Financial Services Office
Fiscal Year End Reporting
Contacts for Assistance

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http://www.fso.arizona.edu/financial-management/fund-accountants
## STATEMENT OF NET POSITION

**June 30, 2017** (in thousands of dollars)

### Assets

**Current assets**

- Cash and cash equivalents (Note 3)  
  \[ \text{110,431} \]

- Short-term investments (Note 3)  
  \[ \text{132,199} \]

**Receivables:**

- Accounts receivable (net of allowances of $2,798)  
  \[ \text{82,484} \]

- Government grants receivable  
  \[ \text{45,276} \]

- Student loans (net of allowances of $349)  
  \[ \text{1,393} \]

- Inventories  
  \[ \text{7,303} \]

- Prepaid expenses  
  \[ \text{12,464} \]

**Total current assets**  
\[ \text{391,550} \]
Accounts Receivable, Unearned Revenues, Deposits & Prepaid Expenses
Accounts Receivable (A/R)

- $100,000 threshold
- Departments are not required to submit A/R if under this threshold
- Instructions can be provided if the department would like to record Accounts Receivable themselves
- Departments that book their own A/R are still required to submit all required schedules
Accounts Receivable (A/R)

Accounts Receivable Balances Memo

• Signed by Dean, Director, or Department Head
• Check off schedules included
  ➢ Schedules 1 and 5 are required
• Point of Contact email and phone number
  ➢ Point of Contact must be reachable July 3rd – 12th
• Include document numbers for department recorded balances of A/R
Accounts Receivable (A/R)

Schedule 1 – A/R by Customer Name

• Required schedule
• Separate page for each account/object code
• External vendors only, not other departments
• Include what the A/R represents
Accounts Receivable (A/R)

Schedule 2 – Customers with Credit Balances

• Normally Refund Due or Deposit
• Include Reason Code
• Amounts greater than $5,000 may be reclassified.
Accounts Receivable (A/R)

Schedule 3 – Amounts to be Written Off

• Separate page for each account/object code
• Include a brief reason
• Indicate whether customer’s balance is on Schedule 1
Accounts Receivable (A/R)

Schedule 4 – Amounts Written Off During the Fiscal Year

• Separate page for each account/object code
• Include a brief reason
• Identify the accounting treatment used
• Do not include amounts in Schedule 1
Accounts Receivable (A/R)

Schedule 5 – Analysis of A/R Write-Offs / Proposed Allowance

- Required schedule
- Enter current year A/R and prior 3 years
- Don’t leave blank – if no write off, enter $0
- Bad debt ratio column will auto-calculate
Accounts Receivable (A/R)

Schedule 5 – Analysis of A/R Write-Offs / Proposed Allowance

• Explain why amounts over 90 days are collectible
• Allowances should be reviewed for reasonableness to determine if it should be increased/decreased
Unearned Revenue / Deposits / Prepaid Expense

Unearned Revenue / Deposits / Prepaid Expense Balances Memo

• Signed by Dean, Director, or Department Head
• Check off schedules included
• Point of Contact email and phone number
  ➢ Point of Contact must be reachable July 3rd – 12th
• Include document numbers for department recorded balances
Unearned Revenue / Deposits / Prepaid Expense

Schedule 1 – Unearned Revenue / Deposits
Schedule 2 – Prepaid Expenses

- Include as needed
- Separate page for each account/object code
Accounts Receivable Recording Process

• Accounts **without** an Allowance for Doubtful Accounts established
  ➢ Year-end A/R accrual recorded as of June 30th
  ➢ Year-end A/R accrual reversed in July
  ➢ Current year revenues adjusted at the beginning year
Accounts Receivable Recording Process

• Accounts with an Allowance for Doubtful Accounts established
  
  ➢ Year-end A/R accrual adjusted as of June 30th
    ▪ Prior year A/R reversed
    ▪ Current year A/R recorded
  
  ➢ Accounts will have an A/R balance throughout the year
  
  ➢ A/R balance is static and should not be considered “true” receivables throughout the year
  
  ➢ Current year revenues adjusted at the end of the year
Inventory

- $50,000 threshold.
- Departments are not required to submit Inventory if under this threshold.
- Instructions can be provided if the department would like to record inventory themselves.
- Departments that book their own inventory are still required to submit all required schedules.
Inventory

• Invoices covering items to be included for this year’s inventory **must** be included in the current year’s disbursements or accounts payable.
• Inventory items held for resale and raw materials.
  ➢ Supplies and capital equipment should not be included.
Inventory

Inventory Balances Memo

• Signed by Dean, Director, or Department Head
• Check off schedules included
• Schedule 2 is required
• State valuation method – FIFO
• Point of Contact email and phone number
  ➢ Point of Contact must be reachable July 3rd – 12th
• Include document numbers for department recorded balances of Inventory
Inventory

Schedule 1 – Inventory Write-Downs

• Separate page for each account/object code
• Use to write down or write off
Inventory

Schedule 2 – Analysis of Inventory Write-Offs / Proposed Allowance

• Required schedule
• Enter current year Inventory and prior 3 years
• Don’t leave blank – if no write off, enter $0
• Obsolete goods ratio column will auto-calculate
• Explain the basis for allowance recommendation – why or why not
Inventory

- Department may use pre-numbered forms provided by FSO or use their own schedules
- All sheets should be page numbered
- Attach all inventory sheets to cover memo
- Use separate sheet for each account number/object code
Recap

- **Thresholds**
  - Accounts Receivable: $100,000
  - Inventory: $50,000
  - Departments can record their own if under threshold

- **All memos must be signed by Dean, Director, or Department Head**
  - Point of Contact must be reachable between **July 3rd – 12th**
  - Schedules should have a separate page for each account / object code

- **Download current year schedules from FSO website.**
!!!! Reminder !!!!

Documentation is due to the Financial Services Office by: Tuesday, July 3, 2018
All Memos and Schedules are available at

http://www.fso.arizona.edu/financial-management/year-end
Questions