





Year-end close for Brown

- 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, 2023 to distribute to our stakeholders (i.e. trustees, government agencies, bondholders).

Budget vs Actuals

KPMG

BROWN UNIVERSITY

Financial Statements

June 30, 2022 and 2021

(With Independent Auditors' Report Thereon)

Form 990

Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

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

➤ 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.





Purchasing

- 2023 Direction for Purchases
- Spend Category Reminders
- Creating New Orders
- Blanket Orders
- · Receipting Goods & Services
- Closing Purchase Orders
- Tips to Avoid Delays

Jane Bonacich, SPCI, Systems Operations Manager



2023 Direction for Purchases

- Follow Purchasing policies
- SPCI Policies://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



Spend Category Reminders

- Using the correct spend category on a requisition is critical to supporting the University's ability to perform spend analysis
- The Spend Category document is "living" document
- 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

Reminders:

- Create FY23 requisitions as soon as possible
- BrownBuys orders
 - Supplies only
 - Standard Requisition type
- Non-Catalog Items requisition:
 - Any Requisition Type
 - Spend Category
 - Provide required pricing documentation / executed contract



Blanket Orders

- · The use of blanket POs should be kept to a minimum
- Purchasing policy for documentation and bid thresholds apply to blanket POs
- Contact <u>Purchasing@Brown.edu</u> to discuss blanket orders before creating new ones for FY2024

Reminder – Departments are required to close FY 2023 purchase orders after the last invoice has been submitted



Receipting of Goods & Services

- If placing an order in June the expense will be in FY2023 if items/services are received by June $30^{\rm th}$
- For Goods and Services ${\bf received}$ by June $30^{\rm th}$ 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. For timeliness, attaching the invoice when receipting is best practice.

Tip: Attach the invoice copy to the Workday Receipt. Once the receipt is approved, the invoice will move directly to Accounts Payable for processing.

Note: Invoice must also be received by AP, with the attached invoice by July 17th at 11:00 a.m. This will allow AP to create the supplier invoice and route for internal approval.



Closing Purchase Orders

- · All expired purchase orders must be closed
 - Workday will automatically close standard POs if fully receipted (approved status) balance is \$0.00 and invoices are paid
 - Workday will not automatically close a PO with any balance amount
- Departments are responsible for closing:
 - Blanket POs for FY23 once the last invoice is received
 - Standard POs not automatically closed by Workday
- SPCI will close BrownBuys orders
- Leaving POs open is an audit risk

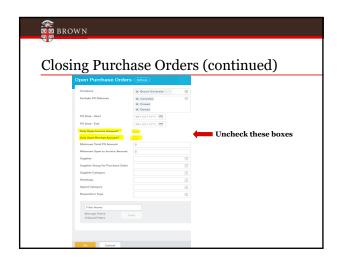
Tip: Set up a routine to close purchase orders throughout the fiscal year



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.





· Ensure a needed supplier is set up in Workday



Accounts Payable and Payroll

- · Accounts Payable, Expense Reports & PCard- Closing Dates
- Manual Accruals & Prepaid expenses
- FY23 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 $\underline{\textbf{July 17}^{th}}$ for FY23
- All invoices dated June 30th or prior and for goods or services received or performed in FY23 that have <u>fully</u> <u>completed</u> the business process will be automatically accrued in Workday (i.e. the expense will be recorded to FY23).



Expense Reports – Closing Date

- Expense reports will close in Workday at 4:00 pm on <u>July</u> 17th for FY23.
 - If the expense report is for travel or other reimbursable items incurred in FY23, you will need to change the expense report date to June 30, 2023 (to record in FY23)





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 12th at 4:00 pm. When verifying a FY24 Pcard transaction in July, change the document date to 6/30/23 or prior to record to FY23.
- Pcard verifications with a document date in FY23 need to be fully approved through the Workday business process by July 17th at 4:00 pm.
- Any FY23 Pcard transactions that have not been fully approved through the business process by 4:00 pm on July 17 will be advanced forward by Central AP and recorded to FY23 on July 17th.
- Accounting can be reviewed and journal entries submitted to correct worktags/spend categories as needed through July 20th at 4:00 pm.



Pcard Reminders

- A business purpose is required in the memo field on the Pcard verification
- If it is blank you will get a "Red hard stop" warning
- The change was recommended by internal audit

Don't forget to attach receipts!



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 Thursday July 20th.

Please contact us at accounting@brown.edu)

Pretty please with cherry on top



Prepaid Expenses

- Expenses \$10,000 or greater for FY24 requiring payment prior to July 1st can be processed by Accounts Payable if clearly marked "PREPAID FY24" in the memo field.
 - For example: PREPAID FY24 subscriptions (the invoice from the supplier should clearly note is for a service after June 30)
- The Controller's Office will record a manual journal entry by July 18th to record the FY24 expense

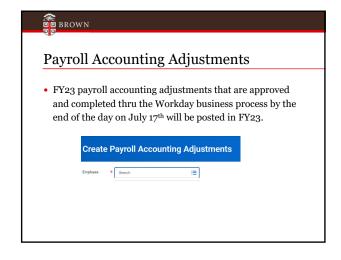


Salary Expense

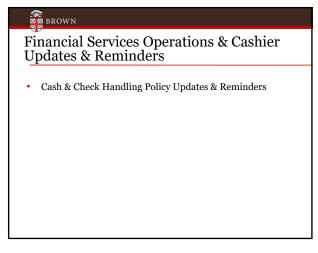
• Workday will record salary expense to FY23 through the following payroll period end dates:

Salary frequency	Pay period end date	
Monthly	June 30, 2023	
Biweekly	June 17, 2023	
Weekly	June 24, 2023	

*Weekly and biweekly payroll periods ending July $\rm 1^{st}$ will be recorded in FY24









Deposits

- Submit deposits by 12:00 noon on Thursday,
 <u>June 29th</u> to ensure processing for FY23
 The Cashier Office will process deposits through closing on
 June 30th at 4:00; guarantee the FY23 deposits by getting
 your deposit in by June 29th at noon!
- · Closing done ONCE on Friday June 30th
- · No accruals/backdating on any deposits!

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Credit Card Receipts

 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

- 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



Customer Accounts

- All invoices for FY23 must be created/submitted by June 30, 2023
- For FY24 -- beginning June 15, 2023, you may submit customer invoices with a date of July 1, 2023; this will reflect the revenue in FY24
- July 1, 2023, 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 FY24



General Accounting

- · Journal Entries
- · Deficit Balances
- · Workday Allocations

 $Sarah\,Abbott, Associate\, Director\, of\, Accounting$



Journals - integrations

- These include the following internal charges:
 - Planon
- Pinnacle (CIS Wireless/Telephone)
- Bookstore
- Dining
- Graphics
- etc.



Journal Entries – Year-end timing [6]30/2023]



- FY23 journals will be accepted by the Controller's Office until 4:00 pm on Thursday July 20th
- Be careful with dates on journal entries and include the appropriate fiscal year in the header and memo fields to expedite posting entries!
- Salesforce reminder

- FY23 Entries:
 Backdate to 6/30/23
 Add "FY23 entry" in Salesforce header and memo field

- FY24 Entries:
 Date 7/1/23 or later
 Add "FY24 entry" in Salesforce header and memofield







Deficit Balances

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





Other Helpful Reports

- Manager Activity Report Actuals
- Manager Activity (Excl. Sponsored Activities)
- Select Balance Sheet for Managers
- Sponsored Award Budget to Actuals
- Sponsored Award(s) Activity Actuals
- Payroll Actuals by Cost Center (With Worktags)
- In Progress Payroll Actuals by Cost Center (All Organizations)



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
- Designated Fund Transfers (FD130 Entries)
 DFTs route first to Budget office for approval and then to general accounting
- FY23 designated fund transfers reserve journal entries (FD130 reserves) will be accepted by the Budget / Controller's Office until 4:00 pm on July 26th
- Units will be contacted by the Budget / Controller's office if any additional adjustments need to be made



Workday Allocations

- Facilities and sold service related allocations will be run by the Controller's Office by Friday July 21st
- Reserves Allocations to close out cost centers to reserves (FD130) will also be run by the Controller's office by Friday July 21st

 \underline{Note} : Workday will be unavailable Saturday July 22^{nd} from 2 am to 1 pm for scheduled maintenance.

Summary of Key Dates 1. Memo noting FY24 payments now through June 30, 2023, should state: "PREPAID June 30, 2022 2. Departments must close completed Purchase Orders 3. Create receipt ASAP on goods received by June 30th June 29 Deposits must be made by 12:00 pm July 12 Peard transactions must be verified in Workday by 4:00 pm July 17 Last day FY23 operational activity including internal services, PAA's, supplier invoices & expense reimbursements recorded in Workday. Any Peard transactions that have not been approved will be approved by Central AP. *Must complete entire business process July 20 Manual FY23 journals accepted until 4:00 pm (please remember to backdate to 6/30/23 and include FY23 in description!) July 21 All facility allocations / sold services are run July 21 July 26 FY23 designated fund transfers reserve journal entries (FD130 – reserves) will be accepted by Budget / Controller's Office until 4:00 pm (* Designated Fund Transfer journal source should be used)

