

System Office Fund Accounting  
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UNIVERSITY  
*of* ALASKA  

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*Many Traditions One Alaska*

May 15, 2026

To: Luke Fulp, Julie Queen, Louisa Cryan, Ryan Buchholdt  
From: Yan Xiong, Financial Accounting Director  
Re: Year-End Finance Closing Instructions

Please find FY26 year-end finance closing instructions at System Office Fund Accounting's website <https://www.alaska.edu/fund-accounting/>. The payroll close memo will be published by HR separately.

Please note the following dates:

- **Finance closes on Friday, July 17 for FY26.**
- FY26 cutoff for prior year (FY25) encumbrance (commitment type C) transactions is June 30 at 12 pm.
- FY26 cutoff for cashier sessions is June 30 by 5 pm.
- FY26 cutoff for entering/tagging fixed asset equipment is June 30.
- Tuition Waiver reports are due to the Chief Financial Officer by September 1, 2026. Please refer to Regulation R05.10.080

Please note the following process updates for FY26:

- **Streamlined Documentation:** Several items have been removed from the submission checklist to System Office Fund Accounting to align with current processes.
- The documentation threshold for Unrecorded Liabilities is now \$100,000 to align with audit requirements.
- **Foreign Revenue Reporting:** All foreign contract revenue received in unrestricted funds must be reported directly to System Office Fund Accounting by July 20 to support federal compliance reporting.

All documentation must be submitted electronically. Documents containing bank account numbers or other sensitive information, such as student IDs, must be transmitted using a secure method, such as encrypted documents, redacted files, or through [securefiles.alaska.edu](https://securefiles.alaska.edu).

Due dates included in this memo generally refer to when items are due to System Office. Campuses may establish earlier internal deadlines, so please coordinate with your business office to ensure all deadlines are met.

Thank you for your continued cooperation and assistance in helping close the university's fiscal year.

cc: Wei Guo, Nichole Pittman, Julie Vigil, Sandra Blum, Brian deZeeuw, Jason Theis, Amanda Wall, Kelsie Sullivan, Lisa Allen, Timothy Armbruster, Vickie Gilligan, Tanya Hollis, Kara Axx, Alesia Kruckenberg, Sarah Belmont, Alton Denton, Jamie Heckman,

# Fiscal Year-end Finance Closing Instructions

FY26

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## Fiscal Year-end Finance Closing Instructions

### I. Introduction

These fiscal year-end finance closing instructions are provided to facilitate the closing of the university's books as of June 30 and to facilitate completing the external audit by mid-October.

Compliance with these instructions and specific cut-off dates is mandatory. If for any reason, full compliance with a year-end finance closing instruction is not possible, it is critical that this be communicated directly to Yan Xiong, System Office Fund Accounting, prior to the due date.

The transmittal form at Section III A, page 4, should be used for transmittal of all year-end data. The transmittal form at Section III B, page 5, is used for submission of inventory instructions sent to System Office Audit and Compliance Services.

Please note that throughout these instructions due date refers to the date documents should be received in System Office Fund Accounting, or other appropriate department, as indicated.

### Contact Information

System Office Fund Accounting    [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu)                      907-450-8073

Yan Xiong  
Financial Accounting Director  
[yxiong6@alaska.edu](mailto:yxiong6@alaska.edu)  
907-450-8073

<i><b>II.</b></i>	<i><b>List of Significant Dates</b></i>	<i><b>Page No</b></i>
May 19	Notify Internal Audit of dates of physical inventory	11
May 29	Inventory instructions due at Internal Audit	11
June 30	Last day for prior year (commit type "C") encumbrance transactions (must be paid or liquidated) by 12 pm	13, 14
June 30	Last date for issuing and delivering FY26 checks (non-payroll)	10
June 30	List undelivered checks	10
June 30	Last day to enter FY26 casher sessions	8, 9
June 30	Physical count of contents of safes	9
June 30	Physical inventory cutoff date	11
June 30	Date goods or services must be received to be FY26 accounts payable	12, 13
June 30	Last day to enter fixed asset equipment	7
June 30	Temporary unrestricted budgets reversed	14
June 30	FY27 permanent budgets are loaded	14
July 2,3	Holidays	
July 10	Capital Improvement Schedule (Fund 5XXXX) due to System Office	7
July 31	Capital Improvement Schedules (unrestricted and restricted)	7, 8
July 6 noon	Last day for electronic file feeds from other sub systems by NOON	
July 17	Last day for A/P to cancel FY26 checks in FY26	12, 13
July 17	<b>LAST</b> day for unit entry to FY26 by 5 PM	7
July 18	General Ledger roll	18
July 18	Encumbrance roll	14
July 18	Budget roll (finance)	19
July 20	Foreign contract revenue details in unrestricted funds due in System Office, if applicable	12

<b>II.</b>	<b>List of Significant Dates</b>	<b>Page No</b>
Aug 1	Following items due in System Office (earlier submission is appreciated):	
	Depository reconciliations and reconciling deposit explanations (See VII. All Funds, A. Recons, 1. Depository)	9
	Balance Sheet accounts reconciliations, which include the following:	
	- Allowance for doubtful accounts analysis and reconciliation	10, 15
	- Petty cash and change fund reports	9, 10
	- Inventory detail	11, 12
	- Auxiliary reconciliation	14, 15
	List of undelivered checks, if applicable	10
	Void checks	10
	Aged Listing of restricted fund manually booked receivables, if applicable	15
August 31	Last day for Documentation for Unrecorded Liabilities (July 1-August 31) due in System Office	7
Sep 1	Tuition Waiver Reports under R05.10.080 to CFO	

III. A. Year-end Transmittal Form: *Please submit to System Office Fund Accounting*

[ua-fund@alaska.edu](mailto:ua-fund@alaska.edu)

ALL SUBMISSIONS MUST BE ELECTRONIC TO MEET AUDITOR'S REQUIREMENTS  
(If you need assistance on how to encrypt or redact sensitive information call 907-450-8073)

The following are due in System Office Fund Accounting by August 1 (earlier submission is appreciated).

Mark X if Included	Page No.
<input type="checkbox"/> Depository reconciliations	9
<input type="checkbox"/> Reconciliation of balance sheet accounts (Attach list of account numbers)	8
<input type="checkbox"/> Petty cash and change funds report	9-10
<input type="checkbox"/> Reconciliation of allowance for doubtful accounts	10, 15
<input type="checkbox"/> Inventory detail	11-12
<input type="checkbox"/> List of undelivered checks	10
<input type="checkbox"/> Foreign contract revenue	12

Date submitted \_\_\_\_\_

Submitted by \_\_\_\_\_

Unit \_\_\_\_\_

Phone # \_\_\_\_\_

III. B. Year-end Transmittal Form

*Please submit to System office Auditing and Compliance Services:*

[ua-ia-dept@alaska.edu](mailto:ua-ia-dept@alaska.edu)

	<u>Page</u>
_____ Inventory Instructions	11-12

Date submitted \_\_\_\_\_ Submitted by \_\_\_\_\_

Campus \_\_\_\_\_ Phone # \_\_\_\_\_

#### IV. System Schedule

The Banner Finance application is real time and does not require the system to be totally shut down to do processing.

The system's scheduled primary availability is from 7:30 AM to 8:00 PM, Monday through Friday. During these hours, there is end user and technical support.

The secondary availability is on Saturdays and Sundays from 7:30 AM to 4:00 PM. This means if the system is up, the end users can use it, but there is no support staff if problems occur. Maintenance, upgrades, long processing jobs, etc. are also done on Saturdays and Sundays with prior notice to users.

Banner Finance transactions should not be processed after 5:00 PM on Finance close day or during the year-end Finance Roll weekend until further notice from the System Office.

#### V. Auditors' Schedule

CliftonLarsonAllen, the university's external auditors, will be performing the FY26 audit of the university. The university's internal auditors will assist with audit procedures related to cash disbursements, payroll, Procurement Cards, plant funds, and tuition and fees.

Interim audit fieldwork by CliftonLarsonAllen is scheduled in early June. Interim field work will be handled remotely. Final audit fieldwork will be onsite in early September.

All communication with the external auditors should be coordinated through Yan Xiong, System Office Fund Accounting. If any of the dates identified above create scheduling challenges for your staff, please contact Yan Xiong so appropriate arrangements can be made.

Campuses and units are responsible for running, printing, and distributing reports and supporting information in a timely manner to meet the audit schedule. Your cooperation with all audit requests is greatly appreciated.

#### VI. All Funds

##### A. Payroll

The Payroll/HR Processing Fiscal Year 2026 close memo from the System Office of Human Resources is separately published on HR website. Please check the Payroll/HR website for the most recent copy.

##### Journal Vouchers

It is imperative that the HR system, which maintains the payroll detail, and the Finance system, which posts summary level payroll charges, stay in balance. Therefore, it is essential that labor reallocations be processed through the payroll system in the current fiscal year. Journal vouchers cannot be used for payroll transactions, with the following exceptions:

- Prior fiscal year labor reallocations for transfers only between restricted funds are authorized for journal voucher processing using finance rule code JPAY.
- Prior fiscal year labor reallocations for transfers between unrestricted funds, or transfers between unrestricted and restricted funds must use finance rule code JSPC. These journal vouchers must be sent to SWOHR for approval and processing at SW Finance.

### Staff Benefit Rates

New staff benefit rates will be implemented for the R15 payroll based on the prior years' experience and the future years' projection. The major administrative units will be notified of the rates.

### B. Journal Voucher Entry

For year-end closing purpose, the month of June runs from June 1 to July 17. All units have the ability to enter journal vouchers for FY26 until 5 PM on July 17. The system does prevent JV's from being processed and scripts will be run to catch other items. Those items will be deleted or reversed for activity posted after that date.

It is the unit's responsibility to complete each journal voucher. Proposed journal vouchers affecting FY26 after July 17 will be entered only if material. Proposed Journal Vouchers with supporting documents must be sent to System Office Fund Accounting for approval and process.

### C. Accounts Payable

Billings for services performed on or before June 30 must be approved for payment and processed through regular channels by July 17, 5PM to be recorded in FY26. It may be necessary to make advance arrangements with the vendors to ensure timely billings. It is preferred that the billings be through June 30, although it is possible to prorate bills that straddle both fiscal years.

For purpose of recording Unrecorded Liabilities, payments issued from July 1 through August 31 for **\$100,000** and greater, from funds 1, 2, 3 and 5, will require backup documentation, showing dates of service, to be sent to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) every Monday for payments made in the preceding week. The submission shall be summarized as shown below:

1. Name of Vendor
2. Org, Acct, Fund
3. PO#
4. Estimated Payable

### D. Fixed Asset Equipment

All capitalized equipment (items costing \$5,000 or more) that was received, or the university had title to, in FY26 must be tagged and entered in the fixed asset module by June 30.

### E. Capital Improvement Expenditures—Capitalized Costs

1. Fund 5xxxxx, Unrestricted and Restricted Fund Schedules

#### Fund 5xxxxx Schedules

On June 12, System Office Fund Accounting will forward fund 5xxxxx capital improvement schedules including expenditure data to each campus' design and construction offices. Response schedules are due in System Office Fund Accounting July 10.

#### Unrestricted and Restricted Fund Schedules

On July 15, System Office Fund Accounting will forward unrestricted and restricted capital improvement schedules including expenditure data to each campus' design and construction offices. Response schedules are due in System Office Fund Accounting July 31.

#### Instructions for Fund 5xxxxx, Unrestricted and Restricted Fund Schedules

For the following fund groups, 5xxxxx, unrestricted and restricted, identify major upgrades of buildings or grounds. The schedule should be organized by capital project. For each capital project, the following information should be listed:

- Fund-org-program-activity code
- Percent complete at June 30 (100% completion means no further spending to be capitalized)
- Building reference and campus location for infrastructure, if applicable
- Short description about nature of work, e.g. renovate classroom or replace water line
- If project is funded from more than one fund or org, report expenses at lowest level
- Group expenses by major account code class, e.g. Salaries, Contractual services, etc.
- Indicate whether this project should be capitalized (Y) or expended (N) with explanations.

In general, improvements with total planned expenditures of \$100,000 or more are deemed to extend the useful life or increase the value of the building or component.

For detailed instruction on capitalization and componentization of assets, please refer to Accounting and Administration Manual found on the Controller's website:

<https://www.alaska.edu/controller/acct-admin-manual/acct-and-finance/A-25.pdf>

<http://www.alaska.edu/controller/acct-admin-manual/acct-and-finance/A-27.pdf>

## VII. Unrestricted Funds

### A. Balance Sheet

Send all balance sheet accounts reconciliations through July 17, FY26 to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) by August 1.

Each unit is be responsible for reconciling all of the balance sheet accounts for all funds which are administered by their campus with the exception of the excluded balance sheet accounts identified in procedure G-03 in the System Office Accounting Manual <http://www.alaska.edu/controller/acct-admin-manual/acct-and-finance/G-03.pdf>.

Any reconciling items between the detail list and the FGRGLTA must be clearly identified with supporting documentation attached. In general, follow the guidance of procedure G-03 plus the instructions given in sections VIII through X of this document.

### B. Cash

#### 1. Depositories

- Cash on hand which is not recorded through the cash receipts system as of June 30 will need to be recorded as FY27 activity. Amounts in excess of \$10,000 must be recorded by journal voucher to FY26 prior to July 17 with a reversing entry in FY27. The entry is:

dr	Cash 0140-XDEP	x,xxx.xx	
cr	Revenue XXXXX-9XXX-XXXXXX		x,xxx.xx



submit the report to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) as part of the standard Balance Sheet Reconciliation process by August 1.

3. Disbursements/payables and payroll check information

a. Undelivered checks

All business offices/units must list any un-mailed and/or undelivered signed checks on hand at the close of business on June 30. The list must include:

- check number
- check date
- payee
- amount
- reason why business office still has the check

Email this list to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) by August 1. If no checks are on hand at June 30, no reporting is required.

b. Void checks

As is the routine process, please send all original void checks to System Office Cash Management, Butrovich Building by August 1. Ensure that no FY26 checks are held at the unit.

B. Receivables

1. Accounts receivable

Accounts receivable reconciliations should include aged listings of the receivables.

2. Allowance for doubtful accounts

Please submit the Allowance for Doubtful Accounts reconciliation to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) as part of the standard Balance Sheet Reconciliation process by August 1. Your submission must include a summary of the methodology applied and all relevant supporting documentation for the calculations. Judgment is to be used in the selection of the methodology. One suggestion is to use specific identification for grants and contracts and a percentage method for student receivables. An example of the aging method is given below.

<u>Accounts Receivable Aging</u>		<u>Applicable % (see NOTE)</u>	<u>Allowance for Doubtful Accounts</u>
Current	\$ 200,000	1%	\$ 2,000
30 - 60	50,000	2%	1,000
61 - 180	75,000	20%	15,000
181 - older	<u>125,000</u>	90%	<u>113,000</u>
	<u>\$ 450,000</u>		<u>\$ 131,000</u>

Using this example the allowance for doubtful accounts would be \$131,000.

NOTE: The percentages to be used are your best estimate, the percentages vary with location and economic conditions. The allowance should show a correlation to the annual amount of receivables that are uncollectible. When the balance has been determined, review how close the estimate is to the existing balance in the account and prepare an adjustment if the variable is in excess of \$2,000. If you do have to adjust the account, it is preferred that you make the adjustment so that the allowance for doubtful accounts is rounded to the nearest thousand. Additional guidance may be obtained from System Office Fund Accounting. This adjustment is to be entered in FY26 by July 17.

C. Travel

Travel processed in Concur is not encumbered. Travel expenses post in Banner after the Concur expense report is approved by the campus travel auditor (Concur processor role). To ensure that travel which takes place in FY26 is posted to FY26, the Concur expense report must be approved through the campus travel auditor by July 17, 2026. Travel is considered FY26 activity when the first day of travel is prior to July 1, 2026. Expense reports where the first day of the travel is after June 30, 2026 will be posted to FY27. All expense reports approved by the campus travel auditor after July 17, 2026 will post against FY26.

D. Inventory

Inventory includes items held for resale such as books, calculators, supplies and consumable items held for department use such as office supplies. Examples are: Geophysical Institute electronic shop, IMS glassware, utilities supplies and warehouse inventories. Inventory as described here does not include property inventory (equipment, etc.).

This section includes inventory instructions for auxiliaries, service centers, and departmental supplies and consumables. Also included are instructions for auxiliary accounts other than inventory. Inventories are to be conducted for all bookstores and conducted for all centers with consumable or resale inventories that are to be recorded as assets. Inventories in excess of \$50,000 must be recorded as assets.

1. All inventory items held for resale should be counted as of the close of business, June 30. If the physical count is prior to June 30, provision must be made to account for changes in the inventory from the date the inventory is taken until June 30. By May 19, notify System office Auditing and Compliance Services (see page 5 for contact information) of the dates and locations that physical inventory counts have been scheduled.
2. Prepare written instructions of the inventory count plan. These instructions should include identification of individuals responsible for the count, date of count, locations to be counted, and procedure for counting (counting is to be done in pairs, use of pre-numbered count sheets, other applicable forms, etc.). Send a copy of these instructions to System office Auditing and Compliance Services by May 29.
3. Identify either as a part of the inventory instructions or separately, the costing method to be used. Unit cost must be based on the latest invoice price plus average unit freight. Large units may calculate cost based on the retail method. Identification of the costing method should include a brief summary of what the source of cost information is, i.e. how percentages are calculated for retail method, source of costs, determination of freight costs, etc.
4. All inventory sheets should be pre-numbered and clearly identify the unit and date of inventory. The heading must also identify the specific location, individuals counting those items and date of their count. Columns should be established for description of the counted item, counted quantity, unit cost and extended total cost.
5. Separate listings should be maintained for un-saleable books and other retail items. This will include books and other items which probably will not be saleable during the 2026-2027 academic year, and which cannot be returned for credit. This listing should include information similar to that on the inventory sheets. These items will also be a part of the inventory sheets referenced in item 4.

6. After inventory is completed and costed, the inventory reconciliation is to be completed. A sample format follows:

Unit & Operation Inventory Reconciliation <u>June 30, 2026</u>	
Total cost per inventory detail listing	\$
Less un-saleable items counted in the above (per worksheet)	
Other adjustments (explain in detail)	_____
Adjusted physical inventory	\$ _____
Balance in FGRGLTA, 04XX-1XXXXX, at June close	\$
Inventory adjustment, JV # _____ (attach copy of JV)	_____
Adjusted balance (must equal adjusted physical inventory)	\$ _____

7. Make necessary year-end adjustments to the inventory accounts. These journal vouchers are to be entered by the units by June 30. Attach a copy of the JV to the inventory reconciliation.
8. Please submit the inventory reconciliation to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) as part of the standard Balance Sheet Reconciliation process by August 1. Include inventory reconciliation and a copy of written instructions used when inventory was conducted and a copy of the JV used to record the appropriate adjustments.

E. Foreign Contract Revenue

Each campus unit must review and identify all revenues derived from contracts with foreign sources. Please submit your transaction list to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) by **July 20**. The list should include:

- Name of Vendor
- Org, Acct, Fund
- Purchase Order number
- Dollar value of the contract

Please see below for the definitions of “contract” and “foreign source”:

- Contract: any agreement for the acquisition of property or services by purchase, lease, or barter, for the direct benefit of or use by any of the parties
- Foreign source:
  - A foreign government, including an agency of such government.
  - A legal entity, governmental or otherwise, created solely under the laws of a foreign state or states.
  - An individual who is not a citizen or national of the United States or a trust or territory or protectorate thereof.
  - An agent, including a subsidiary or affiliate of a foreign legal entity, acting on behalf of a foreign source.

F. Accounts Payable

Accounts payable are unpaid obligations at June 30 for goods received and/or services performed on or prior to June 30, including all utilities (phones and fuel) even though the statement or invoice for such services may be dated July 1, or subsequent. Summarize payables relating to all funds for inclusion in the year-end closing. Review the Open Payable Report as of the close of June (July 17) to ensure the payables are correct.

See Appendix A for information on canceled checks.

## G. Encumbrances

### 1. Overview:

The state permits the university to carry-forward funding to the next fiscal year to cover the cost of its encumbrances (outstanding commitments). An encumbrance is defined as the legal commitment of funds for the purchase of goods and/or services which were ordered prior to June 30, but which had not been actually received at June 30.

The FY27 operating budget will be increased for encumbrances. It is important that the university is in compliance with stated rules and regulations and provides proof in the audit trail that it has done so. For this reason, FY26 purchase orders (not included as legitimate exceptions) are not to be issued after June 30, 2026 or backdated. Follow your campus deadlines for requisitioning. It is critical to abide by them in order to allow the procurement offices time to change the requisition into a purchase order

### 2. Important review steps to ensure the compliance and reduce lapse.

- a. Delete all invalid encumbrances after a thorough review process of the open encumbrance reports. There should be proper reasons to justify why open orders can be funded from the FY26 appropriation.

'A' Goods or services not received by June 30.

'B' Purchase order issued for items manufactured to specifications fulfilling bid or quote requirements with a delivery date subsequent to June 30.

'C' Long lead-time required on order, goods will be received after June 30. (This is appropriate in remote areas that may have outstanding barge orders.)

'D' Invoice from vendor not received in a timely manner. Goods have been received prior to June 30. (These items should be recorded as accounts payable items and removed from this list; however, they may appear on this list provided they do not appear on both lists.)

All correction identified should be corrected in the current (FY26) year by July 17.

Invalid encumbrances are unusable and become an automatic lapse in the subsequent year; therefore, it is advisable to free these encumbrances up for re-use.

This procedure should be performed throughout the year, but at the minimum ensure that it is followed in May, June, and July.

- b. Review prior year encumbrances (commit type "C") and take necessary steps to ensure delivery of goods and services. Prior year (FY25) encumbrance (commitment type C)

will lapse **June 30**. The final date to close commit type “C” encumbrances is **June 30** by 12 noon.

Amounts owed by one segment of the university to another or one fund group (restricted or unrestricted, etc.) to another fund group are not legitimate payables nor encumbrances and should not be on the Open Encumbrance report. See the System Office Accounting Manual procedure A-17: <https://www.alaska.edu/controller/acct-admin-manual/acct-and-finance/A-17.pdf>. If you need additional guidance email [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu).

Please continue to review current year and prior year encumbrances to ensure active status and to avoid inadvertent lapse of funds. Also, examine the accounts payable open invoice reports and clear out any invalid items.

Adjustments can be made to encumbrances and accounts payable for all funds from July 1 through July 17 for FY26.

**After July 17, do not use June 30 as a transaction date.**

All obligations at June 30 must appear on either the accounts payable listing or the open encumbrance listing. No item should be on both listings.

### 3. Encumbrance Roll

The encumbrance roll process will occur on July 17.

Before the process starts, all FY26 requisitions that were not converted to purchase orders will be deleted, regardless of which funds are being used. These requisitions will have to be manually re-entered by the departments if they need to have purchase orders created. All incomplete documents must be removed from the system.

All encumbrances (manual and purchase orders) will be rolled into the new fiscal year. Encumbrances against unrestricted funds will be rolled with a commit flag of “C” and are subject to lapse. All other funds will be rolled with a commit flag of 'U' and are not subject to lapse.

### H. Establishment of Unrestricted Budget

The temporary budget for FY27 was entered in May and will be available until June 30. If budget is not entered by June 30, users will get the NSF message on the items they are trying to process. Units should have prepared and input continuation budgets according to schedules prepared by System Office Budget.

### I. Auxiliary Funds

This section provides instructions for reconciliation of Auxiliary Fund accounts other than inventory. Instructions for all inventories including auxiliaries are in the section VIII D.

Please submit reconciliation to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) as part of the standard Balance Sheet Reconciliation process by August 1.

1. Receivables - complete a list of amounts due the university as of June 30 for books and other items sold but for which payment has not been received. This detail listing is to include customer name, invoice amount, and revenue account to be credited. Any of these receivables which are unrecorded are to be entered by the local unit with a journal voucher in FY26 by July 17, and reversed in FY27. The account to be debited will be 0264-19XXXX.
2. Accounts Payable - are not recorded by journal voucher. Accounts payable for goods received by June 30 should be recorded into the correct accounts payable form (FAAINVE) using a transaction date of June 30. Any date can be used for the invoice date.
3. Credit memos - are not recorded by journal voucher. Credit memos relating to goods received by June 30 should be recorded into accounts payable form (FAAINVE) using a transaction date of June 30. Any date can be used for the credit memo invoice date.
4. Deferred Revenue - housing system receipts collected in advance for July 2026 or later should be recorded as deferred revenue as of June 30, 2026. Complete a listing of the amounts received prior to June 30 for future periods. The listing should include the payer's name, unit rented, months paid in advance and amount received. The total deferred rent should be recorded to account 0760 - 19XXXX.

## VIII. Restricted Funds

### A. Receivables

1. Receivables and billing should be processed through Banner Grant Module. Please report to Fund Accounting by August 1 for any Aged listing of manually booked receivables. If no manually booked receivables, no reporting is required.

The aged listing of all manually booked receivables should include identifying fund number, amounts and aging as per outstanding billings.

2. Reconciliation of allowance for doubtful accounts is due in System Office Fund Accounting on August 1.

A reconciliation of any allowances for doubtful accounts is required and must include a summary of methodology used and backup to support the calculation. The specific identification method is recommended for restricted fund receivables. See also guidance given for unrestricted fund allowance for doubtful accounts in section VIII B 2.

### B. Analysis of Debit Fund Balances

The time period for applying adjustments to restricted funds for purposes of recording manual overhead, corrections, or administrative expenditures of federal financial aid programs ends July 17. Any unit not able to enter all adjustments should contact System Office Fund Accounting for assistance before completing the analysis of debit fund balances.

1. Analysis of debit fund balances and journal entries to record related receivables and revenues should be completed and entered by unit prior to July 17.

To aid in this analysis, prepare a schedule using the June fund-balance report, showing the following headings. The analysis is for all funds with negative ending fund balances only.

<u>Fund No</u>	<u>Title</u>	Ending Balance <u>XXX(1)</u>	Billed <u>(2)</u>	Unbilled <u>(3)</u>	Unbillable <u>(4)</u>	<u>Comments</u>
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- (1) Use the June balances (negative balances) as of July 17, or an earlier date when you know all restricted fund entries have been posted.
- (2) Amount billed as of June 30, does not include billings prepared after June 30. Add comments for any amounts over 90 days old.
- (3) These are costs that are unbilled at June 30, but are billable under the terms of the contract. Add comments as to when costs will be billed. Note: Costs billed during July should be recorded as FY26 activity. These items will be considered as unbilled as of June 30 and should be included in this column.
- (4) Costs that are un-billable generally come from either over-expenditures or disallowed expenditures. Add comments if there is a balance in this column. Indicate if provision for this uncollectible amount is already included in Funds 1, 2 or 3.

The sum of columns 2, 3, & 4 must equal column 1.

2. Journal vouchers to record receivables for each fund with a negative fund balance should be input by July 17. Prepare the entry using the analysis performed in step B 1.

DEBIT: 0264-2XXXXX, miscellaneous accounts receivable, for the amount in the billed column of your worksheet.

DEBIT: 0303-2XXXXX, unbilled contracts receivable (manual), for the amount in the unbilled column on your worksheet.

DEBIT: 0292-2XXXXX, allowance for doubtful accounts, for the amount in the unbillable column on your worksheet.

CREDIT: ORG-9XXX-2XXXXX, various revenue accounts, for the combined sum of the debits.

This entry should be made for each fund with a debit fund balance and prepare a reversing entry for FY27. For the reversing entry:

DEBIT: ORG-9XXX-2XXXXX  
 CREDIT 0292-2XXXXX  
 CREDIT 0264-2XXXXX  
 CREDIT 0303-2XXXXX

After preparing the accrual cycle entry, review the balance in the combined 0292 allowance for doubtful accounts to ensure that the balance is still adequate. See section VIII B for guidance on allowance for doubtful accounts.

If your provision for doubtful restricted accounts is combined with your unrestricted fund provision, be sure there is sufficient allowance to cover the debit entries to 0292 above. Ascertain that you have not caused your allowance account(s) to have a negative (debit) balance(s).

### C. Budget Roll

The budget roll process occurs once on July 18. This rolls available balances into FY27.

D. Closing Restricted Funds

In order for a restricted fund to be closed, the following items must be done prior to June 30.

1. Review the fund as reported on the FGRGLTA.
  - a. All asset and liability accounts must be zero "0" (including Interfund - 0521).
  - b. The fund balance, revenue, expenditure and transfer control totals must net to zero "0".
  - c. Budgeted revenue and expenditure must equal each other.
2. Ensure the fund termination date is set to June 30 or prior. **Using a July transaction date will not close it in FY26.**

IX. Student Loan Funds

Each Major Administrative Unit is responsible for reviewing student loan funds to ensure that activities are recorded in the appropriate fund for the applicable aid year. Reconciliations of the financial aid electronic fund transfer and offset accounts must be performed to ensure the completeness and accuracy of student financial aid activity and related cash transactions. Please submit reconciliation to [ua-fund@alaska.edu](mailto:ua-fund@alaska.edu) as part of the standard Balance Sheet Reconciliation process by August 1.

## APPENDIX A

### Operating in the Previous Fiscal Year Prior to the Roll

There is no special function or accesses needed to perform current fiscal year and prior fiscal year processing. Anyone who can enter a transaction type in the current fiscal year can enter that transaction type in the prior fiscal year. The key to processing in the proper fiscal year is the transaction date. This is true if you are doing a requisition, manual encumbrance, purchase order, invoice, canceled check, journal voucher, or budget entry. There is no fund type restriction on processing prior fiscal year activity.

Year-end closing is done by three major processes: the general ledger roll, encumbrance roll and budget roll.

#### **General Ledger Roll**

Until 5:00 PM on July 17, end users can work in both fiscal years. As stated before, the key to recording items in the correct year is the **transaction date**. The transaction date will default to the current date for every transaction. The user must clear the field and enter June 30, 2026 when they are trying to affect FY26.

On July 18 the general ledger roll will be performed. This job sets up the application to handle the old fiscal year as the accrual cycle and places beginning balances into the new fiscal year. Once this job is processed the system will update the ledgers appropriately.

If, for example, there is a charge for FY26, the system will record the charge in FY26 and automatically update the fund balance for FY26.

If the charge is for FY27, the system will only update FY27.

Follow your campus deadlines for requisitioning. It is critical to abide by them in order to allow the procurement offices time to change the requisition into a purchase order. All FY26 requisitions must be deleted before the encumbrance roll process. **This must be done by the users or the campus representatives before July 17.** If any requisition that was deleted needs a purchase order, that requisition will need to be reentered by the department.

Invoicing can be done against FY26 by using a transaction date of June 30. This should be done for all items received on FY26 purchase orders, prior to the encumbrance roll. Invoicing can also be done against FY27 by using a transaction date in July. This should be done for all items received on FY27 purchase orders.

Checks that are printed in July will be reflected in FY27, with a debit to accounts payable control and a credit to the bank account. Checks issued prior to July 1 can be cancelled (voided) against FY26 by using the check cancel date of June 30.

If an FY26 check is to be **canceled and not reissued**, go to the cancel check form (FAACHKS) for processing. Enter cancel date as June 30, cancel check as Y and re-establish payable as N. This can be done until July 17.

If an FY26 check is to be **canceled and a reissue will be done**, go to the cancel check form (FAACHKS) for processing. Enter cancel date as June 30, cancel check as Y and reestablish payable as Y. This can be done until July 17.

## **Encumbrance Roll**

Closing of purchase orders and manual encumbrances for FY26 should be done in the normal fashion, but using the June date.

On July 18 the encumbrance roll process will be done. **Prior to this process all FY26 requisitions that have not been converted to purchase orders will be deleted.** It will also roll encumbrances (both manual and purchase orders) into the new fiscal year. Depending on the fund type, the system will either set the record with a commit type of 'C' (committed) and tracked for lapse purposes or 'U' (uncommitted) and not tracked for lapse purposes.

Once the encumbrance roll is done, **no encumbrances can be entered against the old fiscal year.**

**Units are not to do entries against FY26 after 5:00 PM on July 17.**

## **Budget Roll**

On July 18 the budget roll process will be done. This will roll the available balances for the appropriate funds. This will roll both revenue and expense budgets. If any transactions are manually entered to these funds in the accrual cycle after the budget roll, manual budget adjustments to FY26 will have to be performed. After this process is completed no activity against funds that are project related can be done in FY26.