Welcome to the FY20 Year End Fact Sheet webinar!
Your presenters today are Roger Fredenhagen, Anne Larimore, and Jason Bane.
This is your GoToWebinar control panel. You can interact with us by clicking on the hand icon to raise your hand. To collapse the control panel, click the arrow in the top left corner. To expand the control panel and view questions and answers or to ask your own question, click the arrow again. You can ask questions any time during the webinar by typing your question in this box and clicking Send. We’ll have designated question and answer periods throughout the webinar where we’ll answer your questions. We’ll also provide a written response that you can read in the control panel.
Here’s our agenda for the webinar. We’ll provide the big picture overview of the fact sheet process. Then we’ll show a tour of the application. The application tour is where we’ll spend the most time. During the application tour, we’ll cover the basic items that are required for all fact sheets. We’ll also talk about the data that’s reported on the Fact Sheet Excel Attachment.
Let’s start by looking at the big picture. We’ll discuss the who, what, when, where, and how of fact sheets.
So, what are fact sheets? A fact sheet is a tool to update critical information about a self-supporting fund’s business activities. It’s used to report accruals, deferrals, and inventory adjustments that haven’t yet been recorded in Banner. A fact sheet needs to be submitted for all self-supporting funds, even if there’s no financial activity to report on the fact sheet excel attachment. There are some basic questions that need to be answered annually for every self-supporting fund. If you use more than one Organization or Program code with a self-supporting fund, you need to combine the information from each FOP, or Fund, Organization, and Program code, into one attachment by Fund.

The fact sheet is the process where we gather information to move from our daily cash basis accounting to an accrual basis.

In cash basis accounting, we record revenue when we receive it from our customers and record expenses when they’re paid.

However, the University is required to report its annual financial statements on an accrual basis. In accrual basis accounting, we need to record revenue when it’s earned, and expenses when the service is provided or the goods are delivered. For example, if you sell a one-year subscription, you’ll receive payment for a 12-month period in advance. For the fact sheet, you must report the beginning and ending date of the subscription, and the revenue received. If this subscription started March 1st, we’ll
record an unearned revenue entry for the remaining 8 months that’s been paid for, but not delivered.
It’s important to remember that there’s no minimum threshold for reporting. Even if a transaction is only 5 dollars, it needs to be reported on the fact sheet.
The Fact sheet Excel Attachment is available for download on the Fact Sheet website for year-end starting in the fall. Throughout the year, you should gather data where applicable. For example, if you collect revenue in April but know that it relates to a conference occurring in August, go ahead and add it to the Unearned Revenue tab of the Fact Sheet Excel Attachment.

The person listed in Banner as the financial manager for the fund will get an email listing all their self-supporting funds that require a fact sheet. The initial email will be sent around July 1st. It’ll come from the generic email address OBFS UAFR Fact Sheet. The financial manager can delegate the duty of completing and submitting the fact sheet to any staff in their organization. Even if the financial manager doesn’t complete and submit the fact sheet, they can still view the status of fact sheets they’re responsible for. They can also modify any fact sheets that have been started, but not submitted. If the fact sheet is delegated, we recommend that the staff member have the financial manager review it before it’s submitted.

If you’re acting as a delegate for the financial manager, you can still create and submit fact sheets. You can view any fact sheets that you create under your NetID. If fact sheets are delegated to multiple people, each delegate can view fact sheets that they create, but not fact sheets created by other delegates, or the financial manager. Only the financial manager can view the fact sheets they’re responsible for, even if they

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**Fact Sheet Life Cycle**

- Download the FY20 Fact Sheet Excel Attachment
- Gather data where applicable (e.g., prepaid expenses, unearned revenue)
- E-mail Notification sent out to Financial Managers on July 1st at approximately 8 a.m.
- Login to Fact Sheet Application
- Create a Fact Sheet for each Self-Supporting Fund
- If applicable, attach Fact Sheet Excel Attachment and submit Fact Sheet
- Be prepared for clarifying questions from UAFR
- UAFR will record any applicable year-end adjusting entries

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08/2020
don’t create them.
After you submit your fact sheet, University Accounting and Financial Reporting reviews it. We compare it to previous year’s fact sheets, and we check the fact sheet Excel attachment against Banner data. If we need additional information, we will contact you and return the fact sheet.
If there’s any information on the fact sheet Excel attachment that requires entries into Banner, UAFR will make those entries in Period 14.
Fact sheets are due by 5:00 pm on July 22nd. If there’s no data to report on the fact sheet Excel attachment, you can submit fact sheets before that deadline. If you’re reporting data on the fact sheet Excel attachment, you should review your period 12 statements before submitting the fact sheet. Period 12 statements will be available to view in My-UI-Financials, Mobius View, or EDDIE on July 20th. Information reported on the fact sheet Excel attachment is data that’s not already recorded in Banner.
Where will you find the fact sheet application and information? Navigate to the Office of Business and Financial Services homepage at the address on the slide. You can access the fact sheet application from two locations. The Fact Sheet application is located on the right in the drop down with the other applications. Or, you can click on the Year-End Fact Sheet link under Accounting and Financial Reporting, which will bring you to a webpage containing information on the fact sheet, as well as, access to the Fact Sheet Application.
Within the Year-End Fact sheet link you will find critical dates
Scrolling down the page there is additional information including the most current Fact Sheet Excel attachment, Training Resources, and registration links for training events. Remember you must use the designated fiscal year’s fact sheet and you will always find the last version here. Also, keep in mind that the Fact Sheet Excel Attachment for the next fiscal year-end is typically uploaded in August. This allows you to enter data that you know will be an accrual, deferral, or inventory throughout the fiscal year. For example, the FY20 Fact Sheet Excel Attachment is already posted to this webpage.
Now let’s see what the application looks like.
This is the dashboard. The dashboard is where you’ll create fact sheets for fiscal year 20. You can also see the status of the fact sheets you create. If you’ve created fact sheets before, you’ll see them in the dashboard. The dashboard is also where financial managers can view the status of fact sheets they’re responsible for.

At the top of the screen is where you’ll create a fact sheet for fiscal year 20. Once a fact sheet’s created, you’ll see the status in either the In Process section or Submitted section. In the Submitted section, you can also see fact sheets for previous fiscal years if you created them.

In the In Process section, you might see the following statuses. “In Process” means that the fact sheet has been created and saved, but not submitted. “Returned” means that the fact sheet was submitted to UAFR, but returned for additional information or correction. “Reopened” means that UAFR completed their review, but reopened it. This doesn’t mean that action is required on your part, though.

In the Submitted section, you might see the following statuses. “Submitted” means that the fact sheet has been sent to UAFR for review. “Under review” means that UAFR is currently reviewing it. “Updating Banner” means that the fact sheet contains data that requires an entry into Banner in period 14. “Completed” means that UAFR has completed their review and/or entries to Banner. “Subsequent complete” means that the fact sheet was reopened by UAFR and completed again.
Remember, the financial manager can see all the fact sheets they’re responsible for, even if they don’t create and submit them.
Let’s enter the Chart and Fund, then click on the Create button
Now a new tab has opened in your browser. This is the cover sheet with general information about the fact sheet process and the fund. The top section of the cover sheet emphasizes the importance of completing the fact sheet and what funds need to submit fact sheets. Next is specific information about the fund, like the fund title, fund type, entity code, and financial manager. This data is from Banner.
You’ll also need to provide a detailed description of activities for the fund. It’s important that you provide an accurate description of the fund’s activities and how it is currently used. This allows us to determine if the fund is classified into the correct fund type and entity.

If you want the fund terminated, click Yes from the selection options. A fund doesn’t need to have a zero balance to request fund termination.
Now to the heart of the year end Fact Sheet process. Do you have any accrual, deferral and or inventory for resale amounts to report? Here are the possible financials situations to report on the fact sheet. By clicking an item from the list, like Prepaid Expense, a secondary window will open providing a more in depth explanation.
After reviewing the explanations of the financials situations, either click Yes or No from the selection options to answer the question. If you respond No, then you simply move the comments and your information and you can click Submit Fact Sheet.
If additional financial information does need to be reported, then selecting yes provides two more steps to follow to report your accrual, deferral, and/or inventory for resale amounts. If you have not already accessed this year’s Excel attachment file from the Fact Sheet website shown earlier, you can access it now. Once you have added the financial information to the Excel attachment you can move to step 2 and Choose File to locate the file to attach to this fund’s fact sheet.
Here you can see in step 2, the file was successfully attached and the Fact Sheet application renamed the file. The naming convention is Chart, Fund, FY 2020, and FS, for fact sheet. But you can save the Excel attachment on your shared drives with any name you like.
The bottom of the cover sheet has a field for comments, a place to update your phone number so that UAFR can contact you directly, and several Buttons. You can print the fact sheet, save it for later, and submit a completed fact sheet. Once you create the fact sheet and start entering information, remember to save it every so often. Just click on the Save For Later button.

The final step is to submit the completed fact sheet. It’s a good idea to close your browser window and go back to the dashboard after you submit the fact sheet. This lets you check the status of the fact sheet. You might need to refresh your browser. You want to see the fact sheet in the Submitted section and not the In Process section. If the fact sheet’s still in process, click the link for the fund and scroll to the bottom of the cover sheet. Then click the Submit Completed Fact Sheet button. Any error messages will be at the top of the cover sheet in red. You have to resolve all errors before you can submit the fact sheet.
Let’s pause now to answer questions.
And now let’s review the fact sheet Excel attachment.
Earlier, we talked about the cover sheet. Just a reminder, on the cover sheet, you’ll find a link to the fact sheet Excel attachment. Click the link to open it in Excel. You **must** use this fact sheet Excel attachment for FY20 information. Last year’s version of the Excel attachment is no longer accurate. If you use last year’s version, you’d have to resubmit the information with the new Excel attachment.
A link to the Excel attachment is also located under the Fact Sheet section of Year End Procedures
Here’s the open fact sheet Excel attachment. The tabs correspond to different accruals, deferrals, and inventory adjustments, which you need to report only if those items aren’t already recorded in Banner.

You’ll want to take a moment to read the blue and black text in the yellow information box on each tab. The definitions and examples will help you provide the most complete and accurate information. There are Cell Comments with additional guidance in cells with the red triangle. Here, you’ll provide very detailed information, like the Chart-Fund-Organization-Account-Program code, Banner transaction numbers, and descriptions. Please complete this information accurately. It becomes supporting documentation for the University of Illinois System’s financial statements. No amount is too small!

If you have nothing to report on a particular tab, just leave it blank.
While we’re here, let’s look at each individual tab. We’ll discuss the information needed, the resources you can use, and what to consider so you’re providing accurate information.

The first tab is Accounts Receivable. Accounts Receivable is money that’s owed to you from an external source. We do not record receivables from other University departments.

Report any receivables here that haven’t already been recorded in Banner, as of the period 12 statements. If you’re using Banner AR, only complete this tab if you missed the Banner AR critical cutoff day and you haven’t already recorded the receivable in Banner AR. If you’re using your own receivable system and have an exception from using Banner AR, then you need to report all the information for any outstanding receivables. Remember – it is University policy to use Banner AR, unless you’ve received an exemption.

Some examples of Accounts Receivable would be if your department had a Banner AR exemption and sold training manuals to an external customer on June 22nd, 2020, and the external customer had not paid you for the training manuals as of June 30th, 2020. Or, if your department uses Banner AR and sold professional services to external customer on June 29th, 2020, and the accounts receivable has not yet been recorded in Banner AR by the required year-end deadlines.
Accounts Receivable are typically recorded to a revenue account. You will be asked to provide the start date and end date of the service period covered by the sale, or the date the goods were sold when completing this tab of the Excel attachment.
The next tab is Inventory for Resale. Please note we have a separate tab for Publications Inventory, and we’ll talk about that in a moment.

You need to report the value of the inventory items you have for resale. It doesn’t matter whether your customers are departments, students, faculty, staff, or external to the University. These could be raw materials used in creating a product for resale, merchandise, or publications. You must report the value as of June 30. If you didn’t take a physical inventory count on June 30, you must make adjustments to the last physical inventory value. You can do that by adding new purchases and subtracting inventory that was sold.

The notes in the Excel attachment remind you of the proper way to report inventory values. Hover over a cell with a red triangle to read the cell comments for even more details.

We want to point out a couple things. Please make sure to include the exact expense Account code you used to buy the inventory. Inventory for resale is purchased on account 187100 “Purchase of Goods for Resale”. Also, take the shipping terms from your vendors into consideration. FOB Destination or FOB Delivery means it’s our property when it arrives on campus, even if it’s not physically in your possession yet, whereas, FOB Shipping Point means that it is our property whenever the item is sent to be shipped. Start looking at your vendor invoices and packing lists for shipping term
Examples of Inventory for Resale are the t-shirts your department sells to students within the department, or the medicine used during a medical procedure for an external customer. Consumable supplies and equipment, such as cleaning or office supplies, used during your unit’s daily operations would not be considered Inventory for Resale.
This is the Publications Inventory tab. While publications are on a separate tab, inventory is inventory. The principles are the same, like physically counting the journals, pamphlets, or cookbooks on June 30th. Also, inventory value should be recorded at the lower of cost or market. Remember to read the informational text throughout the Excel attachment for guidance. Contact UAFR if you still have questions.

Publication Inventory requires the department to provide the Publication Date for the publication, as well as, whether the publication has an ongoing demand. This information is used to calculate the depreciation on the publication, and the inventory value to be written down to the lower of cost or market. If the publication does not have an ongoing demand, then the publication is depreciated by 25% each year following the publication date.

Examples of publication include your unit’s textbooks and journals sold to students and external customers throughout the year.
Next is the Prepaid Expenses tab.

Prepaid expenses are payments made to vendors and suppliers, in advance of receiving the benefit. The item is prepaid only if the expense appears on your period 12 financial statements. Some examples are maintenance agreements, memberships, and publication subscriptions.

For example, in August 2019, we paid 120 dollars for a 12-month digital subscription to Reader’s Digest. We’ve been getting every digital issue since last August, but we won’t get the last issue until July 15, 2020. This is a prepaid expense for 10 dollar. That must be reported on the fact sheet as a 10 dollar prepaid expense. Remember, the fact sheet is about compliance, not about how small an amount it is. No amount is too small!

Another example would be if your department purchased an airline ticket in May 2020 for a professor’s travel that will not occur until August 2020. This would be reported as a prepaid expense on the Fact Sheet Excel Attachment.

I have received some questions lately about how to process travel that was delayed due to COVID. For example, if your department purchased airline tickets for a faculty member in FY20, could not travel due to the coronavirus, and received a credit or voucher to use the airline tickets in FY21, you would want to report this as a prepaid expense on your Fact Sheet Excel Attachment.
We ask for a lot of detail here, but this is information you can start gathering now, because you’ve already paid for it. If you’ve paid for a product or service, and you won’t get it until after June 30, then that’s a prepaid expense. Prepaid expenses typically post on an expense account on a Banner document number that has already posted, such as P-Card PCA number, TEM TM number, or invoice number. Please provide this information, as opposed to, the log number, ER number, or PO Number. The expense should have posted in Banner as of June 30th 2020. Keep in mind that goods or services that are received in the current fiscal year are not considered prepaid expenses. For example, credit card processing fees, travel agent fees, and consumable supplies received as of June 30th 2020 would not be considered prepaid expenses. The credit card processor or travel agent has provided their services in June, even though the item purchased has not yet been received, so their services are not prepaid expenses. Similar to accounts receivable, we ask you to provide the start date and end date of the service period covered by the Prepaid Expense on this tab.
Let’s talk about Accounts Payable.

An Accounts payable is a good or service that you’ve received from an external party, which hasn’t posted as an expense by the close of FY20, period 12. It could also be a reimbursement you owe to an employee that hasn’t posted by the close of FY20, period 12. Please pay special attention when reporting this information. Improper reporting of Accounts Payable is a routine audit finding.

Accounts Payable should not be reported until after Period 12 has closed on July 18th, 2020, as University Payables is still able to backdate transactions throughout Period 12. An example for an accounts payable would be if a faculty member of your unit travels to attend a conference in the last week of June 2020, and they submit a TEM expense reimbursement for their travel expenses that does not get paid in FY20.

Or, if one of your vendors ships your unit goods using FOB shipping point shipping terms on June 29th, 2020.

The account code listed should be the same expense account code that you will eventually use whenever you make the payment to the vendor or employee.

If known, list the Banner Document Number in Column I, which could be the purchase order, log number, ER number, or P-Card Number, invoice number, or TM number if the payment has been made already in July 2020 with an FY21 date.

If known, also list the Banner transaction date when the transaction posted in FY21.
Similar to other tabs, this tab requires you to list the start date and end date of the service period covered by the expense or the date the goods were acquired.
The next tab is Unearned Revenue. If we’ve received a payment from an external customer, but we haven’t provided the good or service, the revenue is not earned. So it’s called Unearned Revenue. We have to postpone showing that as true revenue until the fiscal year in which we provide the service. Nothing’s happened to the cash. It’s still under Claim on Cash. We’re just reclassifying the reported revenue, based on when we can show it as earned revenue. The notes have a great example to illustrate unearned revenue.

For example, if your department hosts a conference, event, or summer camp in July 2020, but receive the registration revenue in May and June of 2020, then we will want to defer this revenue until FY21 when the conference, event, or summer camp is occurring and will be earned.

The account code of the C-FOP listed will be the revenue account that the revenue was initially recorded on.

This tab requires you to list the Banner document number and Banner transaction date where the revenue was initially recorded. This should be the “F” document for deposits, the “GP”, “CC”, or “CR” for credit card sales, or the JV for wire entries. The Banner transaction date should have posted in FY20.

This tab also requires you to list the start date and end date of the service period covered by the sale.
Later, in our case study, we’ll explore an unearned revenue situation in detail.
We are often asked where to look to find the information for the fact sheet. To get into the right mindset, we first need to review the fund activity in general. What is the business that posts to this self-supporting fund? Where is the revenue coming from? What type of expenses are posting to this fund? What are we expecting will post to this fund in the future? For example, do we have an event coming up next year where we receive revenue this year? Did a faculty member travel on this fund and are still owed money?

What are the activities that are posting to your self-supporting fund? Please let us know in the chat box.
A method for reviewing the fund activity could be to look at your operating ledger on either standard report like “Revenue Expense Detail Statement” or FGIBDST Organization Budget Status.
For instance, if you review the account codes posting to your self-supporting fund, and see 141500 “Subscriptions Vendor Payments” or 141700 “Membership Dues”, you may question whether the membership crosses fiscal years and needs to be reported as a prepaid expense.
We can look at the detail that makes up the account 141500 “Subscription Vendor Payments” balance. For example, we can look into the P-Card transaction on PCA38N68 for $3,795.00.
Using the P-Card solution to look up PCA38N68, I discover at the bottom the Expense Start and Expense End columns of 1/18/2020 and 1/18/2021. This expense crosses fiscal years, and therefore, would need to be reported as a prepaid expense on the Fact Sheet Excel Attachment.

Or, if you see 305300 “Seminar and Conference Revenue” posting in June for a conference occurring in July, it may remind you that you have unearned revenue. Accounts Receivable and Accounts Payable will not appear on your operating ledger as these transactions have not yet posted in Banner. For these accruals, you need to think of the activity occurring on the fund, and whether you know of any situations where someone owes you money or you owe someone else money.
Let’s pause again for some questions.
Let’s look at a case study to help us understand how to complete the fact sheet Excel attachment.
Let’s look at the facts for Accounts Receivable.
A unit sells testing services for external customers out of Fund 2-301999.
The unit has an exemption from using Banner Accounts Receivable.
On June 15, 2020, testing services were performed for Boeing, and an invoice was sent for $15,000. As of June 30th, no payment has been received from Boeing.
Case Study - Accounts Receivable

Reminder:

- A receivable should be recorded once services have been substantially completed or goods have been delivered, and you have reasonable expectation to receive payment for that service or good.

A receivable should be recorded once services have been substantially completed or goods have been delivered, and you have reasonable expectation to receive payment for that service or good.
Case Study - Accounts Receivable

Question: What dollar amount should you report on the Fact Sheet Excel Attachment for accounts receivable?

Key Factors:
• No payment has been received as of June 30
• Unit does not use Banner Accounts Receivable

Answer: A receivable for $15,000 should be reported on the Fact Sheet Excel attachment.

What dollar amount should be reported as accounts receivable on your Fact Sheet Excel Attachment? Let’s take a look at some key factors for this question. Remember, on June 15th, we sent an invoice to Boeing for $15,000, and that no payment has been received as of June 30. The unit has a Banner Account Receivable Exemption, therefore, this accounts receivable would not already be recorded in Banner. Therefore, we would want to report $15,000 on the Fact Sheet Excel Attachment as Accounts Receivable. If the unit did use Banner AR, and we charged Boeing’s account in Banner AR by 5:00PM June 30, the receivable has already been recorded in Banner, and we don’t report anything on the fact sheet Excel attachment. However, if we missed that deadline, or our department doesn’t have to use Banner AR because we got an exemption from the Bursar’s office, then we need to report a $15,000 receivable for FY20 on the fact sheet.
Let’s see how this looks on the fact sheet Excel attachment. We enter the FOP combination used when we made the sale. We also enter the $15,000 that was unpaid as of June 30.
Let’s look at the relevant facts for the inventory for resale case study.

The School of Music sells music CDs of the University’s marching band. The musical CDs were originally purchased for $15, and have a current fair market value and are being sold for $10. The School of Music did their annual inventory count on June 30 and noted that there were 500 CDs on hand.
Let’s go over some reminders for inventory for resale. Inventory for resale is any unsold goods or materials for resale regardless of whether your customers are internal or external. This includes merchandise held for resale, raw materials used in creating a product for resale, and finished/unfinished products held for resale.

If your self-supporting activity maintains an inventory of items available for resale, you must conduct a year-end physical inventory count of the inventory on hand as of June 30.

The inventory should be valued at the lower of cost or market.
What dollar amount should be reported for inventory for resale? Let’s look at the key factors. As of the June 30 physical inventory count, 500 CDs were on hand.

Both the cost and fair market value will need to be reported on the Fact Sheet Excel attachment. The cost of $7,500 ($15 per CD multiplied by 500 CDs) will be noted under the “Original Cost of Inventory on Hand as of 6/30”.

The fair market value of $5,000 ($10 per CD multiplied by 500 CDs) will be noted under the “Fair Market Value of Inventory on Hand as of 6/30”.

The Fact Sheet Excel Attachment will automatically use the lower of cost or market amount, or $5,000, in determining the inventory for resale adjustment.
Let’s look at the inventory tab. Remember, the Account code is important. Please enter the Account code used to buy inventory items, which is 187100 “Purchase of Goods for Resale”. This allows us to make the appropriate entries.
Let’s look at the relevant facts for publications inventory for resale. A unit publishes its quarterly magazine “Lab Safety For Students” for $5.00 per issue. The unit did a physical inventory count of their magazines for resale, and the remaining inventory from past issues can be seen on the slide. As of June 30, there were three copies of the January 2018 issue with an original cost of $3.25 each, and ten copies of the January 2020 issue with an original cost of $4.00 each.
As a reminder, publication inventory consists of the tangible issues of printed materials held for resale.

The publication inventory tab requires a bit more information than the inventory for resale tab. This tab will require that you provide the original publication date.

This tab will also require that you note whether the publication has an ongoing demand.

Some questions you may ask yourself to determine if a publication has an ongoing demand are whether customers buy the publication on a regular basis, whether you would reorder or produce more copies of the publication if it were to run out, and if the publication is still relevant?

The Publication Date and ongoing demand responses are used to calculation the value of the publication. Publications that no longer have an ongoing demand are valued at 25% less each year following the publication date.

Similar to the inventory for resale, you will need to conduct a physical inventory count
to get the number of publication on hand as of June 30.
What dollar amount would be reported for Publication Inventory for this case study?

Let’s look at the key factors for determining the publication inventory amount. Magazines are issued on the first of every quarter to both internal and external customers.

Remember, all inventory for resale needs to be counted, no matter who the customer is. As of June 30, the physical inventory count is 3 issues of the January 2018 issue at $3.25 per issue and 10 issues of the January 2020 issue at $4.00 per issue.
If there is no ongoing demand, then the issue will lose 25% value each year following the depreciation date. For example, the January 2018 does not have an ongoing demand, and is two years old. Therefore, the publication is valued at 50% of its cost.

The publication inventory value would be $44.88. This is determined by taking the original cost of the issue multiplied by the amount of issues on hand on June 30 taking in consideration the valuation factor.
Here, you can see we completed the fact sheet Excel attachment with all the facts. Notice we used the first day of each quarter in the Publication Date column. No is selected in each of the cells for the Ongoing Demand question. Since this is a magazine, we’re not going to reprint any issues. However, you may have a publication that does have an ongoing demand. If that is the case, you would mark “Yes” and the publication will have a valuation factor of 100% no matter what year it was published.
Let’s look at the relevant facts for the prepaid expense tab.
On June 20, 2020, an airline ticket was purchased for $350 including a $5 travel agent fee for Professor Smith to travel for University business. The airline ticket was scheduled for July 22nd through July 25th of 2020.
A prepaid should be recorded when an expense is paid in the current fiscal year, but the related benefit is not earned or received until a future fiscal year.

- Expenses for services received in the current fiscal year are **not** considered prepaid expense (e.g., travel agent fees).

A prepaid should be recorded when an expense is paid in the current fiscal year, but the related benefit is not earned or received until a future fiscal year. Expenses for services received in the current fiscal year, such as the travel agent fee expenses or credit card fee expenses, are not considered a prepaid expense.
What dollar amount should be reported for prepaid expenses? Since the travel agent fee is earned whenever the travel was booked in FY20, the amount listed for the prepaid expense would be the amount for the airline ticket minus the travel agent fee, or $345.
Here, you can see we completed the fact sheet Excel attachment with all the facts. Notice that the C-FOAP contains the expense account used to purchase the airplane ticket, and that the Banner document number is the TC Banner document used to purchase the ticket. Also, note that the amount listed is the $345, and that the travel agent fee is not included.
Let’s look at the facts again for Accounts Payable.
On June 25th, three laptop computers totaling $5,000 were ordered. The computers were shipped from the merchant on June 29, 2020 using FOB Shipping Point. As of period 12 close, no payments had been made and no payables have been recorded. The computers were received on July 5th.
Case Study - Accounts Payable

Reminder:
• Accounts Payable are used to record obligations to pay external parties (not other University units) who we owe money as of June 30.

• A payable should be recorded once legal ownership has transferred from the merchant to the customer.

• Only report payables which have not yet been recorded in Banner as of the close of Period 12.

As a reminder, Accounts Payable are used to record obligation to pay external parties (not other University units) who we owe money as of June 30.

A payable should be recorded once legal ownership has been transferred from the merchant to the customer. It is important to check shipping terms when purchasing tangible goods. Remember, FOB shipping point or FOB origin means that the buyer pays shipping costs and takes responsibility for the goods when they leave the seller’s premises. FOB destination means that the seller pays shipping costs and remains responsible for the goods until the buyer takes possession. Also remember that Payables can backdate payments to June 30 throughout Period 12, which ends on July 18 for FY20.
Case Study - Accounts Payable

Question: True/False You should report $5,000 on the Fact Sheet Excel Attachment for accounts payable.

Key Factors:
- Since the purchase order stated “FOB Shipping Point”, legal ownership transferred to the University when the computers were shipped on June 29.
- The University has not paid or recorded a payable for the laptops as of the close of Period 12.

Answer: True. A payable of $5,000 should be reported on the Fact Sheet Excel Attachment as accounts payable.

So what should be reported as Accounts Payable on the Fact Sheet Excel Attachment? Since the shipping terms were FOB Shipping Point, a payable for $5,000 would be required as of June 30. Legal ownership transfers to the University once the computers are shipped.
If the shipping terms were **FOB destination**, though, a payable wouldn’t be recorded until the University **receives** the computers. Shipping terms could be different for each vendor. Make sure you know the shipping terms when you place orders in May or June.
Let’s take a look at the completed fact sheet Excel attachment. Keep in mind that a Fact Sheet Excel attachment that has accounts payable should not be submitted until Period 12 has been completed, as UPAY has the ability to backdate to June 30 throughout Period 12.
Let’s look at the relevant facts for unearned revenue. On December 31, 2019, fund 2-301999 signed a contract to perform testing services for the Chicago Department of Labor from 1/1/2020 through 12/31/2020. The total compensation for the contract is $100,000. A check is received on January 15, 2020, for $100,000.
Let’s review. Unearned revenue is revenue that’s collected in the current fiscal year, for goods or services that’ll be provided in a future fiscal year from external units.
Here are the relevant facts that we need to review. $100,000 is received for services for January 2020 through December 2020. On June 30, approximately half of the time frame has passed, so approximately half of the revenue is earned. The amount of $100,000 should be entered onto the Fact Sheet Excel Attachment with the beginning and ending dates of service of January 1, 2020 through December 31, 2020. The Fact Sheet Excel Attachment calculates the unearned portion of the revenue based on days in each fiscal year (important to rely on Fact Sheet Excel Attachment formulas).

**Answer:** $100,000 is reported on the Fact Sheet Excel Attachment in the "Amount" column. $50,273.22 will be recorded in Banner based on the Fact Sheet Excel Attachment calculation.
Let’s take a look at the fact sheet Excel attachment and the tab for unearned revenue. Here, you can see where we’ve entered the FOP combination and the Account code used to record the revenue. We need to enter the amount received from our customer on or before June 30. That amount is $100,000. We also need to enter the Banner document number for the receipt of the revenue. Don’t forget to enter the beginning and end dates of the service contract. The fact sheet Excel attachment calculates the amount that needs to be recorded as unearned revenue in Banner. Notice that the amount calculated as unearned revenue is not exactly $50,000. The calculation is based on the exact number of days in the fiscal year. UAFR will make this entry into Banner in period 14.
Let’s pause again for some questions.
Now let’s check out the resources available to help you with fact sheets.
This year, we have open labs scheduled at each university. There will be UAFR staff there to help you complete your fact sheets and attachments. Bring any relevant documents or invoices that you’ll need. Register in advance if you plan on attending. Check out the course registration page for your university to register.
To find the fact sheet reference tools and training, go to the Office of Business and Financial Services website. Click on the Year-End Fact Sheet, and scroll down the page. Under the Training Resources section, there are reference tools, job aids, and an example of a completed fact sheet excel attachment. We plan on adding more reference tools as time allows.
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*UAFR Who to Ask*

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We can help with any fact sheet questions that may arise as you complete your fact sheet.
We’ll pause for any last-minute questions.
On behalf of University Accounting and Financial Reporting, thank you for attending!