
INTEROFFICE MEMORANDUM

STATE OF MAINE OFFICE OF THE STATE CONTROLLER

14 STATE HOUSE STATION

AUGUSTA, MAINE 04333

TELEPHONE: 207-626-8420

FAX: 207-626-8422

TO: ALL DEPARTMENTS AND AGENCIES

FROM: DOUGLAS COTNOIR, STATE CONTROLLER

DARRYL STEWART, ACTING STATE BUDGET OFFICER

DAVID MORRIS, ACTING CHIEF PROCUREMENT OFFICER

SUBJECT: FISCAL YEAR 2025 YEAR END GUIDELINES

DATE: MAY 13, 2025

CC: KIRSTEN LC FIGUEROA, COMMISSIONER

As this fiscal year is drawing to a close, the State Controller, State Budget Officer, and the Chief Procurement Officer are jointly providing departments and agencies with guidelines related to expending money for the purchase of goods and services at year end. These guidelines are intended to apply to all funding sources. All requests for purchases and requests for contract or amendment approvals must be essential to meet the State's immediate needs. Please note the deadlines in this memo pertain to both electronic and paper transactions.

Procurement of Capital Items:

The purchase and related encumbrances of funds for capital items will only be processed in the fourth quarter where the test of essentiality is met. Agencies must scrutinize these purchases carefully before submitting purchase requests.

Procurement of All Other Items:

Delivery Orders (DO) will be limited only to purchases that are immediately necessary. Agencies must scrutinize these requests for purchase carefully and, where possible, postpone the purchase to FY26. Non-emergency purchases requested after June 13th will be processed in FY26.

Due to the application of the 15 Day Appeal Period requirement, The Division of Procurement Services will process non-emergency requisitions for competitive bid in FY25, if the Requisitions (RQS) are received by the Division of Procurement Services no later than May

9th and no later than May 30th for non-competitive bid requisitions. Non-emergency requests received after these dates will be processed in FY26.

The deadline for paperless modification requests for FY25 is June 13th.

The last day for Procurement Card purchases to expend FY25 funds is May 23rd. Transactions must be posted to JP Morgan by the close of business on May 30th. Any Procurement Card purchases made after May 23rd may not be billed until July.

REMINDER: Agencies should reconcile and liquidate all outstanding Procurement Card bills (REs) before the end of the fiscal year. The only outstanding charges that should be carried into the new fiscal year are those that have not yet been billed on an RE.

Contracts and Grants for Services:

Encumbrance of contracts and grants for service (CT) will be limited only to purchases that are immediately necessary. Agencies should scrutinize these requests for procurement of services carefully and, where possible, postpone the purchase until FY26. Non-emergency contracts, valued at \$1 million or more, must be requested no later than April 18th and no later than May 16th for those valued under \$1 million. Contracts requested after these dates will be processed in FY26.

As we move forward with end of year activities, it is incumbent upon each Agency to verify that all agreements are correctly staged with the correct event type(s). For instance, an encumbered agreement spanning two fiscal years would be coded with event type PR05 for the current fiscal year and with event type PR08 plus Budget Fiscal Year 2026 for the next fiscal year. Requests for new and/or changes to FY26 staged encumbrances must be received by June 13th.

All encumbered documents using event type PR05 will automatically roll at the fiscal year end, provided there is an open balance on a current year line or there is at least one accounting line staged for a future year. Accounting lines with event type PRM5 will lapse at fiscal year end.

Unencumbered documents using event type PR07 will automatically roll if the Service End Date is greater than 6/30/2024. If the Service End Date is prior to 07/01/2024 and you need the document to roll, you will need to modify the service date. If there is no open balance in the current year or are no lines staged for future years, the document will not roll.

All MJRP, Fund 023, PR05 FY25 lines will roll as PR05 lines into FY26.

REMINDER: Agencies should ensure their work programs contain sufficient allotment in the first quarter to cover staged contracts.

Prepayments for Goods and Services:

Prepayments for services or goods are not permitted. In accordance with Title 5, section 1552, all payments must be made from proper invoices for services rendered or goods delivered. As such, the practice of overpaying or prepaying any of the various Internal Service Funds or outside vendors is not allowed. All payments must be made against invoices for completed services and any payments to the Internal Services Funds or other vendors with the intent of having that fund or vendor hold the payment for future projects or services, once identified, shall be returned to the funding account through the Office of the State Controller. If that account is a non-carrying account, the funds shall lapse.

Payroll Insufficiencies

Agencies must ensure that sufficient Personal Services allotment exists to process June payrolls by proactively resolving funding issues with the appropriate Analyst in the Bureau of the Budget in time to process any Budget Orders or Financial Orders in advance of the payroll to be paid. These Orders must be posted in Advantage in advance of the payroll payment. All allotment and cash insufficiencies must be resolved before the final payroll of the fiscal year is paid. For the Cycle B payroll, there must be sufficient allotment by the close of business on June 18th and for Cycle A, there must be sufficient Personal Services allotment by the close of business on June 25th.

Payroll Accruals

Payrolls will be charged to the fiscal year in which the payment is made. If you accrue payroll for Cycle B, please include all working days from June 8th through June 30th. If you accrue payroll for Cycle A, please include all working days from June 15th through June 30th.

Fiscal Year 25 Journal Transfers

The Controller's Office will begin preparing the journal vouchers to move account balances in accordance with the various laws before the end of May. Please ensure that any funds identified to be transferred are available in the accounts by that date. If your agency posted a journal related to a State Controller law reference, please notify Sandra Royce in the Office of the State Controller. Please reference the JV number and the date accepted by Advantage.

Advantage

Advantage will not be available for online access on Monday, June 30, 2025. We will only process critical GAX payment interface files on that day. OSC will be prepared to make BIE entries for those interfaces. Please share your INF details with OSCAvantage@maine.gov on June 30, 2025.

Payment Vouchers (GAX's & PRC's over \$10,000)

Documentation for these FY25 transactions should be received in OSC Pre-Audit, properly coded and approved, no later than 4PM, Monday, June 23rd. To help ensure that documents are approved to final, the documents must reach our office by the deadline, be free of errors, and meet our pre-audit standards.

Do not schedule payments into the new fiscal year. All payment vouchers (GAX and PRC documents) with a scheduled payment date past June 30, 2025, will be rejected by OSC regardless of dollar amount.

Cash Receipts

The last day to record deposits of FY25 monies in Advantage is Friday, June 27th.

Carrying Accounts

Please provide a list of General Fund and Highway Fund accounts/appropriations that carry by law to Sandra Royce at the Office of the State Controller no later than Friday, May 16, 2025. This includes any partial account balances that carry by law. You should indicate which law authorizes the appropriation to carry.

Financial Orders

Financial Orders that require a 30-Day Wait should have been submitted to the Bureau of the Budget by April 30th for the May 15th signing meeting with the Governor. The deadline to submit Financial Orders for the last signing meeting of the year (Financial Orders that do not require a wait) is June 11th, for the June 26th signing meeting with the Governor. If necessary, additional signing meetings (depending on volume and emergency situations) may be scheduled but are not guaranteed.