Fiscal Year-End Close

Funds Management and Overdrafts

Objective

- Designated, Expendable, Endowed & University Research (awards beginning with “W”) funds should end the year with a balance ≥ zero
- These funds may be closed with a deficit if it does not exceed $1,000 (but the deficit must ultimately be funded)
- Other Sponsored Project award balances (awards beginning with P-V) are not reviewed as part of this year-end balance analysis

Review Process

- First, do a high-level review of all your fund balances. This will give you an idea of whether or not you have balance problems and where they are.

- In Reportmart3, run Oracle report FIN_FUND_154_YTD_FUND_BAL_LIST

  Prompts:
  Use % for all prompts except
  - Set of Books: enter " SU "
  - Award Org or Parent Org: enter your department’s 4-letter Award Owning Organization or, if appropriate, the parent organization for your unit
  - Period: enter AUG-2017

Overdraft Analysis

If you don’t know your Award Owning Org, follow this link to a listing by department: http://www.stanford.edu/dept/pres-provost/budget/org/
- Click on the “Tree View” link at the bottom of the page
- Click on the “Level 1-AAOO-SU Org Hierarchy” link at the bottom of the next screen
- Then click on “Humanities & Sciences” (3rd row down)
- Click your cluster and then scroll to your department name and Award Owning Org
Identify overdraft balances in the available balance column and analyze causes and appropriate corrective actions. Delete sponsored projects in award ranges PAAAA to UZZZZ, but be sure to include University Research awards in range WAAAA to WZZZZ. Cost Share overdrafts are handled separately prior to August Close.

Possible causes:
- Mid-year funding transfers have not yet been made:
  - Resources: HandSOn Department Commitments Reports - identify commitments with "Hold" status or commitments missing from the report
    - Recipient Report - provides commitment information by recipient
    - Transfer Status Report - provides commitment information by Hold status (i.e., Contingency, Revenue Due, YE Close)
  - Resolution:
    - "Hold" commitments - funding has not yet been transferred from a non-H&S source; a total amount is needed for the full year so the transfer can't be done until after Expenditure Close data is available on September 7; or there is missing data or other problems; work with your finance liaison to resolve
    - Missing commitments - provide documentation to your liaison, but only for those needed to cover a deficit in FY17
- Incorrect expenses or too many expenditures charged to fund:
  - Resources:
    - OBI Consolidated Expenditures Reporting - Expenditure Details - provides expenditure transaction details
    - Oracle SU Inquiry Tool and Forms - Fund Title Query - provides Fund Authorization information to determine if the source of funding is appropriate for the expenditures charged
  - Resolution:
    - iJournal expense transfer to appropriate PTA
    - fund transfer to cover deficit; work with your finance liaison
- Too much funding transferred to support Operating Budget:
  - Resources: ReportMart3 Fund Statements -
    - FIN_FUND_152_Fund_Mo_By_Mo - displays monthly summarized data broken into beginning balance, various inflows, OB support transfers, expenses, etc.
    - FIN_FUND_153_Fund_Statement - use "YTD Detail by Object"

Corrective Action
- Move incorrect or excess expenditures using iJournals
  - Expenditure reports are available for most August expenses (not 31-AUG payroll and feeders) on Thursday, August 31
  - Expense journals can be created until Wednesday, Sep 6
  - All iJournals must be fully approved by 5 pm Wednesday, Sep 6
- After Sep 6, only funding can be moved
- It’s important to complete your analysis before the expense transfer cutoff because there are many restrictions on moving funding. If transferring funds is your solution for covering overdrafts, you need to confirm that you have funding sources that allow transfers. In some cases, moving expenses may be your only option.

- Pull back 09/01 Operating Budget support
  - OB support can be seen on the FIN FUND 154 YTD Fund Bal List report as well as on your individual Fund Statements
  - Pullback of OB support should be indicated on your Year-End Close Report instructions

- Transfer funding from a “like” fund to the fund in overdraft
  - This option should not be used in lieu of appropriate expense transfers
  - Department administrators cannot make fund-to-fund transfers – please work with your finance liaison
  - In every case, the fund supporting a fund in overdraft must have the same purpose or a more general purpose
  - No fund transfers are allowed out of the faculty Designated Restricted awards in the FZ series
  - Only certain types of funds may support other funds – use this chart as a reference:

### Allowable Funding Transfers

<table>
<thead>
<tr>
<th>Operating Budget</th>
<th>Designated</th>
<th>Endowment</th>
<th>Expendable Gift</th>
<th>Grants &amp; Contracts</th>
</tr>
</thead>
<tbody>
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<td>Designated</td>
<td>Endowment</td>
<td>Expendable Gift</td>
<td>Grants &amp; Contracts</td>
</tr>
<tr>
<td>AAAAA-ABZZZ</td>
<td>BAAAA-FYZZZ</td>
<td>KAAAA-NZZZZ</td>
<td>GAAAA-JYZZZZ</td>
<td>PAAAA-PZZZZ (NIH)</td>
</tr>
<tr>
<td>WAAAA-WZZZZ</td>
<td></td>
<td></td>
<td></td>
<td>QAAAA-QZZZZ (NSF)</td>
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<tr>
<td>(Univ Rsrch/Cost Share)</td>
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<td></td>
<td></td>
<td>RAAAA-RZZZZ NASA)</td>
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<tr>
<td>FZAAA-FZZZZ</td>
<td></td>
<td></td>
<td></td>
<td>SAAAA-SZZZZ (other Fed)</td>
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<tr>
<td>(Faculty Support - no transfers out, restricted transfers in)</td>
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<td></td>
<td></td>
<td>TAAAA-TZZZZ (DoD)</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>UAAAA-UZZZZ (Non-Fed)</td>
</tr>
</tbody>
</table>

IZAAA-JZZZZ (Expendable Gifts &/or Endowments) Pending designation -- accounts should NOT be used, even though the system will allow expenses to go through against them.