Getting Ready for Fiscal Year End

ConnectCarolina User Group

April 17, 2015

Anita Collins

ConnectCarolina Change Management Lead

- "Deep dives" into hot topics
- A chance to ask questions
- Open to anyone who uses ConnectCarolina
- Please encourage your coworkers to come

- The Help Desk is the best way to ensure your question or issue doesn't get lost
- Include specific examples and screenshots if possible
- Two key ways:
  - 919-962-HELP
  - help.unc.edu

ccinfo.unc.edu > Finance > 2015 Fiscal Year End

- This is the first fiscal year-end close in ConnectCarolina.

- Just like in past years, Dennis Press, our University Controller, will communicate cut-off dates for year-end close (in early May).

- But there are some things you can be doing now to start getting ready.

① Clean up your "stuck" transactions

② Get familiar with recent changes that help you prepare for year end

③ Understand your balances (if that's your role)

④ Plan for next year's budgets (if that's your role)

⑤ Make any changes needed to departments (if that's your role)

⑥ More to come …

Anita Collins

ConnectCarolina Change Management Lead

1 Clean up "stuck" transactions

Getting ready for month end close
helps you get ready for year end…

Each month after go live, you've been managing your
transactions, particularly campus journals

For this unposted transaction...	This happens at end of month ...
Budget journal or transfer	Budget journals and transfers for State and F&A funds are deleted, while others are unchanged.
Campus journal	Accounting Services deletes or posts them.
Any type of voucher	Accounting Services rolls them forward to the next month (by changing the accounting date to the new month).
Requisitions and purchase orders	Requisitions and POs are posted in the month they are processed in (which can be a future month).
Deposits and billing entries	Deposits are posted in current month.

Can't leave transactions open at year end

For year-end close, we can't leave transactions open. That means:

- **Vouchers** can't roll forward to a new fiscal year. All vouchers must be posted by the end of the year or they will be deleted.

- All **requisitions** must be closed or fully cancelled. If they are not, they are subject to being cancelled by central office.

- **Purchase orders** with an open balance can roll to the next year if all related documents are in the correct status.

- **Campus journals** will continue to be deleted if they are not processed (department approvals complete).

- For **budget journals and transfers**, Accounting Services and the Budget Office are working on the year end process.

1 **Edit errors:** checks the system does on the transaction, such as making sure:
- the chartfield combination is valid (combo edits)
- dates are valid
- the PO, voucher, and receipt match

2 **Budget errors**

3 **Unposted for any reason** (for example, still in approvals)

We have lots of queries to help you identify stuck transactions, so that you can clean them up

Not just for year end—try to get in the habit of using them every month

All transactions need to have departmental approval completed.

So for each type of transaction that is open, figure out why the transaction is stuck, and then either:

- Delete it

or

- Resolve the issue and then get it through departmental approval before the date specified by Accounting Services.

Learn how:

Preparing for Year-End Close: Reviewing Open Transactions class

- Use queries to identify "stuck" transactions
- Open to all
  - Sign up on the Training Schedule on ccinfo.unc.edu
  - Offered lots of times

ccinfo.unc.edu > Training > Resources > Checklist to Clean up Requisitions and Vouchers for ME and YE Close

Checklist to Clean up Requisitions and Vouchers for ME and YE Close

Checklist for Requisitions

- All requisitions in Open or Denied status, and not sourced 30 days after Entered date, should be canceled.

- **Requisitions in Open status (never submitted for approval), do one of the following:**

  - If valid budget, submit requisition for approval

  - If valid budget, but not needed, cancel

  - If budget error, update chartfield or transfer money to achieve valid status. Correct reason for denial and resubmit requisition

  - If budget error, but not needed, cancel requisition to clear budget error

  - If budget not checked, correct reason for denial and resubmit requisition for approval

Martha Pendergrass

Director of
Procurement Services

2 Get familiar with recent changes that help you prepare for year end

- Like we mentioned earlier: All requisitions must be closed or fully cancelled. If they are not, they are subject to being cancelled by central office.

- Purchase orders with an open balance can roll to the next year if all related documents are in the correct status (they've been dispatched, they're not on hold, and so on).

- You can now receive by PO ID—you won't have to contact buyers to do this for you.

- This lets you:
  - receive against POs converted from FRS
  - receive against POs that don't allow you to receive by requisition or for those when you don't know the requisition number

ccinfo.unc.edu > Training > Resources >
Creating a Receipt by Purchase Order

- Like we mentioned, vouchers can't roll forward to a new fiscal year. All vouchers must be posted by the end of the year or they will be deleted.

- To help with cleaning up vouchers, you can now delete vouchers you have created—you no longer have to contact Disbursement Services.

ccinfo.unc.edu > Training > Resources >
Deleting a Campus Voucher

Deleting a Campus Voucher

Overview

In exceptional cases, you may need to delete a campus voucher if you created it in error. Once you delete a voucher, you cannot retrieve it or undo the deletion. Additionally, deleting a voucher removes all its budgetary encumbrances from the system.

You can delete a campus voucher only if you originally created it, and if it's in a processing status prior to "posted". A voucher becomes posted after all approvals are granted. Additionally, posting occurs just prior to the voucher being paid. If the voucher's status is posted or paid, you can't delete it.

If you want to delete a campus voucher that has already posted or been paid, or if the original creator isn't available, contact Disbursement Services for assistance.

If you want to find who originally created a voucher and has the authority to delete it, look on the Summary tab of the voucher. To view a voucher, follow the path: Main Menu > Finance Menu > Accounts Payable > Vouchers > Add/Update > Campus Voucher Entry | Find an Existing Value tab.

Menu Path

Main Menu > Finance Menu > Accounts Payable > Vouchers > Add/Update > Campus Voucher Delete

Susan McDonough

*Change Management
Consultant*

(3) Understand your balances

- To meet needs for year-end reporting, we have a new "enhanced reporting" role

  – Gives expanded access to tools and information, so a smaller set of users have access

  – Starts with access to certain queries to see balances, will add reports in other formats as well (such as nVision)

- Worked with MOU Leads to identify users—responses received March 30

- Selected users need to re-certify Terms of Use

  - Everyone who uses ConnectCarolina is asked to review the updated Terms of Use, but you don't need to click the button to certify

  - Those who have access to the new reports need to click the button.

Learn how*:*

Reporting in an Accrual Based Accounting System class

- Participants use their own data to practice and view the financial position of their own departments.

- Only open to those designated by their MOU leads to have access to these financial reports.

- Have sent invitations to those who have been named to have this access.

- By taking this class, you'll understand what the important balances are in ConnectCarolina. In FRS, we just had one balance. In ConnectCarolina, we have several meaningful balances.

- You will understand why there might be differences across these balances, and whether those differences are something you need to worry about.

- You will understand what balances to look at based on the fund type.

- You will be able to answer the question, "how much money is in this fund."

Henry Price

Budget Officer

4 Plan for next year's budgets

- The budget definitions (that is, how the system manages budget for different types of funds such as F&A funds or Trust funds) will change for fiscal year 2016.

- Read more about the changes – two memos were sent in the last few weeks and you can find them here

Summary of the changes:

- Foundations will be able to budget on Program, Cost Code 1, Cost Code 2, and Cost Code 3.

- **F&A:** we'll budget by account on F&A funds. You can budget for personnel, account 510000, or non-personnel, account 500100.

TRUST

- Sources in ranges 17900-17999 and 46000-48999 are Trust 1.

- Most sources are in the Trust 2 range. Trust 2 encompasses everything that's not Trust 1, Athletics, Student Affairs, and UNC Faculty Physicians.

- In FY16, we'll budget by account on Trust 1 and Trust 2 expenses.

  - You can budget for personnel, account 510000, or non-personnel, account 500100.

  - Instead of budgeting revenue account by revenue account, we'll budget all Trust 1 and Trust 2 revenues with a single account, 400100.

  - Athletics, Student Affairs, and UNC Faculty Physicians budgeting will not change.

TRUST (cont.)

- Cost Code 3 is not available as an optional chartfield on Trust 2. You will budget by Fund-Source-Account-Dept.

- Program continues to be an optional chartfield for budgeting on Trust 2.

Associated Revenue

- Starting July 1, Associated Revenue *will* no longer be available to increase spending authority on trust funds.

- Instead, a nightly process will run to increase available balances. The process will look at recognized revenue, and create an expense budget journal. (Similar to the automatic budget create process we had in FRS.)

May 1

- Budget controls to be lifted May 1 for State funds

- Communication went out last week

- Encumbrances from open Purchase Orders roll forward to the new fiscal year before the final State expenditures are determined for FY2015

  - Note: Remember a PO must have all documents in the correct status in order to be eligible to roll.

- If a department doesn't completely close out a PO before the deadline, then they need to plan to spend those funds another way, and not assume that the budget will be available in the next fiscal year.

Example:

1. Suppose your department's total State budget for 2015 is $1,000,000.

2. You have an open PO of $20,000 that is eligible to roll.

3. The $20,000 encumbrance rolls to 2016, and it comes out of FY 2016's budget.

- Your department either finds a different way to spend the $20,000 left from 2015 by 6/30/15, or the final State expenditure is $980,000.

- If the final State expenditure is $980,000, there is no guarantee that the department will be allowed to carry forward the $20,000 of budget that was unspent.

Anita Collins

ConnectCarolina Change Management Lead

5 Make any changes needed to departments

- As usual, fiscal year end is the time we make any changes that need to be made to departments.

- If changes are needed, your MOU lead is working with the Provost's Office to get the changes made.

- Try to get in the habit of cleaning up your "stuck" transactions every few days.

- Sign up for the "Preparing for Year-End Close: Reviewing Open Transactions" class

- If you have enhanced reporting access, sign up for the "Reporting in an Accrual Based Accounting System" class

- Make sure you understand the changes to budgets that take effect July 1

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Questions?

See you at the next Finance
user group meeting 11:00 on
May 15, Genome Sciences
G100