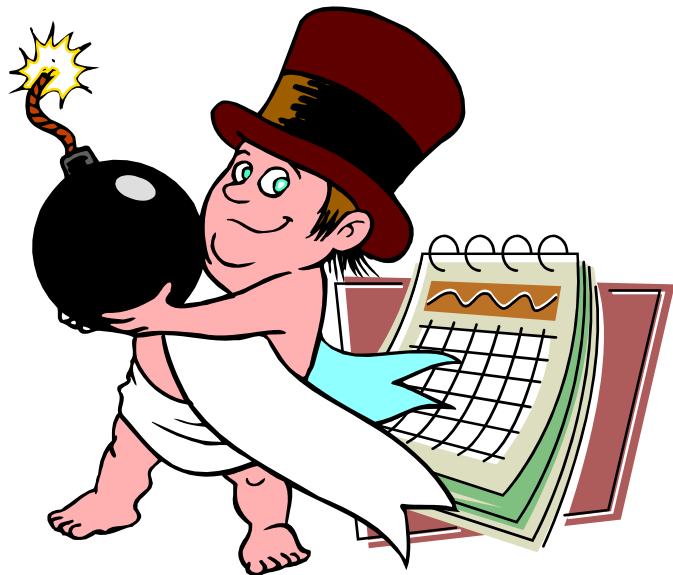


Financial Accounting Services/Financial Reports PN535

Fiscal Year End Training



Financial Accounting Services/Financial Reports Staff

FAS:

- ❑ ROBIN MCPHERSON, Asst. Director
- ❑ KAREN HUTTON, General Ledger Mgr.
- ❑ DON SIMPSON, 14,20,18,& 29 accts
- ❑ CAITLYN COLLINS, 19, 30, & 41 accts

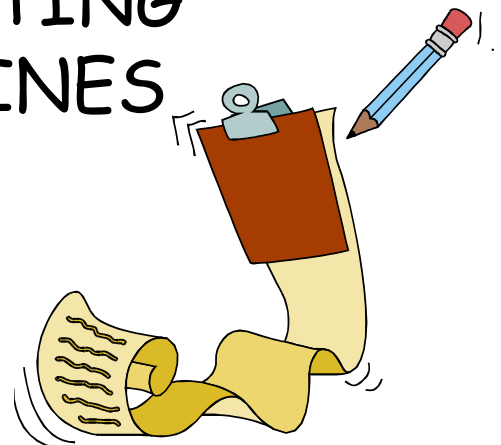
FR:

- ❑ ROB COLEMAN, Assoc. Director
- ❑ JANE GOSS, Plant Funds/Inventory Mgr.
- ❑ JANE-ANNE KANKE, Special Projects Mgr.
- ❑ KELLY LOPEZ, Special Projects



TOPICS TO BE COVERED

- WHAT ARE THE 13TH & 14TH MONTHS?
- BALANCE FORWARD PROCESS
 - INITIAL
 - ADJUSTED
- ROLL FORWARD/ ROLL BACK
- OFFICE OF ACCOUNTING
TIMELINE & DEADLINES



Fiscal Year Overview

SEPTEMBER 2007 - AUGUST 2008	NORMAL BUSINESS OPERATIONS
13TH MONTH (FY 07-08)	USED BY THE OFFICE OF ACCOUNTING TO COMPLETE YEAR-END ENTRIES FOR REPORTING PURPOSES. RELATES TO THE OLD YEAR.
NEW FISCAL YEAR BEGINS	
14TH MONTH (FY 08-09)	REFLECTS THE BEGINNING BALANCE FOR THE NEW YEAR. ONLY INCLUDES BALANCE FORWARD ENTRIES.
SEPTEMBER 2008 - AUGUST 2009	NORMAL BUSINESS OPERATIONS



13th MONTH

- ❑ False month related to the old fiscal year
- ❑ Used by the Office of Accounting to complete year-end entries
- ❑ All entries are posted with an August 31 record date
- ❑ 13th month is not closed until the end of October

ADJUSTING ENTRIES

- Necessary for Annual Financial Report (AFR) purposes
- Includes entries to: correct object code and account errors; clear overdrafts; record accruals, deferrals & inventory adjustments; and lapse expired account balances
- Processed on VJR's

14th MONTH

- Relates to the new fiscal year
- Only activity will be initial and adjusted balance forward entries (VJBs)
- Reflects the beginning balance for the new year (without any other new year activity)
- Is not complete until November (after the 13th month has been closed out)

EXAMPLE OF GB2 SCREEN FOR 14TH MONTH

```

*DEFINE                ACCOUNT INFO / BUDGET GROUP - GB2                Year  08 09
Command: GB2          Account: 19123456      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
-----
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

```

BALANCE FORWARD PROCESS



BALANCE FORWARD PROCESS

- Balance forward entries bring 07-08 balances into the new year (08-09).

- We'll cover:
 - Balance Forward Rules
 - Initial Balances Forward
 - Adjusted Balances Forward
 - Balance Forward Check



BALANCE FORWARD RULES

14 & 20 accounts:

- Balance Forward Rule 1 or 14

18, 19, 29, & 41 accounts:

- Balance Forward Rule 2

30 accounts:

- Balance Forward Rule 30

26 accounts:

- Balance Forward Rule 26

36 accounts:

- Balance Forward Rule 37

INITIAL BALANCES FORWARD

- Bring forward August 31st ending balances (as of August close) into the new year
- Processed by the Office of Accounting on VJB's following August close (posted with a 9/1/xx record date)
- At this time, the free balance on the GB2 screen for the 14th month will match AUG ending balances

INITIAL BALANCE FORWARD CHECK

GB2 for Aug ending balance:

```

*DEFINE          ACCOUNT INFO / BUDGET GROUP - GB2          Year 07 08
Command: GB2    Account: 19123456    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
-----
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
  
```

GB2 for 14th Month (after initial balance brought forward):

```

*DEFINE          ACCOUNT INFO / BUDGET GROUP - GB2          Year 08 09
Command: GB2    Account: 19123456    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-          1,601.12
95 IN 13 A      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
  
```

ADJUSTED BALANCES FORWARD

- Adjusts the beginning balance to reflect all activity posted during the 13th month
- Processed by the Office of Accounting on VJB's following 13th month close
- Occur before October close (posted with a 10/01/xx record date)
- At this time, the free balance on the GB2 screen for the 14th month will match the 13th month ending balances

ADJUSTED BALANCE FORWARD CHECK

GB2 for 13th Month ending balance:

```

*DEFINE          ACCOUNT INFO / BUDGET GROUP - GB2          Year  07 08
Command: GB2     Account: 19123456   Misc: _____      Month: 13
=====
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              14,631.87-      690.79-          15,322.66-
95 IN 13 A              16,723.78
-----
Expend              .00          14,631.87-      690.79-          15,322.66-
Income              .00          16,723.78              .00          16,723.78
Total                .00          2,091.91          690.79-          1,401.12
  
```

GB2 for 14th Month:

```

*DEFINE          ACCOUNT INFO / BUDGET GROUP - GB2          Year  08 09
Command: GB2     Account: 19123456   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              1,401.12
-----
Expend              .00          690.79          690.79-          .00
Income              .00          1,401.12              .00          1,401.12
Total                .00          2,091.91          690.79-          1,401.12
  
```

ROLL FORWARD/ ROLL BACK



ROLL FORWARD/ ROLL BACK

- Ensures accurate posting of transactions to the proper fiscal year
- Appropriate service dates determine whether a transaction should be rolled back into the prior fiscal year OR rolled forward into the next fiscal year
- Processed by the Office of Accounting on VJR's

ROLL FORWARD

- Takes transactions processed in FY 07-08 that should be in FY 08-09 and moves them forward into FY 08-09
- Examples: prepaid expenses & deferred revenues
- Occurs the night of August close

ROLL BACK

- Takes transactions processed in FY 08-09 that should be in FY 07-08 and moves them back into FY 07-08
- Example: Invoice paid in Sept for services performed in August
- Occurs the day after August close

PRELIMINARY ROLL FORWARD/ ROLL BACK

- Temporary vouchers that are made available so you can see activity that will be included on the roll forward and roll back entries.
- Watch for Good Morning screen in *DEFINE.
- These will be deleted -- DO NOT MAKE ADJUSTMENTS TO THESE VOUCHERS!!!

Service Date Changes

- ❑ Correct the service dates on the original documents -- NOT on the preliminary VJR's.
- ❑ Make sure the service dates on the debit & credit side of the transactions match.
- ❑ Work together with other departments to fix service dates on both sides of transaction.
- ❑ Cash dates on departmental deposits are included in the roll back process.

Returned Documents

- Accounts Payable submits a Return Document Job on August 28th.
- The program returns the following:
 - VPx documents not received by the Office of Accounting by 5:00 p.m. on Aug 27th
 - documents that did not have sufficient information
- Departments may resubmit VPx documents by 9:00 a.m. on September 4th (using 07-08 service dates) to have them included in the roll back entry.

YEAR-END OVERVIEW

- Watch for Good Morning screens!
- See the Year-End Spotlight on the Office of Accounting website.
- Sept 4th - AUG closes and 13th month opens; Roll Forward moves entries to 08-09 based on service dates.
- Sept 5th - Roll Back moves entries to 07-08 based on service dates
- Sept 8th & 9th - Initial Balances Forward are completed.
- October 6th - Annual Financial Report is due to UT System.
- Oct 29th - the 13th month closes; Adjusted Balance Forward entries bring forward the effect of 13th month activity on balances into the new fiscal year.

Discussion Questions & Answers

