Open Encumbrance Review Process

The open encumbrance review process should be an ongoing process, not just at year end. Follow the steps below to begin your review.

- Review all open encumbrances in Cognos: Public Folders > HSC Finance > Encumbrances, Invoices and Checks > Open Encumbrances by Fund and Orgn.
  - Check for validity:
    - Will the order be fulfilled before 8/31/2014?
    - Was the order received but receiving never completed? (If so, complete receiving)
    - Have you received the order but it has not been invoiced (paid)? (Make sure all invoice information is submitted to Payment Services.)
  - If the encumbrance is still valid, leave open.
  - If the encumbrance needs to be closed make the request through the PO and Encumbrance Change Request application.

- Encumbrances on E & G funds (funds that start with a 10) only roll one year. If the open encumbrance rolled from FY 13 to FY 14 and is not expended by 08/01/2014, it will be closed.
- When the encumbrance is closed, any associated budget will be reversed and cannot be used for other current year purposes.
- To keep the funds available beyond 08/01/2014 you must notify Purchasing at purchasing@ttuhsc.edu by 08/08/2014 to re-establish the encumbrance.
- Payroll encumbrances are systematically released at year end.

<table>
<thead>
<tr>
<th>Encumbrance Type</th>
<th>$ Amount</th>
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</thead>
<tbody>
<tr>
<td>Payroll Open Encumbrances</td>
<td>62,696,166.38</td>
</tr>
<tr>
<td>Non-Payroll Open Encumbrances</td>
<td>36,419,424.58</td>
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<tr>
<td>Total Open Encumbrances as of 06/30/2014</td>
<td>99,115,590.96</td>
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</tbody>
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For more information, contact Finance Systems Management at fsm@ttuhsc.edu.