

FINANCIAL FOOTNOTES

A publication of ASU Financial Services

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Things to Remember for Fiscal Year End Close

Resources

- [Advantage Fiscal Year End Calendar](#)
- [FIN 105: Fiscal Year-End Closing](#)
- [What Is Year End? presentation](#)

Dating Documents

After June 30th, please remember to use on all fiscal 2008 documents the following fields:

- Date of Record: 06 30 08
- Accounting Period: 12 08
- Fiscal Year: 08

Fiscal 2008 Annual Financial Audit

Each year the University undergoes a financial audit of its accounting system and financial statements. The audit is performed by the State of Arizona Office of the Auditor General (AG Office). The audit is typically done in two phases, preliminary work (before we close the fiscal year being audited) and final work (after fiscal year close). The AG Office has begun preliminary work on the fiscal 2008 financial audit. They will be on campus until early July, and then will return in early September to finalize the audit.

Included as part of the preliminary work is a review of the PeopleSoft student and human resources systems, as well as Advantage. The document sample for preliminary work related to the financial audit will include both financial and payroll documents. Financial Services provides the documentation on file related to the financial document sample. The Human Resources Payroll department is the initial contact for the payroll document sample. Other departments may be asked to provide additional support/clarification for transactions if the information on file in Financial Services or Human Resources does not fully answer questions asked by the AG Office.

If your department is contacted by Financial Services or Human Resources for additional documentation related to the audit, we ask that the requested information be provided in a timely manner.

If at any time you have questions about an information request, please contact Yung Briner in Financial Services at 5-7403. Thank you for your cooperation.

June Payroll Expenses

Fiscal year 2008 transactions in Advantage should reflect all activity for the period July 1, 2007 through June 30, 2008. The recording of payroll expenses in Advantage does not always coincide with the actual month when the time was worked. For example, payroll expenses for the period June 16 through June 30 will be recorded as fiscal 2008 activity in Advantage, even though the related pay will not be received by employees until July. This will require departments to estimate payroll expenses while they are working though fiscal year close. In addition to employee salaries and wages, departments should consider all other payroll related expenses including student wages, additional compensation, vacation payouts, and locally funded employee related expenses.

- Payroll expenses for the July 3rd payday (time worked June 16 through June 29), should interface to Advantage as fiscal 2008 expenses by July 7th.
- Time worked on June 30th will be paid on the July 18th payday. One day (June 30) of the July 18th pay period relates to fiscal year 2008 and nine days relate to fiscal year 2009. Approximately 1/10 of the payroll expenses paid on July 18th will post to fiscal year 2008 and 9/10 will post to fiscal year 2009. If an employee started after July 1, the entire expense would post to fiscal year 2009. The payroll expenses for June 30 are expected to interface to Advantage on July 17.

If amounts posted in Advantage for June 30th payroll expenses appear incorrect, please contact your [Financial Services accountant](#) immediately.

Fiscal year close is currently scheduled to occur on Friday, July 18th so any issues related to the June 30th interface must be communicated immediately. The actual closing date will be reassessed once the June 30th expenses have posted. Once the closing process has occurred, no adjustments will be made to fiscal 2008 accounts.

FY08 CLOSE - IMPORTANT DATES

DOCUMENTS

- June 22 - Deadline for Staples orders using StaplesLink
- June 26 - Deadline for all form transactions to HRIS for pay period ending 06/29/08, pay day of 07/03/08
- June 27 - Noon deadline to submit Accounts Receivable documents for FY08
- June 30 - Deadline to process manual warrants for FY08 PVs
Deadline for Cashiering Services to process deposits and cash receipt documents in FY08
- July 2 - Deadline to submit FY08 Travel Claims to the Travel Office
Deadline to submit FY08 PVs and Petty Cash reimbursements to Accounts Payable
Deadline for FY08 RCs (for goods received by 06/30/08)
Deadline for FY08 PC/SC/PDLVPO Vendor Invoices
Deadline for FY08 Service Department II billings
Deadline for Inventory Counts to Financial Services
- July 7 - Deadline for FY08 PC/SC modifications (decreases only)
- July 9 - Deadline for payroll redistributions in HRIS to be recorded in FY08
- July 11 - Deadline for FY08 A1/J1/IX/TV documents
- July 16 - Deadline for VP Offices to balance accounts
- July 18 - FISCAL YEAR END CLOSE

PROCESSES/REPORTS

- June 30 - IDC/ASC FY08 interface
Final FY08 departmental AR interface
Payroll (encumbrances & expenses) interface for pay period ending 06/29/08
- July 3 - Final FY08 data entry by Accounts Payable
FY08 PO disencumbrance
FY08 PC/SC/PD disencumbrance and FY09 reencumbrance
FY08 Travel Document disencumbrance and FY09 reencumbrance
IDC/ASC FY08 interface
Special Check Run (no check run on 07/04/08)
Interim report distribution begins
- July 8 - **Departments start using USR4 to determine state account balance**
FY09 PO reencumbrance
- July 11 - IDC/ASC FY08 interface
- July 17 - Payroll (expenses) interface for pay period ending 07/13/08 (06/30/08 activity post in FY08, 07/01/08 - 07/13/08 activity post in FY09)
Final IDC/ASC FY08 interface
- July 18 - FISCAL YEAR END CLOSE
- July 21 - Final Advantage FY08 report distribution begins

FINANCIAL FOOTNOTES

State Accounts

Prior Year Commitments are encumbrances remaining on state accounts at fiscal year end. They are primarily for capital purchases. Budget increases are processed in the ensuing fiscal year on state accounts to fund the payment for these outstanding encumbrances.

Prior year commitments include:

- Capital purchases coded to object code 78XX - and related non-capital items on the same purchase order - \$500 minimum for total purchase order.
- Internal ASU POs with at least \$500 in outstanding balances to the following vendors:
 - FACMAN/ASUWFCMAN
 - IT/ASUWIT
 - BOOKSTORE (capital only)
 - CANON (capital only)
 - SUNCARD (building security/access projects)
 - COMPUTING (EDP services only, must be coded to 7310 31)
 - ASU STORES (capital only)
 - FURNITURE
 - CARPET
- **Soft Encumbrances** - manually encumbered by Financial Services for special items for long-term projects subject to approval.
 - Departments must make a written request to their Financial Services accountant indicating the circumstances that qualify their request as a soft encumbrance.
 - Soft encumbrance requests must have appropriate VP approval before being submitted to Financial Services.

Contact: [Financial Services accountants](#)

Travel News

New Airline Charges - Airlines around the world have been hit hard by skyrocketing jet fuel prices. The higher prices have prompted airlines to institute fare increases, surcharges and fees for services that previously had been free. Most airline carriers are now charging for extra baggage. Extra baggage charges are not reimbursable by the University unless there are extenuating circumstances such as a trip lasting more than one week. To receive reimbursement, justification of the additional charges approved by the Authorizing Travel Official (ATO) and an original receipt should be submitted to the Travel Department with the travel claim. The Travel department, at their discretion, may request an additional approval by the appropriate provost/vice provost/vice president.

Another new charge arising with the airlines is a charge for checking in a passenger's first bag. The University will reimburse airline charges incurred for a traveler's first bag charge with an original receipt. No justification is required. If additional charges are incurred with the first bag other than a first bag charge, please follow the procedures for extra baggage charges listed above.

Air Travel - Air travel to and from a foreign country under sponsored project awards must be on a U.S. flagship carrier. If a carrier other than a U.S. flagship is used, the airfare may be disallowed on the grant and the traveler or department may be responsible for the cost. For more information on air travel or travel on other common carriers, see [FIN 512](#), "Transportation." For more information on air travel to and from a foreign country under sponsored project awards, see the Research and Sponsored Projects Policies and Procedures Manual— [RSP 504-01](#), "Sponsored Projects Travel for ASU Employees." **Note:** You may contact the Office of Research and Sponsored Projects Accounting to determine an airline's flagship status.

Mileage Reimbursement Rate - In response to the rapid increase in the cost of gas for personal cars, ASU's Travel Department has been in contact with the State of Arizona's General Accounting Office regarding the state mileage reimbursement rate. The state mileage reimbursement rate is 44.5¢ per mile. At this time, the State will not be increasing the mileage reimbursement rate. ASU is required to follow the same reimbursement rate as the State. Therefore, no increase in ASU's mileage reimbursement rate is anticipated in the near future.

If you have questions or need clarification regarding any ASU travel policies or procedures, please contact the ASU Travel Department at 965-3111.

Commitment Accounting

Position Management - A new function has been added to PeopleSoft Position Management. Departments can now delete future funding distribution rows by effective date per position. From the ASU Position Management menu choose **Delete Future Funding Dist.**

myReports and Advantage Enhancements - The University Technology Office has created a myReports blog with helpful information regarding using myReports for payroll related queries. The website is <http://myreportswhatsnew.blogspot.com/>. Please check out the blog periodically to get the latest on Payroll related issues and myReports.

An enhancement was implemented 6/4/2008 to the Advantage Journal Vouchers for Payroll Expense Redistribution entries. The PeopleSoft Redistribution entry number has been added to the Journal Voucher Comment field on the header of the document. You can use the View Redistribution Entry screen in PeopleSoft to look up the Payroll Expense Redistribution entry. All Payroll Expense Redistribution entries post to Advantage as a document type of JV with a document number that begins with P3.

Fiscal 2009 Budget Process

All Funds Budgeting. New for fiscal 2009, all local accounts will be individually budgeted in STAR, regardless of the anticipated expenditures level. Combining related cash basis accounts into "Budget Reference Accounts" for STAR budgeting purposes will be discontinued, unless specifically approved by Lisa Frace, Associate Vice President for Planning and Budget. Based on this criteria, departments should anticipate the need to budget all state, local budgeted, and cash basis accounts in STAR. **However, only state and local budgeted accounts will be controlled by budgets in Advantage.** Available balance for cash basis accounts in Advantage will continue to be year to date funding sources (carry forward balance, current year revenues, and current year transfers in) net of expenses and encumbrances, for each cash basis account. Individual units will not be asked to budget sponsored grant and contract accounts in STAR.

During fiscal 2008, the OPB identified several local cash basis accounts that met the criteria for local budgeted accounts (i.e. expenses and transfers out in excess of \$100,000). This list of accounts has been discussed with departments, and Financial Services has converted these accounts to local budgeted accounts for fiscal 2009. To determine if an account is cash basis or budgeted, go to the APPR table in Advantage (see example below). Note a status of "A" indicates an active appropriation unit. An APPR UNIT ending in "C" indicates a cash basis account.

ACTION: SCREEN: APPR USERID: MM01 06/11/08 08:44:12 AM						
APPROPRIATION INDEX						
BUDGET FY	APPR UNIT	NAME	FUND	AGCY	STATUS	
01-09	WV51013C	CB-ACCOUNTING SERVICES	5110	WV5	A	
02-09	WV51014A	AO-FINANCIAL SERVICES-ASC	5110	WV5	A	
03-09	WV51014B	BF-FINANCIAL SERVICES-ASC	5110	WV5	A	
04-09	WV51014E	ER-FINANCIAL SERVICES-ASC	5110	WV5	A	
05-09	WV51014I	TI-FINANCIAL SERVICES-ASC	5110	WV5	A	
06-09	WV51014P	PS-FINANCIAL SERVICES-ASC	5110	WV5	A	
07-09	WV51014Z	DF-FINANCIAL SERVICES-ASC	5110	WV5	A	
08-09	WV51015A	AO-FINANCIAL SERVICES-LOCAL	5110	WV5	A	
09-09	WV51015B	BF-FINANCIAL SERVICES-LOCAL	5110	WV5	A	

Once budgets are loaded in Advantage, all budget changes to budgeted accounts will be made in Advantage and will interface nightly into STAR (same process used in fiscal 2008). Since cash basis accounts will not have budgets loaded in Advantage, budget changes for cash basis accounts are not processed through Advantage. The STAR administrative team will determine the process for making mid-year changes to budgets for cash basis accounts in STAR.

Fiscal 2009 state and local budgets are currently scheduled to be loaded into Advantage before the close of August 2008. Questions concerning Advantage accounts or transactions should be directed to your [Financial Services accountant](#). Questions regarding STAR, the STAR budget process, or STAR training should be directed to the STAR administrative team at STARadmin@asu.edu.

Announcing the NEW University Administration/Business and Finance Website

The new University Administration/Business and Finance website will be launched on June 30th. The new website aligns University Administration and Business and Finance departmental websites, creating a more functional, user-friendly website for ASU's community. It moves towards a more cohesive, one-stop, service-oriented site and away from individual departmental websites. We hope that this new website helps our customers locate information, tools and services faster and more efficiently. The website will be located at <http://uabf.asu.edu>.