RECORD YEAR-END PLAN OF FINANCIAL ADJUSTMENT RECLASSIFICATION

Source Documents: Plan of Financial Adjustment (PFA) Reconciliation Worksheet

Module: General Ledger (GL)

Roles: GL Journal Processor
                           GL Journal Approver

Purpose

The PFA reclassification entry reclassifies pending PFA to Due To/From Other Funds/ Appropriations for year-end reporting purposes.

PFA transactions in FI$Cal are derived from the following journal entries:
- Cost Allocation (Journal Source ALO)
- Labor Distribution (Journal Source LD)
- Manual General Ledger Journal (Journal Sources 11N, 12N, and PFR)

The system uses Account 1110101 (Intraunit Accrual Account - LD/PFA Allocation) to offset the expenditure lines in the Source and Target appropriations for PFA-eligible transactions.

Transactions that are not eligible for PFA (e.g., department-level reclassification) are offset to Account 1110102 (Intraunit Accrual Account- Non-PFA Allocation) and should always net to zero within the same appropriation. If this account contains a balance, there may be a configuration issue within the labor distribution or cost allocation. Submit a ticket to the FI$Cal Service Center for assistance.

The typical accounting entries of an expenditure allocation are:
Clearing Account
     Debit 1110101 Intraunit Accrual Account - LD/PFA Allocation
        Credit 5XXXXXX Appropriation Expenditures

Ultimate Programs/Funds
     Debit 5XXXXXX Appropriation Expenditures
        Credit 1110101 Intraunit Accrual Account - LD/PFA Allocation

After period 998 cost allocation is completed, departments will reconcile the pending PFA as outlined in the PFA Reconciliation procedure on Finance's FI$Cal Resources for Accounting.

The pending PFA balance at the fund level as of period 998 should match to Account 1110101 amount on the Trial Balance. Departments will use the PFA reconciliation worksheet as the supporting document to reclassify Account 1110101 to Account 124XXXX (Due From Other Funds/Appropriations) or 201XXXX (Due To Other Funds/Appropriations) and offset the amount to 1110110 (Intraunit Pending PFA Accrual).

Module

Departments will record the PFA reclassification entries in period 998 General Ledger (GL) module, MODACCRL ledger, and **reverse** them in the new fiscal year.

Accounting Entry

The typical accounting entries of a PFA reclassification are:

Clearing Account
> Debit 1240000 Due From Other Funds*
> Debit 1240100 Due From Other Appropriations*
>> Credit 1110110 Intraunit Pending PFA Accrual Account

Ultimate Programs/Funds
> Debit 1110110 Intraunit Pending PFA Accrual Account
>> Credit 2010000 Due To Other Funds*
>> Credit 2011000 Due To Other Appropriations*

*Journal lines posted to Account 124XXXX and 201XXXX require values in the BU Affiliate and Fund Affiliate ChartFields. Adding the values in the Debit and Credit lines will be helpful for research purposes.

Departments will reconcile and reclassify all applicable Budget Periods. As an example, if the Clearing Account/Primary Appropriation has a one-year encumbrance availability period and an additional two years to liquidate (a total of three years), the department will have three Budget Periods to reconcile. In period 998, the oldest Budget Period should not have any pending PFA because the Clearing Account/Primary Appropriation is reverting. Therefore, there will only be two Budget Periods to reclassify.

Note: the example below shows the reconciliation for one Budget Period (some rows are hidden).
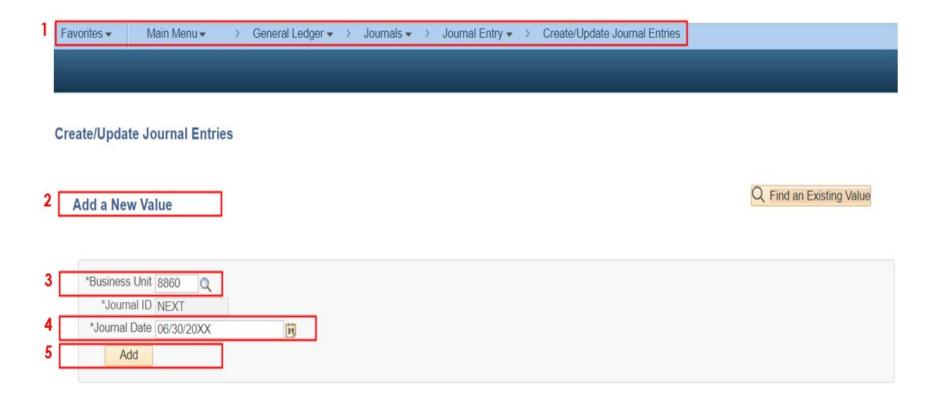
PFA RECONCILIATION WORKSHEET		Fund:	0001	0001	0001	0001	0001	0001	9740	3314	Total
BU 8860 Department of Finance		ENY:	20XX	20XX	20XX	20XX	20XX	20XX	20XX	1990	
FY 20XX-XX		Reference:	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	001 (001)	501 (501)	
As of 06/30/20X2 (Period 998)		Program:	9999 (99)	6770 (10)	6780 (20)	6785 (30)	9900100 (40.01)	9900200 (40.02)	6770 (10)	6770 (10)	
Carryover Balance	Pending PFA as of 06/30/20X1		7,881,588.38	(3,015,495.26)	(812,527.05)	(649,098.13)	(1,379,185.17)	1,379,185.17	(2,708,925.73)	(695,542.21)	0.00
Period 1	PFA-eligible transactions		795,727.07	(279,337.20)	(143,883.98)	(87,033.44)	(97,943.35)	97,943.35	(281,504.08)	(3,968.37)	(0.00)
	SCO JE $PF0000365	7/26/20X1	(7,544,670.84)	2,873,062.00	840,120.07	625,447.92	1,277,241.47	(1,277,241.47)	2,510,498.64	695,542.21	0.00
Period 2	PFA-eligible transactions		124,641.36	(45,197.04)	(25,777.09)	(9,959.16)	(7,850.92)	7,850.92	(43,708.07)	0.00	0.00
Period 3	PFA-eligible transactions		287,824.25	(108,868.27)	(54,786.96)	(23,059.63)	(45,175.17)	45,175.17	(101,109.39)	0.00	(0.00)
	SCO JE $PF0001753	9/28/20X1	(795,727.07)	279,337.20	143,883.98	87,033.44	97,943.35	(97,943.35)	281,504.08	3,968.37	0.00
	SCO JE $PF0001785	9/29/20X1	(124,641.36)	45,197.04	25,777.09	9,959.16	7,850.92	(7,850.92)	43,708.07		0.00
Period 4	PFA-eligible transactions		2,742.20	(1,974.74)	627.14	(442.17)	(866.22)	866.22	(952.43)	0.00	(0.00)
	SCO JE $PF0002147	10/17/20X1	(287,824.25)	108,868.27	54,786.96	23,059.63	45,175.17	(45,175.17)	101,109.39		0.00
Period 11	PFA-eligible transactions		(2,496.53)	2,054.85	(137.70)	(58.81)	(455.40)	455.40	1,297.45	(659.26)	0.00
Period 12	PFA-eligible transactions		23,149.09	(8,699.61)	(4,445.73)	(1,890.62)	(3,363.67)	3,363.67	(8,113.13)	0.00	0.00
Period 998	PFA-eligible transactions		34,492.98	(13,718.13)	(5,702.38)	(2,425.40)	(4,751.48)	4,751.48	(12,113.43)	(533.64)	0.00
Pending PFA as of 06/30/20X2 (Period 998)			426,556.06	(176,514.28)	11,604.83	(30,450.44)	(115,265.73)	115,265.73	(229,469.63)	(1,726.54)	(0.00)
			A	B	C	D	E	F	G	H	

PFA accrual journal entries

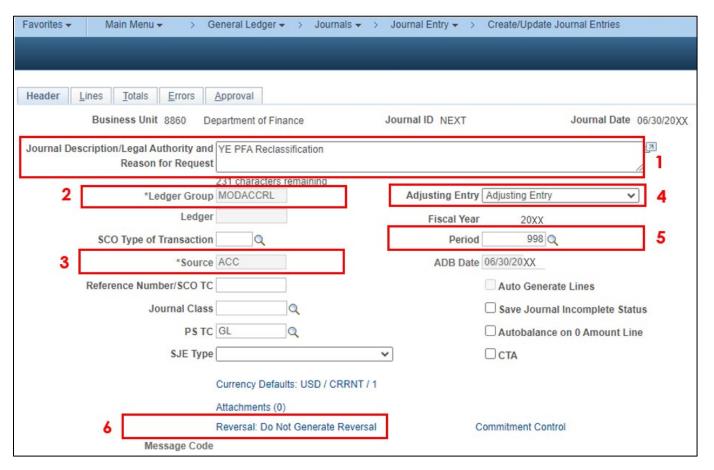| BU	Ledger	ENY	Program	Approp Ref	Fund	Account	Affiliate	Fund Affiliate	Amount	
8860	MODACCRL	20XX	9999	001	0001	1240100	8860	0001	$195,359.89	
8860	MODACCRL	20XX	9999	001	0001	1240000	8860	9740	$229,469.63	A
8860	MODACCRL	20XX	9999	001	0001	1240000	8860	3314	$1,726.54	
8860	MODACCRL	20XX	9999	001	0001	1110110			($426,556.06)	
8860	MODACCRL	20XX	6770	001	0001	1110110			$176,514.28	B
8860	MODACCRL	20XX	6770	001	0001	2011000	8860	0001	($176,514.28)	
8860	MODACCRL	20XX	6780	001	0001	1240100	8860	0001	$11,604.83	C
8860	MODACCRL	20XX	6780	001	0001	1110110			($11,604.83)	
8860	MODACCRL	20XX	6785	001	0001	1110110			$30,450.44	D
8860	MODACCRL	20XX	6785	001	0001	2011000	8860	0001	($30,450.44)	
8860	MODACCRL	20XX	9900100	001	0001	1110110			$115,265.73	E
8860	MODACCRL	20XX	9900100	001	0001	2011000	8860	0001	($115,265.73)	
8860	MODACCRL	20XX	9900200	001	0001	1240100	8860	0001	$115,265.73	F
8860	MODACCRL	20XX	9900200	001	0001	1110110			($115,265.73)	
8860	MODACCRL	20XX	6770	001	9740	1110110			$229,469.63	G
8860	MODACCRL	20XX	6770	001	9740	2010000	8860	0001	($229,469.63)	
8860	MODACCRL	1990	6770	501	3314	1110110			$1,726.54	H
8860	MODACCRL	1990	6770	501	3314	2010000	8860	0001	($1,726.54)	

To enter the PFA accrual journal entry, the **GL Journal Processor** will create a new journal.

1 – Navigate to **Main Menu > General Ledger > Journals > Journal Entry > Create/Update Journal Entries**

2 – The **Add a New Value** page will be displayed

3 – Confirm the **Business Unit** is correct

4 – Enter a **Journal Date** of 6/30/20XX for the fiscal year ended

5 – Click **Add**

| 1 | Favorites ▾ | Main Menu ▾ | > | General Ledger ▾ | > | Journals ▾ | > | Journal Entry ▾ | > | Create/Update Journal Entries |

Create/Update Journal Entries

2 **Add a New Value**   🔍 Find an Existing Value

3 *Business Unit 8860 🔍
    *Journal ID NEXT
4 *Journal Date 06/30/20XX 📅
5   Add

The **GL Journal Processor** will create the journal **Header**.

1 – Enter a **Journal Description/Legal Authority and Reason for Request.**

2 – **Ledger Group** will default to **MODACCRL**

3 – Enter **ACC** as the Source

4 – Click on the Adjusting Entry drop down and select **Adjusting Entry**

5 – Period will default to **998**

6 – Click on **Reversal:** and select **Beginning of Next Period,** click **OK**

The **GL Journal Processor** will enter the journal **Lines** for the entries listed on slide 6
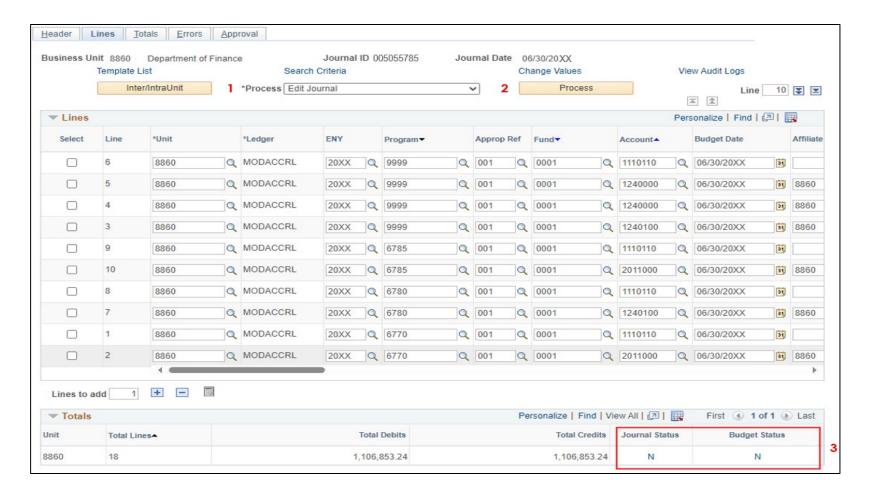
1 – In the **Lines** tab, enter the debit line

2 – Click **+** button to add lines

3 – Enter credit line

4 – Include Affiliate and Fund Affiliate values and appropriation information on both the debit and credit lines

5 – Review Budget Date to make sure it corresponds to the Enactment Year (ENY)

The **GL Journal Processor** will continue to enter additional lines for the remaining debits and credits.
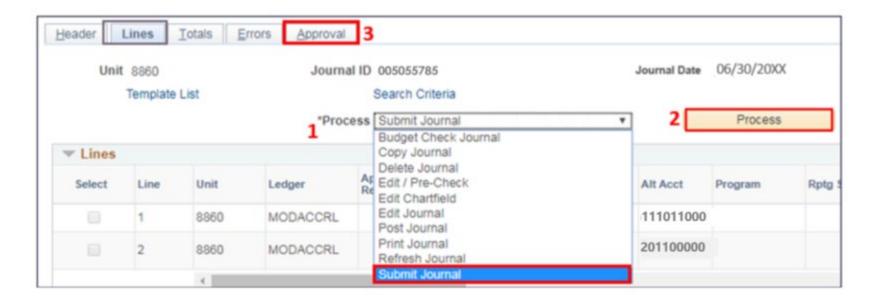
The **GL Journal Processor** will run the **Edit Journal** process.

1 – Verify that **Edit Journal** is selected in the *Process drop-down menu.

2 – Click **Process**

3 – Verify **Journal Status** and **Budget Status** shows "V" for Valid. The system will assign a Journal ID. Note the Journal ID on the source document for reference.

The **GL Journal Processor** will run the **Submit Journal** process.

1 – Select **Submit Journal** from the *Process drop-down menu.

2 – Click **Process**. The GL Journal Approver will receive an automatic notification of the journal.

3 – Click the **Approval** tab and view the journal workflow. The journal will show as Pending until approved.

The **GL Journal Approver** will approve the journal.

Follow the steps in Job Aid FI$Cal.094 – Approve a GL Journal - Certification to approve the journal.

Once the approver has approved the journal, the processor will post the journal or wait for the journal to post during the nightly processing.

After the PFA accrual entries have been posted, review the Year-End Report No. 7 Pre-Closing Trial Balance to confirm the following:

- Balances between accounts 1110101 and 1110110 net to zero.
- Account 1110102 has a zero balance.

If Report No. 7 (UCM Version) displays Account 1110100 – Pending Reclass Transfer, this means Account 1110101 and 1110110 do not net to zero or Account 1110102 has a balance. Review the PFA accrual entries and make a correction if there is a variance between Account 1110101 and 1110110.

REPORT 7 - PRE-CLOSING TRIAL BALANCE
Department of Finance - 8860
Fund 0001
Fiscal Year 20XX - XX
As of 06/30/20XX

Business Unit:	8860 - Department of Finance	Report ID:	RPTGL068
Fund:	0001 - General Fund	Run Date:	07/15/20XX
Subfund:		Run Time:	14:58:29
		Adjustment Period:	998
		Ledger:	BUDLEGAL

GLAN	ACCOUNT TITLE	DEBITS	CREDITS
1110100	Pending Reclass Transfer		10,573.93 *
1140	Cash in State Treasury		133,560.53 *
3010	Accounts Payable		3,322.40
3114	Due to Other Funds		201,046.58
5570	Fund Balance - Clearing	133,026.51	
9000	Appropriated Expenses	215,476.93	
Fund	0001	348,503.44	348,503.44

Tree Viewer

	SetID	STATE	Last Audit	Valid Tree
Effective Date	01/01/1901		Status	Active
Tree Name	ACCT_REPORTING		Account Reporting Tree

Close   Display Options Print Format

ALL_ACCOUNTS >1110100

Collapse All | Expand All   Find   First Page

ALL_ACCOUNTS - ALL_ACCOUNTS
- 65 - Unapp InterUnit Transfers
- 1109140 - Pnd Cash Tran-BLL Contra Asset
- 1110100 - Pending Reclass Transfer
  - [1110101] - Intraunit Acc Acct-LD/PFA Aloc
  - [1110102] - Intraunit Acc Acct-NonPFA Aloc
  - [1110110] - Intraunit Pending PFA Accrual