CAL POLY

Year End Close Rules Configuration Guide

1.0 INTRODUCTION

CSU business practices dictate that certain funds close to different fund balance accounts. Additionally, for FIRMS reporting, project to date balances of nominal accounts for appropriated funds must roll forward to period zero.

The year-end process is maintained through two year-end close trees, chartfield value sets and the year end close rules. After all these tools have been updated to reflect the changes for the current year the year-end close process can be run. This guide details the configuration and maintenance required for establishing trees and closing rules.

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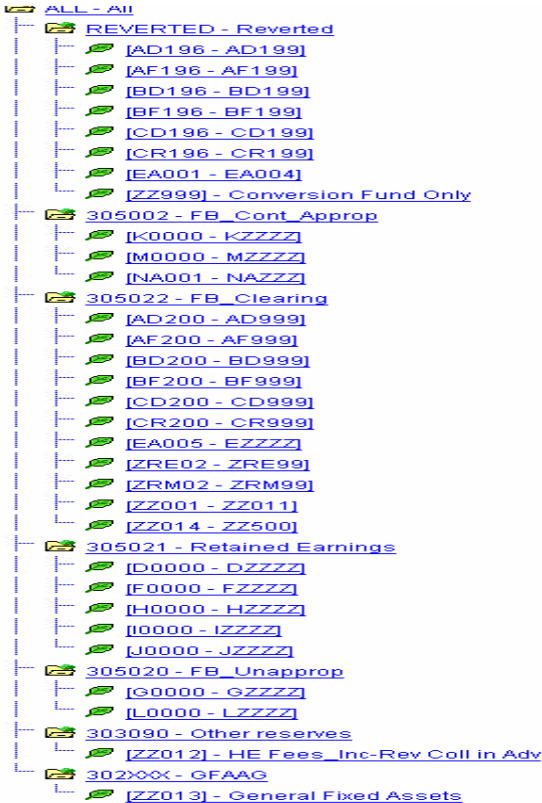Management Systems

2.0 Update Trees

There are two trees that are used for the fiscal year end close process. These trees need to be updated and maintained before you run the fiscal year end close. See the Cal Poly Tree Business Process Guide for information on how to create trees.

YE_END_CLOSE Tree
Cal Poly has identified six different fund balance accounts to which various funds close their nominal accounts. An additional category is defined –*Reverted* – to which funds are assigned that have reverted at year end. This is done so that we can set our tree so that it edits that ALL funds are on the tree.
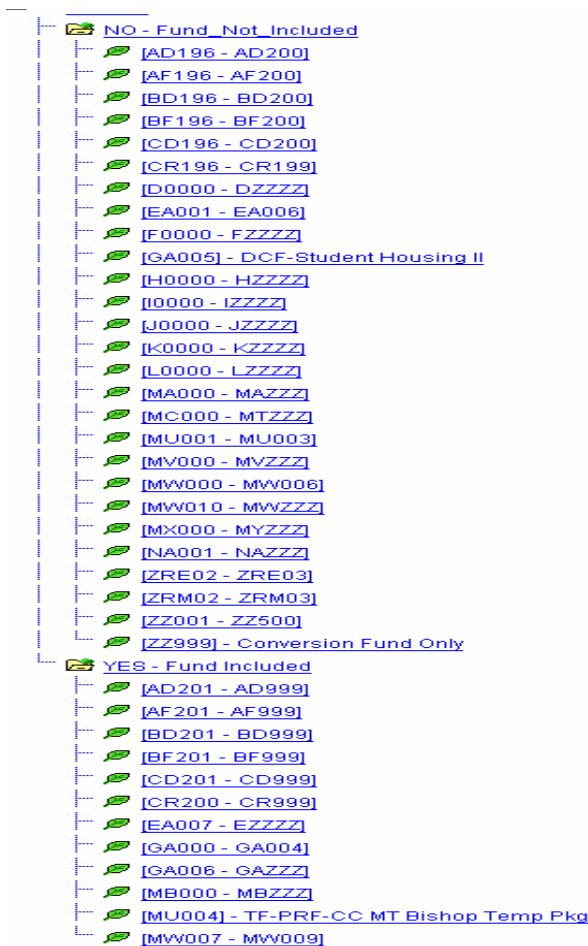
Note: 1). As appropriated funds revert, they will need to be moved to the Reverted category.

2). Fund ZZ013 - GFAAG – does not "close" at year end. However, with the tree definition set to include all detail values, this fund needs to be included. It is excluded from the rules as detailed in the next section of this document.

	The YE_END_CLOSE tree details which funds will close their balances to which fund equity account.

```
📁 ALL - All
├── 📂 REVERTED - Reverted
│     ├── 🍃 [AD196 - AD199]
│     ├── 🍃 [AF196 - AF199]
│     ├── 🍃 [BD196 - BD199]
│     ├── 🍃 [BF196 - BF199]
│     ├── 🍃 [CD196 - CD199]
│     ├── 🍃 [CR196 - CR199]
│     ├── 🍃 [EA001 - EA004]
│     └── 🍃 [ZZ999] - Conversion Fund Only
├── 📂 305002 - FB_Cont_Approp
│     ├── 🍃 [K0000 - KZZZZ]
│     ├── 🍃 [M0000 - MZZZZ]
│     └── 🍃 [NA001 - NAZZZ]
├── 📂 305022 - FB_Clearing
│     ├── 🍃 [AD200 - AD999]
│     ├── 🍃 [AF200 - AF999]
│     ├── 🍃 [BD200 - BD999]
│     ├── 🍃 [BF200 - BF999]
│     ├── 🍃 [CD200 - CD999]
│     ├── 🍃 [CR200 - CR999]
│     ├── 🍃 [EA005 - EZZZZ]
│     ├── 🍃 [ZRE02 - ZRE99]
│     ├── 🍃 [ZRM02 - ZRM99]
│     ├── 🍃 [ZZ001 - ZZ011]
│     └── 🍃 [ZZ014 - ZZ500]
├── 📂 305021 - Retained Earnings
│     ├── 🍃 [D0000 - DZZZZ]
│     ├── 🍃 [F0000 - FZZZZ]
│     ├── 🍃 [H0000 - HZZZZ]
│     ├── 🍃 [I0000 - IZZZZ]
│     └── 🍃 [J0000 - JZZZZ]
├── 📂 305020 - FB_Unapprop
│     ├── 🍃 [G0000 - GZZZZ]
│     └── 🍃 [L0000 - LZZZZ]
├── 📂 303090 - Other reserves
│     └── 🍃 [ZZ012] - HE Fees_Inc-Rev Coll in Adv
└── 📂 302XXX - GFAAG
      └── 🍃 [ZZ013] - General Fixed Assets
```

YE_END_CLOSE_ROLLFORWD Tree

As mentioned earlier, certain funds are required to carry forward their nominal Revenue and Expenditure account balances to the New Year. In other words, after closing revenue and expenditure balances to the appropriate fund balance account (as detailed in the above tree), these same accounts will roll forward their balances to period 0 of the next fiscal year. The balances in period 0 will be cumulative over the years as a fund remains active. This is done so that all cumulative reporting of an appropriated fund can be done from the current PeopleSoft Fiscal Year.

	The YE_END_CLOSE_ROLLFORWD tree details which funds will be rolling their balances forward to the new year.

NO - Fund_Not_Included
- [AD196 - AD200]
- [AF196 - AF200]
- [BD196 - BD200]
- [BF196 - BF200]
- [CD196 - CD200]
- [CR196 - CR199]
- [D0000 - DZZZZ]
- [EA001 - EA006]
- [F0000 - FZZZZ]
- [GA005] - DCF-Student Housing II
- [H0000 - HZZZZ]
- [I0000 - IZZZZ]
- [J0000 - JZZZZ]
- [K0000 - KZZZZ]
- [L0000 - LZZZZ]
- [MA000 - MAZZZ]
- [MC000 - MTZZZ]
- [MU001 - MU003]
- [MV000 - MVZZZ]
- [MW000 - MW006]
- [MW010 - MWZZZ]
- [MX000 - MYZZZ]
- [NA001 - NAZZZ]
- [ZRE02 - ZRE03]
- [ZRM02 - ZRM03]
- [ZZ001 - ZZ500]
- [ZZ999] - Conversion Fund Only

YES - Fund Included
- [AD201 - AD999]
- [AF201 - AF999]
- [BD201 - BD999]
- [BF201 - BF999]
- [CD201 - CD999]
- [CR200 - CR999]
- [EA007 - EZZZZ]
- [GA000 - GA004]
- [GA006 - GAZZZ]
- [MB000 - MBZZZ]
- [MU004] - TF-PRF-CC MT Bishop Temp Pkg
- [MW007 - MW009]

Note that the type of funds which roll forward are the appropriated funds (GF and Minor Capital Outlay) and Perkins loan fund (for federal reporting purposes, this fund is required to report life-to-date activity in various accounts and that is accomplished by using the roll forward functionality). In addition, any enterprise or trust funds that are established for a particular project that has a life greater than one year can be rolled forward so that project to date reporting can be done.

All funds that are reverting should be brought up to the NO section at year end. You should ask the owner of any non-appropriated funds that are being rolled-forward if that fund still needs to be active in the following year along with whether there are any funds that should have Revenue and Expense rolled forward for project reporting.

3.0 DEFINE YEAR END CLOSING RULES

The next steps in configuring year end close rules in PeopleSoft are detailed below.

Chart Field Value Sets
The first step is to review the chart field value sets (CFV sets) that will be used in the Year-End close. A new effective dated row will need to be added every fiscal year end.

	The Chart field Value Sets are used to define sets of chart field values to be used during closing.

The CFV sets that Cal Poly uses are named after the Fund Equity accounts. The Set above is going to look at the YEAR_END_CLOSE tree at the value 305002. The other CFV sets are 303090, 305020, 305021, 305022 and PTD_ROLL_FWD. This last CFV set looks at the YE_CLOSE_ROLLFORWD tree at the YES value.

Year End Close Rules

The next step is to update the YE_CLOSE_RULE_NEW. A new effective dated row will need to be added each fiscal year end.

Closing Options

	Closing rules define how PeopleSoft General Ledger will calculate retained earnings and carry forward balances to the new year.

The default retained earning is used to capture any accounts that you may have inadvertently not included on the Net Income/Retained Earnings page. No activity should close to this default account.

Net Income Retained Earnings

	Net Income/Retained Earnings page allows you to close to multiple Ret Earnings. This is where you will attach your CFV Sets for Retained Earnings.

Closing Options \ **Net Income/Retained Earnings** \ Journal Options \ Roll Forward Options

SetID: SLCMP **Closing Rule:** YE_CLOSE_RULE_NEW **Closing Type:** Year End

Effective Date Find | View All First ◄ 1 of 2 ► Last

Effective Date: 06/30/2004 **Status:** Active ＋ －

☑ **Close To Multiple Ret Earnings**

▼ Retain Earnings Find | **View 1** First ◄ 1-5 of 5 ► Last

＋ －

Chartfield Value Group Number: 1

▼ Profit/Loss Customize | Find | View All | ▦ First ◄ 1 of 1 ► Last

Chartfield Value Set **Update/New**

305002 🔍 Update/New ＋ －

▼ Retained Earnings Customize | Find | View All | ▦ First ◄ 1-2 of 2 ► Last

*ChartField	Retain Value	ChartField Value			
Account	☐	305002	🔍	＋	－
Fund Code ▼	☑		🔍	＋	－

＋ －

Chartfield Value Group Number: 3

▼ Profit/Loss Customize | Find | View All | ▦ First ◄ 1 of 1 ► Last

Chartfield Value Set **Update/New**

305022 🔍 Update/New ＋ －

▼ Retained Earnings Customize | Find | View All | ▦ First ◄ 1-2 of 2 ► Last

*ChartField	Retain Value	ChartField Value		Book Code	Bal Sheet Ind		
Account	☐	305022	🔍			＋	－
Fund Code ▼	☑		🔍			＋	－

＋ －

Chartfield Value Group Number: 4

▼ Profit/Loss Customize | Find | View All | ▦ First ◄ 1 of 1 ► Last

Chartfield Value Set **Update/New**

305021 🔍 Update/New ＋ －

All of the CFV sets for retained earnings should be attached on this page.

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Journal Options

The journal options page is not used at Cal Poly to create a journal, however the page requires a source value whether or not you check "create a Journal". Since we use these rules (SLCMP) to close both the SLCMP and SLCSU business units, the source that is used on this page MUST exist for both Business Units. Cal Poly separates the journal source values by setid, so we have created CNV as a source in both the SLCMP and SLCSU setid. Note: if this is not done the year end close job will error out. At year-end you will need to make sure that this page is populated as shown below.

	The Journal Options page allows you to specify how the journals from the closing process will appear in the GL.

Closing Options \ Net Income/Retained Earnings \ **Journal Options** \ Roll Forward Options

SetID: SLCMP Closing Rule: YE_CLOSE_RULE_NEW Closing Type: Year End

Effective Date   Find | View All   First ◀ 1 of 2 ▶ Last

+ −

Effective Date: 06/30/2004 **Status:** Active

Journal ID Mask: NEXT   ***Source:** CNV 🔍 **Closing Doc Type:** [   ] 🔍 **OpenBal DocType:** [   ] 🔍

Description: Journals from closing

☐ **Create Journal Entries**

Roll Forward Options

This panel uses the PTD_ROLL_FWD CFV set to roll forward the appropriate funds to period 0 of the next fiscal year. Set up the panel as shown.

	The Roll Forward Options allows you to specify how funds will be rolled forward to the new year.

Closing Options \ Net Income/Retained Earnings \ Journal Options \ **Roll Forward Options**

SetID: SLCMP Closing Rule: YE_CLOSE_RULE_NEW Closing Type: Year End

Effective Date   Find | View All   First ◀ 1 of 2 ▶ Last

+ −

Effective Date: 06/30/2004 **Status:** Active

☑ **Do Not Roll Forward Zero Bal**

*P/L to Roll Forward to Next Yr: Part Cumul ▾

▼ **Roll Forward Profit/Loss**   Customize | Find | View All | ⊞   First ◀ 1 of 1 ▶ Last

Chartfield Value Set

PTD_ROLL_FWD 🔍   +   −

Year End Close Report

Before Year End you will need to run the Year End Close Rule Report and present the report and a copy of both year end close trees to the director of Fiscal Services and the Manager of Financial Reporting for review.

	This report Details the close rules for the appropriate fiscal year.

Closing Rules

Run Control ID: YEAR_END_REPORT   Report Manager   Process Monitor   Run

Language: English

Report Request Parameters

SetID: SLCMP

Closing Rule: YE_CLOSE_RULE_NEW

As of Date: 06/30/2004

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4.0 PROCESS YEAR END CLOSE REQUEST

The year end close process is a month long endeavor comprising a multitude of processing steps directed and monitored by the Financial Reports staff. After all the steps have been performed and year end reports have been run for archival purposes, the final step is to process the year end close.

	This allows you to close or unclose the ledger.

This run control needs to be filled out as detailed above to perform the close process. You can run the process with the check only, do not process box marked. This will perform validation checking but will not calculate retained earning or balance forward amounts.

During closing, PeopleSoft General Ledger performs validation checking for the business unit and closing rule. Specifically, the system checks whether the following conditions exist:

- All ChartFields in the closing rule are valid for the business unit and ledger.

- All ChartField values are valid.

- All retained earnings accounts are valid for the business unit.

- Any duplication or overlapping in the profit/loss selection criteria occurred (which could cause double entries to retained earnings accounts).

The system displays an error message if any of these validations fail.

Processing an Undo Close

The year end close process can be completely reversed (as if no close process was executed, i.e. no audit trail) by selecting the Close Request Type *Unclose* option.

To undo a year-end close enter the Ledger Group, Ledger (if necessary), fiscal year, and the business units you want to unclose. This seems to indicate that we would need to run the undo process.

When you run an undo for a **year-end close** and you:

- Did not elect to create journal entries, the system clears the period 999 (results of year-end close) and period 0 (balance forward) rows from the ledger.

- Did elect to create journal entries, the system deletes the journal entries and clears the period 999 and period 0 rows.

Note. For year-end close, it is not necessary to Undo before re-running a year-end close because old amounts are always deleted first. This seems to indicate that we will not have to run an undo if we want to re-close?