Financial Services
Guide to Year End Procedures 2017-18
The following year end guidelines have been prepared by Financial Services. Updates and communications related to approaching deadlines will be communicated through the Aurora Client mailing list. Not a member? Subscribe here today!

The University of Manitoba Fiscal Year End Calendar is made available by February each year on the Year End at the University website.
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The University’s fiscal year-end of March 31, 2018 is quickly approaching and we ask for your assistance to ensure that all transactions relating to the 2017-2018 fiscal year are included in this year’s financial results.

So what does that mean? And what do you need to do?

Understanding Year End

What is Year End?

Year end is a snapshot in time where we report all assets and liabilities of the University, as well as the revenue, expenses and fund transfers for the year ending March 31st.

Why do Year End?

The University is required to provide an Annual Financial Statement to the Provincial Legislature. This information is audited by the Auditor General of Manitoba; their audit process begins each fall.

What is cut-off?

Accounting cut-off procedures are used to record transactions in a specific time period being reported on, fiscal year ending March 31st, and to prevent transactions that occurred after March 31st from being recorded as “old year”. Essentially this means, if an event has occurred during a certain period, the financial impact must be recognized in that period. This includes both expenses and revenues.

Why does cut-off matter?

Cut-off procedures ensure the integrity of our financial information. Without a clear cut-off, errors can occur which can impact the entire University.

Information that contains errors impacts the Financial Statements and may be reported to the Board of Governors. When expenses or revenue are reported in the incorrect period:

- The Financial Statements will contain errors
- Your budget available may be impacted
- Your carryover will be incorrectly reflected
- On a research grant, the expense could be deemed an ineligible expense as its outside the timeline of the grant

Financial Services works diligently during Year End to review and enter transactions to ensure expenses and revenue are properly captured. This includes processing various transactions, accruals such as payroll to “old year”, tracking down large dollar invoicing from suppliers, preparing reports and much more!
How You Can Help....

Financial Services relies on you throughout the fiscal year and during Year End to provide the details of transactions that have occurred. *So how can you help?*

- Reconcile your FOPs - make any adjustments ahead of time
- Remind staff to submit travel claims promptly
- Send ALL invoices from Suppliers to Supplier Payment Services as soon as possible... do not hang on to it
- Review your Purchase Order commitments in FAST—ensure all invoices have been recorded for goods/services received before April 1st
- All leftover commitments should be reported to Purchasing Services ([purchasing@umanitoba.ca](mailto:purchasing@umanitoba.ca)) to have the Purchase Order closed and commitment removed.
- Process all your payroll - including adjustments & changes in source of funds
- Deposit all cheques/cash daily
- Submit requests to purchase goods/services early - don’t wait until the last minute!
- Follow up on outstanding Advances in your area - there may be old year expenses that need to be accounted for
- Approve your Concur expense reports
- Approve EPIC Contract invoices
- Reconcile Purchase Order invoice reconciliations ([review the Outstanding Invoice Reconciliations report frequently!](#))
- Make sure revenue “contracts” have been recorded - if not ... let us know! If a contract was cancelled ... let us know!
- Respond to requests for information from Financial Services and/or Auditors
- Follow the year end deadlines
Frequently Asked Questions

**We don’t have an invoice yet; can we expense it next year?**
Expenses must be allocated to the fiscal year you receive the goods or service. Ensure all invoices are forwarded to Supplier Payment Services and all IR’s in EPIC are complete.

**We are over budget; can we submit the invoice/claim next year?**
Expenses must be allocated to the fiscal year they occurred; submit all invoices & claims in the same year the expenditure takes place.

**We are under budget; can we charge an invoice from April to old year?**
Goods or services received after March 31st are considered New Year expenditures and cannot be allocated to past fiscal years. Despite your instructions, we will charge New Year expenses to the New Year.

We contact suppliers to ensure we have received the invoices. If we see it is not recorded correctly we will ensure it gets entered.

**What do I do if my invoice applies to 2017-18 and 2018-19?**
In some cases an invoice is for an expense that covers a period for more than one fiscal year. For example, a software agreement worth $200,000 for the period of August 2017 to July 2018 includes time in both the 2017-18 and the 2018-19 fiscal years. The period of April to July 2018 is treated as a prepaid expense in the 2018-19 fiscal year and the amount for this period must be recorded in the correct period. Please contact Ijaz Malik at 204.474.8727 or email Ijaz.Malik@umanitoba.ca to discuss any prepaid invoices which need to be recorded.

**We are not accepting the amount to be paid to a supplier, can we send in the invoice when the issue is resolved?**
If the goods/services were received before March 31st the expense is old year. Send Supplier Payment Services (SPS) the invoice and advise of the issues so we can record it; we will put payment on hold until the issues are resolved.

**We received an item we didn’t pay for so I don’t need to worry, correct?**
It’s possible the value of the goods/services received still needs to be recorded based on fair value. Contact Purchasing Services to discuss immediately.

**We received a payment for next year, when should I deposit it?**
For security purposes payments should not be kept in any office. All funds are to be deposited promptly; if it is related to the new fiscal year it will be deposited to your FOAP as a New Year transaction or deferred revenue.

**I did an AR billing in FAST but we have not received payment, will Financial Services collect it?**
The unit who initiated the A/R invoice is responsible to collect all the outstanding balances. Financial Services will assist with collection when an account balance is not paid in full to resolve overdue accounts.

Invoices that have been outstanding for an extremely long period will be reversed and charged to your budget. If you collect on the invoice later, you will be credited with the revenue.
Frequently Asked Questions

My research grant expires and I have not spent all the funds. Can I enter a purchase requisition for the remaining amount?

Only actual expenses incurred, where an invoice has been received can be charged to the old year. Commitments for items not received by March 31 are not included as expenses.

When can I expect my Operating carry-over?

Carryover will be made available in June 2018.

Can I move expenses from my one fund to another?

Yes, but only if they are in fact directly related. You should not make “lump sum” adjustments to generate carry-over. Adjustments must contain detailed supporting documentation e.g. invoice numbers & amounts that support the adjustment. Moving expenses or budget between Tier 1 and Tier 2 funds will be reviewed.

What is an accrual and why do they happen?

Accruals are end of period adjustments - journal entries to record the estimated revenue or expenses in the correct fiscal year. Recording an accrual ensures that the transaction is recognized in the accounting period when it was incurred and is critical to the accuracy of fiscal year end reports and financial statements. Accruals are estimates and it is possible that the actual amount can vary. The difference will be charged in the new year.

When do accruals occur?

Accruals are recorded before the fiscal year is closed and are immediately reversed into the new fiscal year to avoid a double entry.

How can I recognize accruals in FAST Reporting?

An accrual entry will have “Accrual” in the description field. For example, a payroll accrual could show as “2017-18 Bi-Weekly payroll Accrual” and a PO accrual as “PO Accrual 2018”

Accruals in the new fiscal year will show in FAST Reporting as two entries:

1. March - The original transaction to record the expense/revenue will be dated, and
2. April - The accrual reversal to remove it.

The net effect is zero in the new fiscal year as the revenue or expense is applied in the prior fiscal year.

Have more questions? Please contact the appropriate team listed in the Department Contacts section.
Department Contacts

The below customer service phone numbers listed by **Transaction type** are available to assist you in completing fiscal year end.

<table>
<thead>
<tr>
<th>Transaction Type</th>
<th>Contact Area</th>
<th>Phone Number</th>
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<tbody>
<tr>
<td>Book Store/Pharmacy/Post Office</td>
<td>Ancillary Services</td>
<td>474-8321</td>
</tr>
<tr>
<td>Budget Entries</td>
<td>Budget Accounting</td>
<td>474-9318</td>
</tr>
<tr>
<td>Cash Advances, Travel Expense and Petty Cash Reimbursements</td>
<td>Travel Supervisor</td>
<td>272-1659</td>
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<tr>
<td>Cash Receipts</td>
<td>Cashier Supervisor</td>
<td>474-8222</td>
</tr>
<tr>
<td>Inter-Departmental (ID) Charges</td>
<td>General Accounting</td>
<td>474-9574</td>
</tr>
<tr>
<td>Journal Entries - Operating Funds</td>
<td>Budget Accounting</td>
<td>474-9318</td>
</tr>
<tr>
<td>Journal Entries - Research Funds - Bannatyne Campus</td>
<td>Research Supervisor</td>
<td>789-3724</td>
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<tr>
<td>Journal Entries - Research Funds - Fort Garry Campus</td>
<td>Research Supervisor</td>
<td>474-8730</td>
</tr>
<tr>
<td>Payroll Transactions and Salary Adjustments</td>
<td>Payroll Reception</td>
<td>474-6632</td>
</tr>
<tr>
<td>Purchase Requisitions, Contracts, Quotes and Receipt of Goods</td>
<td>Purchasing Services Customer Service</td>
<td>474-8348</td>
</tr>
<tr>
<td>Supplier/Accounts Payable Invoices</td>
<td>SPS Reception</td>
<td>474-6632</td>
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<tr>
<td>University Accounts Receivable Invoices (AR)</td>
<td>General Accounting</td>
<td>474-8362</td>
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<tr>
<td>Deferred Revenue</td>
<td>General Accounting</td>
<td>474-8480</td>
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<tr>
<td>System Assistance</td>
<td>Aurora Finance Helpdesk</td>
<td>480-1001</td>
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