



November 23, 2011

TO: School and University General Finance Directors

FROM: Bradley W. Fralic
University Controller

RE: December 31st Hard Close

As has been our practice over the last several years, the University will be performing a mid-year hard close as of December 31st. It is important that all adjustments, transfers, and other correcting activity be submitted for transactions for the current fiscal year by the December month-end processing deadlines (which we have extended this year to January 3rd). These deadlines can also be found on the Controller's Office web page:

<http://www.cwru.edu/finadmin/controller/deadlines.htm>. **Please note that adjustments for the July to November timeframe cannot be processed after this close.**

The following types of transfers or adjustments should be included as part of this close:

- any transfers needed to cover over-expended accounts or other account deficits,
- transfers of income or expense to and from endowments, unrestricted operating or other restricted accounts, and
- transfers to ensure that endowments are not in an overspent position at December 31.

Although the University's cost transfer policy for funded projects provides a ninety day correction period, the mid-year close requires that we enforce a **more restrictive time period** (e.g., a grant-related cost transfer for a November charge must be made by the December 31st mid-year close deadline, not the date prescribed by the cost transfer policy).

Please keep in mind that it is very important to the schools and management centers that any interdepartmental billings be up to date at this point as well.

I understand the fact that this requires a bit more effort than a normal month end close; however, your **efforts and those of your department to promote the disciplined review of financial reports and the timely adjustment of variance items are greatly appreciated and are vital to ensuring the accuracy of the University's reported financial information.**

If you have questions regarding this process, please do not hesitate to contact the Controller's Office.