close proximity that share services that must be reallocated. Fill Column (1) with all responsibility centre numbers affected by this cost reallocation exercise.
- Step 2.** Column (2) should be filled with total square meters (M2) occupied by all buildings within the institution. This information can be found under the Grand Total in the most recent **Real Property Inventory**.
- Step 3.** Column (3) should contain the **total** land area (**Ha**) for each facility also found under the heading Grand Total in the most recent **Real Property Inventory**.
- Step 4.** Column (4) is to be filled with the **total** number of FTE's utilized by each facility during fiscal year 2000-01. This information is found in **report # 2** of your **Final 2000-01 SIMS reports**.
- Step 5.** Column (5) will be used to list the **annual average** offender population for each facility.
- Step 6.** Review all of the items listed above and identify items that apply to the institutions within your region. Also include any new items that you believe should be considered in this exercise.
- Step 7.** List the item number and amounts from step 6 in columns 7, 9, 11, i.e. Column A, B, C, etc. The amounts will be found in the appropriate P12 IFMMS / IMRS amounts as of April 1, 2001 by activities, cost centres and line objects for all institutions within your region. The explanation for the reallocation under Column (A), (B), etc. should be found under narrative (A), (B), etc. at the bottom of the form.
- Step 8.** When an item requires reallocation of both Salaries and O&M, please use two columns. For example (Sample A) Item #6 Food Services expenditures are being reallocated, using Column A, (Column 7) Item #6 for O&M and Column B (Column 9) Item #6 for Salaries. The narrative details should be explained in the appropriate narrative box at the bottom.

---

**Appendix 18 (cont'd)**  
**Cost Reallocation Exercise**  
**Cost of Maintaining Offenders (COMO)**

**FORM B**  
**FORM C**  
**Step 9.**

For each item and amount identified for reallocation, use the data previously entered (M2, HA, FTE's and inmate population) and a basic Excel formula, calculate the percentage which represents each facility and apply that percentage to the amount identified for reallocation.

**Step 10.**

Repeat this process until all items have been completed.

**Step 11.**

Once all reallocations have been calculated using Form "A" and you have printed Form "A" (All forms have been set to be printed with an HP Laser Jet printer), you are ready to transcribe all figures on Forms "B" and "C" depending if the reallocation falls under Salaries or Operating.

**Step 12.**

Forms "B" and "C" should be filled with the responsibility center numbers at the top of each column and item numbers and Activity Centre codes down the side of each form.

**Step 13.**

You are now ready to prepare the journal voucher. Since cost reallocations are in and out entries, your journal voucher total should equal "0".

**Using Form "B" - Salaries**, prepare your journal voucher debiting LOBJ 12901 - Reallocation of expenditures for cost accounting purposes - salaries or 12909 – Overtime to charge the new institution and crediting LOBJ 12902 (salaries) or 12910 (Overtime) - Amounts credited in the reallocation of expenditures to reduce the expenditures of the institution initially charged.

**Using Form "C" - Operating**, prepare your journal voucher debiting LOBJ 12903 - Reallocation of expenditures for cost accounting purposes - Other O&M to charge the new institution and crediting LOBJ 12904 - Amounts credited in the reallocation of expenditures to reduce the expenditures of the institution initially charged.

**NHQ Contact:**

**If you have any problems performing Excel calculations, or if you require additional explanations regarding this exercise, do not hesitate to contact André Richer at (613) 996-2932 or Danielle Philbert at (613) 996-4081.**

**Appendix 19  
Payables at Year End (PAYE)**

**General:**

- The Accounts Payable Module will be closed for old year IS transactions on March 29<sup>th</sup>, 7:45 P.M. The last date for NHQ to transmit these transactions to PWGSC (i.e. EAA) is March 30<sup>th</sup>, 11:59 PM (EST).
- The Accounts Payable Module will be closed for old year Supplier transactions on March 31<sup>st</sup>, 7:45 P.M. Please note that no adjustment is required to the PODD dates during March. All amounts recorded by that date will be included in the accounts payable of the department. As the PODD dates arise in the new-year they will appear for section 33 and onward transmission to PWGSC for payment.
- Regions must ensure that all IFMMS transactions on hold or unapproved are released and approved for Section 33 of the *FAA* by the P12 cut-off date of March 29, 2001.
- All outstanding debts and other amounts owing, greater than \$5,000, must be charged to existing appropriations. Sites may set the threshold at less than \$5,000. However, amounts not set-up as PAYE will be charged against new-year budgets.
- **If a region has no remaining budget against which the expense can be charged, it must be reported to the NHQ A/Manager, Financial Operations and the Director, Financial Management at NHQ as soon as it becomes know or probable.**

**PAYE Criteria**

Sites must examine all outstanding purchase orders/commitments and to set-up payable for those purchase orders/commitments for which goods and/or services were received at March 31, 2001. Debts may be set up as PAYE where the following criteria are met, **as of March 31<sup>st</sup>**:

- the work has been performed;
- the goods have been received; or the services have been rendered by March 31, 2001. In regards to goods, ownership can be interpreted as physical control or possession of the goods that leads to a legal liability to pay the supplier. If ownership is obtained by March 31<sup>st</sup>, proof of transfer of ownership and inspection is required. The inspection may either be on our site or the supplier's site. If the inspection determines that the goods are acceptable, the goods are considered to have been supplied by the accounting date and their value may be charged to the old fiscal year. If physical inspection by a CSC representative did not occur and ownership could not be accepted by March 31, the expenditure cannot be charged to the old year;
- the amount is due in accordance with a contractual agreement entered on or before March 31<sup>st</sup>;
- the debt is a lawful charge to the appropriation.

Amounts **greater than \$5,000** should be set up as PAYE.

**Appendix 19 (cont'd)**  
**Payables at Year End (PAYE)**

**Accounts Payable from OGDs**

Amounts owed by CSC as of March 31<sup>st</sup> and not processed in IFMMS by the March 29<sup>th</sup> cut-off date must be set-up in PAYE – Payables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CSC when recording the accrual. The entry accrual would be as follows:

Dr Applicable expense	(Allot XXX LOBJ XXXX)	\$xxx	
Cr. PAYE-OGD	(Allot 691 LOBJ 86200 - Operating)		\$xxx
Cr. PAYE-OGD	(Allot 691 LOBJ 86500- Capital)		\$xxx

If the OGD is non-FIS at March 30, 2001, indicate the intra number in the appropriate box of the IFMMS journal and request another distinctive piece of information such as the invoice number and indicate that in the description portion of the IFMMS journal.

For instructions on how to deal with disputed amounts, see appendix 6.

**Accounts Payable from External Parties**

Amounts owed by CSC as of March 31<sup>st</sup> and not processed in IFMMS by the March 31<sup>st</sup> cut-off date must be set-up in PAYE – Payables at Year-end. The entry would be as follows:

Dr Applicable expense	(Allot XXX LOBJ XXXX)	\$xxx	
Cr. PAYE-Suppliers	(Allot 690 LOBJ 84200 - Operating)		\$xxx
Cr. PAYE-Suppliers	(Allot 690 LOBJ 84500 - Capital)		\$xxx

**Accounts Payable from CORCAN**

Amounts owing by CSC to CORCAN not invoiced and / or processed in IFMMS by the cut-off date must be set-up in PAYE – Payables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CSC to CORCAN when recording the accrual. The entry would be as follows:

Dr Salaries expense	(Allot XXX LOBJ 011XX)	\$xxx	
Cr. PAYE-CORCAN	(Allot 692 LOBJ 85200 - Operating)		\$xxx
Cr. PAYE-CORCAN	(Allot 692 LOBJ 85500 - Capital)		\$xxx

For instructions on how to deal with disputed amounts, see appendix 6.

**Accounts payable correcting/adjusting entries in P12.2:**

Although PWGSC allows P12.2 electronic corrections to P12.1 payables, all old year adjustments or corrections (i.e. incorrect LOBJ's, amount missed, etc.) are to be submitted to NHQ Corporate Accounting on hard copy with supporting information.

NHQ Corporate Accounting should be advised as soon as the information becomes known. The correcting entries must be **received** at NHQ Corporate Accounting by June 15, 2001.

**Appendix 19 (cont'd)  
Payables at Year End (PAYE)**

**PAYE Cut-off Dates:**

All journal entries (IFMMS journals) required to accrue Payables at Year End must be processed in IFMMS prior to the P12.1 cut-off date of **May 11, 2001**. The GL34 responsibility will force the entry to be recorded in old year.

It should be stressed that although the PAYE cut-off date is May 11<sup>th</sup> the entry to IFMMS should be done on a regular basis, at least weekly. Given that there is no Period 13, the volume of PAYE will probably be higher - thus having a major impact on the financial situation which needs to be monitored closely given the limited resources available. We may need to go to Treasury Board for Contingency Vote 5 relief if the situation gets too close for comfort.

**Monitoring and Control:**

Regions should monitor the clearing of these items on a monthly basis.

When the debts have been settled, any unused portions should be cleared to revenue, Surplus PAYE, Allotment 170, using one of the following line objects:

- 15820 (Non-OGD, O&M),
- 15821 (OGD, O&M),
- 15850 (Non-OGD, Capital), or
- 15851 (OGD, Capital).

Any unused portions of surplus PAYE may be used to settle other old year debts that had not previously been set-up in PAYE. However, only OGD – Capital surplus may be used to settle OGD – Capital old year debts, etc.

Previous year's surplus PAYE must not be used to cover current year's expenses.

**Carryover to 2001-02 of PAYE**

No requirement from the Regions. The carry forward of all amounts will be automatic in IFMMS. Amounts carried forward will include all debts carried forward from 1999-2000 that were not settled during 2000-2001.

NOTE: Debts with outside parties and with other government departments will remain accrued until they are paid.

Appendix 19 (cont'd)  
Payables at Year End (PAYE)

**PAYE Allotments and Line Objects:**

Following is a summary of the allotments and line objects related to the set-up and clearing of accrued liabilities (PAYE). Note we have condensed the line objects, the same line object will be used for the set-up and settlement. (If anyone feels this will cause them problems, please advise Viola Hennessey at ((613) 739-8229.

PAYE - Supplier	CSC Allotment	CORCAN Allotment	LOBJ
PAYE - Supplier O&M	690	001	84200
PAYE - Supplier Capital	690	001	84500
PAYE - Supplier Surplus - O&M	170	N/A	15820
PAYE - Supplier Surplus - Capital	170	N/A	15850
PAYE - Supplier Surplus - CORCAN	N/A	001	25800
PAYE - OGD	CSC Allotment	CORCAN Allotment	LOBJ
PAYE - OGD O&M	691	001	86200
PAYE - OGD Set-up Capital	691	001	86500
PAYE - OGD Surplus - O&M	170	N/A	15821
PAYE - OGD Surplus - Capital	170	N/A	15851
PAYE - OGD Surplus - CORCAN	N/A	001	25801
PAYE - CORCAN	CSC Allotment	CORCAN Allotment	LOBJ
PAYE - CORCAN - O&M	692	N/A	85200
PAYE - CORCAN - Capital	692	N/A	85500
PAYE - CORCAN Surplus - O&M	170	N/A	15821
PAYE - CORCAN Surplus - Capital	170	N/A	15851

**Appendix 19 (cont'd)  
Payables at Year End (PAYE)**

**NEW SCHEDULE REQUIRED**

Regions are required to provide to Corporate Accounting, by May 14, 2001, the following schedules of all amounts recorded as RAYE/PAYE by Responsibility Centre. These schedules must balance to the applicable allotments in IFMMS for their region. The allotment totals will include any RAYE/PAYE amounts carried forward from 1999-2000 that were not settled.

- Allotment 696            RAYE – CORCAN
- Allotment 697            RAYE – External
- Allotment 698            RAYE - OGD
- Allotment 692            PAYE – CORCAN
- Allotment 690            PAYE – External
- Allotment 691            PAYE - OGD

Responsibility Centre Name Responsibility Centre Number Allotment _____ (Number and Description)						
	CSC Coding Resp Subresp	FRA NHQ to Supply	OGD Dept No. / Supplier Name	IS Organization Code / Supplier Reference	IS Reference Number	Amount
<b>Total</b>						
<b>IFMMS Allotment Total P12-1 (May 15, 2001)</b>						
<b>Variance (we will need explanations)</b>						

[Appendix 19 PAYE SHEETS 2000 01.xls](#)

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

Appendix 20

Accounts Receivable

**General:**

Last year we could only record RAYE – OGD and we reported all the other RAYEs on the Accounts Receivable plate. This year we will also have to record the RAYE – from external parties.

Accounts receivable include all moneys owed to CSC including previous years' amounts still outstanding. The value of fees charged, goods delivered, services rendered, overpayments outstanding for fiscal year 2000-01 and the value of closing canteen inventory should be included as accounts receivable. Amounts for GST should be identified separately on Plate I-5.

Exclude amounts that are already recorded in our asset and liability accounts, i.e. parolee loans, standing travel and petty cash advances, trip and relocation advances outstanding, etc.

Also exclude any amounts reported on your Certificate of Cash Balances; NHQ will report on those amounts.

Historically, we have experienced problems in identifying and subsequently reporting the accounts receivable of Correctional Service Canada. This may be in part because one has to consider numerous areas to determine if an account receivable exists. The following table contains examples / areas to consider in determining if an account receivable exists.

Salary Line Objects	Personnel should be consulted to provide a listing of any salary overpayments outstanding at year-end.
Executive Interchange	Are we awaiting receipt of funds from outside parties for the cost of an executive interchange? LOBJ 01330 - Executive interchange.
Tuition fees and books And Tuition advances-employees	LOBJ's 01370 and 04091. Have we advanced tuition fees, etc. to employees taking courses who have not yet submitted proof of successful completion? See appendix 3 for treatment required.
Vacation pay advances	LOBJ's 01500 and 01501. Advances issued in the old year that represent new-year expenditures should be included as accounts receivable of the old year. See appendix 3 for treatment required.
Travel advances	LOBJ's 02400 and 02410. See appendix 3 for treatment required..
Relocation advances	LOBJ 02550. See appendix 3 for treatment required.
Commissionaires - recoveries	LOBJ's 04300 and 04301. Have we received all of the recoveries? Accounts receivable due from OGD's be set-up as PAYE - Accounts Receivable.
Auction fees and commissions - Crown assets	Expense LOBJ's 04420 and 04421 and revenue LOBJ 14500. Were any assets auctioned off in the old year for which we did not receive / record the revenue until the new-year? Amounts received in the new-year (which include assets sold in the old year) must be recorded as new-year revenue and also must be listed on your old year accounts receivable plate.
Teachers' Travel Advances	LOBJ 04161. See appendix 3 for treatment required.

## Appendix 20

## Accounts Receivable

Chaplains' Travel Advances	LOBJ 04491. See appendix 3 for treatment required.
Native Counseling - fees and advances	LOBJ 04515. See appendix 3 for treatment required.
Native counseling - travel advances	LOBJ 04516. See appendix 3 for treatment required.
Cablevision services - inmates' clearing accounts	LOBJ 04593. In theory, this LOBJ should be cleared to zero at year-end.
CCC cable expenses recovered via allowances	LOBJ 04595.
Residential services - advances	LOBJ 04610.
Exchange of services - Federal/Provincial	MOBJ 0480.
Rentals	SOBJ 05.
Vehicle repairs and maintenance	MOBJ 0640. Any amounts recoverable from responsible parties should be included. Any amounts due for warranty work?
Utilities	MOBJ 0710. Rebates due are to be recognized as accounts receivable.
Returnable containers	LOBJ 07705. Have we received and recorded, in the old year, receipts for all containers returned in the old year?
Bid deposits and performance bonds	MOBJ 01242. Amounts not recovered should be included.
All other expenditure line objects	Amounts recorded as expenditures in fiscal year 2000-01 for which we are entitled to receive a refund/rebate etc. must be included.
Refund of previous years' expenditures	MOBJ 1470. Amounts recorded in this MOBJ in the new-year should be included. Prior to completing this plate, review in IFMMS this MOBJ for entries recorded to date in the new-year.
Revenue line objects	Review each revenue line object and establish an account receivable for all goods and services delivered in the old year for which the receipt was not recorded in the old year.
GST Revenue	If amounts due include GST, identify the GST portion separately.
Asset and Liability Accounts	Amounts already reflected in an asset or liability account must not be listed in the accounts receivable. For example, Receivable - IWF Canteen with respect to canteen losses.  If there are other amounts due from the IWF that are not recorded in this account as of March 31, then the amount must be included. <b>For example, the March 31 closing canteen inventory.</b>

Appendix 20

Accounts Receivable

**Accounts Receivable from OGDs**

Amounts owing to CSC not invoiced and / or processed in IFMMS by the cut-off date must be set-up in RAYE – Receivables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by the OGD when recording the accrual. Regions must communicate the amount to the OGD. If the OGD is non-FIS at March 30, 2001, indicate the intra number in the appropriate box on the ISN and request another distinctive piece of information such as the invoice number and indicate that in the description portion of the ISN. The entry would be as follows:

Dr Accounts Receivable-OGD	(Allot 698 LOBJ 88200 - Operating)	\$xxx	
Dr Accounts Receivable-OGD	(Allot 698 LOBJ 88500 - Capital)	\$xxx	
Cr. Applicable coding	(Allot XXX LOBJ XXXXX)		\$xxx

**Accounts Receivable from External Parties**

CSC must prepare invoices for all amounts owing to CSC from external parties. The invoices are sent to the external party and recorded in IFMMS.

CSC uses the GL module to record invoices, so Regions will have up to the close of P12.1 (May 11<sup>th</sup>) to record these invoices.

**Invoices issued:**

The invoices are processed in IFMMS and the following entry is generated:

Dr Accounts Receivable-External	(Allot XXX LOBJ XXXXX)	\$xxx	
Cr. Applicable coding	(Allot XXX LOBJ XXXXX)		\$xxx

**Invoice not issued:**

If amounts are not known, and / or the invoice is not ready to be recorded, Regions must estimate the amount owing to CSC as of March 31st and record an accrual in IFMMS.

Dr Accrued Accounts Receivable-External	(Allot 697 LOBJ 89200 - Operating)	\$xxx	
Dr Accrued Accounts Receivable-External	(Allot 697 LOBJ 89500 - Capital)	\$xxx	
Cr. Applicable coding	(Allot XXX LOBJ XXXXX)		\$xxx

The accounts receivable or accrued accounts receivable balances for each region must include all amounts owing to CSC, including amounts from previous years. Any amounts listed on your last year's public accounts receivable plate not yet collected must be included.

Appendix 20

Accounts Receivable

**Accounts Receivable from CORCAN**

**Invoices issued:**

CSC must prepare invoices for all amounts owing to CSC from CORCAN. On these invoices, it is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CORCAN. The invoices are sent to CORCAN and recorded in IFMMS. All invoices must be processed in IFMMS by the close of P12.1 – May 11<sup>th</sup>.

Dr Accounts Receivable-CORCAN	(Allot XXX LOBJ XXXXX)	\$xxx	
Cr. Salaries expense	(Allot XXX LOBJ 011XX)		\$xxx

**Invoice not issued:**

Amounts owing to CSC not invoiced and / or processed in IFMMS by the cut-off date must be set-up in RAYE – Receivables at Year-end. It is imperative that CSC quotes the IS Organization Code and the IS Reference number supplied by CORCAN when recording the accrual. Regions must communicate the amount to CORCAN. The entry would be as follows:

Dr Accrued Accounts Receivable-CORCAN	(Allot 696 LOBJ 87200 - Operating)	\$xxx	
Dr Accrued Accounts Receivable-CORCAN	(Allot 696 LOBJ 87500 - Capital)	\$xxx	
Cr. Applicable coding	(Allot XXX LOBJ XXXXX)		\$xxx

**Allowance for Doubtful Accounts**

Regions are to calculate an Allowance for Doubtful Accounts on the basis illustrated in the following example:

Total	Account Receivable at March 30, 2001	\$12,000.00
Less:	Accounts Receivable more than 365 days	(\$ 1,500.00)
Less:	Value of accounts in collection agencies	(\$ 500.00)
	<u>Net Receivable at March 31, 2001</u>	<u>\$10,000.00</u>
2% of Net Receivable at March 31, 2001		\$ 200.00
Plus A/R more than 365 days and amounts in collection		<u>\$2,000.00</u>
	<u>Value of Allowance for Doubtful Accounts should be</u>	<u>\$2,200.00</u>

Region must prepare the following entry to set-up this amount in P12.1.

DR Bad debts expense	(Allotment 270, <b>Line Object 42970 13900</b> )	\$2,200
CR Allowance for Doubtful Accounts	(Allotment 700, Line Object 53199)	\$2,200

At the close of last year, 1999-2000 NHQ Corporate Accounting established the opening balance for the Allowance for Doubtful Accounts. Normally, we regions would have to adjust the balance in this account to reflect the value required as calculated above. However, NHQ Corporate will reverse the opening balance in the allowance account and credit the Bad Debts Expense coding. The correct amounts will be displayed in both the current year accounts receivable and the allowance for doubtful accounts (by site) when the Regions process the above entry.

**PAYE Cut-off Dates:**

All journal entries (IFMMS journals) required to accrue Receivables at Year End must be processed in IFMMS prior to the P12.1 cut-off date of **May 11, 2001**. The GL34 responsibility will force the entry to be recorded in old year.

Appendix 20

Accounts Receivable

**NHQ Corporate Accounting adjusting entry required:**

At the close of last year, 1999-2000 NHQ Corporate Accounting established the opening balance for the Accounts Receivable from the public accounts information supplied by the regions.

Normally, regions would have credited the collections during the year to the Accounts Receivable. However, all collections during the year would have been to the appropriate revenue account. Therefore, NHQ Corporate Accounting will process an adjusting entry debiting the revenue accounts and crediting the accounts receivable they established last year. The correct amounts will be displayed in both the current year accounts receivable and the allowance for doubtful accounts (by site) when the Regions process their invoices and / or accruals.

**Monitoring and Control:**

Regions should monitor the collection of the accounts receivable on a monthly basis.

**Carryover to 2001-02 of PAYE**

No requirement from the Regions. The carry forward of all amounts will be automatic in IFMMS. Note, once amounts have been established, they amounts cannot be written-off without obtaining the appropriate signing authority as per the CSC Financial Signing Authorities document.

**RAYE – Receivables at Year-end Allotments and Line Objects**

RAYE - Supplier	CSC Allotment	CORCAN Allotment	LOBJ
RAYE - Supplier O&M / Revenue	697	001	89200
RAYE - Supplier Capital	697	001	89500
<hr/>			
RAYE - OGD	CSC Allotment	CORCAN Allotment	LOBJ
RAYE - OGD O&M / Revenue	698	001	88200
RAYE - OGD Set-up Capital	698	001	88500
<hr/>			
RAYE - CORCAN	CSC Allotment	CORCAN Allotment	LOBJ
RAYE - CORCAN O&M / Revenue	696	N/A	87200
RAYE - CORCAN Capital	696	N/A	87500
<hr/>			

**NEW SCHEDULE REQUIRED – see appendix 19.**

[Appendix 20 RAYE SHEETS 2000 01.xls](#)

**NHQ CONTACT: Michel Gravelle at (613) 943-2784**

Filename: 10 Year End Procedures.doc  
Directory: C:\Program Files\Adobe\Acrobat  
4.0\Acrobat\plug\_ins\OpenAll\Transform\temp  
Template: C:\Program Files\Microsoft Office\Templates\Normal.dot  
Title: Memo Government of Canada - 1 column  
Subject: Note de service - Gouvernement du Canada - 1 colonne  
Author: .  
Keywords:  
Comments:  
Creation Date: 25/05/2001 1:07 PM  
Change Number: 7  
Last Saved On: 28/05/2001 9:56 AM  
Last Saved By: CSC-SCC  
Total Editing Time: 46 Minutes  
Last Printed On: 28/05/2001 10:09 AM  
As of Last Complete Printing  
Number of Pages: 64  
Number of Words: 19,386 (approx.)  
Number of Characters: 98,872 (approx.)