



Annual Year-End Fact Sheets – Publication Inventory for Resale Reference Tool

This reference tool provides definitions, examples, and explanations which will hopefully be helpful when completing the Publications Inventory for Resale worksheet tab within the Fact Sheet Excel Attachment. If you have any questions as you read through this document, feel free to reach out to the applicable subject matter experts within University Accounting and Financial Reporting (UAFR) located in the [Fact Sheets](#) section of UAFR's [Who To Ask](#) list.

Publication Inventory for Resale - Definition

Inventory for resale is a general ledger asset used to record the value (at lower of cost or fair market value) of unsold goods and materials held for resale to both **external** customers and **internal** customers (such as other university units).

Publications are tangible issues of printed material (such as books, pamphlets, journals, magazines, cookbooks, etc.).

Publication inventory for resale is basically the combination of the above two definitions – i.e., a general ledger asset used to record the value (at lower of cost or fair market value) of unsold publications held for resale to both external and internal customers.

Requirement to Conduct a Physical Count of Publication Inventory for Resale as of June 30

Units with publication inventory for resale must annually conduct a physical inventory count of their publication inventory for resale on hand, as an accurate inventory for resale balance is required to be reported on the Fact Sheet Excel Attachment to represent the accurate value as of June 30.

If a physical inventory count is not able to be performed at the close of business on June 30, then any purchases of additional inventory for resale and/or any sales activity from the date of the physical inventory count through the close of business on June 30 must be tracked and reconciled. By doing this, you will be able to arrive at a reconciled balance which accurately represents the correct ending balance of inventory for resale on hand as of June 30. Also, having the reconciliation available will be essential if your physical inventory count process is ever audited.

Examples of What Should and Should Not Be Reported as Publication Inventory for Resale

The following are some common examples items that should be recorded as publication inventory for resale on your Fact Sheet Excel Attachment:

- Publications held for resale, such as textbooks, magazines, or cookbooks sold to either external or internal customers.

- Publications held for resale, such as journals or pamphlets, sold to either external or internal customers.
- Publications included with the sale of other goods or services, such as a training guide sold along with the customer's registration for a workshop, conference, or training event.

However, it is also important to be aware of common examples of transactions that should **NOT** be recorded as publication inventory for resale, as these have been erroneously reported as publication inventory for resale in the past. See below for examples of transactions which should **NOT** be reported as publication inventory:

- Publications used as a consumable supply for your daily business operations (such as a reference book kept on hand within the office) should **NOT** be reported as publication inventory for resale, as these types of publications are not being sold to customers. They are simply being used as a consumable supply within the office for daily operations. Thus, a publication of that nature should be expensed when purchased and would **not** be included in your publication inventory for resale totals.
- Publications distributed for free as either a marketing tool or fundraising tool (such as publications given away to potential incoming students or potential donors) should **NOT** be reported as publication inventory for resale, as these publications are **not** being sold. These types of publications are being used as a consumable supply and would be expensed when produced and/or purchased.
- Any other type of inventory held for resale which does **not** fit the definition of a publication should **NOT** be reported on this Publication Inventory worksheet tab. These other types of inventories for resale should be reported on the primary Inventory for Resale worksheet tab of the Fact Sheet Excel Attachment.

Completing Your Fact Sheet

Now that you understand the various definitions and examples which apply to this area, we are now ready to complete the Fact Sheet Excel Attachment. However, before we start to go through these required fields, please keep in mind the tips below:

- Make sure you are using the most recent version of the Fact Sheet Excel Attachment, which can be downloaded from the following the [Year-End Fact Sheets](#) webpage.
- When copying data over from another spreadsheet, paste the information in using the **Paste Values** option. This will help ensure the formatting and formulas on the Fact Sheet Excel Attachment are not altered.

Step 1: C-FOAPAL Information

Enter the complete C-FOAPAL into Columns A through G.

- The full C-FOAP (i.e., the chart, fund, organization, account, and program code) is **required** to complete the year-end adjusting entries to Banner. However, the activity code and location code are optional.
- Enter the applicable expense account code which was used to purchase or produce the inventory for resale. This is typically 187100, "*Purchase of Goods for Resale*", for publications which were purchased for resale. It is recommended that account code

187100, "Purchase of Goods for Resale", be used for items which were purchased for resale.

For example, if your unit purchased textbooks to be held for resale then you would list the C-FOAP that these items were purchased on in the applicable fields of the Fact Sheet Excel Attachment. See below for an example of how this would look on the Fact Sheet Excel Attachment, assuming the items were initially purchased using the proper 187100 ("Purchase of Goods for Resale") expense account code. See below for an example of how this would look on the Fact Sheet Excel Attachment:

Chart	Fund	Organization	Account	Program
9	300300	123000	187100	123001

Step 2: Description of Publication Inventory for Resale

Enter the name of the publication title or a description of the publication inventory for resale in Column H. Be as descriptive as possible when listing the publication items to help ensure transparency. See below for a few examples of acceptable Description of Publication Inventory for Resale descriptions:

Description of Publication Inventory for Resale
Higher Education Accounting Issues Publication
Investments Strategies Publication
Emergency Response Tactics Publication

Step 3: Original Cost and Fair Market Value of Publication Inventory for Resale as of 6/30

In Column I, enter the original cost paid for all of the publication inventory for resale on hand as of June 30 per your physical publication inventory count. The original cost value is calculated by multiplying the number of publication inventory for resale items on hand as of 6/30 per the physical inventory count by the original cost per publication inventory for resale item (including shipping cost).

Then, in column J, enter the current fair market value (FMV) of the publication inventory for resale on hand as of June 30 per the physical inventory count, but **only enter this value if the FMV is lower than the original cost paid for the publication inventory for resale in Column I**. If applicable, the fair market value would be calculated by multiplying the number of publication inventory for resale items on hand as of 6/30 per the physical inventory account by the fair market value of the publication inventory for resale item. If the fair market value is **not** lower than cost, then simply leave Column J **blank**.

UAFR will then analyze the data provided to ensure that the final publication inventory for resale balance recorded in Banner is at the lower of cost or fair market value.

For example, if you have 100 copies of Publication A on hand as of the 6/30 physical inventory count, and Publication A was purchased at \$5.00 each (including shipping cost) five years ago. Then, the amount in Column I would be \$500 (100 publications * \$5 original cost). However, the fair market value of the publication has decreased over time due a newer publication on the subject being available, and the fair market value of the publication is now valued at only \$1 per publication. Thus, the FMV would be \$100 (100 publication * \$1 FMV) and that is the amount which would be listed in Column J. In this case, UAFR would ensure that the 6/30 publication inventory for resale balance in Banner would only be recorded at \$100, which is the lower of cost or market. See below for an example of how this would be reported on the Fact Sheet Excel Attachment:

Original Cost of Publication Inventory for Resale on Hand as of 6/30	Fair Market Value of Publication Inventory for Resale on Hand as of 6/30 <i>Only Enter if Lower Than Original Cost. Otherwise, Leave Blank.</i>	Amount to Record as Publications Inventory in Banner as of 6/30 <i>(UAFR Use Only)</i>
\$ 500.00	\$ 100.00	\$ 100.00

Step 4: Review the Calculated Amounts in Columns K and M

Once you have completed all of the necessary columns on this spreadsheet, your final step is to review the amounts which the spreadsheet has calculated in the areas with yellow shading within Columns K and M. These amounts have been calculated from all of the information you have entered to ensure that the publications inventory for resale have been properly reported at the lower of cost or market value. These are the calculated amounts which UAFR will be using to post the final adjusting entries to the applicable operating ledger and general ledger account codes in Banner.

It is helpful to review these to get yourself familiar with the amounts that will be recorded to your fund in Banner, as well as to make sure the amounts do not greatly differ from what you were expecting to see.

Step 5: Save and Upload the Fact Sheet Excel Attachment to the Fact Sheet Application

The final step in this process is to save your updated Fact Sheet Excel Attachment (e.g., to your desktop or shared drive) and to then upload the completed Fact Sheet Excel Attachment to the Fact Sheet Application.

Also, before officially uploading your spreadsheet, be sure to review the other tabs of the Fact Sheet Excel Attachment to see if you have any other accruals, deferrals, or inventory for resale to report as well.

Then, once you have confirmed that all items have been properly added to your Fact Sheet Excel Attachment, you would then need to upload the updated spreadsheet to the applicable fund's Fact Sheet within the Fact Sheet application and then submit to UAFR for review.

Note that UAFR commonly has questions, so also make sure that you are available for any subsequent questions that may come from UAFR.