Year End Case Study Examples

Case Study #1 – Expense Accruals

$900 of consumable supplies for a SSF activity were received June 29, 2017. The vendor invoice was received & entered into Banner on July 10th (in FY18). What action should be taken on June 30, 2017?

A. Since the invoice was received in FY18, the expense should remain an expense in FY18.

B. Recognizing the expense in either FY17 or FY18 is acceptable, it's up to you.

C. Report $900 of supplies expense as accounts payable on the FY17 Fact Sheet.

Case Study #1 – Expense Accruals

$900 of consumable supplies for a self-supporting activity were received June 29, 2017. The vendor invoice was received July 10th, and was entered in Banner on July 18th (in FY18). What action should be taken on June 30, 2017?

C. Report $900 of supplies expense as accounts payable on the FY17 Fact Sheet.

Case Study #2 – Accounts Receivable

$20,000 of routine services were provided to an external customer on June 5th and the customer said they would pay sometime in July. What action should be taken on June 30, 2017?

A. Since the customer will pay in July, the revenue should be recognized in July.

B. Report $20,000 as an A/R on the related self-supporting fund's Fact Sheet.

C. Do nothing.

D. Either B or C.

Case Study #2 – Accounts Receivable

$20,000 of routine services were provided to an external customer on June 5th and the customer said they would pay sometime in July. What action should be taken on June 30, 2017?

D. Either B or C.

- *University policy requires use of the Banner Receivables module (unless formal exemption is granted)*
- *If exemption is granted, report on the Fact Sheet*

Case Study #3 – Expense Classification

$200 of professional services expense was recorded to a supplies account code in Banner. What action is needed before fiscal year-end?

A. Someone else processed the entry, so I'm not going to fix it.

B. Who cares? It's only $200.

C. Do nothing. The charge is appropriate for the CFOP.

D. Ensure a JV is processed to move to the correct account code.

Case Study #3 – Expense Classification

$200 of professional services expense was recorded to a supplies account code in Banner. What action is needed before fiscal year-end?

D. Ensure a JV is processed to move to the correct account code.

Case Study #4 – Inventory for Resale

True or False: Your self-supporting activity had $1,500 of revenue during FY17. At June 30, since $100,000 of inventory for resale is remaining, that amount should be reported as the ending inventory value on the Fact Sheet.

Case Study #4 – Inventory for Resale

True or False: Your self-supporting activity had $1,500 of revenue during FY17. At June 30, since $100,000 of inventory for resale is remaining, that amount should be reported as the ending inventory value on the Fact Sheet.

 It depends. Inventory should be valued at the lower of cost or fair market value (FMV).

Case Study #5 – Non-Monetary Exchange

Your unit gave tickets for a university event to an external radio station in exchange for free radio advertising for the event. What action is needed by June 30?

A) I don't have time to worry about it

B) No action is needed since no cash was involved

C) Report the transaction to UAFR on a Non-Monetary Exchange Form

Case Study #5 – Non-Monetary Exchange

Your unit gave tickets for a university event to an external radio station in exchange for free radio advertising for the event. What action is needed by June 30?

C. Report the transaction to UAFR on a Non-Monetary Exchange Form

- *Report the Non-Monetary Exchange as outlined in Section 13 of the OBFS P&P Manual. There could be contract and purchasing implications as well.*

Case Study #6 – Labor Redistributions

True or False: When processing a 2017 MN 7 labor redistribution during July, in order for the transaction to post in period 12, the user <u>must</u> use a June 2017 transaction date on PZAREDS.

Case Study #6 – Labor Redistributions

When processing a 2017 MN 7 labor redistribution during July, in order for the transaction to post in period 12, the user <u>must</u> use a June 2017 transaction date on PZAREDS.

False: Unique requirements apply to accrued pay events 2017 MN 7 and 2017 BW 14. Transaction date should be <u>blank</u>.

See Year-End Labor Redistribution job aid: https://www.obfs.uillinois.edu/accounting-financial-reporting/year-end-procedures/

Fiscal Year-End Resources and Training

- [Fiscal Year Closing/ Opening Procedures document](#)
- Year-End Fact Sheet Webinar
- Fiscal Year Closing/Opening Procedures Webinar
- Fact Sheet Open Lab