



## Fiscal Year-End Close Procedures

The University's fiscal year-end, June 30th, is quickly approaching. There are several processes integral to a successful year-end closing that require your attention. Please carefully review the following:

### Payment Related Activities

There are five key areas that require special attention or action in order to have the University's statements comply with generally accepted accounting principles (GAAP). For additional important instructions and guidelines for each of these areas, please click "[Payment related activities](#)"

- *Accrual of expenses* – Goods shipped and services received by June 30 with payment due or remitted after June 30 must be accrued as an expense in the 2021-22 fiscal year.
- *Accrual of income* – Income earned prior to June 30 with payment due or received after June 30 must be accrued as income in the 2021-22 fiscal year.
- *Inventories* – Departments with inventories of supplies or materials valued at greater than \$5,000 need to report this information in order to record the inventory balances as an asset. Inventories should be counted as of June 30.
- *Prepaid expenses* – Payments remitted before June 30 for goods or services received after June 30 are not treated as an expense in the 2021-22 fiscal year.
- *Purchasing card reconciliations* – Reconciliation of all 2021-22 purchasing card statements are due to the Controller's Office on, or before **Friday, July 15, 2022.**

Consistent with prior year practices, departments accepting credit card payments will be allocated its share of the incurred bankcard fees as a part of the year-end process.

### Budget carry forward

As in prior years, there should be no assumption of any budget carry-forward considerations from this fiscal year to next. For additional information and guidelines related budget carry-forward, please click "[Budget carry-forward](#)".

Since the fiscal year-end requires additional entries and action not needed for a standard month-end accounting close, the closing process includes three distinct deadlines with specific action required for each:

- *1st close* - **July 7** – Standard month-end accounting close.
- *2nd close* - **July 21** – Inclusion of expense and income accruals, inventory adjustments, identification of prepaid expenses, and purchasing card reconciliations.
- *3rd close* – **July 29** – Finance and Controller's Office final close. The annual audit begins following this close.

As a reminder, financial detail and summary reports are available in Argos. If you have questions on accessing these reports, please contact Wagane Diadhiou, Finance and Budget Analyst, at x2060. The accuracy of your department's financial information is your responsibility.

**Please forward the following Items relating to the 2021-22 fiscal year to the Controller's Office no later than Friday, July 15th.**

1. Invoices for goods shipped or services received prior to June 30.
2. Income earned as of June 30, but not collected.
3. Inventories of goods and supplies on hand at June 30 in excess of \$5,000.
4. All purchasing card reclass/reconciliations.

The Controller's Office will continue to perform unannounced audits of the petty cash accounts to substantiate year end balances in preparation for this year's audit.

In conjunction with the year-end procedures, an inventory count of fixed assets "owned" by your areas of responsibility will be performed. The Controller's Office will ask for your assistance in confirming the information recorded on the current inventory lists. A staff from the Controller's Office will coordinate the inventory process and may contact you toward the end of June to finalize a schedule and process for your particular area. This aspect of the year-end process should be completed by **the end of July**.

Thank you in advance for your assistance in attending to the above items relating to the University's fiscal year-end processes. If you have any questions regarding the above-mentioned information or the year-end process, please feel free to contact me at x2319.