Welcome to the FY22 Year End Fact Sheet webinar!
Presenters

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Your presenters today are Roger Fredenhagen and Anne Larimore. My name is Jason Bane and I am here to facilitate the session and monitor chat.
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, how to gather that data, and walk through some case studies together.

Polling Questions

1. Have you submitted fact sheets previously?
   a. Yes
   b. No

2. How many self-supporting funds are you responsible for?
   a. 0
   b. 1-5
   c. 6-10
   d. 11-15
   e. 16 or more
FACT SHEET OVERVIEW

Let’s start by looking at the big picture. We’ll discuss the who, what, when, where, and how of fact sheets.
What are Fact Sheets?

- Year-end reporting process to record accruals, deferrals, and/or inventory adjustments as of June 30
- A separate Fact Sheet is required for all Self-Supporting Funds and certain types of health Service Plan funds
- Ensures financial statements are reported on the accrual basis

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 and certain service plan 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 each self-supporting fund and certain service plan funds. 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.
Fact Sheet Life Cycle

- Download the FY22 Fact Sheet Excel Attachment
- Gather data where applicable (e.g., prepaid expenses, unearned revenue)
- E-mail Notification sent to Financial Managers on July 1st at approximately 8 a.m.
- Log in 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

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. With that, make sure that the financial managers on your self-supporting and service plans funds are updated to the correct financial contact. We have seen a lot of retirements and changes in recent years.

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 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.

If there’s any information on the fact sheet Excel attachment that requires entries into Banner, UAFR will make those entries in Period 14.
Due Date – Wednesday, July 20 at 5 p.m.

Fact sheets are due by 5:00 pm on **July 20th**. 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 18th**. 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 latest version here. Also, keep in mind that the Fact Sheet Excel Attachment for the next fiscal year-end is typically uploaded in August or September. This allows you to enter data that you know will be an accrual, deferral, or inventory throughout the fiscal year. For example, the FY22 Fact Sheet Excel Attachment is already posted to this webpage.
Now let’s see what the application looks like. To login to the Fact Sheet Application, you will need to be logged into VPN.
This is the dashboard. The dashboard is where you’ll create fact sheets for fiscal year 22. 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 22. 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 to 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 and saved it to a location you choose, 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 2022, 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.
QUESTIONS?

Let’s pause now to answer questions.
Ok – let’s review the Fact Sheet Excel Attachment together.
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 **FY22** 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 Excel Attachment section of Year End Fact Sheet webpage.
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.

There is a new requirement on this tab for FY22. We are requiring you to report the “Reason for Reporting Receivables on Fact Sheet Instead of Banner AR” in Column H. The options from this drop-down menu are:

- Exempt from Banner AR
- Missed 06/30 Banner AR Deadline
- Do not use Banner AR & No 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 22\textsuperscript{nd}, 2022, and the external customer had not paid you for the training manuals as of June 30\textsuperscript{th}, 2022. This would be considered an accounts receivable as you are owed money from an external customer as of June 30.

Or, if your department uses Banner AR and sold professional services to external customer on June 29\textsuperscript{th}, 2022, 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.
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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, 2021, and the external customer had not paid you for the training manuals as of June 30th, 2021. This would be considered an accounts receivable as you are owed money from an
external customer as of June 30.

Or, if your department uses Banner AR and sold professional services to external customer on June 29th, 2021, 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, or unfinished/finished products held for resale. 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.

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.

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 details now.
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. Remember to read the informational text throughout the Excel attachment for guidance. Contact UAFR if you still have questions.

This tab was updated in FY22 to mirror the Inventory for Resale tab. In prior years, we required the publication date and whether the publication had an ongoing demand. For FY22 and going forward, we will now ask for the original cost of the publication inventory on hand and the fair market value of the publication inventory on hand to determine the publication inventory value adjustment.

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 2021**, 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, 2022**. 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 **2022** for a professor’s travel that will not occur until August **2022**. This would be reported as a prepaid expense on the 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, Chrome River TE number, or invoice number. Please provide this information, as opposed to, the log number, ER number, CR number, or PO Number. The expense should have posted in Banner as of June 30th 2022.

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 2022 would not be considered prepaid expenses.

The credit card company or travel agent has provided their services by the swipe of the credit card or booking of the travel, so these would not be considered a prepaid expense.

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.

**POLLING QUESTION**

1. Which of these expenses are NOT considered a prepaid expense?
   a. Expenses incurred in the current fiscal year for good/services received in the current fiscal year.
   b. Credit card processing fees for sales in the current fiscal year.
   c. Travel agent fees incurred in the current fiscal year for service in the current or future fiscal year.
   d. All of the above
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 FY22, period 12. It could also be a reimbursement you owe to an employee that hasn’t posted by the close of FY22, 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 16th, 2022, as University Payables is still able to backdate transactions throughout Period 12.

An example of an accounts payable would be if a faculty member of your unit travels to attend a conference in the last week of June 2022, and they submit a Chrome River expense reimbursement for their travel expenses that does not get paid in FY22.

Or, if one of your vendors ships your unit goods using FOB shipping point shipping terms on June 29th, 2022, and your unit does not receive the goods until FY23.

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, CR number, or P-Card Number, invoice number, or TM
number if the payment has been made already in July 2022 with an FY23 date.
If known, also list the Banner transaction date when the transaction posted in FY23.
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.

Polling Question
If I have accounts payable items to report on my Fact Sheet, when can I submit my Fact Sheet?

a. July 1st when the Fact Sheet application is available.
b. After Period 12 closes on July 16th.
c. After reviewing Period 12 Revenue/Expense Transaction Statement to confirm the invoice was not paid in Period 12.
d. Both b. and c.
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 2022, but receive the registration revenue in May and June of 2022, then we will want to defer this revenue until FY23 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 FY22.
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.

POLLING QUESTION

1. Which of the following statements are true?
   a. The Fact Sheet Excel attachment is available now.
   b. Prepaid Expenses can be reported on the Excel attachment now.
   c. Unearned revenue can be reported on the Excel attachment now.
   d. All of the above.
GATHERING FINANCIAL DATA FOR FACT SHEET EXCEL ATTACHMENT

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 Payment” or 141700 “Association Membership Dues – Vendor Payment”, 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 highlighted on the screen (PCA3HXPZ) for $299.
Using the P-Card solution to look up the P-Card (PCA3HXPZ), I discover at the bottom the Expense Start and Expense End columns of 11/21/2021 and 11/21/2022. 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.
Case Study - Accounts Receivable

Facts:
- A unit sells testing services for external customers.
- The unit has an exemption from using Banner Account Receivable.
- On June 15, 2022, testing services were performed for Boeing, and an invoice was sent for $15,000.
- As of June 30th, no payment has been received.

Let’s look at the facts for Accounts Receivable.
A unit sells testing services for external customers.
The unit has an exemption from using Banner Accounts Receivable.
On June 15, 2022, testing services were performed for Boeing, and an invoice was sent to Boeing 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 has Banner AR Exemption

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.

POLLING QUESTION

1. What dollar amount should you report on the Fact Sheet Excel Attachment for the accounts receivable?
   a. $10,000
   b. $15,000
   c. $25,000
   d. Nothing to report. Services were not substantially complete.

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 **FY22** 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.
Case Study - Inventory for Resale

Facts:

- School of Music sells music CDs of the university’s marching band. The original cost of this inventory for resale was $15.00 each, but the current fair market value is now only $10.00 each.

- On June 30, the School of Music did a physical inventory count and there were 500 CDs on hand.

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 $15.00, and have a current fair market value and are being sold for $10.00.

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.
Case Study - Inventory for Resale

Question: On the Inventory for Resale tab, what amount(s) should you report on the Fact Sheet Excel Attachment?

Key Factors:
- On June 30, 2022, 500 CDs were on hand.
- The cost of each CD was $15, but the fair market value on June 30 was $10.
- Both the original cost ($15 * 500 CDs = $7,500) and fair market value ($10 * 500 CDs = $5,000) should be reported on the Fact Sheet.
- The Fact Sheet Excel Attachment will automatically use the lower of cost or fair market value.

Answer: Both the original cost $7,500 and FVM $5,000 will be reported on the Fact Sheet.

On the Inventory for Resale tab, what dollar amounts should you report on the Fact Sheet Excel Attachment? Let’s look at the key factors before bringing up the polling question. 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.

POLLING QUESTION
1. On the Inventory for Resale tab, what dollar amount(s) should you report on the Fact Sheet Excel Attachment?
   a. $2,500
   b. $5,000
c. $7,500

d. Both b. and c.
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 $7.50 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 ten copies of the January 2021 magazine issue with an original cost of $7.50 each. Due to the age of the January 2021 issues, these now have a fair market value of $5.00 per copy.
Cast Study - Publication Inventory

**Reminder:**

- Publication inventory consists of the tangible issues of printed materials held for resale.

- A physical inventory count is required with a value as of June 30.

As a reminder, publication inventory consists of the tangible issues of printed materials held for resale.

Similar to the inventory for resale, you will need to conduct a physical inventory count to get the number of publications on hand as of June 30.
Case Study - Publication Inventory

Question: On the Publication Inventory for Resale tab, what dollar amount(s) should you report on the Fact Sheet Excel Attachment?

Key Factors:
- Magazines are issued on the first of every quarter to both internal and external customers.

- As of the June 30 physical inventory count:
  - January 2021: 10 Issues
    - $7.50 Original Cost
    - $5.00 Fair Market Value

On the Publication Inventory for Resale tab, what values are on the Fact Sheet Excel Attachment 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 10 copies of the January 2021 issue at $7.50 per copy and a fair market value of $5.00 per copy.
Case Study - Publication Inventory

**Key Factors (continued):**
- Both the original cost and fair market value should be reported on the Fact Sheet.

- The Original Cost of Publication Inventory for Resale on Hand as of 06/30:
  - January 2021: $7.50 * 10 copies = $75.00

- The Fair Market Value of Publication Inventory for Resale on Hand as of 06/30:
  - January 2021: $5.00 * 10 copies = $50.00

**Answer:** Both the original cost $75.00 and FVM $50.00 will be reported on the Fact Sheet.

Similar to the Inventory for resale tab, both the original cost and fair market value should be reported on the Fact Sheet.

The original cost of the publication inventory would be $75.00, which consists of 10 copies of the January 2021 issue valued at $7.50 per issue.

The fair market value of the publication inventory would be $50, which consists of 10 copies of the January 2021 issue with a fair market value of $5.00 per copy.

**POLLING QUESTION**

1. On the Publication Inventory for Resale tab, what dollar amount(s) should you report on the Fact Sheet Excel Attachment?
   a. $50 (Fair Market Value Column)
   b. $75 (Original Cost Column)
   c. $0
   d. Both A and B
Here, you can see we completed the fact sheet Excel attachment with all the facts. Notice that the fact sheet excel attachment is automatically taking the lower of cost or market based on the information provided in the original cost and fair market value columns.
Case Study - Prepaid Expense

Facts:

• On June 20, 2022, an airline ticket was purchased for $350 including a $5 travel agent fee for Professor Smith to travel for University business.

• The travel was scheduled for July 22nd through July 25th of 2022.

Let’s look at the relevant facts for the prepaid expense tab. On June 20, 2022, 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 2022.
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.
Case Study - Prepaid Expense

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

Key Factors
• An expense for $350 was incurred in FY22 related to travel that will not occur until the next fiscal year.

• Expenses incurred in the current fiscal year for goods or services received in the current fiscal year are not considered prepaid expenses. The $5 travel agent fee represents services that are received when the travel is booked.

Answer: A prepaid expense of $345 ($350 - $5 = $345) should be recorded on the Fact Sheet Excel Attachment.

What dollar amount should be reported for prepaid expenses?

As noted in the key factors, an expense for $350 was incurred related to travel that will occur next fiscal year. The $5 travel agent fee is included in the $350 airplane ticket expense. Expenses incurred in the current fiscal year for goods or services received in the current fiscal year, such as travel agent fees, are not considered prepaid expenses.

POLLING QUESTION
1. What dollar amount should you report on the Fact Sheet Excel Attachment for prepaid expense?
   a. $0
   b. $345
   c. $350
   d. $355

Since the travel agent fee is earned whenever the travel was booked in FY22, 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.
Case Study - Accounts Payable

Facts:
• On June 25, 2022, three laptop computers totaling $5,000.00 were ordered.

• The computers were shipped from the merchant on June 29, 2022 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 5.

Let’s look at the facts again for Accounts Payable. On June 25th, three laptop computers totaling $5,000.00 were ordered. The computers were shipped from the merchant on June 29th using FOB Shipping Point. As of period 12 close, no payments had been made and no payable had been recorded. The computers were received on July 5th.
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 University Payables can backdate payments to June 30 throughout Period 12, which ends on July 15th for FY22.
Case Study - Accounts Payable

Question: True/False You should report $5,000.00 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 $5,000.00 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?

POLLING QUESTION

1. True or False: You should report $5,000 on the Fact Sheet Excel Attachment as an accounts payable.
   a. True
   b. False

Since the shipping terms were FOB Shipping Point, a payable for $5,000.00 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.
Case Study - Unearned Revenue

Facts:
- On December 31, 2021, a unit signed a contract to perform testing services for the Chicago Department of Labor from 1/1/2022 through 12/31/2022.

- The total compensation for the contract is $100,000.00.

- A check is received on January 15, 2022, for $100,000.00.

Let’s look at the relevant facts for unearned revenue.

On December 31, 2021, a unit signed a contract to perform testing services for the Chicago Department of Labor for calendar year 2022 (January 1st through December 31st). The total compensation for the contract is $100,000.00. A check is received on January 15, 2022, for $100,000.00.
Case Study – Unearned Revenue

Reminder:
• Unearned revenue is used to account for revenue recorded in Banner on or before June 30 from sales made to external customers (not other University units) which will not be earned until the following fiscal year.

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.
Case Study - Unearned Revenue

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

**Key Factors:**
- $100,000.00 is received for services provided 1/1/2022-12/31/2022.
- On June 30, 2022, approximately 50% of the revenue has been earned.
- 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:** $100,000.00 is reported on the Fact Sheet Excel Attachment in the “Amount” column. $50,410.96 will be recorded in Banner based on the Fact Sheet Excel Attachment calculation.

Here are the relevant facts that we need to review. $100,000.00 is received for services for **January 2022** through **December 2022**. On June 30, approximately half of the time frame has passed, so approximately half of the revenue is earned. The amount of $100,000.00 should be entered onto the Fact Sheet Excel Attachment with the beginning and ending dates of service of January 1, **2022** through December 31, **2022**. The Fact Sheet Excel Attachment calculates the unearned revenue based on the exact number of days in the fiscal year.

**POLLING QUESTION**

1. On the Unearned Revenue tab, what dollar amount should you enter into the “Amount” on the Fact Sheet Excel Attachment?
   - a. $0.00
   - b. $50,000.00
   - c. $50,410.96
   - d. **$100,000.00**

Therefore, the amount of unearned revenue recorded would be automatically calculated by the Fact Sheet Excel Attachment to be $50,410.96.
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 $100,000.00. 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 $50,000.00. 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.
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.
Here is our contact information. We can help with any fact sheet questions that may arise as you complete your fact sheet.
QUESTIONS?

We’ll pause for any last-minute questions.
On behalf of University Accounting and Financial Reporting, thank you for attending!