


FY23 Year-end

Thank you for joining!

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 2023

Nichole Curley, Controller's Office




Agenda

- Importance of Year-end close
- Information and key dates
 - Purchasing
 - Accounts Payable
 - Payroll
 - Cashier
 - General Accounting- refer to our new monthly close website!
- Reminders & Updates

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Year-end close for Brown


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

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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


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
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
2020
Open to Public Inspection

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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, SPCL, Systems Operations Manager

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2023 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

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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.

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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 Purchasing@Brown.edu 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 30th
- For Goods and Services **received** by June 30th – 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

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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.


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Closing Purchase Orders (continued)

Uncheck these boxes

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Tips to Avoid Delays


- Top reasons that Purchasing will send back a Requisition:
 - Documentation is missing
 - Spend category is incorrect
 - Signature on contract is not authorized, or there is no signature
 - Requisition includes supplier terms and conditions that have not been reviewed
- Contract Review needed for a supplier’s quote:
 - If there are terms and conditions included in a supplier’s quote, including hyperlinks to terms and conditions, be sure to have them reviewed by submitting a contract review request in BCM before creating a purchase requisition
- Use Strategic suppliers when possible
 - Click on the Strategic Suppliers menu option
 - Go to [SPCI Home Page](#)
- Ensure a needed supplier is set up in Workday

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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

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Accounts Payable – Closing Date

- Accounts Payable transactions in Workday will close at 4:00 pm on **July 17th** for FY23
- All invoices dated June 30th or prior and for goods or services received or performed in FY23 that have fully completed the business process will be automatically accrued in Workday (i.e. the expense will be recorded to FY23).

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Expense Reports – Closing Date

- Expense reports will close in Workday at 4:00 pm on **July 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*



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 Thursday July 20th.

Please contact us at accounting@brown.edu



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 1st will be recorded in FY24


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Payroll Accounting Adjustments

- FY23 payroll accounting adjustments that are approved and completed thru the Workday business process by the end of the day on July 17th will be posted in FY23.


[Create Payroll Accounting Adjustments](#)

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Financial Services

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

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Financial Services Operations & Cashier Updates & Reminders

- Cash & Check Handling Policy Updates & Reminders



Deposits

- Submit deposits by 12:00 noon on Thursday, June 29th 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!



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

- All integrations / internal service journal entries will be recorded by July 17th
- These include the following internal charges:
 - Planon
 - Bookstore
 - Graphics
 - Pinnacle (CIS Wireless/Telephone)
 - Dining
 - etc.


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Journal Entries – Year-end timing 

- 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 memo field

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Journal Entries – Year-end timing 

FY 23 **FY 24**

June 2023 **July 2023**

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
			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	

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						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					

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Journal Entries – Year-end timing 

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






- The Controller’s Office will complete its review and approval by Friday July 21st (all operating fund activity should be complete)

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Deficit Balances


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



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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)

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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:

- 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

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



Summary of Key Dates

Through June 30, 2022	1. Memo noting FY24 payments now through June 30, 2023, should state: "PREPAID FY24" 2. Departments must close completed Purchase Orders 3. Create receipt ASAP on goods received by June 30 th
June 29	Deposits must be made by 12:00 pm
July 12	Pcard transactions must be verified in Workday by 4:00 pm
July 17	Pcard transactions must be fully approved through the business process by 4:00 pm
July 17	Last day FY23 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 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	All operating fund activity is complete, and reserves allocations are run
July 26	FY23 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!