



MEMORANDUM

From the Office of the Controller

Tel. (804) 289-8150

TO: Department Heads, Directors, and Department Administrators
FROM: Laurie F. Melville, Senior Associate Vice-President & Controller
RE: Fiscal Year 2018 Year-End Closing
DATE: May 23, 2018

The process of closing the books for fiscal year 2018 will soon be underway. Key closing dates and important deadlines are outlined below. Please review the information contained in this document and share it with the appropriate individuals in your areas.

Please be aware that the dates listed below represent the University's deadlines for activities. Individual schools may establish earlier internal deadlines. Please consult with your school or division's budget director for specific deadlines for your school or area.

Departments are strongly encouraged to begin reviewing your budget reports and ledger statements now. Promptly research any unusual or incorrect items and submit journal vouchers to correct or transfer the charges as necessary. This will ensure that deans and department heads have a clearer picture of their areas' financial performance and ensure the overall accuracy of the University's financial information as fiscal year 2018 draws to a close.

PRELIMINARY JUNE CLOSING

Journal Entries

All monthly budget reports should be reviewed regularly to determine if adjusting entries are required. **Correcting journal entries with supporting documentation, where appropriate, must be submitted by the dates below to the accounting inbox accounting@richmond.edu.**

Activity:	Correcting Entries Due:
July 1 - April 30	June 5
May 1 - May 31*	June 29

* Journal entries must be submitted by June 5th to be included in May budget reports.

Purchasing Cards

Final purchasing card charges for fiscal year 2018 should be made by June 18 to ensure that the charges post to PaymentNet by June 24. Charges should be allocated no later than June 29 at 4:00 p.m. Final fiscal year 2018 charges will be downloaded to Banner on June 29 at 5:00 p.m. Purchasing card statements should be sent to P-Card Administration located in Maryland Hall, G-13 by Friday, July 6.

Invoices, Check Requests and Travel & Expense Reimbursements

Invoices, check requests, and travel & expense reimbursements for fiscal year 2018 activities must be submitted to Accounts Payable by Friday, June 15 at 5:00 p.m. for inclusion in the preliminary June budget reports. The Accounts Payable Office is located in G-13 Maryland Hall.

The last check run for inclusion in the June preliminary budget reports will be on June 29.

Purchase Orders

Please carefully review all open purchase orders listed in your May 2018 budget reports as well as those listed in Banner for June. If you find that items have been received but the purchase order has not been liquidated, contact Jean Hines, Director of Strategic Sourcing & Payments, at extension 8181 or jhines@richmond.edu by June 22. This will allow sufficient time to liquidate the purchase order before the preliminary June budget reports are sent. Final purchase requisitions for fiscal year 2018 must be received in the Procurement Office, by June 15. This will allow time for the purchased goods or services to be received, invoiced, and paid before the last check run for the fiscal year, July 10.

Petty Cash

For departments with petty cash accounts, reimbursement requests for your account should be submitted to Accounts Payable by June 22 at 5:00 p.m. to replenish the balance by year-end. This will ensure that expenses are charged to the correct fiscal year and make confirming your petty cash balance easier. A petty cash confirmation audit sheet will be sent to you via campus mail. Please complete the form and return it to Nancy Crowgey, Cash Manager, G-18 Maryland Hall, by June 29. Questions regarding your petty cash account should be directed to Nancy at extension 6363 or ncrowgey@richmond.edu.

Capital Asset Disposal

Departments are responsible for maintaining an inventory of capital assets (typically assets with an original cost over \$5,000) for which they have oversight responsibility.

If a department disposed of a capital asset during fiscal year 2018, please complete an Asset Disposal Form (<https://controller.richmond.edu/accounting/fixed-assets.html>). For assets purchased with private or federal grant funds, disposals must be approved in advance by Grants Accounting.

Submit the completed Asset Disposal Form to General Accounting by June 22, 2018. The form can be sent electronically to accounting@richmond.edu or by inter-office mail to Monica Booker, Maryland Hall G-12. Please contact Monica at extension 8169 if you have any questions.

FINAL JUNE CLOSING

Items recorded on the final close should consist only of June corrections and year-end transfers or adjustments typically initiated by the budget directors of the schools or administrative units. Corrections or transfers of transactions recorded prior to June must be reviewed and approved by the Controller's Office and/or the Office of Planning and Budget prior to posting.

Journal Entries

Department users who key journal entries into Banner must enter final fiscal year 2018 entries no later than July 11 at 3:00 p.m. Remember that entries must be backdated to June 30, 2018 in order to post to fiscal year 2018.

For departments that send journal entries to the Accounting Office for processing, all entries must be received in the Accounting Office by July 11 at 12:00 p.m. Please be sure to write "FY18" at the top of your entry to ensure that it is entered into the proper fiscal year. Please email all journal entries and supporting documentation, if required, to accounting@richmond.edu.

Invoices, Check Requests, and Travel & Expense Reimbursements

Invoices, check requests, and travel & expense reimbursements (including online forms) are due in the Accounts Payable Office no later than June 29 at 5:00 p.m. To expedite processing, be sure that your paperwork is submitted with the appropriate signatures, receipts, and supporting documentation.

Accounts Payable will be processing payments for both fiscal year 2018 and fiscal year 2019 between July 1 and July 6. During this dual processing period, the check run dates are as follows:

- Tuesday, July 3
- Friday, July 6
- Tuesday, July 10

Tuesday, July 10 will be the last check run for fiscal year 2018.

Prepays

Please see the attached matrix which describes how items will be expensed during fiscal year end processing. Generally, if items are less than \$50,000, they will be expensed in the current fiscal year. Invoices received after the July 10 check run date will be charged to fiscal year 2019. The Controller's Office reserves the right to accrue or not accrue a specific item for compliance or similar reasons.

Purchases Orders

Open purchase orders will be listed as encumbrances on the June monthly budget report. Please be sure to review Banner for fiscal year 2018 between July 1 and July 6 to ensure that only open purchase orders are showing in the "Commitment" column in FGIBDST for your index. If you find an open purchase order that should be closed, please notify Jean Hines no later than 5:00 pm on July 6 at extension 8181 or jhines@richmond.edu. Open fiscal year 2018 POs will be rolled to the new fiscal year on July 11.

For new purchase orders, please see the prepaid matrix for how these requests will be processed. Generally, if a purchase order is needed for goods or services that will be received and invoiced before July 1, that PO must be issued as a current PO (fiscal year 2018) PO; it cannot be charged to the fiscal year 2019 budget. If the PO is charged against the fiscal year 2019 budget and the goods or services are received prior to July 1, the PO will be closed, the funds will revert back to the current fiscal year (2018), and the expense will be charged against the current fiscal year (2018) budget.

Deposits

All deposits for fiscal year 2018 must be taken to the Cashier's Office, located in Queally Center, by July 6 at 12:00 noon. Please use the deposit form (<http://controller.richmond.edu/cashier/index.html>) and be sure to read the instructions provided on the form. Since two fiscal years will be open for the period July 1 through July 6, please be sure to write "FY18" in the Special Instructions section of the deposit form to ensure the deposit is processed in the correct fiscal year.

Gifts

Gifts postmarked by June 30, 2018 or earlier must be reflected in fiscal year 2018 activity. Please hand deliver the check with gift coversheet, related correspondence and the postmarked envelope to Advancement Operations, located in Richmond Hall, Room G-12 by 4:30 pm on July 5. The AO staff will work with you to determine the appropriate fund in which to record the gift. Questions should be directed to Sarah Abubaker at extension 6583 or sabubake@richmond.edu, or Robb Moore at extension 8659 or rmoore3@richmond.edu.

Inventory

Departments required to perform a year-end inventory will receive a memo from Du'Neika Easley, Associate Vice President for Internal Audit, in June.

Please send your final inventory report, invoice and purchase order schedules, and backup count sheets to Du'Neika Easley by July 6 at 5:00 pm. Du'Neika may be reached at extension 8099 or deasley@richmond.edu.

Payroll

Key payroll dates and deadlines are summarized in the table below:

	Deadline for submitting PAFs or check requests for FY 18	Deadline for submitting Timesheets and Leave Reports for FY 18	Deadline for requesting manual checks or labor redistributions for FY 18
Monthly Payroll	June 12	July 5	June 29
Biweekly Staff Payroll	July 5	July 9*	June 29
Biweekly Student Payroll	June 28	July 2	June 29

**Only 1st week of pay period is FY18*

Questions regarding payroll cut-offs should be directed to the Payroll Office at extension 8170.

Budget Surplus & Year-End Reserves

Similar to last year, the budget surplus process is limited to one fund per Division/School. The Office of Planning and Budget will continue to work directly with the Vice Presidents and Deans. Any specific questions related to this process should be directed to your division or school's primary budget contact. Feel free to contact the Office of Planning and Budget at opb@richmond.edu with questions.

**SUMMARY OF KEY YEAR-END CLOSING DATES
FISCAL YEAR 2018**

June Preliminary Close

Action	Deadline
Invoices, travel & expense reimbursements, and check requests to Accounts Payable for inclusion in June preliminary close	June 15
Final FY18 purchase requisitions submitted to Procurement	June 15
P-card charges – last day to make a FY18 charge	June 18
Asset Disposal Reports due to General Accounting	June 22
Replenish petty cash accounts	June 22
Notify Accounts Payable of open purchase orders that should be closed	June 22
Journal entry deadline for May corrections & June activity	June 29
Petty cash audit sheets due to Cash Management	June 29
P-card charges allocated in PaymentNet for June close	June 29
Final check run for June preliminary budget reports	June 29

Preliminary June Monthly Budget Reports Distributed on July 6

June Final Close

Action	Deadline
Invoices, travel & expense reimbursements, and check requests to Accounts Payable for inclusion in June final close	June 29
Last day for labor redistributions	June 29
FY18 gifts to Gift Recording	July 5
Inventory reports sent to Internal Audit	July 6
FY18 deposits to Cashier's Office	July 6
Notify Accounts Payable of open purchase orders that should be closed	July 6
June P-card statements due to Accounts Payable	July 6
Final check run for FY18	July 10
Journal entries submitted for final June close – June corrections only	July 11

Final June Monthly Budget Reports Distributed on August 1

Other Important Dates

Action	Deadline
Open purchase orders rolled to FY19	July 11
9 ledger balances rolled to FY19	August 1
Budgets for restricted funds 20xxx and 26xxx rolled to FY19	August 1

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Year End Budget Expense Processing

This matrix covers how items will be expensed during fiscal year end processing.

Generally, if items are less than \$50,000, they will be expensed in the current fiscal year.

The Controller's Office reserves the right to accrue/not accrue a specific item for compliance or similar reasons.

Transaction Type	Detailed Description	Process	Required Approvals
Benefit Liability Accounts	Payments submitted by HR to pay employee benefits, such as legal resources, health insurance, retirement, etc.	Ensure 12 months are paid in each FY. No prorating will be done.	Approved by Accounting
Contractual Agreements Other Prepays not Specifically Addressed (e.g., subscriptions, memberships)	Contractual agreements include any agreements with specific terms between the University and a third party Prepays includes payments for goods and services to be expensed over time. *Note* for purposes of this process prepaids also include invoices received and paid prior to year end to take advantage of sales discounts or due to prepay requirements by the vendor.	Transactions should be posted against the budget and expense recognized when obligations of the contract are met Payments should be applied against the budget in the fiscal year it relates to; however, if the expense is for less than \$50,000, the expense will be charged to the current fiscal year.	All contracts should be routed thru the VP for Business and Finance for approval - then routed to the OPB for determination on how to post expenses for budget purposes Approved by the Accounts Payable Office
Proration of Expenses Crossing Fiscal Years	Expense crosses fiscal year, i.e. memberships, subscriptions, etc.	Expense will only be prorated if the prorated amount totals \$50,000 or more.	Approved by the Accounts Payable Office
Purchase Orders	PO issued as new year PO but goods or services and invoice are received in current fiscal year.	The payment will be issued in the year the invoice (goods/services) are received. The PO will be closed and the funds will be released to the new fiscal year budget. *Note*The payment will only be processed as a Prepay if amount is \$50,000 or more.	Approved by the Accounts Payable Office

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Transaction Type	Detailed Description	Process	Required Approvals
Reimbursements	Reimbursement to University employees or students for the purchase of goods or services.	These expenses will be posted against the budget in the fiscal year in which the transaction took place; however, if the expense is for less than \$50,000, the expense will be charged to the current fiscal year.	Approved by the Accounts Payable Office
Revenue Generating Activities	Athletic events, such as season ticket sales, where the expense is generated in the current fiscal year but the revenue is not recognized until the new fiscal year.	Payment will be recognized in the same year the revenue is recognized.	Approved by the Accounts Payable Office
Routine Purchases (e.g., supplies)	Routine transactions include the purchase of supplies and services and the good or service is received in the current fiscal year.	These expenses will be posted against the budget in the fiscal year in which the transaction took place. *Note* P-card transactions posted to the account after the cut-off date will be charged to the new fiscal year.	Approved by the Accounts Payable Office
Study Abroad Program (tuition)	Tuition payments issued to schools for Summer or Fall Study Abroad programs.	Payments will be processed as a prepay.	Approved by the Accounts Payable Office
Study Abroad Program (fees, passports, student reimbursements)	Miscellaneous expenses or reimbursements related to the Study Abroad programs.	Payments will be charged to the current fiscal year.	Approved by the Accounts Payable Office
Summer Fellowships	Payments issued to students through the Summer Fellowship program. Affiliated (UR related) payments are made through Payroll. Unaffiliated (non-UR related) payments are made through Accounts Payable.	Payments will be charged to the fiscal year in which the payment is made.	Approved by the Accounts Payable Office or Payroll.
Travel Related Expenses	Direct payment or employee/student reimbursement for travel related expenses.	Payments should be applied against the budget in the fiscal year it relates to; however, if the expense is for less than \$50,000, the expense will be charged to the current fiscal year.	Approved by the Accounts Payable Office

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Transaction Type	Detailed Description	Process	Required Approvals
Utility Bills	Utility bills such as electric, gas, water, etc.	Ensure 12 months are paid in each FY. No prorating will be done.	Approved by the Accounts Payable Office
Summer Faculty Payments	Payments made to faculty for summer school classes, research, and other miscellaneous payments	Services rendered prior to June 30th, should be submitted for payroll processing by June 15th to HR and will be paid June 30th. Payments for services rendered after June 30th will be processed by payroll either Aug 1st or Sept 1st if submitted by appropriate deadline. Payments will be charged to the fiscal year in which the payment is made.	Approved by HR
Faculty Deferred Payments	Base salary amounts accrued throughout the academic year to pay out to faculty over the summer months, i.e. 10 over 12 pays	Deferred payouts are made June 30th and August 1st . Payments will be charged to the fiscal year in which the payment is made.	Approved by HR