

**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

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 1st and ends on April 30th. 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 30th. 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, 2024 year-end closing:

- › Run 1 – Finance will complete processing of April 2024 transactions (that have been received by the due dates identified below) on Monday, May 6, 2024. These transactions will be available on eReports by Tuesday, May 7, 2024.
- › Run 2 – As it is very important that all April 2024 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 2024. These entries can be submitted from May 7, 2024 to May 9, 2024. Examples of these adjustments are recording of receivables, expense accruals and the deferral of revenues relating to Fiscal Year 2024.
- › External billings should be received by USC on Thursday, April 18, 2024.
- › Foreign outgoing wires should be received by USC on Wednesday, April 10, 2024.
- › The cut-off date to accept and process internally generated payments is Friday, April 19, 2024. Internally generated payments include:
 1. Settlements
 2. Awards/Prizes to non-students and organizations
 3. Retiring allowances
 4. Statutory payroll payments
 5. Institutional advances
 6. Payments to non-residents
 7. Student refunds (no longer on Student System)
 8. Course refunds (non-students, non-credit courses)
 9. Sponsorships
- › The cut-off date for Non-PO Invoices in Sm@rtBuy is Tuesday, April 30, 2024. Please ensure invoices are approved by Tuesday, April 30, 2024, 5:00 pm.
- › The cut-off date for Accounts Payable payment via a payment requisition form is Friday, April 19, 2024.
- › The cut-off date to submit and approve Expense Claims submitted via CONCUR for Fiscal Year 2024 is Monday, April 29, 2024, 5:00 pm.
- › The cut-off for cash receipts is Tuesday, April 30, 2024.
- › The cut-off for journals is Tuesday, April 30, 2024, 4:00 pm. Please ensure journals are emailed to journals@yorku.ca well before Tuesday, April 30, 2024, whenever possible.
- › Bi-weekly payroll ending April 27, 2024 will be automatically charged to units on or about Friday, May 3, 2024, and charged to Fiscal Year 2024.
- › Bi-weekly payroll ending May 11, 2024 will be charged to the new fiscal year (i.e. Fiscal Year 2025).

- › Accountability letter is due on Tuesday, May 2, 2024.
- › Account analysis is due on Monday, May 13, 2024, 5:00 pm.

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 2024 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 27, 2024 bi-weekly payroll journal on or around May 3, 2024.
- The final report for Run 1 will be available on Tuesday, May 7, 2024.
- For Fiscal Year 2024, Run 2 journals (sent to Finance from May 7, 2024 to May 9, 2024) 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 Friday, May 10, 2024.
- 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 21, 2024.

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.

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 2024 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 2024. **Until the Carryforward journals are posted, the opening Carryforwards showing in the May 2024 and June 2024 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, 2023)	\$10,000
Fiscal Year 2024 (2023-24) In-Year Actual Surplus / (Deficit)	\$ 2,000
Carryforward into Fiscal Year 2025 (2024-2025)	\$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, 2023. 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 2024 detailing accounts for which you are responsible. You must forward to Financial Reporting Department by Monday, **May 13, 2024, 12:00 pm**, a detailed account analysis of items and/or explanation for year-over-year balance changes of over 10% and \$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 30, 2024, the amount due should be set up as an accounts receivable. In addition, any revenue related to the Fiscal year 2025 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, 2024 (Fiscal Year 2025).

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, 2024 should be recorded in Fiscal Year 2024. 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, 2024

All invoices dated April 30, 2024 or earlier must be recorded in the Fiscal Year 2024.

Departments should accrue for all expenses not approved or submitted:

- Services/Goods that have been received by April 30, 2024 where a purchase order was not issued via Sm@rtbuy (PO number begins with 24xxxxxxx)
- Services/Goods over \$5,000 that have been received by April 30, 2024 where a purchase order was issued via Sm@rtbuy and the receiving function was not completed by April 30, 2024 (PO number begins with P24xxxxxxx)
- 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, 2024 should be approved in Sm@rtbuy in a timely manner. Payment requisitions and wire payments requests should be sent daily to Accounts Payable. These must be received by Accounts Payable Department by the due dates.

Invoices received by Accounts Payable Department by April 30, 2024

Community should approve all invoices in Sm@rtbuy by April 30, 2024.

All invoices that are approved by the community in Sm@rtBuy by April 30, 2024 will be recorded in Fiscal Year 2024.

On May 1, community will receive a 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 6, 2024.

For any fiscal 2023-24 expenses that are not reflected on eReports by May 2, 2024, the department should create an accrual journal and submit to journals@yorku.ca by May 6, 2024 4:00 pm.

b) Goods and services associated with a general purchase order

The receiving function must be completed in Sm@rtbuy (for goods and services over \$5,000) by April 30, 2024 for the expense to be recorded by Accounts Payable or Finance in Fiscal 2024.

c) Unbilled goods and services (accruals)

Reminder: Please contact suppliers for original invoices prior to **Tuesday, April 30, 2024**.

Charges for goods and services related to the Fiscal Year 2024 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 2024 by the community.

Accruals are used to expense goods and services received before May 1, 2024, 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 that these journals will be reversed on May 1, 2024 (Fiscal Year 2025).

d) 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, 2024, Accounts Payable Department or Finance Department will ensure that the expense is recorded for the current fiscal year (i.e. Fiscal Year 2024).

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 30, 2024 (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 (if expense is not recorded in eReports by May 2, 2024):

Description	AP/Finance will process the accruals	Community will process the accruals
Sm@rtBuy purchases less than \$5K where invoice has been received by Accounts Payable by April 30, 2024	X	
Receiving function completed in Sm@rtBuy (purchases over \$5K) by April 30 (PO begins with P24)	X	
Receiving function not completed in Sm@rtBuy (purchases over \$5K) by April 30 (PO begins with P24)		X
Invoices in Sm@rtBuy not approved by the Community by April 30, 2024		X
Services/Goods where a purchase order was not issued via Sm@rtbuy (PO begins with 24xxxxxxx)		X
Community receives goods or services before May 1, 2024 but does not submit Payment Requisition to AP by April 19, 2024		X

Cash Receipts and Deposits

All monies received up to and including April 30, 2024 must be deposited by Tuesday, April 30, 2024 to be credited to Fiscal Year 2024. 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 30, 2024 for deposits by General Accounting Department. Deposits after this date will be posted in May 2024 (Fiscal Year 2025).

If you have a deposit that relates to Fiscal Year 2024 but that is deposited after the cut-off (April 30), 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, 2024 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, 2024, 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, 2024 (Fiscal Year 2025).

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 Tuesday, April 30, 2024. 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, 2024 (Fiscal Year 2025).

Prepaid Expenses

Units that have paid for goods/services not yet received by April 30, 2024, 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 2024 (April 30, 2024).

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, 2024 (Fiscal Year 2025).

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 7, 2024 to May 9, 2024, 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, 2024 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 Monday, April 22, 2024:

The journal for PCard purchases posted up to Monday, April 22, 2024 (April cycle close date) is targeted for posting on Tuesday, April 30, 2024. Therefore, units (community) can expect to see charges in their operating statements by Wednesday, May 1, 2024.

Charge codes may be amended on Access OnLine until 9 pm on Wednesday, April 24, 2024.

b) Purchases from April 23, 2024 to April 30, 2024:

Finance Department will create an accrual in your cost centres for transactions posted between April 23, 2024 and April 30, 2024.

The data for this journal will be extracted on the morning of Wednesday, May 1, 2024.

If you would like to amend the charge codes for these purchases (April 23 – April 30, 2024), please do so by 5 pm on April 30, 2024. If the charge code(s) has not been amended, the purchase will be charged to the default cost centres and accounts.

Purchasing Requisitions

Receivables and Billings

Procurement Operations will accept purchasing requisitions for the current fiscal year until Friday April 19, 2024. Accounts Payable will process all approved invoices where receipt of goods and services has been confirmed by 5 pm on April 30, 2024. Community to accrue for any expenses not reflected in eReports by May 2, 2024.

a) External billings

Requests for billings to organizations and individuals outside of the University for goods and services rendered in April 2024 must be received by USC Thursday, April 18, 2024.

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, 2024. **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 2024 expenses and charge them against the budget funds for the current fiscal year ending April 30, 2024. Journals recording these internal charges must be received by Finance Department on Tuesday, April 30, 2024.

Travel and Other Advances and Expense Reports

All expense claims that have been submitted via Concur System by 5 pm on April 29, 2024 will be recorded as an expense for Fiscal Year 2024. This expense will be recorded either as an AP transaction 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 Wednesday, April 10, 2024. If any paper-based expense claims are submitted after April 10, 2024 to USC, the community is required to prepare accrual journals and request for auto reversal on May 1, 2024 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 30, 2024 via Concur System or April 10, 2024 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 27, 2024 will be posted on or about Friday, May 3, 2024. The monthly payroll will be posted on Thursday, April 25, 2024.

The bi-weekly pay period ending May 11, 2024 will be posted in May 2024, Fiscal Year 2025.

Finance will create an accrual journal for bi-weekly pay for April 30, 2024 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.

APPENDIX I

Finance Department Closing Timetable Fiscal 2024 Year-End Cut-Off and Report Publication

The year-end for York University operations is April 30, 2024. The cut-off dates for submission are set out below. Please send items listed below to Finance/USC Departments by the cut-off dates to ensure that they are recorded in Fiscal Year 2024.

Procedure	When / Due in Finance /USC Departments
March 2024 final reports available on eReports	Monday, April 8
April 2024 reports available on eReports	Tuesday, April 7
April 2024 – Run 1 Close	
Paper-based expense claims (international claims) submitted to USC for Fiscal Year 2024	Wednesday, April 10
External billings (Invoice requisitions)	Thursday, April 18
Foreign outgoing wires	Wednesday, April 10
Purchasing requisitions in Fiscal Year 2024 approved in Sm@rtBuy (for commitments to reflect in eReports)	Friday, April 19
Last day to accept internally generated payments	Friday, April 19
Last day to approve invoices in Sm@rtBuy	Tuesday, April 30 by 5 pm
Last day for cash receipts to be deposited (for credits to Fiscal Year 2024)	Tuesday, April 30
Last day to approve expense claims submitted via Concur System to be recorded in Fiscal Year 2024	Monday, April 29 by 5 pm
Budget allocation journals	Tuesday, April 30
Last community journals due in Finance Department (Run 1)	Tuesday, April 30
April 2024 monthly payroll posted	Thursday, April 25
April bi-weekly payroll ending April 27, 2024	Friday, May 3
April 2024 Run 1 report on web (refreshed daily)	Tuesday, May 7
April 2024 – Run 2 Close (adjustments only)	
Journals for deferral of revenue to the new fiscal year, prepaid expenses, accounts receivables, and accruals will be processed daily until May 9, 2024. Otherwise, Finance Department approval is required.	Thursday, May 9 by 4 pm
April 2024 Run 2 final report on web (refreshed daily)	Friday, May 10
Account analysis (all balance sheet accounts and selected income/expense accounts)	Monday, May 13 by 12 pm