

FOOD SERVICE FUND END OF YEAR PREPARATION

1. Cash & Investments (11XX)

- Check to ensure that these balances are included in the bank reconciliations.

2. Due From State/Fed Agencies (1241 OR 1242)

- Reverse the receivable recorded in the previous year by **DEBITING** the **REVENUE (5921 & 5922)** accounts and **CREDITING** the **RECEIVABLE** account. This is done because although the actual cash was received in the current year, the revenue was recognized in the previous year.
- At the end of August record a receivable for revenue earned but not yet received by **DEBITING** the **RECEIVABLE** and **CREDITING** the **REVENUE** account.

3. Due From the General Fund (1261)

- Reverse the amount in this account by **CREDITING** the **DUE FROM GF** account and **DEBITING** the **CASH** account. Then in Fund 199 you will need to **DEBIT** the **DUE TO SPECIAL REVENUE** account and **CREDIT** the **CASH** account. **Note: If your Food Service funds are in a separate bank account you will need to transfer these funds from the General Operating Account to the Food Service Account at the bank.**

4. Prepaid Workers' Compensation (1411)

- You will need to code part of your Workers' Compensation invoice payment to Fund 240 by **DEBITING** the **WORKERS' COMPENSATION** account and **CREDITING** **CASH**. In 199 you will need to **DEBIT CASH** and **CREDIT the WORKERS' COMPENSATION** account. **Note: If your Food Service funds are in a separate bank account you will need to transfer these funds from the Food Service Account to the General Operating Account at the bank.**

5. Accounts Payable (211X)

- Review the accounts payable accounts to ensure that the balances are correct. If the balances are from the auditor, reverse the entry by **DEBITING ACCOUNTS PAYABLE** and **CREDITING** the **EXPENDITURE(S)**. Refer to your adjusting entries provided by your auditor for the expenditure account(s) that need to be adjusted.
- Review your end of the year invoices to ensure that any invoices that are for expenditures prior to September 1st have been recorded as accounts payable. (**DEBIT** the **EXPENDITURE** and **CREDIT ACCOUNTS PAYABLE**).

6. Payroll Liabilities (216X and 22XX)

- Run Payroll Accrual Variance after May payroll.
- After your August payroll, review payroll liability accounts to ensure that they are zero.

7. Due To the General Fund (2171)

- Reverse the amount in this account by **CREDITING** the **CASH** account and **DEBITING** the **DUE TO GENERAL FUND** account. Then in Fund 199 you will need to **CREDIT** the **DUE FROM SPECIAL REVENUE** account and **DEBIT** the **CASH** account. **Note: If your Food Service funds are in a separate bank account you will**

need to transfer these funds from the Food Service Account to the General Operating Account at the bank.

8. Fund Balances (3XXX)

- Review the Fund Balance accounts (3XXX) to ensure that the balances are zero or have a credit balance. If your fund balance account has a debit balance then you need to talk to your auditor because you spent more than you received in the prior year, and a transfer should have been posted from the General Fund. A Prior Period Adjustment may be required.

9. Revenues (5XXX)

- Review revenues to ensure that you have recorded all local revenue received.
- At the end of August record a receivable for revenue earned but not yet received by **DEBITING** the **RECEIVABLE** and **CREDITING** the **REVENUE** accounts.

10. TRS on Behalf (5831 and 6411)

- Compare the total TRS on Behalf Revenue (5831) and the TRS on Behalf Expenditure (6411) to ensure that they match.
- Check with your auditor to see if they record all TRS on Behalf to 199 or if they leave it in Fund 240. If they record it all in 199, then you will need to move the revenue and expenditure from 240 to 199 by **DEBITING TRS on BEHALF Revenue (5831)** and **CREDITING TRS on BEHALF Expenditures (6411)** in Fund 240. Then you will need you **DEBIT TRS on BEHALF Expenditures (199-35-6411)** and **CREDIT TRS on BEHALF Revenue (5831)**. You need to make sure that you have Function 35 budgeted in Fund 199 for TRS on Behalf.

11. Commodities

- Make sure that you have recorded commodities as both revenues (5923) and expenditures (6344). If you are recording commodities, check to ensure that your revenue (5923) matches your expenditure (6344).

12. Transfer In (7915)

- Review the revenues and expenditures to ensure that the revenues are equal to or are more than your expenditures. If the expenditures are more, then a transfer from the General Fund will need to be posted by **DEBITING CASH** and **CREDIT TRANSFER IN** in fund 240 and **DEBITING TRANSFER OUT (8911)** and **CREDITING CASH** in Fund 199. **If your Food Service funds are in a separate bank account you will need to transfer these funds from the General Operating Account to the Food Service Account at the bank.**

NOTE: Discuss with your auditor which entries they want to post and which ones they want you to post.