2015-2016
Mid-Biennium Accrued Expenditure Process
FG008R / BM3200J

Contents

Overview

Invoices can be automatically accrued into fiscal year 1516 (and the encumbrance liquidated) and subsequently paid in fiscal year 1617. This is accomplished through job BM3200J (Accrued Expenditure Process) or job group FG008R (Accrued Expenditure Process). You may run BM3200J during the day before your regular check run or you can run FG008R during the evening before you run FG001D. If you run FG008R make sure that it runs at a different level than FG088D.

Invoices must meet the following criteria to be included in the Accrued Expenditure Process:

- Invoices need to be unpaid (outstanding).
- Invoices need to be in balance.
- Invoice date needs to be equal to or less than the entered YRMO parameter (1606).
- Scheduled payment date needs to reflect a date for which a check has not been printed.
- Batch post period can reflect a date greater than the entered YRMO parameter (optional via job scheduling parameter BM3200-CURR-OPT).

All accounts payable invoices meeting the above criteria will be extracted and processed. The expenditure will be accrued and the encumbrance liquidated in the old fiscal year (1516).

Each invoice with an expenditure transaction code (general ledger 6510), a liquidation transaction (general ledger 6410) code, or both, will be processed and an accounting entry or entries will be generated in the General Ledger module.

BM3200J can be scheduled daily, weekly, monthly or at your discretion.

Note: BM3200J should be scheduled to process PRIOR to the accounts payable check process (FG004D).

Following are some examples for your review and reference.

Example 1: Local general funds, with an encumbrance.

Merchandise or services received by June 30th, paid for in July 2016, expenditure needs to be accrued into 1516.

Original Invoice Input July 2016:

Entries as input on the Accounts Payable Invoice Screen (BM3002).

Fund	Trns Code	GL Dr/Cr	Amount	Invoice Date	Schd Pymt Date	Btch Post Per
148	002	6510/1110	100.00	160620	160715	1607
148	602	9510/6410	100.00			

Entries Generated In Batch Post Period 1606

Schedule BM3200J. It will process invoices with a status of "unpaid" and an invoice date less than 160701 with a batch post period of 1607.

Parameters:

BM3200-CURR-OPT	N = Accrue invoices with a batch post period greater than the scheduled YR-MO
BM3200-DEL-OPT	N = Process all qualified invoices (default)
BM3200-VPA-OPT	Y = Acccrue VPA expenditures
YR-MO	1606 = the year/month in which accruals and liquidations will be posted

Fund	Trns Code	GL Dr/Cr	Amount
148	326	6505/5111	100.00
148	602	9510/6410	100.00

Entries Generated In Batch Post Period 1607

Fund	Trns Code	GL Dr/Cr	Amount
148	327	5111/6505	100.00
148	002	6510/1110	100.00
841	040R	1151/1150	100.00

Example 2: Proprietary funds

Merchandise or services received by June 30th, paid for in July 2016, expenditure needs to be accrued into 1516.

Original Invoice Input July 2016:

Entries as input on the Accounts Payable Invoice Screen (BM3002).

Fund	Trns Code	GL Dr/Cr	Amount	Invoice Date	Schd Pymt Date	Btch Post Per
524	002	6510/1110	50.00	160620	160715	1607

Entries Generated In Batch Post Period 1606

Schedule BM3200J. It will process invoices with a status of "unpaid" and an invoice date less than 160701 with a batch post period of 1607.

Parameters:

BM3200-CURR-OPT	N = Accrue invoices with a batch post period greater than the scheduled YR-MO
BM3200-DEL-OPT	N = Process all qualified invoices (default)
BM3200-VPA-OPT	Y = Accrue VPA expenditures
YR-MO	1606 = the year/month in which accruals and liquidations will be posted

Fund	Trns Code	GL Dr/Cr	Amount
524	326	6505/5111	50.00

Entries Generated In Batch Post Period 1607

Fund	Trns Code	GL Dr/Cr	Amount
524	327	5111/6505	50.00
524	002	6505/1110	50.00
841	040R	1151/1150	50.00

Example 3: Treasury general funds, with an encumbrance

Merchandise or services received by June 30th, paid for in July 2016, expenditure needs to be accrued into 1516.

Original Invoice Input July 2016:

Entries as input on the Accounts Payable Invoice Screen (BM3002).

Fund	Trns Code	GIDr/Cr	Amount	Invoice Date	Schd Pymt Date	Btch Post Per
001	503	6505/5150	500.00	160620	160715	1607
001	602	9510/6410	500.00			

Entries Generated In Batch Post Period 1606

Schedule BM3200J. It will process invoices with an "unpaid status" and an invoice date less than 160701 with a batch post period of 1607.

Parameters:

BM3200-CURR-OPT	N = Accrue invoices with a batch post period greater than the scheduled YR-MO
BM3200-DEL-OPT	N = Process all qualified invoices (default)
BM3200-VPA-OPT	Y = Accrue VPA expenditures
YR-MO	1606 = the year/month in which accruals and liquidations will be posted

Fund	Trns Code	GL Dr/Cr	Amount
001	326	6505/5111	500.00
001	602	9510/6410	500.00

Entries Generated In Batch Post Period 1607

Fund	Trns Code	GL Dr/Cr	Amount
001	801R	5111/4310	500.00
841	040R	1151/1150	500.00
840	502	1350/1110	500.00 (This entry needs to be performed manually on the GA1103 screen.)

If the last entry is not made, your daily cash will be out of balance. The check generated a credit 1150 but no 1110. See Handling the Daily Cash Out-Of Balance Condition for two methods for dealing with this condition.

Example 4: Treasury capital funds, with an encumbrance

Merchandise or services received by June 30th, paid for in July 2016, expenditure needs to be accrued into 1516.

Original Invoice Input July 2016:

Entries as input on the Accounts Payable Invoice Screen (BM3002).

Fund	Trns Code	GlDr/Cr	Amount	Invoice Date	Schd Pymt Date	Btch Post Per
057	503	6505/5150	500.00	160620	160715	1607
057	602	9510/6410	500.00			

Entries Generated In Batch Post Period 1606

Schedule BM3200J. It will process invoices with an "unpaid status" and an invoice date less than 160701 with a batch post period of 1607.

Parameters:

BM3200-CURR-OPT	N = Accrue invoices with a batch post period greater than the scheduled YR-MO
BM3200-DEL-OPT	N = Process all qualified invoices (default)
BM3200-VPA-OPT	Y = Accrue VPA expenditures
YR-MO	1606 = the year/month in which accruals and liquidations will be posted

Fund	Trns Code	GL Dr/Cr	Amount
057	326	6505/5111	500.00
057	602	9510/6410	500.00

Entries Generated In Batch Post Period 1607

Fund	Trns Code	GL Dr/Cr	Amount
057	327	5111/6505	500.00
057	503	6505/5150	500.00
841	040R	1151/1150	500.00
149	502	1350/1110	500.00 (This entry needs to be performed manually on the GA1103 screen.)

If the last entry is not made, your daily cash will be out of balance. The check generated a credit 1150 but no 1110. See Handling the Daily Cash Out-Of Balance Condition for two methods for dealing with this condition.

Handling the Daily Cash Out-of-Balance Condition

Method 1

If the entry is input manually, it will create the GL 1110 entry.

Fund	Trans Code	GL Dr/Cr
840	502	1350/1110

This entry can be made daily, weekly, or monthly.

Although the above entry will create an out-of-balance condition between the 1350/5150 ledgers, the correction can be made with the following procedure:

When processing the VPA Reimbursement (GA3200J) in the next month, for July month-end, the checks written in July with an 801R transaction code **will not be included**. The total amount of these transactions will need to be added to the amount reported on the VPA Reimbursement Report (GA3231) when preparing the JV for the State Treasurer.

The out-of-balance between 1350/5150 should be the amount of these transactions. You can double check by comparing this amount with the amount of T/C 932s appearing on the CR2356 report (AFRS In-Process Transactions). FMS T/C 801 crosswalks to AFRS T/C 932.

When the reimbursement is received in August, you will need to record the total reimbursement (GA3231 amount plus the amount of 801R transactions) into fund 840. This will bring general ledgers 1350/5150 back into balance.

Method 2

Another method of handling the out-of-balance condition is to not record the manual 502 entry. This will cause your daily cash to be out of balance; however, you can keep track of the amount on a daily basis. Also, the month will close with general ledger 1110 not equal to 1150.

Here again, the 801R transaction codes will not be included on the VPA Reimbursement Report. The total amount of these transactions will need to be added to the amount reported on the VPA Reimbursement Report (GA3231) when preparing the JV for the State Treasurer. To verify the amount, compare the total of your daily cash out-of-balance to the T/C 932s appearing on the CR2356 report (AFRS In-Process Transactions).

When the reimbursement is received in August, you will need to enter T/C 040 (1150/1151) to bring cash back into balance.

Contacting the SBCTC-ITD for Assistance

If you have any questions, please contact SBCTC-ITD Customer Support

- by phone at (425) 803-9721
- by e-mail at support@sbctc.edu