Managing Year-End Close Activities
Fiscal Year 2017

July 20, 2017
Managing Year-End Close Activities

Process flow

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

2. Recording other transactions
   - Accruals
   - Unidentified cash receipts

3. 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/

Year-End Close Interactive Calendar
20 Calendar/13 Business Days Close

To view all of the deadlines, simply click the Go button.
To narrow your search, select the desired boxes and then click the Go button.

Role
- Central
- Distributed

Close Period Stage
- 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)

Reminders
- Daily deadlines for same night processing:
  - 3:00pm - Submit core journals and journals
  - 7:00pm - Final approval (including end-route) for journals
  - From 9/1 - 9/19 core journal posting: 12 PM, 2PM, 5PM, 7PM, and 9PM
- 9/1 Salary Uploads for Faculty, Academic, Bargaining Unit, and Non-Academic Staff: 8/23 - 9/11

Fingate Resources:
- Overview: Year-End Close
- Non-YE
- Resources
- Forms

Questions:
Contact Systems and Reporting Operations.
# Managing Year-End Close Activities

## Resources

### Reminders
- Daily deadlines for same night processing:
  - 3:00pm - Submit core journals and journals
  - 7:00pm - Final approval (including end-route)
  - From 9/1 - 9/19 core journal posting: 12 PM
- 9/1 Salary Uploads for Faculty, Academic, Bargainin

### Fingeate Resources:
- [Overview: Year-End Close](#)
- [How to…](#)
- [Resources](#)
- [Forms](#)

### Questions:
Contact [Systems and Reporting Operations](#).

## Role
- Central
- Distributed

## Close Period Stage
- 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)

## Business Function
- Accounts Receivable (AR)
- Budgeting
- Cash Management
- Journal Entries
- Payroll and Labor Management
- Purchasing and Payments
- Reporting
- System Setups
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><strong>Expense Requests and SU Credit Card Activity dashboard</strong>&lt;br&gt;Aging – Advances and SU Credit Cards tab&lt;br&gt;• Advance Transaction Detail report&lt;br&gt;• Advance Transaction Clearing report</td>
</tr>
<tr>
<td>PCard/Tcard</td>
<td><strong>Expense Requests and SU Credit Card Activity dashboard</strong>&lt;br&gt;Aging – Advances and SU Credit Cards tab&lt;br&gt;• Aging SU Credit Card Transaction Report</td>
</tr>
<tr>
<td>Org Suspense Account</td>
<td><strong>Payroll and Labor Management Dashboard</strong>&lt;br&gt;Summary tab&lt;br&gt;• 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>Exp. Incurred Date</th>
<th>Advance Expected Clearing Date</th>
<th>Transaction Age Day Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Advance (Domestic US) Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Advance</th>
<th>Applied Amount</th>
<th>Employee Advance Returned Amount</th>
<th>Advance Balance Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>$225.75</td>
<td>$145.12</td>
<td>$0.00</td>
<td>$80.63</td>
</tr>
<tr>
<td>$225.75</td>
<td>$0.00</td>
<td>$0.00</td>
<td>$225.75</td>
</tr>
<tr>
<td>$451.50</td>
<td>$145.12</td>
<td>$0.00</td>
<td>$306.38</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 Number</th>
<th>SU Credit Card Transaction ID Number</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>
<th>Transaction Credit Card Transaction Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SU PCARD</td>
<td>XXXX-XXXX-XXXX-1277</td>
<td></td>
<td>3529</td>
<td></td>
<td>6/14/2017</td>
<td>6/16/2017</td>
<td></td>
<td>Unknown</td>
<td>NEW</td>
<td></td>
<td></td>
<td>4</td>
</tr>
</tbody>
</table>

| SU PCARD Total |                                 |                                 |                         |                      |                      |                          |                          |                                  |                   |                               |                                      |                          | 66.75                                      |
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**

1. **Dashboards**
2. **Payroll and Labor Management**

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

- **School/VP Budget Unit**
- **Project Number**
- **Organization**
- **Task Number**
- **Wage Assignment Org**
- **Work Assignment Org**
- **Award Number**
- **PTA Number**
- **First Pay Period End Date**
- **Last Pay Period End Date**

**Actual Pay for Pay Period between**

**Actual Pay for Pay Period between**

- **Organization Perspective**
- **Task Org**
- **Subtotal by**
- **Earnings Type**
- **Time Period Type**
- **Pay Period End Date**

**Employee Name**

- **Job Assignment Number**

<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>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>PST - Personal Time: Salaried Empl</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>SAL - Salary</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>SOV - Salary On Vacation SOV</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>VCR - Vacation Salary Credit VCR</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Grand Total**

**Entire year**
Managing Org Suspense Account Balances

Resources

- **Overview of Organization Suspense Accounts**

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

- **Policy Notes**

- **Questions:** Email [financial_info_systems@lists.stanford.edu](mailto:financial_info_systems@lists.stanford.edu)
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
Accruals
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></td>
</tr>
<tr>
<td>▪ Create a debit using the proper PTA and expenditure type</td>
<td></td>
</tr>
<tr>
<td>▪ Using the same PTA, create a credit (offset) using object code 21300</td>
<td></td>
</tr>
<tr>
<td>▪ Utilize iJournals Specialist responsibility (AP Accruals privilege) to create an Accounts Payable (AP) accrual journal for AUG-2017 by September 11, 2017</td>
<td></td>
</tr>
<tr>
<td>* Accrual for Capital Projects is performed by Capital Accounting</td>
<td></td>
</tr>
<tr>
<td>▪ Utilize iJournals Specialist responsibility to create an interdepartmental accrual journal for AUG-2017 by September 11, 2017</td>
<td></td>
</tr>
<tr>
<td>▪ Create a debit using a 58xxx expenditure type and a credit using a 48xxx revenue code</td>
<td></td>
</tr>
<tr>
<td>▪ Coordinate with the department recording revenue to confirm the correct amounts and PTAs</td>
<td></td>
</tr>
</tbody>
</table>

**Questions:**
- Email Nini Cruz, tcruz@Stanford.edu or Matt Savage, msavage1@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><strong>External Revenue</strong></th>
<th><strong>Interdepartmental Revenue (not applicable to service centers):</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Prepare a list of the revenues that have not yet been recognized in Oracle</td>
<td>▪ Utilize <a href="https://example.com">iJournals Specialist</a> 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 <a href="https://example.com">iJournals Specialist</a> 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)
Managing Year-End Close Activities

Process flow

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

Recording other transactions
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- Unidentified cash receipts

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- Overdrafts and deficits
# Managing Funds

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

<table>
<thead>
<tr>
<th>Pre-Close:</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 |
| 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 |

## Post-Close Activities:

| • September 21 – October 31 |

*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</td>
<td>✓</td>
<td>NA</td>
<td></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>
Reminders
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_FIN_PO_206_AP_Purch_Order_Detail</td>
<td>Purchase Orders</td>
</tr>
<tr>
<td>FIN_LIB_174_Invoice_Exceptions_FIN_PO_201_AP_Invoice_Detail_FIN_PO_208_AP_Srvc_Ctr_Accrual</td>
<td>AP Invoices</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:  
  http://fingate.stanford.edu/finsystem/obi/

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

- Launch OBI reports: https://bi.stanford.edu
- Questions: Contact the Financial Support Center at (650) 723-2772