FY23 Year-End User Guide

The Controller's Office issues an annual Closing List of tasks that must be completed at the end of the fiscal year. That document outlines the 'what' and 'when' of the tasks. This document expands on the 'why' and how' of the tasks.

Please note: If your business processes flow through the Administrative Business Service Center, their deadlines apply.

Contents

Purchasing Cards

Why: Purchasing card transactions must be charged to the correct fiscal year, in a timely fashion, well before the period closes. This is required to maintain the accuracy of the University's financial report. Timing is extremely important, given the short period of time available to reallocate June transactions. Annually, UVM's external auditors review transactions to confirm that expenses were charged to the correct fiscal year.

In order to close a monthly period, many allocations are processed, based on all expenses within a month. PurCard transactions must be completed before the allocations are run.

How: Purchasing card transactions are reallocated in PeopleSoft via PurCard journals. Select the UVM PurCard Reallocations tile on the UVM Employee page.

Please contact your assigned SPA financial analyst if you receive a budget checking error on a sponsored project chartstring.

Timing:
- To be charged to the old fiscal year, PurCard purchases must be completed early enough in June to ensure that they will be charged to the correct fiscal year.
- Reallocation of PurCard journals dated June 2 must be completed by June 14.
- Reallocation of PurCard journals dated June 26 must be completed by July 10.
- A travel authorization is requiredif travel expenses are charged to your PurCard. The PurCard journal report has a space for the PeopleSoft travel authorization number.

If you are using a purchasing card to purchase airfare or conference registration for the next fiscal year, you must reallocate those transactions to a prepaid expense account (see Prepaid Expense section within this user guide).
- Use accounts beginning with 13XXX.
- The function code in the chartstring needs to be 000, otherwise, budget checking will fail.
- Account 13102 is defined as Prepaid Expense - PurCard Travel.

Resources:

PurCard Reallocation User Guide

Prepaid Transactions User Guide

PurCard Guidelines

Contact: PurCard@uvm.edu

Travel Topics

Why: Travel and Expense transactions must be charged to the correct fiscal year and in a timely fashion. This is required to maintain the accuracy of the University's financial report, even though the Travel Policy allows for 60 days to submit an expense. Timing is extremely important, given the short period of time available at the end of June. PeopleSoft approval worklists must be empty on June 30th. Annually, UVM's external auditors review transaction to confirm that expenses were charged to the correct fiscal year.

How: Travel and Expense items are entered into and reimbursed through the Travel and Expense module in PeopleSoft.   Use the UVM Employee page, Expenses tile, Create Expense Report tile.

Expense Reports

Expense reports are due 60 calendar days after completion of a trip. However, please note: **expense reports submitted on July 1 or later will be charged to new fiscal year funds**.
- There is no way to enter an old fiscal year expense in July and charge the prior fiscal year.
- By the same token, one must not delay an old fiscal year expense because of budget availability, and enter it into the new fiscal year.

Because of the way that budget dates are created in the Travel and Expense module, and because of the way that Commitment Control (encumbrances) works with the Travel and Expense module, one cannot carry an expense report in process from one fiscal year to the next. **All worklists must be empty** at June 30**.**

Entering Expense Reports

Expense reports for all trips completed in the old fiscal year must be *submitted in PeopleSoft or received by the Disbursement Center* **by June 23, 4:30 pm**.

- Complete expense reports immediately for all trips that have ended before June 23.
- Complete expense reports for reimbursements of purchases made before June 23.
- Travel & Expense Center will NOT be available in PeopleSoft for employees and delegates to enter reports between **June 24 and July 2.**
- Requests for reimbursement from full-service customers (former ABSC customers) must be received in the Disbursement Center by June 23, 4:30pm.

After June 30, all newly entered travel and expense reimbursements will be charged to the new fiscal year, even for trips completed by the end of June.

- If a trip ends in late June and cannot be submitted by June 23, or if a trip crosses into the new fiscal year, a Travel Authorization must be entered into PeopleSoft to encumber funds, by June 23, 4:30pm. **The travel authorization and encumbrance will roll to the new fiscal year, an**

offsetting revenue transaction will be created in the new fiscal year for general funds in late fall.

Approving Expense Reports

Expense reports for all trips completed must be **approved by June 24, 4:30 pm**.

The expense report paperwork or electronic documentation must arrive in the Disbursement Center by **June 27 at noon.**

Travel Authorizations

- What kind of travel needs a travel authorization in the old fiscal year:

  o All overnight travel outside the state of Vermont (domestic or foreign) requires a travel authorization to be completed in PeopleSoft.
    - Trips ending between June 21 and June 30, where expenses cannot be submitted in the old fiscal year require a travel authorization which will roll to the new fiscal year..
    - Trips beginning in the old fiscal year, before June 30, and ending in the new fiscal year, after July 1 require a travel authorization which will roll to the new fiscal year.

- When to submit new year travel authorizations in PeopleSoft:
  o Creating a travel authorization encumbers funds and reduces the budget balance available. By creating the travel authorization in the incorrect fiscal year, the old fiscal year balance is incorrectly reduced.
  o You may create a travel authorization in the old fiscal year for new fiscal year travel. The travel authorization will roll to the new fiscal year. A corresponding revenue transaction will NOT be created.

- What to do with outstanding professional development funds:
  o In accordance with Article 21.5 of the Faculty Collective Bargaining Agreements, no professional development funds may be rolled over into the next fiscal year.
  o Travel authorizations must be created in PeopleSoft for all overnight travel outside of Vermont (domestic and foreign).
  o Trips ending prior to June 23, submit expenses for reimbursement in the old fiscal year.
  o Trips ending between June 23 and June 30, submit a travel authorization in the old fiscal year. However, the funds will not be included in the new fiscal year revenue without Dean approval.
  o Trips beginning in the old fiscal year and ending in the new fiscal year, submit a travel authorization to encumber only the funds for the expenses that are expected to occur in the old fiscal year. However, the funds will not be included in the new fiscal year revenue without Dean approval.

- What happens to the travel authorization:
  - **Travel authorizations are rolled** from old fiscal year to new fiscal year.
    - For travel authorizations on fund 100 & 150, revenue transactions equal to the encumbrance will be created in the new fiscal year. Typically, these transactions are created in late Fall, at the same time as the reappropriation journals.
    - After the trip, create a regular expense report. The travel authorization will be available to copy from or apply.

- No travel authorizations for trips taken in the old fiscal year (except those for trips taken the last week in June) should be outstanding at June 30. Outstanding travel authorization which have not been used by an expense report, and the travel dates are past, will be canceled by the Disbursement Center Travel team.

  E-mail travel@uvm.edu to request **travel authorizations** be canceled for trips that have already been charged as expense or for trips that were canceled. Canceling a travel authorization will increase the available budget balance for the chartstring used.

- Travel authorizations are required, even if expenses are only on the UVM PurCard or if expenses are covered by another organization.

Cash Advances

- When to submit cash advance:
  - For trips starting after July 1, submit on July 1 or later
  - For trips starting on July 1, submit by June 23.

Deposit excess travel advance cash (money owed to UVM from unused cash advance) at the Treasury Services' Office by June 30, noon. Please bring a copy of the cash advance (do not use the regular cash deposit transmittal form).

Resources:

Travel Authorizations User Guide

Create a Travel Authorization video

Travel Cash Advance User Guide

Create a Cash Advance video

Expense Reports User Guide

Create an Expense Report video

Travel Approvals User Guide

[Travel Approval video](#)

[Travel Policy](#)

[Travel web page](#)

Contact: travel@uvm.edu

Please contact your assigned SPA financial analyst if you receive a budget checking error on a sponsored project chartstring.

Journals

Why: Journals are the tool used to move transactions from one chartstring to another. Often this comprises one department billing another. Sometimes this is a correction of an original transaction charged to an incorrect chartstring. These transactions are required to maintain the accuracy of the University's financial report. Timing is extremely important, particularly at year-end.

In order to close a period, many allocations are processed, based on all expenses within a month. Journals must be completed before the allocations are run.

How: Journals are entered in PeopleSoft, to correct prior transactions booked to incorrect chartstrings. In early July, UVM is still able to make changes to June of the prior fiscal year.
Navigation: General Ledger, Journals, Journal Entry, Create/Update Journal Entries

- Correcting journals during year-end – correct the chartstring value that is in error. By May, all of the previous months of a fiscal year should be reviewed and corrected. Journals in June should only be correcting May and June transactions.
- If an internal charge is incorrect when charged to the chartstring provided, the receiving department should prepare a journal to correct. If this is an ongoing, monthly charge, contact the business manager of the Income/Expense activity to correct the chartstring.
- If an internal charge is incorrect because an Income/Expense activity incorrectly charged your department, contact the business manager of the Income/Expense activity, so they can initiate a journal to correct.
- After fiscal year end, revenue and expenses transactions become part of the fund balance of the fund used on the chartstring of the original transactions. Most often, transfers between actual revenue or expense accounts to correct prior year transactions are not appropriate. Usually the fund transfer accounts would be employed.
    - If on restricted funds (3xx), check with the Controller's Office.
- While a journal can be rolled from one period to the next once, a journal cannot be rolled to a new fiscal year. **Journals not completed in the fiscal year in which they were created will be deleted as part of the year-end process. Any journals not approved will be deleted on July 19th.**
- The cost transfer operating procedure may add an extra layer of approval. Journals containing operational late cost transfers must be submitted by July 6.
- To facilitate the processing of the cost transfer journals, back up documents are essential. The accepted backup documents are as below and need to be attached to the journal.
    - Monthly budget report for projects/Monthly operating budget report, as applicable (please note that SPA does not accept budget transaction detail report anymore) and
    - Cost transfer justification tab (including answers to questions 3 & 4, if untimely) completed and routed by SPA to appropriate departmental approvers
- When creating a journal to affect the old fiscal year on or after July 1, change the journal date to June 30 when adding a new value.
- Departmental journals must be complete by July 13 (except Deans' offices).

- Deans' offices journals must be complete by July 14.

Resources:

[Journal Entries User Guide](#)

[Non-Payroll Cost Transfer Procedure](#)

[Cost Transfer UOP](#)

Department: Financial and Cost Accounting Services

Contact: general.accounting@uvm.edu for non-sponsored chartstrings

Contact your SPA analyst for sponsored chartstrings

Advance Accounts on Sponsored Projects

Why: Advance Account is a mechanism that enables units to request the setup of a sponsored project, including all necessary chartstrings, prior to the receipt of the official agreement by the University of Vermont. Establishing an Advance Account has numerous benefits:

- Principal Investigators can begin work.
- Project chartstring remain the same after the award arrives.
- Expenses are charged to the appropriate chartstring initially, resulting in fewer cost transfers and less use of departmental suspense.
- Facilitates timely fiscal oversight for the Principal Investigator and Unit Administrator.
- Sponsor can be billed immediately once UVM receives a fully-executed award document, demonstrating work is taking place and providing an accurate spending rate.

How: To initiate a request for an Advance Account the PI or Unit Administrator will need to complete the Advance Account Request Form and submit the completed form to SPA using UVMClick - Grants. Login, find your Funding Proposal and click the activity, "Request Advance Account". The request will be delivered to SPA, who will review and complete the request. **All Advance Account requests that need to be setup prior to fiscal year end must be sent to SPA by May 31st.**

It is important to understand the college, school, or administrative unit where the project resides assumes the financial risk if UVM does not receive or accept the award for whatever the reason or if the terms and conditions of the award subsequently deem certain expenditures unallowable.

Resources:

[Advance Account Procedure](#)

Contact: spa@uvm.edu

Payroll Dates

Semi-Monthly
Friday, June 16: Last old fiscal year distributions to Payroll Services/Retro.
                        ePARS due to Human Resource Services for the 6/30 payroll.
Friday, June 30: The final semi-monthly payroll will be paid.

Bi-Weekly
Friday, June 16: All wage transfer requests due to retro@uvm.edu
Friday, June 20: All payroll forms due to Human Resource Services for final June payroll
Sunday, June 25: Week ending date for the final biweekly payroll for the fiscal year.
Monday, June 26, 12 noon: Time reports must be submitted into the Peoplesoft system.
Monday, June 26, 3 PM: All time needs to be approved by supervisors.
Friday, June 30: final biweekly payroll will be paid.

Retroactive Labor Distribution Corrections
Friday, June 16: Distribution forms and requests that require retroactive labor adjustments, including clean-up of departmental suspense, must be received in Payroll Services/Retro.
Wednesday, July 5: Retroactive labor adjustments are complete and reports can be run the following day.

Payroll Corrections

Why: Payroll expense, including cost share, must be charged to the correct chartstring. If this is not done at the outset of the transaction, the expense must be corrected before the end of the fiscal year. These corrections must be in compliance with policies and procedures governing sponsored projects, wherever applicable.

How: Payroll corrections are requested via the Retro process.
- All combo codes associated with the transfer must be active prior to submission of the retro request.
- Salary distribution forms are completed online. Forms are submitted by the electronic distribution workflow approval system.
- Wage transfers are requested via email.
- It is critical that all requests have complete documentation, including:
    - All appropriate approvals,
    - A late cost transfer memo, if appropriate.

Resources:

[Cost Transfer UOP](#)

[Effort Management and Reporting Policy](#)

[Payroll Services](#)

Contact: retro@uvm.edu

Requisitions and Purchase Orders

Why: Requisitions and purchase orders must be closed for fiscal year end if the purchases are complete. Requisitions create pre-encumbrances. Purchase orders create encumbrances. Both reduce the budget balance available for a chartstring. Moving into fiscal year end, it is critically important to have an accurate picture of one's budget.

How: If you have a pre-encumbrance amount remaining for a **requisition**, and the corresponding purchase order has been created, or the requisition should be canceled, please email Purchasing Services at purchasing@uvm.edu to close the requisition.

If you have an encumbrance amount remaining for a purchase order, and the purchase order should be closed, please email Purchasing Services at purchasing@uvm.edu.

Reporting Tools
- The Operating Budget Report is a PeopleSoft report available to assist in the search for all open purchase orders by department number or project number. The Basic Peoplesoft Financial Reports User Guide will guide you through the process of creating the Operating Budget Report.
- This query, UV_PO_OPEN_BY_DEPT_PROJECT, is helpful in reviewing POs for fiscal year end, determining which can be closed, which encumbrances need to be increased, decreased, etc. If there are POs that can be closed, please email purchasing@uvm.edu with the information.
- Pre-encumbrance and encumbrance amounts can be seen on the Budget Details Report generated in PeopleSoft: Commitment Control > Budget Reports > Budget Transaction Detail. The step-by-step guide can be found at the following web site: Commitment Control Reporting User Guide.

Old Fiscal Year Deadlines

Requisitions for purchases not yet invoiced must be entered into PeopleSoft by June 23 at 4:30 pm. If the expense is for the old fiscal year, you will need to work with the supplier/vendor to deliver the goods or complete the service by June 30. June invoices must be received in the Disbursement Center by end of business day, July 7.

Valid credit memos should not be held until an offsetting invoice is received. They should be delivered to the Disbursement Center by the above deadline.

When preparing requisitions for expenses that should be charged in the next fiscal year, but are invoiced in the current fiscal year, please use one of the prepaid categories. In the category of Prepaid Expenses, you will find selections for Prepaid Travel, Prepaid Rent and others.
- Examples of when to use a prepaid category:
  - If you are now reserving space for a conference to be held in the new fiscal year, you must use a prepaid category on the requisition.
  - If you are now preparing a requisition for a conference registration held in the new fiscal year, you must use a prepaid category.

- o Any requisitions/purchase orders created with pre-paid lines in the current fiscal year must be paid by July 10th or the purchase order will be automatically closed.
- When you are using one of these prepaid categories on a requisition, the function code in the chartstring **needs to be 000**. Otherwise, budget checking will fail.
- Please refer to the prepaid section of this document for additional information.

Purchasing Services is currently in the process of closing all old fiscal year purchase orders when the remaining encumbrance is $0 (fully matched), according to PeopleSoft. If you have a PO with $0 encumbrance and anticipate additional spending before June 30, email purchasing@uvm.edu with the PO#, supplier/vendor name, and amount of increase.

Purchasing Services is currently closing all blanket purchase orders that have passed the end date.
- Blanket purchase orders that expire on or before June 30 will not be rolled into the new fiscal year.

For any purchase orders needing to be rolled into the next fiscal year, departments will need to submit a list of those purchase orders (via Excel spreadsheet) with a valid business reason via email to purchasing@uvm.edu by **July 6**. If a list is not received by that date, Purchasing will move forward with closing all open purchase orders.

Check Request Forms are completed for other uncommitted (unencumbered) expenses that were incurred on or before June 30, when requisitions are not appropriate. They must be <u>received in</u> the Disbursement Center by end of business day, July 7.

- To review what types of payments are most appropriately made on a Check Request Form, please review the following web page: Purchasing & Payment Methods for Commonly Purchased Goods and Services
- Any voucher with budget checking or matching errors will be deleted on July 12, if not resolved.

Any questions regarding Check Request Forms, please contact: disburse@uvm.edu

New Fiscal Year Information

Requisitions
Monday, July 3 is the earliest date to begin entering requisitions for new fiscal year purchase orders.

- If a new fiscal year purchase involves a **contract**, begin the review/approval process in Purchasing Contract Review now, before the requisition is entered.
- When searching for a **supplier** to use on a requisition, start the search with a small character string. If too many suppliers are displayed, you can then refine the search.
- When selecting a **category**, always use the default account number. Changing the account invalidates the integrity of budget reports and the University's financial reports.

- If there is a problem with **budget checking**, please work with your financial administrator or Sponsored Project Administration analyst. Don't select a category simply because it will pass budget check.
- Scan all required documents and attach to the requisition in PeopleSoft. Steps 16-17 in the [Requisitions, Purchase Orders, and Reviewing Payment Information](#) has specific instructions.

Blanket PO Requisitions

- Create the new year requisition for an amount at least equal to the old fiscal year requisition amount.
- **If you have an RFP#, Consortium # or SOV #, include in description or comment field.**
- **If you have a Footprint #, include in the Footprint field on requisition.**
- **All appropriate documents will need to be attached to requisition even if they were attached to a PO last year. Most current forms/templates should be used from Purchasing website.**
- Complete the Blanket PO Dates field. Please indicate the start and end dates of the blanket purchase order in the following format: mm/dd/yy – mm/dd/yy. For example: 07/01/23–06/30/24 or 10/01/23–09/30/24.
- **Enter last year's blanket PO number in the comment field.**
- Selecting the correct category for blanket purchase orders is very important.
  - Equipment cannot be purchased with blanket purchase orders.
  - Therefore, the category for a blanket PO should never include a description of _item_>$5,000. For example, a blanket purchase order to Fisher Scientific for $30,000 might have a category of Research_Supplies_Materials or Research_Equipment_<$5,000.

Benefits to using Blanket POs:

- Can use for paying a supplier multiple times, quarterly, monthly, by semester, etc.
- Saves time and money for all involved – only need to attach documents one time
- Supplier has the same PO# for the year to include on invoices to Disbursement
- Departments can increase PO amounts when needed during the year.

Rolled POs from Old Fiscal Year

- Rolled purchase orders that have not been fully expensed in the old fiscal year, and will have expense in the new fiscal year, will be rolled to the new fiscal year, beginning July 17 and completed by July 18.

Resources:

[Requisitions, Purchase Orders, and Reviewing Payment Information User Guide](#)

[Purchase or Lease, Contract Approval, and Signatory Authority of Goods and Services Policy (PDF)](#)

[Contract Approval and Signatory Authority Policy (PDF)](#)

[Purchasing Services](#)

Contact information: purchasing@uvm.edu

Prepaid Expenses and Unearned (Deferred) Revenue

Why: It is sometimes necessary to make a purchase or a payment in one fiscal year for goods or services which must be accounted for in the next fiscal year. All of these transactions ensure that expenses are appropriately reflected in the annual financial report.

The University sometimes receives revenue for services UVM has not yet provided. This revenue must be deposited into unearned (deferred) revenue accounts in the old fiscal.

How: There is a user guide that describes this process, discusses the decision-making steps for a prepaid expense, and the transactions necessary in PeopleSoft.

Journals correcting deferred revenue and prepaid expenses in the new fiscal year should be completed no later than August.

Resources:

[Prepaid Transactions User Guide](#)

[Disbursement Center](#)

[Financial and Cost Accounting Services](#)

Contact information:

- Prepaid Expense: disburse@uvm.edu

- Unearned Revenue: general.accounting@uvm.edu

Deposits

Why: All departments receiving currency, coin, checks, EFTs, wires, Lockbox or credit card payments from any source are required to deposit such cash receipts intact with the Treasury Services Office (220 Waterman Building) in a timely manner, as described in the Cash Receipts UOP. Cash receipts received in the old fiscal year must be deposited in the old fiscal year.

How: Deposits are made at the Treasury Services' Office, supported by a completed [Deposit Transmittal Form](#).

- All deposits for the old fiscal year are due to the Treasury Services' Office by noon on June 30. The only exception to this are June 30 credit card receipts, which are not finalized until July 1.

Resources:

[Cash Receipts UOP](#)

[Treasury Services' web page](#)

Contact information: 656-3462

treasury@uvm.edu

Petty Cash

Why: Petty cash expenses paid through June 30 must be recorded as expenses in the old fiscal year.

How:
- All departmental long-term petty cash and subject cost petty cash accounts must be replenished for the end of the fiscal year. This is true even if the study is not complete or the petty cash fund is still needed beyond June 30th. Replenishments can be processed by check through the Disbursement Center or by cash through FCAS and Treasury Services.
    - For replenishment by check, submit a replenishment form accompanied with a check request form to Disbursement Center by the end of the business day on Friday, July 7th.
    - For replenishment in cash, submit a replenishment form to FCAS via secure file transfer service by noon on Friday, July 7th.
        - A replenishment form with all required back-up (receipts or payment acknowledgement forms) should be sent via secure file transfer service to Malik Sevlic. The required journal entry will be entered in the correct fiscal year. After form is approved by FCAS, custodian can get in touch with UVM's Treasury Services to schedule cash pick-up. (Note, if you do not need to receive the funds, submit a fund balance reduction form instead with all the necessary back-up.)
- Any receipts or participant payment forms (PAFs) not included in an approved replenishment, reduction or close out for the prior calendar year will be requested by Financial and Cost Accounting Services (FCAS). FCAS passes petty cash with PAFs to the Disbursement Center. It is imperative that the Disbursement Center receives all PAFs in a timely fashion.

- All temporary short-term, change fund, and unneeded petty cash accounts for events completed by June 30th must be closed out. Bring a Petty Cash Closeout Form and any unspent cash to FCAS by noon on Friday, June 30th.
        - A closeout form with all required back-up (receipts or payment acknowledgement forms) should be placed in the Treasury Services dropbox outside of 220 Waterman building. Any cash being returned should be placed in a sealed envelope with the closeout form. Treasury Services will be regularly checking the dropbox and will notify FCAS when a petty cash closeout is received for processing. FCAS will notify the custodian when the petty cash fund is closed.
            - If you are unable to access the Waterman Building, please notify Treasury Services as soon as possible to arrange closeout.

- When replenishing, reducing or closing funds to meet fiscal year deadlines, please separate old fiscal year activity (activity prior to June 30th) from new fiscal year activity (activity after July 1st) on separate forms.

Resources:

Petty Cash web page

[Petty Cash User Guide](#)

Department: Financial and Cost Accounting Services

Contact information: General.Accounting@uvm.edu

Uncashed UVM Checks

Why: Normally, checks are mailed to our vendors or employees directly. On occasion, a check for a supplier/vendor is picked up by a department but the associated event or service is canceled or not provided. Supplier checks may also return to UVM due to an invalid mailing address, or a travel and expense check, for an employee is mailed to the department, but the employee has left the area. Uncashed checks remain a charge to the departmental chartstring since there is no "Void after 90 days" expiration to automatically reconcile them through PeopleSoft.

UVM must follow a variety of state and federal regulations in regard to uncashed checks, also referred to as abandoned property. Uncashed checks are a liability to the University and must be identified and dealt with in a timely manner. The University has a process in place to confirm the validity of these outstanding checks and to identify the rightful owners. Financial and Cost Accounting Services (FCAS) reaches out to UVM departments and check recipients to determine the appropriate handling procedures. Claimed payments are reissued to payees. Unclaimed payments, or abandoned property, are remitted to the State's Unclaimed Property Division along with the last known information of the owner.

Checks Produced by the Disbursement Center
Checks being held in departments are NOT automatically canceled. If payment was made by another means (purchasing card) or was not necessary (event was canceled), the check needs to be voided as soon as possible. If the original paper check is not in-hand, (because the supplier doesn't return it to UVM or it is lost), a request to void the unneeded check in PeopleSoft must be submitted to the Disbursement Center. Departments should encourage their employees to cash their travel and expense checks promptly and consider setting up direct deposit for future reimbursements.

Checks Produced by Payroll & Tax Services
Departments should encourage their employees to pick up their paychecks from the Payroll & Tax Services department, and cash them promptly. If they are not currently set up for direct deposit, please encourage them to do so.

How: To get the credit back to the chartstring departments can either return the check to the Disbursement Center or submit a request if the original is not available. If it is appropriate, the Disbursement Center will cancel the check. Once the check is canceled, a credit transaction will be processed to the chartstring.

Timing: Return checks to the processing department as soon as you know that an event is canceled, an employee has moved, etc.

- Fiscal Year End: It is critically important for all outstanding checks to be voided by June 30. Please check your department for uncashed checks during the first week of June to allow sufficient time for the Disbursement Center to process the voids in the correct fiscal year. The Query Viewer query: UV_UNRECONCILED_CHECKS, may be run to retrieve data for uncashed checks issued by the Disbursement Center. Departments should contact the AP Supplier to

confirm whether an old check should be voided or not. Uncashed checks affect the budget balance available at year-end, and ultimately the University financial report.

Sample screen shot:

UV_UNRECONCILED_CHECKS - Unreconciled AP & EXP Checks

Payment Date Less Than 06/30/2019 📅

Dept Like (%) 55000 🔍

PC Bus Unit like (%) % 🔍

Project like (%) % 🔍

View Results

- The UVM Closeout Report, section 4F2 shows any unreconciled (uncashed) checks. The closeout report is accessible through the UVM Business Mgr WorkCenter tile on the UVM Employee home page. After clicking on the tile, click on the Reports section, and find Closeout Report. This report can be run by chart string or by project number. More information can be found in Basic Financial Reports User Guide.

- Calendar Year End: It is critically important for all outstanding checks to be voided by December 31 each year, because of tax reporting. A payroll check affects accurate W-2 reporting. An AP check can affect the 1099 Misc. reporting.

Resources:

Disbursement Center

Contact information: disburse@uvm.edu

Payroll website

Contact information: payroll@uvm.edu

AR / Billing for Non-sponsored Customers

Why: The final billing for the fiscal year (through June 30) must be credited to the old fiscal year, before the period is closed. The actual process is run in July. Timing is very important for the AR / Billing at fiscal year-end.

How: All tasks are completed in PeopleSoft.

Deadlines & Reminders:

- June 2 - Run the query: UV_AR_UNPAIDITEMS_BYBILLINGBU for your unit and take action on invoices and credits over 90 days outstanding. Contact your customers to request payment and provide invoice copies or additional information as needed. Notify General Accounting regarding delayed payments or if you require customer maintenance to reconcile open items.

- June 20 – Deadline to submit documentation to General Accounting requesting delinquent AR items to roll over into the new fiscal year. Unless you have a documented exception, as approved by the Controller's office, outstanding items over 120 days will be reversed, debiting your department's revenue.
    - Subsequent collections of these items should be directly deposited to offset the bad debt expense chartstring via a Deposit Transmittal Form. Financial and Cost Accounting Services cannot unpost reversals from a closed accounting period or fiscal year.

- June 30 - Last day to remit old fiscal year customer payments via a Customer Cash Deposit Transmittal to the Treasury Services' Office. The deadline is noon.

- July 5 - Last day to send new customer id requests to: General.Accounting@uvm.edu. Please allow 2-3 days for creation.
    - New Customer Request Forms should be sent as early as possible for adding or updating customer information.

- July 7 – Units including sales taxes, gross receipts taxes and/or meals/rooms taxes in their bills must submit their invoices for the old fiscal year today. Sales reports and related details are due to Tax Services by 3pm.

- July 12 - Last day to enter bills for old fiscal year expenses. The deadline to set your invoices to Ready status is 4:30 pm to ensure they are included in the July 19th run. Departments are responsible for running the UV_BI_READY_BILLS query to review their bills, before this deadline.
    - Ensure all Ready/RDY status bills have nothing entered in the Invoice Date field.
    - Ensure all old fiscal year bill headers have a June 30 date in the Accounting Date field.
    - Ensure only Non SP Customer Types are being used.

- July 18 – Deadline to submit any old fiscal year AR Maintenance Worksheets requests via a: Customer Maintenance Request Form

- July 19 - This is the last invoice run of FY23.

New fiscal year (July, 2023) invoices *should not* be set at Ready/RDY status until accounting period 12 has officially been closed and communicated by the Controller's Office to the CATSKILL listserv.

A screen shot example: Billing > Maintain Bills > Standard Billing

- The **Header-Info 1** tab, for old fiscal year bills, must have June 30 entered in the **Accounting Date** field. The actual date of the expense, or invoice period, may be referenced in the **From Date**: & **To Date**: fields. Additional information may be entered via the **Notes** links as needed.

- *REMEMBER:* The **Invoice Date must be left blank**. (PeopleSoft assigns the date the accounting entries are posted.) This ensures that the invoices post correctly.

Resources:

[Accounts Receivable and Billing – Non-Student, Non-Sponsored External Customers University Operating Procedure](#)

[Revenue-General Contracts University Operating Procedure](#)

[Billing and Accounts Receivable or Non-student, Non-sponsored, External Customers User Guide](#)

Contact information: [General.Accounting@uvm.edu](#)

Inventories

Why: Inventories must be booked annually, to account for change during the fiscal year, and to be appropriately reflected in the financial report.

UVM utilizes a periodic inventory system, where a physical count is performed of inventory and an accounting entry is made to adjust the inventory to that amount. The offset of this accounting entry is Cost of Goods Sold (COGS), an expense account.

Accounting Entries:
Throughout the year, departments who hold inventory recognize expense for payments made to vendors:

> DR. Expense
>> CR. AP/Cash

At the end of the fiscal year, a physical count is performed to see how much inventory should be reflected within the accounting system.

If the physical count exceeds the balance in the General Ledger inventory account, this means more inventory was expensed than should have been. The following entry is needed to adjust the expense and increase inventory:

> DR. Inventory (Asset)
>> CR. Expense

If the physical count is less than the balance in the General Ledger inventory account, this means inventory from the prior year was used in this fiscal year, in addition to the purchases made in the year. The following entry is needed to adjust the expense and decrease inventory:

> DR. Expense
>> CR. Inventory (Asset)

When processing payments at the end of the fiscal year, it is important to consider which fiscal year they truly belong in. Payments made for amounts that are not included in the physical count should be processed in the new fiscal year. Payments made in arrears for amounts that were included in the physical count should be processed in the old fiscal year and will be properly adjusted by the inventory adjustment journals.

What if my inventory vendor sent an invoice for new year fiscal year purchases dated in June of the prior fiscal year?

It would be easiest to get a new invoice dated in July but if you cannot then the following apply.

1. If the invoice is dated in June and the goods have been received then you should get the invoice to the Disbursement Center by the July 7th deadline and also include the value of these goods in your inventory count.
2. If the invoice is dated in June and the goods are in transit then you should get the invoice to the Disbursement Center by the July 7th deadline and also include the value of these goods in your inventory count as inventory in transit.
3. If the invoice is dated in June but the goods have not shipped then you should get the invoice to the Disbursement Center by the July 7th deadline and record a journal entry crediting expense and debiting pre-paid expense (13001). This journal will need to be reversed in the new fiscal year.

How: Those units that maintain a physical inventory are required to count and report to Financial and Cost Accounting Services (FCAS) the result on or soon before June 30th. Please use the sheet that follows to record the summary inventory information. Once received, FCAS will enter a journal entry to record the adjustments. Submission of this information is due by Thursday, July 6th.

Those units that traditionally record their own inventory adjustments at year-end should have their physical inventory completed by June 30th and the inventory summary sheet and the journal entry to Financial and Cost Accounting Services by July 6th .

Resources:

Contact information: Jennie Keenan

Inventory Submission
For Fiscal Year End

Department Name _____ Date _____

Activity Name _____

Submitted By _____ Phone # _____

Chart String

Old Fiscal Year $_____ inventory balance

New Fiscal Year $_____ inventory balance

Difference $_____

Attach inventory details

Send To:
Jennie Keenan
Financial and Cost Accounting Services

General Resources

In addition to the resources already referenced for each area, there is a host of other resources on the Division of Finance & Administration website including:

Year-End Closing

Summary of Year End Deadlines

Monthly Closing

Financial and Cost Accounting Dates and Deadlines

BFAN & Catskill Information

Finance Matters Newsletter