

Year-End Debit Memorandum Guidance



Agencies must have all debit memorandums processed according to the AA Memo—FLAIR Fiscal-Year Closing. All debit memorandums that come through the bank as of June 30th will be processed and recorded in Central FLAIR on July 1st but will be dated June 30th. Agencies will need to add accounting entries in Departmental FLAIR to match Central’s records of these returned items. The Departmental accounting entries will need to be completed with a **Prior Period Indicator (PPI)** to record the transactions as of June 30th, and any reallocations pertaining to these debit memos, must be reported in the new fiscal year.

Accounting entries for recording prior year debit memorandums in Departmental FLAIR:

Accounting Entries		
Description	DR	CR
Revenues	5,000	
Verified Cash		5,000

When inputting the accounting entries into Departmental FLAIR, it is important to ensure that you are using the **Book Keeping Indicator (BKI)** and the **PPI** to record the debit memorandum in Departmental records only for the previous fiscal year. The chart below identifies which transactions to use and when to use the **BKI** and **PPI** for the debit memorandums. All other fields should be processed as normal. If transactions are processed without these indicators, correcting entries will be needed.

Transaction	Date	BKI	PPI
TR30	As of June 30th	N	M/Y*
TR30	As of July 1st, if reallocation is needed	N	-
TR96	As of June 30th	-	M/Y*
TR96	As of July 1st, if reallocation is needed	-	-

*If the month of June has not been closed in Departmental FLAIR, a **M** must be used. If June is closed, but the previous fiscal year is still open, a **Y** must be used. If the previous fiscal year is also closed, post-closing entries will be needed.

Resources:

- [ARR024—Florida PALM Debit Memo Report](#)
- [Debit Memo Report Job Aid](#)
- [Debit Memo Report Training Video](#)
- [Tips & Tricks—Monitoring Deposits](#)

Please note, these resources are to assist in understanding the debit memorandum process during the fiscal year and do not contain any specific details for end of year processing. Guidance above should be applied for end of year memorandums.