

YE - A-4 – MANUALLY RECLASSIFY ACCOUNTS RECEIVABLE ABATEMENTS & REIMBURSEMENTS FOR REVERTED APPROPRIATIONS

Source Documents: Aging Report
 Department Invoice for Reimbursement
 Income/Abatements

Module: Accounts Receivable (AR)

Roles: AR Item Processor
 AR Item Approver

Purpose

Accounts receivable (including Due From accounts) associated with abatements, reimbursements, and certain collections are adjusted for the following when an appropriation reverts:

1. Abatements and reimbursements not collected before reversion
2. Amounts collected before reversion but credited by the State Treasury after reversion

Receivable accounts for abatements and reimbursements associated with reverted appropriations not cleared by June 30 must be reclassified to Account 1209900 (Accounts Receivable-Other) and offset by Account 1290000 (Provision for Deferred Receivables). Departments must review outstanding receivables and determine the items to reclassify. The Aging Report can be used in the review process.

Navigation: Main Menu>Accounts Receivable>Receivables Analysis>Aging>Aging by Charfield Rpt.

FI\$Cal has an automated reclassification process to assist departments and reduce the need for manual entries. Refer to Job Aid FI\$Cal.515 – AR Auto Reclass Process for ARs with Reverting Appropriations for instructions.

Module

Record the A-4 entry in the AR Module.

Abatements posted in the Clearing Account/Primary Appropriation should be reclassified timely to allow the cost allocation process to credit the ultimate funds/appropriations so that the department can include the amounts in the final PFA and submit them to the State Controller's Office before the cutoff date for reverting appropriations.

Abatements posted in the ultimate funds/appropriations and Accounts Receivable – Reimbursements can be reclassified before the period 12 AR module is closed.

Accounting Entry

The reclassification requires two sets of accounting entries:

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

Debit 48XXXXX Reimbursements

Debit 5XXXXXX Appropriation Expenditures

Credit 12XXXXX Accounts Receivable

- b. Reclassify the balance to Accounts Receivable - Other

Debit 1209900 Accounts Receivable - Other

Credit 1290000 Provision for Deferred Receivables*

For manual processing, departments will create a \$0 Pending Item Group with two sequences; Sequence 1 will reverse the current item and leave a \$0 balance (entry a), Sequence 2 will have the reclassified balance (entry b) and will maintain the original Item ID.

To record collections received after abatement and reimbursement receivables have been reclassified to Accounts Receivable – Other, please refer to the following eLearning materials on the Finance website:

- AR20 - Record and Approve Collection of Reverting Appropriations for Abatements and Reimbursements **before** June 30
- AR21 - Record and Approve Collection of Reverting Appropriations for Abatements and Reimbursement **after** June 30

* Use Alt Account 1209900998 for Provision for Deferred A/R-Other. This information will be displayed on the Subsidiaries on File report.

The **AR Item Processor** will create a Pending Item Group with two transaction sequences to begin the reclassification 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**



Group Entry

A screenshot of the 'Add a New Value' form. The form has a title 'Add a New Value' with a red box and a '2' next to it. To the right is a search button 'Find an Existing Value'. Below are two input fields: '*Group Unit' with the value '8860' and a search icon, with a red box and a '3' next to it; and '*Group ID' with the value 'NEXT' and a search icon. Below these is an 'Add' button with a red box and a '4' next to it.

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' screen in the AR Item Processor. The breadcrumb trail at the top reads: Favorites > Main Menu > Accounts Receivable > Pending Items > Online Items > Group Entry. The main navigation bar includes tabs for 'Group Control', 'Pending Item 1', 'Pending Item 2', 'Pending Item 3', 'Accounting Entries', and 'Group Action'. The 'Pending Item 1' tab is selected and highlighted with a red box and the number 7. Below the tabs, the 'Group Unit' is 8860 and the 'Group ID' is NEXT. The main form area contains several sections:

- *Accounting Date:** 06/30/20XX (marked with 1)
- *Group Type:** B (marked with 2)
- *Origin ID:** OBILL (marked with 3)
- Currency Section:** Control: USD (marked with 6), *Format: USD
- Control Totals Section:**
 - Control:** 0.00 (marked with 4)
 - *Count:** 2 (marked with 5)
 - Entered: 0.00, Count: 1
 - Difference: 0.00, Count: 1
 - Posted: 0.00, Count: 0
- Control Data Section:**
 - *Received: 06/30/20XX
 - *Entered: 06/30/20XX
 - Posted Assign: 10001409
 - User: 10001409
- Group Status Section:**
 - 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'. A breadcrumb trail at the very bottom reads: Group Control | Pending Item 1 | Pending Item 2 | Pending Item 3 | Accounting Entries | Group Action.

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

- 1 – Item ID: [from the original AR]
- 2 – Customer ID: [from the original AR]
- 3 – Amount: Enter the item balance with a negative sign
- 4 – Entry Type: **CR** (for negative AR)
- 5 – Reason: [from the original AR]
- 6 – AR Dist defaults to an account based on the Reason field. The AR Dist should match the original AR item. To change the AR Dist field, click on the magnifying glass icon and select the appropriate account from the options provided.
- 7 – Line: Must follow the original entry. Leave this field blank if the original entry is blank.

The screenshot displays the 'Pending Item 1' tab in the AR Item Processor. The interface includes a navigation bar with tabs for '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 set to NEXT. The main section is titled 'Pending Item Entry' and contains several input fields:

- *Acctg Date:** 06/30/20XX
- *As Of Date:** 06/30/20XX
- Sequence:** 1
- *Item ID:** ORA 11-15
- 7 Line:** (blank)
- *Business Unit:** 8860
- *Customer:** DEPT354000 (CALFIRE)
- SubCust1:** (blank)
- SubCust2:** (blank)
- 3 Amount:** -100.00
- *Currency:** USD
- 4 *Entry Type:** CR
- 5 Reason:** MIS
- 6 *AR Dist:** AR-DUEFUND
- Rate Type:** (blank)
- Revalue Flg:**
- Entry Event:** (blank)
- Exchange Rate:** 1.00000000
- Attachments:** (0)

The **AR Item Processor** will establish the reclassified AR Item in the **Pending Item 1** tab of **Sequence 2**. To create Sequence 2:

- 1 – Click **+** to add a new Sequence
- 2 – Item ID: [from the original AR]
- 3 – Line: Enter **1** for the Line to differentiate this item from the original item. Note: If Line 1 was used for the original item, then enter 2 for the reclassified AR
- 4 – Customer ID: [from the original AR]
- 5 – Amount: Enter the item balance
- 6 – Entry Type: **DR** (for positive AR)
- 7 – Reason: [use the same reason as Sequence 1]
- 8 – AR Dist defaults to an account based on the Reason field. Select the same AR Dist as Sequence 1 by clicking on the magnifying glass icon. This should match the original AR item.
- 9 – Click Save. The system will assign a **Group ID**. Note the Group ID on your source document/internal logs for reference.

The screenshot displays the 'Pending Item Entry' form within a software application. At the top, there are tabs for 'Group Control', 'Pending Item 1', 'Pending Item 2', 'Pending Item 3', 'Accounting Entries', and 'Group Action'. Below the tabs, the 'Group Unit' is set to 8860 and the 'Group ID' is 'NEXT'. The main form area is titled 'Pending Item Entry' and includes a search bar and navigation controls. The form contains several input fields and dropdown menus, each with a red number indicating a step in the process:

- 2**: *Item ID (ORA 11-15)
- 3**: Line (1)
- 4**: *Customer (DEPT354000)
- 5**: Amount (100.00)
- 6**: *Entry Type (DR)
- 7**: Reason (MIS)
- 8**: *AR Dist (AR-DUEFUND)

Other visible fields include *Acctg Date (06/30/20XX), *As Of Date (06/30/20XX), *Business Unit (8860), SubCust1, SubCust2, *Currency (USD), Rate Type, Exchange Rate (1.00000000), and a checked 'Revalue Fig' checkbox. A 'Copy Line' button is also present. The bottom of the form shows 'Attachments (0)'.

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

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

The screenshot displays the AR Item Processor interface. At the top, a breadcrumb trail reads: Favorites > Main Menu > Accounts Receivable > Pending Items > Online Items > Group Entry. Below this, a series of tabs are visible: 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, with a red '1' next to it. The main content area shows 'Group Unit 8860' and 'Group ID NEXT'. Below this, 'Entered 06/30/20XX' and 'Status Do Not Post' are displayed. Three panels are present: 'Group Actions' with 'Balance' and 'Delete Group' buttons; 'Posting Action' with a dropdown menu set to 'Do Not Post' and an '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 red '2' next to it. At the bottom, there are 'Save' and 'Notify' buttons on the left, and 'Add' and 'Update/Display' buttons on the right. A footer bar contains the breadcrumb trail: Group Control | Pending Item 1 | Pending Item 2 | Pending Item 3 | Accounting Entries | Group Action.

Accounting Entries on the page are system-generated with 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 Account value. Then delete the Account value and change to the appropriate Account. The Alt Account will automatically populate.
- 3 – Review the Budget Date to verify it corresponds to the Enactment Year (ENY).
- 4 – Click ► **Show Next** icon to move to the next transaction.

The screenshot shows the 'Accounting Entries' and 'Distribution Lines' sections of a software interface. Red callouts 1 through 4 highlight specific UI elements:

- 1:** Points to the 'View All' link in the Accounting Entries header.
- 2:** Points to the 'Account' field in the Distribution Lines table.
- 3:** Points to the 'Alt Acct' field in the Distribution Lines table.
- 4:** Points to the 'Next' arrow icon in the Accounting Entries header.

Accounting Entries Section:

Group Unit: 8860, Group ID: 3876, Budget Details

Accounting Entries: Complete

Item ID: ORA 11-15, Line: , Entry Type: CR, Reason: MIS

Bus. Unit: 8860, Customer: DEPT354000, SubCust1: , SubCust2:

Amount: -100.00, Currency: USD

Display Totals: Entry

Distribution Lines Section:

Line	GL Unit	Type	Amount	Fund	ENY	Account	Alt Acct	Budget Date	Affiliate
2	8860	User	100.00	0001	20XX	48XXXXXX	48XXXXXXXXXX	06/30/20	
102	8860	AR	-100.00			12XXXXXX	12XXXXXXXXXX	06/30/20	

Summary: Lines 2, DR, 100.00, Currency USD, CR, 100.00, Currency USD, Net 0.000

Bottom Distribution Lines Section:

Line	GL Unit	Type	Amount	Account	Alt Acct	Budget Date	Affiliate	Fund Affil
2	8860	User	100.00	48XXXXXX	48XXXXXXXXXX	06/30/20	3340	4321
102	8860	AR	-100.00	12XXXXXX	12XXXXXXXXXX	06/30/20	3340	4321

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

- 1 – Fill in the **User Line** with the same ChartField values for Fund and ENY as the original AR item. The amount is already populated.
- 2 – Change Account to **1290000** (Provision for Deferred AR) for the credit amount. **Note:** To change the Account, first delete the Alt Acct value. Then delete the Account value and enter the appropriate Account. Next, change the Alt Acct to 1209900998 for Provision for Deferred A/R-Other.
- 3 – Change the Account to 1209900 (Accounts Receivable - Other) in the AR (debit) line. Keep all the other ChartField values the same as the original AR item. The other ChartField values will be copied from the User line once saved.
- 4 – Click **Save**.
- 5 – Note the Group ID number on the source document/internal logs.

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

Group Unit 8860 **5** Group ID 3876 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 DEPT354000 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 2	Alt Acct	Budget Date	Affiliate
2	8860	User	-100.00	0001	20XX	1290000	1209900998	06/30/20	
102	8860	AR	100.00			1209900	1209900000	06/30/20	

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

4 Save Return to Search Notify Add Update/Display