

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 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

The accounts receivable and due from accounts for abatements and reimbursements for reverted appropriations not cleared by June 30 must be reclassified to GL 1209900 – Accounts Receivable-Other and offset by GL 1290000-Provision for Deferred Receivables. Departments must review outstanding accounts receivable and determine the items to reclassify. Departments can use the Aging Report: **Main Menu>Accounts Receivable>Receivables Analysis>Aging>Aging by Chartfield Rpt.**

FISCal has an automated reclassification process to reclassify reverting appropriation accounts receivable. Refer to Job Aid FISCal.515 – AR Auto Reclass Process for ARs with Reverting Appropriations for instructions.

Record the A-4 entry in period 12 within the AR Module.

For manual processing, follow the instructions below:

Create a \$0 Pending Item Group with two transactions (sequences):

Sequence 1: Reverse the original AR open item using the Credit AR process in the AR module:

Debit 48XXXXX Reimbursement

Debit 5XXXXXX Appropriation Expenditures (Abatement)

Credit 12XXXXX Accounts Receivable

Sequence 2: Create a second transaction in the group with a positive amount:

Debit 1209900 Accounts Receivable - Other

Credit 1290000 Provision for Deferred Receivables*

Sequence 1 will close the item and leave a \$0 balance. However, Sequence 2 has the reclassified accounts and will maintain the original Item ID and remaining balance for payment.

* Add the standardized Alternate Account 1209900998 to ensure that the Provision for Deferred Receivables does not exceed the amount of the related accounts receivable recorded in the system. This will be system-generated on the year-end Report 7, Subsidiaries on File.

A-4 entries are not reversed in the new fiscal year.

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** - Click **Add a New Value** tab
- 3** - Enter your **Business Unit**
- 4** - Click **Add**

The screenshot shows the 'Group Entry' page in a web application. The breadcrumb navigation at the top is: Favorites > Main Menu > Accounts Receivable > Pending Items > Online Items > Group Entry. A red box highlights the 'Group Entry' breadcrumb with a red '1'. Below the breadcrumb, there are two tabs: 'Find an Existing Value' and 'Add a New Value'. A red box highlights the 'Add a New Value' tab with a red '2'. Under the 'Add a New Value' tab, there are two input fields: '*Group Unit' with the value '8860' and a search icon, and 'Group ID' with the value 'NEXT' and a search icon. A red box highlights the '*Group Unit' field with a red '3'. At the bottom left, there is a yellow 'Add' button. A red box highlights the 'Add' button with a red '4'. At the bottom of the page, there is a link: 'Find an Existing Value | Add a New Value'.

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 'AR Item Processor' interface. At the top, there is a breadcrumb trail: Favorites > Main Menu > Accounts Receivable > Pending Items > Online Items > Group Entry. Below this, there are several tabs: Group Control, Pending Item 1 (highlighted with a red box and a red '7'), Pending Item 2, Pending Item 3, Accounting Entries, and Group Action. The main area contains several sections:

- Group Information:** Group Unit 8860, Group ID NEXT.
- Fields:**
 - 1 *Accounting Date: 06/30/20XX
 - 2 *Group Type: B
 - 3 *Origin ID: OBILL
- Control Totals:**
 - 4 Control: 0.00
 - 5 *Count: 2
 - Entered: 0.00, Count: 1
 - Difference: 0.00, Count: 1
 - Posted: 0.00, Count: 0
- Currency:**
 - 6 Control: USD
 - *Format: USD
- Control Data:**
 - *Received: 06/30/20XX
 - *Entered: 06/30/20XX
 - Posted: 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. 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 original AR]
- 2 – Customer ID: [from original AR]
- 3 – Amount: Use the item balance amount with a negative sign
- 4 – Entry Type: **CR** (for negative AR)
- 5 – Reason: [from 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 your 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)
- Exchange Rate:** 1.00000000
- Attachments:** (0)
- Revalue Flg:**
- Entry Event:** (blank)

The **AR Item Processor** will reestablish the 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 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 as Line 2
- 4 – Customer ID: [from original AR]
- 5 – Amount: Use the item balance due amount
- 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. The interface includes a top 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 'NEXT'. The main form area is titled 'Pending Item Entry' and contains several input fields and controls:

- *Acctg Date:** 06/30/20XX
- *As Of Date:** 06/30/20XX
- Sequence:** 2
- *Item ID:** ORA 11-15
- Line:** 1
- *Business Unit:** 8860
- *Customer:** DEPT354000 (CALFIRE)
- SubCust1:** (empty)
- SubCust2:** (empty)
- Amount:** 100.00
- *Currency:** USD
- *Entry Type:** DR
- Reason:** MIS
- *AR Dist:** AR-DUEFUND (highlighted with a red box)
- Rate Type:** (empty)
- Revalue Fig:**
- Entry Event:** (empty)
- Exchange Rate:** 1.00000000

Numbered callouts (1-9) are placed over the form fields to correspond with the instructions in the text above. A 'Copy Line' button is visible next to the 'Line' field. The bottom right 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 shows: 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 highlighted with a red box and a '1' next to it. 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' 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 exact ChartField values as the original AR Item.
 - NOTE:** To change the account, **first** delete the alt acct 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' section at the top and the 'Distribution Lines' section below. Red annotations 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	
Item ID	ORA 11-15	Line		Entry Type	CR
Bus. Unit	8860	Customer	DEPT354000	SubCust1	
Amount	-100.00	Currency	USD	SubCust2	

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	

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

- 1 – Fill in the **User Line** with the exact 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 a standardized alternate account.
- 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 and provide the supporting documents with the Group ID number. To approve the entries, refer to AR11-Approve AR Reimbursement Revenue eLearning located on the Finance website.

The screenshot displays the 'Accounting Entries' interface. At the top, the 'Accounting Entries' tab is selected. Below it, the 'Group Unit' is 8860 and the 'Group ID' is 3876. The 'Accounting Entries' section shows a line with 'Item ID' ORA 11-15, 'Line' 1, 'Entry Type' DR, and 'Reason' MIS. The 'Distribution Lines' section shows two lines: Line 2 with 'GL Unit' 8860, '*Type' User, 'Amount' -100.00, 'Fund' 0001, 'ENY' 20XX, '*Account' 1290000, 'Alt Acct' 1209900998, and 'Budget Date' 06/30/20XX; and Line 102 with 'GL Unit' 8860, '*Type' AR, 'Amount' 100.00, 'Fund' 0001, 'ENY' 20XX, '*Account' 1209900, 'Alt Acct' 1209900000, and 'Budget Date' 06/30/20XX. The 'Save' button is highlighted with a red box.

Reminders:

- FISCAL has an automated reclassification process to reclassify accounts receivable in reverting appropriations. Refer to Job Aid FISCAL.515 – AR Auto Reclass Process for ARs with Reverting Appropriations for the reclassification process.
- A-4 entries must be reclassified as deferred receivables in the **AR Module** before **period 12** is closed. These entries will not be reversed in the new fiscal year.
- Verify the budget date is within the appropriate ENY.
- Write down or type the Group ID number on the supporting document and internal logs for the AR Item Approver and for future reference.
- To record and approve collections of reverting appropriations of Abatements and Reimbursements **before** June 30 refer to AR20 eLearning located on the Finance website.
- To record and approve collections of reverting appropriations of Abatements and Reimbursement **after** June 30 refer to AR21 eLearning located on the Finance website.