YSM PROCEDURES FOR YEAR-END REVIEW – YSM edits to the university closing packet

Dates:

June 22nd (Friday) - Dowry
Departmental dowry payment requests sent to David Crockett: david.crockett@yale.edu

June 29th (Friday) - Faculty Effort Reporting
Input faculty effort tracking updates in the web-tool. Snapshot of the data will be taken on the 30th and values will be locked. Contact Eric Hsiao: eric.hsiao@yale.edu with questions on this tool or process

July 6th (Friday) - Malpractice
Department cut-off for changes to the FY18 Malpractice Roster @ 5 pm. Contact Randi Carlone: randi-ann.carlone@yale.edu with questions on malpractice

July 9th (Monday) - YNHH
Final Performance Fund metrics should be submitted to Suzanne Kerley: suzanne.kerley@yale.edu. She will coordinate the review and approval process with YNHH for payment in FY18

Since we are no longer billing the actual salary charges posted to your shared service accounts, please review and update the YNHH budget lines to reflect the actual salary charges to bill YNHH for your faculty and staff. Please submit any changes by this date

All miscellaneous non-salary transactions need to be reviewed prior to this date to be sure we have charged them to YNHH

Please contact Suzanne Kerley: suzanne.kerley@yale.edu if there any questions on the deliverables for YNHH

July 13th (Friday) - Inter-Departmental Charges
Final date for all Inter-Departmental charges (e.g. ISP Invoices)

July 16th (Monday) - YNHH PD DOs
Final YNHH PDO reports need to be saved to the appropriate folder in the 690p shared drive. This report should include all reimbursable transactions

July 20th (Friday) - Departmental Final Entries
Departmental close date. All departmental transactions need to be done by this date. All accounts need to be reviewed and deficits cleared at the COA code combination level in all operating funds except for Grants, Contracts and VA-IPA agreements by this date

July 23rd (Monday) - Deficit Balance Explanations
Run the Workday “Net Balance Detail – Yale” report and provide explanations for any deficit COA code combination being carried forward to FY19 (there should be very few of these). Send this excel file to the YSM Controller: ysm.controller@yale.edu
**July 24th (Tuesday)-Narratives Due**

Department Lead Administrator needs to email the year-end financial narrative reports to Lisa Danko; lisa.danko@yale.edu

- The reports are in YBT under the YSM report library (YBT Report Library\04-YSM\1-YSM Report Library\Year End):
  - YSM30 Summary Narrative – Year End Actual
  - YSM31 Detail Narrative – Year End Actual
  - The summary narrative includes a “crosswalks” tab, in which you will provide descriptions and amounts of the major reasons for variance between FY18 Actuals vs FY18 Q2 Forecast, FY18 Actuals vs FY18 Budget and FY18 Actuals vs FY17 Actuals in the yellow boxes.

**Review of Net Balances**

**Summary**

The institutional requirement is to close the fiscal year with a positive (or zero) net balance at the Cost Center level for each Funding Component value (Yale Designated, Gift or Grant). Distributed units are responsible for this activity mainly for the section of the fund hierarchy called “OP Funds Budgeted by Units”, but there are some additional review responsibilities discussed below. When evaluating the fiscal year-end balances and performing ongoing monitoring, please note that the COA segments often appear in most reports as a “block”. However, these segments are not a connected string of values. Users must ensure that reviews are performed using the net total of all COA combinations for a given Cost Center and Funding Component in order to fully evaluate the remaining balances (YSM departments should follow guidance to be issued separately by the YSM Controller’s Office). Be sure to adhere to any additional requirements established for your department or school/planning unit.

YSM requires that you **clear deficit balances at the full COA code combination**. (See below in the reporting section for our recommendations on how to look at your balances). Remember, in Workday you are not required to clear positive account balances to zero like you were in Oracle for selected sources (e.g. GA and source 00051). However, ending balances at the COA code combination will roll forward as FY19 beginning balances unless you clear them to zero. Therefore, it is recommended that you decide on a case by case basis which accounts to clear and which to roll forward.

It is likely that you will want to roll forward positive faculty-controlled balances after you use them, as appropriate, to subsidize faculty related activity that is in a net operating loss position. You should also plan to roll forward (not clear to zero) your departmental general operating accounts funded by YD000001. You may elect to move some of your YD000001 unrestricted balance to a reserve account (YD000371) if you have a specific, identified, purchase or activity you are saving for. Again, you do not need to sweep all your unrestricted YD000001 balances to reserves at year end.

**Specific items to consider:**

**ISP** deficits must be cleared (exceptions to carry a deficit balance only with approval from the YSM Controller) and deficits may not be put back in FY19. These operating losses must be permanently funded by another COA code combination you control.

**Cost Share** expense COA code combinations are still being discussed; watch for further guidance.

**I&A** expense COA code combination are still being discussed; watch for further guidance.
**Converted beginning balances** must be on the right mission and in the right “under the control of...” reporting group. All beginning balance transfers must be done on LA = 45031 ONLY

**Balances on Program = PG00490 Clinical – YNHH Clinical Program Support (31)** must be cleared to zero as this program is being closed in FY19. Balances on this program should be moved to PG00035 Clinical – Patient Care. Future activity will be booked to program PG00035 Clinical – Patient Care (31) during the YNHH invoicing process

“DNU” and “Unspecified” segments must be cleared to zero, ask YSM Controller’s team for assistance if needed.

Is YSM reducing the Program and YD values allowed? Discussions will continue in FY19 so no need to move balances during year end closing

**Dowry Request: YSM ONLY**

Dowry payment requests should be forwarded to David Crockett, david.crockett@yale.edu in the YSM Controller’s Office as soon as possible, but **no later than June 22**. Reimbursement requests will not be accepted after this date. Please estimate the outstanding transactions for FY18 and include them with your requested amount. For example, if on June 22nd all projected expenses except for one AP accrual have been processed, the requested amount should be the current balance plus the outstanding AP accrual. In your email to David Crockett, please include a brief explanation of the difference between your request and the current balance.

All dowry funding agreements should be in writing, detailing arrangements, time frame and amounts, and should be on file in the YSM Finance Office. Expenses will not be funded if documentation is not available.

**Reminder: Closing vs. Clean Up**

What’s the difference between “closing” and “clean up”?  

“Closing” means a cross-subsidy sweep on LA 92020 which shows on reports below net operating income. If the high-level mission coding is right and the balances “under the control of...” reporting is right, then just clear the balance with a cross-subsidy sweep (LA = 92020) at year end and change the charging instructions going forward if necessary (if charging continues on the FY18 COA code combination, “clean up” activity in FY19 may need to be done, see below).

“Clean up” means you need to move the activity at the full COA code combination including revenue and expense codes above the net operating income. If the activity is in the wrong mission, on the wrong spend or revenue category, or will appear in the wrong Portfolio Report / Account Holder Report you need to “clean up” the activity at the full COA code combination (including LA/SC/RC) to move the activity to a new segment value(s). This is not a below-the-line fund balance transfer. The YSM Controller’s team has a template you can populate so they can do these via a journal load file for you. (See link to template at the end of this document)
**To Review Net Balances**

Financial reports are available directly in Workday.

1. For Institutional Requirement at the Cost Center/Funding Component level → run “Net Balances Review – Yale” (new in May/June FY2018 and will be demonstrated at kickoff)

2. For additional detail to support local requirements → run “Account Balances Detail – Yale”. Please note that cost sharing will have both a Grant and Gift/Yale Designated value. If you export and pivot for analysis, these transactions may appear in both Grant and Gift/Yale Designated activity.

3. To see your balances at the full COA code combination level → run the newly created report called “Account Balances Detail with Location – Yale”. This is the only Workday report that shows the full COA code combination including the Location* segment. **THIS REPORT IS NOT IN PRODUCTION YET – an email will be sent once it is live in Workday.**

*We have been informed that Workday will not be reconfigured to prevent the Location segment from carrying a balance as we had hoped; therefore, you need to proceed with including Location as part of the COA code combinations you review to clear at year end. You will likely see negative balances on COA code combinations that include the Location segment and a positive balance on the exact same COA code combination with a blank Location code. You should debit the positive code combination and credit the negative code combination using ledger account code 92020 to force the COA code combination with the Location segment to a zero ($0) ending balance.

Note that net balances are updated when the closing schedule references a reporting event (see definition in Reporting section of this packet) and at the final June period close. **Net balances are updated based on transactions and balances in the Workday system as of 3pm.**

**WORKDAY REPORTING**

There is no lag on financial information in Workday reporting. When financial transactions have completed, the information is available to all Workday financial reports. The DataMart (formerly known as the Data Warehouse or DWH) that feeds the Account Holder report is populated with Workday financial data each night.

**Reporting Event - defined**

The closing schedule includes activities called “Account Holder Report Event”. A reporting event is where the DataMart that feeds the Account Holder report is populated with Workday financial data. Note that net balances are updated based on transactions and balances in the Workday system as of 3pm.

**Schedules on Hold**

Because there are multiple Reporting Events during the June close, departments may wish to consider placing selected schedules (specifically faculty members) on a temporary INACTIVE status for one or more of the events. **Remember to place the schedules back on ACTIVE status for the event you wish to run.** If you need assistance, please contact sharedservices@yale.edu.
## Workday Reporting Guide for Year-End Financial Closing Procedures

<table>
<thead>
<tr>
<th>Procedure</th>
<th>Report (YBT Reports Notated as such)</th>
<th>Parameters for Report</th>
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</table>
| High level look at YTD actuals compared to Q2 to quickly see where you might be missing something big (look for large variances by funding source by ledger grouping) | YBT F25 SOA By Fund Summary – Dynamic Columns | **Cost Center View:** start with your highest level of the hierarchy then run at lower levels down to the cost center  
**Data Set 1:** FY2018 Q2  
**Data Set 2:** FY2018 Actual  
When report is finished set the variance column to have FY2018 Actuals on top and FY2018 Q2 below  
This will run with the last closed month actuals so the variance is comparing a full Q2 forecast to YTD numbers. Therefore, variances are to be expected but this is a good way to see big items missing from your actuals |
| Review net balance for a full COA code combination including location  
Use this report in excel to create spreadsheet batches to clear and move balances. The YSM Controller’s team can load these to the GL for you (see link to template at the end of this document) | Account Balance Detail with Location- Yale | **Time period:** Defaults to Current Period YTD - do not change  
**Fund Hierarchies:**  
- For all items = "Op Funds Budgeted by Units"  
- For YD only = "Unrestricted Operating"  
- For Endowment only = "Endowment Operating Funds"  
- For Spendable only = "Spendable Gift Funds"  
- For direct charge Grants only = "Grants & Contracts Funds"  
*WE WILL RECONFIRM THE PARAMETERS ONCE WE SEE THE REPORT LIVE IN WORKDAY* |
| Review fiscal year activity by fund summary to easily see any obvious errors (e.g. Grants and Contracts activity in a cost center that should never have grant activity, or “UR Central GA” activity which no one should have except MB&B) | SOA Actual by Fund | **Time period:** Defaults to Current Period YTD - do not change  
**Cost Center/Cost Center Hierarchies:** Run first at your department grouping then run for each cost center as needed |
| Review fiscal year activity by mission to easily see any obvious errors (e.g. Med Services income in the Education mission) | SOA Actual by Mission | **Cost Center/Cost Center Hierarchies:** Run first at your department grouping then run for each cost center as needed  
**Fund Hierarchies:** Run "Op Funds Budgeted by Units" |
| Review Net Balances | Net Balances Review – Yale | **Time period:** Defaults to Current Period YTD – do not change  
**Fund Hierarchies:**  
- For all items = "Op Funds Budgeted by Units"  
- For YD only = "Unrestricted Operating"  
- For Endowment only = "Endowment Operating Funds"  
- For Spendable only = "Spendable Gift Funds"  
- For direct charge Grants only = "Grants & Contracts Funds"  
| Validate revenues and expenses in GA are appropriate to the GA budget | Budget to Actuals for Management Office Reporting by Gift/YD/Fund – Yale | Select your Cost center / CC hierarchy  
**Fund:** 30 Central GA Fund  
**Repeat by:** Fund  
Keep all the other defaulted prompts  
| Review activity in Gift # GS052996 Designated Purpose Miscellaneous Spendable Gifts | Financial Transactions – Yale | **Time period:** Current Period YTD  
**Gift:** GS052996  
Keep below defaulted prompts:  
Ledger: Actuals  
**Company:** Yale  
**Additional Options:**  
Exclude Pro Forma Journals  
Include payroll details (will only show if you have the security access)  
| Review all assets and liabilities recorded in your cost center | Assets and Liabilities – Yale | **Time Period:** Keep default of Current period YTD (otherwise balances will not be accurate)  
**Cost Center/CC Hierarchies:** Select your CC / Hierarchy  
**Fund Hierarchies:** Op Funds Budgeted by Units  
Ledger Accounts and Summaries: (pay attention to punctuation)  
- Yale Chart of Accounts: Accounts receivable, net  
- Yale Chart of Accounts: Other assets  
- Yale Chart of Accounts: Accounts payable and accrued liabilities  
- 10005: Cash - Petty - Boxes  
**Company:** Keep Company Yale default  
DO NOT review ledger account 20004 (Deferred Revenue on Grants) or 20011 (Accrued Wages & Salaries Payable) - these are managed centrally by OSP and Payroll.  
| Endowment and Investment Income - review gift balances to determine all endowment income due your unit. | Gift Balances - Yale | Keep all default prompts  
Input cost center  
Change period for June |
| **Unallowable costs** - identify high risk expenditures that need to be reviewed for allowability; confirm charges are to proper expense types in order to properly exclude unallowable costs from the federal Facilities & Administrative (F&A) rate proposal and subsequent reimbursement when the F&A rate is applied to sponsored awards. |
| **Sponsored High Risk expenditures – Yale** |
| Identifies those that are in high risk (unallowable category). Please note this report gives the high-risk items, not all of them are unallowable however they should be reviewed for allowability. |

| **Transactions Posted to “Other” Ledger Accounts** - review transactions within these ledger accounts to determine if they should be moved to a more specific ledger account. |
| **Financial Transactions – Yale** |
| **Limit to ledger accounts (for better performance)** |
| **Ledger Account**: 42017, 45011, 45016, 45022, 81051 |
| Note that this report can be used for various other types of analysis by changing the prompts. |

| **Reclassification and Fund Transfers (including Closeouts and Deficit Funding)** - Review specific ledger accounts and spend/revenue categories to use for reclassifications and transfers based on the Funds involved and the underlying business circumstances. |
| **Fund Transfer Review - Yale** |
| Please pay attention to time period (Current period - if you are doing throughout the year, Current period YTD - if doing for the first time at year end) |

| **Review Labor Suspense** to identify payroll accounting adjustments that may be required to payroll actuals due to incorrect charging instructions. |
| **Account Balances Detail - Yale** |
| **Program**: PG99999 and/or **Project**: PJ028458 |

| **Journal Entries** - For units that must be closed on July 20th, the Planning Unit Lead Administrator (or their designee) is responsible for ensuring that her/his unit does not perform journal entries during the period from July 21-27. |
| **Find Journals by Cost Center – Yale** |
| **For in-process journals**: |
| Keep all default prompts |
| Input cost center or cost center hierarchy |
| **Period**: JUN |
| **Starting Created On**: 07/21/2018 |
| **Ending Created On**: 07/27/2018 |
| **For posted journals**: |
| Keep all default prompts |
| Input cost center or cost center hierarchy |
| **Period**: JUN |
| **Starting First Posted Date**: 07/21/2018 |
| **Ending First Posted Date**: 07/27/2018 |

*The template used to submit batch journal entries to the YSM Controller will be posted on the YSM Finance web site [https://medicine.yale.edu/finance/forms/](https://medicine.yale.edu/finance/forms/) and sent out separately. Ideally you can enter your debit and credit amounts in the excel dump of the new “Net Balances Detail – Yale” report and copy and paste data into the template. Please contact david.crocket@yale.edu or kayce.jone@yale.edu for assistance in using the template.*