

# YE - A-9 ACCRUE REVENUE

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Source Documents:    Billing Data  
                          Department Invoice  
                          Accounts Receivable Subsidiary Records  
                          Documentation of Collection Efforts

Modules:             General Ledger (GL)  
                          Accounts Receivable (AR)

Roles:               GL Journal Processor  
                          GL Journal Approver  
                          AR Item Processor  
                          AR Item Approver

## **Purpose**

The A-9 entry records revenue accruals/adjustments for the accounting events described below.

1. Revenue earned but not billed as of June 30.
2. Defer current year revenue accounts receivable not expected to be collectible in the next fiscal year.
3. Defer prior year revenue accounts receivable.

## **Module**

- Record the accounting entries for events 1 and 2 in the General Ledger (GL) module, MODACCRL ledger, in period 998 and **reverse** them in the new fiscal year. Refer to Illustration A on slides [5-9](#).
- Establish Provision for Deferred Receivables for prior year revenue accounts receivable (event 3) in the Accounts Receivable (AR) module before the period 12 AR module is closed. These entries are **not reversed** in the new fiscal year. Refer to Illustration B on slides [10-16](#).

## Accounting Entry

1. The accounting entry to accrue revenue earned but not billed as of June 30 is similar to the entries made throughout the fiscal year when revenue is billed.

Debit 1200000 Accounts Receivable – Revenue  
Debit 124XXXX Due From Other Funds/Appropriations\*  
Debit 126XXXX Due From Other Governments  
Credit 41XXXXX Revenue

2. Any **current** year billed revenue accounts receivable not expected to be collectible in the next fiscal year should be deferred as follows:

Debit 41XXXXX Revenue  
Credit 1290000 Provision for Deferred Receivables\*\*

\*Journal lines posted to Account 124XXXX require BU Affiliate and Fund Affiliate values. This information will be displayed on the Subsidiaries on File report. Adding the values on both the debit and credit lines will be helpful for research purposes.

\*\*Use Alt Account 1200000998 for Provision for Deferred A/R-Revenue.

**Accounting Entry (continued)**

3. To defer prior year revenue accounts receivable, departments should create a \$0 Pending Item Group in the AR module with two sequences. Sequence 1 will close the outstanding AR item and leave a zero balance (entry 3a) and sequence 2 will create the deferred receivable (entry 3b).

- a. Reverse the current revenue accounts receivable to close the outstanding balance:

Debit 41XXXXX Revenue  
 Credit 12XXXXX Accounts Receivable

- b. Establish a deferred receivable:

Debit 1200000 Accounts Receivable – Revenue  
 Debit 124XXXX Due from Other Funds/Appropriations\*  
 Debit 126XXXX Due from Other Governments  
 Credit 1290000 Provision for Deferred Receivables\*\*  
 Credit 1290010 Provision for Deferred Due from Other Funds\*\*  
 Credit 1290020 Provision for Deferred Due from Other Governments\*\*

\*Journal lines posted to Account 124XXXX require BU Affiliate and Fund Affiliate values. This information will be displayed on the Subsidiaries on File report. Adding the values on both the debit and credit lines will be helpful for research purposes.

\*\*Use Alt Account 1200000998, 1290010000, or 126XXXX998, depending on the debit line.

## Illustration A

To enter the A-9 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**

*Note: Follow the same procedure to record event 2 shown on slide 3.*



### 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**

**Illustration A (continued)**

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

- 1** – Enter a **Journal Description/Legal Authority and Reason for Request**. Begin with YE A-9 Accrue Revenue Earned but not Billed FY 20XX (example below)
- 2** – Enter **MODACCRL** as the **Ledger Group**
- 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 screenshot displays the 'Create/Update Journal Entries' form in a web application. The breadcrumb trail at the top reads: Favorites > Main Menu > General Ledger > Journals > Journal Entry > Create/Update Journal Entries. The form is divided into several sections:

- Header Section:** Contains fields for Business Unit (8860), Department of Finance, Journal ID (NEXT), and Journal Date (06/30/20XX).
- Journal Description/Legal Authority and Reason for Request:** A large text area containing 'YE A-9 Accrue Revenue Earned but not Billed FY 20XX'. A red box labeled '1' highlights this field.
- Ledger Group:** A dropdown menu with 'MODACCRL' selected. A red box labeled '2' highlights this field.
- Source:** A dropdown menu with 'ACC' selected. A red box labeled '3' highlights this field.
- Adjusting Entry:** A dropdown menu with 'Adjusting Entry' selected. A red box labeled '4' highlights this field.
- Period:** A dropdown menu with '998' selected. A red box labeled '5' highlights this field.
- Reversal:** A dropdown menu with 'Do Not Generate Reversal' selected. A red box labeled '6' highlights this field.

Other visible fields include Ledger, Fiscal Year (20XX), ADB Date (06/30/20XX), Reference Number/SCO TC, Journal Class, PS TC (GL), SJE Type, and Currency Defaults (USD / CRRNT / 1). There are also checkboxes for 'Auto Generate Lines', 'Save Journal Incomplete Status', 'Autobalance on 0 Amount Line', and 'CTA'.

**Illustration A (continued)**

The **GL Journal Processor** will create the Journal **Lines**.

- 1** – Enter Debit Line for the applicable accounting entry as shown on slide 3
- 2** – Enter Credit Line for the applicable accounting entry as shown on slide 3
- 3** – Include Affiliate and Fund Affiliate values on both the debit and credit lines if entry is posted to Account 124XXXX.
- 4** – Review the Budget Date to make sure it follows the Enactment Year (ENY)

Header
Lines
Totals
Errors
Approval

Business Unit 8860    Department of Finance    Journal ID NEXT    Journal Date 06/18/2021

Template List    Change Values

Inter/IntraUnit
\*Process Edit Journal ▼
Process

▼ **Lines** 4

Select	Line	*Unit	*Ledger	Approp Ref	Fund	ENY	Budget Date	Account	
1	<input type="checkbox"/>	1	8860	MODACCRL	001	0001	20XX	06/30/20XX	1240000
2	<input type="checkbox"/>	2	8860	MODACCRL	001	0001	20XX	06/30/20XX	4172500

▼ **Lines**

Select	Line	Alt Acct	Affiliate	Fund Affil	Amount
<input type="checkbox"/>	1	1240000	3340	0005	200.00
<input type="checkbox"/>	2	4172500	3340	0005	-200.00

**Illustration A (continued)**

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** – Check the **Journal Status** and **Budget Status** show “V” for Valid. The system will assign a Journal ID. Note: the Journal ID on the source document for reference.

The screenshot displays the 'GL Journal Processor' interface. At the top, there are tabs for 'Header', 'Lines', 'Totals', 'Errors', and 'Approval'. The 'Lines' tab is active. Below the tabs, the following information is displayed: Business Unit 8860, Department of Finance, Journal ID 0000022614, Journal Date 06/30/20XX. There are buttons for 'Template List', 'Search Criteria', 'Change Values', 'Errors Only', and 'View Audit Logs'. A dropdown menu for '\*Process' is set to 'Edit Journal', and a 'Process' button is visible. A 'Line' dropdown is set to '10'. Below this is a table with columns: Select, Line, \*Unit, \*Ledger, Approp Ref, Fund, ENY, Account, Alt Acct, Amount, Budget Date, and Aff. The table contains two rows: Line 1 with Unit 8860, Ledger MODACCRL, Approp Ref 001, Fund 0001, ENY 20XX, Account 1240000, Alt Acct 1240000, Amount 200.00, Budget Date 06/30/20XX, and Aff 33; and Line 2 with Unit 8860, Ledger MODACCRL, Approp Ref 001, Fund 0001, ENY 20XX, Account 4172500, Alt Acct 4172500, Amount -200.00, Budget Date 06/30/20XX, and Aff 33. Below the table is a 'Lines to add' section with a value of 1. At the bottom, there is a 'Totals' section with columns: Unit, Total Lines, Total Debits, Total Credits, Journal Status, and Budget Status. The 'Totals' row shows Unit 8860, Total Lines 2, Total Debits 200.00, Total Credits 200.00, Journal Status V, and Budget Status V. A red box highlights the 'Journal Status' and 'Budget Status' columns, and a red '3' is placed next to the 'Budget Status' cell.

Unit	Total Lines	Total Debits	Total Credits	Journal Status	Budget Status
8860	2	200.00	200.00	V	V



**Illustration A (continued)**

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 to view the journal workflow. The journal will show as Pending until approved.

The screenshot displays the 'Approval' tab of the GL Journal Processor interface. The interface includes a header with tabs for 'Header', 'Lines', 'Totals', 'Errors', and 'Approval' (the last of which is highlighted with a red box and a red '3'). Below the header, the 'Unit' is 8860, 'Journal ID' is 000022614, and 'Journal Date' is 06/30/20XX. A 'Template List' and 'Search Criteria' section are visible. The '\*Process' dropdown menu is open, showing a list of options: 'Submit Journal', 'Budget Check Journal', 'Copy Journal', 'Delete Journal', 'Edit / Pre-Check', 'Edit Chartfield', 'Edit Journal', 'Post Journal', 'Print Journal', 'Refresh Journal', and 'Submit Journal' (highlighted with a red box and a red '1'). To the right of the dropdown menu, a 'Process' button is highlighted with a red box and a red '2'. Below the dropdown menu, a table with columns 'Select', 'Line', 'Unit', 'Ledger', and 'Ap Re' is visible. The table contains two rows: one with Line 1, Unit 8860, and Ledger MODACCRL; and another with Line 2, Unit 8860, and Ledger MODACCRL.

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

Follow the steps in Job Aid FI\$Cal.094 – Approve a GL Journal – Certification.

Once the GL Journal Approver has approved the journal, the GL Journal Processor will post or wait for the journal to post during the nightly processing.

## Illustration B

The department's **AR Item Processor** will create a \$0 Pending Item Group with two transaction sequences to begin this process:

- 1** – Navigate to **Main Menu > Accounts Receivable > Pending Items > Online Items > Group Entry**
- 2** – The **Add a New Value** page will be displayed
- 3** – Confirm the **Business Unit** is correct
- 4** – Click **Add**

Favorites ▾ Main Menu ▾ > Accounts Receivable ▾ > Pending Items ▾ > Online Items ▾ > Group Entry 1

Group Entry

Add a New Value 2 Find an Existing Value

\*Group Unit 8860 3

\*Group ID NEXT 4

Add 4

**Illustration B (continued)**

The **AR Item Processor** will complete the **Group Control** by entering:

**1** – Accounting Date: [current open period]

**2** – Group Type: B

**3** – Origin ID: OBILL

**Control Totals Section**

**4** – Control: 0.00

**5** – Count: 2

**Currency Section**

**6** – Currency Control: USD

**7** – Click the **Pending Item 1** tab to enter the accounts receivable item.

The screenshot shows the 'Group Entry' form in the AR Item Processor. The breadcrumb trail at the top reads: Favorites > Main Menu > Accounts Receivable > Pending Items > Online Items > Group Entry. The form has several tabs: Group Control, Pending Item 1 (highlighted with a red box and callout 7), Pending Item 2, Pending Item 3, Accounting Entries, and Group Action. Below the tabs, the form fields are as follows:

- Group Unit: 8860, Group ID: NEXT
- Callout 1: \*Accounting Date: 06/30/20XX
- Callout 2: \*Group Type: B (Billing)
- Callout 3: \*Origin ID: OBILL (Online AR)
- Callout 4: Control Totals section with Control: 0.00, Entered: 0.00, Difference: 0.00, Posted: 0.00
- Callout 5: \*Count: 2 (Count: 1, Count: 1, Count: 0)
- Callout 6: Currency section with Control: USD, \*Format: USD
- \*Received: 06/30/20XX, \*Entered: 06/30/20XX
- Posted Assign: 10001409, User: 10001409
- Group Status: Edit Status: Edited, Balanced: No, Posting Status: Not Posted
- Accounting Entries: Not Balanced, Posting Action: Do Not Post

At the bottom, there are buttons for Save, Notify, Add, and Update/Display. The breadcrumb trail at the very bottom reads: Group Control | Pending Item 1 | Pending Item 2 | Pending Item 3 | Accounting Entries | Group Action.

**Illustration B (continued)**

The **AR Item Processor** will create the first AR Item (the reversal of the original AR) in the **Pending Item 1** tab, Sequence 1. The steps are:

- 1 – Enter Item ID: [from the original AR]
- 2 – Enter Customer ID: [from the original AR]
- 3 – Enter Amount: Enter the remaining balance of the original AR with a minus sign
- 4 – Entry Type: **CR** (for negative AR)
- 5 – Enter Reason: **MIS**
- 6 – \*AR Dist defaults to a distribution code. Select the AR Dist by clicking on the magnifying glass icon. The AR Dist should match the original AR item.
- 7 – **Line**: Must be the same as the original AR. Leave this field blank if the original AR is blank.

Group Control Pending Item 1 Pending Item 2 Pending Item 3 Accounting Entries Group Action

Group Unit 8860 Group ID NEXT

Pending Item Entry Find | View All First 1 of 2 Last

\*Acctg Date 06/30/20XX \*As Of Date 06/30/20XX Sequence 1

1 \*Item ID ORA 11-15 7 Line Copy Line

\*Business Unit 8860 2 \*Customer 0000001001 CLO

SubCust1 SubCust2

3 Amount -100.00 \*Currency USD

4 \*Entry Type CR 5 Reason MIS 6 \*AR Dist AR-REVENUE

Rate Type Revalue Flg Entry Event

Exchange Rate 1.00000000 Attachments (0)

## Illustration B (continued)

The **AR Item Processor** will create the second AR Item (the deferred receivable entry) in the **Pending Item 1** tab, Sequence 2. The steps are:

- 1 – Click **+** to create **Sequence 2**.
- 2 – Enter Item ID: [from the original AR]
- 3 – Enter Line: Enter **1** to differentiate this item from the original one. Note: If Line 1 was used for the original item, use Line 2 for the deferred entry.
- 4 – Enter Customer ID: [from the original AR]
- 5 – Enter Amount: Use the outstanding AR balance
- 6 – Enter Entry Type: **DR** (for positive AR)
- 7 – Enter Reason: **MIS**
- 8 – \*AR Dist defaults to a distribution code. Select the AR Dist by clicking on the magnifying glass icon. The AR Dist should match the original AR item.
- 9 – Click **Save**. The system will assign a **Group ID**. Note the Group ID on your source document for reference.

The screenshot displays the 'Pending Item Entry' form within a software application. The interface includes a top navigation bar with tabs: 'Group Control', 'Pending Item 1', 'Pending Item 2', 'Pending Item 3', 'Accounting Entries', and 'Group Action'. Below the navigation bar, the 'Group Unit' is set to '8860' and the 'Group ID' is 'NEXT'. The main form area is titled 'Pending Item Entry' and contains various input fields and controls. The 'Acctg Date' is '06/30/20XX' and the '\*As Of Date' is also '06/30/20XX'. The 'Sequence' is '2' and the 'Line' is '1'. The '\*Item ID' is 'ORA 11-15' and the '\*Business Unit' is '8860'. The '\*Customer' is '0000001001'. The 'Amount' is '100.00' and the '\*Currency' is 'USD'. The '\*Entry Type' is 'DR' and the 'Reason' is 'MIS'. The '\*AR Dist' is 'AR-REVENUE'. The 'Revalue Flg' is checked. The 'Exchange Rate' is '1.00000000'. There are also search icons for several fields and a 'Copy Line' button. The bottom right corner of the form shows 'Attachments (0)'.

## Illustration B (continued)

The **AR Item Processor** will create entries for the transactions in the Accounting Entries tab:

- 1 – Click on **Group Action** tab
- 2 – Click **Create Entries** and the system will open the **Accounting Entries** tab

The screenshot displays the AR Item Processor interface. At the top, a breadcrumb trail shows: Favorites > Main Menu > Accounts Receivable > Pending Items > Online Items > Group Entry. Below this, a tabbed interface is visible with tabs for Group Control, Pending Item 1, Pending Item 2, Pending Item 3, Accounting Entries, and Group Action. The Group Action tab is selected and highlighted with a red box and a '1'. Below the tabs, the interface shows 'Group Unit 8860' and 'Group ID NEXT'. Further down, 'Entered 06/30/20XX' and 'Status Do Not Post' are displayed. The main area is divided into three panels: 'Group Actions' (with 'Balance' and 'Delete Group' buttons), 'Posting Action' (with 'Action: Do Not Post' dropdown and 'OK' button), and 'Accounting Entry Actions' (with 'Create Entries' and 'Delete Entries' buttons). The 'Create Entries' button is highlighted with a red box and a '2'. At the bottom, there are 'Save' and 'Notify' buttons on the left, and 'Add' and 'Update/Display' buttons on the right. A footer bar at the bottom shows the current tab selection: Group Control | Pending Item 1 | Pending Item 2 | Pending Item 3 | Accounting Entries | Group Action.

**Illustration B (continued)**

The accounting entries on the page are system-generated with the user-entered amounts and system default accounts. The **AR Item Processor** will enter the first transaction to reverse the original AR accounting entries:

- 1 – Click **View All** in Accounting Entries to view all Distribution Lines for both Line Sequences.
- 2 – Fill in the **User** line with the same ChartField values as the original AR Item.  
**Note:** To change the Account, first delete the Alt Acct value then delete the Account enter the appropriate value. The Alt Account will automatically populate. When applicable, ensure the Affiliate and Fund Affiliate are included with the Account 124XXXX.
- 3 – Review the Budget Date to make sure it follows the Enactment Year (ENY).
- 4 – Click ► **Show Next Row** icon to navigate to the next transaction

The screenshot displays the 'Accounting Entries' section of a financial system. At the top, there are tabs for 'Group Control', 'Pending Item 1', 'Pending Item 2', 'Pending Item 3', 'Accounting Entries', and 'Group Action'. Below this, the 'Accounting Entries' section shows details for Group Unit 8860 and Group ID 5010. A table lists the entry with Item ID ORA 11-15, Line, Entry Type CR, Reason MIS, Bus. Unit 8860, Customer 0000001001, SubCust1, SubCust2, Amount -100.00, and Currency USD. A 'View All' button is highlighted with a red '1'. Below this is the 'Distribution Lines' section, which includes a table with columns for Line, GL Unit, \*Type, Amount, Fund, ENY, \*Account, Alt Acct, Budget Date, and Prc. The table shows two lines: Line 2 with \*Type 'User', Amount 100.00, Fund 0001, ENY 20XX, \*Account 4143500, Alt Acct 4143500000, and Budget Date 06/30/20XX; and Line 102 with \*Type 'AR', Amount -100.00, \*Account 1200000, Alt Acct 1200000000, and Budget Date 06/30/20XX. Red annotations 2, 3, and 4 point to the \*Account, Budget Date, and a navigation arrow respectively. At the bottom, a summary row shows 'Lines 2', 'DR', '100.00', 'Currency USD', 'CR', '100.00', 'Currency USD', and 'Net 0.000'.

**Illustration B (continued)**

The **AR Item Processor** will enter the second transaction (the deferred receivable) in the **Accounting Entries** tab.

- 1 – Fill in the **User** line with the same ChartField values as the original AR item. The amount is already populated.
- 2 – Change the Account code in the **User** line to **12900XX** (Provision for Deferred Receivables). **Note:** To change the Account, first delete the Alt Acct value then delete the Account and enter the appropriate value. Next, change the Alt Acct to 12XXXXX998.
- 3 – Change the Account code in the **AR** line to **12XXXXX** (Accounts Receivable). The other ChartField values will be copied from the **User** line once it is saved.
- 4 – Click **Save**
- 5 – Note the Group ID number on the source document

Notify the AR Item Approver to approve the pending item; provide the supporting documents and the Group ID number.

Group Unit 8860      **5**      Group ID 5010      Budget Details

**Accounting Entries**      Find | View All      First 2 of 2 Last

Item ID ORA 11-15      Line 1      Entry Type DR      Reason MIS

Bus. Unit 8860      Customer 0000001001      SubCust1      SubCust2

Amount 100.00      Currency USD

Accounting Entries Complete      Display Totals Entry

**Distribution Lines**      Personalize | Find | View All | First 1-2 of 2 Last

Line	GL Unit	*Type	Amount	Fund	ENY	*Account	Alt Acct	Budget Date	Prc
2	8860	User	-100.00	0001	20XX	1290000	1200000998	06/30/202	
102	8860	AR	100.00			1200000	1200000000	06/30/202	

Lines 2      DR      100.00      Currency USD      CR      100.00      Currency USD      Net 0.000

**4** Save      Return to Search      Notify      Add      Update/Display