Month-end Financial Close

Knowledge-based Learning Session

November 17, 2020
Ask Questions at Any Time

Using the Q&A Feature
Meet Our Presenter

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Interim Associate Director
Accounting

Moderated by:
Carol Shannon  Training & Development Specialist
Agenda

1. Why month-end is important
2. What processes occur to close each month
3. Deadlines and cut-off dates
4. Tasks throughout the month
5. Audience discussion & questions
Why do we have month-end close?

Closing the books every month:

• Allows us to make decisions based on up-to-date information
• Helps us prepare for fiscal year end by reviewing and reconciling as we go
• Helps to identify and correct errors while it’s still fresh in memory
• Gives us something to look forward to
What are important deadlines?

<table>
<thead>
<tr>
<th>Task</th>
<th>Deadline Details</th>
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<tbody>
<tr>
<td>Sales tax documentation</td>
<td>Due by the 10(^{th}) of each month</td>
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<tr>
<td>Allocation changes</td>
<td>Due by the 20(^{th}) of each month</td>
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<tr>
<td>Monthly payroll transactions</td>
<td>Post (~20)(^{th}) of each month, benefits post at system close</td>
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<tr>
<td>Secondary JE approvals</td>
<td>5 business days before campus close</td>
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<tr>
<td>Concur expense reports</td>
<td>2(^{nd}) business day before calendar month-end</td>
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<tr>
<td>Gift funds wire cutoff</td>
<td>Most Wednesdays and at calendar month-end</td>
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Other tasks throughout the month

**Review financial reports and reconcile**
- Timing issues
- Resource deficits or surpluses
- Identify and fix errors

**Variance analysis**
- Compare budget to actual
- Compare year-over-year actuals
- Explain any significant variances

**Forecasting and planning**
- Project balances through June 30
- Plan resources for larger or multi-year commitments
- Update as necessary
Transactions occur throughout the month, with various cut-off dates for certain types of transactions. What is the process?

**Deadlines**
- **End of Calendar Month (ECM)**
- **1st & 2nd Business Days**
- **3rd Business Day**
- **4th Business Day**

**Review and Reconcile**
- 6 p.m. cut-off on 2nd business day of a month to finalize the prior month’s business
- Systems and CCO run the close processes, including:
  - Fringe benefit allocations
  - GAIR allocations
  - UNP transfers (72 to 10)
  - CU-Data “FINCLOSE” trigger
- CIW is updated, reports are ready to run
**Discussion Points:**

What’s happening with December close?

What are your biggest challenges during a month?

Checklist is in development…what would help you?
Recording and Slides Available:

colorado.edu/controller/training
For More Information:

Review the [CCO calendar](#).

Contact your [area accountant](#).