Biennium Close Overview 2021

PROCUREMENT SERVICES
WEBCAST TRAINING SERIES-4/28/2021

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We will begin shortly
Agenda

• What Biennium Close is
• Ariba Information
• MyFD Information
• Best Practices
What is Biennium?

A biennium is an accounting period made up of two fiscal years:

• Months 1-12: the first fiscal year
• Months 13-25: the second fiscal year
• Month 25 is an additional accrual period
Biennium Reporting Periods

Month 25 represents 2 open reporting periods. Transactions from the expiring biennium are posted to June (month 24) and transactions from the new biennium are posted to July (Month 1).
Biennium Reporting Periods

June 30\textsuperscript{th} and prior
Old Biennium

Goods and services received on, or before 6/30 and invoices dated 6/30 and prior are charged to old biennium.

July 1\textsuperscript{st} and forward
New Biennium

Goods and services received on, or after 7/1 and invoices dated 7/1 and after are charged to new biennium.
What is Biennium Close?

• Biennium starts 7/1 on an odd year and ends June 30 of the next odd year. Example: 7/1/2019-6/30/2021

• Biennium close processes affect all budgets, but state budgets are most impacted.

• Cutoff dates are published to indicate when transactions must be received or processed to be recorded for biennium business.
What is Biennium Close?

• For a couple weeks in July, expenses and revenue are still recorded to the old biennium. For this short period of time, two sets of records are open for old and new biennium. We call this the biennium crossover.

• Biennium Close occurs when transactions can no longer be included in the old biennium.

• At the end of the biennium, the records of the expiring biennium are closed
What is Biennium Crossover?

- Occurs when crossing the indexes (budgets), transactions etc from the old biennium to the new biennium

- This exists for the accrual of revenue and expense transactions to post to the expiring biennium. Not all transaction types can be processed during the crossover.

- The process starts in the Financial system 7/7

- New budgets are available 7/8
Ariba: Notable System Dates

• 7/5: PAS system unavailable, no payments issued on holiday
• 7/1-7/8: Only expiring biennium processing for Non-PO Invoice, Invoices on orders
• 6/29-7/7: No Expense Reports (ER), eReimbursements (XR) or Payments to Individuals (XP) processing
• 7/7: Ariba will be unavailable for biennium system updates
• 7/8: New biennium budgets available in Ariba
• 7/9: New biennium payment processing starts
Ariba:

- Budgets expiring in 2019-2021 biennium (6/30/2021):
  - Are removed from Ariba default budget Preferences. Re-set your Preferences with a new 2021-2023 biennium on 7/8
  - Be cautious about creating transactions in June for budgets that expire on 6/30/2021.
Ariba:

• Budgets that continue into the 2021-2023 biennium:
  
  • Will continue to have invoices paid under the same continuing budget number with no further action necessary

  • Requisitions (S), Contract Requests (CR), Non-PO Invoices (INV) and Expense Reports (ER) that were in a "Submitted" status on or prior to 7/7 will be automatically updated to the new 2021-2023 biennium with same budget number and no further action necessary
Ariba:

- Requisitions (S), Contract Requests (CR), Non-PO Invoices (INV) and Expense Reports (ER) that were in a "Composing" status on or prior to 7/7 will not be updated to the new 2021-2023 biennium; Preparers must Edit to select the 2021-2023 budget version and re-submit.

- All Payments to Individuals (XP) and eReimbursements (XR) with either expired or continuing budgets, but showing the 2019-2021 budget version in either “Composing” or “Submitted” status, must use the Edit process to choose an active 2021-2023 budget, then re-submit.
MyFinancial Desktop: Notable Dates

• MyFD Calendar found here: https://finance.uw.edu/myfd/biennium-close

• 7/15: Last day for campus to submit Expense Transfers that require Central Office approval

• 7/22: Final day for campus and Central Office to submit Expense Transfers and JVs

• 7/26: Deans Day: only users with ASTRA authorization of “Biennium Close JV/Transfer(Deans/VPs)” access can submit transfers and approve JVs through MyFD
MyFinancial Desktop:

• Expense Transfers done during crossover (July) will post in the biennium that the original posting occurred. i.e.: transfer of a May transaction during July crossover will post in expiring biennium (June)

• JVs will have a “Previous Biennium” option once the crossover begins

• Budgeted Amounts will not be available during the close

• Transfer expenses as soon as possible
Best Practices:

• Reconcile Early

• Check deadlines regularly

• Sign up for newsletters

• Check budgets regularly, data may not be as frequently updated as it normally would be in July

• Run the Receiving Exception Report in Ariba regularly for invoices pending on BPOs

• Run Open Balance Report in Ariba for open orders in Ariba

• Close any open orders that are no longer going to be used

• Encourage suppliers to bill your orders on expiring budgets as soon as possible
Resources

MyFinancial Desktop Biennium Information:
https://finance.uw.edu/myfd/biennium-close

Procurement Biennium Information and Deadlines
https://finance.uw.edu/ps/reports-reconciliations/bienniumclose

Office of Planning and Budgeting:
https://www.washington.edu/opb/uw-budget/budget-processes/

Grant and Contract Accounting:
https://finance.uw.edu/gca/award-lifecycle/managing-your-award/biennium-crossover

Procurement Services Campus Newsletter Signup
https://mailman13.u.washington.edu/mailman/listinfo/procurementservicesnews
Questions?
(remember to send to “Everyone”)