

# YE - A-12 ESTABLISH RESERVE FOR DEFERRED RECEIVABLES FOR ABATEMENTS AND REIMBURSEMENTS

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Source Document:	Department Invoice
Module:	General Ledger (GL)
Roles:	GL Journal Processor GL Journal Approver

**Purpose:** The A-12 entry establishes a reserve for accounts receivable abatements and reimbursements estimated to be **uncollectible during the next fiscal year**. The entry removes the uncollectable accounts receivable from the appropriate nominal account and reflects the amount in the Provision for Deferred Receivables.

Record the A-12 entry in period 998 within the General Ledger module.

The year-end adjusting entries are as follows:

Debit 48XXXXX Reimbursements  
Debit 5XXXXXX Appropriated Expenditures  
Credit 1290000 Provision for Deferred Receivables\*

\* The Alternate Accounts of Provision for Deferred Receivables Account 1290000 reflect the GL account number for the related receivable accounts. The total amount of each Alternate Account must not exceed the corresponding receivable accounts. This information will be system-generated on the year-end Report No. 7, Subsidiaries on File report.

**Departments should use the auto-reverse function to reverse A-12 entries in the new fiscal year.**

To enter the A-12 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** – Click **Add a New Value** tab
- 3** – Enter your **Business Unit**
- 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**

Find an Existing Value **2** Add a New 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**. Begin the description with A-12 Establish Reserve for Deferred Receivables Abatement and Reimbursement FY 20XX (example below)
- 2 – **Ledger Group** will default to **MODACCRL**
- 3 – Enter **ACC** as the source
- 4 – Click 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' interface. The breadcrumb trail is: Favorites > Main Menu > General Ledger > Journals > Journal Entry > Create/Update Journal Entries. The 'Header' tab is selected. The form contains the following fields and values:

- Business Unit: 8860
- Department of Finance
- Journal ID: NEXT
- Journal Date: 06/30/20XX
- Journal Description/Legal Authority and Reason for Request: A-12 Establish Reserve for Deferred Receivable Abatement and Reimbursement FY 20XX (172 characters remaining)
- \*Ledger Group: MODACCRL
- \*Source: ACC
- Adjusting Entry: Adjusting Entry
- Period: 998
- Fiscal Year: 20XX
- ADB Date: 06/30/20XX
- Reversal: Beginning of Next Period
- Reference Number/SCO TC: (empty)
- Journal Class: (empty)
- PS TC: GL
- SJE Type: (empty)
- Currency Defaults: USD / CRRNT / 1
- Attachments (0)
- Commitment Control

The **GL Journal Processor** will enter the journal **Lines**.

- 1 – In the **Lines** tab, enter debit line to record: Approp Ref, Fund, ENY, Nominal Account 48/5XXXXXX, Program, Reporting Structure, Amount, and any additional CharField values as the original AR item.
- 2 – Click + to insert a line
- 3 – Enter credit Line: Approp Ref, Fund, ENY, Program, Provision for Deferred Receivables Account 1290000, Amount. The balance sheet items do not require ENY, Approp Ref and Program, however, it may be helpful for reconciliation and tracking purposes.
- 4 – When posting to the Account 1290000, select an Alternate Account either 1200100998 or 1200050998 from the list of Alt accounts.
- 5 – Review Budget Date to verify it corresponds to the Enactment Year (ENY).

The screenshot displays the 'GL Journal Processor' interface. At the top, the 'Lines' tab is selected. The header shows 'Business Unit 8860', 'Department of Finance', 'Journal ID NEXT', and 'Journal Date 06/30/20XX'. Below the header, there are buttons for 'Inter/IntraUnit', 'Process', and 'Change Values'. The main area contains a table with two journal entries:

Select	Line	*Unit	*Ledger	Approp Ref	Fund	ENY	Account	Alt Acct	Budget Date	SpeedType
1	1	8860	MODACCRL	001	0001	20XX	4840000	4840000	06/30/20XX	
3	2	8860	MODACCRL	001	0001	20XX	1290000	1200050	06/30/20XX	

Below the table, there is a 'Lines to add' section with a '+', '-', and 'x' button. A search results window is open, showing a list of alternate accounts:

Alternate Account	Description
1200000998	Prov Deferred A/R-Revenue
1200050998	Prov Deferred A/R-Reimburse
1200100998	Prov Deferred A/R-Abatement
1200150998	Prov Deferred A/R-Dishon Cks
1200200998	Prov Deferred A/R-Cash Short
1209100998	Prov Deferred A/R-Audit Except
1209400998	Prov Deferred Contingent A/R
1209900998	Prov Deferred A/R-Other

Red boxes in the original image highlight the 'Alt Acct' and 'Budget Date' columns in the journal entries table, and the '+' button in the 'Lines to add' section. Blue arrows point from the search results window to the 'Alt Acct' column of the second journal entry.

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.

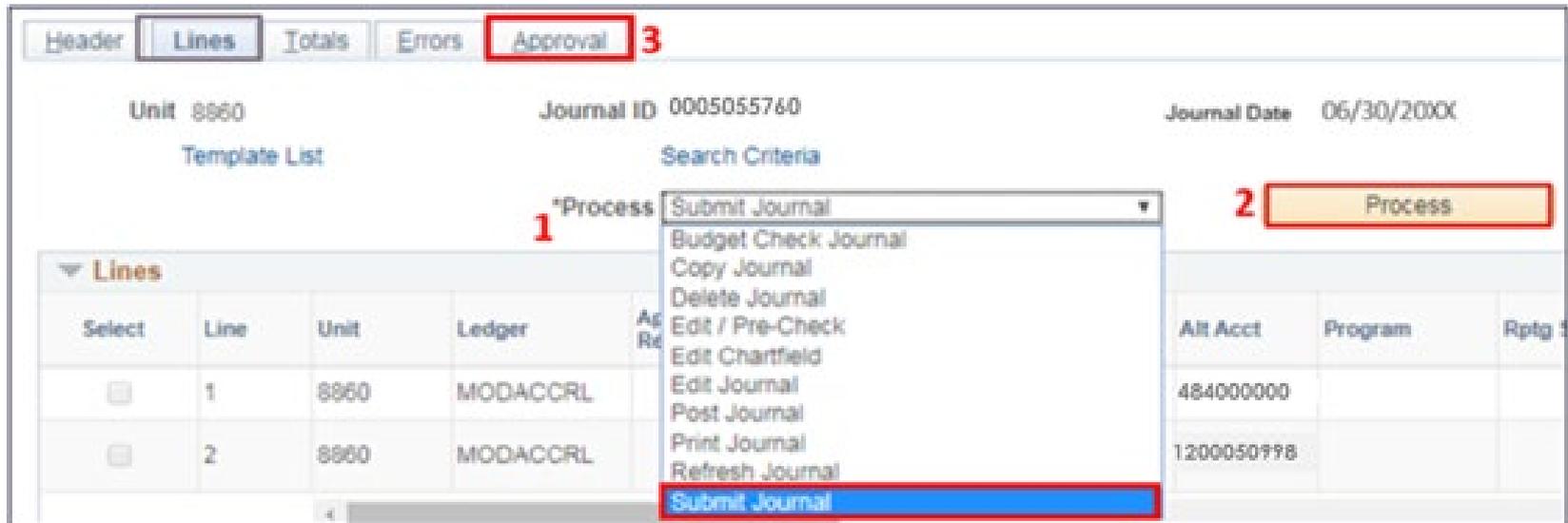
The screenshot displays the 'GL Journal Processor' interface. At the top, there are tabs for 'Header', 'Lines', 'Totals', 'Errors', and 'Approval'. The 'Lines' tab is active. Below the tabs, the following information is displayed: Business Unit 8860, Department of Finance, Journal ID 0005055760, Journal Date 06/30/20XX, and Errors Only checkbox. There are also links for 'Template List', 'Search Criteria', 'Change Values', and 'View Audit Logs'. A dropdown menu for '\*Process' is set to 'Edit Journal', and a 'Process' button is highlighted. A 'Line' count of 10 is shown. Below this is a table of journal lines with columns: Select, Line, \*Unit, \*Ledger, Approp Ref, Fund, ENY, Account, Alt Acct, Amount, Budget Date, and Sp. Two lines are listed: Line 1 with a debit of 1,400.00 and Line 2 with a credit of -1,400.00. Below the lines table is a 'Lines to add' section with a value of 1. At the bottom is a 'Totals' section with columns: Unit, Total Lines, Total Debits, Total Credits, Journal Status, and Budget Status. The 'Journal Status' and 'Budget Status' cells are highlighted with a red box and both contain the letter 'V'. A red number '3' is placed next to the 'Total Credits' value of 1,400.00.

Select	Line	*Unit	*Ledger	Approp Ref	Fund	ENY	Account	Alt Acct	Amount	Budget Date	Sp
<input type="checkbox"/>	1	8860	MODACCRL	001	0001	20XX	4840000	4840000	1,400.00	06/30/20XX	
<input type="checkbox"/>	2	8860	MODACCRL	001	0001	20XX	1290000	12000509	-1,400.00	06/30/20XX	

Unit	Total Lines	Total Debits	Total Credits	Journal Status	Budget Status
8860	2	1,400.00	1,400.00	V	V

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 FISCAL.094 – Approving a GL Journal to approve the journal.

Once the GL Journal Approver has approved the journal, the GL Journal Processor will post the journal.

**Reminders:**

- Record entries in Period **998**, Source: **ACC**, and Adjusting Entry: **Adjusting Entry**.
- Journal lines posted to Account 1290000 should have a value in the Alternate Account field. Select 1200100998 (Abatement) or 1200050998 (Reimbursement) from the list of alt accounts.
- Departments should use the auto-reversal functionality for reversing year-end accrual entries in the new year.