

COLLABORATIVE.

PROGRESSIVE.

INCLUSIVE.

DIVERSE.

Be·More·Connected

Tips & Resources

💡 *Strengthen your systems, close out the year with confidence, and stay compliant* 💡

YEAR-END CLOSE-OUT TIPS



Reconcile and Review Key Financials

- Verify transactions: Ensure all income, expenses, grants, and restricted contributions are properly recorded in the correct fiscal period.
- Reconcile accounts: Include bank accounts, accounts receivable/payable, payroll liabilities, prepaid expenses, and fixed assets.
- Adjust entries: Record depreciation, write off uncollectible receivables, and confirm asset acquisitions/disposals.

1

Accrue and Allocate Year-End Expenses

- Accrue outstanding costs: Include all expenses incurred—even if invoices arrive after year-end (e.g., utilities, travel, professional services).

2

- Finalize allocations: Allocate indirect costs to programs and support services such as management & general and fundraising.

Confirm Compliance with GAAP Revenue Standards

- Review revenue recognition: Ensure compliance with FASB ASC 958 for restricted grants and contributions.
- Adjust net assets: Properly classify revenue as with or without donor restrictions based on usage and stipulations.

3

BMC can help you close out the year with confidence!

Our Accounting Division ensures accurate year-end financials, while our Compliance Auditing Division handles financial, single, indirect rate, overhead, and incurred cost audits.

At BMC, We Get It Done!

[Contact Us](#)



**IMPORTANT UPDATE:
FAR 2.0 IS COMING!**

Following our attendance at the DCAA conference, we want to share a significant development in federal contracting—FAR 2.0, a major modernization of the Federal Acquisition Regulation.

This initiative aims to simplify language, streamline structure, remove outdated provisions, and make the FAR more accessible—especially for small and emerging contractors.

What this means for us and our clients:

1. **Shifts in Support** – We'll adapt our audit and advisory services to meet evolving compliance requirements.
2. **Training & Tools** – Our team will be trained on the new FAR, and we'll update internal resources and templates accordingly.
3. **Client Guidance** – As FAR 2.0 progresses, we'll keep clients informed and help them navigate changes confidently.

This is a critical opportunity to lead with clarity and confidence! Now is the time to prepare—stay informed, assess your readiness, and connect with us for support.

Professional Insights

**Smart takes on strategy,
compliance, and innovation**

GRANTS MANAGEMENT

Single Audit Required for ARPA Funds Over \$750K

Entities spending \$750K+ in federal funds, including ARPA, must undergo a Single Audit per Uniform Guidance.

- ✓ Includes review of financials, internal controls & federal compliance
- ✓ Requires a Schedule of Expenditures of Federal Awards (SEFA)
- ✓ Must be performed by licensed, independent auditors
- ✓ Non-compliance risks funding delays, findings, or suspension

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Now is the time to strengthen systems and prep for audit readiness.

OVERSIGHT & MONITORING

Columbia University's Funding Crisis: R&D at Risk Amid Federal Oversight Threat

- \$400M in federal grants to Columbia University canceled, including \$250M from NIH, disrupting major research
- Reports point to potential federal intervention, possibly a consent decree
- Raises concerns about academic freedom, compliance risks, and long-term federal oversight

HUMAN RESOURCE & SUPPORT SERVICES

Unlocking HR Tech: HCM, HRMS & 2025 Trends

- HR tech boosts hiring, payroll, and performance efficiency
- HCM, HRMS, and HRIS centralize data and support decisions
- 55% of HR leaders say current tools fall short—alignment matters
- GenAI tools like chatbots and auto-docs are reshaping HR
- Broad systems work best when paired with focused, agile tool

Stay Prepared, Stay Ahead

Whether it's tightening your grant compliance, preparing for deeper federal oversight, or upgrading your HR systems—our experts can help you navigate what's next!

[Contact Our Team](#)