

Grants/Projects Closing Procedures & Tips

State Fiscal Year 2020



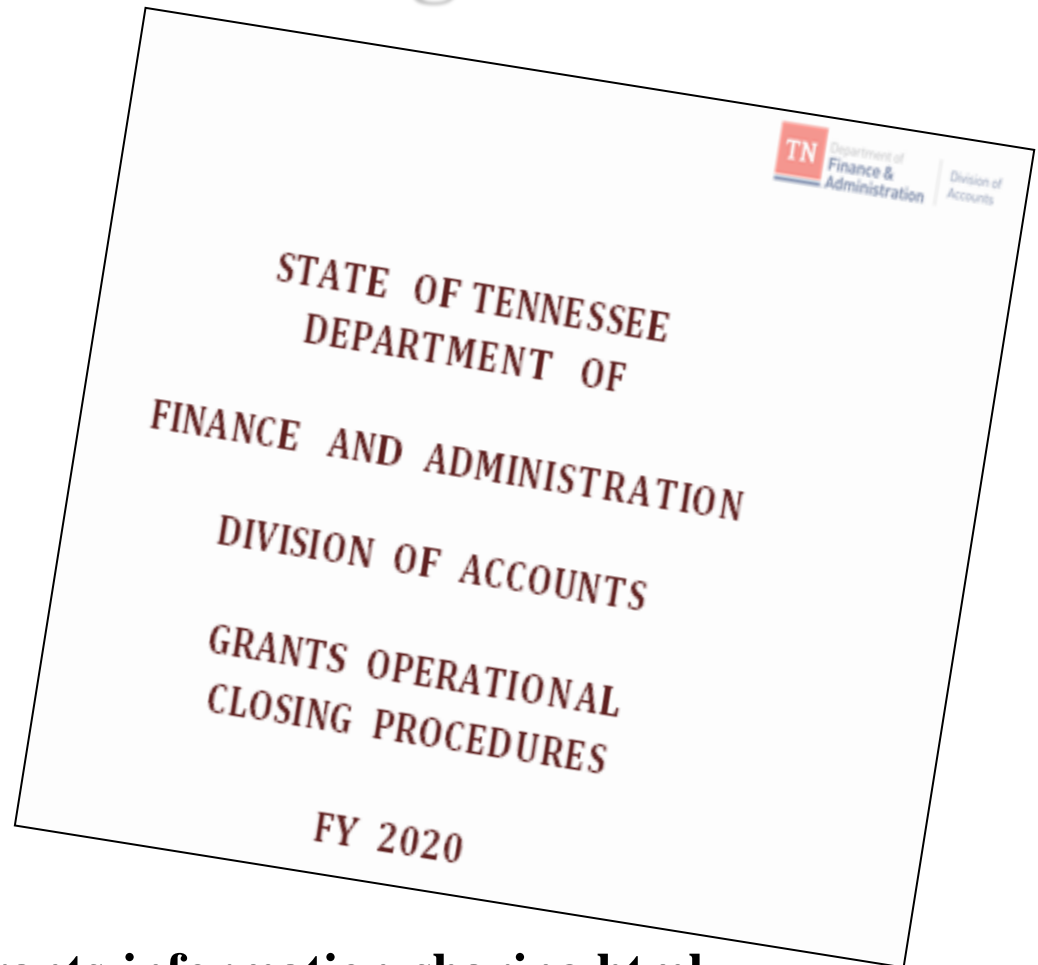
Agenda

- Welcome
- Grants Operational Closing Procedures Document
- Revenue Closing Timeline
- Grant Tips
- Question and Answers

Grants Operational Closing Procedures

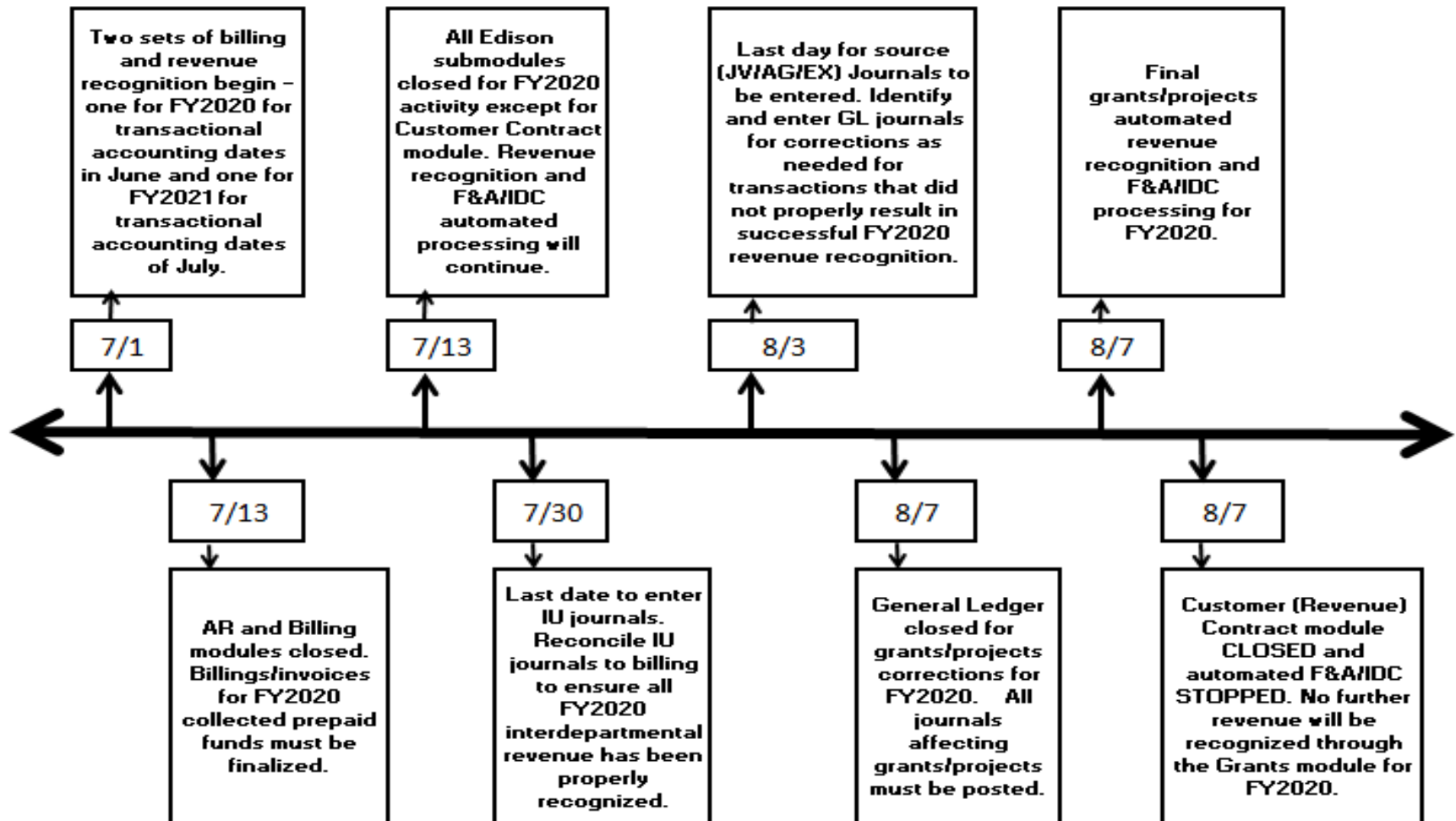
Word document
Having step by step
Instructions with
Dates & Examples
for all steps along
With Tips on SEFA
& SIS reporting
(Grants Accounting)

<https://www.tn.gov/finance/grants-information-sharing.html>



Grants/Projects Revenue Recognition Closing Timeline FY2020

Revenue Recognition Closing Timeline FY2020



Analyze and take action to close and/or complete Open Grant Items in Accounts Receivable

- Run query TN_AR18C_ALL_OPEN_ITEMS_FD_SC
 - Invoice accounting dates greater than 30 days need to be analyzed and resolved.
- Run query TN_AR18B_OPEN_OA_ITEMS
 - All open OA deposit items should be closed within fourteen (14) days from the accounting date of the OA deposit item.
 - Create maintenance worksheet with guidelines in the AR manual; change “Accounting Date to 6/30/20 only can be done until 7/12/20.”

Perform Reconciliations of AR Accounts 12000001 and 11120001

- **Reconcile AR Account 12000001**
- **Reconcile Unbilled AR Account 11120001**

Directions are on the Grants Sharing Website
<https://www.tn.gov/finance/grants-information-sharing.html>

Identify and complete any Customer (Revenue) Contracts/Grants in a Pending Status or any Customer (Revenue) Contract Amendments in a Pending Status

- **Run TN_GR22_CONTRACTS_PENDING**
 - Transactions on projects in pending contracts do not bill or recognize revenue.
- **Run TN_GR40_PENDING_AMENDMENTS**
 - Transactions awaiting the completion of a Customer (revenue) Contract do no bill or recognize revenue.

Reminders on Customer Contracts

- Domino effect of wrong “Rate Set”
 - If flow-through from another state agency “68090” or if received from a non-governmental sponsor “68060”
 - ◆ Could have recognized 68001 Federal Revenue even if you have not billed
 - If agency corrects using GL JV’s instead of creating new grant/project – remember domino effect that a billing (BI) journal may be left in the system
 - Do NOT change rate set dates once Contract created!
 - 7XXX expenditures do not bill on STAT rate sets

Identify and resolve Over-the-Limit (OLT) transactions

- Run TN_GR19_OLT_CHECK query
- Options to select:
 - 1) Contract billing limit could be increased.
 - 2) Expenditures need to be moved to different grant.
 - 3) Expenditures need to be changed to a STATE activity.
 - 4) Expenditures need to be moved to state with no project ID.

Identify and resolve errors in Revenue Recognition

Step 1: Identify Customer Contracts which have revenue recognized to wrong activity and take corrective action.

Run query TN_GR24A_REV_WRONG_ACTIVITY

Analyze
results
and make
corrections
as needed !
Take care
about entries
crossing
state years.

TN_GR24A_REV_WRONG_ACTIVITY					Ran in May 2020 with a begin date of 07/01/2019
Sum of Amount					
PC Bus Unit	Contract	Project	Activity	Total	
31601	FFG2019	CYFFGTPAS000019	STATE	\$0.00	
31701	2018 RSAT	FARSAT18A	STATE	\$0.00	
31865	XIX_MAP20R	TNMP2006521R	STATE	\$0.00	
32701	ENFY18LDBSPAINT	ENFY18LDBSPAINT	PROGRAMINC	\$71,785.00	
32701	ENHAZWASTE FY19	ENHAZWASTE FY19	STATE	\$0.00	
33701	UNEMPINSURFF19	LW210UIADMIN019	PROGRAMINC	\$583.70	
33701	UNEMPINSURFF20	LW210UIADMIN020	PROGRAMINC	\$8,669.18	
34101	MITYSFO075F2019	MITYSFO075F2019	STATE	\$187.90	
34501	HSCHSUPPORT20	HSCSE_F66_20	PROGRAMINC	\$7,160,909.43	
34501	HSCSE_F66_19	HSCSE_F66_19	PROGRAMINC	\$1,624,442.00	
34501	ILOB_F100_FFY19	HSILOB_F100_19	PROGRAMINC	\$560,310.42	
34501	ILOB_F100_FFY20	HSILOB_F100_20	PROGRAMINC	\$178,787.44	
34501	VR_BASIC FY20	HSBASIC_100_20	PROGRAMINC	\$873,952.47	
34501	VRBASIC_FY18	HSBASIC_100_18	PROGRAMINC	\$145,551.84	
34501	VRBASIC_FY19	HSBASIC_100_19	PROGRAMINC	\$125,854.19	
34901	SFPLADMTHSO2019	SFPLADMTHSO2019	STATE	-\$20,518.12	

Identify and resolve errors in Revenue Recognition

Step 1: Identify Customer Contracts which have revenue recognized to wrong activity and take corrective action.

- Revenue recognized to wrong activity could be avoided:
 - By monitoring TN_GR01_GRANT_PROJECT_LIST **after creating new grants** to look for mis-matched Rate Sets to Sponsors or Project Activity(s).
 - By monitoring TN_GR27_RATE_SET_ERRORS on a **weekly basis or after activation** of new grants into Edison.
 - By monitoring the “TN_GR03” query **daily** for the “**STATE**” activity appearing and billing – it should not appear unless it is correcting a previously billed error.
 - By monitoring the “TN_GL64_REVENUE” or Trial Balance query looking for **68001000** on Projects with “**STATE**” activity.

Resolve other errors in Revenue Recognition - Identify and resolve Revenue not recorded to a CN Journal - Step 2

Run query TN_GR_A07_REVENUE_NOT_CREATED

From the query, create a pivot table and analyze...

Unrecognized revenue cannot be resolved if a Customer Contract has had it's Contract Processing Status marked Cancelled or Superceded!

Closed Contracts cannot be undone!

Utilization of a prepaid pulls on this query if the second CN (utilization) journal has not been created – it takes an extra day to create due to the timing of the batch processes.

Identify and anticipate year-end effect of revenue recognized in a different year than expenditures - Step 3

Run query TN_GR06X_REV_EXP_IN_DIFF_YEAR

SEFA pulls from
revenue recognized
from the expenditures,
not from the
expenditures
plus the *accruals (YAE)*

Revenue for adjusting Periods
991, 992, etc. is in Period 12

Expenditures



Revenue



Example 1: TDOT		
Sum of Amount	REV Year	
PC Bus Unit	EXP Year	2020
40100	2013	\$10,512.71
	2014	\$32,270.10
	2015	\$209,759.20
	2016	\$381,418.68
	2017	\$752,890.55
	2018	\$4,144,619.29
	2019	\$16,793,951.40
Grand Total		\$22,325,421.93

Identify and Resolve Indirect Cost (F&A) Errors

- Run TN_GR28_SFA_COM_CNTRL_ERRS query
- Run TN_GR29_SFA_INTERACTIVE query

**Edison helps to notify you of these errors weekly,
but it is up to the agency to resolve the errors.**

**If not corrected, no indirect cost for any Project ID
will process for that particular agency.**

Review and analyze projects not associated with a Customer Contract.

- Run TN_GR22A_PROJ_NOT_ON_CONTRACT or TN_PR140_PROJECT_NOT_CONTRACT and analyze...
- If reporting project, it is valid to pull on query.
- If costs need to be re-allocated via GL JE, run query TN_PR101_PROJECT_COST_DETAIL to get details.
- If Edison does reallocations – **the Agency/business unit needs to review** to ensure all values were reallocated & clear any errors.

1	PC BU	Project	Activity
2	34901	SFDISTRICT01	DEFAULT
3	34901	SFDISTRICT02	DEFAULT
4	34901	SFDISTRICT03	DEFAULT
5	34901	SFDISTRICT04	DEFAULT
6	34901	SFDISTRICT05	DEFAULT

Determine and resolve any Abnormal situations which exist or if “analysis types” have been incorrectly used.

- Run query TN_GR23_ANL_TYPE_ABNORMAL
- The Project “Activity” along with “Analysis type” **should** identify funding source.
 - 7XXXXXX accounts do not belong with GLR
 - 6XXXXXX accounts do not normally belong with GLE
 - ◆ Exception with Refund of PY Federal Expenditure paid back via AP using 68012000 with Project ID and Federal Activity receives an ACT analysis type
 - STATE Activity does not normally have GLE
 - FEDERAL Activity does not normally have CGE
 - Federal Rate Set 68001 should not have a Project ID with an INTERFED, INTERMATCH or NONGOV Activity

Determine and resolve any abnormal situations which exist or if “analysis types” have been incorrectly used

- Analysis types to use only in General Ledger Journals
 - GLE – General Ledger Expense
 - CGE – Cost Shared General Ledger Expense
 - SJE – Statistical Journal Entry
 - SFA – Indirect Cost Expenditure
 - OFA – Contra Indirect Cost Expenditure
 - GLR – General Ledger Revenue
 - YAE – Year-End Accrued Expenditures
 - YAR – Year-End Accrued Revenue

Determine and resolve any abnormal situations which exist or if “analysis types” have been incorrectly used

- Analysis types to use **only** in AG Journals
 - GLE – General Ledger Expense
 - CGE – Cost Share General Ledger Expense
 - GLR – General Ledger Revenue

Determine and resolve any abnormal situations which exist or if “analysis types” have been incorrectly used

- Analysis types to use **only** in IU Journals
 - GLE – General Ledger Expense
 - CGE – Cost Share General Ledger Expense
 - IUR – Interdepartmental Revenue

 - GLR – General Ledger Revenue – exception on Refunds or Program Income

Determine and resolve any abnormal situations which exist or if “analysis types” have been incorrectly used

- PROGRAMINC automatically reduces the Federal draw when recorded on a Journal entry or a deposit with Project ID, Federal Activity and analysis type “GLR.”

68080005	Current Services-Program Income
----------	---------------------------------

- PROGRAMINC returning as invalid value, but OK if agency is recording program income.

Review Project-related journals which have not posted

Review Project-related Journals which have not posted

- This should be done **each Friday through July 24th !**
- Done **daily** on these dates from Monday, July 27th to Monday, August 3rd.
- Each morning through August 6th - last day for DOA to approve JV/EX journals
- As various periods close – watch for journals not approved in the period that is closed
- **No reallocation JV/AG/EX journals for grants/projects can be entered for state FY 2020 after Monday, August 3rd !!!!**

Review Project-related journals which have not posted

Run TN_GR20A_JRNLS_NOT_POST_GR and analyze:

- Checking budget status
- Checking processing status
- Remember to include all open period dates
 - ◆ Approve journals not approved by agency
 - ◆ Evaluate if any have budget errors and resolve errors
 - ◆ Budget errors on “ALLOT” have to be resolved through F&A Budget
 - ◆ If interagency IU journals, email or call corresponding agency
 - ◆ Follow up on journals to determine why they are not posted
 - ◆ If Division of Accounts General Ledger group has denied – they can be re-worked & re-submitted (short time frame!)

Deadlines for requesting changes on Speedcharts/Task Profiles

- 6/24 - For new speedcharts related to Projects for FY21 that must be entered for an effective date of July 1st
- Submit 100% speedcharts separately from split speedcharts

Evaluate transactions that have not yet billed

Run TN_GR20_UNBILLED_TRANS_DETAILS query
vs TN_GR20_ELIG_UNBILLED_TRANS_DT

- Contract Status and Processing Status need to be Active
 - Projects have to be “O” Open to have transactions to bill
 - Activities have to be “Active” to have transactions to bill
 - OLT does not bill nor recognize revenue
 - Just because you delete the temp bill, the transactions don't go away
 - Transactions on TN_GR03 with FEDERAL Activity have had revenue recognized & will appear on SEFA
 - “DEF” lines have the deferred date as the Bill date on TN_GR20

Evaluate transactions that have not yet billed

Then use Query
TN_GR20
to analyze
with Pivot
Table –
Billing
Status in the
Column

Billing Status					
Billing Worksheet – in billing on temp or invoice					
Priced – ready to send to billing					
Unbillable Non-billable not currently billable					
3	Sum of Total Amount	Billing Status			
4	Project ID	Billing Worksheet	Priced	Unbillable/Non-billable	Grand Total
5	ECARCCTA532010	684.89	26,314.29	55.85	27,055.03
6	ECARCCTA532011	3,827.78			3,827.78
7	ECARCCTAFED909	3.13		28,090.46	28,093.59
8	ECARRACDBG70010		1,266.42	1,266.42	2,532.84
9	ECBIODIESELIN09	-29.60	5.92	17.76	-5.92
10	ECCDBGGRANT0909	142,739.12			142,739.12
11	ECFEMAGRANT0909	13.21		18.88	32.09
12	ECFEMMAPMOD0909	6.60	33,057.78		33,064.38
13	ECGOVENTASKFC09		14.06	10.36	24.42
14	ECLOGGOVENRGY09	-1,488,777.18			-1,488,777.18
15	ECMICROLOAN0710	-3,787.65		56,000.00	52,212.35
16	ECPVE	3,576,980.00			3,576,980.00
17	ECRRLBUSENTGT11	14,321.50			14,321.50
18	ECSEPGRMGMT0509	220,441.75	0.00	147,434.12	367,875.87
19	ECSTDIAMSKADM09	-36,641.02	18,361.59	17,260.11	-1,019.32
20	ECSTENEPLFY2011	38,713.30			38,713.30
21	ECSTWINDENGYS09			17.76	17.76
22	ECTNENEDUNETW09	13,011.13	5.92		13,017.05
23	Grand Total	2,481,506.96	79,025.98	250,171.72	2,810,704.66

Ignore –will not be billed or S - In process

Evaluate transactions that have not yet billed

Then use Query
TN_GR20 to analyze
With Pivot Table-
Revenue
Recognition
Status

Revenue may
be recognized
on future dated
journals;
Revenue is ignored
on interdepartmental

C = Revenue processing has not yet occurred

Distributed = Revenue has been recognized & posted to GL

Generated = Revenue accounting lines have been created but not posted to GL

Ignored = Revenue will not be recognized

3	Sum of Total Amount	Rev Recog Status				
4	Project ID	C	Distributed	Generated	Ignored	Grand Total
5	ECARCCTA532010	26,314.29	684.89		55.85	27,055.03
6	ECARCCTA532011		3,819.95	7.83		3,827.78
7	ECARCCTAFED909		3.13		28,090.46	28,093.59
8	ECARRACDBG70010	1,266.42			1,266.42	2,532.84
9	ECBIODIESELIN09	5.92	-29.60		17.76	-5.92
10	ECCDBGGRANT0909		127,333.15	15,405.97		142,739.12
11	ECFEMAGRANT0909		13.21		18.88	32.09
12	ECFEMMAPMOD0909	33,057.78	6.60			33,064.38
13	ECGOVENTASKFC09	14.06			10.36	24.42
14	ECLOGGOVENRGY09		-1,488,777.18			-1,488,777.18
15	ECMICROLOAN0710		-3,787.65		56,000.00	52,212.35
16	ECPVE		3,576,930.98	49.02		3,576,980.00
17	ECRRLBUSENTGT11			14,321.50		14,321.50
18	ECSEPGRMGMT0509	0.00	228,687.09	-8,245.34	147,434.12	367,875.87
19	ECSTDIAMSKADM09	18,361.59	-36,641.02		17,260.11	-1,019.32
20	ECSTENEPLFY2011		22,741.27	15,972.03		38,713.30
21	ECSTWINDENGYS09				17.76	17.76
22	ECTNENEDUNETW09	5.92	13,011.13			13,017.05
23	Grand Total	79,025.98	2,443,995.95	37,511.01	250,171.72	2,810,704.66

S = Revenue is in process
None = Revenue has not been recognized

Evaluate transactions that have not yet billed

- Run TN_GR_A09_EXP_NOT_PRICED query
- Notify:
 - Division of Accounts Grant Accounting Manager – Mary Lou Goins
 - File an Edison FSCM Projects/Grants Remedy Help Desk Case

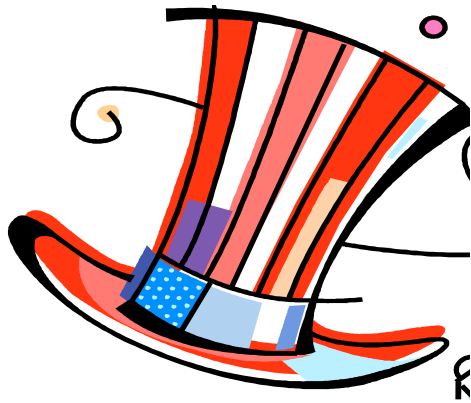
Reconcile pass-through Grants BLD & Interdepartmental Revenue

- Run TN_GR04_INTERDEPT_AR query periods & analyze
- Does BLD and IUR equal?
 - If yes, the billed amounts of the invoices equal the IU revenue & Supplemental Schedule will be correct!
- Does BLD and IUR not equal?
 - If yes, validate all bills have been approved & processed through Single Action.
 - Create IU journals (have to value \$1,000.00 or greater)
 - If invoice amount different from IU, does billing need to be adjusted with a GL Journal to move transactions?

Last Day to enter Project Related Travel Expenditures – 6/29

- Last day for all travel expenditures with accounting dates in June related to Grants/Projects to be submitted.
- Can I enter travel in July and date it with a June accounting date?....only if agency is reallocating on a journal entry travel that has already been entered and processed in FY20.

New State Year Begins – FY21



Date Reminder on TN_GR03
July 1st

- Two sets of billing and revenue recognition begins for State Fiscal Year 20 and 21
- Two temp bills for each Contract/Grant if transactions exist in both state years
- JV/EX/AG's in **Adjustment Periods** (991-992-993-994) are always dated **6/30/2020!**

PREPAID Zero Dollar Billings

Remember to BILL the PREPAIDS
which have June transactional accounting dates
with **JUNE Billing dates separately** !

Would use two separate run controls in billing !

Can be done until the AR and Billing modules
close on July 13th but recommend doing before the
last date !

Prepays

Creation and Processing of (Immediate Billing) Prepays associated to Customer Contracts/Grants for deposits received in June or before is July 13th!

- Customer (revenue) Contract and associated Prepaid
 - ◆ Has to be created in June
 - ◆ Immediate billing (process other billing methods) occurred in June
 - ◆ Deposit recorded in June
 - ◆ Invoice Item created from Immediate billing needs to be closed in June
 - ◆ All has to occur before the AR module closes

Submodules Closed

Monday, July 13th

**All Edison submodules closed for FY20
except for.....**

- **Customer Contract – Revenue recognition**
 - ◆ **Remember that revenue recognition for transactions in adjusting periods is recognized in Period 12 not in adjusting periods (991-992-993-994)**
- **F&A (Indirect Cost) automated processing**

IU Journal Dates: July 30 – August 2

7/30 - Last day of entry of IU journals by creating agency

8/3 – Last day of entry by secondary agency

8/4 – Approvals by both creating & secondary agencies

8/6 – Approval by Division of Accounts GL

This is a very short window if waiting until the last minute to enter the IU journals. The agency creating the IU needs to call and notify via email the secondary agency that an IU exists for them to complete!

August 3rd



**Last day *for entry* of
miscellaneous JV/AG/EX
journals to correct a
previous FY20 transaction
affecting Projects/Grants!**

Perform Deferred/Advanced Revenue analysis

- Run **TN_GL048_TRIAL_BALANCE_ACCT** for Period “0” to get beginning balances
 - Use 35% (wildcard) to only get the deferred accounts
- Analyze trial balance to get amounts by grant deferred revenue accounts for period “0”
- Run **TN_GL66_LIABILITY_ENTRIES_PD** for each period and combine into a spreadsheet

Perform Deferred/Advanced Revenue analysis

Create a pivot table to show the activity by period & source; adding period “0” from Trial Balance gives one the amount carried over from prior State year; interest (if applicable) comes from AL source

		Source					Grand Total
Account	Period	AL	AR	BI	CN	JV	
35000109	2		\$18,112.31	-\$18,112.31	\$35,766.73	-\$35,766.73	\$0.00
	4				\$241,470.34		\$241,470.34
	5				\$37,572.01		\$37,572.01
	7	-\$10,130.85			\$70,234.00		\$60,103.15
	8	-\$1,555.13					-\$1,555.13
	9	-\$1,364.24			\$71,591.24		\$70,227.00
35000109 Total		-\$13,050.22	\$18,112.31	-\$18,112.31	\$456,634.32	-\$35,766.73	\$407,817.37

Beginning Balance from Trial Balance	Period 0	Activity over time	Balance at Point in Time
35000109	\$ (1,086,289.65)	\$ 407,817.37	\$ (678,472.28)

Analyze grant related contra accounts for proper state year-end balancing. Clear errors on F&A (Indirect Cost) processing.

- Run query on Indirect Cost Expenditure & Contra
TN_GR_A13_89040000_VS_89035000
- Run query on Indirect Cost
TN_GR_A13_IDC_NOT_IN_BALANCE
- Run query on In-Kind Expenditure & Contra
TN_GR_A13_89300000_VS_893010000

Tuesday - August 4th & Friday, August 6th

August 4th -Last day of *agency/business unit*
APPROVALS of miscellaneous **JV/AG/EX**
journals to correct a previous FY20 transaction
affecting Projects/Grants.

August 6th – Last day of *Division of Accounts*
APPROVALS of miscellaneous JV/EX journals
to correct a previous FY20 transaction affecting
Projects/Grants

Interest on Deferred Revenue accounts should be posted and Conversion (type) prepaids added to Customer Contract(s) and processed.

- Refer to Grant Manual for prepaid creation.
- Don't forget about Prepaids created for interest earned on deferred revenue accounts.
- Conversion close of interest related prepaids has to be done by Edison financials.

Friday - August 7th

Contracts Module & Automated Indirect Cost Processing Closed

- Customer (Revenue) contract module closed for FY 20 (revenue recognition for FY20 will NOT occur after this date)!
- Remember Revenue recognition occurs in period 12 for reallocations of expenditures recorded in the adjusting periods.
- *Project expenditures coming through Cost Allocation Period 991 along with Indirect Cost will be in the next state year.*

August 8

Billing for State FY2020 Stops

- Last day for temporary bills on TN_GR03 with separate 2020 State Year accounting dates to occur!

Evaluate 2020 Journals

- Run query **TN_GR20A_JRNLS_NOT_POST_GR**
- Evaluate miscellaneous JV/EX/AG journals which were NOT approved for FY20 transactions affecting projects/grants and delete the journals not approved.

When all zero dollar invoices are processed, create a “no project” journal to adjust for Utilization (reduction of Deferred/Advanced of zero dollar billings for FY20 with billed dates in FY21)

- Run query **TN_GR_A06_UTL_IN_NEXT_FY**
- Create and process Journal to correct the Unbilled AR and the Deferred/Advanced account balances

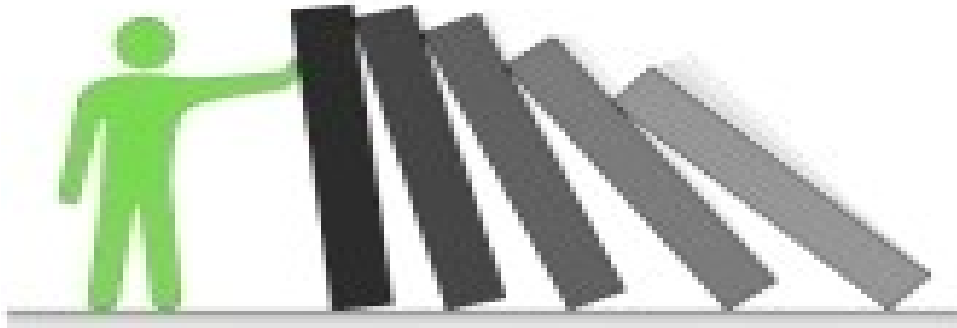
BU	Fund	<u>Dept</u>	Account	<u>Loc</u> CF	PC BU	Project	Activity	An Type	Amount	Description
30501	20037	305107503	35000365	19136					25.00	<u>AdjDR@YrEnd</u>
30501	20037	305107503	11120001						-25.00	<u>AdjDR@YrEnd</u>

Project Errors on Speedcharts !

- Query **TN_GL60PE_SPDCHRTS_PRJ_ERRORS** is a query that an agency can use on a regular basis (at least monthly) to identify SpeedCharts/Task Profiles that contain a Project ID that may no longer be valid due to the following situations:
 - The Project Budget end date in Commitment Control is in the past
 - The Project ID is used in a Task Profile but does not have a budget for salaries and benefits

NOTE

- Remember the Domino Effect....
- As you do various steps, you WILL have to recheck queries.....



Questions & Answers ?????