

Accruals

- Year end accrual transactions would be required for an item that has been contracted for and will be received by June 30th, but the invoice paperwork will not be received in time to process the AP voucher(s) according to the year end deadlines.
- Common types of accrual requests:
 - Services performed but not yet billed.
 - Travel that occurs during June with documentation received in July.

Year End Accruals Accounting Process

Have until 10:00 am on July 14 to request accruals.

What does this mean? If you get a fiscal 2017 invoice between July 1 and July 14:

- Complete an Accounts Payable Voucher normally.
- Note in "Instructions to AP: Fiscal 2017 Accrual.
- Ad Hoc Crystal Flores (CFLORES900) at the end of Workflow.

Year End Accruals Accounting Process

If you do not have an invoice by July 14:

- 1) A best guess estimate is created for the target transaction/activity requiring an accrual. This estimate can be based on a quote/advertisement etc.
- 2) The estimate is submitted to Finance (Crystal Flores - cflores@wesleyan.edu). Email notification of this estimate is acceptable.

Year End Accruals

Accounting Process

- 3) The request for accrual should contain the same information as a normal AP voucher:
 - Vendor Information
 - Smartkey/account for the old fiscal year to be charged.
 - Amount of the accrual (best guess estimate)
 - Description of the item (include as much information as possible)
 - Authorizations to process the transaction. Use the published guidelines to determine what authorizations are necessary.

Year End Accruals Accounting Process

- 4) The originator of the request will receive a confirmation (via email) that the accrual has been received and accepted as valid.
- 5) The Finance office will process a journal entry to charge the departmental account for the old fiscal year.

Year End Accruals Accounting Process

- 6) When the original invoice is received for the accrual item, the AP voucher must be completed as follows.
 - Complete the AP Voucher in the new fiscal year as normal with the department smartkey and appropriate attachments.
 - AD-HOC Crystal Flores (CFLORES900) into workflow as an approver.
 - Note: F17 Accrual in "Instructions to AP".
 - If Crystal Flores is not notified, there is a possibility that the department will be charged twice for the same item (once in the old fiscal year and for a second time in the new fiscal year).

Year End Accruals Accounting Process

- 7) Finance will verify the accrual transaction and process a journal entry that will give the department smartkey a credit to offset the payment.