# RIT Finance Matters

**May 2004 – Volume 7, Issue 3**
**Issued periodically by the Controller's Office**

## Fiscal Year 2004: Year-End is Rapidly Approaching
## Important Year-End Reminders

### Fiscal Year–End Closing Procedures Workshop

The fiscal year-end workshop, presented by Controller's Office Accounting and Financial Reporting staff will be on held **Tuesday, June 15th** from 10:00 a.m. to 12:00 p.m. in **Building 76 (Carlson), Room 1125.**

In addition to answering your questions, we'll cover various fiscal year-end closing procedures including:

- Significant Year End Processing Dates/Necessary Actions
- Accounts Payables Accrual Process
- Payroll Accrual Process
- Prepaid Expenses
- Procurement Card Expenses Accrual Process
- How to Handle Encumbrances

We hope to see you there! You do not have to register for this workshop. **If you would like to request interpreting services, contact David Castro at ext. 5-2237 (e-mail: dacbur@rit.edu).** Read on for other important information about fiscal year-end 2004.



### General Ledger Account Reconciliations
### What are they and why they are important

The Controller's Office has been talking a lot lately about the importance of reconciling general ledger accounts. We've developed some information to help you understand why account reconciliations are an essential accounting process, as well as to define various accounting terms we use frequently. Our emphasis on asking you to provide timely and complete information to our office is not a sign that there's anything wrong – it's just a good business practice (like balancing your check book ☺). To learn more, please visit the Controller's Office web page at http://finweb.rit.edu/controller/accounting.html.

Because of the impact on RIT's June 30th external financial statements, the Controller's Office requires departments to submit complete balance sheet account reconciliations periodically throughout the fiscal year (click on the link above to find a definition of the term ***balance sheet***). The frequency is dependent upon the account balance. However, all balance sheet accounts must be reconciled as of March 31st and June 30th each year. To ensure the accuracy and completeness of the reconciliations, we also require a "certification" from the person who prepared the information as well as the employee's manager. If you have been asked by the Accounting Office to provide one or more account reconciliations, and you have questions about the process, please contact Andrea Napoli, Manager of Accounting at ext. 5-2911 (e-mail: alnatg@rit.edu).

**Fiscal Year-End Closing Memo – 2004**

To print a copy of the Year-End Closing Memo, visit the Controller's Office web page http://finweb.rit.edu/controller/forms/fy04yearendclosing.pdf . It contains important information that will be covered in the Year-End Workshop on June 15th.

**Cash Receipts & Petty Cash**

In order for Cash Receipts deposits and Petty Cash receipts to be reflected on your June preliminary department statements, take them to the Cashier's Office by 1:00 P.M. on Wednesday June 30th. If your department receives gifts during the final days of the fiscal year, please take them directly to the Development Office to ensure that they are accurately accounted for. (See the Controller's Office web page for more information about how to account for gifts: http://finweb.rit.edu/controller/accountinggifts.html).

**Procurement Card Purchases**

If you make procurement card purchases during the last few days in June, and the charges do not appear on your June JP Morgan Chase statement, prepare a "**Year-End Accrual"** journal entry for the amount of the purchase and send a copy of the entry to Accounting.
Charge (debit) the appropriate expense account for your department and credit the following Accounts Payable accrual account: 01.15199.32900.00.00000.00000. When preparing the journal entry in Oracle, use the "Year-End Accrual" category.

**Prepaid Expenses**

If during May or June you charge your procurement card for an expense that relates to next year's (FY 2005) budget (i.e., conference registrations, subscriptions, service contracts, etc), be sure to prepare a journal entry in Oracle.

- Charge (debit) the Prepaid account 01.15199.09000.00.00000.00000 and credit the appropriate expense account for your department.
- Use an Oracle category of **"Prepaid"**
- Forward documentation to Accounting, indicating the batch name, journal name, and date prepared **(fax ext. 5-5583).**

**Encumbrances**

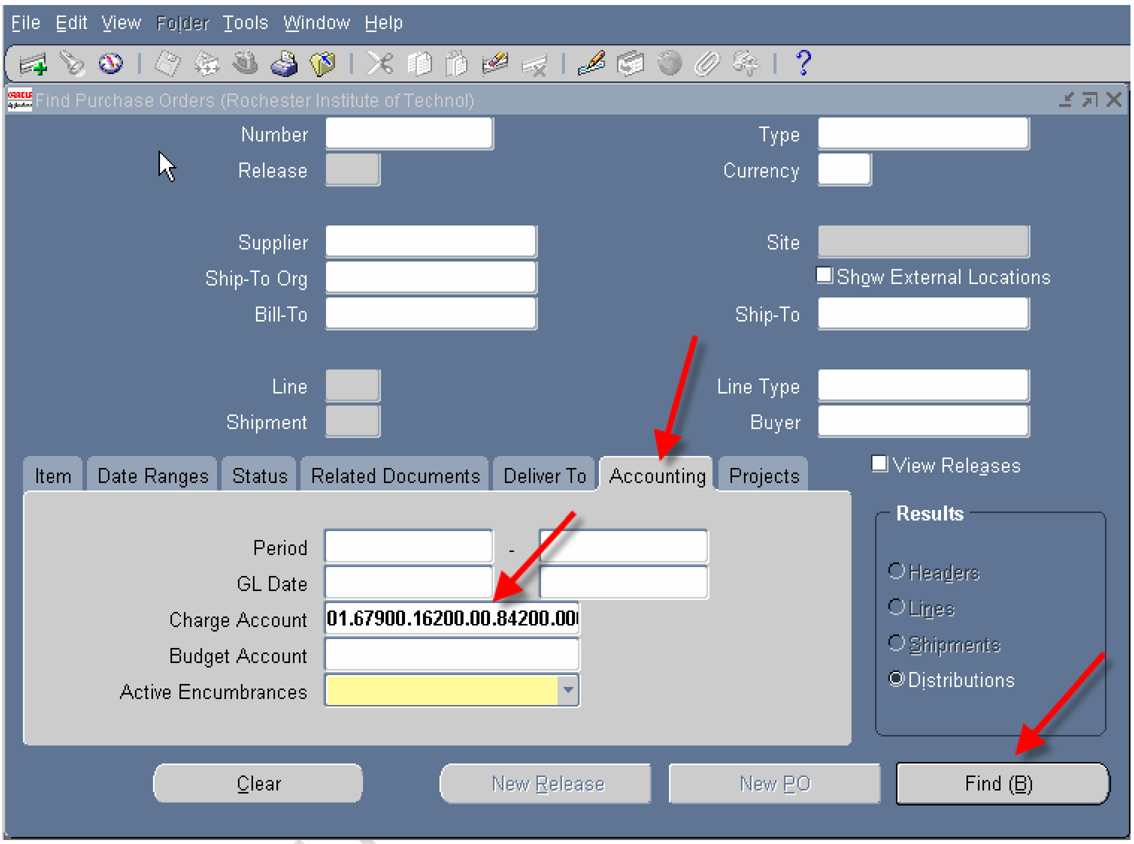
Now is the time to clean up encumbrances remaining in the system from old purchase orders (POs). To ensure that that POs received in the Oracle system have been invoiced, follow these steps:

1. **Has the PO been received?** If it hasn't, call **Central Receiving, ext. 5-2119.**
2. **Has the PO been invoiced?** To look up this information, use your Accounts Payable (A/P) Inquiry responsibility. If you don't have access to A/P, and your need assistance getting that information, call **David Castro, ext. 5-2237.**
3. **Has the PO been "Finally Closed"?** A PO that is **"Finally closed"** ensures that it has no encumbrance balances against it.

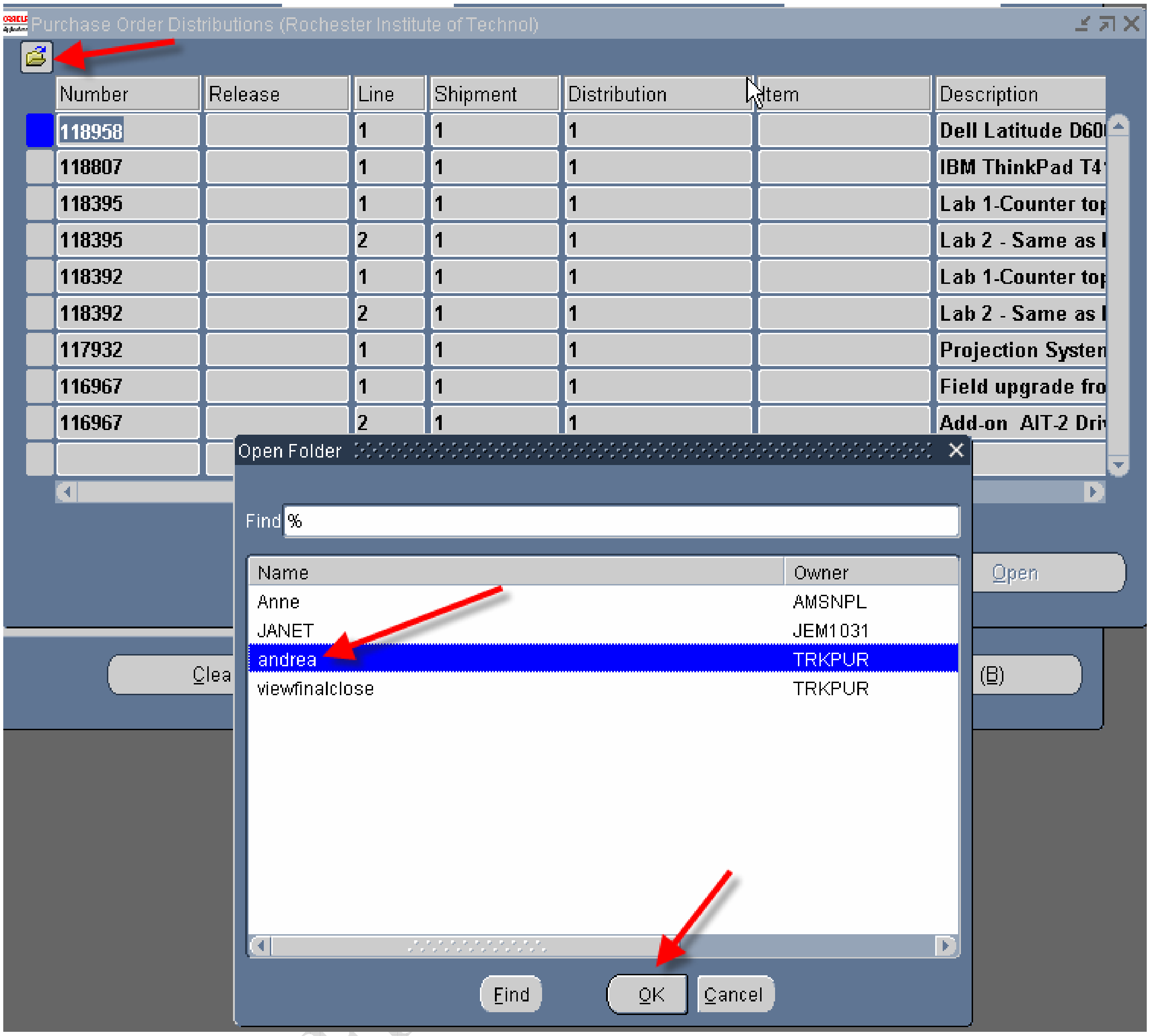
Next we'll go over how to determine if a PO is still open, closed, or Finally Closed.

## How to Use Oracle to Determine the Closure Status of a Purchase Order

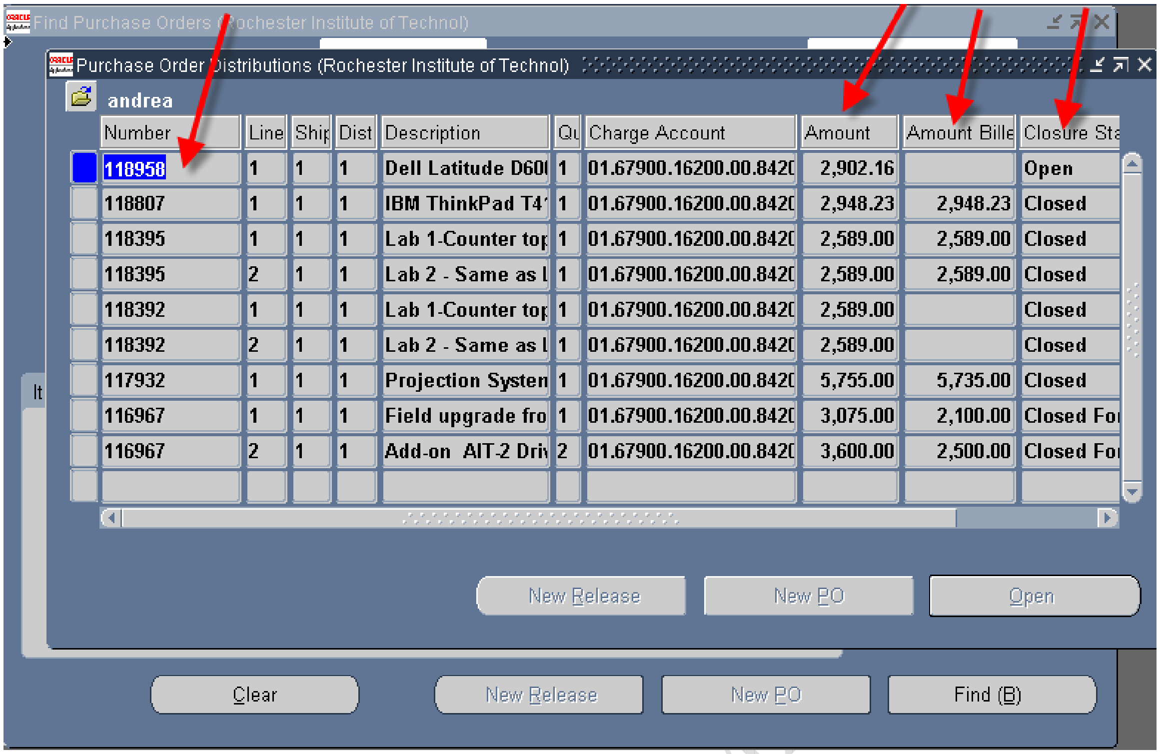
1. Log in to your **RIT - Purchasing Requestor** responsibility in Oracle.
2. Click or open "**Purchase Order Inquiry**".
3. On the "**Find Purchase Orders**" screen, click on the **"Accounting"** tab, located half way down the screen, and place your cursor in the **"Charge Account"** field.
4. Type the 24-digit general ledger account number (account where the encumbrance is showing); click on the **Find** button.




5. The system will take you to the **"Purchase Order Distributions"** screen (it will take about 30 seconds). Click on the Folder icon located on the top left corner of the screen. From the list of folder names, select **"andrea"** and click **OK.**




6. By selecting the folder called “andrea” on the **“Purchase Order Distributions”** screen, you will be able to see the **“Closure Status” (Open, Closed, Finally Closed”)** of the PO. In addition, you will be able to see the PO $$ amount vs. the $$ amount actually billed to the PO. If there is a discrepancy between these two amounts, (as shown on PO 911732) and the PO shows closed, call the Purchasing Department **(ext. 5-2107, or e-mail rlkpur@rit.edu)** and ask them to “Finally Close” the PO (see the next page to look at a shot of the Purchase Orders Distribution screen).




| Number | Line | Ship | Dist | Description | Qu | Charge Account | Amount | Amount Bille | Closure Sta |
|---|---|---|---|---|---|---|---|---|---|
| 118958 | 1 | 1 | 1 | Dell Latitude D60 | 1 | 01.67900.16200.00.842 | 2,902.16 | | Open |
| 118807 | 1 | 1 | 1 | IBM ThinkPad T4 | 1 | 01.67900.16200.00.842 | 2,948.23 | 2,948.23 | Closed |
| 118395 | 1 | 1 | 1 | Lab 1-Counter top | 1 | 01.67900.16200.00.842 | 2,589.00 | 2,589.00 | Closed |
| 118395 | 2 | 1 | 1 | Lab 2 - Same as l | 1 | 01.67900.16200.00.842 | 2,589.00 | 2,589.00 | Closed |
| 118392 | 1 | 1 | 1 | Lab 1-Counter top | 1 | 01.67900.16200.00.842 | 2,589.00 | | Closed |
| 118392 | 2 | 1 | 1 | Lab 2 - Same as l | 1 | 01.67900.16200.00.842 | 2,589.00 | | Closed |
| 117932 | 1 | 1 | 1 | Projection System | 1 | 01.67900.16200.00.842 | 5,755.00 | 5,735.00 | Closed |
| 116967 | 1 | 1 | 1 | Field upgrade fro | 1 | 01.67900.16200.00.842 | 3,075.00 | 2,100.00 | Closed Fo |
| 116967 | 2 | 1 | 1 | Add-on AIT-2 Driv | 2 | 01.67900.16200.00.842 | 3,600.00 | 2,500.00 | Closed Fo |

# Kronos Tips

## Where is My New Employee?

So, you've hired a new employee but he/she has not appeared in Kronos yet. First we'll go over how new employees are set up in the Kronos Time & Attendance System:

- When an employee is hired, departments send hiring paperwork to either the HR department (staff) or the SEO (student).
- HR or SEO enters the employee information into the Oracle Human Resources application.
- Each morning (with the exception of the first Friday and Monday of each new pay period), the Kronos Administrator runs a program that allows Kronos to communicate with Oracle and then import the employee information. Once this step is performed, the employee information can be accessed within Kronos.

Here are some of the most common reasons why you may not be able to view a new employee:

- The hiring paperwork hasn't been processed yet by HR or SEO
- Information was entered onto the employee's Oracle record incorrectly
- The information was entered into Oracle after the last import, prior to end of pay period
- The new employee was assigned to a department in Kronos you don't have access to

If you find yourself in this predicament, please contact Sean Cartwright, Kronos Systems Administrator at ext. 5-2819. In most cases, he'll be able to quickly resolve the problem.

# What's New in Accounting?

## Elimination of Chargeback Object Code 90010

Since Accounting is able to track NTID chargeback recoveries by object code and department, billing departments no longer have to segregate NTID chargeback recoveries (object code **90010**) from RIT department chargeback recoveries (object code **90020**). During this fiscal year, you may continue to use 90010; but effective **July 1, 2004**, object code 90020 must be used to record recoveries for all departments.

**Controller's Office Web Page**

If you haven't us visited lately, please click on the following link to get to the Controller's Office web page: http://finweb.rit.edu/controller/. New information includes:

- Accounting for Gifts: http://finweb.rit.edu/controller/accountinggifts.html
- Summer Salary Process for Grants & Contracts: http://finweb.rit.edu/controller/forms/summersalarymemofy2004.pdf
- Fiscal Year 2004 Month End Closing Process: http://finweb.rit.edu/controller/forms/fy04yearendclosing.pdf

**Accounting Practices, Procedures & Protocol Workshops**

We've just completed year four of the Accounting Practices, Procedures and Protocol series. We think our program is special because it is taught by RIT employees from Accounting & Financial Reporting, Payroll, RIT Budget Office, NTID Budget and Financial Planning, Purchasing and Development; more than 20 people have been involved in training hundreds of other employees over the four year period. Thank you! This year, ten employees from various departments across campus received certificates of completion at a reception held in their honor earlier this month.

**New Oracle Applications Passwords**

To enhance the security of the Oracle applications, the requirements for passwords changed in mid-May. When your current password expires, your new passwords must be at least eight characters long, contain at least one upper case letter and a number, and not be a word found in the dictionary. Refer to the Controller's Office web site for more information: http://finweb.rit.edu/controller/oraclepasswords.html. If you need help changing your password, contact the F&A Customer Support Team at ext. 5-4905.

## Employee Self Service Corner

**Payroll Self Service Features Reminder**

The Oracle Employee Self Service application provides faculty and staff with a convenient way to change their HR/Payroll information online:

- ***Banking Information*** – add, change or delete direct deposit accounts
- ***Tax Withholding Information*** – change federal and state withholding
- ***Personal Information*** – change your home address or telephone number; add or update Dependent and Emergency Contact information.

Since using the online system is quicker, easier and more efficient than completing paper forms; the next time you need to make a change, do it online! For assistance or questions with Employee Self Service, contact the F&A Customer Support Team at ext. 5-4905, or visit their web page at http://finweb.rit.edu/customersupport/.