



University of Colorado at Boulder

Accounting and Business Support
3100 Marine Street
579 UCB
Boulder, Colorado 80309-0579

MEMORANDUM

To: Departmental Administrators

From: Laura Ragin
Director of Accounting

Date: May 27, 2009 (updated 6/15/09 and 6/25/09¹)

Subject: Fiscal Year 2009 Year-End Close Significant Dates, Checklist, and Accounting Tasks for Departments

Please distribute this memorandum to faculty and staff who are responsible for administering fiscal activity.

Two Year-end Closing Town Meetings are scheduled for:

- Thursday June 4, 10:00 – 11:30, Eaton Humanities Building room 250 and
- Thursday June 4, 1:30 to 3:00, Eaton Humanities Building room 250


The purpose of these meetings is to review the departmental year-end closing significant dates, checklist, accounting tasks and answer all your questions. Plan to attend this meeting if you have any questions about your role in our year-end closing process. Please pre-register by email to accounting@colorado.edu and indicate the morning or afternoon session. **Please print out and bring a copy of this memo.**

June 30, 2009 is the end of our fiscal year and all transactions related to FY2009 must be recorded as June business. In order to facilitate this requirement, the Finance System general ledger for June is held open for departmental entry until **Tuesday, July 14** to allow time for processing all FY2009 transactions. The following information is intended to guide you in this effort.

I hope this material helps you in planning your year-end accounting activities. Contact your Area Accountant with any questions you have about the year-end process. I want to thank you for your effort and hard work throughout the year. We now need your assistance with the year-end closing process, and the annual report. These are simply not possible without your help which is *always* valued and appreciated!

1. Significant Dates for Departmental Year-end Close are included in this memo. The deadlines by which specific tasks must be done by departmental administrators are also noted. Please arrange your schedules to make sure that the items that relate to your operations are completed by the scheduled deadlines. *Page 5*
2. Checklist for Departmental Year-end Close is included in this memo and provides a quick checklist of Accounting Tasks departments must accomplish for a successful year-end close. *Page 13*

¹ Updates Gift in Kind processing pages 8, 14, & 20 and the July 1 sub-award entry on page 9.

3. Accounting Tasks for Departmental Year-end Close is included in this memo and explains the tasks listed in the Significant Dates and the Checklist sections of this memo. *Page 15*
4. Automated Accruals is a separate document issued by the Procurement Service Center (PSC) and explains how to record all expenses applicable to FY2009 using the accounts payable accrual process. *Automated Accruals* was sent with this memo.
5. Procurement Card Year-End Instructions is a separate document issued by the PSC and explains how to record all expenses applicable to FY2009 using the Procurement Card (ACARD) process. *Procurement Card Year-End Instructions* was sent with this memo.
6. ABS Website has a page for Fiscal Year End 2009 where you can find information to use for year-end close, including this Year End Memo and #4 & #5 above. Go to <http://abs.colorado.edu> and click the image link: 

ABS Area Accountants

Chancellor	Carrie Howard	492-1071	Carrie.Howard@colorado.edu
VCAA Arts & Sciences	Leila McCamey	492-0794	Leila.McCamey@colorado.edu
VCAA (except A&S)	Jenny Shao	492-2429	Jenny.Shao@colorado.edu
VCAA Academic Support	Jenny Shao	492-2429	Jenny.Shao@colorado.edu
VC Research & Grad School	Carrie Howard	492-1071	Carrie.Howard@colorado.edu
VCSA	Carrie Howard	492-1071	Carrie.Howard@colorado.edu
VCA	Leila McCamey	492-0794	Leila.McCamey@colorado.edu
Senior VC	Leila McCamey	492-0794	Leila.McCamey@colorado.edu

Acronyms used in this document

ABS – Accounting & Business Support
 ACARD – Procurement Card
 BJE – Budget Journal Entry
 BRS – Student Billing & Receivables System
 CIW – Central Information Warehouse
 EOM – End of Month
 EOY – End of Year
 ES – Expense System
 FIN – Finance System (PeopleSoft)
 FOPPS – Fund/Organization/Program(Project)/Subclass combination
 F&A – Facilities and Administrative costs on sponsored projects
 FY – Fiscal Year
 GL – General Ledger
 HRMS – Human Resources Management System
 IN – Interdepartmental order and invoice
 JE – Journal Entry
 OUC – Office of University Controller
 PBS – Payroll and Benefits Services
 PET – Payroll Expense Transfer
 PO – Purchase Order
 PPE – Pay Period End Date
 PS – PeopleSoft (Finance System)
 PSC – Procurement Service Center
 PV – Payment Voucher
 SPA – Sponsored Projects Accounting
 SPO – Standing Purchase Order
 TV – Travel Voucher

Highlights & Reminders for this Year

1. The June bi-weekly payroll for the pay period ending June 27 will be fully accrued for FY2009.
2. The bi-weekly payroll for the June 28 – July 11 pay period will be fully expensed to FY2010.
3. The State of Colorado continues the June pay date shift in accordance with Senate Bill 03-197. The June payroll is reported as an expense for financial reporting purposes in FY2009, but cash is reduced against the FY2010 budget. This means that the June monthly salary will not be disbursed to employees until July 1 and we will accrue the salary expense in the Finance System for June 30. However, instead of reducing cash in your FOPPS, a payroll and benefits payable liability will be recorded in the Department's FOPPS in account 105102 – Accrued Salaries and Benefits Paydate Shift. Auxiliary and Gift fund FOPPS will see these liabilities on their balance sheet reports. General fund and Sponsored Project funds will see no difference. On July 1 these liabilities will be paid.
4. Plan to get your **sponsored project** (Fund 30/31) and **gift** (Fund 34) JEs and PETs created and departmentally approved before the following SPA/Gift Approver JE deadlines in order to give SPA and ABS enough time to review them for approval. See [SPA JE Tips](#) for how to prepare the JE.

Restricted Funds 30, 31, & 34 Journal Entry Deadlines			
Fri	June 26	6:00 pm	for July 2 1st close
Wed	July 8	12:00 noon	for July 9 2nd close
Tue	July 14	6:00 pm	for July 16 Final close

Things to keep in mind about journals that require SPA & ABS approval:

- Journals must have *departmental approval* by these deadlines in order to qualify as having met the deadline. All journals need departmental approval before ABS or SPA can review the journal for approval. Journals without departmental approval will be delayed and may not make the cutoff.
 - These deadlines are firm. Please don't try to sneak one in thinking it will be approved. The departmental approval date serves as a timestamp. If you miss a deadline and it is critical that the journal gets in before the close, call and talk to ABS for gift journals (Carrie Howard, 2-1071) or SPA for sponsored project journals (Hua Xu, 2-1679. Please note that Hua approves PETs and Jim Sheppard approves JEs but Hua is the single point of contact for SPA approvals on special requests or unusual circumstances).
 - PETs should be completed by the 2nd preliminary close on July 9th. If you find you must get a PET done for FY09 between the 2nd and 3rd close, please contact Hua (2-1679) to facilitate that transaction.
 - Please put Fund 30/31 and Fund 34 entries on journals by themselves, separate from the other Funds and from each other. This way, journals for other Funds can post quicker and will not be delayed for the Fund 3x extra approval process.
5. Let your departmental approver know when you create a journal so it's approved before a deadline hits. As year end nears, you don't want a journal sitting there that the approver is either not aware of or is not available to approve before the deadline. The faster that JEs are approved, the less work piles up—and anything that needs further investigation or documentation will have more time for completion.
 6. The pink statements from the 1st preliminary close will only be generated for those few remaining departments that get monthly paper Revenue/Expense Detail Statements—you know who you are.
 7. There will be only one Gift Fund calculation and transfer for July, at the end of the month.
 8. The [Internal Service Center \(ISC – Fund 28\) rate sheet](#) combines the ISC rate sheet and auxiliary budget template. This allows you to determine the rates charged to internal and external customers in compliance with Federal regulations while simultaneously creating an initial budget for upload into the

Highlights & Reminders for this Year

Finance System. This year's Excel file now contains six (6) rate sheet tabs for those departments that have more than one ISC. FY10 rate sheets are due to ABS by June 30, 2009.

9. The accrual for non-PO (PV, TV, SPO) will be the same as last year. These transactions will post to FY09 and the accrual will be made to the Vouchers Payable account 100000 instead of a separate accrual process. Non-PO receiving accruals will look at the "June Business" checkbox. If it is checked, the system will change the Accounting Date to June 30, 2009. No accrual entry ("ACC" prefix) will be made. The voucher will appear as though it was entered on June 30, 2009 even though it was entered in July. The voucher record will show the actual entered date; only the accounting date will change. Please note that if you are accruing goods/services purchased from a Colorado State Agency (e.g., Correctional Industries), ensure the JE ID starts with "ACCS" so that it can be properly classified for state reporting. The automated accrual process ends July 9, 6:00 pm. Refer to the *PSC Automated Accruals* document.
10. As last year, departments will be able to approve PO Requisitions through the end of the fiscal year. The PO and any unsourced reqs will roll into the new fiscal year.
11. Summer Session. In December 2007, the Provost's Office requested that all 28888 and 28889 programs be brought to zero balance. Beginning with Summer Session 2008, these accounts are to be used only for approved Summer Session instructional expenses. Summer Session 2009 transactions require using the Summer Session program 28889 for Summer Odd. Because Summer Session overlaps fiscal years, the Summer Session *programs* will help you track your summer activity for the calendar year summer. Note: The summer program numbers are the same for all departments, but the speedtypes vary.

For additional information, the 2009 Summer Session Appointment & Payment Memo is available on the PBS website at: <https://www.cusys.edu/pbs/hrms/resources/downloads/Summer-Session.pdf>.

(Please note: This year's summer session budget process changed slightly from the previous year. Because Expenditure Control edits are now turned off in the Finance System, there was no need to do a budget transfer to cover May and June 2009 salaries.)

12. The Checklist for Departmental Year-end Close on pages 13 & 14 provides a reference of Accounting Tasks departments must accomplish for a successful year-end close.
13. PETs for FY09 should be entered by 2nd preliminary close, July 9, 6:00 pm. Refer to the PBS Payroll Calendar for the most current payroll dates: <https://www.cu.edu/pbs/hrms/ps/calendar.html>.
14. Mail addressed to the PSC and deposited in the Regent Hall mail slot labeled "Denver" by 1:00 pm will be picked up and delivered to the PSC that day per Mailing Services. Slot is on Regent's lowest level across from room 1B75.

Significant Dates for Departmental Year-End Close

Continuous throughout year-end

Departments should review their statements for errors and correct errors as they are found. Your Area Accountant will contact you if errors are discovered through our review process.

Make sure all clearing FOPPS are actually cleared for year-end. Make sure all clearing and suspense accounts are cleared for year-end.

013106 Departmental Cash Clearing
100300 AP-BRS Clearing
100301 AP-BRS Clear Accounts Payable
100302 AP-BRS Clear Financial Aid
100303 AP-BRS Clear Third Party
100304 AP-BRS Clear TA's and RA's
100305 AP-BRS Clear Graduate Scholarships
100306 AP-BRS Clear-Miscellaneous
100307 AP-BRS Clear-COF
150300 Undistributed Receipts
150301 Undistributed CC Revenue
150600 Clearing Accounts
280150 Aux Interdept Clearing/Dr
280151 Aux Interdept Clearing/Cr
410100 Suspense Salary
430100 Suspense Deductions
430101 Suspense Taxes
430999 Suspense Ben
552628 Bankcard Clearing
553200 Uncleared A-Card Expense
553201 Pro Card Unallowable Expenses
699999 AP System Maintained Default

Submit transactions—especially accounts payable—often and early. With the PSC at the Downtown Denver campus, you have to allow time for the mail to get the documents to the PSC. Remember, their deadlines are for documents in their hands, not in the mail.

All questions about sponsored project grants and contracts (Fund 30 and 31 FOPPS) should be directed to your SPA Accountant for that funding agency.

Journal date – remember to watch the journal date very closely. If you are trying to post to June 2009 the journal date has to be 06/xx/2009. Any journal date of 07/xx/2009 will be posted to the July 2009 ledger (period 1 of FY2010). Beginning July 1 the journal date will default to a July date. **In order to post the transaction to June you have to change the journal date. The recommended format is 06/30/2009.**

Month of May FY2009 General fund continuing budget journal entries have stopped. FY09 capital construction continuing budget journal entries continue through June 30. FY09 temporary budgets, all funds, continue through Departmental year-end cutoff 6:00 pm July 14.

FY2010 period 1 (July 2009) ledger is open for continuing and temporary budget journal entries. These must have a journal date of 07/xx/2009.

You can begin to enter FY2010 (July 1, 2009) standard journal entries if you know the FOPPS and amounts.

May 22 was the last day to submit requests to ABS to inactivate FOPPS for May close. FOPPS will not be inactivated during June.

May 29 the OUC placed a temporary moratorium on opening new asset, liability, revenue or expense accounts for this and the next fiscal year. Requests were due ABS by May 26.

All PO and SPO Requisitions using FY09 funds were due to the PSC.

Review your April reports and correct all the errors. Early clean up and correction has big payoffs throughout the close.

Tue Jun 2 Finance System closes for May at 6:00 pm. ➡ **Do not create, validate, approve or post May journals after 6:00 pm.**

Thu Jun 4 Attend one of the Year-end Closing Town meetings:

- 10:00 – 11:30, Eaton Humanities Building room 250
- 1:30 – 3:00, Eaton Humanities Building room 250

Register by email to accounting@colorado.edu and bring a copy of this memo. This is an opportunity to get all of your questions answered about the year-end process.

May reports available on demand in the Reporting System after 8:00 am. CIW G/L tables and FIN Reporting nightly refresh will not occur until Friday night.

5:00 pm cutoff for time collection for the May 30 bi-weekly payroll. This is a time of year when we see a high number of payroll suspense entries because funding distributions have not been updated for those persons on (or remaining on) payroll throughout the summer. Make sure all funding distributions for all positions are correct and approved. Any transactions hitting payroll suspense will be cleared to the Departmental Payroll Suspense FOPPS for you to correct to the proper FOPPS via a PET. You can run the Summary Suspense Report prior to the cutoff to identify employees whose payroll funding distribution will cause their payroll to go to suspense. Please make the necessary corrections to the employee's record before the cutoff. Refer to the HR Step-by-Step Guide for instructions to Running HRMS Reports at <https://www.cu.edu/pbs/sbs/> or call the PBS Help Desk at 735-6500 if you need assistance. Except for transactions that involve work-study, the biweekly accrual transactions are available for correction via the Payroll Expense Transfer panels. More information about suspense can be found on the PBS website: <https://www.cu.edu/pbs/proceduresguide/2.20.html>.

Mon Jun 8 May reports are available in the Portal after 12:00 noon. Begin reviewing May monthly reports to identify and correct errors. Clearing and suspense FOPPS must be cleared for year-end close. Remember, ABS and SPA will attend to the balance sheet transaction report for the general fund (10) and sponsored projects (30, 31). It is very important to correct all sponsored project errors in the year in which they occurred for several reasons.

- a. The Boulder Campus Cost Transfer policy requires that corrections be made within 90 days after the end of the month in which the error first appeared on your monthly statements.
- b. Our fringe benefit change date is July 1. If you make a correction after July 1 for errors on salary that was paid prior to July 1, a different fringe benefit rate is applied to the correction than was applied to the original entry. This should be avoided.

Last day to submit to ABS requests to change (add, delete or modify) allocation steps within existing groups for FY2009. Contact Lynda.Reisinger@colorado.edu, 2-8646.


Begin daily email reminders from Laura Ragin about year end tasks to be done.

Fri Jun 12 Deadline for changes to Property Accounting System (PAS) for FY09. For assistance contact Jeanne Connely 2-2424.

Last day for the Student Employment Office to receive payroll expense transfer requests for hourly (account 407600) to work-study (account 407700). Hourly to work-study transfers are contingent upon availability of funds and student eligibility. Complete the online PET form at <http://www.colorado.edu/studentemployment/oncampfillforms.html>. The Student Employment Office must receive payroll expense transfer requests by 4:30pm. You may submit requests by fax to 2-4544 or by email to stdemp@colorado.edu. For more information, contact Brenda Duran at 2-3548 or Brenda.Duran@colorado.edu. No hourly to work-study transfer requests will be processed for the 6/13/09 or 6/27/09 pay periods.

- Mon Jun 15 ABS begins an intense monitoring of journals written but not posted and will notify departments to get these finalized and posted.
- 5:00 pm cutoff for time collection entries for June monthly pay period. This is a time of year when we see a high number of payroll suspense entries because funding distributions have not been updated for those persons on (or remaining on) payroll throughout the summer. Make sure all funding distributions for all positions are correct and approved. Any transactions hitting payroll suspense will be cleared to the Departmental Payroll Suspense FOPPS for you to correct to the proper FOPPS via a PET. Please run the Suspense Report prior to the cutoff to identify employees whose payroll funding distribution will cause their payroll to go to suspense. Please make the necessary corrections to the employee's record before the cutoff. See the June 4 Payroll entry for payroll suspense information.
- Tue Jun 16 5:00 pm cutoff for time collection for the June 13 bi-weekly payroll. All the preceding payroll suspense advice applies. Note: HR Production is down Wed-Fri, June 17-19.
- Wed Jun 17 Noon deadline for CU Foundation to receive gift transfer requests >\$500,000 or to receive manual transfer request forms for FY2009 in order to make the 6/30 wire. Requests received after this cutoff will be processed as FY2010 business. (Manual transfer forms are still needed to: liquidate an endowment or quasi-endowment; transfer CUF funds to a non-Fund 34; when the donor specifies certain signatures required for spending; to correct errors in deposits.)
- Fri Jun 19 For departments using Data Entry, all INs received through Thursday, June 18 must be hand-delivered to Lynda Reisinger by 4:00 pm at Administrative and Research Center room 433. Please make arrangements to deliver these. **Beginning today, please continue to hand-deliver all INs to Lynda on a daily basis.**
- Wed Jun 24 Travel and non-travel vouchers *must be at the PSC* in order to guarantee a check in the last check run for the year. This means in their hands, not in the mail.
- Last day for the Student Employment Office to receive payroll expense transfer requests to move the employer share of work-study earnings (account 407700) from one FOPPS to another. The payroll expense transfer form can be found on the web at <http://www.colorado.edu/studentemployment/oncampfillforms.html>. Completion of this form does not guarantee that a transfer will occur. Transfers will be contingent upon HRMS availability. Payroll expense transfer requests must be received at the Student Employment Office by 4:30 pm. You may submit requests by fax to 2-4544 or by email to stdemp@colorado.edu. Contact Brenda Duran at 2-3548 for additional information.
- 2:00 pm deadline for FY09 hand drawn requests are due to PBS. Hand drawn requests received after this deadline will be processed as FY10 business. Call the PBS Help Desk if you have questions about these payments, 303-735-6500. When available, check the PBS June 2009 Bulletin for more year end information.
- Thu Jun 25 On Payment Vouchers for FY09 business begin to circle the total dollar amount and write "June" underneath it. See *Automated Accruals* document.

- Fri Jun 26 6:00 pm deadline to enter Fund 30/31 and 34 journals to ensure approval for 1st close. See item #4 on page 3 for important points to keep in mind about these journals.
- Last day to provide PSC with vendor information to set up new vendors.
- Mon Jun 29 PBS will stop printing payroll hand drawn warrants at 12:00 Noon. These must be picked up from Office of Cash Management by close of business. Unclaimed warrants will be returned to PBS and mailed to employees on June 30.
- Last update of the Expense System (ES) expense reports. Anything entered after today will have to be accrued. This accrual is entered by the OUC and for this year, only applies to those pilot departments who are using ES.
- Tue Jun 30 **Midnight is close of Fiscal Year 2009.** All business transactions completed by midnight today must be recorded as FY2009 activity in the correct FOPPS and accounts. All assets and liabilities of your department must be recorded at the proper value. Expense for all goods/services received must be recorded either by payment, automated accounts payable accrual or manual accounts payable accrual. Revenue for all goods/services provided to customers must be recorded either as cash received or accounts receivable if payment has not yet been received. All goods and services provided between departments must be recorded as either interdepartmental business with Internal Service Centers (INs) or using the Miscellaneous ID revenue and expense accounts.
- 12:00 noon deadline for the PSC to receive requests to cancel checks in FY2009.
- Last day for Accounts Payable to run checks for FY2009. All checks on hand in your department must be mailed by midnight tonight.
- Internal Service Centers (Fund 28 FOPPS) [Excel worksheets](#) to calculate FY10 ISC rates and to create the ISC initial budget for upload are due ABS accounting@colorado.edu with a signed paper copy to Diana Vidal in ABS, 579 UCB.
- FY10 auxiliary budgets due to Jan Baker in the Budget Office Janet.Baker@colorado.edu.
- Physical count of inventories must be completed by this date.
- Count petty cash and change funds and record any necessary adjustments in the Finance System, account 552630 – Cash Over/Short.
- Last feed of BRS activity to the general ledger.
- Encumbrances (PO, PO Req, SPO, SPO Req) roll forward to new fiscal year.
- June pay date shift to July 1.
- Wed Jul 1 **Reminder to use the correct date for June** Starting today for June journal entries, remember to change the default journal date of 07/xx/2009 to **06/30/2009**. The Actuals ledger opens in the Finance System so you can now create FY10 journal entries.
- 9:00 am IN Cutoff – For departments using Data Entry, all INs for goods or services provided in FY2009 must be hand-delivered to Lynda Reisinger by **9:00 am** in ARC, 3100 Marine Street, room 433. Please make arrangements to deliver these.
- 11:00 am Cash Cutoff – All money received as of midnight June 30 must be deposited with the Office of Cash Management in Regent Hall by **11:00 am** and recorded as FY2009 business. All money received July 1 and later must be separately deposited as FY2010 business. Follow the procedures in the year-end cash processing memo from the Office of

Cash Management. It will also be posted to the ABS website <http://abs.colorado.edu> when the memo is available. Click on the Fiscal Year End 2009 link: 

Begin the PSC accrual process. AP accrual checkbox available until 2nd close (July 9). Refer to the PSC *Automated Accruals* document that was sent with this memo and is also posted on the ABS website <http://abs.colorado.edu>. Click the Fiscal Year End 2009 link.

Begin backdating receiving as applicable.

Begin marking June business on SPO voucher approvals as applicable.

First day to begin running FY2010 checks out of the PSC.

6:00 pm Departmental Charges Cutoff – Last day for departments to submit subsystem feeds to Finance. This is mostly IN transactions fed electronically from departmental subsystems to the general ledger via the Black Box.

If you have a sponsored project (fund 30/31) that has issued a sub-award to another organization, then the work done by that organization through June 30 must be accrued for FY09. Contact those entities and ask that they send you an invoice for the actual or their best estimate for work done through June 30 in time for entry into the Finance System for FY09. If this is not accrued through the PSC process, then enter a manual accrual. The deadline for the PSC to receive SPO invoices for FY09 is July 7. Please see *Expense and Accounts Payable Accrual* under the Year-end Departmental Accounting Tasks on page 18.

5:00 pm cutoff for time collection for the June 27 bi-weekly payroll. The June 27 bi-weekly payroll will be fully accrued for FY2009. Make sure all funding distributions for all positions are correct and approved, especially for those persons on (or remaining on) payroll throughout the summer. Any transactions hitting payroll suspense will be cleared to the Departmental Payroll Suspense FOPPS for you to correct to the proper FOPPS via a PET. Please run the Suspense Report prior to the cutoff to identify employees whose payroll funding distribution will cause their payroll to go to suspense. Please make the necessary corrections to the employee's record before the cutoff. Except for the transactions involving work-study, the biweekly accrual transactions are available for correction via the Payroll Expense Transfer panels. Refer to the June 4 Payroll entry for payroll suspense help.

Thu Jul 2

1ST PRELIMINARY CLOSE FOR CAMPUS INPUT CUTOFF AT 6:00 PM

**1st
CLOSE**

Departments review journals that have not been posted. Finalize these and post them for the 1st close.

Review the Year-End Departmental Checklist and Tasks List and make sure all items are complete as applicable to your department. It is imperative that all assets, liabilities, revenues, expenses and transfers are properly stated. All suspense and clearing FOPPS and accounts have been cleared. See *Continuous Items* on page 5.

Fri Jul 3

➔ Do not create, validate, approve or post any FY09 journals today or anytime after Thursday's 1st close 6:00 pm cutoff.



4th of July holiday.

Sat Jul 4

1st close reports available on demand in the Reporting System after 8:00 am. CIW GL tables & FIN Reporting nightly refresh will not occur until Sunday night.

Sun Jul 5

6:00 pm CIW GL tables & FIN Reporting refresh. Includes Saturday–Sunday transactions.

Mon Jul 6 1st close reports available in the Portal after 12:00 noon.

Payment Vouchers and Travel Vouchers must be in the PSC by 5:00 pm to ensure accrual by the July 9 deadline.

Reporting System pink paper reports for 1st preliminary close are ready to be picked up by 12:00 noon in Accounting & Business Support, ARC (3100 Marine Street) Room 446. If they are ready earlier in the morning, ABS will get the word out. Only a few departments that currently receive monthly printed Detail statements will get the pink reports.

Tue Jul 7 1st close pink paper reports that were not picked up will be mailed to departments.

Deadline for PSC to receive SPO invoices for FY09 business. SPO invoices that you receive from the vendor should be marked "OK TO PAY-JUNE" with your signature and must be at PSC Accounts Payable by end of day. Regardless of dollar amount, you must still approve the payment using the Departmental Approval page.

3:00 pm deadline to reallocate all FY2009 Procurement Card transactions. This includes new charges, disputed transactions, credits, etc. Account 553200 should be zeroed out. Refer to the *Procurement Card Year-End Instructions* sent with this memo. It is also on the ABS website: <http://abs.colorado.edu>. Click on Fiscal Year End 2009 link.

Begin review of 1st close reports for correction of errors, final adjustments, etc. Remember, ABS and SPA will attend to the balance sheet transaction report for the general fund (10) and sponsored projects (30, 31). It is especially important to correct all sponsored project errors in the year in which they occurred:

- a. The Boulder Campus Cost Transfer policy requires that corrections be made within 90 days after the end of the month in which the error first appeared on your monthly statements.
- b. Our fringe benefit rates change on July 1. If you make a correction after July 1 for errors on salary that was paid prior to July 1, a different fringe benefit rate is applied to the correction than was applied to the original entry. This should be avoided.

For departments collecting sales tax, fax or email your sales tax reports to Maggie Young. Fax 2-5553, or email Maggie.Young@colorado.edu.

Reports on inventories taken and copies of final JEs adjusting inventory and cost of goods sold are due to Maggie Young. Fax 2-5553, Maggie.Young@colorado.edu, or 579 UCB.

Wed Jul 8 12:00 noon deadline to enter fund 30/31 and 34 journals to ensure approval for 2nd close. See item #4 on page 3 for important points to keep in mind about these journals.

Thu Jul 9

2ND PRELIMINARY CLOSE FOR CAMPUS INPUT CUTOFF AT 6:00 PM

2nd
CLOSE

Departments review journals not posted. Finalize these and post them for 2nd close. Review the Year-End Departmental Checklist and Task List and make sure all items are complete as applicable to your department. All assets, liabilities, revenues, expenses and transfers are properly stated. All suspense and clearing FOPPS and accounts have been cleared. See *Continuous Items* on page 5.

Final date for automated AP accrual process to occur. After today, begin making manual accruals for any expenses that were not accrued through the PSC process. See the Expense and Accounts Payable Accrual section on page 18 for details. PV, TV and SPO post directly to Vouchers Payable. Refer to the PSC *Automated Accruals* document.

6:00 pm last date to enter Purchase Order online receiving for goods/services received by midnight June 30. Indicate the received date as June 30. This must be done for all POs, regardless of PO dollar amount. Refer to the *PSC Automated Accruals* document.

6:00 pm SPO deadline for online June business and approval marking of SPO vouchers for accrual. They post directly to Vouchers Payable. Refer to the *PSC Automated Accruals*.

6:00 pm Deadline for FY09 departmental PETs.

6:00 pm Deadline for posting any activity that affects a UCD Fund 80 (UPI) FOPPS. Any entered after the 2nd close will be reversed.

Fri Jul 10 ➔ **Do not create, validate, approve or post any FY09 journals today** or anytime after Thursday's 2nd close 6:00 pm cutoff.

Sat Jul 11 2nd close reports available on demand in the Reporting System after 8:00 am. CIW GL tables & FIN Reporting nightly refresh will not occur until Sunday night.

Sun Jul 12 6:00 pm CIW GL tables & FIN Reporting refresh. Includes Saturday–Sunday transactions.

Mon Jul 13 2nd close reports available in the Portal after 12:00 noon.

Tue Jul 14

**FINAL
CLOSE
FOR
DEPTS**

FINAL FY09 FINANCE SYSTEM CLOSE FOR DEPARTMENTS AT 6:00 PM
This is the last time a department can enter a June journal entry including sponsored projects and gift JEs (activity that affects UCD Fund 80s (UPI) has a July 9 deadline). Fund 30/31 & 34 must have departmental approval and all documentation in to ABS and SPA (see #4 page 3). Review online statements for material errors. Make sure all assets, liabilities, revenues, expenses and transfers are properly stated and all clearing FOPPS are cleared. Only ABS can enter corrections after this date at the campus level. Contact your Area Accountant if you need an entry after this date.

6:00 pm deadline to enter fund 30/31 and 34 journals to ensure approval for final close. See item #4 on page 3 for important points to keep in mind about these journals.

Begin your **final** review for correction of errors, final adjustments, etc. Remember, ABS and SPA will attend to the balance sheet transaction report for the general fund (10) and sponsored projects (30, 31). It is especially important to correct all sponsored project errors in the year in which they occurred:

- a. The Boulder Campus Cost Transfer policy requires that corrections be made within 90 days after the end of the month in which the error first appeared on your monthly statements.
- b. Our fringe benefit rates change on July 1. If you make a correction after July 1 for errors on salary that was paid prior to July 1, a different fringe benefit rate is applied to the correction than was applied to the original entry. This should be avoided.

Departments review journals not posted. Finalize these and post them for final close. Unposted journals will be deleted after the final close by ABS or Systems.

Wed Jul 15 Call your Area Accountant if you feel you have a need to enter a JE for FY2009 activity. Your Area Accountant will review the issue and decide if the JE must be made.

Begin reporting errors over \$10,000 to your Area Accountant.

Thu Jul 16 FY09 Finance System Close for ABS. Final period 12 (June) reports are based on this close. Only the System Controller can enter corrections after this date and these post to period 998. After this date, for any online report that is driven by accounting period, you

should enter period 998 to ensure you pick up any late entries possibly made by the System Controller to your FOPPS.

FY2010 Allocation changes are due to Lynda Reisinger in ABS, 2-8646 or email Lynda.Reisinger@colorado.edu. This includes deleting old allocations, adding new allocations or changing rates or other information on existing allocations.

5:00 pm cutoff for time collection for the July 11 bi-weekly payroll. The bi-weekly payroll for the June 28–July 11 pay period will be 100% expensed to FY10.

Fri Jul 17 **➡ Do not create, validate, approve or post any FY09 journals today.**

Sat Jul 18 3rd (Final) close reports available on demand in the reporting system after 8:00 am. CIW GL tables & FIN Reporting refresh will not occur until Monday night.

Mon Jul 20 3rd (Final) close reports available in the Portal after 12:00 noon.

Reporting database contains data as of Friday July 17—refresh occurs tonight.

ABS can begin creating new accounts (revenue, expense, etc.) effective FY2010 only.

Moratorium on Org tree changes ends. FOPPS inactivations, new Orgs, etc. can be done.

ABS will send reports to departments requesting customer detail supporting the balances in selected balance sheet accounts such as accounts receivable, deferred or prepaid expenses, manual accounts payable, unearned revenue. These details are due back to ABS by July 31.

Tue Jul 21 5:00 pm cutoff for time collection entries for July monthly pay period. Note: HR Production will be down Wed-Fri, July 22-24.

Fri Jul 24 Departmental Administration F&A will be booked before July is closed.

General fund budget and cash carry forward (FY2010 budget balance available before encumbrances for accounts 390000 through 999999) will be booked before July is closed.

Tue Jul 28 Gift transfer calculation upload to CUF. Note that this is the one and only upload in July.

Thu Jul 30 5:00 pm cutoff for time collection for the July 25 bi-weekly payroll.

Fri Jul 31 Provide ABS with the customer detail information that reconciles to your Finance System balance sheet balances for the reports sent to departments on July 20. This includes details of the calculation of allowance for uncollectible loans and accounts receivable.

Mon Aug 31 Review the ABS Policy and Procedure on Unrelated Business Income Tax located at http://abs.colorado.edu/ABS_WEB/policies/UBIT.pdf. Report any activities you conduct that qualify as unrelated business income to Deedee Joeris, Dorothy.Joeris@colorado.edu. Call Deedee, 2-2428, if you aren't sure and would like to consult with her on any activity you have.

Checklist for Departmental Year-End Close

- Has an expense been recorded for all goods/services received by midnight June 30? This includes goods/services bought from other CU Departments.
- Do I have any standing purchase orders for sponsored project sub-awards for which I need to accrue the best estimate of unpaid expenses for work done to date?
- Was all cash received by midnight June 30 deposited with the Cashiers by 11:00 am on July 1?
- Have IN transactions been processed for all goods/services provided to the departmental customers as of midnight June 30?
- Are all the assets (except allowance for doubtful accounts) in my auxiliary, gift fund, and renewal & replacement plant funds in positive (debit) status?
- Are all the liabilities in my auxiliary, gift fund, and renewal & replacement plant funds in credit (minus or parenthesis) status?
- Have all clearing FOPPS and accounts been cleared?

- 013106 Departmental Cash Clearing
- 100300 AP-BRS Clearing
- 100301 AP-BRS Clear Accounts Payable
- 100302 AP-BRS Clear Financial Aid
- 100303 AP-BRS Clear Third Party
- 100304 AP-BRS Clear TA's and RA's
- 100305 AP-BRS Clear Graduate Scholarships
- 100306 AP-BRS Clear-Miscellaneous
- 100307 AP-BRS Clear-COF
- 150300 Undistributed Receipts
- 150600 Clearing Accounts
- 280150 Aux Interdept Clearing/Dr
- 280151 Aux Interdept Clearing/Cr
- 410100 Suspense Salary
- 430100 Suspense Deductions
- 430101 Suspense Taxes
- 430999 Suspense Ben
- 552628 Bankcard Clearing
- 553200 Uncleared A-Card Expense
- 553201 Unallocated Expense
- 699999 AP System Maintained Default

- Have all accounting errors been identified and corrected, including payroll expenses?
- Have I reported to my Area Accountant any errors over \$10,000 that I discovered after July 14?
- Are all amounts owed to the department by external entities for any reason recorded as an account receivable? Does my accounts receivable customer detail reconcile to the control amounts in Finance?
- Have I calculated and adjusted my allowance for doubtful accounts?
- Have I submitted to Central Collection Services all accounts receivable more than 30 days past due?
- Have I analyzed my past due accounts receivable and CCS reports and submitted to the Controller a request to write off those I have determined to be uncollectible?

- Have I completed a physical count of my inventories and entered into Finance any needed adjustments? Have I turned in to ABS my inventory worksheets by the July 7 deadline to ABS?
- Did I make any payments over \$10,000 this year for goods/services to be received after June 30? If so, do I make this same payment each year for about the same amount? Yes = I do not have to record this payment as a prepaid expense. No = I need to consider recording part of this payment as a prepaid expense.
- Have any prepaid expenses previously recorded been moved to expense if the goods/services have been received?
- Have I recorded as deferred expense any payments for goods/services received this year but related to revenue generating artistic, athletic or conference events to be held after June 30?
- Have deferred expenses recorded last year been moved to expense?
- Are all amounts the department owes to external entities for any reason recorded as an accounts payable? Does my customer detail reconcile to the control amounts in Finance (except for account 100000)?
- Is my sales tax payable liability properly stated for all un-remitted sales taxes that the department has collected? Have I sent to ABS the required sales tax information by the July 7 deadline?
- Have I received any payments from customers for goods and services not provided by midnight June 30? If so, have I recorded these as deferred revenue? Does my customer detail reconcile to the control amounts in Finance?
- Have I recognized as revenue any previously recorded deferred revenue for which the department has now provided the goods/services?
- Have I recorded as deposits held in custody any amounts received from customers as security pending the return of goods issued to the customer? Does my customer detail reconcile to the control amounts in Finance?
- Do I need to move any deposits held in custody into revenue because the customer failed to return the goods as required?
- Have I submitted a Payment Voucher to reimburse my petty cash fund and record in the Finance System all purchases made in FY2009?
- Have I submitted my FY2010 auxiliary budget worksheets to Janet.Baker@colorado.edu by the June 30 deadline?
- Have I submitted my combined ISC worksheet for my internal service center Fund 28 FOPPS to ABS accounting@colorado.edu with a signed copy to Diana Vidal 579 UCB by the June 30 deadline?
- Have I submitted the supporting details for my A/R, deferred/prepaid expenses, deposits held in custody, unearned revenue, and allowances to ABS by the July 31 deadline?
- Have Payroll Liaison's reviewed Funding Distributions on both Monthly and Biweekly employees to be sure pay information is correct so that Payroll Suspense will be avoided?
- Have I submitted a Gift In Kind Acceptance [form](#) prior to acceptance for all qualifying non-cash gifts during FY09 in accordance with the *Gift in Kind* [APS](#) and [FPS](#)? See *Gift-Non-Cash* on page 20.

Accounting Tasks for Departmental Year-End Close

June 30, 2009 is the end of our fiscal year. The University must close its accounting records and prepare financial statements for audit and publication. In our decentralized financial management/accounting structure, each department plays a critical role in ensuring that all financial transactions for the fiscal year are entered correctly into the Finance general ledger. This includes ensuring that all assets and liabilities as of midnight June 30, 2009 are correctly stated, and all revenues and expenses are correctly stated for the fiscal year ending midnight June 30, 2009.

The following information is provided to support and guide you in this task. This covers the most common applicable topics and accounts used by departments, especially balance sheet accounts for auxiliary and self-funded activities (funds 20, 26, 28 and 29). Please review all of the following topics. For each topic in which you have or should have financial activity in any of your FOPPS, please complete the review step and ensure that the accounting is correct for that topic. Your Area Accountant in Accounting & Business Support (ABS) is available to answer any questions you have.

ABS Area Accountants

Chancellor	Carrie Howard	492-1071	Carrie.Howard@Colorado.edu
VCAA Arts & Sciences	Leila McCamey	492-0794	Leila.McCamey@Colorado.edu
VCAA (except A&S)	Jenny Shao	492-2429	Jenny.Shao@Colorado.edu
VCAA Academic Support	Jenny Shao	492-2429	Jenny.Shao@Colorado.edu
VC Research & Grad School	Carrie Howard	492-1071	Carrie.Howard@Colorado.edu
VCSA	Carrie Howard	492-1071	Carrie.Howard@Colorado.edu
VCA	Leila McCamey	492-0794	Leila.McCamey@Colorado.edu
Senior VC	Leila McCamey	492-0794	Leila.McCamey@Colorado.edu

ACARD (Procurement Card)

All ACARD purchases made on June 30 or earlier must be re-allocated by 3:00 pm July 7. Refer to the *Procurement Card Year-End Instructions* document sent with this memo or from the ABS homepage <http://abs.colorado.edu> click the Fiscal Year End 2009 link.

Accounts Payable Credit Memo Reclassification

Based on PSC-supplied information, the OUC decides whether to enter an accounts payable reclassification entry if a vendor has a net credit balance based on materiality. Departments don't need to take any action. The Bookstore, Norlin Library and Law Library should make their own entries for data that exists only on their systems and has not yet fed to the Finance System AP.

Accounts Receivable (010000-014999)

All amounts due the University for goods/services provided but payment has not been received by June 30 are shown as accounts receivable. All other amounts legally due the University but not paid by June 30 are shown as accounts receivable. Do not record accounts receivable upon signing agreements to provide goods/services. Accounts receivable and revenue may only be recorded after the goods/services have actually been provided. Use the accounts receivable account that most accurately describes the nature of your customer. Do not use the Letter of Credit (LOC) accounts (010000-010101), or the BRS accounts (012901-012902). Ensure that you have booked all accounts receivable owed to the department from external parties. Also, verify that your customer detail balances reconciles to the control dollars in each Finance System GL FOPPS.

Accounts Payable Manual (100100-100199)

The accounts payable manual accounts are provided for departments to use to record accounts payable that have not been recorded through the Finance accounts payable system and the PSC year-end accrual process. Review your FOPPS after the second preliminary close on July 9 to determine if any manual accruals are needed. Please review the section on Expense and Accounts

Payable Accrual below. If you use these accounts, ensure that the June 30 balance reflects only amounts owed to an outside entity as of June 30, 2009 and that have not been accrued via the PSC accrual process. Ensure that you have detail by vendor to support the control dollars in each Finance System GL FOPPS.

Manual accounts payable accruals must be entered as an accrual JE so that it will be reversed in July to offset the expense that will be booked in July through our normal processes. The JE will be:

Journal ID must be in the format “ACCxxxxxxx” so that it automatically generates a reversal in July. Without the “ACC” the reversal will not occur. The xxxxxxxx can be a value of your choice except do not start with an “S.” If you are accruing goods/services purchased from a Colorado State Agency (e.g., Correctional Industries), please ensure the JE ID starts with “ACCS” so that it can be properly classified for state reporting.

Journal date must be 06/30/09.

Debit: Your FOPPS/account to be charged for the expense

Credit: Your FOPPS and account 100100 (accounts payable manual)

Include the voucher and invoice number (if applicable) in the JE reference field to facilitate follow-up.

A reversing journal entry will automatically be made in July with a Journal ID of “ACXxxxxxxx” and a Journal date of 07/01/09. Do not enter a reversing journal in July.

Airline Ticket Travel Card Charges

The PSC will not have information in time to book all airline ticket state travel card ticket charges. Therefore, departments must make manual accounts payable accrual entries to record this expense for all tickets used in travel that was completed by midnight June 30. Do not accrue and expense for tickets ordered and received for travel that will be completed after midnight June 30.

Manual accounts payable accruals must be entered as an accrual JE so that it will be reversed in July to offset the expense that will be booked in July through our normal processes. The JE will be:

Journal ID must be in the format “ACCxxxxxxx.” The xxxxxxxx can be any value of your choosing. This format will automatically generate the reversal entry in July. Without the “ACC” the reversal will not occur. Do not select the “REVERSAL” option on the JE.

Journal date must be 06/30/09.

Debit: Your FOPPS/account to be charged for the expense

Credit: Your FOPPS and account 100100 (accounts payable manual)

Include the voucher and invoice number in the JE reference field to facilitate follow-up.

A reversing journal entry will automatically be made in July with a Journal ID of “ACXxxxxxxx” and a Journal date of 07/01/09. Do not enter a reversing journal in July.

Allowance for Doubtful Accounts (015000-019999)

If you have Accounts Receivable (accounts 010000-014999) then you need to make sure you have calculated and booked in the Finance System GL the Allowance for Doubtful Accounts. This is your best estimate of the accounts receivable on hand that you will not collect and should be based on your history. Information is available in *The Guide* chapter 12 on Accounts Receivable and Allowances. From the ABS homepage: <http://abs.colorado.edu> click *The Guide* link on the left side of the page.

Budget Journal Entries Deadline

Continuing budgets for FY2009 have stopped. Departments can enter temporary budgets for FY2009 through July 14.

July 2009 (period 1 of FY2010) is open and departments can enter both continuing and temporary budgets for FY2010. Make sure the Journal Date is 07/xx/09 in order to post to July 2009.

Budget Preparation for Fiscal Year-End

Now is the time to begin preparing for fiscal year-end. It is important for departments to take an in-depth look at their programs and make appropriate budget adjustments and corrections. Some things to consider:

Using the Summary Statement, compare your expense budget to actual expenses at this point in time and project what you expect your year-end actual expenses to be. Are expenses on target? If your expense budget does not match your actual expense projection, please make temporary adjustments now in the appropriate budget pools. In addition, do transfers or journal entry corrections need to be done to avoid a deficit position at year-end? Do you need to transfer cash to your renewal & replacement plant FOPPS to fund your future planned equipment maintenance or purchase, remodeling, or a new building? Now is the best time to make these types of adjustments to your budget.

If you manage auxiliary funds, in addition to the above, remember to examine what your expenses look like relative to revenue. What is your final revenue projection for the year? If your projection for FY2009 revenue is insufficient to cover your projected expenses, is the cash balance in the Balance Sheet statement adequate to cover a deficit and avoid interest on negative cash balances?

It is also time for departments and Vice Chancellor areas to estimate General Fund cash carry-forward balances, and to make a plan for the use of these dollars.

Cash (check) Cutoff

The final FY2009 check run will be June 30. All requests for June checks must be received by PSC by the end of the day on June 23 for travel vouchers and non-travel vouchers to guarantee a check on the last run. However, the PSC will pay everything it can regardless of when the document is received, but no guarantee if received after the cutoff date.

In order for us to technically consider an invoice paid as of the end of FY2009, all checks printed prior to June 30, must be distributed by midnight Tuesday June 30. Therefore, if you are holding any checks from accounts payable or payroll, please get these distributed, hand delivered, or mailed by midnight Tuesday, June 30.

If you have any checks that need to be canceled, please get them to the PSC no later than noon June 30. Requests for cancellation must include the department, the name and phone number of the person authorizing the cancellation, and an adequate reason for the cancellation. You should cut the signatures out of any checks to be canceled.

Cash Receipt Cutoff and Processing

Midnight June 30 is our cash cutoff. All cash received before midnight has to be deposited and recorded as FY2009 cash receipts. All cash received after midnight must be deposited and recorded as FY2010 cash receipts. The Office of Cash Management will issue a separate memo directing you on the cash cutoff process.

Clearing FOPPS and Accounts

Some FOPPS have been set up to book initial transactions that are later analyzed and moved (cleared) to other FOPPS. Examples are departmental payroll suspense FOPPS, ACARD default FOPPS, Uncleared A-Card expense account 553200, and AP error default account 699999. Ensure

that all clearing FOPPS and accounts have cleared and no balances are left in the clearing FOPPS. ABS sends a report for those FOPPS and accounts of which it is aware to assist you in this task.

Contingent Liability (150000)

There are very specific criteria set forth in Generally Accepted Accounting Principles to be used to determine if a contingent liability exists. This goes far beyond just the possibility of incurring a future payment. Contact your Area Accountant before using this account.

Contracts Payable (100200)

The contracts payable account is provided to departments to record amounts due to external parties under a formal contract arrangement and that have not been recorded through the Finance System accounts payable system. The use of this account is unusual. Contact your Area Accountant to confirm you have a valid use for this account. Please review the section on Expense and Accounts Payable Accrual below. If you use these accounts, ensure that the June 30 balance reflects only amounts owed to an outside entity as of June 30, 2009 and that have not been accrued via the PSC accrual process. Ensure that you have detail by vendor to support the control dollars in each Finance System GL FOPPS.

Deferred Expense (070100)

A deferred expense asset account is used for payment of expenses that have been received and used by the University, but for which recognition of the expense will be deferred and recognized next fiscal year, usually to match with the revenue generated by the expense. Use of this account is limited to very special situations. This typically occurs for conferences, plays, theatrical productions, concerts, etc. where pre-production expenses are incurred this year for next year's performances. Contact your Area Accountant before using this account.

If you have an authorized use of the account, then ensure that the June 30 balance reflects only amounts to be deferred and recognized as an expense of next fiscal year.

Deposits Held in Custody (150400)

Deposits held in custody records cash receipts of money that belongs to and is owed back to an external party. This is cash held for return to the depositor upon their satisfactory performance. When certain future conditions are met, funds are returned to the depositor. If the conditions are not met, the University retains the cash as revenue. An example would be a security deposit held for the issuance of a chemistry lab tray. When the lab tray is returned the deposit is returned to the depositor. If the lab tray is not returned by the due date and in the condition required, then the deposit held in custody, or a part of it, is moved to a revenue account. This revenue is then used to replace the lab tray.

Deposits abandoned by the depositor become escheat property. Please refer to CU Accounting Directive #95-1, Escheat Property Accounting Policy for the requirements on accounting for escheat property: <https://www.cusys.edu/controller/documents/95-1-Escheat-Property.doc>.

Ensure that you have detail by depositor to support the control dollars in each Finance System GL FOPPS. Review all deposits held in custody by depositor. Move to revenue any deposits for which the depositor has not satisfactorily fulfilled the requirements to have the deposit returned.

Expense and Accounts Payable Accruals

Please refer to the PSC *Automated Accruals* document sent with this memo, also accessible from the ABS homepage <http://abs.colorado.edu> by clicking the Fiscal Year End 2009 link. Year-end accrual is a process to recognize in the current year an expense for goods and services received before close of business for the year but which will be paid for in the following year. For example, the personal computers ordered on a Purchase Order arrived on June 30 but the invoice will not be paid until July 14. All such expenses are accrued by recording the expense and an accounts payable

liability in June. These entries are then reversed in July. This is to avoid duplicating the expenses when the transactions are processed in the following year through our regular procedures.

For all FOPPS, FY2009 must be charged for all goods and services received on or before midnight, June 30, 2009. Failure to do so understates our liabilities and expenses resulting in erroneous financial reports. The Uniform Commercial Code considers goods received and payable to the vendor if we have taken custody of the goods from the vendor, either directly or from a common carrier (UPS, FedEx USPS, freight company, etc.), and we have not notified the vendor within a reasonable time that we are rejecting the goods. This includes goods received at the Distribution Center but not yet delivered to the departments. The only exception is if the purchase terms include a test period and that test period has not expired.

For sponsored projects, work done in FY2009 on a sub-award to another agency must be accrued as an expense of FY2009. Contact the other agency to get their best estimate of the amount owed as of June 30.

To accrue an expense when the goods or services have not actually been received is in violation of Generally Accepted Accounting Principles and results in negative audit comments. Therefore, I ask that you follow the PSC accrual process only for goods and services actually received by midnight on June 30. Goods and services received after this date must be accounted for as a FY10 expense.

Please process all receiving transactions, SPO approvals, Travel Vouchers, and Payment Vouchers as soon as possible throughout June. This will avoid a large volume during the last days of the year and ensure our accounts payable and expenses are properly accrued.

Manual accruals

The PSC automated accrual process runs from July 1 – 9. If any June expenses were not accrued through the PSC accrual process, the departments must manually accrue these via a journal entry in June. The departmental JE deadline is July 14.

Manual accounts payable accruals must be entered as an accrual JE so that it will be reversed in July to offset the expense that will be booked in July through our normal processes. The JE will be:

Journal ID must be in the format “ACCxxxxxxx” so that it automatically generates a reversal in July. Without the “ACC” the reversal will not occur. The xxxxxxx can be a value of your choice except do not start with an “S.” If you are accruing goods/services purchased from a Colorado State Agency (e.g., Correctional Industries), please ensure the JE ID starts with “ACCS” so that it can be properly classified for state reporting..

Journal date must be 06/30/09.

Debit: Your FOPPS/account to be charged for the expense

Credit: Your FOPPS and account 100100 (accounts payable manual)

Include the voucher and invoice number (if applicable) in the JE reference field to facilitate follow-up.

A reversing journal entry will automatically be made in July with a Journal ID of “ACXxxxxxxx” and a Journal date of 07/01/09. Do not enter a reversing journal in July.

June accrual and July actual expense

Please note that *departments must do receiving—entry of the invoice in the finance system by itself will not accrue a PO Invoice*. You will see that Purchase Orders of \$50.00 or more that you have submitted to the PSC for June accrual will also appear as an actual expense on your July statement. This is the correct process. Do not think that an error has occurred and the accrual was made in July instead of June. As the PSC processes the item for a June accrual it also processes it for normal

expense and payment as July business. The June accrual will then be reversed in July. The reversal (credit) of the June accrual in July and the normal July processing (debit) offset each other and net to zero expense for July. This leaves us with recognizing the expense in June through the accrual process.

Gifts – Non-cash (Gift in Kind or GIK)

Per Generally Accepted Accounting Principles, we must record qualifying non-cash gifts to the University. These are usually gifts of equipment. Any GIK valued at over \$5,000, or attached to a written contract or agreement, or subject to additional reporting requirements (such as NCAA reporting), or that is an addition to an existing collection valued at over \$5,000 requires 1) the completion of a GIK Acceptance Form and 2) the approval of the campus controller prior to custody. Follow the instructions and procedures in the *Gift in Kind Transactions* APS https://www.cu.edu/policies/policies/F_Gift-In-Kind-Trans.html and the *Gift in Kind* FPS https://www.cu.edu/controller/documents/FPS-Gift_In_Kind.pdf. The Acceptance Form and approval by the campus controller must be completed by 6-30-09.

IN Cutoff and Processing

It is the responsibility of all Internal Service Center departments (Fund 28 FOPPS) and all other departments to control the cutoff of their interdepartmental sales. Interdepartmental sales should not be booked as June activity if the purchasing department has not received the goods or services by June 30. It is inappropriate accounting to record an interdepartmental expense for goods and/or services to be received after June 30. Likewise, it is inappropriate accounting to hold until July any INs for goods and/or services sold in June. In addition, do *not* accrue interdepartmental sales as either accounts receivable or accounts payable. If the Internal Service Center has provided the goods or services by June 30 then the IN must be processed by recording the IN revenue to the Internal Service Center and the expense to the buying department.

Departments submitting electronic feeds to the Finance System via the Black Box must be submitted by July 1 with a journal ID of 06/30/09.

Departments submitting INs to ABS for data entry to the Finance System – all INs for June 30 transactions are due in ABS, ARC room 433. Please arrange to hand deliver to Lynda Reisinger, ARC 433. In order to ensure all INs are entered for our closes, **please begin submitting these daily beginning on June 19**. Please submit all INs received through the previous day. **Final deadline to Lynda is 9:00 am July 1** for all FY2009 INs.

Inactivating FOPPS

The last day to request ABS to inactivate speedtypes for FY09 was May 22 to allow enough time to process. FOPPS cannot be inactivated from June 1 – July 20. The purpose of this is to keep from having transactions unnecessarily going into suspense. (Sponsored projects moratorium on retiring projects is July 1–21.)

Inventories (030000-049999)

Departments should record as an asset all significant supplies or other consumable inventories, including inventories for resale. Significant for this purpose is defined as inventories totaling \$35,000 or more per location. Inventories under \$35,000 may be recorded at the discretion of the department. All inventories recorded on the balance sheet must be physically inventoried by June 30 regardless of the dollar amount. All inventories must be adjusted to reflect actual value of the inventory on hand as of June 30. Review your balances on the preliminary close statements and enter your adjusting JE online. Submit your inventory reconciliation and a copy of your adjusting JE to Maggie Young in ABS by July 7. Inventory information is available in *The Guide* chapter 11 on Inventory. From the ABS homepage: <http://abs.colorado.edu> click *The Guide* link on the left side of the page.

Other Accrued Expense (105400)

This account is provided to record liabilities that do not reasonably fit any other liability classification. The use of this account is unusual. Contact your Area Accountant to confirm you have a valid use for this account. If you use this account, ensure that the June 30 balance reflects only amounts owed to an outside entity as of June 30, 2009 and that have not been accrued via the PSC accrual process. Ensure that you have detail by vendor to support the control dollars in each Finance System GL FOPPS.

Payroll Accrual

The biweekly payroll, with PPE June 27th, will be 100% accrued (charged) to June (FY09). This June accrual will be reversed in July to offset the actual expense charged when payroll is fed to the Finance System GL in July. The following biweekly payroll will be 100% charged to July (FY10).

The State of Colorado continues to enforce a June pay date shift. This means that the June salary will not be disbursed to employees until July 1. We will still accrue the salary expense in the Finance System for June 30. However, instead of reducing cash in your FOPPS, payroll and benefits payable liabilities will be recorded. Auxiliary and Gift fund FOPPS will see these liabilities on their balance sheet reports. General fund and Sponsored Project funds will see no difference. On July 1, these liabilities will be paid.

The payroll detail will be available for correction via the normal HRMS PET process.

Payroll and Work-study Expense

Make sure all payroll expense is reflected in the correct FOPPS. Any errors should be corrected by using the Payroll Expense Transfer (PET) panels.

Payroll Expense Transfer Requests Involving Work-Study End-of-Year

If your work-study students are not set up correctly, your department will be charged 100% of the student's wages. You should review your financial statements and your student payroll set-ups to correct any errors and ensure that charges occur accurately to your FOPPS.

June 12 is the last day for the Student Employment Office to receive payroll expense transfer requests for hourly to work-study. Hourly to work-study transfers are contingent upon availability of funds and student eligibility. June 24 is the last day to request transfers of the employer share of work-study earnings (wsr or wsc) from one FOPPS to another. Complete the online PET form at <http://www.colorado.edu/studentemployment/oncampfillforms.html>. The Student Employment Office must receive payroll expense transfer requests by 4:30 pm on the deadline date. For more information, contact Brenda Duran at 2-3548 or Brenda.Duran@colorado.edu. No hourly to work-study transfers will be processed for the 6/13/09 or 6/27/09 pay periods.

For work-study students: In order for a student's hours to be charged correctly, the student must have a work-study award on the HRMS Work-study Page. This can be confirmed by:

- Checking the HRMS work-study page (Reports and Reviews>Job Information>Work Study), or
- Checking SIS (screen 331), or
- Calling Student Employment at x2-7349.

The HRMS work-study page is updated on a bi-weekly basis.

Reminder on Time Reporting for Work-Study Students

In order for a student's work-study hours to be charged 30% to the correct account code, do not override the speedtype/account when reporting the student's time in HRMS. If you need to override this field for a pay period, just enter the speedtype. Do not enter an account code in the override field. HRMS will automatically assign the correct account code when the payroll is processed. Following this procedure will prevent your department from being charged 100% of the student's earnings.

Payroll Overpayments

Please notify your Area Accountant of any payroll overpayments that have not been collected and that are still reflected as payroll expense in your FOPPS. ABS will make an entry to reduce your payroll and benefit expense and show this as an accounts receivable. This entry will be reversed in July so that the normal payroll overpayment collection process can proceed.

Petty Cash and Payment Voucher Cutoff

Petty cash reimbursement payment vouchers, just as all other original vouchers for all expenditures made prior to June 30, must be received by the PSC by end of the day **on June 24** for a June warrant run on June 30. If a warrant is not needed before the end of the year, the expense must still be accrued. Voucher must be at the PSC by end of the day **July 6**. Remember to write "JUNE" on the voucher below the circled total dollar amount.

Prepaid Expenses (070000)

Prepaid expenses occur when you make a payment this year for services to be received next year. Common examples are rent, leases, insurance premiums, dues, maintenance agreements, and subscriptions. Rent may be paid for 6 months in advance. An insurance premium is paid to provide insurance for the next 12 months. A maintenance agreement is paid to cover equipment for the next 12 months. A two-year subscription is purchased. In each situation we are paying a full amount today for service to be provided in the future that crosses into the next fiscal year. If the service is cancelled the unused balance is returned.

This category of asset is different from inventory in that there are no physical goods involved. Services are being purchased.

Recording every prepaid expense is not administratively feasible. Therefore, the prepaid expense account should be used only for one-time items of **more than \$10,000**. For recurring payments such as leases, dues, maintenance agreements, etc. where the amount expensed from year to year is essentially the same, recording a prepaid amount is not necessary.

Review your expenses for the year. If you have made any payments for services to be received next fiscal year, review the above information and make a decision whether that payment has to be deferred. If yes, enter a JE to credit the expense and debit prepaid expense 070000. Please contact your Area Accountant if you would like to consult on whether something qualifies as a prepaid expense.

Review any prepaid expense asset on your balance sheet. Make sure these reflect only payments per the criteria above. Any amount in prepaid expense that represents services received this fiscal year must be expensed. Enter a JE to credit prepaid expense (070000) and debit the appropriate expense account.

Ensure that you can provide detail of prepaid expenses by vendor and services that supports the control dollars in each Finance System GL FOPPS.

Renewal & Replacement Plant Funds – fund 72 (general funds) and fund 78 (auxiliary/self-funded funds)

The renewal and replacement plant funds are used to set aside and accumulate funds for planned future expenditures. These typically include purchases of equipment. Departments should enter cash transfer journals to fund their renewal & replacement plant funds according to their plan. These funds may be spent out of the renewal & replacement plant fund only if you are purchasing capital assets – usually equipment that costs \$5,000 or more per item. If the funds will be spent on non-capital items, the funds must be transferred back to the general fund or auxiliary fund and spent from those funds.

Sales Tax Payable (100400-104099)

Ensure that your sales tax payable liability reflects sales tax collected but not yet remitted to the taxing authority. Sales tax reports are due to Maggie Young in ABS by July 7.

Sub-Awards

For sponsored projects, work done in FY2009 on a sub-award to another agency must be accrued as an expense of FY2009. Contact the other agency to get their best estimate of the amount owed as of June 30.

Summer Session Instructional Expenses

In December 2007, the Provost's Office requested that all 28888 and 28889 programs be brought to zero balance. Beginning with Summer Session 2008, these accounts are to be used only for approved Summer Session instructional expenses. Summer Session 2009 transactions require using the Summer Session program 28889 for Summer Odd. Because Summer Session overlaps fiscal years, the Summer Session *programs* will help you track your summer activity for the calendar year summer. Note: The summer program numbers are the same for all departments, but the speedtypes vary.

For more information, the 2009 Summer Session Appointment & Payment Memo is available on the PBS website at: <https://www.cusys.edu/pbs/hrms/resources/downloads/Summer-Session.pdf>.

(Please note: This year's summer session budget process changed slightly from the previous year. Because Expenditure Control edits are now turned off in the Finance System, there was no need to do a budget transfer to cover May and June 2009 salaries.)

Unearned Revenue (150200)

Unearned revenue occurs when a customer pays you cash today for goods/services to be provided next fiscal year. A customer gave you an order for 10 hours of service and paid you before you did the work. You have unearned revenue only if you have received the cash. It is inappropriate to book accounts receivable and unearned revenue on the basis of a signed contract. You have to wait until you receive cash in advance of providing the goods/services in order to record unearned revenue. Review your cash payments from your customers. If you have received the cash but will not provide the goods or services until next fiscal year, that cash receipt must be taken out of revenue and recorded as unearned revenue.

If you have previously recorded unearned revenue, review the item for each customer. If by June 30 you have provided the goods/services related to that unearned revenue, then enter a JE to recognize the unearned revenue as actual revenue.

Ensure that you can provide detail by customer that supports the control dollars in each Finance System GL FOPPS.

Undistributed Receipts (150300)

This account should be zero for year-end. All receipts should be identified and distributed to the proper FOPPS/account.

Unrelated Business Income

Review the ABS Policy and Procedure on Unrelated Business Income Tax located at http://abs.colorado.edu/ABS_WEB/policies/UBIT.pdf. Contact Deedee Joeris, 492-2428, if you have any business activity described as Unrelated Business Income.