

UW System Fiscal Year Closing Process Checklist

Fiscal 2008 - 2009

- 1 _____ Fund 990 Clearing:** Ensure that the cash balance in fund 990 is zero before the mid July cutoff. All revenue should initially be deposited to fund 990 and should be coded to 9198. Amounts should be cleared from 990 on SFS account 9182. Since the recommended accounts for deposit and clearing crosswalk to the same DOA code, the activity for 990 nets to \$0 as required by the State Controller's Office. Institutions that need to record other account codes in fund 990 for deposit and clearing must consult the DOA crosswalk table on the SFS website to ensure that deposit and clearing occur on the same DOA account code.
- 2 _____ Advanced Deposits:** Ensure that advanced deposits are properly recorded in the old and new fiscal years. Revenues for the new fiscal year collected prior to June 30 should be recorded as deferred revenue in the old fiscal year with a debit to cash (6100) and a credit to deferred revenue (7400). All advanced deposit revenue initially deposited to fund 990 should be cleared to the appropriate fund so that the fund 990 balance at the end of the fiscal year is zero.
- 3 _____ Deferred Revenue Clearing:** During the July accounting period of the new fiscal year ensure that all amounts recorded to deferred revenue (7400) are cleared with a debit to deferred revenue (7400) and a credit to the appropriate revenue account.
- 4 _____ Deferred Revenue within Fiscal Year:** Ensure that the deferred revenue balances in SFS account 7405 are at zero by the mid July closing. Deferred revenue amounts crossing fiscal years should be coded to SFS account 7400.
- 5 _____ Vouchers Payable Between Years:** During the July accounting period of the new fiscal year ensure that all amounts recorded to vouchers payable between years (7105) are cleared with a credit to vouchers payable between fiscal years and a debit to the appropriate expense account.
- 6 _____ Fund 402 M and D Programs:** Spend budgets down prior to June 30. Verify that the combination of supply/expense, capital and financial aids budgets are not exceeded. **Excess salary and/or fringe budget balances may not be used to offset deficits on other major classes. This include Salary can not offset fringes and fringes can not offset Salaries.** Institutions should contact Financial Administration as soon as it is known that excess 402 funds are available for reallocation to another institution
- 7 _____ Ensure That Pass Through Loans are Cleared Out of Fund 136:** Pass through loan programs such as Stafford and Great Lakes Higher Education should come in and go out on the same account code to eliminate double counting of revenue and expenditure. Revenue from pass through loan programs will be coded to revenue in fund 131 when students pay tuition and fees.
- 8 _____ Fund 128 Seg Fee Distributions:** Ensure netting to zero.

9 _____ **Federal overhead:** Verify that fund 150 revenue in account 9905 (SFS institutions) equals fund 144 expenditures on account 3930

10 _____ **Fund 133 / Account 3930 expenditures:** Must net to zero.

11 _____ **Minnesota Reciprocity:** Ensure that all balances on Account 9199 are in Fund 100.

12 _____ **Extension Credit Fees:** Verify that there are no credit extension fees in fund 131. Verify that there are no regular 131 credit instruction fees in fund 189.

13 _____ **Funds 189 and 132 De-pooling:** Verify that fund 104 expenditures equal budget and that there are no program /activity 2 expenditures on fund 104. Depooled institutions record all program 2 expenditures directly on fund 189.

14 _____ **107 matching funds for federal loan programs (Perkins, Nursing):** Verify that match has been made for the correct amount. System guidelines require that the matching requirement for all institutions be satisfied before excess funds are available for resident undergraduate financial aid.

15 _____ **Academic Excellence Scholars:** Each institution should verify that the current year cash match contributed to the program is at least equal to the amount contributed in 91-92.

16 _____ **Faculty salary advances:** Verify a zero balance account 6160 for SFS institutions.

17 _____ **Funds 123 and 124:** Cash balance must be zero. Revenue to cover all expenditures must be transferred from fund 128 or from other PR funds.

18 _____ **Review of Small Dollar Encumbrances:** Institutions should review small dollar purchase orders resulting from failure to fully liquidate a purchase order when the obligation no longer exists. Purchase orders that have had no activity in the past 12 months should be closed at fiscal year end. All encumbrances under \$50 should be closed by the mid July cutoff.

19 _____ **Purchase Order Blankets:** All blanket orders should be liquidated at fiscal year end. Carryover encumbrance budget authority should not include amounts for blanket orders. Only legally enforceable commitments for services and goods maybe encumbered. Purchase orders for Sundry Vendors, Miscellaneous Vendors or other nonspecific vendors may not be carried over.

20 _____ **Purchase Order Justification:** If it is necessary to carryover a purchase order for a second year the institution must justify the encumbrance carryover. Per DOA guidelines, written justification for all purchase orders carried over for a second year need to be on file with the System Controller by May 31.

21 _____ **Library encumbrances:** Institutional blanket encumbrances for library books may be adjusted to reflect the lesser of the unencumbered budget balance for library books and

periodicals or the outstanding book orders at June 30. No budget transfers may be made to increase the book budget.

22 _____ **Fund 136 payroll default accounts:** Verify that any balances are appropriate.

23 _____ **Segregated funds:** (160, 161, 162, 164, 168, 190, 191) Verify that balances are appropriate, with no overdrafts. Verify that all expenditures are within budgets by major class. Transactions that cause Segregated State funds to overdraw by major class will reject in WiSMART.

24 _____ **Federal administrative expense:** Verify that the combined administrative expense reimbursement on (Account 9905 SFS) for funds 145, 146, 147 and 148 is offset by the (Account 9905) total in fund 144.

25 _____ **Travel Advances** Verify that only SFS accounts 6165 and 6166 are recorded on fund 991. SFS Accounts for travel expenditures may not be used on fund 991. Institutions should be able to substantiate the balance of travel advances recorded in SFS.

26 _____ **Inter-Institutional Agreements (IIAs):** Ensure that all IIAs for the closing fiscal year have been processed by both the buying and the selling institutions.

27 _____ **Fund 118 Industrial Development Research:** Verify that fund 118 budget has been spent down to zero and that matching requirements have been met. Unspent dollars in this appropriation lapse back to the state general fund at fiscal year end. Institutions should report any unneeded budget balance to the System Controller's Office as soon as possible.

28 _____ **Fund 119 Distinguished Professors:** Verify that fund 119 budget has been spent down to zero and that matching requirements have been met. Unspent dollars in this appropriation lapse back to the state general fund at fiscal year end. Institutions should report any unneeded budget balance to the System Controller's Office as soon as possible.

29 _____ **Accounts Receivable Write-offs:** Verify that uncollectable accounts receivable have been written off.

30 _____ **Credit Memo Write-offs:** Verify that worthless credit memos have been written off.

31 _____ **Fund 145 Work Study Fringes:** Verify that there is no employer share of workstudy fringes on fund 145.

32 _____ **Accounts Payable Balances -** Verify that any outstanding balance in Accounts Payable (7100) is reconciled to the detail unpaid vouchers supporting that total. Submit an electronic report containing that reconciliation data to Financial Administration by July 30th. By agreement with the State Controller's Office the UW System will be able to provide a detail reconciliation of the summary accounts payable balance in WiSMART.

33 _____ **Accounts Receivable Balances:** Verify that any outstanding Accounts Receivable balances (6200, 6210 and 6240) are reconciled to the detail unpaid invoices that support the total. Submit a report containing that reconciliation data to Financial Administration by July 30th.

34 _____ **Accounts Receivable – Grants:** Verify that the general ledger summary balances for 6201, 6202 and 6209 are supported by the detail contained in the grants module tables. Verify that the sum of billed accounts receivable and unbilled accounts receivable equals grants revenue.

34 _____ **Out of Balance Journal Verification** – Run out of balance Queries and Nvision reports on the Actuals Ledger. The Nvision to determine if chart fields are out of balance can be found by opening SFS and selecting UW nVioion – nVision Report Submit Center – Category : OPERATIONS – Sub Category : Out of Balance. Run OOB_3 or OOB_5 as appropriate.

35 _____ **Ensure that SFS Account 9940 (State Share of Surplus Property Sales) is only used with Appropriation 963.**

36 _____ **Out of Balance Verification With DOA (Orphans)** – Run DOA Balance report Queries and Nvision reports on the Actuals Ledger. The query to determine if chart fields are out of balance can be found by opening SFS and selecting UW nVioion – nVision Report Submit Center – Category: OPERATIONS – Sub Category : DOA_REPORTS. Run DOA_CHK5. All orphans must be cleaned up before year end close.

37 _____ **Revenue Clearing Accounts** – Verify that all revenue is distributed from any Revenue clearing accounts/funds.

CONTROLLER CERTIFICATION: I certify that the yearend checklist procedures listed above have been performed.

Date_____