



FY20 Year-end

Thank you for attending!

We ask that participants leave video off and microphones muted.

Questions can be submitted via chat during the Zoom session or emailed to accounting@brown.edu.



Year-end Process

Fiscal Year 2020

Nichole Curley, Controller's Office



Agenda

- Importance of Year-end close
- Information and key dates
 - Purchasing
 - Accounts Payable
 - Payroll
 - Cashier
 - General Accounting
- Reminders & Updates



Year-end close for Brown

- No significant change in process from prior year
- Don't wait until July!



vs.





Importance of a Close

- To prepare complete and accurate financial statements for the University for the period ending June 30, 2020 to distribute to our stakeholders (i.e. trustees, government agencies, bondholders).

Budget vs Actuals

BROWN UNIVERSITY

Financial Statements

June 30, 2020 and 2019

Form **990**
(Rev. January 2020)
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

- ▶ Do not enter social security numbers on this form as it may be made public.
- ▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No. 1545-0047

2019

**Open to Public
Inspection**



Purchasing

- 2021 Direction for Purchases
- Spend Category Reminders
- Creating New Orders
- Blanket Orders
- Receipting Goods & Services
- Closing Purchase Orders
- Purchasing Reminders & Updates

Jeanne Hebert, Senior Director of Strategic Purchasing, Contracts & Insurance

Jane Bonacich, Purchasing Operations Manager and Information Analyst

2021 Direction for Purchases

- Limit spending by deferring non-essential purchases
 - Budget does not imply permission to buy
 - Expect questions from Purchasing
 - Examples of non-essential purchases include: consultants, conferences, travel, laptops, desktops

[POL-07.00.01-Computer-Purchase-Policy-Approved-Feb-2-2020](#)
- Have an approved PO Requisition **before** purchasing goods or services; it is a violation of Financial Policy to request a Purchase Order **after** the purchase has been made



2021 Direction for Purchases

- Requisition threshold lowered from \$3,000 to \$1,000
- The purchase of critical Covid- 19 items will be centralized and managed by Purchasing
- Use Preferred Suppliers and order via punch-out to take advantage of University-wide discounting

Tip: Go to [Home | Purchasing](#) and click on Preferred Suppliers link on left; or in Workday, click on the Preferred Supplier Listing icon on the landing page.



Brown Preferred
Suppliers



Spend Category Reminders

- Using the correct spend category on a requisition is critical to supporting the University's goals for strategic sourcing
- The Spend Category document is “living” document
- A reminder-
 - A dozen spend categories for IT purchases are available
 - General office purchases have multiple spend categories
- Please see the spend category listing on the Controller's web site

[General Accounting](#)

Tip: review spend category listing whenever requisitions are being created. Updates are frequent. Better reporting helps get better prices through contract negotiation



Creating New Orders

Reminders:

- Create punch out orders as early as possible
 - Supplies only
 - Standard Requisition type
 - Use correct spend category
- When creating a new Non-Catalog Items requisition:
 - Use the correct Requisition Type
 - Review the spend category listing for correct spend (living document)
 - Provide pricing documentation



Blanket Orders

- The use of blanket orders will be greatly reduced for FY2021. Contact Purchasing@Brown.edu to discuss blanket orders before creating new ones for FY2021.
- Reminder -Close FY 2020 orders after the last invoice has been submitted



Receipting of Goods & Services

- If placing an order in June – the expense will be reflected in FY2020 if you actually receive the items or service by June 30th
- For Goods and Services **received** by June 30th – initiate the Workday task “Create Receipt” as soon as possible
- Attach the invoice to the Workday receipt document before submission, or send the invoice to Accounts Payable after the receipt is created



Closing Purchase Orders

- All completed purchase orders must be closed by department Financial Coordinators-- even those with a zero balance
- Leaving POs open is an audit concern
- Purchasing will close all punch out order POs



Closing Purchase Orders

- To find all open purchase orders, use the “Open Purchase Orders” Workday report (includes Requisition Type)
 - Keep “PO Date – Start” and “PO Date – End” blank
 - De-select “Only Open Invoice Amount” and “Only Open Receipt Amount”
 - Select Worktags (Cost Center, Grant, etc.)

Tip: To easily see zero (0.00) and low dollar balance POs in the report, click in column header “Open to Invoice (New)” and select Ascending to sort by remaining balance.



Closing Purchase Orders (continued)

Open Purchase Orders Actions

Company

Exclude PO Statuses

PO Date - Start

PO Date - End

Only Open Invoice Amount?

Only Open Receipt Amount?

Minimum Total PO Amount

Minimum Open to Invoice Amount

Supplier

Supplier Group for Purchase Order

Supplier Category

Worktags

Spend Category

Requisition Type

Filter Name

Manage Filters

0 Saved Filters

 **Uncheck these boxes**



Purchasing Reminders & Updates

- Uniform Guidance requirements as of July 1, 2018 mandated increased focus on competition and transparency in the procurement process
- Professional Services Agreement (PSA) process has been updated:
 - New PSA templates for consultants and independent contractors; old templates for individuals and companies over \$5,000 should no longer be used. Now, one standard PSA template can be used for both companies and individuals
 - New spend category, **Professional Services Independent Contractors-3322** to be used for individuals hired using a PSA to enhance reporting and compliance. Use this spend category when paying an individual using all PSA's, including special templates created by OGC
 - Use only authorized signers on agreements
- Requirement that all individuals hired as an independent contractor register with the Department of Labor and Training per Rhode Island regulations:
<http://www.dlt.ri.gov/wc/icmain.htm>



Accounts Payable and Payroll

- Accounts Payable & Expense Reports– Closing Dates
- Manual Accruals & Prepaid expenses
- FY20 Salary Expenses & Payroll Accounting Adjustments

Nichole Curley, Controller's Office



Accounts Payable – Closing Date

- Accounts Payable transactions in Workday will close at 4:00 pm on **July 14th** for FY20
- All invoices dated June 30th or prior and for goods or services received or performed in FY20 that have fully completed the business process will be automatically accrued in Workday (i.e. the expense will be recorded to FY20).



Expense Reports – Closing Date

- Expense reports will close in Workday at 4:00 pm on **July 14th** for FY20.
 - If the expense report is for travel or other reimbursable items incurred in FY20, you will need to change the expense report date to June 30, 2020
 - Workday will automatically accrue the invoice and the expense will be posted to FY20





Manual accruals

- There will be **NO** manual accruals*



*(*Accruals may be allowed in certain circumstances if material and must be booked directly by the Controller's Office by Friday July 17th.*

Please contact us at accounting@brown.edu



Prepaid Expenses

- Expenses \$5,000 or greater for FY21 requiring payment prior to July 1st can be processed by Accounts Payable if clearly marked “PREPAID FY21” in the memo field.
 - For example: PREPAID FY21 subscriptions
- The Controller’s Office will record a manual journal entry by July 15th to record the FY21 expense



Salary Expenses

- Workday will record salary expenses to FY20 through the following payroll period end dates:

Salary frequency	Pay period end date
Monthly	June 30, 2020
Biweekly	June 20, 2020
Weekly	June 27, 2020

*Weekly and biweekly payroll periods ending July 4th will be recorded in FY21



Payroll Accounting Adjustments

- FY20 payroll accounting adjustments that are approved and completed thru the Workday business process by the end of the day on July 14th will be posted in FY20.

Create Payroll Accounting Adjustments

Employee



Search





Financial Services

- Deposits
- Credit Card Receipts
- Customer Accounts

Wynette Zuppardi, Financial & Administrative Services



Deposits

- During “telecommuting”, the Cashier Office is processing check and deposits on Monday, Wednesday & Fridays
- Items can be delivered to the secure drop box in Page Robinson Hall (across from the elevator)
- Policies still apply - Do NOT hold checks! Cash and checks must not be held in the department beyond 48 hours. If there are items that were held prior to telecommuting and we need to coordinate a deposit, please contact the cashier office
- Closing – done ONCE on Tuesday June 30th
- Submit deposits by 12:00 noon on Wednesday, June 24th to ensure processing for FY20 – this date is based on continuance of telecommuting and could change.
- No accruals/backdating on any deposits!



Credit Card Receipts

- Credit Card receipts will be processed by the bank receipt date. Keep in mind the timing of receipt of funds – approximately 3-5 days after transaction.



Customer Accounts

- If you need to invoice for FY21 in June, use a July 2020 date on the invoice and the revenue will be reflected in FY21 beginning June 12, 2020
- July 1, 2020, DO NOT backdate any invoices (normal policy)
- Accounts with balances over 180 days past will be reviewed with departments individually



General Accounting

- Journal Entries
- Deficit Balances
- Workday Allocations

Nichole Curley, Controller's Office



Journals - integrations

- All integrations / internal services journal entries will be recorded by July 14th
- These include the following internal charges:
 - FAMIS
 - Pinnacle (Wireless/Telephone)
 - Bookstore
 - Dining
 - Graphics
 - etc.



Journals – XML Batkeys vs. Worktags

- Use of the XML template that uses Batkeys in the Salesforce journal entry application will be discontinued in FY21.
- The below XML template using Worktags is already available. Please contact accounting@brown.edu if you have questions or need the worktags XML template:

Driver Worktag	Optional Worktag 1	Optional Worktag 2	Optional Worktag 3	Spend Category / Sales	Debit Amount	Credit Amount	Memo
AG94025	PRG163			S6410	752		18764
CC30195				S6410	416.72		19263
EN463843	PRG159	Common1		S6410	693.86		18883A
CC30330				S9800		1862.58	Closed Projects



Journal Entries - Worktag Reminders

DRIVER WORKTAGS:	RELATED WORKTAGS:	OPTIONAL WORKTAGS:
Cost Center (CC)***	Cost Center (CC)***	Location (LOC)
Grant (GR)	Business Unit (BU)	Assignee (A)
Project (PJ)	Fund (FD)	Program (PRG)
Endowment (EN)	Expense Purpose Code	
Spendable Gifts and Other Restricted Worktags (GFT, SAC, AG, BIN, PRS, CN, etc.)		

REMINDERS:

- 1) *** A Cost Center can be a driver or a related worktag
- 2) Always enter DRIVER worktags first!
- 3) Do not change the default related worktags (except for cost sharing)
- 4) For more info on worktags, including spends/sales items/PRG's:

<https://www.brown.edu/about/administration/controller/general-accounting>



Journal Entries – Year-end timing

- FY20 journals will be accepted by the Controller’s Office until 4:00 pm on Friday July 17th
- Be careful with dates on journal entries and include Fiscal Year in Description to expedite posting entries!
 - FY20: remember to **backdate to 6/30/20** and state “FY20 entry” in Workday memo field.
 - FY21: Include “FY21 entry” in Workday memo field
- The Controller’s Office will complete its review and approval by Saturday July 18th (all operating fund activity should now be complete)



Deficit Balances

- Endowments, spendable gifts and agency funds
- Helpful Workday reports
 - Endowment Income Report
 - Spendable Gift Report
 - Agency Account Report





Workday Allocations

- Facilities and sold service related allocations will be run by the Controller's Office by Sunday July 19th
- Reserves – Allocations to close out cost centers to reserves (FD130) will be run by the Controller's office by Sunday July 19th

Note: Workday will be unavailable Saturday July 18th from 2 am to 2 pm for scheduled maintenance.



Journal Entries - Reserves

- FY20 designated fund transfers reserve journal entries (FD130 – reserves) will be accepted by the Budget / Controller's Office until 4:00 pm on July 23rd
- Please keep in mind:
 - Use journal source Designated Fund Transfer
 - Entries will route to the budget office for review and approval
 - Units will be contacted by the budget office if any additional adjustments need to be made



Summary of Key Dates

Through June 30, 2020	<ol style="list-style-type: none">1. Memo noting FY21 payments now through June 30, 2020, should state: “PREPAID FY20”2. Close completed Purchase Orders
June 30	<ol style="list-style-type: none">1. Deposits must be made by 12:00 pm2. Create receipt ASAP on goods received by June 30th
July 14	Last day FY20 operational activity including internal services, PAA’s, supplier invoices & expense reimbursements recorded in Workday. <i>* Must complete entire business process</i>
July 17	Manual FY20 journals accepted until 4 pm (remember to backdate to 6/30/20 and include FY in description!)
July 19	All facility allocations / sold services are run
July 19	All operating fund activity is complete, and reserves allocations are run
July 23	FY20 designated fund transfers reserve journal entries (FD130 – reserves) will be accepted by Budget / Controller’s Office until 4:00 pm <i>(* Designated Fund Transfer journal source should be used)</i>



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Thank you, and happy year-end!

