

TABLE OF CONTENTS

| | | |
|------|--|----|
| I. | Introduction..... | 1 |
| | A. Accounts..... | 1 |
| | B. Account Roll Over..... | 1 |
| | C. 13th Month..... | 2 |
| | 1. What is the 13th month? | 2 |
| | 2. Why have a 13th month? | 2 |
| | 3. How can I view 13th month transactions? | 2 |
| | D. 14th Month..... | 2 |
| | 1. What is the 14th month? | 2 |
| | 2. Why have a 14th month? | 2 |
| | 3. How can I view 14th month balances? | 3 |
| II. | Balance Forwards..... | 3 |
| | A. What are they?..... | 3 |
| | 1. Initial balance forwards | 3 |
| | 2. Adjusted balance forwards | 3 |
| | 3. Summary..... | 4 |
| | B. Balance Forward Rules..... | 4 |
| | 1. Balance Forward Rule 1 | 4 |
| | 2. Balance Forward Rule 14..... | 6 |
| | 3. Balance Forward Rules 2 & 30 | 6 |
| | 4. Balance Forward Rules 26 and 37..... | 7 |
| | C. Material Encumbrances..... | 8 |
| | D. Balance Forward Check | 9 |
| III. | Adjusting Entries | 10 |
| | A. Accrual Entries | 10 |
| | 1. Roll Back..... | 10 |
| | a. What is roll back?..... | 10 |
| | b. When does roll back happen? | 10 |
| | c. Roll back requirements..... | 10 |
| | 2. Roll Forward..... | 11 |
| | a. What is roll forward?..... | 11 |
| | b. When does roll forward happen? | 11 |
| | c. Roll forward requirements | 11 |
| | 3. Service Dates | 11 |
| | a. Service dates on transactions..... | 11 |
| | b. Cash dates on departmental deposits | 12 |
| | B. VJR Reversals..... | 13 |
| | 1. What are VJR reversals?..... | 13 |
| | 2. When are VJR reversals needed?..... | 13 |
| | 3. When are VJR reversals processed? | 14 |
| | 4. Example..... | 14 |

TABLE OF CONTENTS

| | | |
|-----|---|----|
| IV. | Information for *DEFINE Ledger Module (LMM) Users..... | 14 |
| | A. Post Year End Entries To Your Books..... | 14 |
| | B. Reject 0299 Entries..... | 14 |
| | 1. Rejecting 0299 entries automatically..... | 14 |
| | 2. Rejecting 0299 entries manually..... | 15 |
| V. | Information for Payment Voucher Creators & Approvers..... | 15 |
| | A. Why was this document returned to me unprocessed?..... | 15 |
| | B. Why is the system not allowing me to create documents?..... | 16 |
| | C. Does this mean I have to recreate all my documents?..... | 16 |
| | D. Can I create payment vouchers in the new fiscal year?..... | 16 |
| | E. This document really needed to be recorded in last year..... | 16 |
| VI. | Other Information Resources..... | 16 |
| | A. Year End Voucher Processing Dates Memo..... | 16 |
| | B. *DEFINE Good Morning Screens..... | 17 |
| | C. *DEFINE What's New Windows..... | 17 |
| | D. Fiscal Year End Classes..... | 17 |
| | E. Office of Accounting Web Pages..... | 17 |
| | F. Office of Accounting Help Line (471-8802)..... | 17 |

C. 13th Month

1. What is the 13th month?

The thirteenth month (abbreviated as THR or 13 in *DEFINE's month field) is a false month which falls between the last month of the old fiscal year and the first month of the new fiscal year. The Office of Accounting uses it to complete year end entries for reporting purposes. All 13th month transactions are posted with VJR documents, and have an 8/31 date.

2. Why have a 13th month?

The Office of Accounting closes its books every month. Once a month is closed, no more accounting activity can be recorded (posted) to that month. For example, once September has been closed, no more September activity can be recorded. All transactions that occur after September closeout will have to be recorded in the next month, October.

The last month of the fiscal year, August, must be closed so that any balances that remain can be brought forward into the new fiscal year. If August was not closed, there would be no fixed balance for Accounting to bring forward. Therefore, August must be closed. It is necessary, however, to keep the fiscal year open so that adjusting entries and closing entries required for reporting purposes can be made. These entries are posted to the 13th month with an 8/31 record date.

Once all adjusting and closing entries are completed and the annual report is finalized, the 13th month is closed. This generally occurs in October.

3. How can I view 13th month transactions?

Not all accounts will have 13th month activity. You can view 13th month transactions by using the GT1 command and entering THR in the Month field. Note: Make sure your command line reflects the old fiscal year when you do this!

You can also request a statement of account for the 13th month using the IF5 command. Note: If you don't receive any output, make sure you submitted the report for the correct fiscal year. If you did submit it in the correct year and still don't receive any output then there is no activity on the account you requested. You can confirm this by viewing the account in GT1.

D. 14th Month

1. What is the 14th month?

While the thirteenth month is related to the old fiscal year, the 14th month is related to the new fiscal year. It reflects the beginning balance for the new year. The only transactions that effect the 14th month are balance forward entries.

2. Why have a 14th month?

The 14th month provides a picture of what the account looked like at the beginning of the fiscal year. September cannot be used for this purpose since September balances include all the activity that took place in September, not just the balance forwards.

3. How can I view 14th month balances?

Not all accounts will have 14th month balances. You can view balances by using the GB2 command and entering BF or 14 in the Month field. Note: Make sure your command line reflects the new fiscal year when you do this!

You can view which transactions make up a 14th month balance by using the GB1 command. Mark next to the balance you are interested in and press ENTER. For additional instructions on how to use GB1, press PF6 in the GB1 screen, or call the Office of Accounting Help Line at 471-8802.

II. **Balance Forwards**

A. **What are they?**

At the end of the year, remaining balances must be brought forward from the old year to the new year. The transactions which do this are called balance forwards. Balance forward entries are posted with VJB documents, and the voucher numbers for these transactions start with "B". Two sets of balance forwards are done every year: initial balance forwards and adjusted balance forwards.

1. Initial balance forwards

At the end of the fiscal year, the Office of Accounting closes the month of August so that any remaining balances can be moved to the new fiscal year. The balance forwards done after closing August are referred to as initial balance forwards. The Initial balance forward entries are recorded in the month of September.

2. Adjusted balance forwards

While the Office of Accounting is doing year end adjusting entries, new fiscal year activity is taking place. In fact, September and October of the new fiscal year will most likely be closed before all prior year entries are completed. Once all adjusting entries have been made, the 13th month is closed and the adjusting entries are brought forward. This set of balance forwards is referred to as adjusted balance forwards. The Adjusted balance forward entries are normally recorded in the month of October.

3. Summary

Initial Balance Forwards

- *created on VJB documents*
- *bring forward August ending balances*
- *recorded on the September statement of account*

Adjusted Balance Forwards

- *created on VJB documents*
- *bring forward 13th month activity*
- *typically recorded on the October statement of account*

B. Balance Forward Rules

Each budget group is assigned a balance forward rule in the CA3 screen. The balance forward rules enable the Office of Accounting to automate the monumental task of creating balance forward documents. The balance forward rule determines how balances will be brought forward. In the example below, the balances on 14-1234-56 will be brought forward according to Rule 1.

```

*DEFINE          BUDGET GROUP / ACCOUNT PROFILE - CA3          Year 05 06
Command: CA3    Account: 14123456__ Misc: _____          Month: JUL
=====
Budget Group Titles:                                         Administrators: |Screen: 1
Short: AB - ABC DEPARTMENT_____                          duck2_____ DUCK, DONALD
Long: DATA PROCESSING DEPARTMENT_____                    _____
                                                             _____
                                                             Group Status: A
-----
Unit: 1234 000          Sponsor: 9999          Fund Group: 100
Rpt Unit: 1234 000     NACUBO: 20          Federal: 40          CFDA: _____
                      Close Rule: 01       Equip Rule: 01     Bal Fwd Rule: 01
                      Travel Rule: 01     UT STATE RULES
Report Codes: _____
Research Type: _ Peer Reviewed: _ Area of Interest: _____

```

1. Balance Forward Rule 1

This rule applies to most accounts starting with 14 and 20. This rule brings forward encumbrances and the funds to cover them. (Note: Some encumbrance balances are closed out at year end. The disencumbrance will appear in August balances and will not be brought forward.)

| *DEFINE | | ACCOUNT INFO / BUDGET GROUP - GB2 | | | Year 05 06 | | |
|----------------------|--------|-----------------------------------|-------------|--------------------|---------------|-------------|--------------|
| Command: GB2 | | Account: 14123456 | Misc: _____ | | Month: AUG | | |
| ===== | | | | | | | |
| ABC - ABC DEPARTMENT | | | | More: _ Scr 1 of 8 | | | |
| Ca | Ty | Pl | S | Budget | BF/TR/DI/IN | En/Sc/Sa/AL | Free Balance |
| ----- | | | | | | | |
| 01 | EX | 01 | A | 949,800.00 | 949,800.00- | | |
| 02 | EX | 02 | A | 131,770.00 | 131,770.00- | | |
| 03 | EX | 03 | A | | | | |
| 04 | EX | 04 | A | | | | |
| 10 | EX | 06 | A | 98,832.00 | 98,832.00- | | |
| 20 | EX | 07 | A | 6,758.00 | 6,256.40- | | 501.60 |
| 50 | EX | 08 | A | 17,174.00 | 14,524.57- | 1,842.00- | 807.43 |
| 75 | EX | 14 | A | 1,500.00 | 1,068.62- | | 431.38 |
| ----- | | | | | | | |
| | Expend | | | 1,205,834.00 | 1,202,251.59- | 1,842.00- | 1,740.41 |
| | Income | | | .00 | .00 | .00 | .00 |
| | Total | | | 1,205,834.00 | 1,202,251.59- | 1,842.00- | 1,740.41 |

The screen below shows the 14th month balances for the same account. Notice that the encumbrance balance and funds to cover it are the only balances brought forward. The overall free balance is zero.

| *DEFINE | | ACCOUNT INFO / BUDGET GROUP - GB2 | | | Year 06 07 | | |
|----------------------|--------|-----------------------------------|-------------|--------------------|-------------|-------------|--------------|
| Command: GB2 | | Account: 14123456 | Misc: _____ | | Month: 14_ | | |
| ===== | | | | | | | |
| ABC - ABC DEPARTMENT | | | | More: _ Scr 1 of 8 | | | |
| Ca | Ty | Pl | S | Budget | BF/TR/DI/IN | En/Sc/Sa/AL | Free Balance |
| ----- | | | | | | | |
| 01 | CL | 01 | A | | | | |
| 02 | CL | 02 | A | | | | |
| 03 | CL | 03 | A | | | | |
| 04 | CL | 04 | A | | | | |
| 10 | EX | 06 | A | | | | |
| 20 | EX | 07 | A | | | | |
| 50 | EX | 08 | A | | 1,842.00 | 1,842.00- | |
| 75 | EX | 14 | A | | | | |
| ----- | | | | | | | |
| | Expend | | | .00 | 1,842.00 | 1,842.00- | .00 |
| | Income | | | .00 | .00 | .00 | .00 |
| | Total | | | .00 | 1,842.00 | 1,842.00- | .00 |

Since approval must be granted by the Budget Office, reappropriation of free balances for Rule 1 are on a case-by-case basis. There are some accounts such as Special Equipment and accounts with overdraft balances which are automatically brought forward. Written requests to bring other balances forward must be submitted to the Budget Office. If approval is granted prior to the initial balance forward, the free balance will be brought forward by the initial balance forward and adjusted by the adjusted balance forward if necessary. If approval is not received prior to the initial balance forward, the entire free balance will be brought forward by the adjusted balance forward in October.

The screen below shows how a reappropriation would be reflected in the 14th month if approval was granted to bring forward the travel account, 14-1234-5675.

```

*DEFINE                ACCOUNT INFO / BUDGET GROUP - GB2                Year 06 07
Command: GB2          Account: 14123456          Misc: _____          Month: 14_
=====
ABC - ABC DEPARTMENT                More: _ Scr 1 of 8
Ca Ty Pl S          Budget          BF/TR/DI/IN          En/Sc/Sa/AL          Free Balance
-----
01 CL 01 A
02 CL 02 A
03 CL 03 A
04 CL 04 A
10 EX 06 A
20 EX 07 A
50 EX 08 A                1,842.00                1,842.00-
75 EX 14 A                431.38
-----
Expend                    .00                    2,278.38                1,842.00-                431.38
Income                    .00                    .00                    .00                    .00
Total                    .00                    2,278.38                1,842.00-                431.38
    
```

2. Balance Forward Rule 14

Rule 14 brings forward the free balance as well as the encumbrances and funds to cover them. It applies to accounts starting with 14 and 20 only if the entire budget group is coming forward. ARP (Advanced Research Projects), ATP (Advanced Technology Projects), and TD&T (Texas Technology Development & Training) accounts and other budget groups which have special funding or special approval to come forward are included in this rule.

The screen below shows how the budget group would be reflected in the 14th month. The reappropriation of the free balance and the encumbrance are both reflected in the balance forward (BF) column, while the encumbrance is shown in the encumbrance (EN) column. The resulting free balance is equal to the August free balance.

```

*DEFINE                ACCOUNT INFO / BUDGET GROUP - GB2                Year 06 07
Command: GB2          Account: 14123456          Misc: 8751_____          Month: 14_
=====
ABC - ABC DEPARTMENT                More: _ Scr 1 of 8
Ca Ty Pl S          Budget          BF/TR/DI/IN          En/Sc/Sa/AL          Free Balance
-----
01 CL 01 A
02 CL 02 A
03 CL 03 A
04 CL 04 A
10 EX 06 A
20 EX 07 A                501.60                501.60
50 EX 08 A                2,649.43                1,842.00-                807.43
75 EX 14 A                431.38                431.38
-----
Expend                    .00                    3,582.41                1,842.00-                1,740.41
Income                    .00                    .00                    .00                    .00
Total                    .00                    3,582.41                1,842.00-                1,740.41
    
```

3. Balance Forward Rules 2 & 30

Rule 2 applies to accounts starting with 18, 19, 29, and 41; rule 30 applies to accounts starting with 30. These rules bring forward the total free balance for the budget group in the appropriate income account. These rules also bring forward encumbrances, assets and liabilities, and the funds to cover them in the individual account where they existed at year end.

The screen below shows August balances for account 18-1234-56. The overall free balance of \$1,601.12 will be brought forward, along with the encumbrance/asset/liability balance of \$690.79 and the funds to cover the encumbrance. Note: Budgets are not brought forward.

| *DEFINE | | ACCOUNT INFO / BUDGET GROUP - GB2 | | | Year 05 06 |
|----------------------|--------|-----------------------------------|-------------|--------------------|------------|
| Command: GB2 | | Account: 18123456 | Misc: _____ | | Month: AUG |
| ===== | | | | | |
| ABC - ABC DEPARTMENT | | | | More: _ Scr 1 of 8 | |
| Ca Ty Pl S | Budget | BF/TR/DI/IN | En/Sc/Sa/AL | Free Balance | |
| ----- | | | | | |
| 51 EX 13 A | | 14,431.87- | 690.79- | 15,122.66- | |
| 95 IN 13 A | | 16,723.78 | | 16,723.78 | |
| ----- | | | | | |
| Expend | .00 | 14,431.87- | 690.79- | 15,122.66- | |
| Income | .00 | 16,723.78 | .00 | 16,723.78 | |
| Total | .00 | 2,291.91 | 690.79- | 1,601.12 | |

The screen below shows the 14th month balances for the same account. Notice that the free balance of \$1,601.12 was brought forward in the income account (95).

| *DEFINE | | ACCOUNT INFO / BUDGET GROUP - GB2 | | | Year 06 07 |
|----------------------|--------|-----------------------------------|-------------|--------------------|------------|
| Command: GB2 | | Account: 18123456 | Misc: _____ | | Month: 14_ |
| ===== | | | | | |
| ABC - ABC DEPARTMENT | | | | More: _ Scr 1 of 8 | |
| Ca Ty Pl S | Budget | BF/TR/DI/IN | En/Sc/Sa/AL | Free Balance | |
| ----- | | | | | |
| 51 EX 13 A | | 690.79 | 690.79- | | |
| 95 IN 13 A | | 1,601.12 | | 1,601.12 | |
| ----- | | | | | |
| Expend | .00 | 690.79 | 690.79- | .00 | |
| Income | .00 | 1,601.12 | .00 | 1,601.12 | |
| Total | .00 | 2,291.91 | 690.79- | 1,601.12 | |

4. Balance Forward Rules 26 and 37

Rule 26 applies to accounts starting with 26; rule 37 applies to accounts starting with 36. Both research funds and plant funds are assigned for project periods that do not necessarily coincide with The University's fiscal year. Therefore, accounting balances are maintained on a cumulative basis for the term of the project. All balances for an account are brought forward as they existed at year end. (Note: When a project is completed, the account balances are closed and are not brought forward.)

The screen below shows August balances for account 26-1234-56.

Another entry is made reversing the 0299 transaction, and the \$700.00 lump sum is broken down into individual purchase order numbers with object code 0200:

| | | | | | | |
|----------|---------|------------------------|------|------|----|---------|
| 09/01/98 | B003253 | BACK OUT | 0299 | 0299 | RF | 700.00 |
| 09/01/98 | B003253 | INSIGNIA SOLUTIONS | | 0200 | RF | -300.00 |
| 09/01/98 | B003253 | AUSTIN STAMP & STENCIL | | 0200 | RF | -400.00 |

Notice that the net balance on code 0299 is zero: voucher B003216 with a debit of \$700, and voucher B003253 with a credit of \$700. The new year transactions with the 0200 code total to the previous year balance of \$700.

D. Balance Forward Check

BALANCE FORWARD CHECK

```

*DEFINE          ACCOUNT INFO / BUDGET GROUP - GB2          Year 05 06
Command: GB2    Account: 3012345678    Misc: _____    Month: 13_
=====
ME -CHARLIE'S CHOCOLATE FACTORY                               Scr 1 of 9
Ca Ty Pl S Budget/Bud Adj BF/TR/DI/IN En/Sc/Sa/AL Free Balance
-----
14 EX 02 A                682.46-                682.46-
20 EX 02 A          3,000.00          3,300.00-            300.00-
50 EX 02 A                6,126.07-            6,126.07-
51 EX 02 I
70 EX 02 A
71 EX 02 A
93 IN 02 A          3,000.00-          48,070.67            45,070.67

-----
Expend          3,000.00          10,108.53-          .00          7,108.53-
Income          3,000.00-          48,070.67          .00          45,070.67
Total              .00          37,962.14          .00          37,962.14
    
```

```

*DEFINE          ACCOUNT INFO / BUDGET GROUP - GB2          Year 06 07
Command: GB2    Account: 3012345678    Misc: _____    Month: 14_
=====
ME -CHARLIE'S CHOCOLATE FACTORY                               Scr 1 of 9
Ca Ty Pl S Budget/Bud Adj BF/TR/DI/IN En/Sc/Sa/AL Free Balance
-----
09 EX 01 A
14 EX 02 A
20 EX 02 A
50 EX 02 A
70 EX 02 A
71 EX 02 A
93 IN 02 A                37,962.14            37,962.14

-----
Expend              .00              .00              .00              .00
Income              .00            37,962.14              .00            37,962.14
Total              .00            37,962.14              .00            37,962.14
    
```

- To double check to see if Balance Forwards worked correctly, look at the GB2 screen for the 13th month of the prior year.
- Compare this to the ending balance of the 14th month of the new fiscal year (early November, after Adjusted balance forwards).
- If they match, balance forwards were done correctly.

You will also want to compare the GB2 screen for August 05-06 against the 14th month of 06-07 after Initial balance forwards in September.

III. Adjusting Entries

The Office of Accounting must make various adjusting entries for reporting purposes. These entries include permanent corrections (such as object code corrections, account number corrections, or entries to clear overdrafts) and accrual entries. Accrual entries are more complicated than permanent corrections and are discussed in detail below.

A. Accrual Entries

Accrual entries include accounts payable, accounts receivable, prepaid expenses, and deferred revenues. These entries are handled in either the roll back or roll forward process. The basic process is this: transactions related to one fiscal year are recorded in the other fiscal year. The roll back/roll forward process moves these transactions to the year they are related to for reporting purposes.

Roll back and roll forward are automated processes. The computer generates the entries based upon the service dates entered on the transactions.

1. Roll Back

a. What is roll back?

Transactions which have processed in the new fiscal year but are related to the previous fiscal year (indicated by the transaction service dates) are rolled back to the 13th month on a VJR document and are recorded as old fiscal year activity. Accounts payable and accounts receivable are typical roll back transactions.

b. When does roll back happen?

Roll back occurs after the initial balance forwards are completed (8th of September this Fiscal Year-End).

c. Roll back requirements

In order for a transaction to get rolled back:

- ∩ The transaction must be in new year .

- j The service dates must be from the old fiscal year. If the departmental service dates are filled in, they will be used. If they are blank, the official service dates will be used. See "Service Dates" below.
- ⊣ The document must be in the Office of Accounting by the September cut off, which is by end of day on September 7th, and final approved by 5:00 p.m. on September 8th.

2. Roll Forward

a. What is roll forward?

Roll forward is the opposite of roll back. Transactions which have processed in the old fiscal year but are related to the new fiscal year (indicated by the transaction service dates) are rolled forward and recorded as new fiscal year activity. Prepaid expense and deferred revenue are typical roll forward transactions.

b. When does roll forward happen?

Roll forward occurs on September 5th at the end of the day.

c. Roll forward requirements

In order for a transaction to get rolled forward:

- ∩ The transaction must be on an old year account.
- j The service dates must be from the new fiscal year. If the departmental service dates are filled in, they will be used. If they are blank, the official service dates will be used. See "Service Dates" below.
- ⊣ Departmental Service dates and codes must be placed on FY 05-06 transactions by 4:00 p.m. on September 5th to be reflected on the Roll forward document .

3. Service Dates

Service dates influence whether a transaction will be rolled back or rolled forward. The rules used to determine proper service dates for a particular document are not effected by the roll forward/roll back process. Whatever rules exist for determining service dates still apply.

a. Service dates on transactions

Service dates entered on the document cover sheet are official service dates.

```

*DEFINE                SERVICE PAYMENT REQUEST - VP2                Year: 06 07
Command: VP2          Account: _____ Misc: GOVP2876555_____ Month: SEP
=====
Status: APPROVED          -- COVER SHEET --          Document ID: S0VP2999999
Action: _____      Summary: A & W ROOTBEER
Created: 09/05/06 by ACXXX - DUCK, DONALD          Category:
Template: _____
Format: ALL___          Voucher Date: 090606          Voucher Nbr: L387817
Separate Check: _      Check Distribution: U
Default Service Dates Begin: 071506 End: 071506    DTN: _____
Vendor ID: 47777978356001 A & W ROOTBEER
Address: BOTH LINES
104 ROOT DR EXTRA NON-POST-OFFICE INFO
BURP CITY , NV 785691235
    
```

In this example, the payment voucher was processed in the new year but the service dates are from the old year. Therefore, the transaction will be rolled back to the 13th month.

Departments have additional service date fields available. To enter them, space over the "+" within the transaction screen of the document and access the transaction comment window.

```

+-----+
| ACCOUNT  D/C TYPE OBJ          AMOUNT          PO NBR          DTN          |
| 2612121250 D EX 1325          1.00          _____ +          |
|                                     SERVICE DATES: Begin: 071506 End: 071506 |
+-----+
    
```

Different service dates may be entered in the transaction comment window (as shown below). Note: Most departments do not need to use this option. In most instances the official service dates are sufficient.

In this example, the transaction will NOT be rolled back since the departmental service dates are in the new fiscal year.

```

+-----+
| Additional Information Concerning Transaction    1 on this page: |
| Account Information:                               |
|   Account: 26-1212-1250 Status: A Type: EX PA: L   |
|   Account Title: FB - LIFE                          NASA 04-30-06 OE |
|   Unit: 5100-001 Department Title: OAID-PI-GOSS      Abbr: FB   |
|-----|
| Object Code Info: Code: 1325 Title: OTHER CONTRACTED SVCS Status: A |
+-----+
| Additional Information Concerning Transaction    1 on this page: |
| Departmental Service dates: Begin: 090106 End: 090106          |
| Cash Received by the University: _____ |
| Cash deposit date/effective date: _____ |
+-----+
    
```

b. Cash dates on departmental deposits

In addition to service dates, cash dates must be entered on departmental deposits if cash was received by August 31, but the VC document has a September record date.

For example, suppose cash received on 8/31/06 is not deposited until 9/1/06. The deposit is applied to the new year, but needs to be rolled back and reported in the old year. Access the transaction comment window within the VC document by spacing over the "+" within the transaction window.

```

+-----+
| Action:  ___ Begin at Acct: 1902200195 Entry: Debits:                0.00 |
|          Voucher Date: 090106           Credits:                 5.00 |
|          Voucher Nbr.:                   Nbr:                    1 |
| ACCOUNT TYPE OBJ.      PAYOR          AMOUNT      D/C |
| 1902200195 IN  3101  STUDENT #1          5.00 C |
|          _____ |
|          _____ + |
+-----+
    
```

Enter the correct date the cash was received by your department in the "Cash Received by the University" field. Note: If you have a lock box at the bank, use the "Cash deposit date/effective date" field instead of the "Cash Received by the University" field.

```

+-----+
| Additional Information Concerning Transaction    1 on this page: |
| Account Information: |
|   Account: 19-0220-0195 Status: A Type: IN PA: L |
|   Account Title: OA -REVOLVING FUND OPER INC |
|   Unit: 5100-000 Department Title: OFFICE OF ACCOUNTING Abbr: OA |
|-----|
| Object Code Info: Code: 3101 Title: LABORATORY FEE Status: A |
|-----|
| Additional Information Concerning Transaction    1 on this page: |
|                                     Screen 2 of 2 |
| Departmental Service dates: Begin: _____ End: _____ |
| Cash Received by the University: _____ |
| Cash deposit date/effective date: _____ |
+-----+
    
```

B. VJR Reversals

1. What are VJR reversals?

VJR reversals are current year transactions done on VJB documents. The effect of all VJRs is brought forward into the new fiscal year on VJB documents which say "Adjusted Balance Forward". The VJR reversals will say "Reverse J0VJRXXXXXX." However, these are not balance forward entries! Balance forward entries use balance forward object codes. VJR reversal entries use current year object codes.

2. When are VJR reversals needed?

VJR reversals are needed for accrual entries. September transactions which were rolled back to the prior year need to have VJR reversals processed to reverse the expense or income out of the current year. Transactions which were rolled forward to the new year essentially remove the expense or revenue from the August books. The VJR reversal puts the income or expense back on the books in the current year.

3. When are VJR reversals processed?

VJR reversals are processed at the same time as the adjusted balance forward entries.

4. Example

A payment voucher for \$50 was processed and approved in the new fiscal year on 9/6/06. The service date on the voucher was 8/15/06. The expense for \$50 was rolled back to the 13th month of the old fiscal year. Since the adjusted balance forward entries bring forward 13th month activity, this expense will be brought forward and \$50 will be debited against the new year account. This \$50 transaction already processed on the account in September. The adjusted balance forward entry debits the account again, so in effect the expense has been recorded twice! To prevent this, a VJR reversal for the \$50 will also be processed. The reversal backs out the current year transaction so that the effect on the overall free balance will be zero.

IV. Information for *DEFINE Ledger Module (LMM) Users

Following are some general recommendations regarding posting year end entries to your books in the ledger module (LMM).

A. Post Year End Entries To Your Books

Departments often call and ask whether they need to accept all of our balance forward and adjusting entries to their books (LMM). We generally recommend that you accept all year end entries. Because they can be complicated, these entries should be posted "as is" in order to keep your books in balance. Unless you are very familiar with these entries, we strongly caution against rejecting them or trying to lump them together with an LP2 entry.

B. Reject 0299 Entries

There are some year end entries that you can safely reject. The material encumbrances are brought forward with an 0299 object code. We then reverse the 0299 entries and rebook them as 0200 entries by encumbrance number. (See Material Encumbrances in the Balance Forward section for more information.) This process results in multiple in-and-out entries that many departments would rather keep out of their books. Since the total of these entries equals zero, they can be safely rejected without causing your books to be out of balance.

1. Rejecting 0299 entries automatically

You can setup a profile in the LP8 command that will automatically reject all encumbrances with an encumbrance number. This prevents you from manually rejecting them. To do this, setup your LP8 profile screen like below:

```

>> TYPE IN CHANGES AND PRESS ENTER TO UPDATE THE PROFILE <<
*DEFINE                OFFICE PROVISIONAL POSTING PROFILES - LP8                Year: 05 06
Command: LP8          Office: _____ Misc: ENCUMBRANCE BAL                Month: JUL
=====
Profile Name: ENCUMBRANCE BAL FWDS                Status: ON_                Action: REJECT
SELECTION CRITERIA: Part 1 - Information on the Transaction - - - - -
                    Document Type: WJB (required)
                    Account Information: -
                    Accounting Transaction Type: _ _ _ _ _
                    Reporting Transaction Type: _ _ _ _ _
                    Object Class Codes: 0299 thru 0299 _ _ thru _ _ thru _ _
                    Description: _____ THRU _____
                    Vendor ID: _____
                    Purchase Order: _____
                    Voucher Number: _____
SELECTION CRITERIA: Part 2 - Information about Source of Electronic Document
                    Electronic entry by: A
                    Originating Unit: _____

```

This profile needs to be setup before September 1 so that the transactions will be rejected and never show on your LP6 screen. If you don't get this profile setup in time, don't despair! You can create the profile after the entries show on your LP6 and reapply the profile from the LP8 screen. If you have questions about this, please call the Office of Accounting Help Line for assistance (471-8802).

2. Rejecting 0299 entries manually

If you don't want to use an automatic profile in LP8, you can use the LP6 or LR3 commands to reject these entries. Creating a profile in LP5 can make rejecting the entries in LP6 easier.

```

*DEFINE                CREATE/SELECT PROVISIONAL PROFILES - LP5                Year: 05 06
Command: LP5          Account: _____ Misc: ENCUMBRANCE BF_                Month: JUL
=====
                    Press PF5 to Review/Post Provisionals using this Profile
SELECTION CRITERION - - - - -
                    Administrative View: ACMAST_
                    Account Nbr: _____ thru _____
                    Document Type: WJB
                    Accounting Transaction Type: _ _ _ _ _
                    Reporting Transaction Type: _ _ _ _ _
                    Object Class Code: 0299 thru 0299 _ _ thru _ _ thru _ _
                    Description: _____ thru _____
PROFILE DATA - - - - -

```

Use this profile to limit the transactions showing in LP6 to just 0299 encumbrances. You can then delete these transactions from LP6.

V. Information for Payment Voucher Creators & Approvers

Following are frequently asked questions about issues relating to payment vouchers (VP documents).

A. Why was this document returned to me unprocessed?

Accounts Payable processes payment vouchers (VP documents) only when they receive supporting documentation from the department. Any VP documents for which documentation has not been received by August 29th are automatically returned to the creator unprocessed. The document NOTes explain why the document was returned.

B. Why is the system not allowing me to create documents?

The Office of Accounting has to shut down all payment voucher processing by August 29th so that the final check run takes place within the current fiscal year.

C. Does this mean I have to recreate all my documents?

No. You may convert your old year documents to the new fiscal year.

To convert 05-06 payment vouchers (VP documents) to the new fiscal year:

1. Make sure your command line says 05-06.
2. Pull up your document
3. Once you have the document on the screen, change the voucher date to September 2006, press ENTER.
4. A pop-up window will appear. Mark "Yes" and press ENTER.
5. Your document will be moved to 06-07.
6. Make sure your service dates are for the fiscal year 05-06 if the payment should be reflected as an expense for that year, and then submit your payment voucher along with supporting documentation prior to 5:00 p.m. on **September 8th, 2006**.

D. Can I create payment vouchers in the new fiscal year?

Yes. However, the system will not allow you to approve them until September 1.

**E. This document really needed to be recorded in last year.
What can I do?**

Your document can still be recorded in last year if it gets final approved by the roll back deadline. See Roll Back in the Adjusting Entries section for more information.

VI. Other Information Resources

Fiscal year end is a busy time for everyone! The Office of Accounting works hard to keep departments informed of deadlines and other information to help make this time of year as smooth as possible.

A. Year End Voucher Processing Dates Memo

Each year the Office of Accounting sends out a memo outlining the year end processing deadlines. The memo is sent to Deans, Chairmen, Directors, and Accounting Contacts. This information is available on the Office of Accounting web page.

B. *DEFINE Good Morning Screens

We update the Good Morning screen in *DEFINE to remind users of deadlines and other pertinent year end information.

C. *DEFINE What's New Windows

We remind users of upcoming document processing deadlines with What's New windows in appropriate commands.

D. Fiscal Year End Classes

Each summer the Office of Accountings provides administrative classes on the Fiscal Year End Process. This year these classes are being offered through Human Resource Services: <http://www.utexas.edu/hr/ts/tc/admin.html>

E. Office of Accounting Web Pages

The Office of Accounting provides a wealth of accounting news and information on the web: <http://www.utexas.edu/business/accounting/>

In addition, special pages feature information on the fiscal year end:

<http://www.utexas.edu/business/accounting/fr/fye.html>

F. Office of Accounting Help Line (471-8802)

Fiscal year end questions can also be directed to the Office of Accounting Helpline either by phone (471-8802) or to oa.askme@austin.utexas.edu.