



Responsible Office: Office of Business and Financial Services

PURPOSE

This administrative procedure describes the process in which the Office of Business and Financial Services at the Washoe County School District ("District" or "WCSD") closes the accounting records for the fiscal year which ends annually on June 30. As required by Nevada Revised Statute (NRS) 354.624, the District is required to complete financial statements on an annual basis corresponding to the state fiscal year and have such financial statements audited. This procedure describes the annual accounting entries that are required to finalize the financial statements and precedes administrative procedure AI-P001 Preparation of Comprehensive Annual Financial Report (CAFR).

PROCEDURE

1. The Controller and Assistant Controller are responsible for preparing for and completing the fiscal year end closing. As a Nevada local government agency, the fiscal year begins on July 1 and ends twelve months later on June 30.
2. Between late April to early May, the Assistant Controller will notify other Business Office staff, department heads, principals and other involved parties of major cutoff dates to start the process of closing year end.
 - a. These cutoff dates include, but are not limited to, last day to enter a Purchase Order, last day to submit Budget Transfers, last day to submit warehouse orders, last day to use Purchasing Cards and the last day to submit mileage/per diem reimbursements.
 - b. These cutoff dates are to facilitate costs being recorded in the proper fiscal year. However, in many cases costs will need to be moved from one fiscal year to the other with journal entries.
3. In early May the Controller and Assistant Controller will meet with the external auditors to discuss the proposed calendar for financial statement preparation and audit. The various schedules and workpapers required are referred to as the Prepared by Client (PBC) list. A timeline will be agreed to by both the District and the external auditor for completion of the PBC list and submission to the external auditors.
4. In May the Assistant Controller will prepare a comprehensive PBC list of tasks and financial schedules with due dates to be completed by various members of the WCSD team. For ease of reference, an individual email will be sent to each WCSD team member containing their specific tasks. A comprehensive list of tasks / schedules follows:

- a. Updates to internal control documents requested by auditors
- b. Bank reconciliations for all accounts
- c. Schedule of cash balances for all student activity funds accounts
- d. Schedule of investments
 - i. Wells Fargo
 - ii. Local government investment pool
 - iii. Bank of New York Mellon
- e. Schedule of interest and earnings
- f. Schedule of receivables
 - i. Major funds
 - 1. Distributive school account (DSA) true-up
 - 2. Government services taxes
 - 3. Property taxes
 - 4. Local school support taxes and WC-1 sales tax
 - ii. Grants
- g. Inventory schedules
 - i. Commodities
 - ii. Warehouse
 - iii. Transportation
- h. Schedule of Due To / Due From
- i. Schedule of Accounts Payable
- j. Schedule of Accrued Payroll Liabilities
- k. Schedule of PERS salaries and contributions
- l. Schedule of compensated absences
- m. Actuarial valuations and corresponding journal entries
- n. Encumbrance recap
 - i. Purchase Orders to roll forward
 - ii. Budget to roll forward
 - iii. Calculation of reserve for encumbrances
- o. Schedule of deferred revenue
- p. Schedule of expenditures of federal awards (SEFA)

- q. Schedule of fund balances with reserves
 - r. Schedule of major revenues
 - s. Schedule of property and casualty insurance claims
 - t. Calculation of incurred but not reported (IBNR) insurance expenses
 - u. Schedule of construction in progress
 - v. Schedule of fixed assets
 - w. Schedule of bonded debt
 - x. Schedule of statutorily required debt service reserve
 - y. Calculation of potential arbitrage liability
 - z. GASB 82 net pension liability calculation and journal entry
 - aa. GASB 75 net other post-employment benefits liability calculation and journal entry.
 - bb. Schedule of interfund transfers
 - cc. Major / minor fund analysis
 - dd. Miscellaneous closing journal entries
 - i. Close Payroll and General to Depository for all except General Fund
 - ii. Close Fund 83 Nevada Interscholastic Athletic Association
 - iii. Close Fund 79 Position Reimbursement
 - iv. Interfund transfers
 - v. OPEB Trust closing entries
 - vi. Errors and miscellaneous one-time journal entries.
5. As each of the above schedules and journal entries are completed, the Assistant Controller updates the appropriate sections of the audit workpapers.
 6. Budgets are compared with actual results for verification and research, as needed.
 7. The audit workpapers and related closing entries are discussed with the Chief Financial Officer (CFO) in weekly meetings facilitated by the Assistant Controller with input from the Controller.
 8. When all postings and budget review are completed, the general ledger is considered to be closed for the prior fiscal year.
 9. The Assistant Controller proceeds with preparation of the annual CAFR in accordance with administrative procedure AI-P001.

IMPLEMENTATION GUIDELINES AND ASSOCIATED DOCUMENTS

1. This administrative procedure reflects the goals of the District’s Strategic Plan.
2. This administrative procedure aligns with Nevada Revised Statutes (NRS) to include:
 - a. NRS Chapter 354, Local Financial Administration, specifically:
 - i. NRS 354.624, Annual Audit Requirements

REVIEW AND REPORTING

1. This administrative procedure shall be reviewed annually by the Controller and Assistant Controller and updated as applicable. Additional associated documents may be developed as necessary to implement and support this document.

REVISION HISTORY

Date	Revision	Modification
11/29/05	A	Adopted as a CSI Procedure
09/20/06	B	Corrected typographical errors.
09/09/20	C	Updated to expand scope to itemize all tasks that need to be completed.