



Finance Officer Year End Close-Out Checklist

The procedures listed below may vary for your specific LEA and may be contingent on the type of accounting software in use. The suggested procedures listed below should be completed prior to year-end closing. Please modify this listing to best serve your LEA.

PERFORM THESE PROCEDURES PRIOR TO FISCAL YEAR CLOSING UNLESS NOTED OTHERWISE.

GENERAL PROCEDURES

Investments

- Redeem Investments that will mature as of 06/30/XX. Accrue interest earned as of 06/30/XX on investments that will mature in the future or next fiscal year. Use Balance Sheet Account 0114 - Interest Receivable for this activity.
- Verify that available investment reports are in balance with GL Balance Sheet Account 0111-Investments fund by fund. Money Market accounts need to be included in GL Cash 0111. Local Government Investment Pool accounts will be classified as Cash 0101 per updated guidance from Office of State Treasury.

COMPLETION DATE:_____ SIGNOFF_____

Accounts Payable

- Verify that accounts payable reports (List of Open Payables, etc.) are in balance with GL Accounts Payable accounts by fund as of 06/30/XX. Be prepared to break out by Accounts Payable, Salary & Benefits, Construction, Retainage, etc...

COMPLETION DATE:_____ SIGNOFF_____

Accounts Receivable

- Verify that the available accounts receivable reports are in balance with GL Accounts Receivable accounts by fund as of 06/30/XX. Be prepared to break out by State, Federal, Local & Other.

COMPLETION DATE:_____ SIGNOFF_____

Interfund Accounts

- Verify that Interfund Accounts Receivable 0132 is in balance with Interfund Accounts Payable 0402 in Total for All Funds. These Balance Sheet accounts are used when one fund loans another fund money that will be repaid. Do not use for Debt Service activity in the Fund 2XX series.

- Process applicable reports to verify that Transfers Out (Expenditure Account 5000-930) balance with Transfers In (Revenue 5200) in Total for All Funds. If one fund reports a Transfer Out, then another fund should report a Transfer In. This is a DE46 error that must be cleared. Errors may be corrected via journal entry.

COMPLETION DATE:_____ SIGNOFF_____

Employee Payroll Withholding Fund (PCG – 199)

- If this activity is recorded in a separate fund, verify that it is in balance as of 06/30/XX. Revenue should equal expenditures and cash should equal payables to keep the fund in balance.

- Make necessary accounting entries to get the fund in balance. If unable to correct errors within the fiscal year, set up Payables and/or Receivables to applicable Balance Sheet accounts as necessary. Take appropriate action to correct errors in next fiscal year.

COMPLETION DATE:_____ SIGNOFF_____

Purchase Orders

Note: Remember that a purchase order "encumbers or sets aside" this portion of the budget and reduces the amount available for future use. The purchase order should be liquidated, and an expenditure created when shipment of goods is received. An expenditure represents an actual obligation to pay.

- Close open Purchase Orders that should not be transferred to new fiscal year. If budget for new fiscal year is increased by amount of "Carry Forward" purchase orders, take this into consideration when building the budget.

- Transfer open Purchase Orders to new fiscal year using procedures applicable for type of software. This should be done after all current year PO's have been entered.

- Verify that available purchase order reports agree with GL Encumbrance accounts 0603 and 0753 by fund as of 06/30/XX. Accounts should not report negative balances. Contact software vendor if there is a problem.

COMPLETION DATE:_____ SIGNOFF_____

Capital Outlay Funds

- Book any General Fund transfer to Capital Outlay for "required" local match for GSFIC Project. Debit 100-9990-5000-930-Transfers Out and credit 100-0101-Cash and debit 3XX-0101-Cash and credit 3XX-9990-5200-Transfers In via journal entry. Write check from General Operating Bank to Capital Outlay Bank if Capital Outlay funds are maintained in different bank.
- Make appropriate entries within the Capital Outlay Fund 3XX series to clear negative balances in general ledger accounts. Example: Fund 310-New High School reports negative cash balance. Book a Transfer Out of Fund 302-Bond Proceeds into Fund 310-5200 (Transfers In) to cover the shortfall.
- If a significant amount of Capital Outlay expenditures have been charged to General Fund 100, set up a new Fund 3XX for Local Capital Projects and transfer the activity to the new fund. Capital Outlay expenditures charged to Function 4000 in Fund 100 will negatively impact the calculation of the Equalization grant.
- Ensure that June construction invoices for work performed in June is recorded in the proper fiscal year. These invoices should be received within the first couple of weeks in July.
- On construction projects receiving state funds, also remember to set up appropriate accounts receivable for the June invoice and possibly the May invoice if it has not been received.
- Normally, construction invoices have a retainage clause where monies are being withheld from the contractor. This is usually in the 5% to 10% range. These funds are a liability of the district and should be recognized as expenditure and set up as a payable at year end. This entry would need to be reversed in the next fiscal year to keep from overpaying the contractor.
- Examine SPLOST funds received to date. Need to recognize any funds that have been collected but not received. This will be an estimate. These funds are considered measurable and available as current resources to pay current expenditures. Any reasonable method can be used to estimate these amounts, i.e. last year's collections, last year's collection with a growth factor...

COMPLETION DATE:_____ SIGNOFF_____

Reconciliation of Cash

- Review outstanding check lists. If checks are outstanding more than six months, please review to determine appropriate action.
- Void outstanding payroll checks for prior year and/or current fiscal year if outstanding more than six months. If checks have been outstanding more than one year and amount is nominal, void by journal entry. Debit Cash 0101 and credit Fund Balance in applicable fund. Otherwise, after 1 year, remit to Dept of Revenue, Unclaimed Property Division with the required form & information. (There are simple instructions for doing this.) This will relieve you of the burden of keeping up with the unclaimed property & verifying

ownership in the event the rightful owner returns to claim their property. Uncashed Payroll checks are the most common property held by the State. (Dept of Revenue).

- Reconcile cash by fund and by bank as of 06/30/XX. The balance in GL Balance Sheet Acct 0101 for a fund includes cash in all banks for that fund. The fiscal year should not be closed with cash out of balance.

COMPLETION DATE: _____ SIGNOFF _____

Bus Replacement funds

Note: These funds may also be expended for Bus Shop Equipment or Bus Shop Construction. Include these amounts in the calculation as well as any revenue from the Sale of Buses.

- Bus Replacements Funds should be fully expended and no longer included as a Fund Balance. If the bus replacement funds in balance sheet account 0755 have not been expended, contact the GaDOE Transportation Department regarding a possible refund.

School Nutrition Accounting Records

- If School Nutrition records are maintained on software that does not interface with your accounting records, make appropriate entries to enter this activity into Fund 600 using systemwide totals. This must be included on the DE46 Financial for state reporting purposes.
- Verify that Balance Sheet account 600-0171-Inventory for Consumption reports an accurate balance that is not "negative". Make corrections if necessary.
- Verify that Balance Sheet account 600-0173-Inventory USDA Commodities reports an accurate balance that is not a "negative". Make any necessary corrections.
- Verify that Fund 600 does not report a "negative" Fund Balance in a reserve account. Post a journal entry to close the balance into 0740 if necessary, debit 6XX-0740 and credit 6XX-07XX in applicable fund to clear balance.
- Book Summer Salary/Benefit accruals for the School Nutrition Fund 600 series based on procedure applicable to type of software. Book to Balance Sheet Account 0422 - Salaries and Benefits Payable.
- Reconcile differences between the DE046 & the School Nutrition Comparison Report.

COMPLETION DATE: _____ SIGNOFF _____

Categorical Grants

- Process applicable reports to verify that grants are expended at 100% as of 06/30/XX. Any unexpended amounts must be refunded to Department of Education upon request with exception of Bus Replacement.

COMPLETION DATE:_____ SIGNOFF_____

Miscellaneous

- Process June monthly reports and verify that the General Ledgers and Trial Balance for each fund is in balance before attempting to close fiscal year.
- If any fund balance reserve account shows a "negative" balance, post a journal entry to close this into 0799 or 740 - Fund Balance as applicable. Credit the 07XX Fund Balance Reserve and debit 0799 or 0740.
- Most Special Revenue Funds (individual grants) will maintain a zero-fund balance, revenue will equal expense. If the district has expended more than received, the district should set up an accounts receivable and revenue to bring fund balance back to zero. If the district has spent more than the grant award, in which a receivable cannot be set up to bring fund balance to zero, a transfer from General Fund will be necessary. If the district has drawn down more money than it has expended, then the district should set up the difference as a credit to deferred revenue and a debit to revenue.

COMPLETION DATE:_____ SIGNOFF_____

On-Behalf Payments

- Record On-Behalf payments for TRS and PSERS, as appropriate. Utilize the information provided by GaDOE (generally in July). Record in the General Fund only. Do NOT record expenditures to Fund 600.
- Record any local On-Behalf Payments received by the school district.

COMPLETION DATE:_____ SIGNOFF_____

ACCRUALS AT FISCAL YEAR-END

Revenues

- Enter a receivable in Fund 100 and Fund 200 for amount of estimated July and August ad valorem tax revenue. Use Balance Sheet Account 0121-Taxes Receivable for this transaction.
- Set up a receivable for interest earned on investments but not collected as 06/30/XX. Book to Balance Sheet Account 0114 - Interest Receivable and Source code 1500.
- Enter other receivables as applicable

COMPLETION DATE: _____ SIGNOFF _____

Expenditures

- Enter all invoices that are dated prior to or on 06/30/XX. This will record the expenditure in the current year, which can be paid on 06/30/XX or in the next fiscal year.
- Book any salary/benefit accruals other than QBE where services were performed but salaries were not paid as of 06/30/XX. Although not Summer Salary accruals, these are Salaries Payable and should be booked to Balance Sheet Account 0422.

COMPLETION DATE: _____ SIGNOFF _____

Summer Salary and QBE Revenue Accruals for General Fund

Note: Recording the QBE Accrual to the general ledger is required. Be sure to report only twelve (12) months of QBE revenue and expenditures in any fiscal year.

- Print/review QBE accrual document posted to Financial Review website. - QBE017 Accrual System Allotment Sheet
- Clear prior year QBE revenue accruals if outstanding as of 06/30/XX . Use QBE017- Accrual System Allotment Sheet report for prior year to reverse and access report from that menu.
- Enter QBE revenue accruals for July and August using QBE 017 report for current year. This report is not available until the latter part of June. Book to Balance Sheet Account 0141- State Government Accounts Receivable.
- Clear salary & benefit accruals for prior year if outstanding as of 06/30/XX.
- Enter salary & benefit accruals for July and August using method dictated by type of software in use. Book to GL Account 0422-Summer Salaries Payable. Info available on Financial Review Website.

COMPLETION DATE: _____ SIGNOFF _____

Federal Program Accruals

- Verify that all prior year revenue and expenditure accruals have been liquidated as of 06/30/XX.
- Enter receivables to accrue federal program revenues for Summer Salaries. These should be booked to Balance Sheet Account 0142-Federal Accounts Receivable.
- Book Summer Salary/Benefit accruals for federal programs. Book these to Balance Sheet Account 0422-Salary & Benefit Payable.

COMPLETION DATE:_____ SIGNOFF_____

CAPITAL ASSETS

Note: Recording the Capital Assets on the general ledger is required for the DE46 Financial reporting.

- Print/review any related documents from Financial Review website.
- Record Capital Assets of all Governmental Funds in Fund 801 using systemwide totals, which can be done by journal entry. Example: To book total value of all schools, debit Balance Sheet Account 0231-Buildings and credit Balance Sheet Account 0711-Net Capital Assets in Fund 801.
- Verify that Capital Assets for School Nutrition, Fund 600, are included in totals for Fund 801. If tracked in separate 8XX fund to segregate, roll that fund into Fund 801 for state reporting. For those districts that operate the School Nutrition Program as a Proprietary Fund, (which requires the general ledger to use the accrual method of accounting as opposed to the modified accrual method) the capital assets must be included in Fund 600. The majority of school districts in Georgia consider Fund 600 to be governmental fund. Hence, the capital assets associated with the School Nutrition Program are reported in Fund 801.
- Record Capital Assets of Proprietary and Fiduciary Funds within the individual funds as required.
- Book Construction in Progress for all building programs that have been started but not completed as of 06/30/XX. Omission of this data may result in an audit finding. Record by journal entry: Debit 801-0251-Construction in Progress and credit 801-0711-Net Capital Assets for systemwide total. No depreciation is recorded until a building is completed and in use.
- Post accounting entries to record acquisition of new capital assets during current fiscal year per your Capital Asset threshold. Debit appropriate GL Capital Asset account and credit GL Account 0711-Net Capital Assets in Fund 801 for General Fund and other funds.
- Post entries to record sale of any asset during fiscal year. Example: School bus was sold, and proceeds receipted into 100-5300-Sale or Compensation for Loss of Assets.

Purchase price was 50,000.00 and accumulated depreciation is 10,000.00. Post this journal entry: Debit 801-0711-Net Capital Assets for 40,000.00, debit 801-0242-Accumulated Depreciation-Equipment for 10,000.00 and credit 801-0241-Equipment for 50,000.00

- Calculate depreciation for current fiscal year as of 06/30/XX. Book in Fund 801 for the Governmental Funds. Example: If a building is used for instruction, post a journal entry to debit Depreciation Expense 801-9990-1000-742-8010 and credit Accumulated Depreciation-Buildings 801-0232. Use Facility 8010 to designate systemwide and set up expense accounts to close into 0711 not 0799 at fiscal year-end.
- Verify that Fund 801 does not report any expenditures for acquisition or purchase of Capital Assets. These expenditures should be reported in General Fund, Capital Outlay and other funds. Record Depreciation Expense only in Fund 801.
- Review the general ledger accounts. All items being capitalized should be recorded in the 700 object codes. If there are items in these accounts that do not meet the district's criteria for capitalizing, these items must be reclassified to somewhere else.

COMPLETION DATE: _____ SIGNOFF _____

PRINCIPALS ACCOUNTS

- Print/review any relevant documents from Financial Review website.
- Segregate school accounts into Governmental Funds (Fund 500), Student Activity Funds (Fund 705), etc. based on who controls the funds, approves disbursements, etc.
- If books are maintained at the schools on the same software that is used at central office, verify that general ledgers for related funds are in balance. Roll activity within the various funds to Funds 500 and 705 in the State Chart of Accounts for state reporting purposes.
- If school books are not maintained on same software as district office, verify that school books are in balance. Segregate activity into Governmental or Agency/Trust, Funds 500 , 705, etc. Enter financial activity into district accounting records via journal entry prior to closing fiscal year.
- To record revenues for governmental funds by journal entry: Debit Cash 0101 and credit Revenue Sources 1210, 1215, 1220, 1225, 1230, etc. in Fund 500.
- To record expenditures for governmental funds by journal entry: Debit expenditures in the various functions and objects, and credit Cash 0101 in Fund 500.
- To record revenue for agency and trust funds by journal entry: Debit 0101 Cash and credit applicable revenue sources.
- To record expenditures for agency and trust funds by journal entry: Debit applicable expenditures and credit Cash 0101.

COMPLETION DATE: _____ SIGNOFF _____

LONG TERM DEBT

- Ensure all bond sales have been recorded on the accounting records. In the past, districts have recorded bond sales at net. GAAP requires bond sales to be recorded at gross with the cost of issuance recorded as an expenditure in 5100-810.
- For all bonds sold, record the liability in Fund 900
- For all bonds redeemed, reduce the liability in Fund 900
- Refunding bond issues need to be recorded in the accounting records. In the past school districts have not recorded anything. Must be recorded as both an Other Financing Source and Other Financing Use.
- Review Capital Lease payments. Reclassify total payments for the year to Principal and Interest - Function 5100.
- Review any installment purchase payments.
- Ensure compensated absences at fiscal year-end are appropriately recorded.
- Ensure all payments for General Long-Term Liabilities have been reclassified to Debt Service - Principal and Interest Payments.

COMPLETION DATE: _____ SIGNOFF _____

FISCAL YEAR-END REPORTS TO STATE AGENCIES

CS-1 Salary and Travel Expense Report

Note: Remember this is a "Cash Basis" report. Accruals for salary are reconciling items when balancing report to accounting records. Travel is generally reported on the accrual basis.

- Process the CS-1 Salary and Travel Expense Report and balance to accounting records.
- Submit report to Department of Audits by required deadline. Follow instructions provided by DOAA and contact them regarding questions on submission of the report, the deadline, etc.

COMPLETION DATE: _____ SIGNOFF _____

DE046 Financial and Budget Reports

Note: Transmissions must include the following as applicable for each fund: Beginning Fund Balance 0001, Adjustments to Fund Balance 0002 and Ending Fund Balance 0004. If software does not include this data in transmission file, it will have to be added prior to file upload.

Reminder: Please make every effort to meet DE 46 report deadlines. This is important in order for Financial Review to meet U.S. Department of Education report deadlines. Also, our office receives requests for this data from state legislators, state agencies and others.

DE046 Financial – Current Year

- IMPORTANT-**Do not sign-off on an error-free financial until the fiscal year is closed and a final report is transmitted. This will ensure that ending fund balances agree with beginning fund balances in new fiscal year. Otherwise, a written explanation must be provided. You will also want to review the Financial Statements before sign-off.
- Process/transmit DE 46 Financial for current fiscal year to check status. Transmit through Error Checking until notified that Data Transmission is open. This report can be transmitted through Error Checking during the year and errors cleared in a timely manner.
- Correct all E code errors and retransmit file to verify that it is error-free. File may be transmitted as many times as necessary to correct errors until report deadline.
- Review the report for accuracy of reporting, which is important. Just because the data transmission is error free, does not mean the financial data is accurate. Statewide financial data is reported to U.S. Department of Education each fiscal year and this impacts Georgia's federal funding for education. Review data as follows:

Balance Sheet Accounts

- Review Balance Sheet accounts fund by fund to verify that accounts with negative balances should be reported as negatives and take appropriate action to correct errors. Example: Accounts Payable 0421 has a normal credit balance and should not report a negative or debit balance. A payable in the 047X range could report a negative balance if a payroll withholding vendor has been overpaid.
- Verify that no other fund balance reserve account reports a negative balance. A debit or negative balance is not a reserve of fund balance. Follow same procedure as above to correct if necessary.
- Review the balance in Account 0002-Adjustments to Fund Balance for each fund. Excessively large amounts reported here may indicate there are accounting errors that need to be corrected before closing the fiscal year.
- Check for negative cash balances in Cash 0101 for all funds. Verify that a receivable and/or investment is recorded in a fund with negative cash. If not, this may be interpreted as an accounting error or a failure to accrue revenue and/or transfer funds from another fund prior to closing with the exception of School Nutrition.
- Print FIN003 Financial Analysis report and the General Ledger for any fund that reports balance sheet errors. Compare account balances and calculate differences. Check status of Payroll Withholding Fund to see if this is a factor. Review journal entries to verify that Account Types are correct and make correcting entries if necessary. Verify that cash, accounts payable and other balances are correct. Isolate the problem and then resolve the issues.

COMPLETION DATE: _____ SIGNOFF _____

Expenditures

- Verify that Employee Benefits are reported in Objects 210, 220, 230, etc. for all functions as per State Chart of Accounts. Correct DE 46 conversion file or tables if necessary.
- Review expenditures to verify that no expenditure account reports a large negative balance. An account may report a negative balance because of a difference between accrued and actual for prior year, but amount should not be excessive.

COMPLETION DATE: _____ SIGNOFF _____

QBE Expenditure Tests

Note: This test may have been waived and is not applicable to all school districts. If your school district has waived the expenditure tests, then you can skip this section.

- Print and review the QBE Expenditure Test document for current year posted to Financial Review website. This site can be accessed from Data Collection.
- Review QBE Expenditure Summary/Detail reports and Expenditure Control Failure report after file is transmitted.
- Correct any accounting errors regarding classification of expenditures, etc.

COMPLETION DATE: _____ SIGNOFF _____

Summer Salary Accruals

- Verify that Summer Salary accruals for all funds are reported in GL Balance Sheet Account 0422 - Salaries and Benefits Payable. This should include Bus Drivers, School Food Service staff, eleven-month employees, etc. If accrued and this amount is not reported on the DE46A, review and correct the DE 46 conversion file or tables.

COMPLETION DATE: _____ SIGNOFF _____

Finalizing Financial Report

- Review warning messages to see if further action needs to be taken. Some warnings need to be cleared to ensure that good business practices are followed, that records are properly maintained, and reports are accurate and funds will not have to be returned.
- Transmit a "preliminary" report and verify that it is error free just prior to closing fiscal year. Do not sign-off on this report until fiscal year has been closed.
- After fiscal year is closed, transmit a "final" report and then sign-off. Remember that Sign-off is only available for the Superintendent or RESA director through the portal.

COMPLETION DATE: _____ SIGNOFF _____

DE 46 Budget - Current Year and New Fiscal Year

Note: Remember that Budgets do not report Balance Sheet Accounts.

Budget for Current Year

- Process/transmit a "Final Amended" DE46 Budget for the current fiscal year.
- Print and review summary and detail error and warning reports.
- Review warning messages to determine if any require further action.
- Clear all E code errors and retransmit the file to verify status.
- Print Financial Comparison reports available on the web and review. These reports compare budget to actual expenditures by facility.
- Sign-off on budget report by required deadline. Remember that Sign-off is only available for the Superintendent or RESA director through the portal.

COMPLETION DATE: _____ SIGNOFF _____

Budget for New Fiscal Year (Upcoming Fiscal Year)

- Process/transmit an "Original" DE 46 Budget for new fiscal year to review status.
- Print/review the summary and/or detail error and warnings report.
- Review warning messages to determine if any require further action.
- Correct all E code errors and retransmit file to verify status. File may be transmitted as many times as necessary.
- Review the FINO10 Budget Analysis report for each fund for accuracy. Verify that report includes budgets for funds other than General Fund 100. School Nutrition Fund 600 should report a budget as well as the federal programs. If federal program budgets are not approved prior to report deadline, budget same amount as prior year and amend later.
- Verify that no fund projects a negative Ending Fund Balance in Account 0004 as of 06/30/XX. If General Fund 100 is projecting a deficit and it cannot be eliminated in new fiscal year, a Deficit Elimination Plan must be filed, etc. School Nutrition may be in deficit but a projected deficit in other funds should be corrected since this would not be a balanced budget for these funds.
- After fiscal year is closed, submit a "final" report and sign-off by required deadline. Remember that Sign-off is only available for the Superintendent or RESA director through the portal.

COMPLETION DATE: _____ SIGNOFF _____

PERFORM THESE PROCEDURES AFTER CLOSING THE FISCAL YEAR.

DE 46 Reporting

Important: Do not skip these steps! If the DE 46 Financial was finalized "prior to" closing fiscal year in order to meet state reporting deadline, please contact our office. We can assist you with retransmission of the file.

- Process and transmit a "final" DE 46 Financial Report. All E code errors should have been cleared before closing the fiscal year. Sign-off on report by required deadline.
- Transmit a "final" DE 46 Budget Report for all Funds for new fiscal year. Verify that all E code errors are cleared or make corrections if necessary. Sign-off on report by required deadline.
- Print one or more copies of all available DE 046 budget and financial reports on the web after signing off. Retain one set of reports as permanent financial records for your system. These reports can be saved as PDF files to your hard drive/network for printing later if necessary. Please do the same for the Financial Statements, along with any needed drill-thru reports.

COMPLETION DATE: _____ SIGNOFF _____

GASB 68 - Pension Reporting

This step can be completed after you have closed the fiscal year books and submitted the final DE46. These entries will be adjusting entries to your financial statements.

TRS, ERS, and PSERS will provide the amounts to each school district for the adjusting entries.

- Verify that the beginning balances tie to last year's ending balances before posting the entries.

Documentation and instructions for the entries are located on the GaDOE - Financial Review website.

COMPLETION DATE: _____ SIGNOFF _____

GASB 75 - OPEB Reporting

This step can be completed after you have closed the fiscal year books and submitted the final DE46. These entries will be adjusting entries to your financial statements for the government-wide statements.

SHBP will provide the amounts to each school district for the adjusting entries.

- Verify that the beginning balances tie to last year's ending balances before posting the entries. (For first year of implementation, the beginning balances must be provided by SHBP)

Documentation and instructions for the entries are located on the GaDOE - Financial Review website.

COMPLETION DATE: _____ SIGNOFF _____