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## FY22 Year-end

Thank you for joining!

**For any virtual attendees, 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](mailto:accounting@brown.edu)



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## Year-end Process

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Fiscal Year 2022

*Nichole Curley, Controller's Office*



## Agenda

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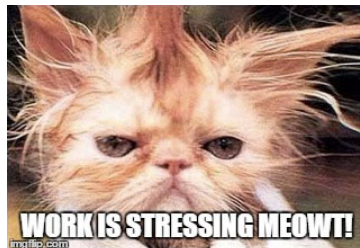
- Importance of Year-end close
- Information and key dates
  - Purchasing
  - Accounts Payable
  - Payroll
  - Cashier
  - General Accounting
- Reminders & Updates



## Year-end close for Brown

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





## Importance of a Close

- To prepare complete and accurate financial statements for the University for the period ending June 30, 2022 to distribute to our stakeholders (i.e. trustees, government agencies, bondholders).

**Budget vs Actuals**



**BROWN UNIVERSITY**

Financial Statements

June 30, 2021 and 2020

(With Independent Auditors' Report Thereon)

Form <b>990</b>	<b>Return of Organization Exempt From Income Tax</b>	OMB No. 1545-0047
Department of the Treasury Internal Revenue Service	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 <a href="http://www.irs.gov/Form990">www.irs.gov/Form990</a> for instructions and the latest information.	<b>2020</b> <b>Open to Public Inspection</b>



## Purchasing

- 2022 Direction for Purchases
- Spend Category Reminders
- Creating New Orders
- Blanket Orders
- Receipting Goods & Services
- Closing Purchase Orders
- What's New

*Jane Bonacich, Purchasing Operations Manager and Information Analyst*



## 2022 Direction for Purchases

- Follow Purchasing policies  
[SPCI Policies://www.brown.edu/about/administration/purchasing/policies](https://www.brown.edu/about/administration/purchasing/policies)
- Be sure to 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
- Preferred Suppliers are now called Strategic Suppliers
- Go to [SPCI Home](#) page and click on Strategic Suppliers link on left; or in Workday, click on the Strategic Supplier Listing icon on the Landing page



Brown Strategic 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.



## Creating New Orders

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### Reminders:

- Create punchout 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

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- The use of blanket POs should be kept to a minimum
- Purchasing policy for documentation and bid thresholds apply to blanket POs
- Contact [Purchasing@Brown.edu](mailto:Purchasing@Brown.edu) to discuss blanket orders before creating new ones for FY2023

**Reminder – Departments are required to close FY 2022 purchase orders after the last invoice has been submitted**



## Receipting of Goods & Services

- If placing an order in June – the expense will be in FY2022 if items/services are received by June 30<sup>th</sup>
- For Goods and Services **received** by June 30<sup>th</sup> – initiate the Workday process “Create Receipt” ASAP
- For payment to be made, attach the invoice copy to the Workday receipt before submitting, or send the invoice to Accounts Payable after the receipt is created

Note: Invoice must also be received by AP by July 14<sup>th</sup> to record the invoice in Workday. For timeliness, attaching the invoice when receipting is best practice.



## Closing Purchase Orders

- All expired purchase orders must be closed by department Financial Coordinators-- even those with a zero balance
- Leaving POs open is an audit concern

Tip: Set up a routine to close purchase orders throughout the fiscal year



## 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  Brown University

Exclude PO Statuses  Canceled  
 Closed  
 Denied

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**



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## What's New

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- Check out SPCI's Project web page  
New Supplier Onboarding Process
- [SPCI Projects](#) [SPCI Process Improvement Projects](#)



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## Accounts Payable and Payroll

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- Accounts Payable, Expense Reports & PCard– Closing Dates
- Manual Accruals & Prepaid expenses
- FY22 Salary Expense & 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 14<sup>th</sup>** for FY22
- All invoices dated June 30<sup>th</sup> or prior and for goods or services received or performed in FY22 that have fully completed the business process will be automatically accrued in Workday (i.e. the expense will be recorded to FY22).



## Expense Reports – Closing Date

- Expense reports will close in Workday at 4:00 pm on **July 14<sup>th</sup>** for FY22.
  - If the expense report is for travel or other reimbursable items incurred in FY22, you will need to change the expense report date to June 30, 2022
  - Workday will automatically accrue the invoice and the expense will be posted to FY22





## Expense Report Reminders

- Dinners / Lunches – list attendees and break out alcohol...use spend exclusions (3950)
- Business Purpose – Who, What, Where,& Why...Be descriptive
- Visitor Travel (3940)– Non-University personnel travel expenses ...do not use air, hotel, meals etc. spend categories



## Pcard Verification and Approvals

- Pcard verifications must be completed by **July 8<sup>th</sup>** at 4:00 pm. When verifying a FY22 Pcard transaction in July, change the document date to 6/30/22 or prior to record to FY22.
- Pcard verifications with a document date in FY22 need to be fully approved through the Workday business process by **July 13<sup>th</sup>** at 4:00 pm.
- Any FY22 Pcard transactions that have not been fully approved through the business process by 4:00 pm on July 13 will be advanced forward by Central AP and recorded to FY22 on **July 14<sup>th</sup>**.
- Accounting can be reviewed and journal entries submitted to correct worktags/spend categories as needed through **July 19<sup>th</sup>** at 4:00 pm.



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## Manual accruals

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



Pretty please with cherry on top

*(\*Accruals may be allowed in certain circumstances if material and must be booked directly by the Controller's Office by Tuesday July 19<sup>th</sup>.*

*Please contact us at [accounting@brown.edu](mailto:accounting@brown.edu))*



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## Prepaid Expenses

- Expenses \$5,000 or greater for FY23 requiring payment prior to July 1<sup>st</sup> can be processed by Accounts Payable if clearly marked "PREPAID FY23" in the memo field.
  - For example: PREPAID FY23 subscriptions
- The Controller's Office will record a manual journal entry by July 15th to record the FY23 expense



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## Salary Expense

- Workday will record salary expense to FY22 through the following payroll period end dates:

Salary frequency	Pay period end date
Monthly	June 30, 2022
Biweekly	June 18, 2022
Weekly	June 25, 2022

\*Weekly and biweekly payroll periods ending July 2<sup>nd</sup> will be recorded in FY23



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## Payroll Accounting Adjustments

- FY22 payroll accounting adjustments that are approved and completed thru the Workday business process by the end of the day on July 14<sup>th</sup> will be posted in FY22.

Create Payroll Accounting Adjustments

Employee \*



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## Financial Services

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- Financial Operations & Cashier Office Updates
- Deposits
- Credit Card Receipts
- Customer Accounts



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## Financial Services Operations & Cashier Updates & Reminders

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- Cash Reimbursement up to \$100 for Travel or Business Expense – **Eliminated as of June 30, 2022**
- Cash and checks must not be held in the department beyond 48 hours.



## Deposits

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- Closing – done ONCE on Thursday June 30th
- Submit deposits by 12:00 noon on Wednesday, June 29th to ensure processing for FY22  
**The Cashier Office will process deposits through closing on June 30<sup>th</sup> at 4:00; guarantee the FY22 deposits by getting your deposit in by June 29<sup>th</sup> at noon!**
- No accruals/backdating on any deposits!



## Credit Card Receipts

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- Credit Card receipts will be processed by the bank receipt date. Keep in mind the timing of receipt of funds – approximately 1-4 days after transaction.



## Customer Accounts

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- All University departments that provide goods and/or services to customers and invoice for goods/services, are required to utilize the central system Workday. This process, Customer Accounts Receivable, ensures that all receivables are appropriately recorded to the University general ledger.
- If you need training, or a training refresher, contact Financial Services at [customeraccounts@brown.edu](mailto:customeraccounts@brown.edu)



## Customer Accounts

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- All invoices for FY22 must be created/submitted by June 30, 2022
- For FY23 -- beginning June 15, 2022, you may submit customer invoices with a date of July 1, 2022; this will reflect the revenue in FY23
- July 1, 2022, DO NOT backdate any invoices (normal policy)
- Accounts with balances over 180 days past will be reviewed with departments individually for potential write off in FY22



## General Accounting

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- Journal Entries
- Deficit Balances
- Workday Allocations

*Sarah Abbott, Associate Director of Accounting*



## Journals - integrations

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





## Journal Entries – Year-end timing

**Backdate!!**  
(6/30/2022)

- FY22 journals will be accepted by the Controller’s Office until 4:00 pm on Tuesday July 19<sup>th</sup>
- Be careful with dates on journal entries and include the appropriate fiscal year in the header and memo field to expedite posting entries!
- Salesforce reminder

**FY22 Entries:**

- Backdate to **6/30/22**
- Add “FY22 entry” in Salesforce header and memo field

**FY23 Entries:**

- Date **7/1/22 or later**
- Add “FY23 entry” in Salesforce header and memo field



## Journal Entries – Year-end timing

**Backdate!!**  
(6/30/2022)

**FY 22**

**FY 23**

JUNE 2022						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

JULY 2022						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						



## Journal Entries – Year-end timing

Backdate!!  
(6/30/2022)

- Please confirm the year in the memo field to ensure clarity.
- Otherwise....



- The Controller's Office will complete its review and approval by Tuesday July 19<sup>th</sup> (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





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## Designated Funds Transfers (DFTs)

- DFTs are only applicable to specific departments that need to close out funds (you know who you are)
- When submitting DFTs in Salesforce, remember to use the drop down menu to select the journal source “Designated Funds Transfer” and use spend category 9310

Journal Source

Designated Fund Transfers (FD130 Entries) ▼

- DFTs route first to Budget office for approval and then to general accounting
- FY22 designated fund transfers reserve journal entries (FD130 – reserves) will be accepted by the Budget / Controller’s Office until 4:00 pm on July 25th
- Units will be contacted by the Budget / Controller’s office if any additional adjustments need to be made



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## Workday Allocations

- Facilities and sold service related allocations will be run by the Controller’s Office by Wednesday July 20th
- Reserves – Allocations to close out cost centers to reserves (FD130) will be run by the Controller’s office by Wednesday July 20th

***Note: Workday will be unavailable Saturday July 23<sup>rd</sup> from 2 am to 2 pm for scheduled maintenance.***



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## BAT Key Deprecation

- On May 31, 2022 the Brown Account Tagger (BAT) Key lookup tool will no longer be available. There are no longer any University systems that require the use of a BAT key.
- The ***Related Worktags by Driver*** report in Workday is designed to return related worktags (Business Unit, Expense Purpose Code, Fund). The related worktag search can be done using a complete or partial driver worktag reference ID or worktag name, Driver worktags are: Cost Center (CC#), Grant (GR#), Endowment (EN#), Spendable Gift (GFT#), or Project (PJ#).



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## Summary of Key Dates

Through June 30, 2022	1. Memo noting FY23 payments now through June 30, 2022, should state: "PREPAID FY23" 2. Departments must close completed Purchase Orders 3. Create receipt ASAP on goods received by June 30 <sup>th</sup>
June 8	Pcard transactions must be verified in Workday by 4:00 pm
June 29	Deposits must be made by 12:00 pm
July 13	Pcard transactions must be fully approved through the business process by 4:00 pm
July 14	Last day FY22 operational activity including internal services, PAA's, supplier invoices & expense reimbursements recorded in Workday. Any Pcard transactions that have not been approved will be approved by Central AP. <i>* Must complete entire business process</i>
July 19	Manual FY22 journals accepted until 4:00 pm (please remember to backdate to 6/30/22 and include FY22 in description!)
July 20	All facility allocations / sold services are run
July 20	All operating fund activity is complete, and reserves allocations are run
July 25	FY22 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> )



Thank you, and happy year-end!

