

**MEMORANDUM**

May 3, 2017

TO: Division and School Business Managers, Purchasing Staff, IACS staff, Finance Staff

FROM: Kelli Perry  
Assistant Vice President for Finance and Controller

RE: **Fiscal 2017 Year-End Closing**

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<i>Year-End Budget Activities</i>
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**The following sets forth year end processes for budget activities for fiscal year 2017:**

**Carry Over of Budget Surpluses**

Carryover of current year budget surpluses into a reserve or restricted fund for the purpose of subsequent year spending is not allowed. All activities and resource needs should be put forth during the budget planning process. If additional activities and therefore resource needs materialize for fiscal year 2018, opportunities to propose those resource needs are the quarterly forecasts, and between these times if necessary. A formal proposal process is articulated in the published budget policies.

Designated funds approved for use during the fiscal year 2017 budget process were approved for one year only. The balances in these funds will revert to the Institute at the end of this fiscal year unless they were included in your fiscal year 2018 budget request. Start up funds and research incentive funds are excluded. Start up funds have a four year term and research incentive funds have no end date. Please call the Budget office, if you are uncertain of the status of a particular fund.

**Rolling of Budgets**

During the fiscal year 2017 year-end processing period and before restricted fund budgets are rolled, NSF checking on restricted funds will be turned off (effective June 29<sup>th</sup>), allowing purchasing and invoicing to continue through OSCAR. For unrestricted funds, fiscal year 2018 budgets will be loaded to Banner in May, allowing fiscal year 2018 purchasing and invoicing to continue with NSF checking. In addition, during this period, RAF will be loading new research award funding.

NSF checking for restricted funds will resume as soon as the budgets roll. This will most likely not happen until the middle of August. Please ensure that you are monitoring the spending up until that point.

**Encumbrances**

Restricted budgets will not be rolled forward until the middle of August, however all encumbrances will be rolled forward July 20th. This process rolls restricted budget dollars forward on committed but not yet received or paid for purchases. (Restricted funds please review the Budget Roll section).

**Capital Projects**

Unless considered to be a multi-year project as part of the annual comprehensive capital budget process, the majority of capital projects approved for fiscal year 2017 and prior were generally to be completed by the end of the fiscal year.

Upon completion of approved capital projects funded with unrestricted funds, any savings from budgeted amounts will be transferred to the President's Capital Contingency Fund. Capital funds residing in research, designated, restricted, or plant fund accounts, whether encumbered or not, will only carry over into fiscal year 2018, if it is clear that the project is still in progress with specific timelines and projected outcomes in place.

The Finance Division, in conjunction with the Administration Division and the affected portfolio, will be assessing the status of each approved capital project to determine the appropriateness and size of the carry over for each project still in progress. To assist in this process, portfolios must request, **by close of business on Tuesday, June 5<sup>th</sup>**, the rollover of funding for each of the portfolio's affected capital projects.

Each such request should contain the amount of the requested carry over, a description of the reasons for the carry over, and the new expected completion date for the project. Such requests should be made in conjunction with and in consideration of the quarterly capital budget cash flow forecast process in place for fiscal year 2017, including the most recent forecast completed in April 2017. Carry over requests, along with any questions on this process, should be directed to Helen Grzymala at [grzymh@rpi.edu](mailto:grzymh@rpi.edu) and Steve Schwan at [schwas@rpi.edu](mailto:schwas@rpi.edu).

#### Year-end Reporting and Expenditure Activities

**The following sets forth year end processes for actual expenditures for fiscal year 2017:**

##### **Prepaid Expenses**

Some invoices during the latter part of the fiscal year are prepaying expenses relating to the next fiscal year. This often occurs with maintenance and service contractors, membership dues and expenses for events which will take place at a later date. Beginning in April, Accounts Payable will check dates of service on invoices. A journal voucher will occur to move these items to a prepaid account in fiscal year 2017. These expenses will not be reflected in your fiscal year 2017 budget to actual. They will impact your fiscal year 2018 budget to actual due to the associated date of service.

##### **Purchase of Equipment, Supplies and Services (All Funds)**

Expenditures for equipment, supplies and services can be recorded in the current fiscal year, provided the items have been received or services rendered to Rensselaer on or before June 30, 2017. For partial shipments, those items actually received on or before June 30<sup>th</sup> can be reported as an expense in the current fiscal year.

##### **Purchase Requisitions and Commitments - Unrestricted Funds**

Purchase requisitions for **unrestricted** funds received by Procurement **prior to noon on June 5<sup>th</sup>** will be processed as a fiscal 2017 encumbrance. If an invoice is not received by Accounts Payable by July 12<sup>th</sup> the encumbrance will roll into fiscal year 2018, however, as stated above, the budget dollars associated to the encumbrance will **not** be moved into fiscal year 2018.

All other fund types automatically carry forward to the next fiscal year and requisitioning prior to year-end is not necessary to carry forward those funds.

##### **Travel & Entertainment**

For Concur Expense Reports: All T&E that took place in fiscal year 2017 should have an expense report submitted and fully approved in Concur by **close of business on June 29<sup>th</sup>** to be included in fiscal year 2017. *Hint: In Concur the 'Payment Status' of the expense report must be 'Extracted for Payment' with a date of 6/28/17 or prior.* If charges are submitted and approved after June 28<sup>th</sup> and have a transaction date in fiscal year 2017, the

accounting department will accrue the charge in fiscal year 2017 at the Institute level not the department level. The charges will not hit your individual budget until fiscal year 2018.

All paper T&E expense reports (Students/Visitors) should be submitted to Accounts Payable by **close of business on July 3rd** to be included in fiscal year 2017 activity.

Any money due Rensselaer should be sent to Christopher Thorne.

### **Payroll**

All labor redistribution requests that affect unrestricted funds for fiscal year 2016 must be submitted **prior to noon on July 3rd** for preliminary close and by July 17<sup>th</sup> for the final close.

### **Internal Billings, Journal Vouchers & Financial Transaction Request Forms**

Every effort will be made to process current fiscal year transactions prior to the noon closing on July 7<sup>th</sup>. After June 30<sup>th</sup>, funds may no longer be available in the account incurring the charge. FTR (Financial Transaction Request Forms) received by the Controller's Office **prior to noon on July 6th**, will be processed with the preliminary June closing. Only adjustments or corrections can be processed after July 6th.

### **Invoices**

All fiscal year 2017 invoices from the Digital Mailroom (DMR) and approved Direct Pays should be processed and approved in OSCAR **prior to noon on July 17<sup>th</sup>** to appear as a June expense. If you receive one that relates to fiscal year 2017 after that date you need to notify the accounting department.

### **Financial Reports**

Departments that have on-line access to the BANNER Systems can view their preliminary financial information after 6:00PM on July 7<sup>th</sup>. Updated financial information will be available in the data warehouse on July 10<sup>th</sup>.

### **Corrections and Adjustments**

If corrections are required after reviewing the preliminary June reports, the Controller's Office must be notified in writing **by July 17<sup>th</sup>**. Financial Transaction Request Forms sent to the Controller's office should **clearly state that the transaction is an adjustment to fiscal 2017**; otherwise it will be processed to fiscal year 2018. **Requests for corrections and/or adjustments cannot be made after July 17<sup>th</sup>, and prior year records cannot be adjusted after the books have been closed.**

Attached is a brief summary schedule of the appropriate cutoff dates.

We appreciate your assistance in helping us ensure a smooth year end process. Should you have any questions concerning this memo or other year-end activities, please contact John Kalbacher at extension 6788.

**RENSELAER**  
**Year-End Closing**  
**Fiscal 2017**

<b>Date</b>	<b>Action Required</b>
<p>Beginning April 1, 2017</p>	<p><b><u>Find, Request, and Submit all invoices that relate to fiscal year 2016</u></b>            If the invoice has a date of June 30, 2017 or earlier it is a fiscal '17 expense. If the invoice is for services rendered in June or prior and the invoice is received in July or August it is a fiscal year 2017 expense. If you have received equipment or service and have not been invoiced please contact the supplier and request the invoice. Holding invoices will not push the expense to fiscal year 2018. Also during this time please review all encumbered amounts and open PO's.</p> <p><b><u>Prepaid Expenses</u></b>            Some invoices during the latter part of the fiscal year are prepaying expenses relating to the next fiscal year. This often occurs with maintenance and service contractors, membership dues and expenses for events which will take place at a later date. Beginning in April, Accounts Payable check dates of service on invoices. A journal voucher will occur to move these items to a prepaid account in fiscal year 2017. These expenses will not be reflected in your fiscal year 2017 budget. They will impact your fiscal year 2018 budget due to the associated date of service.</p>
<p>By end of May, 2017  June 5, 2017          June 29, 2017   June 29, 2017   July 5, 2017</p>	<p><b><u>FY18 Budgets Loaded – for unrestricted funds</u></b></p> <p><b><u>New Purchase Requisitions</u></b>            Last day to submit new purchase requisitions from unrestricted funds for fiscal year 2017 to Procurement. Please remember that carryover of current budget surplus is not allowed. Exceptions to this rule include Start-Up funds, research incentive funds and some plant funds. If you are uncertain of the status of a particular fund please call the Budget Office.</p> <p><b><u>Capital Rollover Funding Approval</u></b>            Last day to submit roll-over funding requests for capital projects. The majority of capital projects are a one-year expense and therefore completed by the end of the fiscal year. Upon completion of approved capital projects funded with unrestricted funds, any savings from budgeted amounts will be transferred to the President's Capital Contingency Fund. Capital projects funded from research, designated, or restricted funds, whether encumbered or not, will only carry over into fiscal year 2018 if it is clear that the project is still in progress with specific timelines and projected outcomes in place. Requests for roll-overs should contain a description of the reasons for the carry over, and the new expected completion date for the project. These requests should be sent to Helen Grzymala at <a href="mailto:grzymh@rpi.edu">grzymh@rpi.edu</a> and Steve Schwan at <a href="mailto:schwas@rpi.edu">schwas@rpi.edu</a>.</p> <p><b><u>Budget Authorization Removed – Restricted Funds</u></b>            Budget Authorization step to be removed from RPI SciQuest production workflow for restricted funds.</p> <p><b><u>Travel and Expense Reports</u></b>            Last day to submit and approve Concur expense reports for fiscal year 2017.</p> <p><b><u>Labor Redistributions</u></b>            Last day to request any Labor Redistributions that affect <u>unrestricted funds</u> for fiscal year 2017 to be included in the preliminary closing.</p> <p><b><u>Financial Transaction Request Forms (FTR's)</u></b>            Last day to submit Journal Vouchers, (FTR) Financial Transaction Request forms; All OSCAR invoices for inclusion in preliminary June reports. Internal Billings also need to be submitted by this date. This date functions like any other monthly close. Please insure that you have submitted everything that needs to be included in fiscal year 2017.</p>

<p><b><u>Preliminary Close:</u></b></p> <p>July 7, 2017</p> <p>July 10, 2017</p>	<p>Preliminary close begins at noon.</p> <p>Preliminary financial data available in BANNER on line systems after 6:00PM.</p> <p>Preliminary fiscal year 2017 financial data available in Data Warehouse.</p>
<b><i>Preliminary close is complete</i></b>	
<p><b><u>Review Period before Final Close:</u></b></p> <p>July 10 thru July 17, 2017</p>	<p>Preliminary financial data available in the data warehouse. <b><u>You must review everything to ensure accuracy of your funds.</u></b> By July 17th please submit any changes to the finance_rice.edu email address. Please do not send duplicate information because the request may be processed by different people.</p>
<p><b><u>Last Day For The Following:</u></b></p> <p>July 3, 2017</p> <p>July 17, 2017</p>	<p>Last day to submit PAPER T&amp;E expense reports (Students/Visitors) to Accounts Payable.</p> <p>Last day to process and approve <b><u>invoices</u></b> in OSCAR.</p> <p>Last day to request any <b><u>Labor Redistributions that affect unrestricted Funds</u></b> for FY 2017.</p> <p>Last day to submit other fiscal year 2017 <b><u>adjustments or corrections.</u></b></p> <p><b>No other changes for fiscal 2017 will be allowed unless there is an appropriate accounting requirement that needs to be fulfilled.</b></p>
<b><u>Final Close:</u></b>	
<p>July 18, 2017</p> <p>July 19, 2017</p>	<p>Final close, preliminary financial results will be available in Banner after 6:00PM.</p> <p>Final fiscal year 2017 financial data available in Data Warehouse.</p> <p>Encumbrances that are allowed to be carried over will be rolled once the close is final.</p>