

**WELLESLEY COLLEGE**  
CONTROLLERS OFFICE

To: Academic Department Chairs, Administrative Department Managers and Others with Budget Responsibility

From: Melissa Fletcher, AVP for Finance and Controller

Date: June 2, 2016

Re: Fiscal Year 15/16 Audit and Closing Process

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**AUDITING STANDARD**

The College's external auditors PricewaterhouseCoopers, are required to follow an auditing standard that is effective for the fiscal year 15/16 audit. The Statement on Auditing Standards (SAS) No. 115, *Communicating Internal Control Related Matters Identified in an Audit* provides guidance to the auditor on the reporting of internal control deficiencies to the Audit Committee.

Internal controls provide the keystone of sound business practices. These controls include adequate segregation of duties, diligent application of preventive and detective control systems, and conscientious compliance with authorization, reporting, and other established processes. Faculty and staff are expected to maintain and support internal control structures at Wellesley College.

As part of the audit process, the auditors will be reviewing documentation to gain evidence that the College is following the internal control procedures we established. In particular, the auditors will be looking to verify that:

1. Invoices are properly approved
2. Timesheets are properly approved
3. Expenses are recorded in the proper fiscal year

The College depends on you to support the above internal control policies. If the auditor finds any evidence to support the lack of adherence with the above internal control procedures, under SAS No. 115, the auditor may be required to report the details of the internal control exception to the Audit Committee. Therefore, it is extremely important that you help support these internal control policies, with special attention to the procedures highlighted in this memo surrounding the year end closing process for fiscal year 15/16.

**FISCAL YEAR 15/16 CLOSING CALENDAR**

Below is a calendar with key dates for closing out your department's finances for fiscal year 15/16, and staff members in the Controller's Office are ready and willing to assist you. If you have questions or issues that need to be addressed, please contact us as soon as possible. We have pre-determined deadlines for delivering information to our external auditors, and therefore the dates below are firm deadlines.

<b>Friday, June 10<sup>th</sup></b>	<b>Fines or fees</b> for the FY15/16 fiscal year need to be in the Student Financial Services Office in order to be billed in FY15/16.
<b>Friday, June 24<sup>th</sup></b>	<b>Charges that are</b> posted to your <b>ProCard</b> by June 30 <sup>th</sup> will be charged to FY15/16 if the goods and/or services have been received by the College. Please note that it normally takes 1-2 days for ProCard transactions to post on the bank's system. Please plan accordingly.
<b>Thursday, June 30<sup>th</sup> at noon</b>	All <b>cash receipts</b> for departments and student accounts to be credited to FY15/16 need to be into the Controller's Office. Payment or deposit can be made at the Cashier window.
<b>Thursday, June 30<sup>th</sup> at noon</b>	<b>Petty cash expense reimbursements</b> must be submitted to the Cashier's window in order to be charged to FY15/16. Please also pick up any checks held at the Cashier's window.
<b>Tuesday, July 5<sup>th</sup></b>	<b>Gift checks</b> received directly by departments prior to June 30 <sup>th</sup> postmarked June 30 <sup>th</sup> or prior should be forwarded to Debbie Mulno in Resources for processing. Please include envelope showing postmark.
<b>Wednesday, July 13<sup>th</sup></b>	All <b>interdepartmental charges</b> , including the Post Office, Copy Center, Facilities, Distribution Center, Wellesley College Club and Printing Services, etc, must be received by the Controller's Office today.
<b>Friday, July 15<sup>th</sup></b>	The Controller's Office will process <b>invoices</b> dated on or before June 30 <sup>th</sup> for goods received and services rendered in FY15/16. All invoices and check requests for FY15/16 must be forwarded to Accounts Payable for processing. Any invoices or check requests received after this date will be charged to FY16/17 unless AP adjustment request procedures are followed. Please refer to the Controller's Office website for detailed information about this adjustment process at <a href="http://www.wellesley.edu/controller/accounting/gapolicies/yearendclose/adjustments">http://www.wellesley.edu/controller/accounting/gapolicies/yearendclose/adjustments</a>
<b>Friday, July 15<sup>th</sup> h</b>	<b>Expense reports</b> for travel on or prior to June 30 <sup>th</sup> need to be forwarded to Accounts Payable for processing in FY15/16. If travel crosses fiscal years, the expense will be prorated using the number of days of travel in each year. All outstanding travel advances will be charged to the FOAPAL on the Travel Advance form in FY15/16.
<b>Friday, July 15<sup>th</sup></b>	All <b>journal entries</b> must be received by the Controller's Office today to process any FY15/16 year-end adjustments or corrections. The <b>transaction date</b> on the journal entry form must be entered with a date <b>on or before 6/30/2016</b> for the journal entry to be posted in the budget year FY15/16. To submit the journal entry, the authorized signer should send an email, with the journal entry attached, to the email address: <b>Controllers-Journals</b> <controllers-journals@wellesley.edu> <b>NOTE: Please see additional information regarding journal entries below.</b>

<b>Wednesday, July 20<sup>th</sup></b>	This is the <b>first preliminary</b> FY15/16 closing date. On Wednesday, July 20 <sup>th</sup> , a notice will be put on Faculty/Staff Announcements and an email will be sent to individuals on the Controller's Office email list. At this time, departments should run their preliminary year-end reports. <b>Journal Entries after this date must be submitted by an authorized individual of the FOAPAL to be charged.</b> The <b>transaction date</b> on the journal entry form must be entered with a date <b>on or before 6/30/2016</b> for the journal entry to be posted in the budget year FY15/16.
<b>Wednesday, July 27<sup>th</sup></b>	This is the deadline for FY15/16 <b>A/P adjustment requests</b> . Since the Controller's Office <b>cannot</b> process invoices or check requests in FY15/16 received after July 15 <sup>th</sup> even if they are dated on or before June 30 <sup>th</sup> , requests for adjustments may be made for prepaid or accrued expenses. Please refer to the Controller's Office website for detailed information about this process at <a href="http://www.wellesley.edu/controller/accounting/gapolicies/yearendclosure/adjustments">http://www.wellesley.edu/controller/accounting/gapolicies/yearendclosure/adjustments</a>
<b>Wednesday, July 27<sup>th</sup></b>	Any <b>final journal entries</b> to adjust data based on the preliminary reports must be received by today. Final journal entries must be sent by an authorized individual of the FOAPAL to be charged. The <b>transaction date</b> on the journal entry form must be entered with a date <b>on or before 6/30/2016</b> for the journal entry to be posted in the budget year FY15/16. <b>NOTE: Please see additional information regarding journal entries below.</b>
<b>Wednesday, Aug 3<sup>rd</sup></b>	This is the <b>second preliminary</b> FY15/16 closing date. We ask that you review your budget for accuracy at this time. Please note: The Controller's Office reserves the right to make adjustments as necessary after this date.
<b>Late August</b>	Notice will be put on Faculty/Staff Announcements and sent to individuals on the Controller's Office email list when the FY16 books are closed. At that time departments can run their <b>final reports</b> .

### Things To Keep In Mind

- The College does not accrue departmental operating budgets for items that were not received or services that were not provided by June 30<sup>th</sup> purely because they were budgeted for in this fiscal year. Any unexpended department unrestricted operating budget funds **cannot be carried forward** to FY16/17.
- Charges posted to your **ProCard** by June 30<sup>th</sup> will be charged to FY15/16 if the goods and/or services have been received. Please note that it normally takes 1-2 days for ProCard transactions to post on the bank's system. If you have charges for goods and/or services that were received by June 30<sup>th</sup> but did not post in time, you must make an **adjustment request** by **July 27<sup>th</sup>**. Please refer to the Controller's Office website for detailed information about this process at <http://www.wellesley.edu/controller/accounting/gaforms>
- For audit purposes, to determine proper recording of **ProCard** purchases in the correct fiscal year, the Controller's Office may request evidence of receipt of goods (i.e. packing slips). If the evidence suggests that goods were received or services performed before June 30<sup>th</sup>, the invoice will be charged to FY15/16. Failure to supply such evidence may result in an adjustment of the expense into FY16/17.

- For all purchases, during the last few weeks of June, we suggest that you contact the vendor to **confirm delivery** on or before June 30<sup>th</sup>.
- Since all **W.B. Mason** orders are now paid via ProCard, please note the above ProCard dates will apply to all W.B. Mason orders.
- Please arrange with vendors for timely invoicing of goods or services on or before June 30<sup>th</sup> and promptly forward all vendor invoices to the Controller's Office for processing. If goods are not received or services performed by June 30<sup>th</sup>, the invoice will be charged to FY16/17.
- The Controller's Office requests you utilize a naming convention for **Journal Entries** in the subject field of each entry that includes the fiscal year, the date sent and a unique description. This will ensure appropriate tracking of all Journal Entries. Please see the examples below:

To: **Controllers-Journals@wellesley.edu**  
 Subject: **FY16 Controller Subject Example Entry 6/22/15**

**Or**

To: **Controllers-Journals@wellesley.edu**  
 Subject: **FY16 6/22/16 Controller Subject Example Entry #2**

#### **REPORTS AND ON-LINE QUERY INFORMATION**

End-users have access to on-line Banner information regarding their budget and expenses. Those with on-line access may look up budget vs. actual information at any time. The Controller's Office staff will post a message on July 20<sup>th</sup> on Faculty/Staff to inform users of the preliminary year-end closing date. When you see this message, you may print out departmental reports for June preliminary close FY15/16. Carefully review these reports and note any discrepancies or adjustments that need to be made. Authorized Signers please send in correcting journal entries promptly through the Controller's Journal, or contact the Controller's Office for consultation. Final adjustments **must** be received by July 27<sup>th</sup>. Final reports will be accessible in late August.

#### **INVOICES AND ORDERING FOR FY15/16 PRIOR TO JULY 1<sup>ST</sup>**

If you need to order items for FY16/17 prior to the start of the fiscal year on July 1<sup>st</sup>, please note "Budget Year FY16/17" on your requisition to the Purchasing Department. If services are performed or an item is received by June 30<sup>th</sup>, then the invoice **will** be charged to FY15/16 even though you were planning on charging it to FY16/17.

#### **OVERBUDGET ACADEMIC AND ADMINISTRATIVE DEPARTMENTS**

The Budget Office will review all departments that have overspent their FY15/16 unrestricted budgets. If an overbudget department has endowed funds or restricted gifts, and the restrictions on either the endowment funds or gifts do not prohibit it, these restricted funds will be appropriated to offset the overexpenditures.

#### **MILEAGE RATE REIMBURSEMENT FOR FY15/16**

The mileage allowance for the use of personal automobiles on College business will decrease to \$.54 per mile effective July 1, 2016 in accordance with College policy to implement current IRS standard mileage rates at the beginning of our fiscal year.

**CONTACT LIST FOR ANY QUESTIONS**

<u>Name</u>	<u>Title</u>	<u>Extension</u>	<u>Email</u>	<u>Responsibility</u>
Melissa Fletcher	AVP for Finance and Controller	2247	<a href="mailto:mfletche@wellesley.edu">mfletche@wellesley.edu</a>	General questions
Nicole Bolduc	Assistant Controller	2461	<a href="mailto:nbolduc@wellesley.edu">nbolduc@wellesley.edu</a>	General questions Year-end adjustments
LynnAnn Falvey	Accounting Specialist	2488	<a href="mailto:lfalvey@wellesley.edu">lfalvey@wellesley.edu</a>	Journal Entries Invoices Check requests Expense reports
Tyrenna Gaines	Staff Accountant		<a href="mailto:tgaines@wellesley.edu">tgaines@wellesley.edu</a>	General questions
Lisa Kaufman	Sr. Cashiering/ Accounts Payable Specialist	2265	<a href="mailto:lkaufman@wellesley.edu">lkaufman@wellesley.edu</a>	Deposits
Dotti Koulalis	Accounts Payable Manager	2469	<a href="mailto:dkoulali@wellesley.edu">dkoulali@wellesley.edu</a>	Invoices Check requests Expense reports
James Sullivan	Associate Controller	2250	<a href="mailto:jsulliva@wellesley.edu">jsulliva@wellesley.edu</a>	General questions Grant questions

<u>Name</u>	<u>Title</u>	<u>Extension</u>	<u>Email</u>	<u>Responsibility</u>
Tina Dolan	Purchasing Manager	3501	<a href="mailto:cdolan@wellesley.edu">cdolan@wellesley.edu</a>	Purchasing questions
Jackie Cheng	Purchasing Assistant	2471	<a href="mailto:jcheng2@wellesley.edu">jcheng2@wellesley.edu</a>	Purchasing questions

<u>Name</u>	<u>Title</u>	<u>Extension</u>	<u>Email</u>	<u>Responsibility</u>
Jeff Dubois	AVP for Budget	3660	<a href="mailto:jdubois2@wellesley.edu">jdubois2@wellesley.edu</a>	Budget questions