

Accounting Transactions

A. General

As an agency of the Commonwealth of Kentucky, the University of Kentucky's fiscal year begins July 1 and ends June 30.

All financial and accounting transactions must be recorded in the fiscal year in which they are made to properly report the University's financial position as of June 30.

B. Closing Dates and Procedures

Closing dates and procedures indicated below should be carefully observed at fiscal year-end to insure proper handling and recording of transaction documents. A detailed list of year-end cut-off dates will be distributed by the Office of the Treasurer about May 15 each year.

Mark all documents that will be received by the Office of the Treasurer between June 30 and July 20 as OLD YEAR or NEW YEAR at the top of the document to insure processing in the correct fiscal year. This notation should be included on Online Requisitions as well, in the text field.

1. Cash Receipts

Checks and cash on hand (excluding petty cash) must be deposited in Treasury Services no later than 11 a.m. on the first working day of the new fiscal year (usually July 1). If the cash receipts are for services to be provided in the next fiscal year, they should be credited to a deferred revenue account and recognized as income in the year in which they are earned. Contact the manager of General Accounting if you have any questions about deferred revenue.

2. Expenditures

- a. Materials received and services rendered prior to the end of the fiscal year must be included in expenditures even though payments for them may not be made until the subsequent fiscal year.

- (1) Departmental Authorization and Vouchers (DAV'S) for payment of delegated purchases must be received by the Accounts Payable Department no later than 4:30 p.m. on the document cut-off date established by the Office of the Treasurer. All DAV's must be supported by vendor invoices (or other documentation). DAV's received after the document cut-off date will be charged against funds of the next fiscal year.
 - (2) Vendor Invoice Transmittal and Payment Authorization for materials and services received prior to July 1 must be received by the Accounts Payable Department no later than 4:30 p.m. on the document cut-off date.
 - (3) Departments that have received goods and/or services purchased by DAV on or before June 30, but have not processed a payment document because an invoice has not been received from the vendor, must request that the Accounts Payable Department establish a “payable” for the items received. All requests to establish payables are due in Accounts Payable no later than noon on the document cut-off date. Note that the online purchasing system will automatically establish payables for goods and/or services purchased by purchase order and received on or before the last business day of the fiscal year, but the invoice has not been received and posted by Accounts Payable. Online receiving for these purchases must be completed by the document cut-off date.
- b. Travel expense vouchers (form 7541-0116) for all travel expenses incurred prior to July 1 must be received by the Accounts Payable Department not later than 4:30 p.m. on the document cut-off date. Travel expense vouchers received after this date will be charged to the subsequent fiscal year.
 - c. Imprest petty cash funds must be reimbursed for all transactions through June 30. Reimbursement vouchers, with attached receipts, must be received by the Accounts Payable Department not later than 4:30 p.m. on the document cut-off date.

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- d. Payroll checks to be canceled must be returned to the Payroll Department not later than the document cut-off date. This applies to all payroll checks for services rendered prior to July 1.
- e. Vendor checks to be canceled must be returned to the General Accounting Department not later than 4:30 p.m. on the document cut-off date.

3. Inter-departmental Charges

Journal Vouchers(JV's), for transactions involving transfers and/or charges and credits between University departments and/or Affiliated Corporations must be received by the appropriate department listed below according to the following schedule:

Sponsored Projects Accounting Transactions involving only grants

General Accounting Department - All other transactions

Due June 15 - JV's for goods and services provided prior to June 1 and corrections for transactions posted prior to June 1

Due June 30 - JV's for goods and services provided between June 1 and June 15 and corrections for transactions posted prior to June 15

Due on the campus cut-off date - JV's for goods and services provided between June 16 and June 30 and corrections for transactions posted prior to June 30

4. Ledger Sheets

Ledger sheets will be available on-line in Bex Web after the closing date..
Ledger sheets must be reviewed as soon as possible and correction JV's entered in SAP and forwarded to the appropriate department listed in item #3 above.

Each department is encouraged to review transactions on-line regularly during the month using transaction KSB1 in SAP, and to enter and forward correction JV's as soon as possible prior to month-end. This will enable as many corrections as possible to be processed prior to the availability of ledger sheets.