

COLLEGE of CHARLESTON

OFFICIAL PROCEDURE

Fiscal Year Closing

3/23/18

Procedure Statement

In accordance with the terms of the Constitution of South Carolina, as amended, and the South Carolina Code of Laws, the fiscal year of the State shall begin on July 1, and end on June 30 each year. The College maintains accounting transactions on the accrual basis of accounting. In accordance with the South Carolina Comptroller General's Office, the Controller's Office will process financial transactions that relate to the fiscal period under review.

Procedure Manager and Responsible Department or Office

A. Controller's Office

The Controller's Office is responsible for ensuring that all documents; cash disbursements and receipts, appropriation transfers, intradepartmental transfers, journal entries, etc. are prepared and recorded accurately and timely for inclusion in the annual state-wide Comprehensive Annual Financial Report (CAFR).

B. Faculty and Staff

College of Charleston faculty and staff have the responsibility for ensuring that they adhere to the approved internal and external schedule of financial activities as prepared by the Controller's Office.

C. Vendors and Payees

College of Charleston vendors and payees must provide the Controller's Office with valid invoices that adequately describe the vendors or payees names, addresses, itemized descriptions of goods and services, terms for payment, etc., as well as

properly completed Internal Revenue Service Forms W-9 or W-8BEN evidencing their business type (corporation, sole-proprietorship, partnership, etc.), domestic or foreign status, and tax identification numbers.

Departments/Offices Affected by the Procedure

This procedure affects all members (Faculty, Staff, and Students) of the College of Charleston.

Procedures

Sound financial practices will facilitate the College's ability to close the fiscal year timely, to produce financial statements that conform to Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards, and to meet timelines as set forth by the State of South Carolina Comptroller General's Office.

Fiscal Year Closing

A. General Requirements of the State of South Carolina

In accordance with the terms of the Constitution of South Carolina, as amended, and the South Carolina Code of Laws, the fiscal year of the State shall begin on July 1, and end on June 30 each year.

In accordance with the South Carolina General Appropriations Act, the State requires that goods and services received within a fiscal year (7/1/xx through 6/30/xx) must be paid for from that fiscal year's funds.

Unless specifically authorized herein, State appropriations provided as ordinary expenses of the College of Charleston will lapse on July 31st of the first fiscal year following the fiscal year in which the funding was authorized (e.g. fiscal year 2018 (7/1/17~6/30/18) appropriations lapse July 31, 2018).

Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Department of Administration and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided.

B. General Requirements of the College

The Controller's Office will approve a year-end closing schedule of activities inclusive of invoice and journal entry processing, accruals, and financial reporting to coincide with the State's requirements.

Related Policies, Documents, or Forms

South Carolina Code of Laws Sections, including, but not limited to:

- 11-9-80 (Fiscal year starts July 1 and ends June 30)

South Carolina General Appropriations Act (General Provisions Section)

College of Charleston Regular Disbursements Policy

Issue Date: 4/8/2008

Date of Procedure Revision: 3/23/2018

Date of Last Revision: 7/21/2016

Next Review Date: 3/15/2021