LSU

CAMPUS CORRESPONDENCE

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

Date: **May 7, 2019**

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

Subject: **Schedule for Closing Accounts for FY 18-19**

The end of the fiscal year is once again quickly approaching and we must settle FY 18-19 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 18-19 appropriations must be received by **June 30, 2019** in order to be paid from funds budgeted in the current fiscal year. Payments on orders received after June 30, 2019 will be charged to departmental funds budgeted for FY 19-20. 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 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 14, 2019
LSU Union – Magnolia Room
9:30 am to 12:00 pm

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.

Attachments

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 the respective Accounts Payable (AP) office in accordance with the following schedule:

Deadline	Description
June 3	Invoices & MCRs for direct charge purchases received for **May 31-June 2** due in AP
June 10	Invoices & MCRs for direct charge purchases received for **June 3–9** due in AP
June 17	Invoices & MCRs for direct charge purchases received for **June 10–16** due in AP
June 24	Invoices & MCRs for direct charge purchases received for **June 17–23** due in AP
June 28	Invoices & MCRs for direct charge purchases received for **June 24–30** 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, 2019. 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 3	Create PO Receipts for merchandise received or services rendered by **June 2**
June 10	Create PO Receipts for merchandise received or services rendered by **June 9**
June 17	Create PO Receipts for merchandise received or services rendered by **June 16**
June 24	Create PO Receipts for merchandise received or services rendered by **June 23**
June 28	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 or not fully invoiced as of June 30. The **Procurement Roll Forward** (which is the process in Workday to carryforward PO encumbrance balances) will be completed on or before **Monday, July 1.** ***There will be no PO supplier invoices processed until the Procurement Roll Forward is completed.***

Aged Listings of Outstanding Encumbrances

Deadline	Description
June 17	Run the Aged Listings of Outstanding Encumbrances Report as of June 15 to review PO balances and correct as necessary
July 2	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 18-19 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 respective AP office. The Supplier Invoices will have "FY19" 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 Roll Forward, the AP office will resume processing PO invoices for payment. In order to have purchase order invoices charged to FY 18-19 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 "FY19" 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 18-19.**

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 9 and will be reflected on the departmental ledgers/reports. **Supplier Invoices processed and approved after July 9 will be charged to FY 19-20 budgets.**

Punch-out Supplier Invoices

Punch-out Supplier Invoices must be approved by CCM's on or before **June 28,** in order to be charged to FY 18-19 budgets. Any Punch-out Supplier Invoices for FY 18-19 not approved by CCM's by 4:30 pm on June 28, 2019, will be charged to FY 19-20 budgets. ***The Manual Journal EIB FY19 accrual process will not include any punch-out supplier invoices.***

Departments are encouraged to plan in advance by assessing their procurement needs for any of the punch-out suppliers. To assist departments with 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 Inc	6 days
Ameriprint LLC	37 days
B & H Photo & Electronics Corp	4 days
CDW Government LLC	4 days
Dell	11 days
Fisher Scientific Co LLC	6 days
Frost Barber Inc	62 days
Grainger Industrial Supply	3 days
Home Depot	Unknown – New Punch-out Supplier
McKesson Medical Surgical Inc	4 days
Medline Industries Inc	7 days
Office Depot Inc	4 days
SHI International Corp	14 days
United Rentals	26 days
VWR International	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 19-20 should 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
May 24	Expense Reports through **May 20** with all secured approvals awaiting action by an Expense Partner
May 31	Expense Reports through **May 27** with all secured approvals awaiting action by an Expense Partner
June 7	Expense Reports through **June 3** with all secured approvals awaiting action by an Expense Partner
June 14	Expense Reports through **June 10** with all secured approvals awaiting action by an Expense Partner
June 21	Expense Reports through **June 17** with all secured approvals awaiting action by an Expense Partner
June 28	Expense Reports through **June 24** with all secured approvals awaiting action by an Expense Partner
July 1	Last day FY19 LaCarte/CBA transactions will be loaded into Workday
July 5	Final Date for FY19 Expense Reports with all secured approvals awaiting action by an Expense Partner

Departments are strongly encouraged to stay current by submitting Expense Reports weekly for the remainder of the fiscal year, especially during the month of June, as the 30-day reconciliation requirement will be reduced to 5 days. Expense Reports not approved by all appropriate approvers and routed to the Expense Partners according to this schedule will be charged to FY 19-20 budgets.

No Accruals for Expense Reports

Accrual journal entries should not be created for any FY 18-19 LaCarte, CBA or travel transactions. Expense Reports can be initiated after June 30 to include transactions that should be charged to FY 18-19 budgets. In order to have Expense Reports processed against FY 18-19 budgets, the Expense Report must have the transactions linked/imported, the "Expense Report Date = June 30, 2019", all "approvals secured" and be "routed to and awaiting action" by an Expense Partner on or before the final deadline of **July 5. Please note: Expense Reports not meeting these criteria will be charged to FY 19-20 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 18-19 must be recorded by **June 28**. The CARD entries must be fully approved and submitted to the vault **no later than 4:00 pm on June 28**.

Deposits
The last day for making deposits for FY 18-19 in Bursar Operations will be **June 28**.

CARD Entries
A search should be performed on outstanding CARD entries to ensure any FY 18-19 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 7	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 20	All Manual Journals for corrections to ledgers and transfers of expenditures through **June 15** are due
July 10	**FINAL** Manual Journals for corrections to ledgers for FY19

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 18-19 business:

Deadline	Description
June 3	All rendering departments must submit Internal Billings through Workday for any services or materials rendered **through May 31**
June 17	Internal Billings for all services or materials rendered **through June 15**
July 1	Final Internal Billings for all services and materials rendered **during FY19**

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 19-20 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 2019, but are collecting revenue and incurring expenses related to that conference in FY 18-19, all of those revenues and expenses from that conference should be recorded in FY 19-20. 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 19-20
Prepaid Expense	Used to record Expenses not incurred until FY 19-20

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 20	Inventory procedures due, must include planned method of inventory and dates of expected count
July 5	Inventory count due to FAR

PAYROLL

204 Thomas Boyd Hall, 578-3321

Payroll Accounting Adjustment

Payroll Accounting Adjustments affecting FY 18-19 must be completed by **July 8, 2019**.

Retro Transactions

Any Retro transactions should be processed immediately. In order to be charged to FY 18-19 retro personnel transactions, or retro time entry, must be completed by the following dates:

Pay Group	Retro Date	Completion Date
Professional	Pay Period Beginning Prior to **June 1**	**June 18**
Wage	Pay Period Beginning Prior to **June 8**	**June 19**
Academic	Pay Period Beginning Prior to **May 15**	**June 20**
Student	Pay Period Beginning Prior to **June 15**	**June 26**

Wage Payroll

The last wage payroll period to be processed for FY 18-19 ends **June 21**. Payroll expense through June 30 will be accrued by allocating **50%** of the charges from the June 8 – June 21 pay period. The accrual will appear on June ledgers with the Journal Source of Forward Accrual. Time for the period ending June 21 should be **submitted and approved** in Time Tracking by 11:59 pm on **Monday, June 24**.

Student Payroll

The last student payroll period to be processed for FY 18-19 ends **June 28**. Payroll expense for the period ending June 28 will post to the June ledger, therefore no accrual will be required for FY 18-19. Time for the period ending June 28 should be **submitted and approved** in Time Tracking by Noon on **July 1**.

Summer Research

Summer research payments for faculty will be processed via One Time Payments. Research activities charged to FY 18-19 will be processed on the June Academic payroll with a payment date of June 28, 2019. 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**
5/15/19-6/30/19	5/15/19-6/14/19	6/28/2019	FY 19	5/30/19	6/25/2019
7/01/19-7/14/19	6/15/19-7/14/19	7/19/2019	FY 20	6/27/19	7/15/2019
7/15/19 -8/14/19	7/15/19-8/14/19	8/21/2019	FY 20	7/22/19	8/15/2019

SPONSORED PROGRAM ACCOUNTING

240 Thomas Boyd Hall, 578-5337

Billings/Invoices

Due to agency imposed deadlines, LSU must submit June invoices on state accounts by **July 15, 2019.** In order to meet this deadline, Sponsored Program Accounting (SPA) must bill from the official University ledgers dated **July 2, 2019.**

LSU must accrue all salary, vendor and travel expenditures incurred in FY 18-19. 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; therefore, ensure that SPA has the fully executed agreement as soon as possible but no later than **Friday, June 21**.

Report Reconciliation

Expense by Award - 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.

Trial Balance - Use the Trial Balance report to review tentative grant accounts.

- Expense by award cannot be used on tentative grants because they are not connected to an award.
- Select the Encumbrance Ledger, rather than the Actual Ledger, to review encumbrances on tentative grants.

Grant Balances Department - Use the Grant Balances Department report to review all award/grant balances along with in progress transactions.

- This new report will be released in May 2019.
- The report can be run by cost center or cost center hierarchy.

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** (240 Thomas Boyd Hall) by the noted dates:

Monitoring/Progress Report	Hand Deliver to 240 Thomas Boyd by:
May 2019	**June 5**
June 2019	**July 3**

Agreements Expiring on June 30, 2019

For sponsored projects expiring on June 30, 2019, purchasing requisitions must state (within the internal memo section of the requisition) that the sponsored agreement expires on June 30, 2019.

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, 2019 the supplies and services must be received by June 30, 2019.

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 7,** while June cost transfers are due by **July 10**.

Cost Sharing

If an award requires cost sharing, it must be documented on a separate grant/award line. If a cost sharing line is needed on an award, please contact the Grant Manager in SPA (found on the Roles tab). 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 PAAs are needed to move salaries to a cost sharing grant, they must be completed by **July 8, 2019**. If any effort certifications were approved before costing allocations or PAAs were loaded, a request to cancel and regenerate the effort certification should be made. All communication should be sent to effortassistance@lsu.edu.

Effort Certifications

On a quarterly basis, employees are responsible for certifying that their salary distribution is an accurate reflection of the time worked for the period. Failure to complete and certify effort correctly and in a timely manner could result in loss of funds to the University. Therefore, it is imperative to certify all accurate pending effort certifications timely.

Please do not approve effort certifications that do not accurately reflect the correct percentage of workload distribution. Incorrect certifications should be sent back for correction before approval. If a manual PAA is created and approved after an effort certification was previously approved, please send notice to effortassistance@lsu.edu to cancel and regenerate a new effort certification for the employee.

FY 18 Effort Certification		
Period	**Initiation Date**	**Due Date**
Q1 (Jul – Sep)	10/31/18	**11/30/18 **
Q2 (Oct – Dec)	1/31/19	**02/28/19 **
Q3 (Jan – Mar)	4/30/19	05/31/19
Q4 (Apr – Jun)	7/31/19	08/31/19

** In progress certifications for Q1 and Q2 need to be approved immediately.

FY 18-19 YEAREND IMPORTANT DATES AND DEADLINES

Date	Description	*Unit*
Tuesday, May 14	Fiscal Yearend Seminar, Magnolia Room - LSU Union - 9:30 AM	
Friday, May 24	Expense Reports through May 20 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Thursday, May 30	Summer Research payments for 5/15-6/30 due to HR Partner	*Payroll*
Friday, May 31	Expense Reports through May 27 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
	Create PO Receipts for merchandise received or services rendered by May 27	*AP/Travel*
Monday, June 03	Internal Billings for services and materials rendered through May 31 should be initiated	*FAR*
	Invoices & MCRs for direct charge purchases received for May 31-June 2 due in AP	*AP/Travel*
	Create PO Receipts for merchandise received or services rendered by June 2	*AP/Travel*
Wednesday, June 05	May Monitoring/Progress Reports (hand carry to SPA - 240 Thomas Boyd Hall)	*SPA*
Friday, June 07	Manual Journals for corrections/cost transfers for activity through May 31 should be initiated	*FAR/SPA*
	Expense Reports through June 3 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, June 10	Invoices & MCRs for direct charge purchases received for June 3-9 due in AP	*AP/Travel*
	Create PO Receipts for merchandise received or services rendered by June 9	*AP/Travel*
Friday, June 14	Expense Reports through June 10 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, June 17	Internal Billings for services/materials rendered through June 15 should be initiated	*FAR*
	Invoices & MCRs for direct charge purchases received for June 10–16 due in AP	*AP/Travel*
	Create PO Receipts for merchandise received or services rendered by June 16	*AP/Travel*
	Run the Aged Listings of Outstanding Encumbrances Report as of June 15 to review PO balances and correct as necessary	*AP/Travel*
Thursday, June 20	Manual Journals for corrections/cost transfers for activity through June 15 should be initiated	*FAR/SPA*
	Inventory Procedures for Merchandise for Resale should be submitted	*FAR*
Friday, June 21	Expense Reports through June 17 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, June 24	Invoices & MCRs for direct charge purchases received for June 17–23 due in AP	*AP/Travel*
	Create PO Receipts for merchandise received or services rendered by June 23	*AP/Travel*
	Final date for PO change orders	*Procurement*
	Final date to Cancel Punch-out Requisitions	*Procurement*
	Wage Payroll - Time for period ending June 21 should be submitted and approved in Time Tracking by 11:59 pm	*Payroll*
Friday, June 28	Invoices & MCRs for direct charge purchases received for June 24–30 due in AP	*AP/Travel*
	Create PO Receipts for merchandise received or services rendered by June 30	*AP/Travel*
	Expense Reports through June 24 with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
	Final 6/30 AP Settlement Run	*AP/Travel*
	Final 6/30 Deposits (by 4:00 pm)	*Bursar*
	Final 6/30 Accounts Receivable (by 4:00 pm)	*Bursar*
Monday, July 01	Final Internal Billings for all services/materials rendered during FY19 should be initiated	*FAR*
	Last day FY19 LaCarte/CBA transactions will be loaded into Workday	*AP/Travel*
	Student Payroll - Time for period ending June 28 should be submitted and approved in Time Tracking by NOON.	*Payroll*
Tuesday, July 02	Run the Aged Listings of Outstanding Encumbrances Report as of June 30 for informational purposes only	*AP/Travel*
Wednesday, July 03	June Monitoring/Progress Reports (hand carry to SPA - 240 Thomas Boyd Hall)	*SPA*
Friday, July 05	Merchandise for Resale inventory counts should be submitted	*FAR*
	Final Date for FY19 Expense Reports with all secured approvals awaiting action by an Expense Partner	*AP/Travel*
Monday, July 08	Final Payroll Accounting Adjustments (PAA) for FY19	*Payroll*
Wednesday, July 10	Final Manual Journals for corrections to ledgers for FY19 should be initiated	*FAR/SPA*