



**York University  
Office of the Comptroller  
Year-End Guide for Faculty and Staff**

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**York University**  
**Year-End Guide for Faculty and Staff**

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# York University

## Year-End Guide for Faculty and Staff

### Purpose

The purpose of this guide is to ensure that year-end is completed in an accurate and timely manner. This can only be achieved through clear and concise delivery expectations for all faculty and staff during the University's year-end process. In preparation for the upcoming year-end, the Finance Department has prepared this guide to summarize all significant steps required during the year-end process. Within this document, the reader will find relevant information to assist with year-end. This includes deadlines for submission of data and account analysis requirements.

If you have any comments or suggestions, please send them to Lucia Lo, Manager, Financial Reporting & Systems at [luciawhl@yorku.ca](mailto:luciawhl@yorku.ca)

### Overview

A year-end is defined as the completion of a 12-month cycle of operations (fiscal year). For York University and most universities in Canada, this begins at May 1<sup>st</sup> and ends at April 30<sup>th</sup>. The year-end process is necessary to complete the University's financial statements and to establish each unit's carryforward position for next year's budget.

A year-end is also defined as a process, which ensures all revenues and expenses pertaining to that year are recorded in the University's General Ledger by April 30<sup>th</sup>. All amounts due to and from the University are recorded.

The year-end process involves four groups working together:

- 1) Faculty and staff responsible for cost centre(s) need to analyze and reconcile accounts under their responsibility and make corrections as required;
- 2) Finance Department staff prepare and process data, create reports and review account analysis to ensure that reported figures are consistent with Generally Accepted Accounting Principles in Canada (GAAP);
- 3) USC (University Services Centre) staff review for compliance and process invoices from vendors, expense claims, invoices to external clients and record all the university deposits; and
- 4) The University's external auditors, Ernst & Young LLP, who audit the University's financial statements and report to the University Board of Governors.

The co-operation of all four groups is essential.

## Important Dates

Please consider these dates when planning for the **April 30, 2022** year-end closing:

- Run 1 – Finance will complete processing of April 2022 transactions (that have been received by the due dates identified below) on Thursday, May 5, 2022. These transactions will be available on eReports by Friday, May 6, 2022.
- Run 2 – As it is very important that all April 2022 transactions are reported correctly on the University's Financial Statements, the community has the opportunity to submit journals to record any significant adjustments for Fiscal Year 2022. These entries can be submitted from May 6, 2022 to May 10, 2022. Examples of these adjustments are recording of receivables, expense accruals and the deferral of revenues relating to Fiscal Year 2022.
- External billings should be received by USC on Wednesday, April 20, 2022.
- Foreign outgoing wires should be received by USC on Thursday, April 21, 2022.
- The cut-off date for Accounts Payable invoices is Wednesday, April 27, 2022. Please ensure these are forwarded well before Wednesday, April 27, 2022, whenever possible.
- The cut-off for cash receipts is Friday, April 29, 2022.
- The cut-off for journals is Friday, April 29, 2022. Please ensure journals are emailed to [journals@yorku.ca](mailto:journals@yorku.ca) well before Friday, April 29, 2022, whenever possible.
- Bi-weekly payroll ending April 16, 2022 will be automatically charged to units on or about Friday, April 29, 2022, and charged to Fiscal Year 2022.
- Bi-weekly payroll ending May 1, 2022 will be charged to the new fiscal year (i.e. Fiscal Year 2023).
- Account analysis is due on Thursday, May 12, 2022.

## What happens in Finance during year-end?

The following is a brief outline of the process in Finance during the year-end.

- Documents for Run 1, received in Finance by the dates identified in the Fiscal 2022 Year-End Closing Timetable (Appendix I), will be processed by Finance daily. This includes journal uploads, invoices, cash receipts, etc. Transactions that have passed system edits will be updated that night and show up on eReports the following morning.
- Finance will follow up with the preparers on any journals that did not pass the system edits the night before.
- Payroll will load the April 16, 2022 bi-weekly payroll journal on or around April 29, 2022.
- The final report for Run 1 will be available at Friday, May 6, 2022.
- For fiscal year 2021/22, Run 2 journals (sent to Finance from May 6, 2022 to May 10, 2022) will be reviewed, approved and uploaded daily. Transactions that have passed system edits will be updated that night and show up on eReports the following morning.
- Finance reviews payments processed after cut-off to ensure that they are recorded in the proper fiscal year.
- Salary commitments on the Statement of Operations will be cleared by Run 1.
- Purchase order commitments on the Statement of Operations will be cleared by Run 1 for Funds 200 and 300. The commitments can still be viewed by accessing the Outstanding Purchase Order Commitments reports in eReports.
- The final reports for Run 2 will be available at Wednesday, May 11, 2022.
- Thereafter, Finance will begin reviewing account analysis of the Balance Sheet and Statement of Operations submitted by the Community. They will follow up on any incomplete analysis.
- Year-end reports and account analysis are compiled for the auditors' review by Tuesday, May 24, 2022.

## eReports

The financial reports for each cost centre are available electronically on a daily basis at the eReports website [www.yorku.ca/ereports](http://www.yorku.ca/ereports). All journals, deposits, invoices, etc., as posted into the financial system (PeopleSoft) during the day are available the next morning on eReports.

If you are not an eReports user, you need a Passport York User ID and access rights to the cost centre(s) you administer. Both can be acquired by emailing your request to [askit@yorku.ca](mailto:askit@yorku.ca). Please note that users who need to have eReports access should obtain

the approval from cost centres' managers first and send the approval e-mail along with their eReports access requests to askit@yorku.ca.

### **Carryforwards (Fund 200)**

A carryforward is the cumulative unspent balance (surplus or deficit) of the unit. Surpluses may be used to offset future deficits (if approved). Deficits must be reduced through the next year's in-year surplus.

Carryforwards to Fiscal Year 2022 are posted using journals prepared by the Financial Reporting Department in the Comptroller's Office. They are posted once the year-end entries from the community and Finance are completed. This is expected in June 2022. **Until the Carryforward journals are posted, the opening Carryforwards showing in the May 2022 and June 2022 statements will reflect zero opening positions.**

If you want to know how much is available, the calculation is shown as follows:

Carryforward from previous years (April 30, 2021)	\$10,000
Fiscal Year 2022 (2021-2022) In-Year Actual Surplus / (Deficit)	\$ 2,000
<b>Carryforward into Fiscal Year 2023 (2022-2023)</b>	<b>\$12,000</b>

Usually, units carry forward their in-year surplus or deficit. However, certain faculties consolidate their cost centre range into one central cost centre and allocate balances as required during the year. If you have a carryforward balance at the end of the fiscal year and it does not show up in the new fiscal year, please check with your faculty's Executive, Financial or Budget Officer first before contacting Financial Reporting Department.

### **Deadlines and Details**

#### **Account Analysis**

You are expected to complete an analysis of **all** your balance sheet accounts. This process will be similar to that conducted as at October 31, 2021. On operating statement items, be prepared to explain the nature of the revenues and expenses and year-over-year changes to balances of more than 10% and \$100,000.

A request letter will be sent to you in early May 2022 detailing accounts for which you are responsible. You must forward to Financial Reporting Department by Thursday, May 12, 2022, a detailed account analysis of items and/or explanation for year-over-year balance changes of \$100,000 and greater.

Individuals should review and reconcile their monthly financial statements to determine if:

- All revenues from fees, grants, contracts and other agreements are recorded. If funding **is due**, but not deposited in the bank by April 29, 2022, the amount due should be set up as an accounts receivable. In addition, any revenue

related to the fiscal year 2022 should be deferred. Please use the following accounts:

Accounts Receivable	001600 (to book receivables)
Advance Income General	012000 (to defer general revenue)
Advance Income Tuition	012300 (to defer tuition revenue)

- All expenses have been recorded. There may be goods and services received for which no invoice has been received from the supplier. These need to be set up as an expense and an accounts payable accrual (**Refer to Accounts Payable Accruals, and Receipt of Goods and Services Section**).
- All corrections have been processed.

Reminder: All receivable and accrual journals should indicate **Auto-Reversal** in the subject header of the approved journal e-mails sent to Finance Department. This can ensure that these journals will be reversed on May 1, 2022 (Fiscal Year 2023).

Your balance sheet accounts are a good place to start your analysis. Many times receivables are set up at the prior year-end but never reversed. In these cases, once the funds are received they should be applied to the receivable instead of being credited to income, otherwise the unit's carryforward will be overstated. This should not be a concern if the year-end receivable balance is properly reversed in the new fiscal year.

Another problem comes from keying errors and miscoding of expenses that end up in balance sheet accounts. Again, this misstates the unit's in-year and carryforward positions at year-end.

### **Accounts Payable, Accruals and Receipt of Goods and Services**

All expenses where goods or services have been received prior to May 1, 2022 should be recorded in Fiscal Year 2022. There are two ways to do this:

1. Invoices entered via Accounts Payable
2. Accruals set up via Journal Entries

#### **a) Goods and services which have been received and invoiced prior to May 1, 2022**

**All invoices dated April 30, 2022 or earlier must be recorded in the Fiscal Year 2022. This can be done through Accounts Payable Department (if the invoice is received by Accounts Payable Department by Wednesday, April 27, 2022) or through an accrual (if the invoice is received after Wednesday, April 27, 2022)**

All invoices for goods and services received prior to May 1, 2022 and received between April 1, 2022 and April 27, 2022 should be sent daily to Accounts

Payable Department, with a proper cheque requisition, with the actual date of receipt of goods and/or services clearly marked. **These must be received by Accounts Payable Department by Wednesday, April 27, 2022.**

**Note: For invoices received after Wednesday, April 27, 2022, the department (community) should create an accrual journal – see section C below.**

**b) Goods and services associated with a general purchase order**

All signed receiving copies of general purchase orders (for goods and services received prior to May 1, 2022) received from April 1, 2022 to April 27, 2022 should be sent daily to Accounts Payable, with the actual date of receipt of goods and/or services clearly marked. **These must be received in Accounts Payable Department by Wednesday, April 27, 2022.**

Accounts Payable Department will match the signed receiving copy of the general purchase order with the associated invoice and ensure that the charge is posted in the Fiscal Year 2022. In the event Accounts Payable Department has not yet received the invoice associated with the particular general purchase order, an accrual will be made by Accounts Payable Department for invoices. **Please note that this accrual only applies to general purchase orders.**

**Note: For goods received before May 1, 2022 where the receiving copy has not been sent to Finance Department by April 27, 2022, the community should create an accrual journal – see section C below.**

**c) Unbilled goods and services (accruals)**

Reminder: Please contact suppliers for original invoices prior to **Wednesday, April 27, 2021.**

**Charges for goods and services related to the Fiscal Year 2022 for which an invoice has not been received by the above noted cut-off dates and which are not associated with a general purchase order must be recorded as accruals for the Fiscal Year 2022 by the community. When these invoices are sent to Accounts Payable Department for payment, it must be noted on the invoice whether an accrual has been made.**

Accruals are used to expense goods and services received before May 1, 2022, for which no invoice has yet been received. They are set up as a liability in account 010800 Accrued Liabilities with a corresponding expensing of the cost of goods and services. All accrual journals should indicate **Auto-Reversal** in the subject header of the approved journal e-mails sent to Finance Department. This can ensure that these journals will be reversed on May 1, 2022 (Fiscal Year 2023).

**d) Sm@rtBuy (accruals)**

Normally, all invoices for Sm@rtBuy purchases are sent directly to USC by vendors.

For all purchases less than \$5,000 made through Sm@rtBuy (i.e. goods ordered through Sm@rtBuy) where the invoice has been received by April 30, 2022, USC or Finance Department will ensure that the expense is recorded for the current fiscal year (i.e. Fiscal Year 2022).

For purchases over \$5,000, USC or Finance Department will record the expense only if the receiving function has been completed by the community in Sm@rtBuy by April 29, 2022 (i.e. make sure you receive the goods in Sm@rtBuy).

If the receiving function has not been completed in Sm@rtBuy, USC and Finance Department will not know that the goods have been received.

Below is a summary of when USC will make the accrual and when the community should make the accrual:

Description	AP will process the invoices for payments	AP will process the accruals	Community will process the accruals
<ul style="list-style-type: none"> <li>• General Purchase Order (Goods received before May 1, 2022)               <ul style="list-style-type: none"> <li>○ AP receives signed PO receiver and invoice by April 27, 2022</li> <li>○ AP receives signed PO receiver by April 27, 2022</li> <li>○ AP receives the supplier invoice by April 27, 2022</li> </ul> </li> </ul>	X	X  X	
<ul style="list-style-type: none"> <li>• Blanket Purchase Order               <ul style="list-style-type: none"> <li>○ AP receives signed invoice by April 27, 2022</li> <li>○ Goods are received before May 1, 2022 but no invoice or invoice not submitted to AP by April 27, 2022</li> </ul> </li> </ul>	X		X
<ul style="list-style-type: none"> <li>• No Purchase Order issued               <ul style="list-style-type: none"> <li>○ AP receives signed invoice on or before April 27, 2022</li> <li>○ Community receives goods or services before May 1, 2022 but</li> </ul> </li> </ul>	X		X

does not process the paper work to AP			
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### **New Year Review**

Accounts Payable Department will be reviewing invoices received directly from vendors dated April 30, 2022 or earlier but received after this date to ensure that charges are accounted for in the proper fiscal year. In cases where Accounts Payable Department discovers invoices greater than \$5,000, which are dated April 30, 2022 or earlier, Accounts Payable Department will be contacting the units to ensure the charges have been properly accounted for in accordance with the above procedures.

### **Cash Receipts and Deposits**

All monies received up to and including April 29, 2022 must be deposited by Friday, April 29, 2022 to be credited to Fiscal Year 2022. This applies to Canadian funds submitted to the Bank of Montreal using the deposit form as well as US and foreign funds delivered to General Accounting Department by April 29, 2022 for deposits by General Accounting Department. Deposits after this date will be posted in May 2022 (Fiscal Year 2023).

If you have a deposit that relates to Fiscal Year 2022 but that is deposited subsequent to the cut-off, please ensure the amount is recorded as an accounts receivable (account 002600) at year end.

Please contact General Accounting Department regarding cash receipts and deposits.

### **Deferred Revenue**

Revenue received for an event or a course that will take place on or after May 1, 2022 should be classified as deferred revenue. Other examples of items eligible for revenue deferral include unspent external restricted donations and grants. All amounts to be deferred should be removed from the revenue accounts and added to the deferred revenue account (012000 Advance Income General or 012300 Advance Income Tuition, as appropriate). **Once the new fiscal year begins at May 1, 2022, the amounts in the deferred revenue accounts should be reversed and transferred back to the revenue accounts.**

Deferrals should only be done with Funds 200 & 300 Cost Centres. Finance Department automatically defers unspent revenue in other funds.

The journal entries recording the deferred revenue should indicate **Auto-Reversal** in the subject header of the approved journal e-mails sent to Finance Department. This can ensure that these journals will be reversed on May 1, 2022 (Fiscal Year 2023).

## **Inventory**

Units that received inventory but have not been billed for it by year-end, must prepare an accrual journal entry (to debit inventory and credit accrued liabilities). The journal entry along with a supporting list must be received by Finance Department on Friday, April 29, 2022. The listing should include information on the goods, quantity, date received, purchase order or reference number and amount. The accrual should be charged to your department's cost centre number using account number 010800. The journal entries recording the accruals related to inventory should indicate **Auto-Reversal** in the subject header of the approved journal e-mails sent to Finance Department. This can ensure that these journals will be reversed on May 1, 2022 (Fiscal Year 2023).

## **Prepaid Expenses**

Units that have paid for goods/services not yet received by April 30, 2022, should record the item as a prepaid expense (account 004600).

Prepaid expenses should only be recorded when the university has the right to receive a benefit in the future. The only expenses that should be set up as prepaid expenses will be the ones where payment has been made but the goods or services have not yet been received by the end of Fiscal Year 2022 (April 30, 2022).

The accounting standards no longer allow the recording of an asset/prepaid expense of any advertising or promotional activities that have already happened (including mail order catalogues and other similar documents intended to advertise goods, services or events to customers).

In prior years, some units recorded costs incurred for the printing of brochures and for advertising related to courses delivered after year end as a prepaid expense. This practice is no longer allowed. These costs will have to be expensed as incurred.

Examples of what can be considered prepaid expenses include:

- Payments in connection with software and maintenance agreements paid prior to year-end, that cover periods in future fiscal years
- Payments for publications and subscriptions, paid prior to year-end, which will be received in future fiscal years
- Payments for radio or print advertising that will be delivered in the next fiscal year
- Payments for future insurance coverage
- Deposits for future services
- Prepaid postage

Please review all of these charges. If the amount qualifies as a prepaid expense, units (community) need to prepare a journal entry reversing the expense and

debiting the prepaid expense account 004600. The journal entries recording the prepaid expenses should indicate **Auto-Reversal** in the subject header of the approved journal e-mails sent to Finance Department. This can ensure that these journals will be reversed on May 1, 2022 (Fiscal Year 2023).

### **Journals – Regular, Cleanup and Uploads**

During the year, there is only one cut-off date to get journals in for the month. There is no provision for corrections and adjustments after the cut-off date for that month. They must be posted into the next month. However at year-end, a second run cut-off date exists to accommodate any corrections and adjustments required by the community. **The second run (Run 2), from May 6, 2022 to May 10, 2022, is for significant accruals, set up of receivables, set up of prepaid, deferral of revenue, corrections, and adjustments only.** All entries for the second cut-off should be dated **April 30, 2022** and 'Old Year' should be specified on the subject line of the approved journal e-mails sent to Finance Department. The cut-off dates for journals is shown in Appendix I.

### **Purchasing Card Transactions (PCard)**

#### **a) Purchases up to Wednesday, April 20, 2022:**

- The journal for PCard purchases posted up to Wednesday, April 20, 2022 is targeted for posting on Wednesday, April 27, 2022. Therefore, units (community) can expect to see charges in their operating statements by Thursday, April 28, 2022.
- Charge codes may be amended on Access OnLine until Sunday, April 24, 2022 – 9 PM.

#### **b) Purchases from April 20, 2022 to April 30, 2022:**

- Finance Department will create an accrual in your cost centres for transactions posted between April 21, 2022 and April 30, 2022.
- The data for this journal will be extracted on the morning of Monday, May 2, 2022.
- If you would like to amend the charge codes for these purchases (April 21 – April 30, 2022), please do so by the end of May 2, 2022. If the charge code(s) has not been amended, the purchase will be charged to the default cost centres and accounts.

### **Purchasing Requisitions**

Procurement Services will accept purchasing requisitions for the current fiscal year until Thursday, April 21, 2022. These requisitions will be processed against the current fiscal year budget allocation provided delivery of goods and services is received by April 30, 2022. Please indicate the date that the goods or services is required on the requisition to expedite the order.

Please do not mail purchasing requisitions; if you feel there is insufficient time to meet the above deadline, you can hand deliver to 4747 Keele Street, Procurement Services, or email to purchase@yorku.ca, or fax to 55630.

## **Receivables and Billings**

### **a) External billings**

Requests for billings to organizations and individuals outside of the University for goods and services rendered in April 2022 must be received by USC on Wednesday, April 20, 2022.

### **b) Internal billings of interdepartmental charges (journal transfers)**

Interdepartmental charges are to be raised for all materials supplied and services rendered up to and including April 30, 2022. **These charges should be processed well before the year-end, so that the departments being charged are aware of the amounts.** Departments that have received the materials and services are required to accept the charges as April 2022 expenses and charge them against the budget funds for the current fiscal year ending April 30, 2022. Journals recording these internal charges must be received by Finance Department on Friday, April 29, 2022.

## **Travel and Other Advances and Expense Reports**

All expense claims that have been submitted via Concur System by the end of April 29, 2022 will be recorded as an expense for Fiscal Year 2022. This expense will be recorded either as a payment by USC or an accrual journal entry by Finance Department.

All paper-based expense claims (only accept paper-based claims for international individuals outside of Canada and the US) should be received by USC by the end of Friday, April 15, 2022. If any paper-based expense claims are submitted after April 15, 2022 to USC, the community is required to prepare accrual journals and request for auto reversal on May 1, 2022 on the subject line of approved journal e-mails.

To ensure all expenses get into the proper fiscal period, expense reports including the clearing of advances should be prepared as soon as the trip has been completed. If travel has been completed and the expense claims have not been submitted (by April 29, 2022 via Concur System or April 15, 2022 for paper expense claims), the units (community) should submit an accrual journal for any significant amounts.

## **April Final Payrolls**

The bi-weekly pay ending April 16, 2022 will be posted on or about Friday, April 29, 2022. The monthly payroll will be posted on Monday, April 25, 2022.

The bi-weekly pay period ending May 1, 2022 will be posted in May 2022, Fiscal Year 2023.

Finance will create an accrual journal for bi-weekly pay period from April 17, 2022 to April 30, 2022 centrally. If units (community) wish to create an accrual in their own cost centres, please contact Lucia Lo, Manager, Financial Reporting & Systems at (416) 508-5742 or [luciawhl@yorku.ca](mailto:luciawhl@yorku.ca)

## Appendix I

**York University  
Finance Department  
Closing Timetable  
Fiscal 2022 Year-End Cut-Off and Report Publication**

The year-end for University operations is April 30, 2022. The cut-off dates for submission to Finance Department are set out below. Please send items listed below to Finance Department by the cut-off dates to ensure that they are recorded in Fiscal Year 2022.

Procedure	When / Due in Finance Department
March 2022 final reports available on eReports	Friday, April 8
April 2022 reports available on eReports	Saturday, April 9
<b>April 2022 – Run 1 Close</b>	
Paper-based expense claims submitted to Finance Department for Fiscal Year 2022	Friday, April 15
External billings (Invoice requisitions)	Wednesday, April 20
Foreign outgoing wires	Thursday, April 21
Purchasing requisitions for orders in Fiscal Year 2022	Thursday, April 21
Accounts Payable invoices including general purchase orders where goods and services have been received	Wednesday, April 27
Last day for cash receipts to be deposited (for credits to Fiscal Year 2022)	Friday, April 29
Expense claims submitted via Concur System to be recorded in Fiscal Year 2022	Friday, April 29
Electronic upload for credit cards	Monday, May 2
Budget allocation journals	Friday, April 29
Last community journals due in Finance Department	Friday, April 29
April 2022 monthly payroll posted	Monday, April 25
April bi-weekly payroll ending April 16, 2022	Friday, April 29
April 2022 Run 1 report on web (refreshed daily)	Friday, May 6
<b>April 2022 - Run 2 Close (adjustments only)</b>	
Journals for deferral of revenue to the new fiscal year, prepaid expenses, accounts receivables, and accruals will be processed daily until May 10, 2022. Otherwise, Finance Department approval is required.	Tuesday, May 10
April 2022 Run 2 final report on web (refreshed daily)	Wednesday, May 11
Account analysis (all balance sheet accounts and selected income/expense accounts)	Thursday, May 12