

ASCENDER - End-of-Year (EOY) Accruals for June Year-End LEAs

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The purpose of this document is to guide you through the necessary steps to address June year-end payroll accruals to ensure that amounts are balanced in accrual accounts for end-of-year purposes.

The steps listed in this document should be completed prior to running the June payroll. Review each step and address it as needed.

This document assumes that you are familiar with the basic features of the ASCENDER Business System and have reviewed the ASCENDER Business Overview guide.



Some of the images and/or examples provided in this document are for informational purposes only and may not completely represent your LEA's process.

Before You Begin

Before you begin:

Review the following information and/or complete the following steps before you begin the Finance EOY closing process.

Terms:

Term	Description	
CYR payroll frequency	Current year payroll frequency in Payroll.	
June Year-End (early fiscal year)	A Finance fiscal year that runs July through June.	
Export	A backup file of data as it stands at the time it is exported from the system. Export or backup files can later be used to restore data to its original state at the time of extraction.	
File ID C	Current year file ID in Finance.	
Historical file ID	Refers to any prior year file ID that is not the current year file ID.	
LEA (Local Education Agency)	Refers to the educational entity (e.g., charter, district, etc.).	

Business

Term	Description	
NYR payroll frequency	Next year payroll frequency in Payroll.	
August Year-End (standard fiscal year)	A Finance fiscal year that runs September through August.	

EOY Flowchart for September Start LEAs

IMPORTANT

Consider the following information when closing the fiscal year:
☐ Will you select to increment or continue funds on the Fiscal Year Close utility?
\square Review each action and the corresponding results to make an informed decision.
Note : For continuing funds, verify that there is not a balance in the Budget offset account (e.g., 3700) prior to running the Fiscal Year Close process. If there is a balance prior to running the process, the fund will be out-of-balance by the amount from the Budget offset account.

Continuing Fund

Continuing funds are funds that will be continued into the new fiscal year (i.e., funds maintaining the fiscal year even after the LEA begins the new fiscal year).

If a fund is continued, the following actions are automatically completed when the Fiscal Year Close utility is processed:

- The 1XXX-4XXX account balances are carried forward (the **Carry Forward Balances** field is automatically selected).
- The 5XXX-8XXX account balances are created (the Create 5XXX-8XXX field is automatically disabled).
- The budget amounts that match the ending balances in the historical file ID are set up for the 5XXX-8XXX accounts. For example, if only \$8,000 of a \$10,000 grant has been received, then the difference of \$2,000 is established as the estimated revenue.
- The difference between revenue and expenditures will post to the Obj.Sobj in the Actual Fund Balance Obj.Sobj field on the Finance > Tables > Account Codes > Fund tab.
- In the new historical file ID, accounts are inactivated for all continuing funds. Incremented funds remain active.
- Only purchase orders that include continuing funds are re-encumbered. Purchase orders that are split-funded and include funds where the fiscal year is only being incremented will be deleted. For example, if a purchase order is split between 211 (continuing fiscal year) and 199 (incremented fiscal year), then you will have to re-enter the purchase order in the new file ID.
- Be aware that purchase orders containing continuing funds will be displayed in both the historical and new current file ID but should be paid in the new file ID.
- The fiscal year is not updated on credit memos.
- The fiscal year is not updated on outstanding Accounts Receivable invoices.
- The fiscal year is not updated on payroll and PMIS distributions.

vs. Increment Fund

Incremented funds are funds that will be incremented in the next fiscal year (i.e., funds that will change their fiscal year at the same time that the LEA's new fiscal year will begin). The increment option is not available if the incremented fund already exists. For example, in September 2023, funds 211/3 and 211/4 already exist; therefore, 211/3 can only be continued or deleted.

If a fund is incremented, the following actions are automatically completed when the Fiscal Year Close utility is processed:

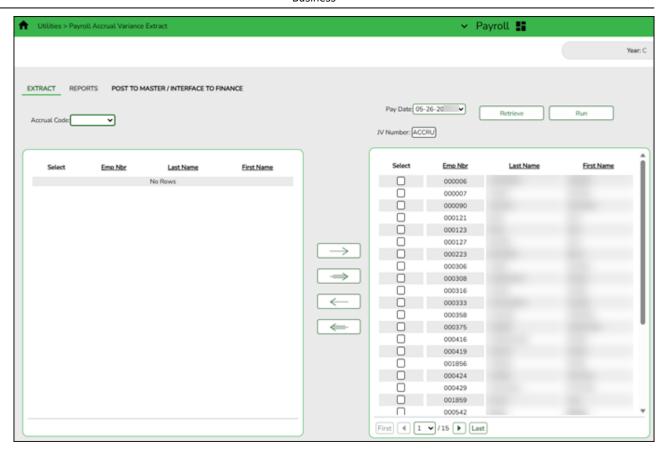
- The fiscal year is incremented on credit memos.
- The fiscal year is incremented on outstanding Accounts Receivable invoices.
- The fiscal year is incremented on the payroll and PMIS distributions for active employees only.
- Only purchase orders that include continuing funds are re-encumbered. Purchase orders that are split-funded and include funds where the fiscal year is only being incremented will be deleted. For example, if a purchase order is split between 211 (continuing fiscal year) and 199 (incremented fiscal year), then you will have to re-enter the purchase order in the new file ID. The following are optional:
- Carry Forward Balances
- Create 5XXX-8XXX Accounts

EOY Accruals for June Year-End LEAs Process

1. Run the payroll accrual variance extract

Run the payroll accrual variance extract

Payroll > Utilities > Payroll Accrual Variance Extract > Extract





Review the Accrual Overview document for more information about the Payroll Accrual Variance Extract process steps.

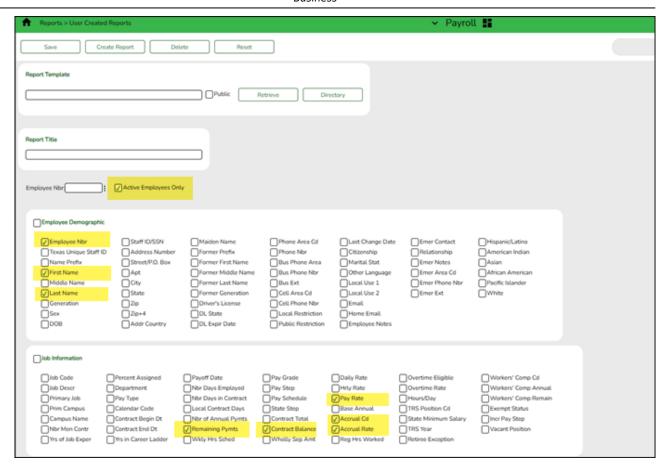
It is recommended to balance accruals monthly to help identify and correct any errors. Use the Payroll > Utilities > Payroll Accrual Variance Extract > Extract to assist you in this process.

- Use the Extract tab to run the extract and extract payroll accrual variances.
- Use the Reports tab to review and verify any extracted payroll variances.
- Use the Post To Master/Interface To Finance tab to post valid variances and interface to Finance if needed.

2. Generate a user-created report.

Generate a user-created report

Payroll > Reports > User Created Reports



Use the following parameters to generate a user-created report:

- Active Employees Only
- Employee Nbr
- ∘ First Name
- Last Name
- Remaining Payments
- Contract Balance
- ∘ Pay Rate
- Accrual Code
- Accrual Rate

Save the report in Excel to allow data to be manipulated.

3. Perform Excel file maintenance.

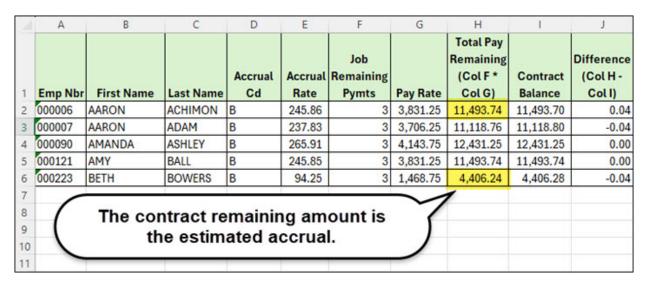
Perform Excel file maintenance

Modify the Excel file.

- Sort the file by Accrual Cd, and then by Last Name.
- Arrange the order of columns as follows: Employee Nbr, First Name, Last Name, Accrual Code, Accrual Rate, Remaining Payments, Pay Rate, and Contract Balance
- Insert a new column (Total Pay Remaining) between the Pay Rate and the Contract
 Balance columns. And, then in this column (Column H), insert the following formula: Job

Remaining Payments (column F) x **Pay Rate** (column G)

In Column J, insert the calculation for the **Difference** with the following formula: **Total** Pay Remaining (column H) - Contract Balance (column I)

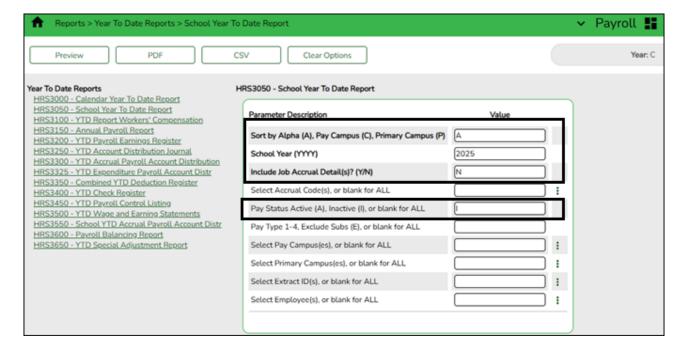


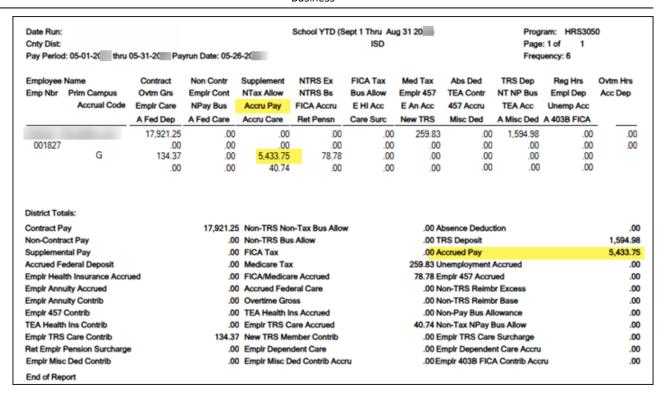
4. Generate the HRS3050 report for inactive employees.

Generate the HRS3050 report for inactive employees

Payroll > Reports > Year to Date Reports > HRS3050 - School Year To Date Report

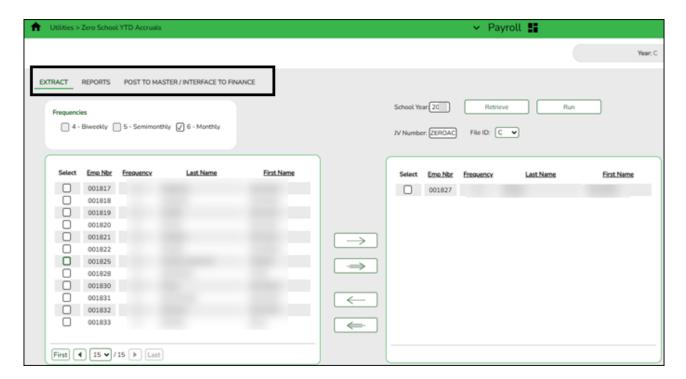
Generate the report with the following parameters. Print and/or save this report and review it for accuracy.



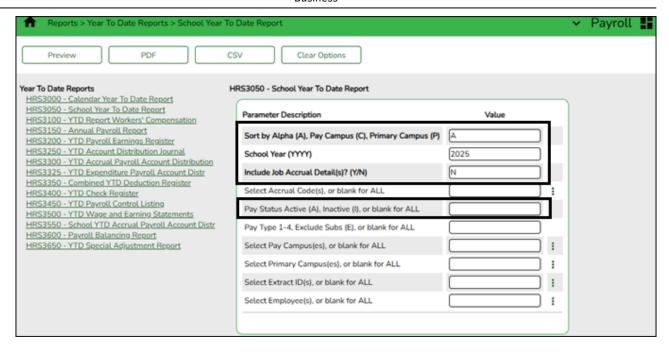




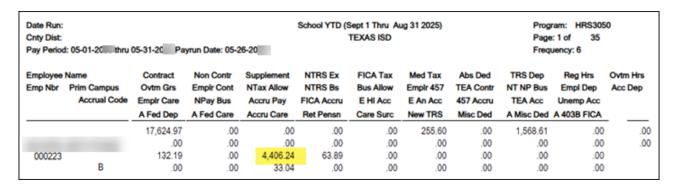
If there are any individuals with an accrual balance displayed on this report who are no longer with the LEA, perform the **Payroll > Utilities > Zero School YTD Accruals** to zero out their accruals.



Generate the report again with the following parameters. Print and/or save this report and review it for accuracy.



Compare the **Accrued Pay** totals to the **Total Pay Remaining** column from Step 3.



Note: The **Accrued Pay** should match the **Total Pay Remaining** (column H) in the Excel file.

5. Verify the differences and correct any issues.

Verify and correct issues

Verify the differences and correct any problems with the staff accrual payroll information so that the amounts are the same. You may have to:

Use the Payroll > Tables > Accrual Calendars > Accrual Calendar page to:

- Build an accrual calendar for individuals who did not have one built at the beginning of the year.
- Correct the number of days worked in the accrual calendar.

Use the Payroll > Maintenance > Staff Job/Pay Data > Job Info tab to:

- Enter an accrual code for individuals who do not have one.
- Enter an accrual rate for individuals who do not have one.
- Correct the accrual rate (should be the same as the daily rate) for individuals.

Then, use the Payroll > Utilities > Payroll Accrual Variance Extract to perform the following steps:

- Use the Extract tab to run the accrual variance again.
- Use the Reports tab to review and verify any differences between the spreadsheet and the variance report.
- Correct any issues as needed.
- Use the Post To Master/Interface To Finance tab to post valid variances and interface to Finance if needed.

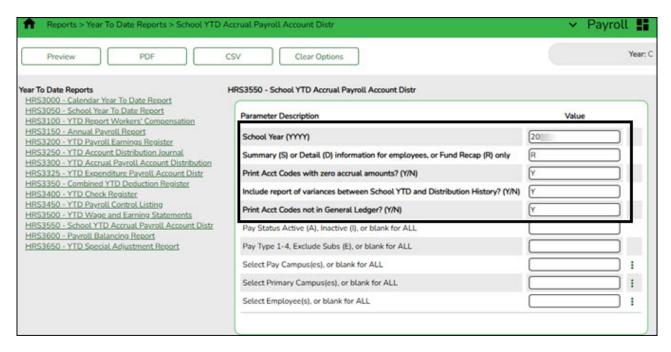
Generate the Payroll > Reports > Year to Date Reports > HRS3050 - School Year To Date Report again from Step 4 and verify that it matches the estimate from Step 3.

Generate the HRS3550 - School YTD Accrual Payroll Account Distribution Report

Generate the HRS3550 Report

Payroll > Reports > Year To Date Reports > HRS3550 - School YTD Accrual Payroll Account Distr

After the estimate from the Excel file (Step 3) and the HRS3050 report (Step 4) match, generate the report with the following parameters:



This report will assist you as you balance to Finance in the following step.

7. Run a general ledger inquiry.

Run a general ledger inquiry

Finance > Inquiry > General Ledger Inquiry > General Ledger Account Summary

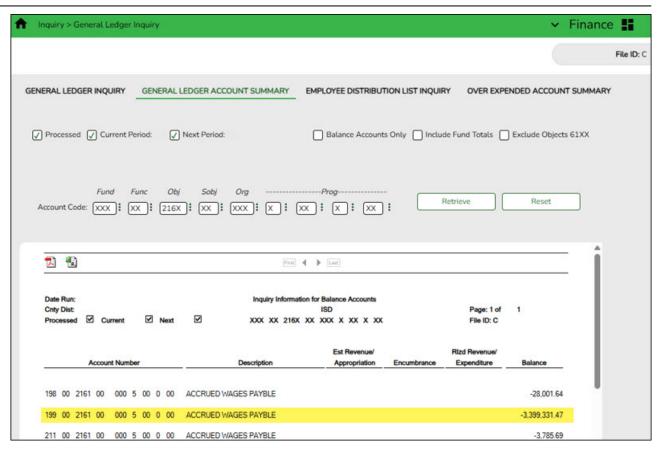
When considering potential journal entries to be made later in this step, use the following chart for reference.

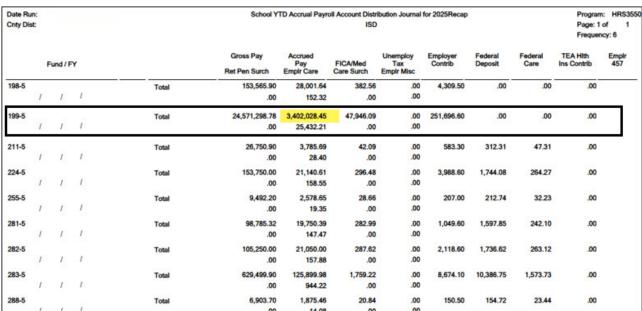
Note: This chart derives from the **Payroll Automatic Posting Default** section on the Finance > Tables > District Finance Options > Clearing Fund Maintenance tab.

General Ledger Inquiry Report	SCHOOL VIII) ROHOFF	
216X	Accrued Wages	6119 or 6129
221X.11	Accrued Federal Grant Deposit	6146
221X.12	Accrued Federal Grant Care	6146
221X.14	Accrued Employer FICA/Medicare	6141
221X.15	Accrued Employer Unemployment Tax	6145
221X.16	Accrued Health Insurance Contribution (Emplr Health Insurance Accrued + TEA Health Ins Accrued)	6142
221X.17	Accrued Employer 457 Contribution	6149
221X.18	Accrued Employer Annuity Contribution	6149
221X.19	Accrued Employer TRS Care Contribution	6146
221X.20	Accrued Employer Dependent Care	6149
221X.21	Accrued Employer Miscellaneous Deduction Contribution	6149

Run an inquiry on the 216X and 221X accounts from Finance and compare the balances to the Payroll > Reports > Year To Date Reports > HRS3550 - School YTD Accrual Payroll Account Distribution Journal.

This inquiry can also be run in Purchasing.



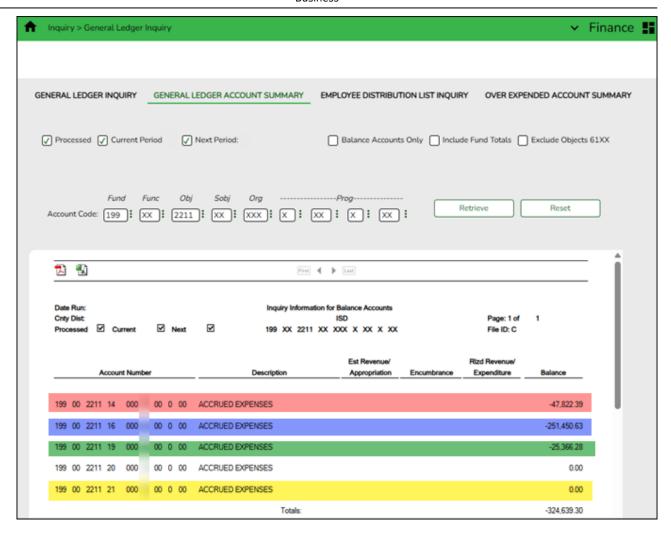


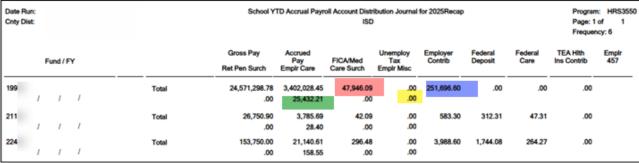
If there is a difference in any of the funds, a journal entry needs to be made to balance the general ledger to the HRS3550 - School YTD Accrual Payroll Account Distribution Journal.

Compare the HRS3550 report totals to the General Ledger Inquiry reports. Review the following example entry:

Account Code	Debit	Credit
199-00-2161-00-000-X-00-000		\$2,696.98
199-11-6119-00-001-X-11-000	\$2,696.98	

This is the difference between the two amounts. The entry has to make the general ledger match the HRS3550 - School YTD Accrual Payroll Account Distribution Journal.





If there is a difference in any of the funds such as in the example shown below, a journal entry will need to be made to balance the general ledger to the HRS3550 - School YTD Accrual Payroll Account Distribution Journal.

Review the following example entry:

Account Code	Debit	Credit
199-00-2211-14-000-X-00-000		\$123.70
199-11-6141-00-001-X-11-000	\$123.70	
199-00-2211-16-000-X-00-000		\$246.00
199-11-6142-00-001-X-11-000	\$246.00	
199-00-2211-19-000-X-00-000		\$65.93
199-11-6146-00-001-X-11-000	\$65.93	

Note: Be sure to keep a clean final copy of both of the HRS3550 reports for the auditor. **These reports cannot be recreated after the July and August payrolls are processed.**



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