

# **Fiscal Year 2018 Financial Closing Instructions**

## **Overview**

The FY 2018 year-end closing schedule and deadlines are largely consistent with the prior year but do include several changes. Please review the information carefully. Please contact the Comptroller's Department with any questions. We are here to serve!

## **BEN Financials Availability:**

BEN Financials will be available to end users during the months of June and July for the normal operating hours, Monday through Saturday, 7AM to 8PM **with the following exceptions:**

Friday, June 8, 8PM to Monday, June 11, 7AM	Load of FY 2019 Original Budget to BEN Financials/Warehouse
Saturday, June 30, 5PM to Monday, July 2, 7AM	JUN-18 (12 <sup>th</sup> month) closing
Monday, July 16, 8PM to Tuesday, July 17, 11AM (estimate)	Final ADJ-18 (13 <sup>th</sup> month) closing

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## Posting Journal Entries to ADJ-18:

JUN-18 {the 12<sup>th</sup> month} will close on Saturday, June 30 at 5PM. The Treasury cash bank activity [TRSCASH] for Friday, June 29, will be backposted to JUN-18 on Monday, July 2. Only *certain* Investment Services-related activities will be backposted to JUN-18. Instead, the concept of a 13<sup>th</sup> month---**ADJ-18**--remains. **ADJ-18** will run from July 2 to July 16. However, end users will only have direct access to **ADJ-18** from Monday, July 2 to Monday, July 9.

## DO's and DON'Ts of Proper 13<sup>th</sup> Month Journal Entries posted through July 9, 2018:

### DO's:

1. Use proper naming convention:
  - ADJ18.xxxx.zzz.mm/dd/yy.nn
  - where xxxx is the user's org, zzz is the user's initials, mm/dd/yy is the date the batch is created and nn is the user's sequential batch number of the day.
2. Select the period '**ADJ-18**' from the dropdown selection {as is illustrated below for MAY-14}.

The screenshot shows a software window titled 'Journal Entry' with the following fields and values:

- Journal: ADJ18P20 CAW 7/09/14 01
- Description: LEFTBANK AMORTIZATON
- Category: Accounting
- Effective Date: 05-MAY-2014
- Currency: USD
- Date: 05-MAY-2014
- Type: User
- Rate: 1
- Reverse: Date, Period, Method (Switch De/Cr), Status (Not Reversed)

The 'Period' dropdown menu is open, showing a list of periods: JUN-14, MAY-14 (highlighted), and APR-14. The 'MAY-14' option is circled in red.

3. Enter into BEN Financials by 8PM on July 9.
4. Please call the Comptroller's department with any questions.

### DON'Ts:

1. Don't use a control total of '1' on either the journal entry or batch unless you *don't* want the entry to post overnight.
2. If you intend to reverse a journal entry but want to keep the original entry in FY18, mark the entry to reverse in JUL-18 not ADJ-18.

## **Receipt Accrual Process:**

As a part of the year-end closing process, the Comptroller's Office will run the Receipt Accrual program. This program is run annually to book an accrual entry to the general ledger to account for merchandise or services provided to the University on or before June 30, 2018, that has not yet been billed by the vendor. The program looks at each line item for all purchase orders that are not finally closed (POs), then compares the quantity received (input by PO Buyer) to the quantity billed (input by Accounts Payable) for each PO distribution. If the quantity received exceeds the quantity billed, the difference is multiplied by the unit price on the PO line and posted as a charge in JUN-18 to the account identified on the PO distribution. The journal (Source=COST MANAGEMENT) is then reversed in JUL-18, in anticipation of the invoice being processed in the next fiscal year. The accrual program will not include any accrual entries of less than \$10,000. **{ Please note the**

**increase to \$10,000 from \$1,000 in FY 2017. }** For PO receipts to be recorded as expenditures in this fiscal year, the goods/services must be received by the department and entered as a receipt in BEN Financials by Saturday, June 30, at 5PM. You still have the ability to record legitimate accrual entries below that threshold in this fiscal year by entering a manual journal entry by Monday, July 9. Please note that any receipts recorded by manual journal entry and any receipt accrual corrections are to be made to xxx-0001-1-000000-2301-0000-0000, where xxx represents the school/center CNAC. Please remember to reverse any *manual* receipt accrual corrections in JUL-18.

In order to prepare for year-end and to know what will be accrued for your school/center, you should run the 900.Uninvoiced Receipts Report (with the Minimum Extended Value parameter set to 10,000). This report allows you to review purchase order line, shipment, and distribution information for goods and services that have been receipted in BEN Financials but have not yet been billed. Details on the 900 report are available here:

<http://www.finance.upenn.edu/ben/benfin/documentation/reportdoc/quickv/900.shtml>

Additionally, the 901.Overinvoiced Uninvoiced Receipts Report can be used to view uninvoiced receipts where the quantity already billed is greater than or equal to the quantity ordered. Uninvoiced receipts on the 901 report do not show on the 900 report and are not part of the year-end receipt accrual. The 901 report is available only in the Senior BA Reporting responsibility. Details on the 901 report are available here:

<http://www.finance.upenn.edu/ben/benfin/documentation/reportdoc/quickv/901.shtml>

After reviewing the reports, if you need to have receipts corrected, send an e-mail to [apsup@exchange.upenn.edu](mailto:apsup@exchange.upenn.edu) and include the:

- Purchase Order Number
- PO Line number
- PO Distribution Account (only required if the line has multiple distributions)
- PO Receipt number
- What the Receipted Quantity should be

## **Payroll:**

### **Salary/ Incentive Accrual Process:**

Salary and/or incentive bonuses earned in FY2018, but payable in FY2018 must be accrued and recorded in either the JUN-18 or ADJ-18 period, but no later than Monday, July 9. Both the salary and related benefit expenses should be recorded as a debit to Other Salaries expense (Object code 5141) and a credit to Accrued Payroll (Object code 2302). The fund number used should be the general unrestricted fund (000000), a special purpose fund (01xx01, 01xx02) or a center specific fund (01xx03, 01xx04). **No manual accruals are to be posted to the EB Pool fund (020200).**

### **Weekly Payroll for the Period Ending June 24, 2018:**

Monday, June 18, 5PM	Supporting documents for new appointments to Personnel Records
Friday, June 22, 5PM	Additional Pay Forms must be initiated by submitter
Monday, June 25, 3PM	Time reporting data entry of positive/exception employees  Payroll reallocations must be performed to be effective at FY 2018 Employee Benefit (EB) rates. Any reallocations after this date will be at the FY 2019 EB rates
Monday, June 25, 5PM	On-line changes to the database for existing employees

### **Monthly Payroll for the Period Ending June 30, 2018:**

Friday, June 15, 5PM	Supporting documents for new appointments to Personnel Records
Thursday, June 21, 5PM	Additional Pay Forms must be initiated by submitter
Friday, June 22, 3PM	Time reporting data entry for late pay, reduction in pay, and late pay approval
Friday, June 22, 5PM	On-line changes to the database for existing employees
Monday, June 25, 3PM	Payroll reallocations must be performed to be effective at FY 2018 EB rates. Any reallocations after this date will be at the FY 2019 EB rates

## **Merit Increase via Penn Works:**

FY 2019 salary increases can be processed on-line using Penn Works. Refer to FY 2019 Faculty/Staff Salary Increase Program Guidelines for detailed instructions (available the week of April 9) <https://www.hr.upenn.edu/docs/default-source/pay-and-performance/merit-increase-guidelines.pdf?sfvrsn=2>

Monday, April 16, 12 AM	Merit Increase via Penn Works Opens
Friday, June 8, 11:59 PM	Merit Increase via Penn Works Closes

## **FY 2019 Payroll:**

First weekly payroll for FY 2019 will be for the week ending July 1, 2018.

Annual increases for weekly paid personnel will be effective for the week ending July 8, 2018 and payable on July 13, 2018.

## **Accounts Payable:**

Wednesday, June 13, 5PM*	Final day to request Final Closing of Purchase Orders in FY 2018
Wednesday, June 20, 5PM*	Purchase order invoices to be processed in FY 2018 Requests to correct and reverse receipts for FY 2018
Thursday, June 28, <i>before</i> 4PM*	Non-PO payment requests for Will Call checks to be picked up by June 29: Invoice Status = Payable
Friday, June 29, <i>before</i> 4PM*	All other Non-PO payment requests: Invoice Status = Payable

*\* The dates and times listed above are the year-end processing cut-off dates and times for the AP Office. In order to ensure that your requests are processed before the end of the Fiscal year, we are requesting you submit all forms by the dates and times listed. Requests submitted after these dates may still be processed before the end of the fiscal year; however, due to the increased volume of requests we receive during this time, we cannot guarantee they will be processed.*

## **Concur Expense Reports:**

Thursday, June 28, 7PM	Final day for approved Concur Expense reports to be posted to FY18
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## **Purchasing Cards:**

Friday, June 22	Batches that were available for reallocation from June 16- June 22 will be posted to JUN-18
Friday, June 29	Batches that were available for reallocation from June 23- June 29 will be posted to JUN-18
Friday, July 6	Batches that were available for reallocation from June 30 - July 6 will be posted to ADJ-18

## **Investment Services/GAA:**

Thursday, May 31	Last day to submit manual buys or liquidations of Investments to be processed in FY18
Thursday, July 5	Last date to deliver FY18 gift and pledge documentation (must have June 30 postmark) to GAA for recording in ADJ-18 Last day to clear operating gift funds with overdrafts Last date to record journal adjustments to gift funds
Friday, July 6	Posting of final TIF income distribution
Wednesday, July 11	Posting of final gift feeders, gift overhead and gift cash prorate
Thursday, July 12	63xxxx Unrestricted gift funds will be transferred to the designated special purpose fund by Investment Services group <b><u>No gift or endowment entries will be recorded after July 12.</u></b>
Friday, July 13	Final FY18 transactions posted to general ledger by GAA Posting and reconciliation of final FY18 AIF income distribution will be backposted to JUN-18. Endowment income overhead and endowment income prorate posts back to JUN-18
August 2018	An AIF Market Value adjustment will be posted to JUN-18 in August. There will be no impact to FY18 AIF income as a result of this adjustment. <b><u>FY18 manual buys-ins or liquidations will be posted after the market value is final for ADJ-18, and will post to JUL-18 after AIF income is posted to July.</u></b>

## **Student Financial Services:**

Wednesday, June 13	Pennant Close Last day for Grad Funding through Pennant AR {charge to clearing account}
Thursday, June 14	Tuition Distribution Snapshot Posting of Summer Prelim #2 Posting of Prior terms tuition distribution
Friday, June 15	Final FY18 feed of Pennant transactions to BEN Financials
Wednesday, June 20	Posting of Final Spring Student Aid Distribution
Friday, June 29	Last day for Grad Funding through BEN Financials for FY18 terms {credit to clearing account}

## **Feeders:**

Friday, June 29	Final JUN-18 import and posting of all feeders, except Gifts
Monday, July 2	First day to transmit ADJ-18 feeders for FY18 activity
Friday, July 6	Last day to transmit ADJ-18 feeders for FY18 activity

## **Cashier's Office:**

Friday, June 29, 3PM	On-line deposit summary sheets to Cashier's Office for processing in JUN-18
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***Note: No deposits will be posted to ADJ-18. Anything received after June 29 will post to JUL-18.***

## **BEN Assets:**

Thursday, June 14	Last day to enter FY18 asset retirements and retirement reversals in BEN Assets
Friday, June 15	Report any in-process equipment that has been placed in service to Accounting Operations
Friday, June 22	Last day for manual journal entries to Object Codes 18xx
Thursday, June 28	Last day to submit FY18 funding certifications to the Treasurer's office. {Deadline for processing FY18 funding sources yourself is June 28}. No capital funding entries should be recorded in the ADJ period.

## **RCM: Closing Reports & Treatment of Year-end Individual Fund Surpluses/Deficits:**

Surplus or deficit balances in Fund 000000 must be closed out to another fund in your final closing entries. Cumulative cash deficits in any other unrestricted fund (General Purpose Funds, Special Purpose Funds, or Other Unrestricted Funds) are not allowed. Cumulative cash deficits in excess of \$25,000 are not allowed in any individual gift or endowment fund. Discuss with your Budget Office Contact your plans to cure deficits that exist in Service Center and/or Sponsored Program Funds as adjusting entries are not permitted in the year-end closing journals. Consult with your Budget Office Contact on any RCM-related questions.

See the following for instructions on running reports to close out your school/center:

[http://www.finance.upenn.edu/comptroller/accounting/documents/Comptroller's\\_Office\\_Guide\\_to\\_Year-End\\_Closing.pdf](http://www.finance.upenn.edu/comptroller/accounting/documents/Comptroller's_Office_Guide_to_Year-End_Closing.pdf)

### **General:**

Friday, June 8	Requests for fund sweeps and mapping changes with an effective date of July 1 should be sent to Gifts and Investment Services
Friday, June 8	Suspense account reconciliation and clean up completed – (this should include SUSP org and suspense object codes 94XX and 95XX) for suspense items recorded prior to June 8
Saturday, June 30; 5PM	Last day to process all JUN-18 manual journal entries directly to the JUN-18 period
Friday, July 6	Record all final Health System inter-fund transactions
Monday, July 9	Internal allocations, distributions and cost sharing between schools and centers posted (except UPHS interfund)
Monday, July 9	Final physical inventory adjustments due to Comptroller's office Final trade receivable adjustments Deadline to correct receipt accrual journal entries Deadline to post FY18 Salary/Bonus Accruals Grant and contract overhead and revenue recognition and indirect cost will be posted
Monday, July 9; 8PM	Last day to process all ADJ-18 manual journal entries directly to the ADJ-18 period
Tuesday, July 10	Indirect Cost Distribution (Research Support & Resources) posted
Wednesday, July 11	All other non-AIF month-end mass allocations posted



Friday, July 13	Asset and liability object-code inventory due to Comptroller's office SME
Monday, July 16, 5PM	Final school/center closing entries recorded by Senior Business Officer, cleared with your Budget Office Contact and provided to Comptroller's office to post
Tuesday, July 17	Signed school/center internal representation letter emailed to Comptroller's office no earlier than Tuesday, July 10, but no later than Tuesday, July 17 {Hard copy <u>does not</u> have to be submitted.}

**BEN Financials Closings:**

Saturday, June 30, 5PM	BEN Financials closed for JUN-18 processing
Monday, July 9, 8PM	BEN Financials closed for ADJ-18 processing (except for Gift and Investment related activity)
Monday, July 16, 8PM	BEN Financials closed for all ADJ-18 activity