



## Office of Accounting Services

### Financial Accounting and Reporting Division

June 4, 2003

To: Restricted Auxiliary Enterprise Business Managers

Re: Auxiliary Accounts Payables, Accounts Receivables, Merchandise Inventories,  
Internal Transactions, and La Carte Purchases at June 30, 2003

In order to facilitate the timely closing of accounts for fiscal 2002-03, the information described below, relating to accounts payables and accounts receivables, must be received in Accounting Services no later than **July 10, 2003**. Please note that the information requested should be prepared based on the June 30, 2003 ledgers being distributed on **July 3, 2003**.

#### Accounts Payable

A yearend accrual will be needed for all outstanding **off-campus** invoices for merchandise or services received on or before June 30, 2003 that have not been charged to your expenditure ledgers. **Journal vouchers to accrue yearend payables should be directly entered into the GLS.** These entries, with appropriate supporting documentation attached, should then be routed to the Accounts Payable office for approval. Some orders typically have funds encumbered and others do not. Thus, please initiate separate journal vouchers to segregate and identify those orders to be accrued as payables for which funds are encumbered at June 30, 2003. In accordance with the schedule for processing internal transactions shown below, **on-campus payables will not be accrued at June 30.**

#### Accounts Receivable

Yearend entries will also be needed to record all outstanding **off-campus** billings for merchandise or services rendered on or before June 30, 2003 that have not been credited to your revenue ledgers. **Journal vouchers to accrue all such receivables should be entered directly into the GLS.** These entries, with appropriate documentation attached, should also be forwarded to the Accounts Payable office for approval. In accordance with the schedule for processing internal transactions, **on-campus receivables will not be accrued at June 30.**

#### Merchandise for Resale Inventory

Listings of all merchandise for resale inventory items on hand as of June 30, 2003, are also needed. Please note that these inventory listings must be delivered to Greg Noel in 117 David Boyd Hall no later than **Thursday, July 3, 2003**. However, if inventory listings have been completed or will be ready prior to July 3, send them as soon as they become available.

## **Internal Transactions**

The following yearend schedule for processing internal transaction billings related to 2002-03 business will be followed to provide maximum flexibility to all departments in managing their appropriated funds.

- June 9** All rendering departments must submit internal transactions to the Financial Accounting and Reporting Office (FAR) for services or materials rendered through May 31, 2003.
- June 16** Billings for services or materials rendered from June 1 through June 9, 2003, must be received in FAR.
- June 30** All internal transaction billings for services and materials rendered after June 10 must be received in FAR to be processed as fiscal 2002-03 business.

Exceptions will only be allowed for services rendered through June 30 (e.g., monthly copy machine charges) or for purchases that actually occur on June 30. ITs for these type exceptions will be accepted by FAR for processing as 2002-03 business until 12:00 noon on Tuesday, July 1, 2003.

All internal transactions should be properly completed with appropriate documentation attached, including any special approvals that are required. Incomplete ITs received in FAR must be returned to the department for further processing, and this may cause the transactions not to be recorded until next fiscal year.

## **La Carte Procurement Card Purchases**

All purchases charged on the university La Carte procurement card that are included on BFs dated through June 30<sup>th</sup> should be processed as expenditures against current fiscal year auxiliary accounts. La Carte BFs dated in June that are not cleared and routed to A/P in accordance with the schedule below will be set up as accounts receivable on the cardholders' accounts.

La Carte transactions dated in June that are not included on the July 7<sup>th</sup> (or 8<sup>th</sup>) BF will be charged to fiscal 2003-2004 unless departments process accrual journal vouchers. Journal voucher accruals of La Carte purchases must be prepared on a separate journal voucher (i.e., not included with the accounts payable accruals referred to earlier in this letter), and must be supported by a complete copy of the BF dated July 7<sup>th</sup> (or 8<sup>th</sup>).

Route approved La Carte BFs and accrual vouchers in accordance with the procedures below. BFs not received in Accounts Payable according to this schedule will be charged to fiscal 2003-04.

- |         |   |
|---------|---|
| June 13 | all La Carte BFs dated through June 9 due in Accounts Payable   |
| June 20 | all La Carte BFs dated through June 16 due in Accounts Payable  |
| June 27 | all La Carte BFs dated through June 23 due in Accounts Payable  |
| July 3  | all La Carte BFs dated through June 30 due in Accounts Payable  |
| July 9  | La Carte journal voucher accruals for June purchases included on the July 7 <sup>th</sup> or 8 <sup>th</sup> BF due in Accounts Payable |

Samples and detailed procedures for A/P and Travel fiscal yearend closing requirements may be printed from the following website: <http://www.fas.lsu.edu/AcctServices/acctpay/procedures.html>.

## **Capitalized Equipment and Depreciation Expenses**

The University's policy for capitalization and depreciation of auxiliary equipment was changed last fiscal year, and the new policy continues this year. Current information concerning that policy for fiscal year 2002-03 is being separately distributed to each auxiliary unit.

Your assistance and cooperation in following these procedures and timetables are essential to a successful fiscal yearend closing. Please contact one of the following employees in Accounting Services if you have questions or need any further information: Rachelle Bethel for payable and receivable accruals, Hope Guerin for merchandise inventories and for internal transactions, and Bill Ashley for equipment capitalization and depreciation expense.

Gregory F. Bursavich  
Director of Financial Accounting and Reporting  
& Associate Comptroller

xc: Skip Bertman, Athletics  
Barbara Fuhrmann, College of Education  
Jeannine Kahn, Academic Affairs  
Joe Kelley, Facility Services  
Bob Kuhn, Budget and Planning  
Eric Monday, Finance and Administrative Services  
Donna Torres, Accounting Services