

FY26 Accrual Accounting and Year-End Reminders

Presented by:

BFS – Campus Services

BFS – A/P & Travel

Office of Sponsored Programs (OSP)



Colorado State University

Housekeeping Items for Teams Meetings

- This session is being recorded - the link will be posted for later viewing
- Please mute your microphones unless speaking
- Attendees - Please turn off your cameras
- Online Questions - Please use the Chat feature in MS Teams to ask questions - Campus Services reps will be monitoring Chat



Agenda

- Accounting Standards & Generally Accepted Accounting Principles (GAAP)
- What is Accrual Accounting?
- Accounting Methods – Comparing Cash basis vs. Accrual
- Quali Accrual Vouchers and Adjustment Vouchers
- Accruals Impact the Statement of Net Position (SNP - Assets OC1xxx & Liabilities OC2xxx) and Statement of Revenue Expense and Change in Net Position (SRECNP – Revenue OC4xxx & 9xxx and Expense OC5xxx, 6xxx, 7xxx, 8xxx & 9xxx)
- Accrual and Adjustment Voucher Examples
- Multi-year Prepaid Accruals (prepaids that go beyond the next FY)
- Accrual Reminders from the Office of Sponsored Programs (OSP)
- BFS Year-End Reminders from Campus Services and A/P & Travel

Accounting Standards

CSU has to follow governmental accounting principles and standards:

- Governmental Accounting Standards Board (GASB)
- Generally Accepted Accounting Principles (GAAP)





CSU Financial Statement Footnote:



As a special-purpose government engaged primarily in business-type activities, the basic financial statements of the System have been presented using the economic resources measurement focus and the **accrual basis of accounting**. Presentation is also in accordance with the State of Colorado Higher Education Accounting Standard No. 17. Under the accrual basis of accounting, revenues are recognized when earned, and expenses are recorded when incurred.

What is Accrual Accounting?

➤ Accounting method to record REVENUE when EARNED, not when money is received

- EARNED => Goods have been provided to external customer or services provided by CSU for external customers are complete

➤ Accounting method to record EXPENSE when INCURRED, not when the expense is paid

- INCURRED => Goods received by CSU or services provided to CSU are complete



IT'S
ACCRUAL
WORLD

Comparing Two Accounting Methods for Recognizing Revenue and Expense

Cash Method (Individuals)

Record income when cash, check or card settlement is **RECEIVED**
(**\$\$ IN**)

Record expenses when **PAID**
(**\$\$ OUT**)

Accrual Method

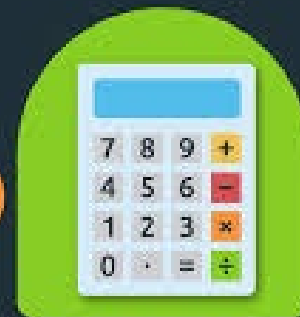
Record revenue when **EARNED** (service complete or goods provided to external customer)
(**Timing of \$\$ IN doesn't matter**)

Record expense when **INCURRED** (goods or services received by CSU)
(**Timing of \$\$ OUT doesn't matter**)



Cash Accounting

VS



Accrual Accounting

Kuali Adjustment / Accrual Vouchers

- **Adjustment Voucher** - Used to recognize Revenue when EARNED and Expenses when INCURRED. No auto-reversal.
 - Great for entering revenue and receivables or when clearing a Prepaid Expense (Asset) that was initially recorded on a DV, PREQ or PCDO document.
- **Accrual Voucher** - Used to recognize Revenue when EARNED and Expenses when INCURRED as an accrual that automatically reverses in a designated future month (usually the next FY).
 - Great to record Prepaid Expenses, Expense/Year End Payables, and Unearned Revenue in the current FY to set up the Asset or Liability and have it automatically reverse in the next FY. This recognizes the Expense or Revenue in the current FY and sets up the Asset or Liability which is automatically cleared when the AV reverses.

Kuali Accrual Voucher for Prepaids - Required Information in Notes or Attachments

- **Accrual or Adjustment Voucher** – When recording a Prepaid Expense, you must include the following information in the Notes on the AV document:
 - **Prepaid term** (beginning & ending Date)
 - **Calculation of the Prepaid Expense** – Show the calculation of the prepaid expense to split it between the FYs. Some use an Excel sheet to calculate the Prepaid Expense and they attach it as a pdf to the AV doc.
 - **Kuali Doc # where the expense originated** – Include the PREQ, DV, or PCDO doc # where the expense was originally recorded. Do not give us the REQ or PO #. Note that if a GLT has been done on the originating PREQ, DV or PCDO, then include the GLT doc # in the Notes.
 - **The doc with the originating expense must be in a FINAL status** - If it is not FINAL, the expense hasn't posted to Kuali and there is no expense to move.

Accruals Impact the Statement of Net Position (SNP) and the Statement of Revenue Expense & Change in Net Position (SRECNP)

**Asset (OC1xxx)
Accruals -
Prepaid Expenses &
Receivables**

Prepaid Expenses (OC1740 Current) or (OC1790 Noncurrent)

- *Amounts paid this FY but not **incurred** until the next FY (OC1740 Current Prepaid) or beyond the next FY (OC1790 Noncurrent Prepaid)*
 - Multi year service contracts, software subscriptions, registration expenses (conf in next FY); airline tickets for travel in next FY, etc.

Receivables from external customers (OC14XX)

- *Revenue **earned** in this FY, but \$\$ not received yet*
 - Work completed by CSU this FY for an external client that hasn't paid yet

**Liability (OC2xxx)
Accruals -
Unearned Revenue &
Year End Payables**

Unearned Revenue (OC25xx) -

- *Monies received this FY, but revenue won't be **earned** until next FY*
 - Ex – Football tickets sold and \$ received in spring for a game next fall (next FY)

Year End Payable (OC2103) –

- *Amounts owed for goods received or services provided to CSU this FY (**expense incurred**), but not paid until next FY*
 - Goods/services CSU received on or before 6/30/xx (no invoice until next FY)

Accruing Receivables (Asset) & Revenue

Accrued Receivables - Revenue **earned** by providing external customers with goods or services on or before Fiscal Year End (FYE) 6/30/xx w/o receiving payment yet. Record on an **Adjustment Voucher** (no auto-reversal).

DEBIT OC14xx – Receivables

CREDIT OC43xx or 44xx – Revenue

When payment is received:

CREDIT OC14xx to clear the receivable

Accrual Accounting – We must record a Receivable OC14XX and Revenue OC43xx or 44xx when work for an external client is completed or goods have been delivered (**earned**) regardless of when money is exchanged.

Revenue is recorded when earned!

Note: *We only book receivables and payables related to external customers. Do not book them on internal customers (within CSU).*

Accruing Prepaid Expenses (Asset)

Prepaid Expenses – Expense **paid in advance** of when it will be **incurred**. Includes multi year maintenance contracts, subscriptions crossing FYs, travel for next FY, conference registration for next FY, etc.

DEBIT OC1740 – Prepaid Expense Current, or
DEBIT OC1790 – Prepaid Expense Noncurrent
CREDIT OC6xxx – Expense

Accrual Accounting - Expenses must be recognized when **INCURRED**, not when paid. The accrual records the Prepaid Expense (Asset) and reduces the total Expense in this FY. When it reverses in the next (or future) FY, it clears OC1740 Prepaid Expense Current and records the Expense OC6xxx. (*Multi-year Prepays - see slides 33-40*)

Clearing Prepaid Expenses Created on Docs that Don't Auto-reverse

If a DV, PREQ or PCDO records a Prepaid Expense OC1740 in the current FY, it has to be cleared in the next FY on an **Adjustment Voucher** (with no auto-reversal) because the DV, PREQ and PCDO docs don't have the auto-reversal feature.

EX: On 5/1/26 a PREQ pays for a \$24,000 maintenance agreement covering the term 7/1/26 – 6/30/27. The PREQ DEBITS OC1740 Prepaid Current for the full \$24,000.

Action Needed in FY27: Create an Adjustment Voucher to clear the OC1740 Prepaid Current and to record the Expense OC66xx for the full \$24,000 in FY27. No reversal is needed because we need the expense to be recorded in FY27.

DEBIT OC66xx – Service Expense \$24,000
CREDIT OC1740 – Prepaid Current \$24,000

Result: Expense is recorded when **INCURRED**.

Review OC1740 monthly for entries that need to be cleared from previous years!

Accruing Unearned Revenue (Liability)

Accrued Liabilities – External Revenue **not yet earned** but payment has been received. This means CSU is obligated to provide goods or services. The revenue is **UNEARNED (a liability)** in the current FY and will be **EARNED** in the next FY after we've provided the goods or services.

Accrual Voucher:

DEBIT OC4xxx – Earned Revenue

CREDIT OC25xx – Unearned Revenue

RESULT: Auto-reversal in the next FY clears the **UNEARNED** revenue liability and records the revenue as **EARNED** when we have actually earned it.

Check your OC25xx balances monthly and clear old unearned revenue recorded in previous FYs that is now **EARNED!**

Accruing Expenses Incurred but not yet Paid (Liability)

Accrued Liabilities - Expenses that are **INCURRED** but have not yet been paid. CSU is obligated to pay for goods and services that have been **PROVIDED** or **RECEIVED** but the invoice will not be paid in this FY; therefore, we record a Year End Liability.

Accrual Voucher (with Auto reversal):

DEBIT OC6xxx – Expense

CREDIT OC2103 – Year End Payable

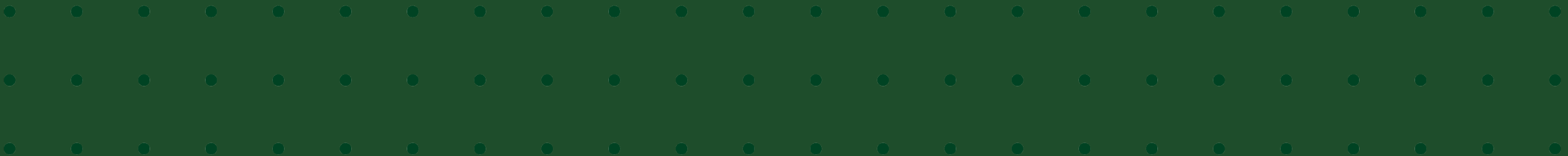
Auto-reversal in new FY clears the Year End Payable OC2103 and washes the expense in the next FY because the DV or PREQ processed in the new year will DEBIT expense and the AV reversal will CREDIT expense.

RESULT: The expense is recorded in the year **INCURRED**.

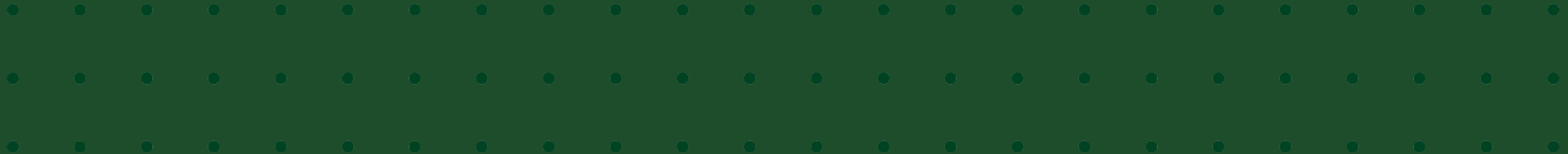
Check your OC2103 YE Payable balance monthly and clear old payables from the previous FY!

Importance of Reviewing Balance Sheet OCs

- At Fiscal Year End (FYE) balances in the Balance Sheet Object Codes (OCs) like 1XXX & 2XXX, will roll forward to the next Fiscal Year (FY).
- Review these OCs when reconciling your accounts and clear the OC14xx Receivables, OC1740 or 1790 Prepaids, OC25xx Unearned Revenue, and OC2103 Year End Payables that were from the previous FY.



Examples of Accruals



Service Revenue Accrual - EX #1

Account 2205000 receives an order to test a soil sample on April 1st. The test results were completed on 4/20/26, and the customer is invoiced on April 25th for \$500.00. The customer pays on July 5th.

- What FP and FY do we recognize the revenue in?
- What document would be used to record the receivable and revenue?
- How would you record the receipt of \$500 from the customer on July 5th?

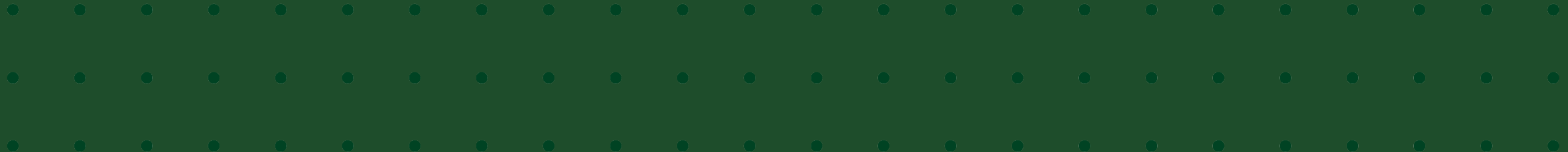


Service Revenue Accrual - EX #1 - Answers

- Revenue is booked when EARNED (i.e. when the work is complete) – FP10 FY26
- Since the work is complete on 4/20/26, an **Adjustment Voucher** is used to record:
 - DEBIT OC14xx – Receivables \$500.00
 - CREDIT OC4380 – Other Sales/Svcs Aux/Self-Funded Revenue \$500.00
- Check or cash received July 5th (FY27) - Complete a Cash Receipt to post the payment as a CREDIT to OC1437 to clear the Receivable.
 - *Note: If the Cash Receipt or Credit Card Clearing document posts the payment to OC 4xxx Revenue instead of OC14xx, complete a GLT on the CR Doc to DR OC4xxx Revenue and CR OC14xx Receivable, to remove the double-booked Revenue and reduce the Receivable.*

Service Revenue Accrual – EX #1

created in Quali by Hayley



Conference Revenue Accrual w/ Reversal - EX #2

Account 2677800 received and booked a \$1,500 conference deposit to OC4380 (external revenue) on 5/31/26 for an AIAA Technical Symposium to be held 9/15/26 (FY27) and hosted by CSU.

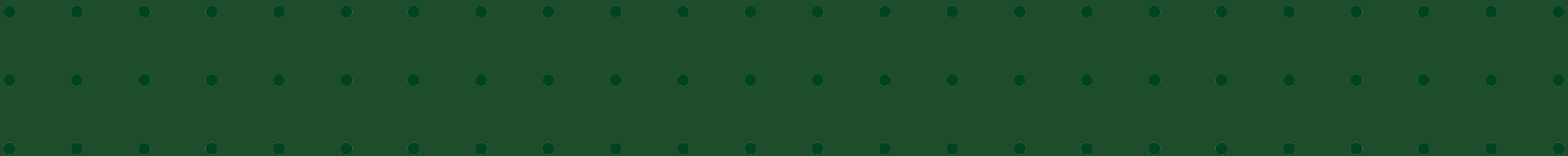
- What fiscal year does the external revenue belong in?
- What document should be used to book the accrual and what Object Codes would you use?
- Is the deposit a Liability or an Asset after we book the accrual?



Conference Revenue Accrual w/ Reversal - EX #2 - Answers

- Revenue belongs in FY27 when the conference will be held (when the revenue becomes EARNED)
 - Original entry was a CR or AD with a CREDIT to O43xx external revenue
- ACCRUAL VOUCHER – To move the \$1,500 out of OC4380 external revenue and to record OC2590 Unearned Revenue. (Auto-reversal date of 9/15/26 (FY27))
 - DEBIT OC4380 – Other Sales/Svcs Aux/Self-Funded Revenue \$1,500.00
CREDIT OC2590 - Unearned Revenue \$1,500.00
 - Auto-reversal on 9/15/26 (FY27) records revenue in FY27 when it is EARNED and it clears the OC2590 Liability
- The deposit is Unearned Revenue and is a Liability until CSU has held the conference (CSU is obligated to have the conference).

Conference Revenue Accrual – EX #2
created in Quali by Hayley



Expense / Payable Accrual - EX #3

Account 1262000 ordered office supplies on June 20th in the amount of \$1,000.00 and the supplies were received 6/30/26. The vendor was paid on 7/15/26 (after Fiscal Year End).

- What fiscal year should the expense be recorded in and why?
- What document should be used to book this expense and what will you DEBIT and CREDIT?



Expense / Payable Accrual - EX #3 - Answers

- Expense is recognized in FY26 when the supplies are received. We record the expense when it is INCURRED (goods or services are received).
- **Accrual Voucher** with auto-reversal should be used to record the Expense to OC6201 and record a Liability to OC2103 - Year-End Payable. The auto-reversal date should be in FY27 such as 7/15/26.

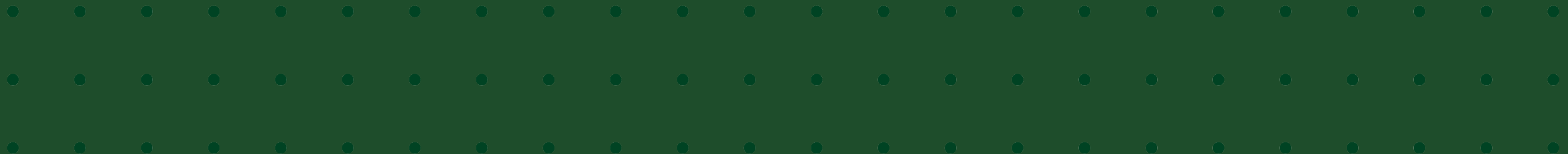
DEBIT OC6201 – Supplies Expense \$1,000.00

CREDIT OC2103 – Year-End Payables \$1,000.00

- When the invoice is paid in FY27 and the expense is recorded, it will offset the automatic-reversal entry that credited expense on 7/15/26 (FY27).

Expense / Payable Accrual – EX #3

Created in Quali by Hayley



Expense / Payable Travel Accrual - EX #4

Travel for an FY26 conference where travel begins 6/24/26 and ends on 6/30/26. Since the traveler returns on 6/30/26, the TR won't be submitted by the 6/30/26 NOON deadline (for BFS Travel to accrue centrally).

- What fiscal year should the expense be recorded in?
- What document should be used to book this expense and what will you DEBIT and CREDIT?
- What is needed in the Notes of the related TR?



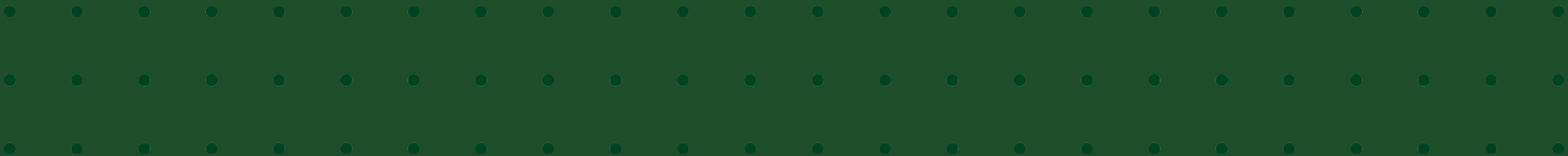
Expense / Payable Travel Accrual - EX #4 - Answers

- Expense is recognized in FY26 when the travel occurred. We record the expense when it is INCURRED.
- **Accrual Voucher** with auto-reversal - To record the Expense to OC60xx and record a Liability to OC2103 - Year-End Payable. The auto reversal date should be in FY27 such as 7/15/26.

DEBIT OC60xx – Travel Expense

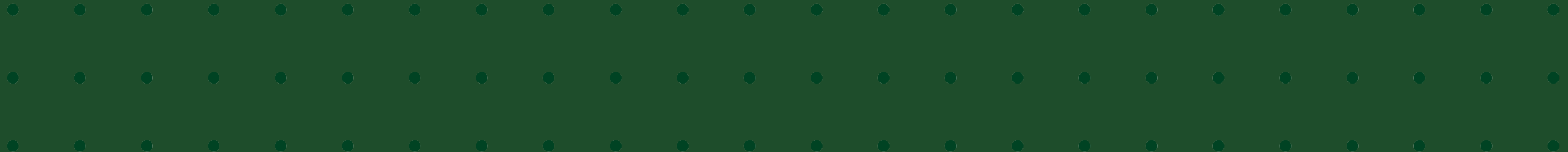
CREDIT OC2103 – Year-End Payables

- When the TR is processed in FY27 to reimburse the traveler, it will offset the auto-reversal that credited expense on 7/15/26 (FY27).
- Although this isn't required by BFS Travel, you can include the AV doc # in the notes on the TR to show that you have accrued this travel expense back to FY26.



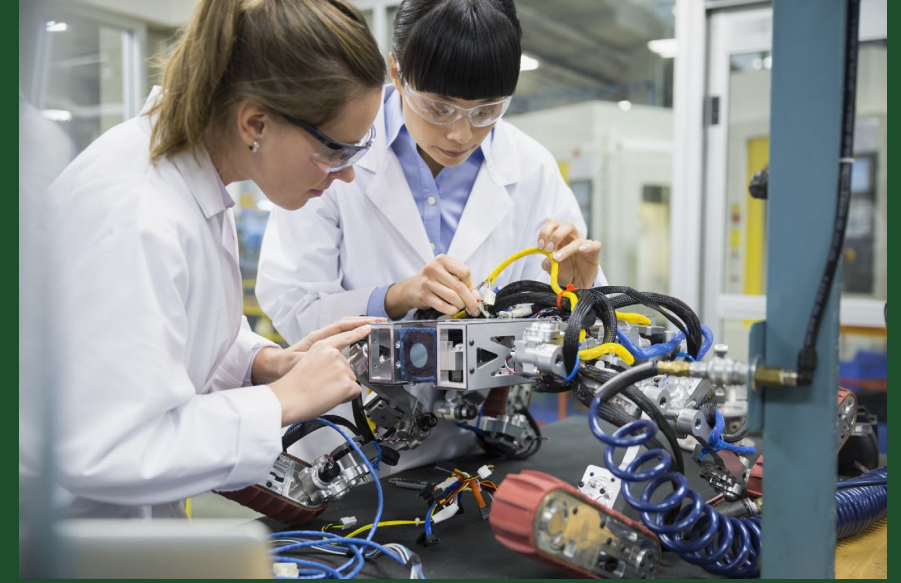
Expense / Payable Travel Accrual – EX #4

Created in Kualu by Hayley



Prepaid Expense Accrual Crossing FYs - EX #5

Account 1356570 entered into a 12-month service agreement in the amount of \$12,000 that runs 4/1/26 – 3/31/27. The expense was booked in full to OC6601 when the invoice was paid in FY26.



- What FY(s) should the Expense be recognized in?
- What document would you use to accrue this Expense and what is the DEBIT and CREDIT?
- What notes/information is required on the AV document?
- What document must be in a FINAL status before the accrual is submitted?

Prepaid Exp Accrual Crossing FYs - EX #5 - Answer

- \$3,000 will be recognized in FY26 and \$9,000 will be recognized in FY27
- Since the full amount was booked to OC6601 originally, we need to key an ACCRUAL VOUCHER to move the FY27 portion of the expense of \$9,000 out of FY26 and TO FY27. The reversal date can be anytime after about mid-July 2026 (FY27) and can go out as far as 3/31/27 when the service agreement ends.

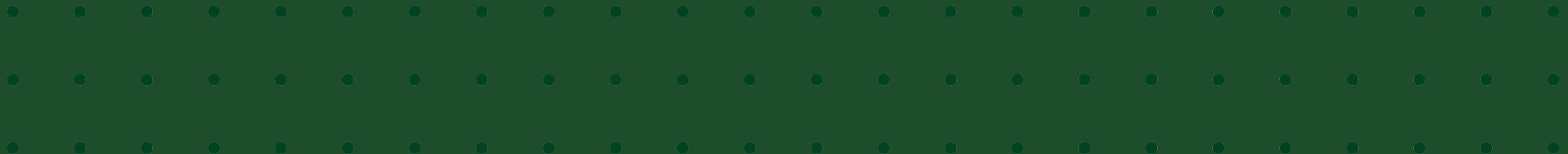
DEBIT OC1740 - Prepaid Expense \$9,000

CREDIT OC6601 – General Services Expense \$9,000

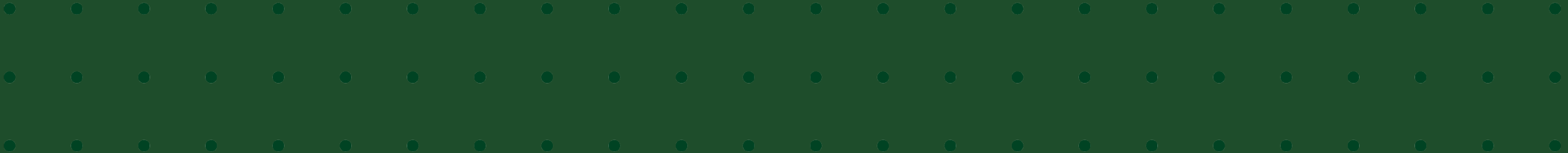
- Always include the following as Notes or attachments:
 - Term of the Prepaid (Beginning & Ending dates)
 - Calculation of the Prepaid in the Notes ($\$12,000/12 \text{ mo.} = \$1,000/\text{mo.} \times 9 \text{ mo.} = \$9,000 \text{ to FY27}$)
 - KFS Doc # where the expense originated (PREQ, DV, TR or PCDO)
- The Doc with the originating expense must be FINAL before the accrual is submitted.

Prepaid Exp Accrual w/ Reversal – EX #5

Created in Quali by Hayley



Multi-year (>2 FYs) Prepaid Expense Accruals



Multi-year (>2 FYs) Prepaid Expense Accrual – New Procedure as of 2/25/25

- Setting up the PPD expense for terms >2 FYs on an Adjustment Voucher:
 - Debit OC1740 Other Prepays-Current (Prepaid amount for the next FY)
 - Debit OC1790 Other Prepays-Noncurrent (Prepaid amount for FYs beyond the next FY)
 - Credit OCxxxx (using the appropriate Expense OC)
- Each FY an Adjustment Voucher is keyed to:
 - Credit OC1740 (for the amount needing to be expensed)
 - Debit OC6xxx (using the appropriate Expense OC)
 - Credit OC1790 (to move the next FY of Prepaid out of Prepaid - Noncurrent)
 - Debit OC1740 (the amount of the next FY Prepaid-Current)
- This cycle of moving OC1740 to expense and moving the next FY of Prepaid from OC1790 to OC1740 continues until the last FY of the prepaid when an Adjustment Voucher is created to move the final amount out of OC1740 to the appropriate expense OC.

NOTE: OC1710 is for Prepaid Insurance and OC1720 is for Prepaid Postage. Both of these Object Codes are for current Prepays and would be substituted for OC1740 in the multi-year Adjustment Voucher entries if the Prepaid expense was for Insurance or Postage. If there are Noncurrent Prepays for Insurance or Postage, those amounts would be moved to OC1790.

Multi-year (>2 FYs) Prepaid (PPD) Expense Accrual - Ex

A Service Agreement of \$6,000 was purchased on 10/1/25 to cover the period from 10/1/25 – 9/30/28 (FY26, FY27, FY28 and FY29). A PREQ was created to pay the full \$6,000 on 10/1/25 which charged OC6601.

\$6000 / 3 yr = \$2,000/yr / 365 days \$5.4795/day

- *FY26 exp is for 273 days (10/1/25-6/30/26) or \$1495.90*
 - *FY27 PPD is for 365 days (7/1/26-6/30/27) \$2,000.00 → Move to OC1740 Other Prepays-Current in FY26*
 - *FY28 PPD is for 365 days (7/1/27-6/30/28) \$2,000.00 → Move to OC1790 Other Prepays-Noncurrent in FY26*
 - *FY29 PPD is for 92 days (7/1/28-9/30/28) or \$504.10 → Move to OC1790 Other Prepays-Noncurrent in FY26*
- \$4,504.10 is the initial total amount prepaid*

The entries for FY26, FY27, FY28 & FY29 would look like.....



FY26 Entry

Create an Adjustment Voucher to credit OC6601 \$4,504.10, debit OC1740 Other Prepays-Current (for FY27 PPD \$2,000), debit OC1790 Other Prepays-Noncurrent (for FY28 PPD \$2,000), and debit OC1790 Other Prepays-Noncurrent (for FY29 PPD \$504.10). This sets up the current and noncurrent prepaids and removes the total of the prepaid expense out of FY26.

* Description : FY26 AVAD Multi-year service example

Explanation : Covering 10/1/25 – 9/30/28 (FY26, FY27, FY28 and FY29) \$6,000 / 3 yr = \$2,000/yr or \$5.4795/day

Organization Document Number :

FINANCIAL DOCUMENT DETAIL

Total Amount : 4,504.10

In the Notes section, you please provide the PREQ#, DV# or PCDO# along with the calculation of the FY26 exp (273 days), FY27 exp (365 days), FY28 exp (365 days) and FY29 exp (92 days) based on the contract term of 10/1/25 – 9/30/28.
 $\$6,000/3\text{yr} = \$2,000/\text{yr} / 365 \text{ days} = \$5.4795/\text{day}$

ADJUSTMENT ACCRUAL VOUCHER DETAILS

* Accounting Period : OCT 2025

* Adjustment/Accrual Voucher Type : Adjustment Accrual

ACCOUNTING LINES [Import Templates](#)

HIDE DETAILS IMP

* CHART	* ACCOUNT	SUB-ACCOUNT	* OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	DEBIT	CREDIT	LINE DESCRIPTION	ACTIONS
CO							0.00	0.00		
1	Colorado State University 2600000 Athletics Administrative Account		1740				2,000.00	0.00	FY27 Current Ppd	
2	Colorado State University 2600000 Athletics Administrative Account		1790				2,000.00	0.00	FY28 Non-Current Ppd	
3	Colorado State University 2600000 Athletics Administrative Account		1790				504.10		FY29 Non-Current Ppd	
4	Colorado State University 2600000 Athletics Administrative Account		6601					4,504.10	Total Prepaid	
TOTALS							4,504.10	4,504.10		

Debit OC1740 for FY27 Current PPD \$2,000

Debit OC1790 for FY28 Noncurrent PPD \$2,000

Debit OC1790 for FY29 Noncurrent PPD \$504.10

Credit OC6601 \$4,504.10 for the FY27, FY28 and FY29 PPD exp

FY27 Entry

Create an Adjustment Voucher to credit OC1740 \$2,000 (the FY27 amt to be expensed) and debit OC6601 \$2,000 to record the FY27 incurred expense. In the same AV credit OC1790 \$2,000 and debit OC1740 \$2,000 to move the FY28 PPD to current. This will leave the FY29 PPD of \$504.10 in OC1790.

* Description : FY27 AVAD Multi-year service example

Explanation : From OC1790 Non-Current Prepaid to OC1740 Current Prepaid. See AV xxxxxxxx for original accrual.

Organization Document Number :

FINANCIAL DOCUMENT DETAIL

Total Amount : 4,504.10

ADJUSTMENT ACCRUAL VOUCHER DETAILS

* Accounting Period : JUL 2026

* Adjustment/Accrual Voucher Type : Adjustment Accrual

In the Notes section, you please provide the PREQ#, DV# or PCDO# along with the calculation of the FY26 exp (273 days), FY27 exp (365 days), FY28 exp (365 days) and FY29 exp (92 days) based on the contract term of 10/1/25 – 9/30/28.
 $\$6,000/3\text{yr} = \$2,000/\text{yr} / 365 \text{ days} = \$5.4795/\text{day}$

ACCOUNTING LINES [Import Templates](#)

HIDE DETAILS IMP

* CHART	* ACCOUNT	SUB-ACCOUNT	* OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	DEBIT	CREDIT	LINE DESCRIPTION	ACTIONS
CO							0.00	0.00		
1	Colorado State University	2600000 Athletics Administrative Account	1740					2000.00	FY27 Prepaid to Exp	
2	Colorado State University	2600000 Athletics Administrative Account	6601 General Services				2,000.00	0.00	FY27 Prepaid to Exp	
3	Colorado State University	2600000 Athletics Administrative Account	1790					2000.00	FY28 NonCurr. Ppd to Current Ppd	
4	Colorado State University	2600000 Athletics Administrative Account	1740				2000.00		FY28 NonCurr. Ppd to Current Ppd	
TOTALS							4,504.10	4,504.10		

Moving FY27 OC1740 Current PPD to OC6601 Expense

Moving FY28 OC1790 Noncurrent PPD to OC1740 Current PPD

FY28 Entry

Create an Adjustment Voucher to credit OC1740 \$2,000 and debit OC6601 \$2,000 to record the FY28 incurred expense. In the same AV credit OC1790 \$504.10 and debit OC1740 \$504.10 to move the FY29 PPD to current. This is the last of the non-current PPD for this service agreement.

* Description : **FY28 AVAD Multi-year service example**

Explanation : From OC1790 Non-Current Prepaid to OC1740 Current Prepaid. See AV xxxxxxxx for original accrual.

Organization Document Number :

FINANCIAL DOCUMENT DETAIL

Total Amount : 2,504.10

In the Notes section, you please provide the PREQ#, DV# or PCDO# along with the calculation of the FY26 exp (273 days), FY27 exp (365 days), FY28 exp (365 days) and FY29 exp (92 days) based on the contract term of 10/1/25 – 9/30/28.
 $\$6,000/3\text{yr} = \$2,000/\text{yr} / 365 \text{ days} = \$5.4795/\text{day}$

ADJUSTMENT ACCRUAL VOUCHER DETAILS

* Accounting Period : **JUL 2027**

* Adjustment/Accrual Voucher Type : Adjustment Accrual

ACCOUNTING LINES [Import Templates](#)

HIDE DETAILS IMP

* CHART	* ACCOUNT	SUB-ACCOUNT	* OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	DEBIT	CREDIT	LINE DESCRIPTION	ACTIONS
CO							0.00	0.00		
1	Colorado State University 2600000 Athletics Administrative Account		1740 General Services					2,000.00	FY28 Prepaid to Exp	
2	Colorado State University 2600000 Athletics Administrative Account		6601 General Services				2,000.00	0.00	FY28 Prepaid to Exp	
3	Colorado State University 2600000 Athletics Administrative Account		1790 General Services					504.10	FY29 NonCurr. Ppd to Current Ppd	
4	Colorado State University 2600000 Athletics Administrative Account		1740 General Services				504.10	0.00	FY29 NonCurr. Ppd to Current Ppd	
TOTALS							2,504.10	2,504.10		

Moving FY28 OC1740 Current PPD to OC6601 Expense

Moving FY29 OC1790 Noncurrent PPD to OC1740 Current PPD

FY29 Entry

Create an Adjustment Voucher to credit OC1740 \$504.10 and debit OC6601 \$504.10 to record the FY29 incurred expense. This is the last of the PPD expense for this service agreement and it will be fully expensed across FY26, FY27, FY28 and FY29 after this entry is final.

* Description : FY29 AVAD Multi-year service example

Explanation : Moving FY29 Prepaid OC1740 to OC6601 Expense. See AV xxxxxxxx for FY26, AV xxxxxxxx for FY27, AV xxxxxxxx for and FY28.

Organization Document Number :

FINANCIAL DOCUMENT DETAIL

Total Amount : 504.10

In the Notes section, you please provide the PREQ#, DV# or PCDO# along with the calculation of the FY26 exp (273 days), FY27 exp (365 days), FY28 exp (365 days) and FY29 exp (92 days) based on the contract term of 10/1/25 – 9/30/28.
 $\$6,000/3\text{yr} = \$2,000/\text{yr} / 365 \text{ days} = \$5.4795/\text{day}$

ADJUSTMENT ACCRUAL VOUCHER DETAILS

* Accounting Period : JUL 2028

* Adjustment/Accrual Voucher Type : Adjustment Accrual

ACCOUNTING LINES [Import Templates](#)

HIDE DETAILS IMP

* CHART	* ACCOUNT	SUB-ACCOUNT	* OBJECT	SUB-OBJECT	PROJECT	ORG REF ID	DEBIT	CREDIT	LINE DESCRIPTION	ACTIONS
CO Colorado State University	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		0.00	0.00		
1 Colorado State University	2600000 Athletics Administrative Account	<input type="text"/>	1740	<input type="text"/>	<input type="text"/>			504.10	FY29 Prepaid to Exp	
2 Colorado State University	2600000 Athletics Administrative Account	<input type="text"/>	6601 General Services	<input type="text"/>	<input type="text"/>		504.10	0.00	FY29 Prepaid to Exp	
TOTALS							504.10	504.10		

Moving FY29 OC1740 Current PPD to OC6601 Expense

T-Accounts for Multi-year (>2 FYs) Prepaid Expense Accrual Example

EX: A Service Agreement of \$6,000 was purchased on 10/1/25 to cover the period from 10/1/25 – 9/30/28 (FY26, FY27, FY28 and FY29). A PREQ was created to pay the full \$6,000 on 10/1/25 which charged OC6601.

$\$6000 / 3 \text{ yr} = \$2,000/\text{yr} / 365 \text{ days } \$5.4795/\text{day}$

These T-Accts show the movement from expense to OC1740 Prepays-Current, and OC1790 Prepays-Noncurrent in FY26. Then each FY it shows the effect of the AVAD moving OC1740 to OC6601 for that FY's incurred expense as well as moving the next FY PPD from OC1790 to OC1740.

Fiscal Year	Entry Description	OC6601		OC1740		OC1790	
		DR	CR	DR	CR	DR	CR
FY 2026	PREQ to purchase the multi-yr agreement	6,000.00					
FY26 FP04	AVAD to move FY27 prepaid to OC1740 and FY28 and FY29 prepaids to OC1790 and to credit expense		4,504.10	2,000.00		2,504.10	
FYE 2026	FY26 Year End Balances	1,495.90		2,000.00		2,504.10	
FY 2027	Beginning Balances brought forward			2,000.00		2,504.10	
FY27 FP01	AVAD to move FY27 ppd in OC1740 to expense and next FY (FY28) prepaid from OC1790 to OC1740	2,000.00		2,000.00	2,000.00		2,000.00
FYE 2027	FY27 Year End Balances	2,000.00		2,000.00		504.10	
FY 2028	Beginning Balances brought forward			2,000.00		504.10	
FY28 FP01	AVAD to move FY28 ppd in OC1740 to expense and next FY (FY29) prepaid from OC1790 to OC1740	2,000.00		504.10	2,000.00		504.10
FYE 2028	FY28 Year End Balances	2,000.00		504.10		0.00	
FY 2029	Beginning Balances brought forward			504.10		0.00	
FY29 FP01	AVAD to move FY29 ppd in OC1740 to expense. This completes the entries for this multi-year prepaid.	504.10			504.10		
FYE 2029	FY29 Year End Balances	504.10		0.00			
Total amount expensed from FY26-FY29 as it was incurred		6,000.00					

Accrual Reminders from the Office of Sponsored Programs (OSP)















State of Colorado Accounts

- All FY26 expenses on State of CO accounts ending 6/30/26 or prior must be posted or accrued (with KFS documents fully routed and approved) by **Tuesday, June 30th**.
- Information to include with FY26 Accruals (must be reversed in FY27):
 - Payroll accruals for hours worked from **6/13 through 6/26**
 - Must use FY26 fringe rates and reverse in FY27 and should include account, employee name, object code, # of hours, and rate of pay for accrual entry. Must be entered as a separate line in the KFS accrual doc with the date range entered in the line description.
 - Payroll accruals for hours worked from **6/27 through 6/30**
 - Must use FY27 fringe rates and reverse in FY27 and should include account, employee name, object code, # of hours, and rate of pay for accrual entry.
 - Non-payroll accruals
 - Should include account, description/doc number, object code, and amount for accrual entry.



Salary Accrual Example

Payroll hours should be entered on separate lines with the date range in the line description.

1	CO Colorado State University	5370990 SUPPLEMENTAL RESEARCH		5611 Student Hourly Salary			500.00	0.00	6/13-6/26 Salary	 
2	CO Colorado State University	5370990 SUPPLEMENTAL RESEARCH		5612 Student Hourly Fringe			2.00	0.00	6/13-6/26 Fringe	 
3	CO Colorado State University	5370990 SUPPLEMENTAL RESEARCH		2103 Yearend Payables			0.00	502.00	6/13-6/26 Salary + F	 
4	CO Colorado State University	5370990 SUPPLEMENTAL RESEARCH		5611 Student Hourly Salary			200.00	0.00	6/27-6/30 Salary	 
5	CO Colorado State University	5370990 SUPPLEMENTAL RESEARCH		5612 Student Hourly Fringe			2.20	0.00	6/27-6/30 Fringe	 
6	CO Colorado State University	5370990 SUPPLEMENTAL RESEARCH		2103 Yearend Payables			0.00	202.20	6/27-6/30 Salary + F	 
TOTALS								704.20	704.20	



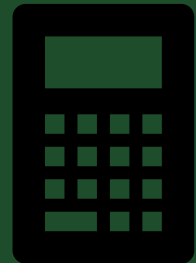
Year-end Invoicing Reminders



- Prompt Collaboration: We have an extremely tight turnaround; please respond promptly to OSP's FRA and Invoicing Team requests for information/documentation and final expense confirmation.
 - July 2: Colorado Water Conservation Board (CWCB) invoices due
 - July 9: All State of Colorado invoices due



- CWCB Requirements: Due to the complexity of these invoices, please prioritize these accounts. Financial information and progress reports are required. Ensure all expenses are approved in KFS early in June and all documentation is attached in PDF format.



- All required/requested estimates are the department's responsibility.



BFS – Year End Reminders



Reminder about Changes to Post-Cutoff Processes

Highlights from Controller's Memo to CAAG and CAPAC in FY25 still apply:

- After campus cutoff on Wednesday, July 8th at 4:00 PM, Campus Services will no longer process entries that:
 - Are not material to the university's financial statements (determination of materiality rests with BFS)
 - Do not impact financial reporting
 - Do not affect statutory compliance for the CSU System
 - Are solely for budgetary purposes
 - Involve object code corrections or intra-departmental allocations
- Travel spanning across FYE June 30th - BFS no longer requires travel expenses to be split. Travel beginning on or before June 30th may be accrued entirely to the current fiscal year.
- Campus Services will not send individual email reminders regarding ENROUTE or SAVED documents
 - Monitor and take action to avoid document disapproval at 7:00PM on June 30th
 - Initiators of ENROUTE documents should contact people in the Route Log urging them to review/approve ASAP



Reminder about Changes to Post-Cutoff Processes, cont'd...

- No CSU System or University-wide Threshold for Accruals – We don't have a system or university-wide threshold for accruals; however,
 - We should all be following GAAP when it comes to accruing for prepaids, expense/year-end payables, unearned revenue, and revenue/receivables.
 - The college or major area Business Officer (those who attend CAAG) will need to evaluate the material impact of your accounts and consider other impacts such as budgets.

- The \$5,000 amount seen in the Campus Services Year End Tips and Reminders document is referring to a threshold that BFS is using when we check with campus FOs to see if items are properly accrued. We will be asking about items that are \$5,000 or more on DVs and PREQs that go FINAL in July and August.



Year-End Reminders - Campus Services

- June 23rd thru 30th, check your documents to make sure they are getting APPROVED. If they are still ENROUTE, contact the approvers in the Route Log and ask them to APPROVE the doc ASAP!
 - Monitor the Route Log to get the document moved thru the approval nodes
- Documents listed below that are still ENROUTE or in a SAVED status after 7:00 PM on 6/30/26 will automatically be DISAPPROVED by the system and will have to be re-entered in July if they are needed.
 - Includes Document Types: DI, GLT, IB, ICA, PE, SB and TF



Year-End Reminders - Campus Services cont'd...

- CSU Fiscal year is July 1st – June 30th
- Kuali will close FP12 FY26 on Tuesday, June 30th at 7:00 PM
- From July 1st thru July 8th campus will have a drop down on certain documents to allow you to select either “YE 2026 Close” or “July 2026”
 - “YE 2026 Close” = Fiscal Period 13 FY26
 - “July 2026” = Fiscal Period 01 FY27
- Campus has until July 8th at 4:00 PM to make entries to FP13 FY26
- Campus Services will conduct a post-payment review to identify PREQs and DVs paid after year-end that should have been accrued to FY26
 - Campus will be contacted to ask if you’ve accrued the item
 - Accruals will be requested if material and depending on the date found

Year-End Reminders – Accounts Payable

- Deadline to submit Disbursement Vouchers and Invoices is **10:00 AM, Tuesday, July 7**
- Start checking your open POs now to ensure there is enough money on them. If not, please amend the PO at your earliest convenience.
- Send invoices to AP as soon as you receive them. To avoid delays in processing, ensure invoices include the following:
 - Invoice must have CSU PO #
 - Vendor remit/ payable to name must match the vendor's name on the PO.
 - Invoice must be in PDF format
 - Special instructions must be included on the invoice (not in the body of an email).
- Only void an open PO if you know it has never been used and will never be used. If a PO is voided, Procurement cannot reopen the PO for payment to be made.
- Check the “view payment history” tab on the PO to see if your invoice has been processed and determine payment status (paid, awaiting receiving, etc.)
- AP can only initiate a PREQ for FY27 if you are paying for software, membership, maintenance, or a subscription. The object code will be changed to 1740, and a note will be added to notify the FO.
- We will not change object codes on disbursement vouchers. If a prepayment is submitted using 6xxx object code, it will be left as is and it is up to the departments to accrue it.
- Do not submit FY27 invoices or DVs until after Thursday, July 9th.

Year-End Reminders – Travel

- Travel documents with end dates of June 30 must be approved by the department and in the travel queue by **Noon, Tuesday, June 30**. I will accrue anything in our action list that has not been approved. TRs received after the deadline must be accrued by the department. Please include the accrual document number in the notes on the travel document. TRs on 53 and 64 accounts do not need to be accrued.
- We no longer require departments to split travel expenses that cross fiscal years. Travel that begins on or before June 30th may be accrued entirely to FY26.
- We no longer require an AV doc number in the notes and attachments section of the TR before approval. We will review and approve as normal.
- Close any open travel authorizations that will not have a reimbursement, this includes no cost travel authorizations. If you're unable to cancel or close the TA, it most likely has an advance on it.
- June 17th – Deadline for Ghost card airline tickets ordered for FY26 travel.
- Moving expenses, anything submitted after June 10th will be paid in July (FY27) through payroll.

BFS - Year End Resources

[Campus Services](#) “Fiscal Year End 2026 Resources” folder and [BFS Resources - Year End](#) have or will have the following resources:

- FY26 Year End Calendar CSU, CSUP, and BG
- FY26 Year End Tips and Reminders
- FY26 Year End Open Form recorded session – to be posted w/in a week after the session
- FY26 Year End Open Forum slide deck – to be posted within a week after the session

[Business and Financial Services](#) “News and Announcements” (FY26 YE Calendar only)

Accrual Accounting Resources

[Campus Services](#) “Accounting Training” folder

- FY26 Accrual Accounting and Year End Tips slide deck – will be posted within one week
- FY26 Accrual Accounting and Year End Tips recorded session – will be posted within one week



Questions?



Accrual Accounting Contacts

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Thank you for attending!

