

**University of Wisconsin System
SFS Accounting Manual**

Category: General Ledger	Effective Date: Updated Annually	
Task or Process: Year-end Close Guidelines – FY 2009	Revision Date: April 2009	
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Following are the guidelines for closing FY 2009, 13th month processing, and starting FY 2010. Updates will be issued if changes are needed.

1. When will year 2010 be opened for processing?

- a) The FY 2010 Standard Budget Ledger will be opened May 1, 2009 to allow business units (BUs) to begin posting budget journals for the new fiscal year. An earlier date may be allowed if BUs request it.
- b) UWSA staff open the FY 2010 Purchasing module on May 1 annually so that the SFS (BUs) may begin processing purchase orders for the new fiscal year. The PO data will post to the KK Ledger as they are created.
- c) SFS ledgers for 2010 (Actual and Accrual) won't be open for regular posting until July 2. **Exception:** Summer Session payrolls processed through Payroll Interface in May & June will generate salary and fringe journals that will be posted in SFS before July 2. The Actuals Ledger will be opened for period 1 of the new year to get those journals posted. The ledger will be closed again as soon as the posting is completed.
- d) **Please make certain all staff members are aware of the following guidelines for year 2009 or 2010 July transactions:**
 1. July 1 is the single day date that represents the 13th month of FY 2009. July 2 is the first day of the FY 2010 July accounting period.
 2. All BUs should use the date of July 2 as the first PO/journal date for year 2010 transactions that will post to the Actuals and KK Ledgers.
 3. Extra care should be taken in the month of July to insure that all SFS transactions are **recorded in the correct fiscal year**, regardless of where the transactions are initiated.
- e) Any journal data that must be reported to DOA prior to July must be posted in FY 2009. All BUs must comply with this restriction.
- f) All BUs must not run Journal Generator for FY 2010 POs until July 2.
- g) All BU's must not initiate FY 2010 vouchers in AP until July 2.

2. Year 2010 Accounting Period Calendar

The accounting period begin and end dates for SFS will align with the actual first and last days of the month (e.g. the August accounting period will begin Aug. 1 and end Aug. 31).

SetID	Calendar	Description	Year	Period	Begin Date	End Date	Period Name
SHARE	CC	Monthly Closing Calendar	2010	1	2009-07-02	2009-07-31	Period 1 - July
SHARE	CC	Monthly Closing Calendar	2010	2	2009-08-01	2009-08-31	Period 2 - August
SHARE	CC	Monthly Closing Calendar	2010	3	2009-09-01	2009-09-30	Period 3 - September
SHARE	CC	Monthly Closing Calendar	2010	4	2009-10-01	2009-10-31	Period 4 - October
SHARE	CC	Monthly Closing Calendar	2010	5	2009-11-01	2009-11-30	Period 5 - November
SHARE	CC	Monthly Closing Calendar	2010	6	2009-12-01	2009-12-31	Period 6 - December
SHARE	CC	Monthly Closing Calendar	2010	7	2010-01-01	2010-01-31	Period 7 - January
SHARE	CC	Monthly Closing Calendar	2010	8	2010-02-01	2010-02-29	Period 8 - February
SHARE	CC	Monthly Closing Calendar	2010	9	2010-03-01	2010-03-31	Period 9 - March
SHARE	CC	Monthly Closing Calendar	2010	10	2010-04-01	2010-04-30	Period 10 - April
SHARE	CC	Monthly Closing Calendar	2010	11	2010-05-01	2010-05-31	Period 11 - May
SHARE	CC	Monthly Closing Calendar	2010	12	2010-06-01	2010-06-30	Period 12 - June
SHARE	CC	Monthly Closing Calendar	2010	13	2010-07-01	2010-07-01	Period 13 - Close

UWSA staff will close periods on the morning of the 8th calendar day following the end of each period. If the 8th day falls on Saturday or Sunday, the close will be done on the following Monday. That policy will allow BUs to know how much time they have (usually 5 business days) to get end of month journals posted before the period is closed. More stringent close policies will be applied for the 13th period.

3. Processing at end of June

- a) Daily deposit amounts recorded via GL journal entries to fund 990, account 9198 on the last business day of June will be the last that will be included in the June accounting period.
- b) Any additional 990 deposit GL journal entries needed to record **old fiscal year receipts received by June 30** should be posted in period 13 of FY 2009, along with related revenue distribution journals to clear 990.
- c) **For any receipts received after June 30**, GL journal entries for 990 deposits related to old or new fiscal year receipts **must be posted in period 1 of the new fiscal year** (journal date must be July 2 or later).

- d) BUs will be allowed to run Pay Cycle (as many as desired) on the last business day of June in order to finish up old fiscal year voucher payments.

The PY journal posting will be performed after 4:00 p.m. Same as any other day.

- e) UWSA recommends that all old fiscal year Accounts Payable vouchers be paid by the end of June so there are **no outstanding Accounts Payable balances at the end of the fiscal year**. BUs that cannot or will not comply with that recommendation will be required to verify that they are able to reconcile their Accounts Payable balance to unpaid AP vouchers.

BUs that have Accounts Payable balances at end of the fiscal year must be able to track and verify that offsetting Accounts Payable transactions charged to the new fiscal year (in PY journals) do accurately bring the old fiscal year balances to zero.

- f) The June accounting period will be kept open for an additional period of about 4 business days past the June 30 end date. The extra time is to allow BUs to process allocations for indirect cost, etc. and post them to the June period in SFS. **The June period will be closed at the end of the day on July 9.**

4. Period 13 processing criteria

- a) All SFS journals for 13th period general ledger posting **must be assigned a journal date of July 1**. Please insure that all staff members are aware of this requirement. It is extremely important that these journals do not get posted to the new fiscal year by mistake (because the wrong journal date was assigned).
- b) BUs **must not run Pay Cycle on July 1**. All Pay Cycle processes run in SFS after July 1 will create PY journals in the GL for the new fiscal year (even if the vouchers paid are recorded in the old fiscal year).
- c) **HIGH PRIORITY: For all BUs. You must not cancel, void, or put a stop on any payments on July 1st! You must not cancel, void, or put a stop on any payments during the last three business days of June unless you have enough payments to cover the negative dollar effect of the cancels, voids, or stops.** Failure to comply with these rules may result in creation of PY journals that have a negative balance. We cannot interface negative balance data to DOA.
- d) Internal transfer journals for chargebacks, coding corrections, salary transfers, encumbrance adjustments, etc. can be processed in SFS in the 13th period up through Thursday, July 16. **All journals must be posted in SFS by the close of business on July 16.** Same is true for budget adjustments posted to the Standard Budget ledger.

- e) UWSA will close FY 2009 period 13 on July 16. Period 13 will be re-opened periodically during the second half of July so that final adjusting transactions initiated at UWSA can be posted and interfaced to DOA.

5. Monitoring encumbrance balances for fiscal year close

- a) The year end open encumbrance balances for the Service/Supply and Capital major lines (for all BUs) will be reported to DOA by UWSA. Those encumbrance balances must match the carryover budget balances for FY 2010 (carryover budgets are entered by each BU). Therefore, make certain those encumbrance balances are accurate at the end of the year.
LIMITATIONS: Any PO that has a balance less than \$50 cannot be carried over. They must be cancelled prior to the mid-July closing. All blanket orders for FY 2009 must also be cancelled before the mid-July closing. If a blanket order balance must be carried forward, the PO should be changed from blanket to regular before the mid-July closing.
CARRYOVER JUSTIFICATION: Each BU must submit written justification for carrying over any PO that is more than 1 year old (e.g., created in FY 2008 or earlier). Justification documentation must be submitted to the UW System Controller by July 1 annually.
- b) If you determine (after the mid-July cutoff) that an encumbrance balance adjustment is needed, send a request (email) to Jeff Arnold to provide justification for the change.

6. Processing guidelines for transfers that cross fiscal years

- a) Instructions for processing Advance Fees collected prior to July 1 are located on the SFS web site in the General Ledger category and Year End Close category under the SFS Policies button. Please review and follow that guide. Same goes for Summer Session payroll processing guidelines. Click on the following link to get access to both of those documents:
<http://www.uwsa.edu/fadmin/sfs/genled.htm>
- b) **NOTE:** Internal transfer journals processed in period 13 (or any other period) may only contain data for one fiscal year. **You cannot perform a transfer between fiscal years in one journal.** If there are any other situations where revenues or expenses will be moved between fiscal years, it is very important that the proper asset/liability offset accounts are used in each year so that the data for each fiscal year is properly balanced for reporting to DOA. If you will need to process cross year transfers, send us information about what they involve and why they are needed. UWSA will work with you to determine the asset/liability entries that will be needed in each year.

7. Period 998 adjustments

- a) Instructions for processing period 998 journals are located on the SFS web site at <http://www.uwsa.edu/fadmin/sfs/yearend.htm>
- b) All period 998 adjustment should be completed by no later than the end of August. That should be sufficient time for identifying, preparing, and posting that data in SFS.
- c) The final fiscal year closing process in SFS should also be completed by the end of August for all BUs. UWSA staff will perform that function. Account balances are brought forward to period zero of the new year as part of this process.