

FREQUENTLY ASKED QUESTIONS AND ANSWERS

Year-End Instructions - Fiscal Year 2019-20

Q: Many departments have outstanding credits for cancelled travel. How do we capture those travel credits at year-end? And how do we liquidate them?

A: The general method is to create a journal debiting prepaid expense (account 15200) and crediting the original account(s) where the travel expense was recorded. This entry should be for the full amount of the outstanding credit at year-end.

In the new fiscal year, you will liquidate the prepaid expense in one of the following ways:

- 1) Against an expense if an employee uses the credit for authorized county travel.
- 2) If travel was booked in the employee's name, the prepaid will either be reduced in the same manner noted above, or
 - a. Against payment received from the employee if the employee gets a refund.
 - b. Against payment received from the employee if the employee uses the credit for personal travel.

Exception to the general method: If you know for sure that you are receiving a cash refund, but will not be able to deposit it by 6/30, accounts receivable (account 12100 if received in the dual period, 12115 if the cash refund will be received later) should be used instead of prepaid expenses.

Q: How do we handle the split payroll posting so late this year?

A: The payroll posting 7/8/20 is the final payroll for purposes of departmental FYE closing entries. Since the split payroll this year starts on the last day of the fiscal year, the final payroll posting July 22nd is after all departmental posting deadlines. That means that if you have Accounts Receivable or other Interdepartmental Billings that are based on labor costs you need to estimate them based on the 110% of the Payroll that posts on July 8th. While there still is technically 1 day of labor costs posting on the 22nd of July, for the purposes of our YE entries July 8 is the last labor distribution we have to work with before we close the books in July.

Q: If I have a question and I don't know who the appropriate ACTTC contact is, what do I do?

A: Reach out to ACTTC-Claims@Sonoma-County.org and we will help direct you to the right contact.

Q: Is this FAQ going to be maintained and updated as we get further into year end?

A: Yes, if we get additional questions that will be helpful to multiple departments or agencies during year end, we will update this list in our attempt to make it as useful of a resource as possible.