## UW System Fiscal Year Closing Process Checklist

## Fiscal 2023

**1\_\_\_\_\_\_\_\_Budget Balance Report:** Review annual and biennial GPR funds to ensure the use of funding is maximized and lapsing is minimized. For funds with available budget balance, record additional allowable expenditures up to the allotment amount. For funds with overdrawn balance, shift expenditures and/or encumbrances to PR funds with the same statutory purpose.

**2\_\_\_\_\_\_\_\_Funds 123:** Cash balance must be zero. Revenue to cover all expenditures must be transferred from fund 128 or from other PR funds.

**3\_\_\_\_\_\_\_\_Fund 128 Seg Fee Distributions:** Ensure the distributions to the Seg Fee units net to zero to prevent double counting revenues.

**4\_\_\_\_\_\_\_\_Fund 128 payroll default coding (PRDFLT), (PRSUSP), and account 1000 (All Funds):** Must be zero.

**5\_\_\_\_\_\_\_\_** **Fund 104:** All non-fringe 104 should be fully expended prior to FYE. Any over- or underspending needs to be corrected through related activity on Funds 132 and/or 189. As always, transfers of salaries must include related fringes. Any residual amounts on 104 will be included in the Carryover process with the other Block Grant 111 funds.

**6\_\_\_\_\_\_\_\_Fund 133 / Account 3930 expenditures:** Must net to zero.

**7\_\_\_\_\_\_\_\_Fund 136 Ensure That Pass Through Loans are Cleared Out:** Pass through loan programs such as Great Lakes Higher Education should come in and go out on the same account code to eliminate double counting of revenue and expenditure. Revenue from pass through loan programs will be coded to revenue in fund 131 when students pay tuition and fees.

**8\_\_\_\_\_\_\_\_Fund 145 Work Study Fringes:** Verify that only non-student administrative fringe benefits are being charged to fund 145.

**9\_\_\_\_\_\_\_\_Fund 990 Clearing:** Ensure that the cash balance in fund 990 is zero before the mid July cutoff. All revenue should initially be deposited to fund 990 and should be coded to 9198. Amounts should be cleared from 990 on account 9182. Since the recommended accounts for deposit and clearing crosswalk to the same DOA code, the activity for 990 nets to $0 as required by the State Controller’s Office. Institutions that need to record other account codes in fund 990 for deposit and clearing must consult the DOA crosswalk table on the SFS website to ensure that deposit and clearing occur on the same DOA account code.

**10\_\_\_\_\_\_\_Accounts Receivable Write-offs:** Verify that uncollectable accounts receivable have been written off.

**11\_\_\_\_\_\_\_Accounts Receivable Balances:** Verify that any outstanding accounts receivable balances (6200, 6210 and 6240) are reconciled to the detail unpaid invoices that support the total. Institutions must be able to substantiate their balances.

**12\_\_\_\_\_\_\_Accounts Receivable – Grants:** Verify that the general ledger summary balances for 6201, 6202 and 6209 are supported by the detail contained in the grants module tables. Verify that the sum of billed accounts receivable and unbilled accounts receivable equals grants revenue.

**13\_\_\_\_\_\_\_Faculty salary advances:** Verify account 6160 has a zero balance. The exception would be if the advance was given in June of the current Fiscal Year.

**14\_\_\_\_\_\_\_Travel Advances:** Institutions must be able to substantiate the balance of advances (6166, 6167, 6241) recorded in SFS. **Expenditure** account codes must not be used on fund 991.

**15\_\_\_\_\_\_\_Advanced Deposits:** Ensure that advanced deposits are properly recorded in the old and new fiscal years. Revenues for the new fiscal year collected prior to June 30 should be recorded as deferred revenue in the old fiscal year with a debit to cash (6100) and a credit to deferred revenue (7400). All advanced deposit revenue initially deposited to fund 990 should be cleared to the appropriate fund so that the fund 990 balance at the end of the fiscal year is zero.

**16\_\_\_\_\_\_\_Accounts Payable Balances:** Verify that any outstanding balance in accounts payable (7100) is reconciled to the detail unpaid vouchers supporting that total. Institutions must be able to substantiate their balances. By agreement with the State Controller’s Office, the UW System must be able to provide a detail reconciliation of the summary accounts payable balance in STAR.

**17\_\_\_\_\_\_\_Vouchers Payable Between Years:** During the July accounting period of the new fiscal year, ensure that all amounts recorded to vouchers payable between years (7105) are cleared with a credit to vouchers payable between fiscal years and a debit to the appropriate expense account. Institutions can ignore fund 980 as this will be cleared by the service center.

**18\_\_\_\_\_\_\_Deferred Revenue Clearing:** During the July accounting period of the new fiscal year, ensure that all amounts recorded to deferred revenue (7400) are cleared with a debit to deferred revenue (7400) and a credit to the appropriate revenue account.

**19\_\_\_\_\_\_\_Deferred Revenue within Fiscal Year:** Ensure that the deferred revenue balances in account 7405 are at zero by the mid July closing. Deferred revenue amounts crossing fiscal years should be coded to account 7400.

**20\_\_\_\_\_\_\_Revenue Clearing Accounts:** Verify that all revenue is **reconciled** in any revenue clearing accounts/funds. Some revenue received late in the year may not be distributed until early the following year.

**21\_\_\_\_\_\_\_Credit Memo Write-offs:** Verify that worthless credit memos have been written off.

**22\_\_\_\_\_\_\_Federal overhead:** Verify that fund 150 revenue in account 9905 equals fund 144 expenditures on account 3930. This is exclusive of the 150 assessment.

**23\_\_\_\_\_\_\_Federal administrative expense:** Verify that the combined administrative expense reimbursement on account 9905 for funds 145, 146, 147 and 148 is offset by the account 9905 total in fund 144.

**24\_\_\_\_\_\_\_Minnesota Reciprocity:** Ensure that all balances on account 9199 are in fund 100.

**25\_\_\_\_\_\_\_Surplus Property Sales:** Ensure that account 9940 (State Share of Surplus Property Sales) is only used with fund 963. **Please do this as one of the first items. DOA wants to clear this early in July.**

**26\_\_\_\_\_\_\_Credit Fees:** Verify that credit fees are correctly coded in fund 131 or fund 189. Fund 131 credit instruction fees should not be coded to fund 189.

**27\_\_\_\_\_\_\_Academic Excellence Scholars:** Each institution should verify that the current year cash match contributed to the program is at least equal to the amount contributed in 91-92, the first-year base budget allocation was received. The Academic Excellence Scholar program is governed by Wis. Stat. Section 39.41 and Wis. Admin Code Ch. HEA 9 and provides $2,250 to Wisconsin high school seniors who have the highest grade point average in each public and private high school up to 8 semesters.

**28\_\_\_\_\_\_\_Review of Small Dollar Encumbrances:** Institutions should review small dollar purchase orders resulting from failure to fully liquidate a purchase order when the obligation no longer exists. Purchase orders that have had no activity in the past 12 months should be closed at fiscal year end. All encumbrances under $50 should be closed by the mid July cutoff.

**29\_\_\_\_\_\_\_Purchase Order Blankets:** All blanket orders should be liquidated at fiscal year end. Carryover encumbrance budget authority should not include amounts for blanket orders. Only legally enforceable commitments for services and goods maybe encumbered. Purchase orders for Sundry Vendors, Miscellaneous Vendors or other nonspecific vendors may not be carried over.

**30\_\_\_\_\_\_\_Purchase Order Justification:** If it is necessary to carryover a purchase order for a second year, the institution must justify the encumbrance carryover. Per DOA guidelines, written justification for all purchase orders carried over for a second year need to be on file with the System Controller by May 31.

**31\_\_\_\_\_\_\_Library encumbrances:** Institutional blanket encumbrances for library books may be converted to a regular purchase order and adjusted to reflect the lesser of the unencumbered budget balance for library books and periodicals or the outstanding book orders at June 30. No budget transfers may be made to increase the budget for library books.

**32\_\_\_\_\_\_\_Inter-Institutional Agreements (IIAs):** Ensure that all IIAs for the closing fiscal year have been processed by both the buying and the selling institutions.

**33\_\_\_\_\_\_\_Out-of-Balance Journal Verification:** Run out-of-balance Queries and Nvision reports on the ACTUALS Ledger. The nVision report to determine if chart fields are out of balance can be found in SFS under Reporting Tools – Report Console. Click on Quick Run, nVision Report Request, then in the Report ID field search for “OOB”. Run OOB\_3 or OOB\_5 as appropriate.

**34\_\_\_\_\_\_\_Out-of-Balance Verification For DOA (Orphans):** Run DOA Balance Queries and nVision reports on the ACTUALSs Ledger. The nVision report to determine if chart fields are out of balance can be found in SFS under Reporting Tools – Report Console. Click on Quick Run, nVision Report Request, then in the Report ID field search for “DOA\_CHK5”. All orphans must be cleaned up before year-end close.

**35\_\_\_\_\_\_\_Program “R”:**  Verify that there are no expenditures or sales credits on program R.

**36\_\_\_\_\_\_\_Outstanding checks:** Verify that outstanding checks have been reviewed for stale dates and related procedures have been followed.

**37\_\_\_\_\_\_\_Terminal leave funding:** Verify that the only charges hitting the terminal leave funding are the actual lump sum payment and related social security and medicare. All other charges should be moved to the funding used during the employee’s normal payroll.

**38\_\_\_\_\_\_\_Nonsalary Legal Settlements:** Verify that nonsalary legal settlements are zero on GPR funds. Nonsalary legal settlements include account codes 1909 Fac/Acad – NonSal Legal Settle and 1944 University Staff – NonSal Legal Settlement.

**Fiscal Year End Closing Checklist NVision Report should be used for the checklist completion.** Navigation in SFS: Reporting Tools>PS/nVision>Define Report Request; Enter BU and Report ID – campus abbreviation followed by \_FY (e.g., MSN\_FYE); As Of Reporting Date – 07/01/YY. Run the report.

**CONTROLLER CERTIFICATION:** I certify that the year-end checklist procedures listed above have been performed.

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Date\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Due date for submission of the completed checklist to the UW System Controller’s office is July 13, 2023.