Managing Year-End Close Activities
Fiscal Year 2017

July 20, 2017
Managing Year-End Close Activities

Process flow

- Recording all expenses
  - Advances
  - PCard
  - TCard
  - Org Suspense Accounts

- Recording other transactions
  - Accruals
  - Unidentified cash receipts

- Managing funds
  - Restricted gift funds
  - Payout
  - Reinvestment of Payout
  - Transfers
  - Overdrafts and deficits
FY 2017
Year-End Close
20 calendar / 13 business days
Managing Year-End Close Activities
Year-end close calendar

- Provides a list of deadlines for each business function
- Two preliminary closes before the final close
- Five distinct closing stages for Year-End Close activities:

<table>
<thead>
<tr>
<th></th>
<th>Pre-Close:</th>
<th>Year-end activities preparation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Activities before August 28</td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>August-2017 Month-End (Soft) Close:</td>
<td>Finalize expenditures</td>
</tr>
<tr>
<td></td>
<td>August 29 – September 6</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Year-End Expenditure (Hard) Close:</td>
<td>Expenditures adjustment</td>
</tr>
<tr>
<td></td>
<td>September 7 – September 12</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Year-End Fund Transfer (Final) Close:</td>
<td>Year-end fund transfer close</td>
</tr>
<tr>
<td></td>
<td>September 13 – September 20</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Post-Close Activities:</td>
<td>New FY activities</td>
</tr>
<tr>
<td></td>
<td>September 21 – October 31</td>
<td></td>
</tr>
</tbody>
</table>
Managing Year-End Close Activities

Resources

- Fingate home > Staff > Month-End / Year-End Close > Overviews > Year-End Close
  http://fingate.stanford.edu/staff/moyrendclose/year.html

- Year-End Close Interactive Calendar
  https://web.stanford.edu/dept/controller/cgi-bin/calendar/main/
Managing Year-End Close Activities

Resources

<table>
<thead>
<tr>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central</td>
</tr>
<tr>
<td>Distributed</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Close Period Stage</th>
</tr>
</thead>
</table>
| Pre-Close: Year-End Activities Preparation  
(8/1 - 8/28) |
| Soft Close: Finalize Expenditures  
(8/29 - 9/6) |
| Hard Close: Expenditures Adjustment Period  
(9/7 - 9/12) |
| Final Close: Year-End Fund Transfer Close  
(9/13 - 9/20) |
| Post-Close: New FY Activities  
(9/21 - 10/31) |

<table>
<thead>
<tr>
<th>Reminders</th>
</tr>
</thead>
</table>
| - Daily deadlines for same night processing:  
  - 3:00pm - Submit core journals and iJournals  
  - 7:00pm - Final approval (including end-route)  
  - From 9/1- 9/19 core journal posting: 12 PM, 2 |
| - 9/1 Salary Uploads for Faculty, Academic, Bargaining |

<table>
<thead>
<tr>
<th>Finance Resources:</th>
</tr>
</thead>
</table>
| - Overview: Year-End Close  
- How to...  
- Resources  
- Forms |

<table>
<thead>
<tr>
<th>Questions:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Systems and Reporting Operations.</td>
</tr>
</tbody>
</table>

Stanford University  Financial Management Services - DRAFT  Confidential  August 30, 2017  6
Managing Year-End Close Activities

Process flow

Recording all expenses
- Advances
- PCard
- TCard
- Org Suspense Accounts

Recording other transactions
- Accruals
- Unidentified cash receipts

Managing funds
- Restricted gift funds
- Payout
- Reinvestment of Payout
- Transfers
- Overdrafts and deficits
# Recording All Expenses
## Leveraging OBI Financial Reporting

<table>
<thead>
<tr>
<th>Expense Type</th>
<th>OBI Dashboard Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advances</td>
<td>Expense Requests and SU Credit Card Activity dashboard</td>
</tr>
<tr>
<td></td>
<td>Aging – Advances and SU Credit Cards tab</td>
</tr>
<tr>
<td></td>
<td>• Advance Transaction Detail report</td>
</tr>
<tr>
<td></td>
<td>• Advance Transaction Clearing report</td>
</tr>
<tr>
<td>PCard/Tcard</td>
<td>Expense Requests and SU Credit Card Activity dashboard</td>
</tr>
<tr>
<td></td>
<td>Aging – Advances and SU Credit Cards tab</td>
</tr>
<tr>
<td></td>
<td>• Aging SU Credit Card Transaction Report</td>
</tr>
<tr>
<td>Org Suspense Account</td>
<td>Payroll and Labor Management Dashboard</td>
</tr>
<tr>
<td></td>
<td>Summary tab</td>
</tr>
<tr>
<td></td>
<td>• Charges Remaining on Suspense Accounts</td>
</tr>
</tbody>
</table>

**Why is this important?**

To ensure that all expense transactions are posted to the correct account in a timely manner (before YEC)
Using OBI to Manage Prepaid Expenses (Advances, PCard, TCard)
Identifying Prepaid Expenses
Using Expense Requests and SU Card Activity Dashboard
## Identifying Prepaid Expenses

### Aging Reports

#### Advance Transaction Detail

<table>
<thead>
<tr>
<th>Task Org</th>
<th>Expense Request Transaction Type Description</th>
<th>Supplier Name</th>
<th>Expense Request Transaction Number</th>
<th>Expenditure Item Date</th>
<th>Expense Incur Date</th>
<th>Expense Expected Clearing Date</th>
<th>Transaction Age Day Quantity</th>
<th>Transaction Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Advance (Domestic US)</td>
<td></td>
<td>ADV589495</td>
<td>3/6/2017</td>
<td>3/6/2017</td>
<td>4/15/2017</td>
<td>67</td>
<td>$225.75</td>
</tr>
<tr>
<td></td>
<td>Advance (Domestic US) Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Aging SU Credit Card Transaction Report

<table>
<thead>
<tr>
<th>Task Org</th>
<th>SU Credit Card Program Description</th>
<th>SU Credit Card Custodian Full Name</th>
<th>SU Credit Card Holder Name</th>
<th>SU Credit Card Transaction ID Num</th>
<th>Expense Incurred Date</th>
<th>SU Credit Card Posted Date</th>
<th>SU Credit Card Transaction Expense End Date</th>
<th>Verifier Full Name</th>
<th>Expense Request Status Description</th>
<th>SU Credit Card Transaction Status Description</th>
<th>Transaction Age Day Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SU PCARD</td>
<td>XXXX-XXXX-XXXX-1277</td>
<td></td>
<td>3529</td>
<td>6/14/2017</td>
<td>6/16/2017</td>
<td></td>
<td>Unknown</td>
<td>NEW</td>
<td></td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>SU PCARD Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>66.75</td>
</tr>
</tbody>
</table>
Using OBI to Manage Org Suspense Account Balances
Recording Labor Expenses
Managing Organization Suspense Account (OSA) balances

- Why?
  - Ensure salary transactions are posted to the correct account in a timely manner (before YEC) and to avoid OSA ’sweep’ fees!

- How:
  - Use the Payroll and Labor Management (PLM) Dashboard in OBI to identify OSA transactions
  - Create a Labor Distribution Adjustment to clear OSA transactions

- Prevent future postings:
  - Use the Payroll and Labor Management (PLM) Dashboard in OBI to prevent OSA transactions
  - Modify the employee’s Labor Schedule
  - Modify GFS, PeopleSoft record, or Axess Timecard
Identifying Org Suspense Account Balances

- **Payroll and Labor Management**
- **Actual Pay**

**Selection Criteria** - Use this section to define the group you would like to analyze.

Criteria marked with an asterisk (*) are mandatory. If mandatory fields are not completed, the Apply button will be disabled.

1. Select either Organization and Perspective, OR (2) Project, Task, or Award or PTA, OR (3) select the Next button to search by Project, Task, or Award Owner or Manager.

- **School/VP Budget Unit**: Select Value
- **Project Number**: Select Value
- **Organization**: Select Value
- **Task Number**: Select Value
- **Organization Perspective**: Work Assignment Org
- **Award Number**: Select Value
- **First Pay Period End Date**: 09/01/2016
- **Last Pay Period End Date**: 08/31/2017
- **PTA Number**: 1089364-100.4
- **Entire year**

**Actual Pay for Pay Period between** XXX and **08/31/2017**

- **Earnings Type**: Task Org
- **Time Period Type**: Subtotal by
- **Pay Period End Date**: OK

<table>
<thead>
<tr>
<th>Employee Name</th>
<th>Job Assignment Number</th>
<th>Job Annual Rate</th>
<th>Job Hourly Rate</th>
<th>Work Assignment Org</th>
<th>Project Number</th>
<th>Task Number</th>
<th>Award Number</th>
<th>Earnings Type</th>
<th>6/15/2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Totals**

- PST - Personal Time
- Salaried Empl
- SAL - Salary
- SOV - Salary On Vacation
- VCR - Vacation Salary Credit
Managing Org Suspense Account Balances

Resources

- **Overview of Organization Suspense Accounts**
  http://fingate.stanford.edu/staff/moyrendclose/org_susp_acct.html

- **How To: Clear Organization Suspense Accounts for Labor**
  http://fingate.stanford.edu/staff/moyrendclose/quick_steps/clear_org_susp_acct.html

- **Policy Notes**
  http://fingate.stanford.edu/staff/moyrendclose/policy_notes/org_suspense_acct.html

- **Questions:** Email financial_info_systems@lists.stanford.edu
Managing Year-End Close Activities

Process flow

- Recording all expenses
  - Advances
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  - TCard
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Guideline for Accruing Expenses

**Purpose:** To accrue expenses that should have been recorded in FY17 but were not recorded in Oracle as of August 31 2017

**Guideline:** Minimum threshold is $50,000

- Under extenuating circumstances accruals lower than $50,000 will be approved

**Procedure:**

<table>
<thead>
<tr>
<th>External Expenses (not applicable to capital projects*)</th>
<th>Interdepartmental Expenses (not applicable to service centers):</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Prepare a list of the expenses that have not yet been recorded in Oracle AP</td>
<td>▪ Utilize <strong>iJournals Specialist</strong> responsibility to create an interdepartmental accrual journal for AUG-2017 by <strong>September 11, 2017</strong></td>
</tr>
<tr>
<td>▪ Create a debit using the proper PTA and expenditure type</td>
<td>▪ Create a debit using a 58xxx expenditure type and a credit using a 48xxx revenue code</td>
</tr>
<tr>
<td>▪ Using the same PTA, create a credit (offset) using object code <strong>21300</strong></td>
<td>▪ Coordinate with the department recording revenue to confirm the correct amounts and PTAs</td>
</tr>
<tr>
<td>▪ Utilize <strong>iJournals Specialist</strong> responsibility (AP Accruals privilege) to create an Accounts Payable (AP) accrual journal for AUG-2017 by <strong>September 11, 2017</strong></td>
<td></td>
</tr>
</tbody>
</table>

* Accrual for Capital Projects is performed by Capital Accounting

**Questions:**

- Email Nini Cruz, **tcruz@stanford.edu** or Michelle Zhang, **mizhang@stanford.edu**
- Email Federico Cadiz, **fcadiz@stanford.edu** for Capital Projects accrual
Guideline for Accruing Revenue

**Purpose:** To accrue revenue on non-sponsored projects that should have been recognized in FY17 but was not recorded in Oracle as of August 31, 2017.

**Guideline:** Minimum threshold is $50,000 per PTA, per line item
- Under extenuating circumstances, accruals lower than $50,000 will be approved.

**Procedure:**

<table>
<thead>
<tr>
<th>External Revenue</th>
<th>Interdepartmental Revenue (not applicable to service centers):</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Prepare a list of the revenues that have not yet been recognized in Oracle</td>
<td>▪ Utilize iJournals Specialist responsibility to create an interdepartmental accrual journal for AUG-2017 by <strong>September 11, 2017</strong></td>
</tr>
<tr>
<td>▪ Create a credit using the proper PTA and revenue code</td>
<td>▪ Create a credit using a 48xxx revenue code and a debit using a 58xxx expenditure type</td>
</tr>
<tr>
<td>▪ Using the same PTA, Create a debit using 11222 for Auxiliaries and Service Centers or 11221 for other departments</td>
<td>▪ Coordinate with the department recording expense to confirm the correct amounts and PTAs</td>
</tr>
<tr>
<td>▪ Utilize iJournals Specialist responsibility (AR Accruals privilege) to create an Accounts Receivable (AR) accrual journal for AUG-2017 by <strong>September 11, 2017</strong></td>
<td></td>
</tr>
</tbody>
</table>

**Questions:**
- For Service Centers accruals, email Christine Siu, csiu@stanford.edu
- For all other revenue accruals, email Emily Cantey, ecantey@stanford.edu
Unidentified cash receipts
Recording Revenue
Claiming and approving unidentified receipts

- **Unidentified receipts** occur when staff in the Office of the Treasurer are unable to identify the correct department fund to post revenue for an electronic transaction (wire or ACH) received at the bank.

- Non-sponsored unidentified funds that are still unclaimed after two years of receipt will be booked to Stanford’s general funds to be used for the University’s operating expenses.

Overview: Claiming Unidentified Receipts
[https://fingate.stanford.edu/staff/cashdeposit/claim_unidentified_receipt.html](https://fingate.stanford.edu/staff/cashdeposit/claim_unidentified_receipt.html)

Questions? Contact the [Financial Support Center](#) (3-2772)
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# Managing Funds

**YEC schedule for August Payout & Reinvestment of Unspent Payout**

<table>
<thead>
<tr>
<th><strong>Pre-Close:</strong></th>
<th>August Payout will be posted end of day, August 25</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Activities before August 28</td>
<td></td>
</tr>
</tbody>
</table>

**August Month-End (Soft) Close:**

- August 29 – September 6

**Year-End Expenditure (Hard) Close:**

- September 7 – September 12

**Year-End Fund Transfer (Final) Close:**

- September 13 – September 20

**Post-Close Activities:**

- September 21 – October 31

*Annual Income Exceptions – need requests by 5pm, September 14*
  - Reinvest Unspent Payout per Donor/Dept
  - Transfer of Unspent Payout to another fund (Per Donor/Dept)
  - Manual entries

*Consider lockup period.*
Managing Funds
Fund transfer close: September 13 - 18

- No later than Monday, 9/18 (local deadlines may be earlier)
  - All fund deficits > $1,000 must be cleared (Admin Guide 3.1.2.5)
  - All unused restricted funds in OB awards must be returned to original source
  - All OB award balances must be cleared to zero unless local budget officer and University Budget Office (UBO) allow carryforward
  - iBudgets, iJournals Fund Transfers, Bulk Fund Transfers, and ADI Fund Transfers available through 5 pm, Monday 9/18

- Thursday, 9/14 – Monday, 9/18
  - Budget Officer year-end close meetings with UBO

- Tuesday 9/19 – Wednesday 9/20
  - Reserved for Controller’s Office activities only; no school or department transfers or uploads allowed

- Questions? Contact: Your Fund Accountant or UBO (ubo-budgetsys@lists)
Using OBI to Manage Funds
OBI Revenue and Fund Management (RFM)
New Tools for year end processes

- **Award At a Glance**: Monitor Available Balance (with Anticipated Payout for Endowments) to easily find over drafted awards, especially cost shares which need clearing.

- **Transfer Report**: Track transfers between awards (object codes 49100 to 49699), verify completion of transfers in/out in combination with available balance for timely fund management.

- **Budget Variance**: How does the year compare with expected amounts for both revenue and expense. Which variances suggest areas for investigation?

- **GL Journal Details**: Easily get details of GL Journal entries (including from drills) to aid research.
# FY16 Year-End Close
Reports by Business Process

<table>
<thead>
<tr>
<th>Business Process</th>
<th>OBI</th>
<th>RM3</th>
<th>When to Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll and Labor Management</td>
<td>✔</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Expense Requests and SU Credit Cards (PCard, TCard)</td>
<td>✔</td>
<td>NA</td>
<td>Pre-Close Soft Close</td>
</tr>
<tr>
<td>Purchasing and Payments (138, 148, 201, 206, 207, 257)</td>
<td>✔</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Expenditure Management: Expenditure Statements (279,285)</td>
<td>✔</td>
<td>NA</td>
<td></td>
</tr>
<tr>
<td>Fund Management: Fund Statements (101, 153, 283)</td>
<td>8/11!</td>
<td>✔</td>
<td>Pre-Close Soft Close</td>
</tr>
<tr>
<td>Cash Management (101, 153, 283, 284)</td>
<td>8/11!</td>
<td>✔</td>
<td>Hard Close Final Close</td>
</tr>
<tr>
<td>Budgeting (165, 166, 211)</td>
<td>8/11!</td>
<td>✔</td>
<td></td>
</tr>
<tr>
<td>Journal Entries (101, 153, 230, 252)</td>
<td>8/11!</td>
<td>✔</td>
<td></td>
</tr>
</tbody>
</table>
### ReportMart3 (RM3) Retirement Schedule

- **Procure-to-Pay related RM3 reports retire 7/31/17**

<table>
<thead>
<tr>
<th>RM3 Reports Retiring 7/31/17</th>
<th>OBI P2P Reporting Dashboard Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>FIN_PO_207_AP_Requisition_Detail</td>
<td>Purchase Requisitions</td>
</tr>
<tr>
<td>FIN_EXP_148_Purch_Order_Recon</td>
<td>Purchase Orders</td>
</tr>
<tr>
<td>FIN_PO_206_AP_Purch_Order_Detail</td>
<td></td>
</tr>
<tr>
<td>FIN_LIB_174_Invoice_Exceptions</td>
<td>AP Invoices</td>
</tr>
<tr>
<td>FIN_PO_201_AP_Invoice_Detail</td>
<td></td>
</tr>
<tr>
<td>FIN_PO_208_AP_Srvc_Ctr_Accrual</td>
<td></td>
</tr>
<tr>
<td>FIN_PO_205_AP_Remittance_Advice</td>
<td>Payments by Supplier</td>
</tr>
<tr>
<td>FIN_PO_209_AP_Supplier_Info</td>
<td>Supplier</td>
</tr>
</tbody>
</table>

- **All remaining RM3 reports will retire 10/31/17** following the 8/11 release of OBI Revenue and Funds Management (RFM) reporting.
  - See [OBI Resources section of fingate](#) for the list of remaining RM3 reports to be retired and crosswalks to OBIs
Getting access to OBI Financial Reporting

- Visit OBI Financial Reporting web site at:

- Find:
  - Authority requirements under **ACCESS**
  - Available and required courses under **TRAINING**
  - And much more ...

- Launch OBI reports: [https://bi.stanford.edu](https://bi.stanford.edu)
- Questions: Contact the Financial Support Center at (650) 723-2772
Stanford Financial Management Services
Streamlined solutions. Stellar support.