# YEAR-END CLOSING CHECKLIST

| Year-End Closing Procedure | Responsible Person | Date Completed |
|---|---|---|

**Pre-Closing:**

1. Determine that the opening balances in the financial system agree with the final balances on the SACS Fund Forms. ____________ ____________

2. Reconcile the prior year's accounts receivable and record adjustments as necessary. ____________ ____________

3. Reconcile the prior year's accounts payable and record adjustments as necessary. ____________ ____________

4. Review a detailed revenue history report from the financial system (the revenue subsidiary ledger) and determine: (1) that all revenue is properly classified and (2) that revenue receipts are on target with expected receipts. ____________ ____________

5. Review the balance sheet (object 9xxx), by resource, for all funds to determine if there are any potential problems. ____________ ____________

6. Establish a year-end closing calendar that includes:
   a. The cutoff date for submission of purchase orders.
   b. The date of the physical inventory.
   c. The date for the close-out of the petty cash funds.
   d. The final date for warehouse distributions.
   e. The date for the submission of reimbursement claims.
   f. The date for running the open purchase order listing to determine which POs need to be accrued and which ones need to be cancelled.
   g. Include GASB procedures in the year-end calendar in order to allow time for completion to meet the required timeline for the audit report to be issued. ____________ ____________

7. Has a calendar of report deadlines been received from the state? ____________ ____________

8. Has a calendar of report deadlines been received from the county? ____________ ____________

9. Has a master calendar listing all appropriate dates been prepared? ____________ ____________

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**Closing:**

**Cash:**

1. Prepare reconciliations for all cash accounts as of June 30 and obtain copies of the reconciliations if not prepared by the District Office. Prepare journal entries to adjust the cash accounts in the books to the cash per reconciliations. ___________ ___________

   Cash accounts:
   a. Cash in County Treasury
   b. Cash in Bank
   c. Cash in Clearing Account
   d. Revolving Cash
   e. Cash With Fiscal Agent
   f. ASB Cash

2. Count all cash on hand as of June 30 and prepare the appropriate journal entries. ___________ ___________

**Inventory:**

1. Count all material inventories as close to June 30 as possible. ___________ ___________

2. Prepare and post adjusting entries to bring the books into agreement with the physical count. ___________ ___________

**Other Assets:**

1. Prepare and post adjusting entries for prepaid expenditures. ___________ ___________

**Accounts Receivable:**

1. Prepare and post the adjusting entries for the local control funding formula, restricted programs, and revenue related to services performed or use of facilities provided before June 30. ___________ ___________

2. Determine if mandated cost revenues have been received in July or August; if yes, prepare and post entries for the accounts receivable. ___________ ___________

3. Prepare and post entries for the fourth-quarter interest earnings. ___________ ___________

4. Based on notices received for Lottery, prepare and post the fourth quarter Lottery revenues using the Annual ADA. ___________ ___________

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5. Determine if an accounts receivable has been set up for all outstanding billings/invoices such as: facilities use, rents and leases, unpaid fees, amounts due from outside organizations, etc. ________ ________

**Accounts Payable:**

1. Accrue any payrolls paid in July or August for work performed prior to June 30. ________ ________
2. Accrue all benefits related to salary accruals. ________ ________
3. Review an open purchase order list and accrue all items that have been received or services rendered by June 30. ________ ________
4. Accrue amounts for utility services unpaid as of June 30. ________ ________
5. Accrue amounts for legal claims that can be estimated and are probable (only if the claim is not covered entirely by insurance) as of June 30. ________ ________

**Long-Term Financing:**

1. Determine that all new debt instruments have been properly included in the long-term debt Form Debt for the period ending June 30. ________ ________
2. Determine that all payments have been recorded as "debt service payments" and split appropriately for debt payments and interest. ________ ________

**Indirect Costs:**

1. Prepare a worksheet to record indirect costs and post the entries to all applicable programs. Verify that the program allows indirect costs and whether there is a limit on the allowable percentage. ________ ________

**Categoricals:**

1. Review and verify balances, by resource, in all funds to ensure they are balanced appropriately. ________ ________
2. Prepare the Form CAT in the SACS software. ________ ________
3. Ensure Form CAT ties to system reports for accounts receivable, deferred revenue, accounts payable, restricted ending balance. ________ ________

**Interfund Transfers:**

1. Review the operating transfers and the transfer for direct and indirect costs to assure that the transfers are balanced between programs and funds and net to zero. ________ ________

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**Interfund Receivables and Payables (due to/from):**

| | | |
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| 1. Review the activity in all funds to determine if any interfund receivables and payables need to be set up. | ________ | ________ |

**Adult Education (11):**

| | | |
|---|---|---|
| 1. Ensure each resource code has supporting documentation for revenue and make necessary entries to recognize the appropriate levels of revenue. | ________ | ________ |
| 2. Determine if resources are subject to "U" of "F" and make necessary adjustments to eliminate TRC errors. | ________ | ________ |
| 2. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 3. Review General Ledger reports to ensure positive cash. | ________ | ________ |

**Child Development Fund (12):**

| | | |
|---|---|---|
| 1. Ensure each resource code has supporting documentation for revenue and make necessary entries to recognize the appropriate levels of revenue | ________ | ________ |
| 2. Determine if resources are subject to "U" of "F" and make necessary adjustments to eliminate TRC errors | ________ | ________ |
| 3. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 4. Review General Ledger reports to ensure positive cash. | ________ | ________ |

**Cafeteria Fund (13):**

| | | |
|---|---|---|
| 1. Ensure each resource code has supporting documentation for revenue and make necessary entries to recognize the appropriate levels of revenue. | ________ | ________ |
| 2. Determine if resources are subject to "U" of "F" and make necessary adjustments to eliminate TRC errors. | ________ | ________ |
| 3. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 4. Review General Ledger reports to ensure positive cash. | ________ | ________ |
| 5. Count all material inventories as close to June 30 as possible. | ________ | ________ |
| 6. Prepare and post adjusting entries to bring the books into agreement with the physical count. | ________ | ________ |
| 7. Determine if donated commodities have been properly identified and the accounting is accurately reflected in the accounting system. | ________ | ________ |

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| **Deferred Maintenance Fund (14):** | | |
| 1. Prepare annual transfer, as applicable. | ________ | ________ |
| 2. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 3. Review General Ledger reports to ensure positive cash. | ________ | ________ |
| **Building Fund (21):** | | |
| 1. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 2. Review General Ledger reports to ensure positive cash. | ________ | ________ |
| 3. Review all leases, rental contracts, and sales agreements to determine if any accounts receivable should be set up | ________ | ________ |
| 4. Analyze all construction projects to determine if liabilities should be recorded for work completed by June 30. | ________ | ________ |
| **Capital Facilities Fund (25):** | | |
| 1. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 2. Review General Ledger reports to ensure positive cash. | ________ | ________ |
| 3. If applicable, ensure that the 3% administrative fee has been posted. | ________ | ________ |
| **County School Facility Fund (35):** | | |
| 1. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 2. Review General Ledger reports to ensure positive cash. | ________ | ________ |
| 3. Determine that any reports to the state are filed on time. | ________ | ________ |
| 4. Analyze all construction projects to determine if liabilities should be recorded for work completed by June 30. | ________ | ________ |
| **Special Reserve for Capital Outlay (40):** | | |
| 1. Ensure that all cash reconciliations have been completed. | ________ | ________ |
| 2. Review General Ledger reports to ensure positive cash. | ________ | ________ |
| 3. Analyze all construction projects to determine if liabilities should be recorded for work completed by June 30. | ________ | ________ |

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**Bond Interest and Redemption (51):**

1. Receive reports from the County Treasurer/Auditor for inclusion in the SACS Forms for submittal to the state. __________ __________

**Self-Insurance Fund (67):** __________ __________

1. Ensure that all cash reconciliations have been completed. __________ __________
2. Review General Ledger reports to ensure positive cash. __________ __________
3. Ensure that all transfers are completed before June 30. __________ __________
4. Make sure that the IBNR liability has been adjusted, if necessary. __________ __________

**Retirees Benefits Fund (71):**

1. Ensure that all cash reconciliations have been completed. __________ __________
2. Review General Ledger reports to ensure positive cash. __________ __________
3. Ensure that all transfers for retiree benefits are completed before June 30. __________ __________

**Warrants Pass-Through (76):**

1. Reconcile this fund to ensure that the Fund is in balance. If not, prepare any necessary journal entries and post to the financial system. __________ __________

**GASB Statement No. 34:**

1. Verify beginning balances for long-term debt as of July 1 of the current year against the ending balances in the prior year. __________ __________
2. Determine what funds will be reported as a Major Fund along with the General Fund (spreadsheet available in SACS software) __________ __________
3. Prepare Form DEBT and Form ASSET schedules that will support the applicable entries for GASB 34 compliance. __________ __________
4. Run reports from the fixed asset system (i.e., financial system, spreadsheet, stand-alone software application) that ties back to the financial reports for the 6000 objects and Function 8500 for additions and deletions that will be or have been capitalized and depreciated. Include depreciation amounts in reports. __________ __________

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5. Determine who is responsible within the organization to prepare and complete the Management Discussion and Analysis (MD&A). Determine a timeline for developing the MD&A in advance of when it is required for inclusion and presentation in the annual audit report. ________ ________

6. Include GASB 34 procedures in the year-end calendar in order to allow time for completion of the required timeline for the audit report to be issued in the new format. All departments that will be required to provide data should be included in meetings and communication regarding the year-end deadlines and process. ________ ________

**GASB Statement No. 54:**

1. Determine that ending fund balances are properly categorized in one of the following five categories
    - Nonspendable: Stores inventory, prepaids, etc.
    - Restricted: Amounts constrained by external parties
    - Committed: Amounts constrained by a governing board
    - Assigned: Amounts for a particular intended purpose
    - Unassigned: Amounts that are not constrained or assigned, and also includes the Reserve for Economic Uncertainty ________ ________
2. Ensure that the Board has taken formal action before June 30 to approve unrestricted components of fund balance as committed, as applicable. ________ ________

**GASB Statement No. 75:**

1. Ensure that an updated actuarial study has been completed within the required two-year timeline required under GASB 75 ________ ________

2. Determine the normal cost related to the current period and the amortization of the past unfunded liability. These two components make up the current net OPEB expense. It will be a local decision as to whether the unfunded portion is funded or not. The impact of that decision will be presented in the financial statement. ________ ________

**GASB Statement No. 68/85:**

1. Ensure that applicable information from CalSTRS and CalPERS website is collected to adjust ending net position on the Governmentwide Financial Statements. ________ ________

2. Ensure that applicable information from CalSTRS website is collected to adjust ending fund balance in the Fund Financial Statements. ________ ________