



COMPLIANCE UPDATES AND USEFUL TIPS

CULTIVATING A CULTURE OF COMPLIANCE

Monthly updates from the MDE Office of Compliance

APRIL 2020

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This month's *Compliance Updates* provides reminders from OTSS, Accounting and Procurement for employees while working at home; access to FY2020 year-end deadline dates, tips for contract management, and end-of-year processing of open purchase orders and invoices.

Reminders for Employees while Working from Home

The Office of Technology & Strategic Services (OTSS) is actively working to ensure the transition from work to home goes well for employees. Emails were sent to employees related to accessing files from home, phishing and security issues, and seeking assistance with any technology issues.

- Accessing Office Files Remotely – OTSS Email on 3/20/2020 at 2:14 p.m.
- Phishing & Security Tips – OTSS Email on 3/25/2020 at 2:00 p.m.
- Helpdesk Assistance – Submit a ticket via email to mdenet@mdek12.org
- MSIS Assistance – Submit a ticket via email to mdeapps@mdek12.org

The Office of Accounting has issued temporary Accounting procedures for continuing operations while employees work from home. There is helpful information regarding services related to accounts payable, accounts receivable, mailroom, payroll, property, and travel. Please revisit the email sent to Accounting Contacts and Bureau Directors at 9:27 a.m. on 3/30/2020 by Sheila Franklin-Buie, Accounting Director.

The Office of Procurement has issued temporary Procurement procedures to ensure that all contracts, grants, purchases, etc. are processed timely. Please view the email sent to Procurement Contacts and Bureau Directors at 5:08 p.m. on 4/16/2020 by Monique Corley, Procurement Director.

FY2020 Year-End Deadlines

To access FY2020 Year-End Deadlines, go to the [Office of Accounting's webpage](#).

Click Resources>FY2020 Fiscal Year-End Deadlines

REPORT FRAUD, WASTE, AND ABUSE:

To report suspected fraudulent activity, go to the MDE Home webpage and select the Report Fraud, Waste, and Abuse link. (<https://compliance.mdek12.org/Fraud/>)

Program Office Contract Management

Helpful Tips for Successful Contract Management

- For contracts, if services will continue into the next fiscal year, the PO **must be de-obligated** by the end of the current fiscal year in order to release ALL unused funds from the PO and return those funds to the contract.
- Send a purchase order request to the Office of Procurement to obligate the funds in the new fiscal year to balance out the contract.
- If the funds are not de-obligated by the end of the current fiscal year, MAGIC **will not allow** a PO to be opened to encumber funds for that vendor in the new fiscal year, as funds will still be tied to the PO that was not de-obligated.
 - The vendor would have to be paid without a purchase order in the new fiscal year, and the payment will result in a **purchasing violation**.
 - The Department Chief will receive a purchasing violation notification from the Chief of Operations, and a copy of the notification will be sent to the State Superintendent.
- Monitor, manage, document and communicate contract requirements to contractors to ensure compliance with specified expectations, contract deliverables, and budget.
- Prior to the approval of payments, verify that work was performed satisfactorily.
- Track balances closely to prevent overpayments and contractual violations.
- Maintain documentation of services provided during the terms of the contract, especially any problems with contract deliverables.
- Evaluate the contract worker's performance at the end of the contract period.

Open Purchase Orders and Invoice Payments

OPEN PURCHASE ORDERS

It is extremely important that ALL open purchase orders are monitored closely as year-end approaches. Listed below are some helpful tips to ensure open purchase orders are closed properly.

- Review the balances of all open purchase orders (POs).
 - Use T-Code ME2N in MAGIC to view a PO report by PO Number.
 - View the “Z2b.Inv.\$\$” column of the report for the amount remaining on the PO.
- If there is a balance on the PO after all invoices are received and all payments are made, the PO **must be de-obligated** prior to the end of the current fiscal year, June 30, 2019, to return unused funds to the budget.
- **PRIOR** to de-obligating a PO, make sure there are no outstanding invoices to be paid.

INVOICE PAYMENTS

Several transactions, including but not limited to contracts, grants, open purchase orders, food for meetings, and rental space approvals, require the submission of an invoice for payment. Listed below are a few reminders regarding invoice payments.

- Invoices **must not** exceed the approved amount of a PO.
- ALL invoices must be verified for completion of services or delivery of goods **PRIOR TO** authorizing the payment.
- **ALL** invoices for goods and services **MUST BE PAID** **immediately** following verification.