



AUDITOR-CONTROLLER

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Auditor-Controller

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DATE: May 6, 2015

MEMO TO: Department Budget Managers and Accounting Staff

FROM: Mike Firpo, General Ledger Manager 
Auditor-Controller

SUBJECT: **2014-2015 YEAR-END ACCOUNTING INSTRUCTIONS**

The attached documents provide the fiscal year-end accounting calendar and instructions that will assist departments with the accounting close process.

The year-end training is scheduled for the following date, time, and location:

- **May 27th, 2015, Wednesday**
10:30AM – 12:00PM, Board Chambers, 1010 10th Street Place basement

The training focuses on the accounting events necessary for departments to effectively account for operating expenses, revenues, and fixed asset acquisitions specific to the fiscal year ending June 30th, 2015. The target audience is department finance/accounting staff. The training is recommended for personnel who are new to the fiscal year-end process. There will be an opportunity to ask questions at the training. However, if you know your questions in advance you can send inquiries to us prior to the training date to allow us time to better prepare.

Also, if you have special reporting requirements or deadlines, please contact us as soon as possible so that arrangements may be made to assist you. Should you have questions or require special assistance please contact the staff noted in the fiscal year-end schedule/calendar or your Auditor-Controller Department contact.

Attachments include:

- Fiscal Year-End Schedule of Key Due Dates/Calendar
- Accounts Payable Information and AP Decision Table
- Accounts Receivable Information and AR Decision Table
- Fixed Assets
- Encumbrance Information

Thank you

Attachments

Stanislaus County Fiscal Year-End Schedule of Key Due Dates/Calendar 2014-2015

Due Date	Day	Activity	Action	Receiving Office & Contact(s)
6/22/2015	Monday	Purchasing	Last day to request prior year purchase order (PO) liquidation	GSA ¹ - Elvia Quintanilla & Cathy Blair 525-6319
6/24/2015	Wednesday	Purchasing	Last day to submit a requisition for 2014-2015	GSA - Elvia Quintanilla & Cathy Blair 525-6319
6/30/2015	Tuesday 10:00 AM	Accounts Payable	Allocate B of A Works Purchasing Card transactions 5/24-6/23/2015	AC ² - Payables Division Becky Tuss 525-6541
7/06/2015	Monday 5:00 PM	Accounts Payable	Allocate B of A Works Purchasing Card transactions 6/24-6/30/2015	AC - Payables Division Becky Tuss 525-6541
7/10/2015	Friday	Purchasing	Last day to submit increase requests for FY 2014-15 PO's	GSA - Elvia Quintanilla & Cathy Blair 525-6319
7/10/2015	Friday 5:00 PM	Accounts Payable	Payment Order Coding Strips for FY 2014-15 invoices: Goods and services received by 6/30/2015	AC- Payables Division Naleena Singh 525-6535 Becky Tuss 525-6541
7/10/2015	Friday	General Ledger	Physical Inventory Reports for Fleet Services, Central Services, Public Works, & Sheriff's Office	AC – General Ledger Nathan Amarante 525-6526
7/14/2015	Tuesday	General Ledger	Sales tax/Use Tax Logs due: Taxable items purchased with no sales tax applied	AC – General Ledger Jillian Echavarria 525-6598
7/15/2015	Wednesday 5:00 PM	Fixed Assets	Last day to enter fixed assets purchased in FY 2014-15 in the Fixed Asset module	AC – General Ledger Naleena Singh 525-6535
7/15/2015	Wednesday	Revenue	Last day to request invoices for services provided in FY 2014-15	AC – Revenue Division Melody Bughi 525-6546
7/16/2015	Thursday 1:30 PM	Revenue	Last day for FY 2014-15 Deposit Permits: revenue earned in 14-15	AC – Revenue Division Melody Bughi 525-6546
7/16/2015	Thursday 5:00 PM	Revenue	Estimated Accounts Receivable Listing: FY 1415 revenue earned but not received (PR Invoice)	AC – Revenue Division Melody Bughi 525-6546
7/16/2015	Thursday 12:00 PM	Accounts Payable	Accounts Payable Listing: FY 2014-2015 Goods & Services received but not invoiced	AC - Payables Division Naleena Singh 525-6535 Becky Tuss 525-6541
7/23/2015	Thursday	General Ledger	Last day to receive School District journal vouchers for FY 2014-15	AC – General Ledger Jillian Echavarria 525-6598
7/24/2015	Friday	General Ledger	Last day for County Department FY 2014-15 journal vouchers	AC – General Ledger General Ledger staff
7/31/2015	Friday	General Ledger	Year-End Close: Oracle Financial Management System close Jun-15	AC – General Ledger Mike Firpo 525-7599
8/20/2015	Thursday	General Ledger	Accounts Receivable Full Accrual Worksheet: Revenue earned 14-15 & received after 12/30/15	AC - General Ledger Nathan Amarante 525-6526

¹ GSA – General Services Agency

² AC – Auditor-Controller

Stanislaus County Fiscal Year-End 2014-2015

Inventory & Accounts Payable (Expenditures/Expenses)

1. Physical Inventories:

Annual physical inventory reports for the Public Works - Road & Bridge Division, Morgan Shop, Fleet Services, Sheriff's Office Jail Commissary and Central Services are due at the Auditor-Controller by Friday, July 10, 2015.

2. Accounts Payable Documents:

All coding strips to be paid against the FY 2014-2015 budget are to be keyed and submitted to the Auditor-Controller's Office Accounts Payable Division by Friday, July 10, 2015. Please remember to change the Oracle GL date field to **30-JUN-2015** for FY 2014-2015 coding strips that will be keyed in the month of July. Although the deadline for submitting the coding strips is July 10th (5:00 p.m.), the Auditor-Controller would appreciate receiving the coding strips as soon as the strips are completed to assist with timely processing.

3. Accounts Payable Listing:

All coding strips and expenditures for FY 2014-2015 not submitted for payment by July 10, 2015, and with a value equal or greater than \$5,000 are to be listed on the Accounts Payable Listing form. The form will be available on the Intranet under Auditor-Controller, County Services, Year End Services (see example attached). The Accounts Payable Listing form is used for goods or services received on or before June 30, 2015 and not invoiced by July 10, 2015. Goods or Services items with an estimated cost equal to or greater than **\$5,000** should be listed on the form. The following information must be completed: supplier name, supplier number, supplier site, GL coding and the amount. If applicable, include the Purchase Order (PO) number and specify the amount to be applied by PO line. (Note: Please ensure that the PO lines have adequate funds available.) The Accounts Payable Listings form is due to the Accounts Payable Division of the Auditor-Controller by Thursday, July 16, 2015 at 12:00 noon.

The Auditor-Controller will assign Vouchers Payable (VP) numbers that represent the invoice numbers in Oracle. The VP's will be keyed in Oracle with a **30-Jun-2015** General Ledger (GL) date. A copy of the completed listing forms will be sent to the Departments.

When the vendor invoice is received and prepared for payment, print the Oracle coding strip on pink paper, identify the VP number, attach the invoice and submit to Auditor-Controller Accounts Payable division. **Note: The expense and accounts payable has been recorded at the time the VP was keyed in Oracle. Consequently, the vendor invoice will not be keyed into Oracle.** The Auditor-Controller will process the invoice for payment.

All coding strips received after the Friday, July 10th deadline and not included on the Accounts Payable Listing form will be charged to the new fiscal year.

For additional information related to Accounts Payable, please contact Naleena Singh at 525-6535 or Becky Tuss at 525-6541.

Stanislaus County Fiscal Year-End 2014-2015

Accounts Receivable (Revenue)

4. Deposit Permits (DPs) for Revenue Earned in 2014-2015:

Since both June and July fiscal periods will be open during the period of July 1 – July 16, 2015, follow the procedures below to identify Revenue for Prior Year (Old Year) and Current Year (New Year).

- A Year-end Tag must be attached to all DPs submitted between July 1-16, 2015 indicating that the revenue is to be recorded in OLD YEAR (FY 2014-2015) or NEW YEAR (FY 2015-2016).
- Revenue earned in FY 2014-2015 (Old Year) and received through Thursday, July 16, 2015, should be submitted on a separate DP and checked as “OLD YEAR” on the Year-end Tag. The posting date should be identified as **30-JUN-2015 G/L date**. These deposit permits must be submitted to the Treasurer’s office by 1:30 pm on Thursday, July 16, 2015.
- Revenue earned FY 2015-2016 (New Year) and received through Thursday, July 16, 2015, should be checked as “NEW YEAR” on the Year-End Tag.

5. Estimated Accounts Receivable Listing and Request for Invoices:

Revenue earned in FY 2014-2015 in the amount equal to or greater than **\$5,000** and not deposited by Thursday, July 16, 2015 must be listed on the Estimated Accounts Receivable form. The revenue listed on this form is expected to be received by December 31, 2015, within 180 days of fiscal year end.

All accounts receivable items listed must be supported by documentation. Please attach a copy of the supporting documentation for our records or email to Melody Bughi: bughim@stancounty.com. Supporting documentation must include all available schedules, work sheets, contracts, and grant agreements. The copy of the supporting documentation will be reviewed by the Auditor-Controller Revenue Division Supervisor. The fund, organization (org), account, etc. and prior year receivable (PR) customer number, if known, must be included on the form. The Estimated Accounts Receivable forms are due in the Auditor-Controller Revenue Division by 5 pm on Thursday, July 16, 2015.

Departments may request invoices to bill for services provided. These invoices will have an invoice number assigned to the appropriate accounts receivable transaction. A copy of the invoice will be sent to the Department. The assigned invoice number is to be identified on the Deposit Permit at the time revenue is received. Requests to generate invoices for services provided in FY 2014-2015 are due to the Auditor-Controller Revenue Division by Wednesday, July 15, 2015.

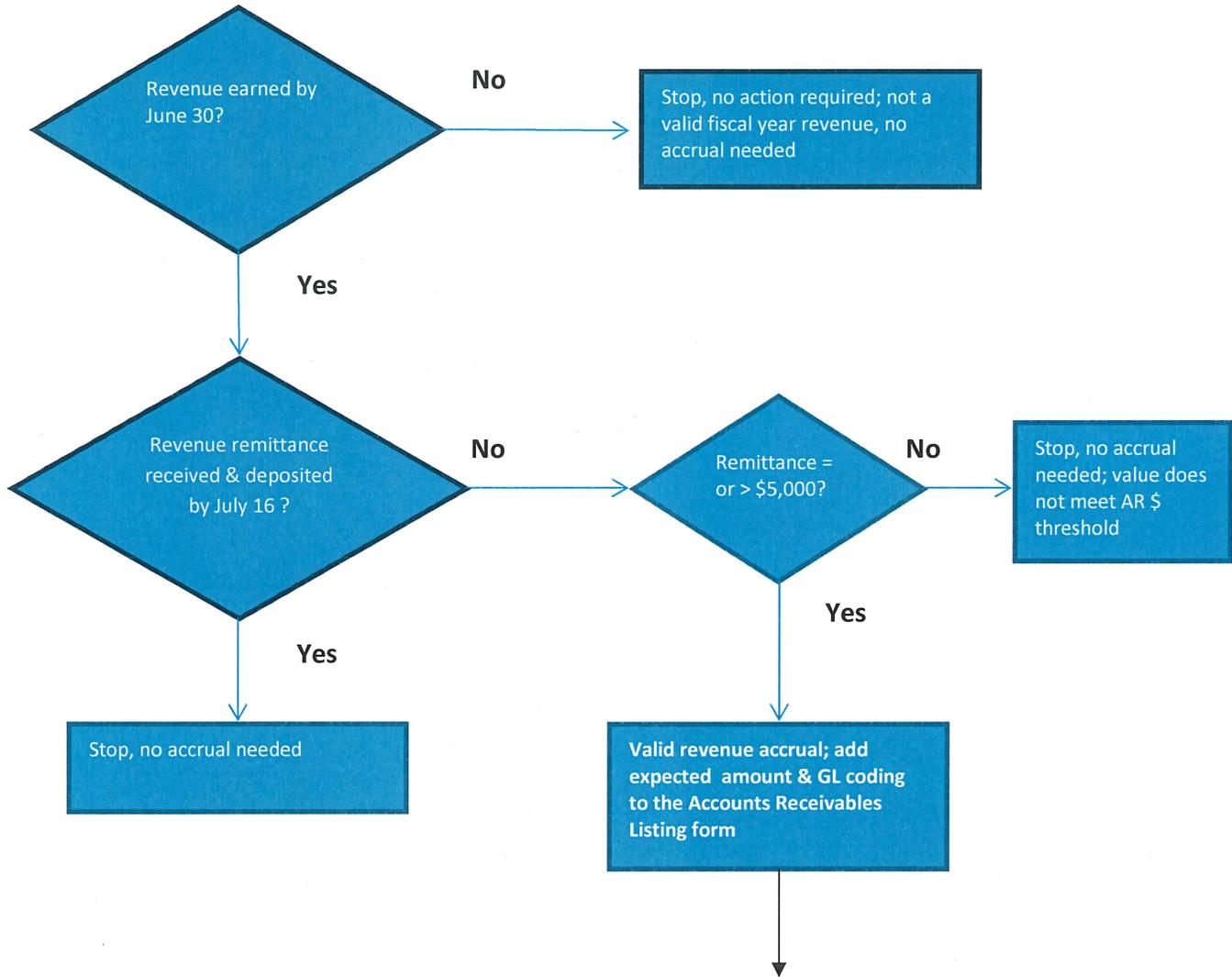
For additional information on accounts receivable, deposit permits, or invoices, please contact Melody Bughi (525-6546) at the Auditor-Controller.

6. Accounts Receivable Full Accrual Worksheet

The worksheet represents revenue earned in FY 2014-2015 but not expected to be received by Thursday, December 31, 2015 (within 180-days of fiscal year end). The balances submitted on this worksheet will **not** be keyed in Oracle. Instead, the amounts will be added to the government-wide financial statements in accordance with the modified accrual basis of accounting. Please use the Worksheet to identify revenue earned equal to or greater than \$100,000. Attach a copy of the support for the receivable and return it to Nathan Amarante (525-6526) at the Auditor-Controller.

Stanislaus County Fiscal Year-End 2014-2015

Accounts Receivable Decision Table



COUNTY OF STANISLAUS
 AUDITOR-CONTROLLERS OFFICE
 ESTIMATED ACCOUNTS RECEIVABLE LISTING
 INFORMATION TO BE PROVIDED BY DEPARTMENT

GL DATE: JUNE 30, _____
 FISCAL PERIOD: JUNE _____

DEPARTMENT NAME: _____
 PR CUSTOMER NO: _____
 DOCUMENT AMOUNT: _____

LINE NO	AMOUNT	FUND	ORG	ACCT	GL PROJ	LOCATN	MISC	OTHER	DESCRIPTION	EXPECTED DATE OF RECEIPT	FOR AUDITORS USE ONLY PR NUMBER(S)
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											

EXPLANATION: _____

PREPARED BY: _____

APPROVED BY: _____ DEPARTMENT HEAD SIGNATURE NEEDED

CONTACT PERSON: _____ PHONE NUMBER: _____

AUDITORS OFFICE USE ONLY

PR AUDITED BY: _____ PR KEYED BY: _____

Stanislaus County Fiscal Year-End 2014-2015

FIXED ASSETS

Deadline: Wednesday, July 15th, 2015 at 5:00 PM

Fixed Asset Definition

A long-lived tangible asset used in department operations with an acquisition cost of \$1000 or more. For example: buildings, equipment such as computers and cars, improvements other than buildings, and land.

Recommended Steps at Year-End

1. Review the postings to your fixed asset accounts and your equipment expense accounts to determine what fixed assets you have purchased.
2. Locate all the back up for the fixed asset purchases (e.g., Invoices, journal entries, purchasing card receipts, etc.)
3. Put a Stanislaus County property tag (when applicable) on the items purchased.
4. Fill out the fixed asset data entry form with the information from the backup.
5. Key all FY 2014-2015 fixed assets into the Oracle fixed Asset module by 5:00 PM on [July 15, 2015](#).
6. User guides, policies, and other reference material are available on the Oracle FMS webpage, Fixed Assets section: <http://intranet/applications/oracle-fms>

**For assistance contact:
Naleena Singh
Fixed Asset Accountant
Auditor-Controller's Office
SINGHN@stancounty.com
525-6535**

Stanislaus County Fiscal Year-End 2014-2015

Encumbrance Information

<i>Encumbrance Type</i>	<i>Purchasing/Accounts Payable Document</i>
Commitment	Requisition
Obligation	Purchase Order
Invoices	Supplier/Vendor Invoice processed for payment

General Ledger debits and credits:

- Encumbrance increase = debit
- Encumbrance decrease = credit

Purchasing requisition and purchase order events as well as Accounts Payable Invoice payments matched to purchase orders create encumbrance journals that are posted to the General Ledger on a daily basis.

Encumbrance obligations still active at fiscal year-end will carry forward to the next fiscal year as prior year appropriations as well as encumbrances outstanding, so the budget authority follows the obligation to the next fiscal year. **Please provide GSA Purchasing with a list of Purchase Orders and/or PO specific lines that need to be canceled (liquidated) prior to fiscal year-end to avoid the carry forward effect.**

Active encumbrance obligation balances that carry forward to the next fiscal year will impact Legal Budget with the potential to impact funds available. Example:

PO Balance at June 30	GL Encumbrances at July 1	PY ENCUMBRANCE Budget at July 1	LEGAL BUDGET at July 1
\$1,000 →	\$1,000	\$1,000	\$1,000

Accounting events that cause encumbrance issues at fiscal year-end:

- Purchase orders not closed/canceled/liquidated timely prior to the Purchasing module close for June will carry forward to the next fiscal year and overstate Legal Budget;
- Fiscal year end purchase order increases or liquidations to accommodate invoice payments are processed in two different fiscal years (e.g, June and July open same time) creating encumbrance obligation debits or credits that erroneously carry forward to the new fiscal year;
- Purchase order cancels and invoice cancels are processed out of sequence, restoring the encumbrance obligation in GL when Purchasing is zeroed out;
- Prior fiscal year Vouchers Payable (VP) balance outstanding, linked to a PO, is canceled, restoring the encumbrance obligation in Purchasing and General Ledger

Note: Recommend that all fiscal year-end Purchasing activity be reviewed in the GL prior to the Purchasing module close for June to ensure transactions are posted to the correct accounting period.

Stanislaus County Fiscal Year-End 2014-2015

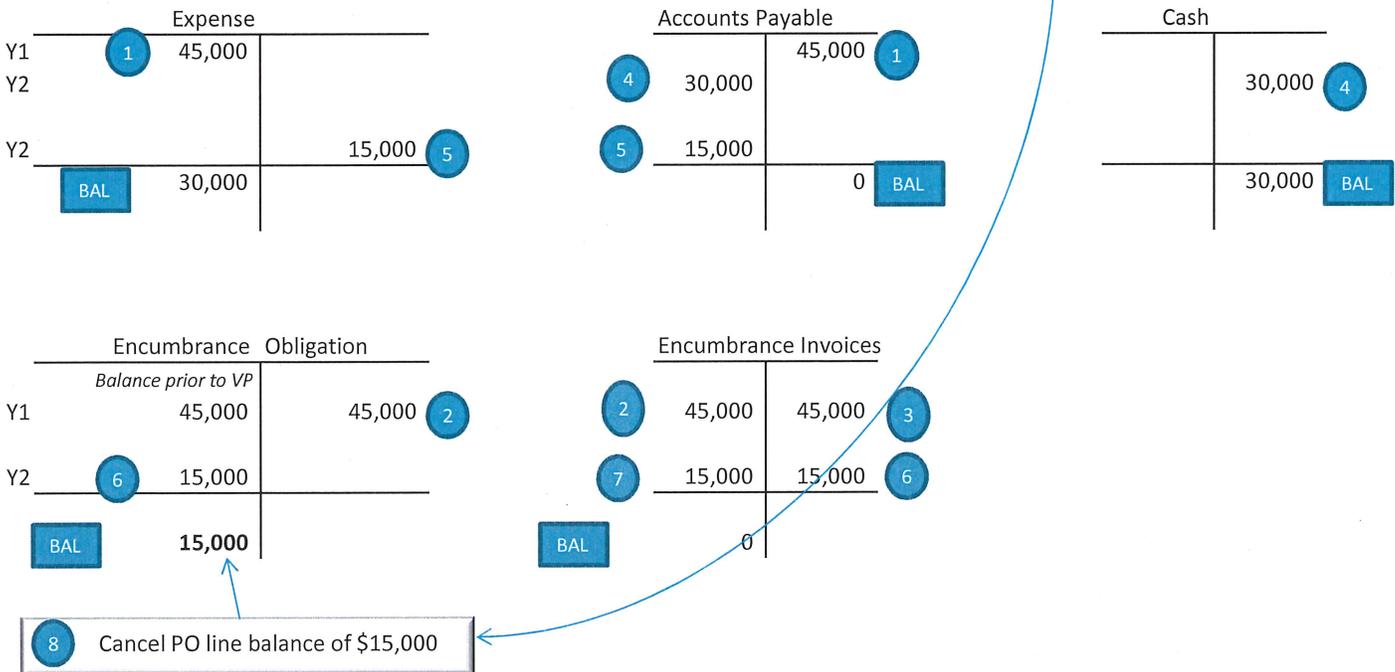
Vouchers Payable (VP) Accounting Model

A Vouchers Payable is an expense accrual that is based on the premise that a department has received goods and services by fiscal year end, June 30, but has not been invoiced yet by the supplier/vendor.

The VP is processed as an invoice in Oracle Accounts Payable and is matched to the relevant Purchase Order line(s). Accounting events generate transactions that impact operating expenses, balance sheet liabilities, and encumbrance obligations an invoices balances in the General Ledger.

- Example
- Y1 Establish VP of \$45,000 at end of Y1
 - Y2 Partial payment of \$30,000 in Y2
 - Y2 Cancel VP balance of \$15,000 in Y2

Action	Accounting Event
Establish VP	1 Invoice Accrual - recognize expense
	2 Encumbrance for Invoices - relieve PO encumbrance obligation & establish encumbrance invoices at expense amount
	3 Encumbrance reversal for Invoices - relieve encumbrance invoices amount
VP Partial Payment	4 Accrual Payment - relieve accrual in the amount of partial VP payment and reduce cash
Cancel VP Balance	5 Payables Credit Memo - credit expense for unpaid VP amount and relieve accrual balance
	6 Encumbrance Credit Memo - restore PO encumbrance obligation in the amount of the unpaid VP balance
	7 Encumbrance reversal Credit Memo - remove the encumbrance invoices amt established by the Encumbrance Credit Memo
Pending	8 Department to request PO line cancel to remove the restored encumbrance obligation





COUNTY OF STANISLAUS
 AUDITOR-CONTROLLERS OFFICE
ESTIMATED ACCOUNTS RECEIVABLE LISTING
 INFORMATION TO BE PROVIDED BY DEPARTMENT

GL DATE: JUNE 30, _____

FISCAL PERIOD: JUNE _____

DEPARTMENT NAME: _____

PR CUSTOMER NO: _____

DOCUMENT AMOUNT: _____

LINE NO	AMOUNT	FUND	ORG	ACCT	GL PROJ	LOCATN	MISC	OTHER	DESCRIPTION	EXPECTED DATE OF RECEIPT	FOR AUDITORS USE ONLY PR NUMBER(S)
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											

EXPLANATION:

PREPARED BY: _____

APPROVED BY: _____

DEPARTMENT HEAD SIGNATURE NEEDED

CONTACT PERSON: _____

PHONE NUMBER: _____

AUDITORS OFFICE USE ONLY

PR AUDITED BY: _____

PR KEYED BY: _____

1020-81X (5/01)

