Fiscal Year-End Receiving Process

As we approach the end of fiscal year 2011 we want to remind you about the process for receiving goods and services from suppliers. RIT accounts for expenditures on an “accrual” basis; this means that expenditures are recognized in the year the goods are received and services rendered, not the year in which they were ordered or the payment was made. Therefore, in order for expenses to be included your department’s FY 11 budget, all goods and services must be both physically received and/or rendered and received in the Oracle financial application on or before June 30, 2011.

At the close of business on Friday, July 8th, PSO will accrue purchase orders received in Oracle by Central Receiving on or before June 30th, but not yet invoiced. This means that the expenses will be charged to the department’s FY11 budget through the accrual process and will be reversed automatically in FY12. When the invoice arrives, it will be processed and paid in FY12 with no impact on your department’s FY12 budget. If items are delivered directly to your department, bypassing Central Receiving, fax a copy of the packing slip or invoice to Receiving at ext. 5-6815. Receiving will update the Oracle financial application through the close of business on June 30th and the expense will be accrued automatically. If you aren’t able to notify Receiving on or before June 30th, please prepare an accrual journal entry to ensure that the expense for the goods is charged to FY 11. Send a copy of the packing slip to Accounting to support the journal entry. Throughout the year-end closing period, Accounts Payable will carefully review all invoices to ensure that the goods/services are charged to the correct fiscal year.

If you have questions about the year-end process, detailed information is available on the Controller’s Office web site: http://finweb.rit.edu/controller/accounting/docs/fiscalyearclosingprocedures.pdf

If you have any questions about this topic, please contact Debra Kusse, Executive Director of Procurement, at dskpur@rit.edu or 475-3947.