**VBA Accrual & Annual Close**

**Webinar**

**Question & Answer**

**Resource Guide**

**July 2018**

**Sponsored by:**

* Veterans Benefits Administration (VBA)
* Office of Financial Management (OFM)
* VBA Administrative and Loan Accounting Center (ALAC)

This resource guide provides answers to questions asked during the VBA Accrual & Annual Close webinar delivered by VBA Administrative Loan and Accounting Center (ALAC) on July 26, 2018. The questions are listed in the order they were asked during the training.

| **Accruals & Annual Close** **Question** | **Accruals & Annual Close** **Answer** |
| --- | --- |
| Where exactly can we find the total accrual amount to place on the End of Year letter?  | Regional Offices need to track purchase card and payroll accruals they request ALAC to perform manually in FMS. Regional Offices should coordinate with their local payroll and HR to determine if any adjustments are needed for payroll accruals.  |
| Has Fund code 0151R1 been added to the accruals in CAATs? | Regional Offices with a Regional Loan Center or Insurance Center transfer expenses from 0151A1 to 0151R1 quarterly in CAATS. Fund 0151R1 is in the CAATS Cost / Revenue – Suspense Transfer module to facilitate these expense transfers. |
| What is the cut-off date for purchases which we need to be concerned about for accrual purposes?  | This information will be e-mailed to everyone when we receive the date from VACO Budget. |
| Will accruals be needed for fund 0151R1? | Yes, stations should be processing payroll accruals for fund 0151R1. |
| Will September payroll accruals be from 16 September to the end of the FY? | Pay Period 19 ends on 9/29/2018, therefore, this will automatically be calculated by CAATS. The manual calculation that will be needed for Pay Period 20 (9/30/2018). |
| Do we do an accrual for any purchase card transactions after a certain date? | The system generated accruals will process on the night of 09/26/18. If you input a purchase order and get it approved after this date, you will need to get ALAC to process a manual purchase card accrual in FMS. |
| How do you know what dates to choose for the EOM accruals? | FSC will input September payroll accruals in FMS on 09/25/2018. For purchase cards, any approved purchase card orders or reconciled purchase card charges after 09/26/2018. |
| If accruing LWOP should the FTE hours be negative? | The automatic accrual will account for LWOP if there is a SF-52 in the system that puts the employee on long term LWOP. If there is no SF-52 on file, then it needs to be manually accrued. |
| Do we need to include any supporting documentation for the Accrual, Excel Spreadsheet? | Yes, supporting documentation is required. |
| If we use FMS to move funds, will CAATS reports update also?  | Yes. FMS is the system of record. While FMS updates immediately, CAATS reports are updated daily each morning.  |
| If the RO no longer processes payroll, will we still have payroll accruals? | If another station is processing your payroll, then that station will have to process your payroll accruals as well. |
| Do you all have the excel spreadsheet with the auto for payments? It breaks it down for each FCP and does the benefits amount as well. If so can you forward that out to each station? | The different auto-payment withheld from each employee should be in your past payroll reports. The payroll accrual form can be found in our Intranet website under electronic forms and it breaks it down according to the BOC. |
| Many obligations by contractors are not done on FY basis but are on a calendar basis. How can we zero them out if the obligation is still in use by the contractor? | If the obligations do not end as of 9/30/2018 and there are still outstanding invoices due from the vendor, we should not be de-obligating these items. |
| How can we get contractors to be on a FY calendar vice an annual calendar for obligations close out and spending purposes? | When you are working with the contractor, depending of the type of contract you may have, you may be able to specify that the contract should be based on a fiscal cycle.  |
| Contracting doesn’t understand Fiscal Years, when requesting services, you need to specify the period of performance for the obligations to start and end of FY? | You can specify the fiscal cycle with Contracting, however, they can be limited on their choices since they work with different vendors who have different terms. |
| Where in CAATs do you find the Annual Certification? | The Annual Certification can be found in the Reports module, CAATS Reports Sub-module, Annual Certification Tab. Please note, as per our Webinar training, the Annual certification for this BFY will not be available until after October 1, 2018. |
| Payroll Accruals include, OT, Gains, Losses, and Award paid, Annual leave paid out and those on LWOP? | Yes, it includes all the payroll you normally expense up to a certain date. |
| What are some best practices for compiling payroll accruals? | It is very important to know the actual cut-off date when you will have to accrue the expenses. Work with your local payroll and HR to determine if any additional payroll accruals need to be processed after the cut-off date. Work with your purchase card holders to determine if any purchase card accruals are needed. |
| What type of annual certification would we need to have access for year end? | You need to have at least one person with the initiator role and the approver role. The person with the approver role should be the SSD Chief or Finance Officer as their name will appear on the letter that is forwarded to ALAC. |
| What is your suggested way of monitoring payroll transactions? | Work with your local payroll and HR. Your local payroll should have several transactional payroll reports that may assist in monitoring payroll transactions. |