

Finance Seminar

www.wesleyan.edu/finance

YEAR END

Note: no significant changes from prior year

- Why all the deadlines?
- Workflow
- A/P vouchers and deadlines
- Purchase Orders
- Purchasing Card
- Travel
- Year end payroll charges
- Central bill expenses
- Deposits
- Accruals and prepaid expenses
- Budget information
- Calendar
- Accrual and prepaid examples

Why all the deadlines?



- Budget analysis
- Audited Financial Statements
- Internal Control Report
- Federal Government Oversight
- KPMG Audit Procedures

NOW

- Pcard Vouchers reconciled
- Outstanding workflow documents
- Budget Analysis
- Prepaids
- Close Purchase Orders
- No more furniture orders

WORKFLOW

WORKFLOW

- All Smartdocs must be processed by year end.
- Follow up on Denied status
- Request Deletions
- Set a proxy if out of the office

To Find Document Status

Find an existing value - Journals

Smart Journal Entry

Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value

[Add a New Value](#)

| | | |
|--------------------------------|-------------|---------------------|
| Business Unit: | = | WSLYN |
| Journal ID: | begins with | |
| Journal Date: | = | |
| Workflow Status: | = | No Request |
| Originating Opid: | begins with | VNYE |
| Document Sequence Number: | begins with | |
| Line Business Unit: | = | |
| Journal Header Status: | not = | Posted to Ledger(s) |
| Budget Checking Header Status: | = | |
| Source: | = | ONL |

☐ Case Sensitive

Search

Clear

[Basic Search](#)



[Save Search Criteria](#)

[Find an Existing Value](#) | [Add a New Value](#)




Find an existing value: Vouchers

Smart Voucher

Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value

[Add a New Value](#)

| | | |
|--------------------|-------------|--|
| Voucher ID: | contains | <input type="text"/> |
| Invoice Number: | begins with | <input type="text"/> |
| Invoice Date: | = | <input type="text"/>  |
| Short Vendor Name: | begins with | <input type="text"/> |
| Vendor ID: | begins with | <input type="text"/>  |
| Name 1: | begins with | <input type="text"/> |
| Voucher Style: | = | <input type="text"/> |
| Related Voucher: | begins with | <input type="text"/> |
| Entry Status: | = | <input type="text"/> |
| Voucher Source: | = | <input type="text"/> |
| Workflow Status: | = | Pending <input type="text"/> |
| Originating Oprid: | begins with | <input type="text"/>  |

☐ Case Sensitive

Search

Clear

[Basic Search](#)



[Save Search Criteria](#)


Search Results

























16 rows All

OR: WFS Inquiry

Transaction Detail

Last Refresh Date: 04/08/2010 12:04 PM

Use Saved Search: 

| | | | |
|------------------|---|-------------|--|
| Fiscal Year |  | equal to | <input type="text" value="2010"/>  |
| SmartKey |  | begins with | <input type="text" value="1301211104"/> |
| Account |  | begins with | <input type="text"/> |
| Position |  | equal to | <input type="text"/>  |
| Department |  | equal to | <input type="text"/>  |
| Account Group |  | equal to | <input type="text"/>  |
| Account Subgroup |  | equal to | <input type="text"/>  |
| Program Group |  | equal to | <input type="text"/>  |
| Fund Code |  | begins with | <input type="text"/> |
| Doc Type |  | equal to | <input type="text" value="VOUCHER"/>  |
| Doc ID |  | contains | <input type="text"/> |
| Originator |  | equal to | <input type="text"/> |
| Amount Type |  | equal to | <input type="text"/>  |
| Invoice Number |  | contains | <input type="text"/> |
| Vendor ID |  | contains | <input type="text"/> |
| Vendor Name |  | contains | <input type="text"/> |

[Search](#)

[Clear](#)

[Advanced Search](#)

 [Save Search Criteria](#)

 [Delete Saved Search](#)

[Personalize Search](#)

[Help Document](#)

Transaction Line Detail

[Customize](#) | [Find](#) | [View All](#)

| Transaction Detail | | Position Data | Attributes | Document Specific Info | Dates | |
|--------------------|------------|---------------|------------|------------------------|-------|-------------------|
| | | Budg Chk Dt | | Initial Sbmt Dt | | Final Apprvl Date |
| 1 | 01/04/2010 | | | 01/04/2010 | | |
| 2 | 07/30/2009 | | | 07/30/2009 | | 07/30/2009 |
| 3 | 07/31/2009 | | | 07/31/2009 | | 08/03/2009 |

Accounts Payable Vouchers

Determining the Fiscal Year

What it IS

- The work is performed
- The goods are received
- The travel occurs

What it is NOT

- Order date
- Payment date
- Invoice date
- Budget funds available

Accounts Payable Deadlines

Contact Vendors for Accelerated Billing



| Expenses Incurred And Billed | Vouchers Due | Paid By |
|------------------------------|--------------|-----------------------|
| Through May 31 | June 10 | June 30 - depending.. |
| June | June 30 | July 10 |
| Unbilled | Accrual | N/A |

PURCHASE ORDERS

- Review Open purchase orders to be sure vouchers cleared the encumbrances.
- Open purchase orders will not carry forward to the next fiscal year (except for Grants and Construction Services)

PURCHASING CARD

- Carefully review for prepaid expenses:
 - Goods paid in fiscal 2015, received fiscal 2016
 - Travel paid in fiscal 2015, occurs in fiscal 2016
 - Ad hoc Susan Pavis at the end of workflow
 - Note "Prepaid Line #xx" in "Instructions to AP".
- Additional download dates for budget review
 - June 9, 23, July 2

TRAVEL



- Charged to the year in which the travel occurs
- Crosses fiscal years
 - Charged to the year in which the majority of travel takes place.
 - If it is exactly half the expenses must be split.
 - Accrual may be necessary for estimated expenses.

Timing of Year End Payroll Charges

| Pay Period Ending | Check Date | Distribution to Financial System |
|-------------------|------------------|---|
| Sunday, June 28 | Thursday, July 2 | Monday, June 29 |
| Sunday, July 5 | Friday, July 10 | Tuesday, July 7 2 days in fiscal 2015 5 days in fiscal 2016 |

It is important that Student and Temp charges also be reflected in the year in which the work was performed. Therefore, please submit all timesheets in a timely manner and pay close attention to Payroll deadlines at June 30.

CENTRAL BILLED EXPENSES

EXAMPLES

- Physical Plant Labor
- Wes Station
- Cardinal Technology Center
- Purchasing Card
- FEDEX
- Bon Appetite
- Machine Shop

During the month of June these expenses will be billed weekly.

DEPOSITS

- HIT SUBMIT
- CASH - Deposit transmittals due to Cashier by 10:00 on June 29.
- CHECKS – Deposit transmittals due to Cashier by 10:00 on June 30
- The Deposit transmittal will come off line from 10:00 am on June 30 to 9:00 am on July 1.
- If cash is due for work performed in fiscal 2015, you may request a receivable with Susan Pavis.

Year End Accruals and Prepaid Expenses

- The process of posting transactions for year end accruals and prepaid expenses is used to assure proper matching of transactions to the appropriate fiscal year.

Prepaid Expenses

- Prepaid expenses are transactions that require payment during the old fiscal year but which are appropriate to be charged to the new fiscal year.
- Common types of prepaid expense requests:
 - Reimbursement for airfare for travel occurring after July 1st.
 - Deposits for catalogs and publications relating to the new fiscal year.

Prepaid Expenses Accounting Process

- Transaction relates to next year.
- Payment is needed now. (If not now, hold the invoice until new year is open)
- Examples: Airfare, Conference fees, Subscriptions

Prepaid Expenses Accounting Process

The department will complete the AP voucher as usual, except;

- ❑ *Note "Prepaid Expense" in "Instructions to AP" field (for Pcard vouchers, indicate line number(s) if multiple charges appear on the voucher).*
- ❑ *Prior to submitting the voucher, ad hoc Susan Pavis as an approver at the end of workflow.*

Note: If you experience a budget error on the voucher, contact Susan to request an override.

Prepaid Expenses Accounting Process

- 2) Finance will process a journal entry to credit the department smartkey in fiscal 2015 and charge the smartkey in fiscal 2016.
- 3) Journal ID = "PPD_MMDDYY" and will contain the Voucher ID in the reference field.
- 4) Examples of prepaid expense entries can be found at the end of the presentation.

Accrual vs Prepaid

- 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 15 to request accruals.

What does this mean? If you get a fiscal 2015 invoice between July 1 and July 15:

- Complete an Accounts Payable Voucher normally.
- Ad Hoc Susan Pavis at the end of Workflow.
- Note in "Instructions to AP: Fiscal 2015 Accrual.

Year End Accruals Accounting Process

If you do not have an invoice by July 15:

- 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 (Susan Pavis - spavis@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 Susan Pavis into workflow as an approver.
 - Note: F15 Accrual in "Instructions to AP".
 - If Susan Pavis 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 smarkey a credit to offset the payment.

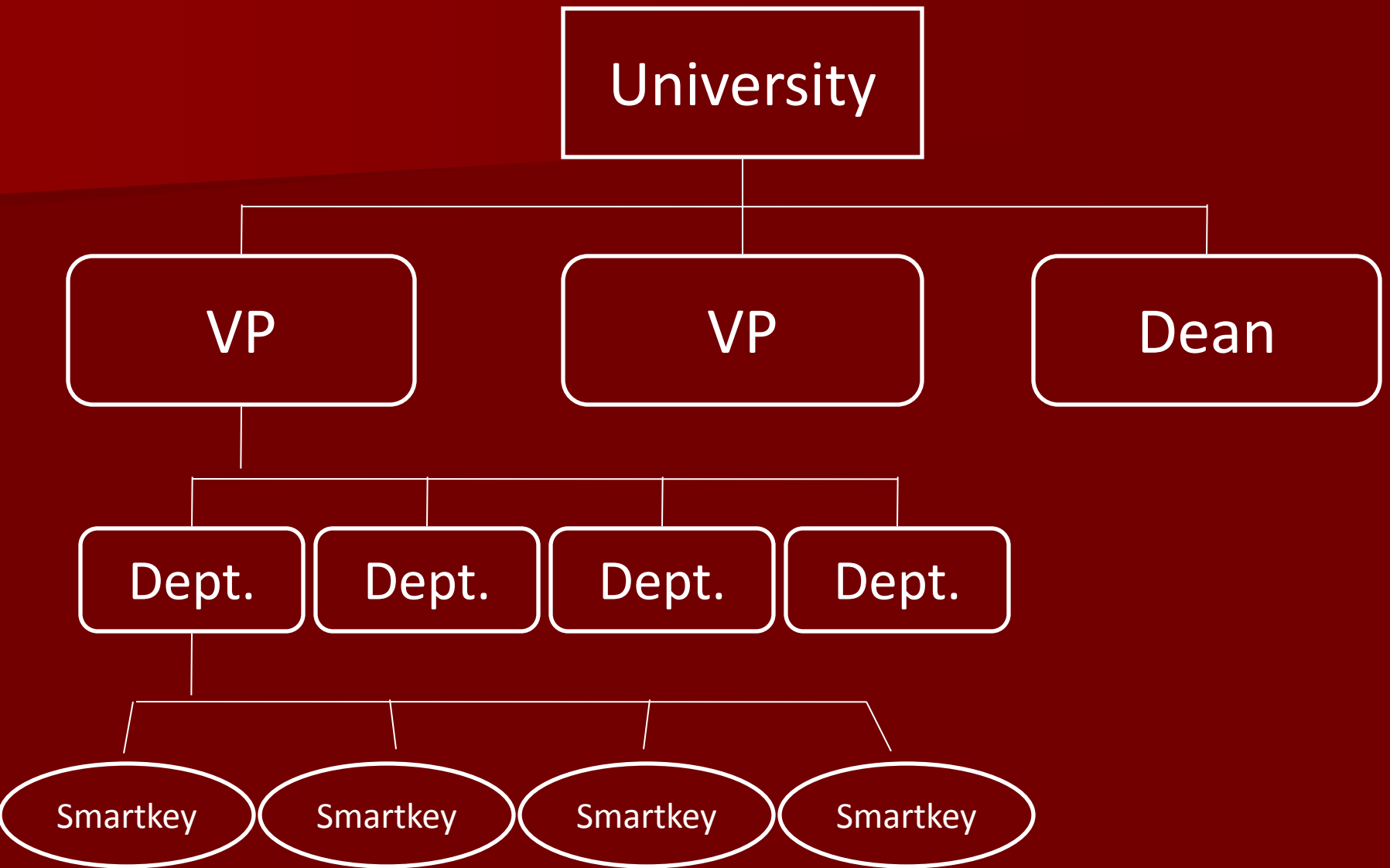
Year End Accruals Accounting Process

- Examples of the accounting entries can be found at the end of the presentation.
- Any Questions on Accruals??

BUDGETS

- Wesleyan has balanced its budget for 20 consecutive years.





Reports

- Inquiry Reports (Updated nightly)
 - Smartkey Summary
 - Smartkey/Account Subgroup Summary
 - Smartkey/Account Summary
 - Transaction Detail
 - Personnel Earnings Detail

Budget Status

- Use Smartkey Summary for overall budget status. General guideline is:
 - April Month-End = % spent should be approx. 83.3%
 - May Month-End = % spent should be approx. 91.7%
 - June Month-End = % spent should be approx. 100.0%
- Drill down to Smartkey/Account Summary or Transaction Detail to research problem smartkeys.

Budget Checking/Warnings

- Budget Checking occurs at the level at which your department budgets (Attribute = KK Value)
 - TP = Program level
 - TS = Account Subgroup level (e.g., travel)
 - TD = Account detail level (e.g., airfare, lodging)
- Budget warnings (in yellow) indicate that there are insufficient funds for the po, voucher or journal entry at the level at which you budget.
 - You should transfer budget to fund the expense prior to submitting the po, voucher or journal.
 - Transactions with budget warnings may be allowed to be processed depending on the policy for your officer area
- Budget errors (in red) indicate that there are insufficient funds in the smartkey for the PO, Voucher or Journal
 - Transactions with budget errors can not be submitted to workflow
 - Budget will need to be transferred, or a different funding source will need to be identified, before the transaction can be processed

Budget Transfers

- Budget transfers are not reflected in WFS until they have been fully approved.

Deadlines

- June 30th – deadline for budget transfers to be fully approved.

Payroll Redistributions

- A payroll redistribution is a specialized journal to transfer payroll expenses.

Important dates/deadlines:

- June 12th – deadline for payroll redistribution prior to May 31st (90 day limit still applies)
- Final payroll for June will be reflected in Personnel Earnings Detail in WFS on July 7th.
- July 10th @ 12:00 pm – deadline for June payroll redistribution
- These deadlines are applicable for all funds (including grants).

Policies

- With the exception of certain faculty research smartkeys, the University does not carry forward unrestricted operating budget funds.
- Open purchase orders will not carry forward.

Finance Calendar

- Finance related deadlines can be viewed in Outlook using the publicly available shared Finance calendar.
 - Manage Calendars
 - Open Calendar
 - Open Shared Calendar
 - Name = Finance
- Additional details on accessing Finance calendar found at www.wesleyan.edu/finance/training/Calendar_AccessingFinancePublicCalendar.pdf

Fiscal Managers

| | | |
|----------------------------------|-----------------|-------|
| ■ Academic Affairs | Sun Chyung | x2249 |
| ■ Admission | Eileen DeVille | x2978 |
| ■ Office of Equity and Inclusion | Patricia Gordon | x4771 |
| ■ Finance and Admin | Sun Chyung | x2249 |
| ■ Student Affairs | Rick Culliton | x2627 |
| ■ President | Lisa LaPlant | x2007 |
| ■ University Relations | Deb Treister | x2935 |

Resources in Finance

| | | |
|--------------------------|---------------|-------|
| ■ A/P Vouchers | Tammy Harley | x2843 |
| ■ Budgets | Sun Chyung | x2249 |
| ■ Gifts/Grants | Kim Savinelli | x3683 |
| ■ Travel | Tami Sabo | x2958 |
| ■ PCard | Tami Sabo | x2958 |
| ■ Payroll | Evelyn Harris | x2835 |
| ■ Accruals and Prepaids | Susan Pavis | x2839 |
| ■ Faculty Research Accts | Sun Chyung | x2249 |
| ■ Miscellaneous | Valerie Nye | x3192 |

QUESTIONS

Accrual Example

Accounting Process and Entries

In June, a request was made for \$500 to be charged to the department for the old fiscal year for services performed during June, but which will not be billed until July. This request has been approved by the departmental chair. Finance has notified the department that this entry will be accrued.

Accrual Example

Accounting Process and Entries

Accrual entries for old fiscal year via journal entry initiated by Finance based on email:

- 1) Debit/charge the departmental Smartkey.
- 2) Credit the accrual Smartkey.

| Department | |
|------------------|--------|
| Smartkey/Account | |
| Debit | Credit |
| \$500 - JNL | |

| Accrual | |
|------------------|-------------|
| Smartkey/Account | |
| Debit | Credit |
| | \$500 - JNL |

Accrual Example

Accounting Process and Entries

Accrual entries for new fiscal year via accounts payable voucher initiated by department:

- 1) Debit/charge the departmental Smartkey via the A/P Voucher.
- 2) Ad-hoc Susan Pavis into workflow and note "accrual".
- 3) Finance will process a journal entry to debit the accrual Smartkey and credit the department.

| Department | |
|------------------------|----------------------|
| Smartkey/Account | |
| Debit | Credit |
| \$500 – VCHR (Dept) | \$500 – JNL (Fin) |

| Accrual | |
|---------------------------|--------|
| Smartkey/Account | |
| Debit | Credit |
| \$500 – JNL (new year) | |

Accrual Example

Accounting Process and Entries

- The net effect of these entries is that the Department account has been charged in the old fiscal year, the transactions net to zero in the new year and the Accrual account has been cleared to \$-0- after the new fiscal year has opened.

| Department Smartkey | |
|---------------------|--------|
| Old Year | |
| Debit | Credit |
| \$500 - JNL | |

| Department Smartkey | |
|---------------------|-------------|
| New Year | |
| Debit | Credit |
| \$500 -VCHR | \$500 -JRNL |

Prepaid Expense Example

Accounting Process and Entries

- In this example - \$750 is needed to be paid by May 31st as a deposit for a brochure to be used for the Fall semester.

Prepaid Expense Example

Accounting Process and Entries

Prepaid expense entries for old fiscal year via accounts payable voucher

- 1) Charge the Department Smartkey
- 2) Ad Hoc Susan Pavis into Workflow with Instructions to AP "Prepaid"
- 3) Susan will prepare a journal entry to prepaid expense account.

| Department Smartkey | |
|------------------------|---------------------------|
| Debit | Credit |
| \$750 – VCHR (Dept) | \$750 – JRNL (Finance) |

| Prepaid Expense Smartkey | |
|----------------------------|--------|
| Debit | Credit |
| \$750 - JRNL (old year) | |

Prepaid Expense Example

Accounting Process and Entries

Prepaid expense entries for new fiscal year via journal entry prepared by Finance.

- 1) Charge the departmental Smartkey.
- 2) Credit the prepaid expense Smartkey.

| Department | |
|---------------------------|--------|
| Smartkey/Account | |
| Debit | Credit |
| \$750 – JRNL (finance) | |

| Prepaid Expense | |
|------------------|---------------------------|
| Smartkey/Account | |
| Debit | Credit |
| | \$750 – JRNL (Finance) |

Prepaid Expense Example

Accounting Process and Entries

- The net effect of these entries is that the Department smartkey has been charged in the new fiscal year and the Prepaid Expense entry has cleared to \$-0- after the new fiscal year has opened.

| Dept. Smartkey – Old Year | |
|---------------------------|--------------|
| Debit | Credit |
| \$750 – VCHR | \$750 - JRNL |

| Dept. Smartkey – New Year | |
|---------------------------|--------|
| Debit | Credit |
| \$750 - JRNL | |