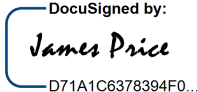




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## MEMORANDUM

**TO:** Campus Fiscal Officers

**FROM:** James Price   
D71A1C6378394F0...

**DATE:** April 12, 2019

**SUBJECT:** Year-end Closing Procedures and Schedule

Enclosed is the schedule for processing year-end documents for June 30, 2019. This schedule is for your information and guidance as you schedule year-end activities in your areas of responsibility. A pull-off reminder schedule is included as the last page of this document. Please note the date that specific activities are due to the Budget and Finance Office. Adherence to these deadlines help insure we meet our objective to record revenues, disbursements and encumbrances in the proper fiscal year.

### PAYROLL OFFICE

All salary or additional/overtime pay to be charged to FY 2019 must be paid through the normal payroll cycles prior to July 1, 2019. Personnel Information Forms (PIF's) and pay adjustment forms to be reflected on the June monthly payroll must be received in the Campus HR/Payroll Office by Friday, June 14. PIF's for the biweekly pay period ending June 23 are due on Wednesday, June 19.

To be included in the current fiscal year, all payroll checks to be canceled and all salary transfer vouchers to be posted must be received in the University Payroll Office by noon Friday, June 14. Longevity paid in June includes both May and June longevity. The Controller's Office will record wages and benefits in period 12 for the following: June earnings of the biweeklies paid on July 2 and July 16 and amounts owed to 9-month employees paid over 12 months.

### EFFORT CERTIFICATION

A final FY 2019 payroll will be processed on Friday, July 5, 2019 to include June ECR's and salary transfers.

### CASH RECEIPTS

Funds must be recorded in the fiscal year they are received. Funds received in University offices prior to the close of business on June 30 must be deposited on separate bank deposit slips and forwarded with a separate Report of Collections (ZK document) dated June 30, 2019 to be received in the Campus Cashier's Office (Bursar) no later than Wednesday, July 3, 2019 by 9:00 a.m., preferably earlier. Funds

received in University offices beginning July 1 and later will be deposited to fiscal year 2020. It is critical that separate bank deposit slips and Report of Collections (ZK document) be processed for funds received on or after July 1, 2019.

### ACCOUNTS PAYABLE OFFICE

**Invoices Entered by Departments:** All items that are to be charged to fiscal year 2019 must be entered and approved by midnight on July 11, 2019. The “Posting Date” field on the “Enter Vendor Invoice” screen must be changed to 06/30/2019 for items entered into IRIS after June 30, 2019 that are to be charged to fiscal year 2019 (see screen below). Items entered into IRIS on or after July 1, 2019 will be charged to the new fiscal year if this posting date is not changed to 06/30/2019.

Transactn Invoice Bal. 0.00

Basic Data Payment/Withholding Tax

Vendor  Payee

Invoice date  Invoice Nbr

Posting Date 06/30/2019 Assignment

Document type Net vendors Co Code UT University of Tennessee

Amount  Discount

Remittance Text

IRIS DocHdr Txt

Document Number

0 Items ( Screen Variant : UT Parked Invoices 0100 )

S...	G/L acct	Short Text	D/C	Amount in doc.curr.	Assignment	Text	Cost center	Order
			Debit					
			Debit					
			Debit					
			Debit					
			Debit					
			Debit					
			Debit					
			Debit					
			Debit					

During the fiscal year transition, a department may occasionally encounter date restrictions for invoicing against purchase order commitments. The general rule is a commitment and the liquidation of that commitment must be in the same fiscal year, so that a FY 2020 invoice cannot be entered against a FY 2019 purchase order (PO) until the PO has been carried forward into FY 2020. The department can either change the *Posting Date* of the invoice to 06/30/2019 (to post to FY 2019) or hold the invoice until the commitment has been carried forward. Conversely, a FY 2019 invoice cannot be entered against a FY 2020 PO. You would need to change the *Posting Date* on the invoice so that it will post to FY 2020 as well.

**Items Entered by Accounts Payable Office:** All travel related invoices, invoices in foreign currencies and other disbursement items normally sent to the Treasurer's Office (TO) Accounts Payable for processing must be received in TO Accounts Payable by the close of the third working day in July, which is Wednesday, July 3. The final processing of these documents will be the eighth working day of July, or Thursday, July 11.

**Items Routed to and approved by Campus Business Offices/TO Accounts Payable Office:** All items reviewed and approved by Campus Business Offices and/or the TO Accounts Payable Office (85xxxxxxx contract invoices, miscellaneous reimbursements, T-27 without contract, etc.) must be in their IRIS inboxes by the close of the third working day in July, which is Wednesday, July 3. The final processing of these documents will be the eighth working day of July, or Thursday, July 11.

**Procurement Cards:** The June cutoff date for purchases made by departmental procurement cards will be June 25, 2019. The final date to distribute charges through the procurement card system for the June purchases will be July 11, 2019. The procurement card default account will be charged for all purchases if you are unable to access the procurement card system and distribute and approve the charges by that date. Procurement card purchases made from June 26 – 30 will be charged to the new fiscal year.

**Petty Cash:** Petty cash funds should be reconciled frequently to ensure that the cash on hand and expenditure receipts equal the amount of the petty cash fund. In addition, the fund must be reconciled at the end of each fiscal year (June 30). Departments will receive a letter, reconciliation forms, and instructions at each year end. The forms need to be completed with attached copies of vouchers in transit, bank account statement, and any other information pertaining to the reconciliation. To avoid suspension or fund closure, please submit these forms to the TO Accounts Payable by July 11, 2019. Petty cash funds are subject to audit by university and state auditors.

**Travel:** Any travel ending July 1, 2019 or later will be charged to FY 2020.

### **UNDELIVERED CHECKS**

Undelivered checks that will be more than twenty-one (21) days old at June 30 should be returned to the Treasurer's Office with the returned envelope. These checks should reach the office indicated below no later than Friday, June 14, 2019, by noon.

Payroll Checks: Must be returned to the Payroll Office, Room P115 Andy Holt Tower.

Voucher Checks: Must be returned to the Accounts Payable Office, 301 Andy Holt Tower.

Miscellaneous Checks: All financial aid checks and other miscellaneous checks must be returned to the Accounts Payable Office, 301 Andy Holt Tower.

### **CONTROLLER'S OFFICE**

The schedule established by the Controller's Office for various stages of the year-end closing process is as follows:

1. Departments may run an "interim" ledger (**ZDEPT\_LEDGER**) at the close of business on Tuesday, July 2.  
The interim ledger will include:

- a. Invoices which have been entered through Friday, June 28.
- b. Interfaces which have been processed through Friday, June 28.
- c. Regular internal transfer documents (ZDs) which have been processed through Friday, June 28.
- d. SA documents which have been processed through Friday, June 28.
- e. Salary transfer vouchers received by Friday, June 14 will be included in this report.
- f. Payroll vouchers including the biweekly payroll for the pay period ending June 9 will be paid on June 18.
- g. Cash receipts (ZK documents) to the extent they have been accepted for posting. This should include all ZKs except for June 27 and 28.
- h. Interim F&A and settlement postings as of June monthly payroll posting.

The “interim” ledgers should be reviewed so that any necessary corrections and/or adjustments can be processed in time to be reflected in accounting period twelve.

2. FY 2019, period 13 and period 01 of FY 2020, will be opened June 24 for purchasing and financial transactions. New fiscal year items in hand should not be processed in IRIS until this date.
3. **Any FY 2019 parked internal transfers (ZD documents) still on hand at July 12 will be deleted.**
4. The accounting close for the month of June (period 12) is scheduled for the fourteenth working day of July, or Friday, July 19.

Departments may print final June 30, period 12 monthly ledgers and reports when notified by the Controller’s Office. These ledgers will include all regular June (period twelve) transactions for the fiscal year that were generated by invoices, payroll vouchers, salary transfer vouchers, cash receipt vouchers and all purchasing activity. Regular transfer vouchers and journal vouchers will be included to the extent they are processed through the Treasurer’s Office by Friday, July 12.

### **OUTSTANDING ENCUMBRANCES**

**May 1 is the deadline for requisitions and supporting documentation to be submitted to Purchasing.** This deadline must be met for purchase orders to encumber funds by June 30.

Due to historical and expected volume this year-end, departments are encouraged to submit all procurement requests (NCJ’s - both contract and requisition, requisitions and all supporting documentation) as soon as possible. Beginning on May 1, all requests will be processed in the order received and rush or expedite requests will need to be supported with justification and subject to Purchasing approval.

During the first two weeks of June, all departments must review their purchase requisitions and purchase orders that have an outstanding balance in FY 2019, with special attention to those originally dated prior to 07/01/2019. The Commitments Line Items report FMRP\_RFFMEP10X can be run with the selection variant /OUTST.PO.REQ and a Fund or Funds Center selection. This report lists all active purchase requisitions and orders (not all will have a balance), with ability to drill down to the original documents. After the department identifies obsolete requisitions and orders (those for goods or services they do not intend to receive or have already received), they must contact their campus purchasing office to close (**not delete**) the documents and notify vendors. All commitments not closed by departmental action in FY

2019 will be carried forward to FY 2020. **There is not automatic “clean-up” of commitments at year end.**

Requisitions entered prior to June 30 for the purchase of goods or services to be delivered after June 30 must show delivery dates on or after July 1. Delivery date can be changed via transaction ME52N if needed. Requisitions initially encumber current fiscal year funds but are carried forward to the new fiscal year on July 1.

New purchase orders entered prior to or on June 30 for goods or services to be delivered after June 30 must be entered with **document** dates on or after July 1, so they will encumber next fiscal year's funds. Document date cannot be changed subsequently. All PO's are carried forward to the new fiscal year right after the deadline for entering old fiscal year invoices.

Encumbrances for departmental funds reservations are carried forward on the same day as PO's. Encumbrances for business trips that will occur in the new fiscal year are carried forward on July 1, with remaining encumbrances carried forward the same day as PO's.

### **CLOSING REMARKS**

In view of the volume and diversity of transactions which must be processed and recorded during the closing process, it is essential that all Business Offices cooperate fully in the timely submission of closing information. In particular, requests for disbursement vouchers must be scheduled for frequent submissions in June in order to reduce the volume of transactions on the final submission date.

Please distribute this memorandum to all business personnel in your area who are involved in the year-end closing process in order that they may be aware of the target dates which have been established for the various stages of the closing process. Thank you for your cooperation.

**OFFICE OF BUDGET AND FINANCE  
SCHEDULE OF YEAR END ACTIVITIES  
FOR YEAR ENDED JUNE 30, 2019**

<u>DATE</u>	<u>ACTIVITY</u>
May 1	-Deadline for requisitions and supporting documentation to be submitted to Purchasing for purchase orders to encumber funds by fiscal year-end
May 15	-FY 2020 will be opened for purchasing transactions (FM Period)
June 14	-Deadline for June monthly payroll forms -Deadline for salary transfer vouchers -Deadline for payroll checks to be cancelled to be returned to Payroll -Deadline for all undelivered checks (over 21 days old) to be returned to the Treasurer's Office -Deadline for moving allowances to be paid & posted in this fiscal year
June 18	-25 <sup>th</sup> bi-weekly payroll paid
June 19	-Deadline for final FY 2019 bi-weekly payroll forms
June 24	-FY 2020 will be opened for purchasing and financial transactions for invoices dated 7/1 & later only
June 25	-Deadline for departmental procurement card purchases
June 30	-Deadline for Accounts Receivable Write-off requests (T-35's) to be received by Budget and Finance
July 1	-Deadline for departments to enter ECR's and STV's
July 3	-Deadline for all disbursement vouchers, T27s and transfer vouchers to be included in FY 2019 to be received in Treasurer's Office -Deadline for cash receipts to be parked by departments and received in Bursar's Office
July 11	-Final processing of invoices and transfer vouchers for FY 2019 -Deadline for distribution of charges on procurement card system -Deadline for petty cash reconciliation reports
July 12	-Parked FY 2019 ZD documents deleted -Close June accounting period (period 12)
July 18	-Final payroll accrual for bi-weekly -Period 12 Accounts Receivable Reconciliations and A/R Aging must be received by Budget & Finance by <b>noon</b> -Period 12 Reconciliations for other Asset and Liability funds (including deposit funds and Revolving Accounts) must be received by Budget & Finance by <b>noon</b> -Accruals or adjusting entries must be received by Budget & Finance by <b>noon</b>
July 19	-Period 12 Ledgers may be printed
August 15	-Final close for FY 2019