# Month-End Close Checklist

Kestrel Ridge Community Services, Inc.
Fiscal year July 1 to June 30
Effective July 2025

SAMPLE. FICTIONAL ORGANIZATION AND NUMBERS.

HEBRON DYNAMICS

## HOW TO USE THIS

The close runs on business days after month-end, with the board package out on day 10. Each task has one owner and one reviewer. A task is done when the "done when" line is true and the file is in the close folder. Days 3 to 5 are the grant steps that keep the year audit-ready: time certified, drawdowns tied out, the SEFA updated and restricted balances rolled, every month.

| Day | Task | Owner | Reviewer | Done when |
|---|---|---|---|---|
| **DAY 1 (FIRST BUSINESS DAY AFTER MONTH-END)** | | | | |
| 1 | Post the last payroll and the employer taxes. Accrue wages for days worked but not yet paid. | Bookkeeper | Finance director | Payroll register agrees to the ledger; accrual entry posted with the day count. |
| 1 | Enter every vendor invoice dated in the month, including those received in the first three days of the new month. | Bookkeeper | Finance director | AP aging printed and dated; no unentered invoices in the inbox. |
| 1 | Download bank, credit card and loan statements. | Bookkeeper | | All statements saved to the close folder. |
| **DAY 2** | | | | |
| 2 | Reconcile each bank account. Clear deposits in transit and outstanding checks older than 90 days. | Bookkeeper | Finance director | Difference is zero; reconciliation report saved with reviewer initials. |
| 2 | Reconcile the credit cards and attach receipts to each charge. | Bookkeeper | Finance director | Every charge has a receipt and a program code. |
| **DAY 3** | | | | |
| 3 | Certify time and effort for every grant-funded position for the month. Compare certified percentages to the payroll allocation. | HR director | Finance director | Signed certifications on file; any difference over 5% corrected with a payroll reallocation entry. |
| 3 | Allocate shared costs (occupancy, insurance, IT, finance) using the approved cost allocation plan. | Finance director | Executive director | Allocation entry posted; the base (square feet, FTE) is documented for the month. |
| **DAY 4** | | | | |
| 4 | Run the expenditure report by award. Prepare the drawdown or reimbursement request for each federal award. | Grants manager | Finance director | Each request equals the ledger expenditures less prior draws; approved before submission. |
| 4 | Reconcile drawdowns received during the month to grants receivable and grant revenue, by award. | Finance director | Executive director | Receivable by award agrees to the funder portal balance. |
| **DAY 5** | | | | |
| 5 | Update the SEFA tie-out workbook: year-to-date federal expenditures by award against the trial balance. | Finance director | Hebron | Tie-out difference is zero or explained by listed reconciling items. |
| 5 | Review budget to actual for each award. Flag any award over 90% spent or under 50% with less than half its period left. | Grants manager | Executive director | Flags listed with the planned action (modification, budget shift, program change). |
| **DAY 6** | | | | |
| 6 | Post depreciation, prepaid amortization and the loan interest split. | Bookkeeper | Finance director | Schedules agree to the ledger balances. |
| 6 | Roll restricted net assets: record releases from restriction for the month by donor and purpose. | Finance director | Hebron | Restricted balance by donor foots to the net asset roll-forward. |
| **DAY 7** | | | | |
| 7 | Review the balance sheet. Every account has a reconciliation or a schedule. | Finance director | Hebron | Balance sheet review sheet signed; no unexplained balances. |
| 7 | Review the statement of activities by program for miscoding and missing accruals. | Finance director | Hebron | Corrections posted; variances over 10% to budget have a one-line explanation. |
| **DAY 8** | | | | |

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| 8 | Close the period in the accounting system. Set the closing date and password. | Finance director | | No entries can post to the closed month without the finance director. |
| **DAY 9** | | | | |
| 9 | Prepare the board package: statement of financial position, statement of activities by program with budget, cash forecast, grants dashboard, and the open items list. | Finance director | Executive director | Package drafted; numbers agree to the closed ledger. |
| **DAY 10** | | | | |
| 10 | Finance committee review. Record questions and the follow-up owner. | Executive director | Treasurer | Package sent to the board; open questions on the next month's list. |
| 10 | File the month: reconciliations, schedules, draw requests, certifications and the board package in the close folder. | Bookkeeper | Finance director | Folder complete; auditor can pick up any month without asking. |

## MONTHLY SIGN-OFF

Finance director, date

Executive director, date

## QUARTER-END ADDITIONS

- Agree payroll to Form 941 and the state unemployment return.
- Confirm the subrecipient's quarterly report and expenditure support.
- Update the fixed asset listing and the lease schedule.
- Review the audit and grant reporting calendar for the next quarter.