LSU

CAMPUS CORRESPONDENCE

To: **Vice Presidents, Vice Chancellors, Deans, Directors, and Heads of Budgetary Units and Business Managers**

Date: **May 19, 2017**

From: **Donna K. Torres, CPA**
Associate Vice President for Accounting Services

Subject: **Schedule for Closing Accounts for FY 16-17**

The end of the fiscal year is once again quickly approaching and we must settle FY 16-17 financial operations. To comply with State regulations and provide for timely preparation of financial statements, it is necessary to develop a schedule for concluding financial activity for the current fiscal year. The closing of the accounts for the fiscal year, the preparation of financial statements, and the opening of new accounts for the next fiscal year require a considerable amount of time in the business offices.

All purchases against FY 16-17 appropriations must be received by **June 30, 2017** in order to be paid from funds budgeted in the current fiscal year. Payments on orders received after June 30, 2017 will be charged to departmental funds budgeted for FY 17-18. All purchases on restricted sources must also be paid for or accrued at fiscal yearend if received by June 30.

Procedures and deadlines pertinent to each of the sections of Accounting Services and Procurement are detailed in the attachments. Copies should be distributed to all staff having responsibilities related to the University's yearend closing process. In order to more fully explain the changes expected this year, and to provide answers to all questions you and/or your staff may have, the Office of Accounting Services will present its annual **FISCAL YEAREND SEMINAR** as follows:

Tuesday, May 23, 2017
LSU Union – Atchafalaya Room
9:30 am to 11:30 am

Please note that this seminar will serve as the May Business Managers' meeting.

Your cooperation in complying with the procedures and deadlines outlined in this memo is essential to a successful yearend closeout. Dates and information provided in this memo are subject to change due to the first yearend close in Workday.

Attachments

Memo AS-15-08

ACCOUNTS PAYABLE & TRAVEL
217 Thomas Boyd Hall, 578-1550

Expenditures should be reported in the period in which they are incurred so it is critical to review reports to identify any expenditures incurred but not paid. This is especially important during the month of June as the fiscal yearend closeout process approaches.

Supplier Invoice Process

Direct Charge Payments

Direct charge payments - Invoices and Miscellaneous Check Requests (MCRs) - for the current fiscal year should be processed as expenditures against current fiscal year departmental budgets for both unrestricted and restricted accounts/worktags. In order to ensure timely processing of your department's direct charge expenditures by the final 6/30 Settlement Run, please route direct charge invoices along with the AS580, Direct Charge Worksheet to Accounts Payable & Travel (AP) in accordance with the following schedule:

Deadline	Description
June 5	Invoices & MCRs for direct charge purchases received for **May 31-June 4** due in AP
June 12	Invoices & MCRs for direct charge purchases received for **June 5–11** due in AP
June 19	Invoices & MCRs for direct charge purchases received for **June 12–18** due in AP
June 26	Invoices & MCRs for direct charge purchases received for **June 19–25** due in AP
June 30	Invoices & MCRs for direct charge purchases received for **June 26–30** due in AP

Purchase Order Invoices

For merchandise or services to be charged to the current fiscal year, the merchandise must be received or services rendered by June 30, 2017. Please create the PO Receipts for merchandise received or services rendered on or before June 30 and verify both restricted and unrestricted encumbrance balances in accordance with the following schedule:

Deadline	Description
June 5	Create PO Receipts for merchandise received or services rendered by **June 4**
June 12	Create PO Receipts for merchandise received or services rendered by **June 11**
June 19	Create PO Receipts for merchandise received or services rendered by **June 18**
June 26	Create PO Receipts for merchandise received or services rendered by **June 25**
June 30	Create PO Receipts for merchandise received or services rendered by **June 30**

If the merchandise is not received or services are not rendered by June 30, no action is required by the department and the purchase order balance will be rolled forward into the next fiscal year. Encumbrance balances should reflect items that were **not** received as of June 30. The **Procurement Rollover** (which is the process in Workday to carryforward PO encumbrance balances) will be completed on **Monday, July 3**. ***There will be no PO supplier invoices processed on Monday, July 3 until the Procurement Rollover is completed.***

Aged Listings of Outstanding Encumbrances

Deadline	Description
June 15	Run the Aged Listings of Outstanding Encumbrances Report as of June 15 to review PO balances and correct as necessary
July 5	Run the Aged Listings of Outstanding Encumbrances Report as of June 30 for informational purposes only

Accrual Process for Supplier Invoices

The Accounts Payable & Travel office will initiate the accrual journal entries for Supplier Invoices, for all campuses, as the Supplier Invoices are approved by the Cost Center Managers (CCM's). **Departments will not create any accrual journal entries for direct charge or purchase order invoices.** The accruals for direct charge and purchase order invoices will be based on the actual expenditures.

The AS forms (i.e., AS580, Direct Charge Worksheet, AS02, Miscellaneous Check Request, AS116, University Prepared Invoice, etc.) have been updated to include a **"Fiscal Year End Accrual" box** for departments to mark if the invoice and/or check request is to be accrued.

Direct Charge Accruals

In order to have direct charge payments (invoices and Miscellaneous Check Requests) charged to FY 16-17 budgets, departments must mark "Yes" in the "Fiscal Year End Accrual" box located in the upper right-hand of the AS580, Direct Charge Worksheet and forward the AS580 form along with the direct charge invoice to the AP office. The Supplier Invoices will have "FY17" coded in the External Reference field on the Supplier Invoice Header which will be used to identify the direct charge invoices/payments that should be accrued.

Purchase Order Accruals

Upon the completion of the Procurement Rollover, the AP office will resume processing PO invoices for payment. In order to have purchase order invoices charged to FY 16-17 budgets, departments must create *Receipts dated on or before June 30*. **There is no cutoff to create Receipts.** The PO Supplier Invoice will be created with "FY17" coded in the External Reference field on the PO Supplier Invoice Header which will be used to identify the invoices that should be accrued. Departments are encouraged to assist in contacting suppliers for invoices, especially if the goods are received and/or services rendered by June 30 and a receipt has been created. **Please note: Without an invoice from the supplier, expenditures for the items/services cannot be recorded in FY 16-17.**

As the Supplier Invoices (i.e., direct charge and purchase orders) are approved by the CCM's, AP & Travel will create the accrual journal entries. The accrual journal entries will be created through July 11 and will be reflected on the departmental ledgers/reports. **Supplier Invoices processed and approved after July 11 will be charged to FY 17-18 budgets.**

Punch-out Supplier Invoices

Punch-out Supplier Invoices must be approved by CCM's on or before **June 30,** in order to be charged to FY 16-17 budgets. Any Punch-out Supplier Invoices for FY 16-17 not approved by CCM's by 4:30 pm on June 30, 2017, will be charged to FY 17-18 budgets. ***The Manual Journal EIB FY17 accrual process will not include any punch-out supplier invoices.***

As mentioned in Procurement's Fiscal Yearend Memo, dated April 28, 2017, the final date to submit Punch-out requisitions is Wednesday, June 21, 2017. NOTE: Certain catalogs may be de-activated sooner due to longer processing time. Therefore, departments must plan in advance by assessing their procurement needs for any of the punch-out suppliers.

To assist departments when making decisions for placing late June orders, the table below, **Workday Punch-out Supplier Invoice Analysis**, has been developed:

Workday Supplier Invoice Analysis

Supplier	Invoice Turnaround
Airgas	9-12 days
B & H Photo	5-6 days
CDW Government Inc.	3-4 days
Dell	7-13 days
Grainger Industrial Supply	2-3 days
Office Depot	4-5 days
VWR INTERNATIONAL	5-6 days

Expense Report Process

Expense Reports for LaCarte

All purchases charged on the university LaCarte procurement card (P-card) with a transaction date on or before June 30 should be processed as expenditures against current fiscal year departmental budgets for both unrestricted and restricted accounts/worktags.

Expense Reports for CBA/Travel

All CBA and LaCarte travel transactions (for travel that was completed on or before June 30) should be processed as expenditures against current fiscal year departmental budgets for both unrestricted and restricted accounts/worktags. As a reminder, LaCarte travel transactions for travel that will be completed in FY 17-18 will remain "not expensed" and should not be included on an Expense Report until after the trip is completed. Cash advances issued are not charged to departmental budgets until properly supported by an Expense Report for the travel.

In an effort to manage the volume of LaCarte & Travel (including CBA's) Expense Reports, the following is a schedule for reconciling and routing for approvals to ensure all transactions made on or before June 30 are charged to the current fiscal year:

Deadline	Description
June 2	Expense Reports through **May 29** with all secured approvals awaiting action by an Expense Partner
June 9	Expense Reports through **June 5** with all secured approvals awaiting action by an Expense Partner
June 16	Expense Reports through **June 12** with all secured approvals awaiting action by an Expense Partner
June 23	Expense Reports through **June 19** with all secured approvals awaiting action by an Expense Partner
June 30	Expense Reports through **June 26** with all secured approvals awaiting action by an Expense Partner
July 3	Last day FY17 LaCarte/CBA transactions will be loaded into Workday
July 7	Final Date for FY17 Expense Reports with all secured approvals awaiting action by an Expense Partner

Departments are strongly encouraged to stay current by submitting Expense Reports for the remainder of the fiscal year, especially during the month of June, as the 30-day reconciliation requirement will be reduced to 7 days. Expense Reports not approved by all appropriate approvers and routed to the Expense Partners according to this schedule will be charged to FY 17-18 budgets.

No Accruals for Expense Reports

Accrual journal entries should not be created for any FY 16-17 LaCarte, CBA or travel transactions. Expense Reports can be initiated after June 30 to include transactions that should be charged to FY 16-17 budgets. In order to have Expense Reports processed against FY 16-17 budgets, the Expense Report must have the transactions linked/imported, the "Expense Report Date = June 30, 2017", all "approvals secured" and be "routed to and awaiting action" by an Expense Partner on or before the final deadline of **July 7. Please note: Expense Reports not meeting this criteria will be charged to FY 17-18 budgets.**

BURSAR OPERATIONS

125 Thomas Boyd Hall, 578-3357

Accounts Receivable

Excluding restricted auxiliaries, departments knowing of amounts due the University as of the end of the fiscal year must record such amounts by submitting a CARD entry. Receivables should be recorded regardless of the source of the indebtedness (i.e., Federal government, State of Louisiana or its subdivisions, faculty, staff, students, or others). All accounts becoming due during FY 16-17 must be recorded by **June 30**. The CARD entries must be fully approved **no later than 4:00 pm on June 30**.

Deposits
The last day for making deposits for FY 16-17 in Bursar Operations will be **June 30**.

CARD Entries
A search should be performed on outstanding CARD entries to ensure any FY 16-17 entries have been approved and are in Current status.

FINANCIAL ACCOUNTING & REPORTING

204 Thomas Boyd Hall, 578-3321

Cost Transfers, Ledger Corrections, Adjustments

Deadline	Description
June 8	All Manual Journals for corrections to ledgers and transfers of expenditures appearing on appropriated funds and reflected on departmental ledgers through **May 31** are due
June 22	All Manual Journals for corrections to ledgers and transfers of expenditures through **June 15** are due
July 11	**FINAL** Manual Journals for corrections to ledgers for FY17

Internal Billings
In order to provide maximum flexibility to all departments for managing their appropriated funds, the following schedule has been established for processing Internal Billings related to FY 16-17 business:

Deadline	Description
June 1	All rendering departments must submit Internal Billings through Workday for any services or materials rendered **through May 31**
June 16	Internal Billings for all services or materials rendered **through June 15**
June 30	Final Internal Billings for all services and materials rendered **during FY17**

The only exceptions allowed will be for services rendered through June 30 (e.g., monthly copy machine charges) or for purchases that actually occur on June 30. Internal Billings for these type exceptions will be accepted by FAR for processing as FY 16-17 business until **12 noon on July 3**.

All Internal Billings must be properly completed with appropriate documentation attached, including any special approvals that are required. Incomplete Internal Billings received must be returned to the department for further processing, and this may cause the transactions not to be recorded until next fiscal year. Thus, please ensure that all necessary documentation and approvals are attached.

Deferred Revenue or Prepaid Expense
Those units that need to defer revenue or prepay expenses into FY 17-18 should use the Accounting Recognition Worktag on those transactions. Accounting principles require the University to recognize revenue or expenses when incurred. For example, if a department is holding a conference in July 2018, but are collecting revenue and incurring expenses related to that conference in FY 16-17, all of those revenues and expenses from that conference should be recorded in FY 17-18. The Accounting Recognition Worktag enables departments to defer revenue or prepay expenses and can be found in the Additional Worktags prompt.

Accounting Recognition Worktag	Description
Deferred Revenue	Used to record Revenue not earned until FY 17-18
Prepaid Expense	Used to record Expenses not incurred until FY 17-18

Reports and Multiple June 30 Cutoffs

Workday allows users to view reports/transactions in real-time. As soon as transactions are processed, the activity is displayed in reports available in Workday. A list of reports can be found on the Workday Training website under Training Materials, Finance Training, Reporting: http://www.lsu.edu/workday/finance_training.php

Some of the most useful reports most used by departments are:

- Revenue & Expense by "Driving Worktag Chosen"
- Journal Line Details with Employee Name
- Trial Balance

Merchandise for Resale (Inventory)

Cost centers that hold merchandise for resale are required to submit inventory procedures and inventory counts for fiscal year end. The following due dates have been established. Procedures and counts should either be emailed to hope@lsu.edu or hand delivered to 204 Thomas Boyd Hall.

Deadline	Description
June 19	Inventory procedures due, must include planned method of inventory and dates of expected count
July 6	Inventory count due to FAR

PAYROLL

204 Thomas Boyd Hall, 578-3321

Payroll Accounting Adjustment

Payroll Accounting Adjustments affecting FY 16-17 must be completed by **July 10, 2017**.

Retro Transactions

Any Retro transactions should be processed immediately. In order to be charged to FY 16-17 retro personnel transactions, or retro time entry, must be completed by the following dates:

Pay Group	Retro Date	Completion Date
Wage	Pay Period Beginning Prior to **June 10**	**June 21**
Student	Pay Period Beginning Prior to **June 17**	**June 28**
Academic	Pay Period Beginning Prior to **May 15**	**June 22**
Professional	Pay Period Beginning Prior to **June 1**	**June 20**

Wage Payroll

The last wage payroll period to be processed for FY 16-17 ends **June 23**. Payroll expense through June 30 will be accrued by allocating **50%** of the charges from the June 10 – June 23 pay period. The accrual will appear on June ledgers with the Journal Source of Forward Accrual. Time for the period ending June 23 should be **submitted and approved** in Time Tracking by 11:59 pm on **June 26**.

Student Payroll

The last student payroll period to be processed for FY 16-17 ends **June 30**. Payroll expense for the period ending June 30 will post to the June ledger, therefore no accrual will be required for FY 16-17. Time for the period ending June 30 should be **submitted and approved** in Time Tracking by 11:59 pm on **July 3**.

Summer Research

Summer research payments for faculty will be processed via One Time Payments. Research activities charged to FY 16-17 will be processed on the June Academic payroll with a payment date of June 30, 2017. Due dates for summer research personnel transactions are as follows:

One Time Payment – Summer Research Processing & Pay Dates					
Coverage Date Range	**Effective Date Range**	**Pay Date**	**Accounting Year**	**Due to HR Partner (HRM)**	**Successfully Completed**
5/15/17-6/30/17	5/15/17-6/14/17	6/30/2017	FY 17	5/31/17	6/26/2017
7/01/17-7/14/17	7/01/17-7/14/17	7/21/2017	FY 18	6/28/17	7/14/2017
7/15/17 -8/14/17	7/15/17-8/14/17	8/21/2017	FY 18	8/2/17	8/14/2017

SPONSORED PROGRAM ACCOUNTING

336 Thomas Boyd Hall, 578-5337

Billings/Invoices

Due to agency imposed deadlines, LSU must submit June invoices on state accounts by **July 15, 2017.** In order to meet this deadline, Sponsored Program Accounting (SPA) must bill from the official University ledgers dated **July 3, 2017.**

LSU must accrue all salary, vendor and travel expenditures incurred in FY 16-17. Since most state sponsors require an accurate June invoice regardless of expiration date, it is essential that you provide written documentation to your SPA Analyst of any items not reflected on the ledgers.

State tentative projects must be invoiced by the required deadline indicated in the agreement. Ensure that SPA has the fully executed agreement as soon as possible but no later than **June 24**.

Report Reconciliation

Please review the **Expense by Award** report to ensure expenditures are recorded and encumbrances are liquidated. Ensure costing allocations or Payroll Accounting Adjustments (PAAs) for both expenditures chargeable directly to a sponsored agreement or used for cost sharing are processed. Overdrafts on sponsored agreements and associated cost sharing and program income accounts must be eliminated. If an account is in an overdraft status, it slows the billing process. An overdraft status is acceptable for extenuating circumstances, such as multi-year agreement, incrementally funded agreement, or a pending request for additional funds.

The Expense by Award report cannot be used on tentative grants. Please use the **Trial Balance** report to review tentative grant accounts. Select the Encumbrance Ledger, rather than the Actual Ledger, to review encumbrances on tentative grants.

Cost Sharing

If cost sharing is applicable it must be done so through a separate award line/grant. Please use the Expense by Award report in Workday to help review cost sharing that has been documented. For cost sharing commitment detail, select the cost sharing award line/grant and view the award line notes. If any effort certifications were approved before cost sharing costing allocations were loaded, a request to cancel and regenerate the effort certification should be made. All communication should be sent to effortassistance@lsu.edu.

Cost Transfers

A copy of the PDF version of the ledger and a fully completed **AS226: Request for Non-payroll Cost Transfer** form (if applicable) must be attached to the manual journal. The memo section of the journal must reference the memo section of the original transaction and a unique identifying number i.e. supplier invoice #, expense report #, etc.

Retroactive PAAs are considered cost transfers and an **AS227: Justification for Payroll Accounting Adjustment** form must be attached to the form providing an explanation of how this cost benefits the project receiving the charge.

Cost transfers must be processed within **90 days** from the original transaction date. However, May and prior month cost transfers are due in Accounting Services no later than **June 8,** while June cost transfers are due by **July 11**.

Monitoring/Progress Reports

Several state agencies require that we attach the monitoring/progress report to the invoices. Please ensure that the Principal Investigator signs and dates his/her technical report. Note that the cover letter is not considered part of the report. This is especially critical for LA Department of Natural Resources (DNR), LA Department of Environmental Quality (DEQ), Coastal Protection and Restoration Authority (CPRA) and LA Department of Wildlife & Fisheries projects.

Monitoring/Progress Reports should be **hand carried to SPA** (336 Thomas Boyd Hall) by the noted dates:

Monitoring/Progress Report	Hand Deliver to 336 Thomas Boyd by:
May 2017	**June 6**
June 2017	**July 5**

Agreements Expiring on June 30, 2017

For sponsored projects expiring on June 30, 2017, purchasing requisitions must state (within the internal memo section of the requisition) that the sponsored agreement expires on June 30, 2017.

As at any other time, supplies and services must be received on or before the sponsored agreement expires. In particular, if a sponsored agreement expires on June 30, 2017 the supplies and services must be received by June 30, 2017.

FY 16-17 YEAREND IMPORTANT DATES AND DEADLINES

Date	Description	*Unit*
Tuesday, May 23, 2017	Fiscal Yearend Seminar, Atchafalaya Room - LSU Union	
Friday, May 26, 2017	Expense Reports through May 22 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Wednesday, May 31, 2017	Summer Research payments for 5/15-6/30 due to HR Partner	*Payroll*
Thursday, June 01, 2017	Internal Billings for services or materials rendered through May 31 should be initiated	*FAR*
Friday, June 02, 2017	Expense Reports through May 29 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, June 05, 2017	Invoices & MCRs for direct charge purchases received for May 31-June 4 due in AP Create PO Receipts for merchandise received or services rendered by June 4	*AP/Travel* *AP/Travel*
Tuesday, June 06, 2017	May Monitoring/Progress Reports (hand carry to SPA - 336 Thomas Boyd Hall)	*SPA*
Thursday, June 08, 2017	Manual Journals for corrections/cost transfers for activity through May 31 should be initiated	*FAR/SPA*
Friday, June 09, 2017	Expense Reports through June 5 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, June 12, 2017	Invoices & MCRs for direct charge purchases received for June 5–11 due in AP Create PO Receipts for merchandise received or services rendered by June 11	*AP/Travel* *AP/Travel*
Thursday, June 15, 2017	Run the Aged Listings of Outstanding Encumbrances Report as of June 15 to review PO balances and correct as necessary	*AP/Travel*
Friday, June 16, 2017	Expense Reports through June 12 with all secured approvals awaiting action by an Expense Partner Internal Billings for services or materials rendered through June 15 should be initiated	*AP/Travel* *FAR*
Monday, June 19, 2017	Invoices & MCRs for direct charge purchases received for June 12–18 due in AP Create PO Receipts for merchandise received or services rendered by June 18 Inventory Procedures for Merchandise for Resale should be submitted	*AP/Travel* *AP/Travel* *FAR*
Wednesday, June 21, 2017	Final date for Punch-out Requisitions	*Procurement*
Thursday, June 22, 2017	Manual Journals for corrections/cost transfers for activity through June 15 should be initiated	*FAR/SPA*
Friday, June 23, 2017	Expense Reports through June 19 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, June 26, 2017	Invoices & MCRs for direct charge purchases received for June 19–25 due in AP Create PO Receipts for merchandise received or services rendered by June 25 Wage Payroll - Time for period ending June 23 should be submitted and approved in Time Tracking by 11:59pm	*AP/Travel* *AP/Travel* *Payroll*
Friday, June 30, 2017	Invoices & MCRs for direct charge purchases received for June 26–30 due in AP Create PO Receipts for merchandise received or services rendered by June 30 Expense Reports through June 26 with all secured approvals awaiting action by an Expense Partner Final 6/30 AP Settlement Run Final 6/30 Deposits (by 4:00 pm) Final 6/30 Accounts Receivable (by 4:00 pm) Final Internal Billings for all services and materials rendered during FY17 should be initiated	*AP/Travel* *AP/Travel* *AP/Travel* *AP/Travel* *Bursar* *Bursar* *FAR*
Monday, July 03, 2017	Last day FY17 LaCarte/CBA transactions will be loaded into Workday Student Payroll - Time for period ending June 30 should be submitted and approved in Time Tracking by 11:59pm	*AP/Travel* *Payroll*
Wednesday, July 05, 2017	Run the Aged Listings of Outstanding Encumbrances Report as of June 30 for informational purposes only June Monitoring/Progress Reports (hand carry to SPA - 336 Thomas Boyd Hall)	*AP/Travel* *SPA*
Thursday, July 06, 2017	Merchandise for Resale inventory counts should be submitted	*FAR*
Friday, July 07, 2017	Final Date for FY17 Expense Reports with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, July 10, 2017	Final Payroll Accounting Adjustments (PAA) for FY17	*Payroll*
Tuesday, July 11, 2017	Final Manual Journals for corrections to ledgers for FY17	*FAR/SPA*

Dates and information provided in this memo are subject to change due to the first yearend close in Workday.