

**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

### 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 [luciaahl@yorku.ca](mailto:luciaahl@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 on May 1<sup>st</sup> and ends on 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:

- Faculty and staff responsible for cost centre(s) need to analyze and reconcile accounts under their responsibility and make corrections as required;
- 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);
- 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
- 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, 2023 year-end closing:

- Run 1 – Finance will complete processing of April 2023 transactions (that have been received by the due dates identified below) on Friday, May 5, 2023. These transactions will be available on eReports by Monday, May 8, 2023.
- Run 2 – As it is very important that all April 2023 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 2023. These entries can be submitted from May 8, 2023 to May 10, 2023. Examples of these adjustments are recording of receivables, expense accruals and the deferral of revenues relating to Fiscal Year 2023.
- External billings should be received by USC on Wednesday, April 19, 2023.
- Foreign outgoing wires should be received by USC on Wednesday, April 19, 2023.
- The cut-off date for Non-PO Invoices in Sm@rtBuy is Friday, April 28, 2023. Please ensure invoices are approved by Friday, April 28, 2023.
- The cut-off date for Accounts Payable payment via a payment requisition form is Monday, April 24, 2023.
- The cut-off for sending Accounts Payable Department signed copies of PO's or invoices for blanket purchase orders is Monday, April 24, 2023.
- The cut-off for cash receipts is Friday, April 28, 2023.
- The cut-off for journals is Friday, April 28, 2023. Please ensure journals are emailed to [journals@yorku.ca](mailto:journals@yorku.ca) well before Friday, April 28, 2023, whenever possible.
- Bi-weekly payroll ending April 29, 2023 will be automatically charged to units on or about Thursday, May 4, 2023, and charged to Fiscal Year 2023.
- Bi-weekly payroll ending May 13, 2023 will be charged to the new fiscal year (i.e. Fiscal Year 2024).
- Account analysis is due on Thursday, May 11, 2023.

## 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 2023 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 29, 2023 bi-weekly payroll journal on or around May 4, 2023.
- The final report for Run 1 will be available on Monday, May 8, 2023.
- For fiscal year 2022/23, Run 2 journals (sent to Finance from May 8, 2023 to May 10, 2023) 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 on Thursday, May 11, 2023.
- 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 23, 2023.

## eReports

The financial reports for each cost centre are available electronically daily at the [eReports website](#). 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](mailto: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 2023 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 2023. **Until the Carryforward journals are posted, the opening Carryforwards showing in the May 2023 and June 2023 statements will reflect zero opening positions.**

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

Carryforward from previous years (April 30, 2022)	\$10,000
Fiscal Year 2023 (2022-2023) In-Year Actual Surplus / (Deficit)	\$ 2,000
<b>Carryforward into Fiscal Year 2024 (2023-2024)</b>	<hr/> \$12,000

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, 2022. 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 2023 detailing accounts for which you are responsible. You must forward to Financial Reporting Department by **Thursday, May 11, 2023**, 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 28, 2023, the amount due should be set up as an accounts receivable. In addition, any revenue related to the Fiscal year 2024 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, 2023 (Fiscal Year 2024).

Your balance sheet accounts are a good place to start your analysis. Often 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, 2023 should be recorded in Fiscal Year 2023. 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, 2023 All invoices dated April 30, 2023 or earlier must be recorded in the Fiscal Year 2023.**

Departments should accrue for all expenses not approved or submitted:

- All non-PO invoices that are not approved in Sm@rtbuy by April 28
- All PO invoices and payment requisitions that are not sent to Accounts Payable Department by April 24
- Any other expenses where service has been delivered but the vendor has not submitted an invoice

All invoices for goods and services received prior to May 1, 2023 should be approved in Sm@rtbuy in a timely manner. Payment requisitions, wire payments requests and signed copies of PO's received should be sent daily to Accounts Payable. These must be received by Accounts Payable Department by the due dates.

Note: For Payment requisition requests and signed POs sent to Accounts Payable Department after **Monday, April 24** the department (community) should create an accrual journal – see section (d) below.

### **b) Non-PO Invoices received by Accounts Payable Department by April 28, 2023 Community should approve all invoices in Sm@rtbuy by April 28, 2023.**

All Non-PO invoices that are approved by the community in Sm@rtBuy by April 28, 2023 will be recorded in Fiscal Year 2023.

On May 2, community will receive an outstanding invoices report generated by USC listing Non-PO Invoices without departmental approval (where the cost centre information has been entered). This report will help community to identify expenses to be accrued. Please identify invoices that will be accrued by the department and return the report to Finance by May 5, 2023.

For any fiscal 2022/23 expenses that are not reflected on eReports by May 2, 2023, the department should create an accrual journal and submit to [journals@yorku.ca](mailto:journals@yorku.ca) by May 5, 2023.



**c) 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, 2023) received from April 1, 2023 to April 28, 2023 should be sent daily to Accounts Payable Department, with the actual date of receipt of goods and/or services clearly marked. **These must be received in Accounts Payable Department by Monday, April 24, 2023.**

Accounts Payable 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 2023. 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, 2023 where the receiving copy has not been sent to USC by April 24, 2023, the community should create an accrual journal – see section (d) below.

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

Reminder: Please contact suppliers for original invoices prior to **Friday, April 28, 2023.**

Charges for goods and services related to the Fiscal Year 2023 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 2023 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, 2023, 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, 2023 (Fiscal Year 2024).

**e) Purchases Via 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, 2023, Accounts Payable Department or Finance Department will ensure that the expense is recorded for the current fiscal year (i.e. Fiscal Year 2023).

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 28, 2023 (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
<b>General Purchase Order (Goods received before May 1, 2023)</b>			
○ AP receives signed PO receiver and invoice by April 24, 2023	X		
○ AP receives signed PO receiver by April 24, 2023		X	
○ AP receives the supplier invoice by April 24, 2023		X	
<b>Blanket Purchase Order</b>			
○ AP receives signed invoice by April 24, 2023	X		
○ Goods are received before May 1, 2023 but no invoice or invoice not submitted to AP by April 24, 2023			X
<b>Non-PO Invoices in Sm@rtBuy</b>			
○ Community approves invoices by April 28, 2023	X		
○ Invoices with incomplete account information			X
○ Invoices not approved by the Community by April 28, 2023			X
<b>Payment Requisitions</b>			
○ AP receives signed invoice on or before April 24, 2023	X		
○ Community receives goods or services before May 1, 2023 but does not submit payment requisition to AP by April 24, 2023.			X

## New Year Review

Accounts Payable Department will be reviewing invoices received directly from vendors dated April 30, 2023 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 \$50,000, which are dated April 30, 2023 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 28, 2023 must be deposited by Friday, April 28, 2023 to be credited to Fiscal Year 2023. 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 28, 2023 for deposits by General Accounting Department. Deposits after this date will be posted in May 2023 (Fiscal Year 2024).

If you have a deposit that relates to Fiscal Year 2023 but that is deposited after 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, 2023 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 on May 1, 2023, 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, 2023 (Fiscal Year 2024).

## 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 28, 2023. 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, 2023 (Fiscal Year 2024).

### Prepaid Expenses

Units that have paid for goods/services not yet received by April 30, 2023, 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 2023 (April 30, 2023).

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 charges outlined above. 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, 2023 (Fiscal Year 2024).

### 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 8, 2023 to May 10, 2023, 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, 2023 and 'Old Year' should be specified on the subject line of the approved journal e-mails sent to Finance Department. The cut-off date for journals is shown in Appendix I.

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

#### **a) Purchases up to Thursday, April 20, 2023:**

The journal for PCard purchases posted up to Thursday, April 20, 2023 is targeted for posting on Friday, April 28, 2023. Therefore, units (community) can expect to see charges in their operating statements by Monday, May 1, 2023.

Charge codes may be amended on Access OnLine until Monday, April 24, 2023 – 9 PM.

#### **b) Purchases from April 21, 2023 to April 30, 2023:**

Finance Department will create an accrual in your cost centres for transactions posted between April 21, 2023 and April 30, 2023.

The data for this journal will be extracted on the morning of Monday, May 1, 2023.

If you would like to amend the charge codes for these purchases (April 21 – April 30, 2023), please do so by the end of April 30, 2023. If the charge code(s) has not been amended, the purchase will be charged to the default cost centres and accounts.

### **Purchasing Requisitions**

Procurement Operations will accept purchasing requisitions for the current fiscal year until Wednesday April 19, 2023. These requisitions will be processed against the current fiscal year budget allocation provided delivery of goods and services is received by April 30, 2023. 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 Operations, or email to [purchase@yorku.ca](mailto:purchase@yorku.ca).

## Receivables and Billings

### a) External billings

Requests for billings to organizations and individuals outside of the University for goods and services rendered in April 2023 must be received by USC on **Wednesday, April 19, 2023**.

### 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, 2023. **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 2023 expenses and charge them against the budget funds for the current fiscal year ending April 30, 2023. Journals recording these internal charges must be received by Finance Department on Friday, April 28, 2023.

## Travel and Other Advances and Expense Reports

All expense claims that have been submitted via Concur System by the end of April 28, 2023 will be recorded as an expense for Fiscal Year 2023. 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 accepted for international individuals outside of Canada and the US) should be received by USC by the end of Friday, April 14, 2023. If any paper-based expense claims are submitted after April 14, 2023 to USC, the community is required to prepare accrual journals and request for auto reversal on May 1, 2023 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 28, 2023 via Concur System or April 14, 2023 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 29, 2023 will be posted on or about Thursday, May 4, 2023. The monthly payroll will be posted on Tuesday, April 25, 2023.

The bi-weekly pay period ending May 13, 2023 will be posted in May 2023, Fiscal Year 2024.

Finance will create an accrual journal for bi-weekly pay for April 30, 2023 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).

## Closing Timetable

## Fiscal 2023 Year-End Cut-Off and Report Publication

The year-end for University operations is April 30, 2023. The cut-off dates for submission to Finance Department and University Services Centre (USC) are set out below. Please send items listed below to Finance Department or USC by the cut-off dates to ensure that they are recorded in Fiscal Year 2023.

Procedure	When / Due in Finance Department
March 2023 final reports available on eReports	Monday, April 10
April 2023 reports available on eReports	Tuesday, April 11
<b>April 2023 – Run 1 Close</b>	
Paper-based expense claims submitted to Finance Department for Fiscal Year 2023	Friday, April 14
External billings (Invoice requisitions)	Wednesday, April 19
Foreign outgoing wires	Wednesday, April 19
Purchasing requisitions for orders in Fiscal Year 2023	Wednesday, April 19
Accounts Payable invoices including general purchase orders where goods and services have been received	Monday, April 24
Last day to approve invoices in Sm@rtBuy	Friday, April 28
Last day for cash receipts to be deposited (for credits to Fiscal Year 2023)	Friday, April 28
Expense claims submitted via Concur System to be recorded in Fiscal Year 2023	Friday, April 28
Electronic upload for credit cards	Monday, May 1
Budget allocation journals	Friday, April 28
Last community journals due in Finance Department	Friday, April 28
April 2023 monthly payroll posted	Tuesday, April 25
April bi-weekly payroll ending April 29, 2023	Thursday, May 4
April 2023 Run 1 report on web (refreshed daily)	Monday, May 8
<b>April 2023 – 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, 2023. Otherwise, Finance Department approval is required.	Wednesday, May 10
April 2023 Run 2 final report on web (refreshed daily)	Thursday, May 11
Account analysis (all balance sheet accounts and selected income/expense accounts)	Thursday, May 11