

Year End Instructions

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1) Fiscal Year

- The University's fiscal year runs from April 1 to March 31

2) General

- Only those transactions that relate to activity which took place in the fiscal year (i.e. goods and services which were received or provided up to and including March 31) will be included in the financial statements.
- It is important for purposes of preparing the financial statements and managing budgets that all significant transactions be recorded in the correct fiscal period.
- Cut-off dates are itemized in the "[Year End Deadlines](#)" document.
- Faculty or department adjustment requests received after the dates noted in the year end deadlines document will be assessed for materiality by Financial Reporting.
- Finance Partners or Financial Representatives must review all general ledger activity (including Statement of Financial Position and Income Statement accounts) pertaining to their department(s) or project(s) on a monthly basis at a minimum to ensure the information contained therein is accurate and complete.
- Internal Financial Management Reports must be reviewed in detail throughout the month of March to ensure errors are corrected by month end.
- As we work through the year-end and audit process, issues may arise that will result in Financial Reporting recording journal entries after the final posting cut-off date. If such entries relate to a faculty/department, the affected Finance Partner will be contacted.

3) Account Reconciliations

- Finance Partners or Financial Representatives must provide reconciliations of their Statement of Financial Position (Balance Sheet) accounts in accordance with the year end deadlines. A listing of account reconciliations can be requested from acctrecs@ucalgary.ca.
- Reconciliations must only include details of the transactions that make up the balance. Transactions for balances which have already been cleared should not be included.
- Reconciliations must adhere to the guidelines found in the [Balance Sheet Reconciliations](#) instructions document.
- Account reconciliations should be forwarded to acctrecs@ucalgary.ca.

4) Cash

- Payments must be receipted on the date received, whether by way of cash register receipt or manual receipt (Appendix 1).
- Cash, cheques and cash equivalents received on or before March 31 must be deposited at the Campus Services Desk in International House, in accordance with the year end deadlines.
- Separate university deposit sheets must be completed for cash, cheques and cash equivalents received up to and including March 31 (deposit date will be March 31 or

earlier) and cash, cheques and cash equivalents received after March 31 (deposit date will be April 1 or later). If funds received April 1 or later relate to the prior fiscal year, a journal entry must be completed to accrue the revenue as per section 12 below.

- Funds received for the purpose of paying outstanding Accounts Receivable invoice(s) must be forwarded to the Accounts Receivable department in accordance with the year end deadlines.
- General cash floats must not be deposited.
- All cash, cheques and cash equivalents relating to donations received on or before March 31 must be received at the Development Office in accordance with the year end deadlines. Clear documentation of donor intent, including notation of project and account must be included.

5) General Cash Floats

- All General Cash Floats must be counted, verified and deposited to bank on or before March 31st.
- The count must be performed by the cash custodian in the presence of one other staff member (if one is available, this second staff member should be a supervisor) who does not normally have access to the cash being counted.
- The Accounts Receivable will e-mail the “General Cash Count” and “General Cash Fund Certificate” forms to all general cash float holders.
- Detailed count results must be recorded on the “General Cash Count” form. Explanations for overages or shortages must be recorded on the reverse of the form. The count information must then be summarized on the “General Cash Fund Certificate” form.
- The “General Cash Count” and the “General Cash Fund Certificate” must be forwarded to the Accounts Receivable in accordance with the year end deadlines.
- Under no circumstances are “I.O.U.'s” from general cash floats permitted.

6) Customer Invoices / Accounts Receivable

- All requests to invoice for goods and/or services sold up to and including March 31 must be received by the Accounts Receivable department in accordance with the year end deadlines.
- Backup documentation for invoice requests must be forwarded to the Accounts Receivable department at: finance@ucalgary.ca in accordance with the year end deadlines.
- All department entered invoices must be entered in accordance with the year end deadlines.
- Invoices which are posted in April but relate to the prior fiscal year must be dated March 31 (Appendix 2).
- A completed ‘[AR Write Off](#)’ form must be completed for uncollectible invoices and must be provided to Accounts Receivable in accordance with the year end deadlines.

7) Inventories

- Inventory is to be counted and valued as at March 31, depending on the unit's last business day in March.
- Inventory count and valuation procedures will be forwarded to those departments that are required to perform an inventory count.
- If you believe that you should have received such procedures but did not, verify your specific situation with the "Inventory" contact person as shown on the [Year End Contacts](#).

8) Prepaid Expense

- In certain circumstances payment for goods or services may be made before the goods or services are received. If this is the case at March 31, the payment is considered "prepaid", and if greater than \$10,000 must be recorded as a prepaid expense.
- Ensure the appropriate prepaid general ledger account is used by referring to the name of the account as shown on the account reconciliation list. Department IDs must be used with all prepaid accounts. If you are uncertain which account to use, verify same with the "Prepaid Expense" contact person as shown on the [Year End Contacts](#).
- The expense must then be recognized in the subsequent fiscal year in the same period(s) in which the actual goods or services are received.

9) Tangible Capital Assets

- Cut-off for the following Asset Financial transactions will be 9 business days prior to the last day of March:
 - i) Transfer of capital assets between chart-fields;
 - ii) Disposal of capital assets;
 - iii) Set up of new Gift-in-Kind assets
- Asset Management will review the documentation to ensure they contain all required information.

10) Vendor Invoices / Accounts Payable

- Accounts Payable cut-off to receive vendors' invoices with a valid purchase order number is 2 days prior to the last business day in March.
- Departments and faculties must review general ledger accounts and chart-fields to verify that all supplier invoices received by March 31 are recorded in the current fiscal year.
- Departments and faculties must ensure all receiving is completed on-line in PeopleSoft for all goods received up to March 31 in accordance with the year end deadlines.
- Departments and faculties must retain proof of delivery such as a packing slip for all goods received for supplier invoice validation purposes.
- All invoices for the current fiscal year must be forwarded to the Accounts Payable department in accordance with the year end deadlines.
- A valid Supply Chain Management purchase order number must be recorded on all invoices forwarded to Accounts Payable.

11) Expenditure Accruals

- Requests for accruing invoices greater than \$10,000 related to the fiscal year must be received by GL Administration or Research Accounting in accordance with the year end deadlines.
- Backup documentation for expense accruals must be included with journal entry requests. Appropriate documentation includes a purchase order and packing slip(s) showing the date the goods were received.
- Accruals will be set up as auto-reversing journal entries; this must be indicated on the General Ledger Journal Entry Request Form. Expense accruals must be credited to GL account 20190 and must include the Department ID.

12) Revenue Accruals

- As directed in the "[Cash Management and Billing Policy](#)", with limited exceptions, revenue must be recorded through utilization of the billing module within PeopleSoft. In the event an unforeseen situation arises and invoicing is not successfully completed prior to the deadline described in section 6 above, a revenue accrual may be completed by way of journal entry request.
- Journal entry requests for revenue earned but not yet invoiced and/or received as at March 31 must be submitted to GL Administration in accordance with the year end deadlines.
- Backup documentation for revenue accruals must be included with journal entry requests. Appropriate documentation includes an agreement such as a customer purchase order, work order or an executed contract.
- Accruals will be set up as auto-reversing journal entries; this must be indicated on the General Ledger Journal Entry Request Form. Revenue accruals must be debited to GL account 12235 and must include the Department ID.

13) Revenue Deferrals

- In certain circumstances you may not have provided goods or services but have already received payment from a customer. If this is the case at year end, the receipt of payment is considered "deferred revenue", and must be recorded in a balance sheet account, in accordance with the year end deadlines. Examples of circumstances which may lead to the need for a revenue deferral include:
 - iv) Operating grants and other unrestricted contributions – if the funds specifically relate to a future period as described in the agreement;
 - v) Sales of services and/or products - when the services or products have not yet been substantially provided;
 - vi) Tuition - when instruction has not yet been delivered.
- Journal entry requests for revenue deferrals must be submitted to GL Administration in accordance with the year end deadlines.

- Backup documentation for revenue deferrals must be included with journal entry requests. Appropriate documentation includes contracts, agreements, all of which must identify the source of the revenue and the period to which the revenue relates.
- Deferrals will be set up as auto-reversing journal entries; this must be indicated on the General Ledger Journal Entry Request Form. Revenue deferrals must be credited to the GL account assigned to the department or faculty.
- Deferrals of externally restricted funds (50, 60 and 70) are calculated and posted by Financial Reporting.

14) Travel & Expense claims

- Cash advances must be cleared for all travel completed up to and including March 31 in accordance with year-end deadlines.
- Claims relating to the fiscal year must be submitted and approved online in accordance with the year end deadlines.
- If funds are owing to the university, the traveler's personal cheque dated March 31 or earlier must be attached to the claim form.
- Claims for the new fiscal year must not be submitted until after the final Accounts Payable cut-off date shown in the year end deadlines.

15) Journals

- All journal entry requests for March transactions must be received by GL Administration or Research Accounting in accordance with the year end deadlines including adjusting entries for accruals and deferrals. Adjustments for such accruals and deferrals must be over \$10,000.
- Departmental requests for adjustments after the deadline must be submitted to Research Accounting or GL Administration where the transaction will be assessed for materiality.

16) Purchase Requisitions and Purchase Orders

- Encumbrances are not recorded in the general ledger; expenditures related to goods or services received but not yet recorded in PeopleSoft must be accrued as per section 11 above. Orders may be placed and entered as purchase requisitions in PeopleSoft right up to March 31; however expenditures will not be recorded in the general ledger unless goods or services are received as at March 31, and Invoice and Accounts Payable deadlines are adhered to.
- If it is determined that the good or service is no longer required, request a Change Order to cancel the Purchase Order.

17) New Year Transactions

- If the actual transaction related to a year end accrual or deferral is not processed in the first month of the new fiscal year, the accrual or deferral must be re-established by way of an auto-reversing journal entry. If the actual transaction is not processed in subsequent reporting periods, the accrual or deferral must be repeated until such time as the actual transaction is processed.

18) PCard and T&E Card

- Corporate card transactions must be reconciled and submitted for final approval on-line with supporting documentation attached for review by Finance and budget owner approvers in accordance with the year end deadlines.