Chapter 3 - Revenue Accounting
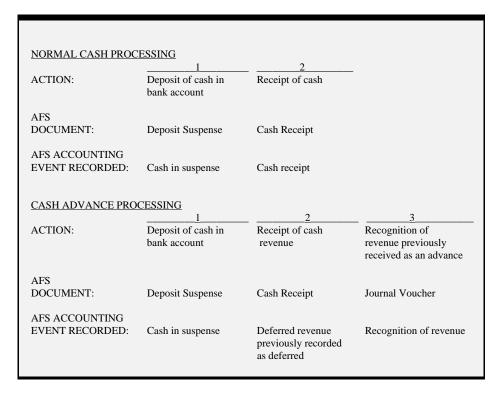
Chapter 3 - Revenue Accounting

Revenue Overview

The AFS revenue module provides detailed revenue accounting records for both financial and cost accounting purposes. AFS permits revenue accounting on a cash or accrual basis. Cash advances and vendor refunds may also be recorded when received.

The standard revenue collection process consists of two steps. Step one occurs when monies are received and deposited in Cash in Suspense by use of the Deposit Suspense (DS) document. At this point the receipt is considered in suspense and is not revenue. Step two occurs when the agency enters a Cash Receipt (CR) document to classify the cash receipt out of suspense into the proper revenue source or other valid account code. Monies received after the August 14 close (Period 13) for refund of prior year expenditures will be coded to income not available. Exceptions to this may be federal and other revenues that may be carried forward.

A second scenario exists for revenue accounting. Cash advances may be recorded when revenue is received before it has been earned. In this situation, the cash collection should be recorded as deferred revenue. When cash is received, the collection is first deposited and recorded on a Deposit Suspense (DS) document. After the deposit is verified, the AFS Cash Receipt (CR) document may be used to record deferred revenue. After the revenue is actually earned, the unearned receipts must be reclassified as earned revenue. An AFS journal voucher transaction is used to reclassify the deferred revenue as earned.

These revenue accounting steps are summarized in Figure 3-1.

Figure 3-1
Revenue Accounting
Events

NORMAL CASH PROCESSING

	1	2
ACTION:	Deposit of cash in bank account	Receipt of cash
AFS DOCUMENT:	Deposit Suspense	Cash Receipt
AFS ACCOUNTING EVENT RECORDED:	Cash in suspense	Cash receipt

CASH ADVANCE PROCESSING

	1	2	3
ACTION:	Deposit of cash in bank account	Receipt of cash revenue	Recognition of revenue previously received as an advance
AFS DOCUMENT:	Deposit Suspense	Cash Receipt	Journal Voucher
AFS ACCOUNTING EVENT RECORDED:	Cash in suspense	Deferred revenue previously recorded as deferred	Recognition of revenue

Definition of Terms

The following terms are used throughout this chapter:

Cash recording. This is the point at which the deposit is entered on the Deposit Suspense (DS) document by the State Treasurer's Office. The AFS Cash Receipt (CR) document records the classification by the agency of the cash receipt from suspense into the proper revenue source. The CR may also be used to record vendor refunds and non-revenue-related (balance sheet) transactions.

Cash Advances. When cash is received before it has been earned, it should be recorded as deferred revenue. This is achieved in AFS with a balance sheet transaction on a Cash Receipt (CR) document.

Deposit Suspense. After cash is received and deposited into a bank account, but before the receipt is classified, the cash is considered deposited but unavailable to the system and unrecognized as revenue. During this time, the cash is considered in deposit suspense.

Earned Advances (Recognition). Unearned receipts previously recorded in the system as deferred revenue must be recognized when the revenue is earned. This is achieved by a balance sheet transaction using a journal voucher document.

Key Concepts

Referencing

Revenue accounting employs document referencing to link the Deposit Ticket number and the Cash Receipt (CR) that recorded the same collection. This reference is maintained by the transaction number. The first nine characters of the transaction number for the CR document must be the Agency Code + Deposit Ticket number from the bank deposit. If multiple CR documents must be recorded for a single Deposit Ticket, the first nine characters of all CR numbers will be the same Agency Code + Deposit Ticket number, while the last two characters of the transaction number may be used to indicate sequential numbering. So, if the agency is 123 and the deposit ticket number is 456789, the first CR would have transaction number 123456789, the second CR may be 1234565789A, then 123456789B, and so on. In this manner, the Deposit Ticket and Cash Receipt referencing the same collection will be clearly linked in the system.

The Deposit Suspense (DS) document will use automatic document numbering. For reference purposes, the DS document number is stored on Open Deposit Items (ODIT) with the deposit ticket number the DS recorded.

Accounting Basis of AFS Revenue Accounting

AFS performs various functions that aid in properly accounting for revenue. Some of these functions include:

- Users code only the revenue line of a revenue transaction on input forms. AFS automatically generates the implied offset (balance sheet) entry. The actual offset lines generated are listed in subsequent sections of this chapter.

- Entry of the Deposit Suspense (DS) document automatically debits cash for the deposit cash account (6040) and credits the deposit suspense account (6076). Both of these accounts are stored on System Special Accounts (SPEC). When the postings are made, the deposit suspense fund (001) is used. The code for this special fund is also stored on SPEC.

- Processing a cash receipt document automatically reverses the entries generated from the deposit suspense document for the deposit ticket it references. The CR document infers the entry to the cash offset account based on the organization coded.

- The deposit/classification process requires that the classification of revenues may not exceed the amount deposited and the deposit must have been verified by the State Treasurer's Office.

- Since all transactions are saved, a detailed audit trail of all accounting activity is available. It exists on Online General Ledger Inquiry (OLGL) for all open accounting periods. For closed periods, this data is stored on magnetic tapes.

- AFS performs an automatic revenue/expenditure reconciliation on internal transactions. That is, when an Internal Voucher (II) is accepted, not only is the expenditure recorded against the buyer's fund, but the revenue is recognized in the seller's fund.

Budgetary Controls

Control on revenue transactions is accomplished by using t he revenue budget "no" control option. No checks are made against the budget structure before revenue accounting transactions are accepted. This option is selected by fund, and is discussed in detail in Chapter 4 of the *ISIS/AFS User Guide, Volume I.*

Amount Ceilings Imposed by Prior Documents

The remaining amount that is shown on Open Deposit Items (ODIT) and its alternate views serves as a ceiling on any cash receipt lines that refer to it. If there has been no previous classification of a deposit, the deposited amount and remaining amount will be identical.

For example, if a deposit is entered in AFS for $278,000, the total of all cash receipts referencing that deposit number cannot exceed $278,000. If a series of three cash receipts, each for $100,000, were submitted referencing that deposit number the first two would be accepted, and the last would be rejected.

Account Code Structure

Revenue accounting transactions require agency, organization, and revenue source codes. Balance sheet transactions require fund, agency, and balance sheet account. Vendor refunds require agency, organization, and expenditure object codes.

To preserve consistency between budgetary and accounting data maintained at different levels of detail, AFS automatically sums to the level of the budget before applying budgetary controls and updating balances in the budget files. Thus, users need only code each transaction properly from an accounting standpoint.

Online Tables

A number of screens exist in AFS to summarize revenue activity. Most of these tables are discussed in the Budgeting chapter (Chapter 1) of this guide. Tables discussed in the budgeting section include: Revenue Budget Inquiry (REV2), Revenue Budget Summary Inquiry (RSUM), Organization Rollups by Revenue Source Code (ORRS) and Appropriation by Revenue Source Inquiry (APRS). All of these tables compare budgeted amounts with actuals. In addition, there are three tables which show only actual amounts. They are: Revenue Summary Inquiry (ORGR), Organization by Revenue Source Inquiry (RORG), Revenue Source/ Sub-Revenue Source Inquiry (OBSR), Organization/Sub-Revenue Source Inquiry (ORSR), and Reporting Category/Sub-Revenue Source Inquiry (RCSR). All of these tables except REV2 and RSUM show actual Revenue amounts as of the previous business day. REV2 and RSUM are updated "real-time" by accepted transactions. More information on all of the tables mentioned above may be found in the *ISIS/AFS Online Features*.

Internal Receipts

Internal sales are recorded using an AFS Internal Voucher (II) transaction when a pre-approval agreement exists or a J4 (Inter-agency Journal Voucher) transaction when there is no pre-approval. Both transactions record both the buyer and seller accounting transactions. The payment voucher and the J4 transaction automatically recognize the revenue in the seller's accounts and charge the expenditure to the buyer's account. See Chapter 2, Expenditure Accounting, in this volume of the *ISIS/AFS User Guide* for a detailed explanation.

Original Funds and Final Funds

When a revenue transaction is coded, the fund is inferred from Organization (ORG2) for the revenue organization coded. This fund is the "final fund" - the fund credited with the revenue. For some organizations, an "original fund" is also recorded (on ORG2). If a transaction is processed with the following criteria, then the revenue will post to the original fund before being (automatically) transferred to the final fund:

- The transaction has account type 31 (revenue).
- An original fund was established on Organization (ORG2).
- The revenue source group for the coded revenue source is **not** equal to "TR" (transfer).

If these criteria are met for a transaction, then the revenue will post to the original fund first. Next, a journal voucher will automatically be created to move the revenue from the original fund to the final fund. This is performed using the reserved object for "Automatic Transfers Out", which is recorded on System Special Accounts (SPEC). The Cash Account recorded on Organization (ORG2) for the revenue organization coded is used for this transaction.

Exceptions to the Original Funds processing are the Special Revenue Journal Voucher, Warrant Voucher, and Deposit Suspense documents.

State General Rev Indicator

Revenue may not be entered into collection centers tied to appropriations with the State General Revenue Indicator equal to "Y". When revenue is classified a lookup is performed on Appropriation Inquiry (Extended) (EAP2) to determine the Appropriation Group Code. If the State General Revenue Indicator on Appropriation Group Code (GRPC) equals "Y", the user will receive an error message.

Deposit Suspense

A Deposit Suspense (DS) is a statement of deposited cash which has not yet been classified and therefore is not recognized as revenue. Deposit Suspense documents are required for all collections received by the State of Louisiana.

A Deposit Suspense (DS) document is a recognition that collections were received and deposited into a bank account. The deposited amount is recorded on the General Ledger as a debit to the Deposit Cash Account and a credit to the Deposit Suspense Account. The deposit is not considered to be available cash by the system until it is classified as such by a Cash Receipt (CR) document.

Multiple cash receipts may be processed against a single deposit suspense transaction. In this case, the remaining amount of the deposit is tracked and reduced by each subsequent cash receipt document. A cash receipt will not process if the amount is greater than the remaining deposit.

Deposit Suspense - Issues & Concepts

The Deposit Suspense (DS) document uses reserved codes from System Special Accounts (SPEC) for the fund and balance sheet account fields. These special codes are used to clearly segregate deposits in suspense from actual classified revenue.

Deposit Suspense Fund

A Deposit Suspense Fund code is reserved on System Special Accounts (SPEC), which is inferred for all deposit suspense transactions. When ledger entries are posted for the deposit suspense transaction, the Deposit Suspense Fund is used on all ledger lines. The same Deposit Suspense Fund is inferred for the cash receipt ledger entries that reverse the effects of the deposit suspense document, regardless of the fund inferred on the cash receipt transaction. (The fund on the cash receipt is used, however, for all other impacts of the CR transaction).

Deposit Suspense Offset Accounts

There are also reserved balance sheet accounts for the deposit suspense transaction which, like the deposit suspense fund, are stored on System Special Accounts (SPEC). Two balance sheet accounts are reserved: a Deposit Cash Account and a Deposit Suspense Account. Both the deposit suspense and cash receipt transactions use these reserved account codes, although the cash receipt only uses them to reverse the deposit suspense. All other postings created by the cash receipt transaction use the applicable account codes.

Federal Draw Down Flag

Some deposits record cash drawn from federal government agencies which has special tracking requirements (for instance federal funds subjected to the rules of the Cash Management Improvement Act). These deposits will be recorded with the Federal Draw Down flag on the DS document set to '**Y**' (Yes). The tables that track deposit suspense items will maintain the flag's value, allowing reports and queries to distinguish between federal and non-federal deposits.

Deposit Verification	The Deposit Suspense (DS) document is entered and processed by State Treasurer's Office personnel. When the DS document is approved and accepted, it is also considered verified. On Open Deposit Items (ODIT), the deposit ticket's record will have the VF (Verify) flag set to '**Y**' (Yes).
Bank Extracts	A program exists to produce extracts in a sequential file format that may be sent to Banks on tape. The extract is produced for disbursements (job AFSDISX). This program allows the user to specify From and To dates and a specific bank account for extraction.

Users have choices for the disbursement extract. The extract may be run for any one of the following three types of disbursements: all (type "A"); voided, canceled, or stopped (type "V"); or checks written (type "C"). Extracts for type "V" are sorted by check date, the other two extract types are sorted by check number. The input for this tape is the Year to Date Automated Disbursements Extract (YTDAUDS).

More detail on the extract process may be found in the *ISIS/AFS Operations Guide.*

Logic Test on Deposit Suspense Amounts

Deposit suspense dollar amounts are subjected to the following test:

- On decrease modify transactions, the deposit amount cannot be decreased below the portion of the deposit already classified.

Accounting Model and Ledger

When deposit suspense transaction is processed by AFS, ledger records are posted to the Current Detail General Ledger (GENLED) as follows:

    Dr   Deposit Cash Account (6040)
       Cr   Deposit Suspense Account (6076)

Reserved fund and balance sheet account codes are used for these postings. The fund for both sides of the posting is the Deposit Suspense Fund (001) listed on System Special Accounts (SPEC). The debit posting uses the Deposit Cash Balance Sheet code, while the credit posts against the Deposit Suspense Account. Both of these codes are also listed on SPEC.

Figure 3-2
*Accounting Model
for Deposit Suspense
Transactions*

```
          DEPOSIT SUSPENSE                    DEPOSIT CASH
             ACCOUNT                            ACCOUNT
                     300[1]                [1]300


          BS
          ACCT     FUND    AMOUNT

   Dr     6040[3]   001[2]   $300.00
     Cr   6076[4]   001[2]   $300.00


Ledger Updates:  GENLED (debit and credit)


[1]  A deposit suspense is entered to record a cash deposit (of $300.00) in fund 001 (see note 2
below) for fees received by Agency 047.  Although the cash is deposited, it is currently in the
Deposit Suspense Account since the deposit has not yet been classified.

[2]  The fund used is the reserved Deposit Fund from the SPEC table.

[3]  This is the Deposit Cash Balance Sheet code from the SPEC table.

[4]  This is the Deposit Suspense Account from the SPEC table.
```

Tables

There are three open deposit suspense items tables:

- **Open Deposit Items (ODIT).** This table contains one entry for each Deposit Ticket number. Most fields from the DS document are stored on the table, with four additional fields: the amount of the deposit which has been classified by Cash Receipt (CR) documents (Classified Amount), the amount of the deposit which remains unclassified (Remaining Amount), the posting date, and the last activity date.

- **Open Deposits by Date Inquiry (ODCI).** This table is an alternate view of **ODIT**, which has the same records sorted by date of deposit. It does not include the posting date, last activity date, DS document number, or the budget fiscal year.

- **Open Deposits by Agency (ODAI).** This table is an alternate view of ODIT, which has the same records sorted by agency of deposit.

Figure 3-3 is a sample Open Deposit Items (ODIT), figure 3-4 shows Open Deposits by Date Inquiry (ODCI), and figure 3-5 shows Open Deposits by Agency (ODAI). These tables are detailed in Appendix B of the *ISIS/AFS Online Features.*

Table Maintenance

Items are cleared from the Open Deposit Items tables (ODAI, ODCI, ODIT) with a monthly job, the Open Deposit Clearing Program (job IS01ODPC). When run, this program purges records which meet the following criteria:

- The deposit is fully classified (Classified Amount = Deposited Amount)

  and

- The accounting period associated with the Last Classified Date is more than 30 days from the current accounting period (as established in the job parameters)

More details on this job may be found in Chapter 7 of the *ISIS/AFS Operations Guide*.

Figure 3-3
Open Deposit Items (ODIT)

```
 ACTION:  SCREEN: ODIT USERID:


                   O P E N   D E P O S I T   I T E M S

  DEPOSIT  V BK F  DEPOSIT  NUM
AGY NUMBER F CD F   DATE    ITEMS DEPOSITED AMT  CLASSIFIED AMT REMAINING AMT
========== - -- -  ------- ----- -------------- -------------- --------------
             LAST ACT  POSTING       DS
               DATE     DATE   DOCUMENT NUMBER  BFY
             --------  ------- ---------------  ---
... ...... . .. .  ......  ..... .............. .............. ..............
             ......   ......  ... ...........  ..
... ...... . .. .  ......  ..... .............. .............. ..............
             ......   ......  ... ...........  ..
... ...... . .. .  ......  ..... .............. .............. ..............
             ......   ......  ... ...........  ..
... ...... . .. .  ......  ..... .............. .............. ..............
             ......   ......  ... ...........  ..
... ...... . .. .  ......  ..... .............. .............. ..............
             ......   ......  ... ...........  ..
```

Figure 3-4
*Open Deposits
by Date Inquiry
(ODCI)*

```
 ACTION:  SCREEN: ODCI USERID:


             O P E N   D E P O S I T S   B Y   D A T E   I N Q U I R Y

DEPOSIT F  DEPOSIT   V BK  NUM
 DATE   F AGY NUMBER F CD ITEMS DEPOSITED AMT  CLASSIFIED AMT  REMAINING AMT
======= = ========== - -- ----- -------------- -------------- --------------
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
......  . ... ....... . .. ..... .............. .............. ..............
```

Figure 3-5
*Open Deposits
by Agency (ODAI)*

```
 ACTION:  SCREEN: ODAI USERID:


               O P E N   D E P O S I T S   B Y   A G E N C Y

DEP F DEPOSIT V BK DEPOSIT  NUM
AGY F NUMBER  F CD  DATE   ITEMS DEPOSITED AMT  CLASSIFIED AMT REMAINING AMT
=== = ======= - -- ------- ----- -------------- -------------- --------------
               LAST ACT  POSTING        DS
                 DATE     DATE   DOCUMENT NUMBER  BFY
               --------  -------  ---------------  ---
... . ....... . .. ......  ..... .............. .............. ..............
               ......   ......  ... ...........  ..
... . ....... . .. ......  ..... .............. .............. ..............
               ......   ......  ... ...........  ..
... . ....... . .. ......  ..... .............. .............. ..............
               ......   ......  ... ...........  ..
... . ....... . .. ......  ..... .............. .............. ..............
               ......   ......  ... ...........  ..
... . ....... - -- ......  ..... .............. .............. ..............
               ......   ......  ... ...........  ..
```

**Table Updates
and Purges**

When an original entry DS document is accepted, each deposit ticket recorded on the DS creates one line on each of the open deposit item tables shown above. Deposit amounts on all tables are changed when modifications are submitted on deposit suspense documents. The classified amount and remaining amount fields are changed as cash receipts are accepted against the deposit.

ODIT and ODAI will reflect the following additional information:

- Last Activity Date - The latest date in which activity occurred against the deposit. If no classification has occurred, the posting date and last activity date will be the same. Each subsequent CR document or DS modification will change the last activity date to reflect the date of last activity.

- Posting Date - The date the DS document was entered into the system

- DS Document Number - The automatic document number generated for the DS transaction that recorded the deposit ticket.

- BFY - The budget fiscal year for which the deposit ticket was recorded.

Records are purged from Open Deposit Items (ODIT) and its alternate views when the Open Deposit Items Table Clean (IS01ODPC) job is run. The Open Deposits Clearing Program purges records that meet the following criteria:

- The deposit has been fully classified, so the classified amount = deposit amount and the remaining amount is zero.

  and

- The accounting period of the last classified date (a field that does not appear on the screen) is more than 30 days before the current (or a user selected) accounting period.

Deposit Suspense (DS) Document

Deposit Suspense (DS) documents are used to record collections received and deposited. After the acceptance of a DS document, the deposit is considered verified, and is ready for classification with a Cash Receipt (CR) document.

Entering Deposit Suspense Documents

Each DS document is coded with an accounting period, budget fiscal year, agency, deposit ticket number, bank account code, deposit date, deposit amount, the number of deposited items, and a federal draw down flag. There is also an optional free-form comments field.

Figure 3-6 presents the AFS standard Deposit Suspense (DS). See *ISIS/AFS Online Features* for coding instructions.

Figure 3-6
Deposit Suspense (DS) Document

```
 FUNCTION:                    DOCID: DS   ... .........
 STATUS:              BATID:                 ORG:        000-000 OF 000
 H-                        DEPOSIT SUSPENSE INPUT FORM

    DS DATE:         ACCTG PRD: .. ..  BUDGET FY: ..  ACTION: .
      DOC TOTAL: ..............          CALC DOC TOTAL:

    DEPOSIT  BK   DEPOSIT      DEPOSIT    I  NUM  FED
    AGY   NUM  CD   DATE       AMOUNT     D ITEMS DRW    COMMENTS
    --- ------ -- -------- -------------- - ----- --- ------------------
01- ... ...... ..  .. .. .. .............. . ..... .  ..................
02- ... ...... ..  .. .. .. .............. . ..... .  ..................
03- ... ...... ..  .. .. .. .............. . ..... .  ..................
04- ... ...... ..  .. .. .. .............. . ..... .  ..................
05- ... ...... ..  .. .. .. .............. . ..... .  ..................
06- ... ...... ..  .. .. .. .............. . ..... .  ..................
07- ... ...... ..  .. .. .. .............. . ..... .  ..................
08- ... ...... ..  .. .. .. .............. . ..... .  ..................
09- ... ...... ..  .. .. .. .............. . ..... .  ..................
10- ... ...... ..  .. .. .. .............. . ..... .  ..................
11-
```

Figure 3-7 illustrates a sample DS input screen coded to record the deposit of sales taxes.

Figure 3-7
Sample Input

```
 FUNCTION:                    DOCID: DS   011 00382234411
 STATUS: PEND1        BATID:                 ORG:        001-001 OF 001
 H -                       DEPOSIT SUSPENSE INPUT FORM

    DS DATE: 05 30 98  ACCTG PRD:      BUDGET FY: 98  ACTION:
      DOC TOTAL:      45,632.50        CALC DOC TOTAL:    45,632.50

    DEPOSIT  BK   DEPOSIT      DEPOSIT    I  NUM  FED
    AGY   NUM  CD   DATE       AMOUNT     D ITEMS DRW    COMMENTS
    --- ------ -- -------- -------------- - ----- --- ------------------
01- 107 123456 03  05 30 98     45,632.50 I   38   N  SALES TAX
02-
03-
04-
05-
06-
07-
08-
09-
10-
11-
```

Cash Receipts

Cash receipts classify all monies collected by the state. This includes cash basis revenues, and return of appropriation (e.g., receipt of monies to be posted to objects of expenditure).

Cash receipt lines are affected by the Revenue Budget Organization Option, the Sub-Revenue Source Option, and the Prior Document Reference Option, as well as the Revenue Budget Control Option. These options are discussed in detail in Chapter 4 of the *ISIS/AFS User Guide, Volume I.* The *recognized amount* field will be updated in Revenue Budget Inquiry (REV2). Additionally, the *actual receipts amount* field in the corresponding Appropriation Inquiry (Extended) (EAP2) record will be updated.

Agency, organization, and revenue source are required codes on standard cash receipt transactions. Balance sheet transactions require fund, agency, and balance sheet account codes. Vendor refunds require agency, organization, object code, and vendor code.

Every cash receipt document references a Deposit Suspense (DS) document, which records deposit information. The CR document number is used to link the Cash Receipt (CR) with the Deposit Ticket it references. The first nine characters of the document number for the CR document must be the Agency Code + Deposit Ticket number from the bank deposit. If multiple CR documents must be recorded for a single deposit ticket, the first nine characters of all CR transaction numbers will be the same Agency Code + Deposit Ticket number, while the last two characters of the transaction number may be used to indicate sequential numbering. So, if the agency is 123 and the Deposit Ticket number is 456789, the first CR would have transaction number 123456789, the second CR may be 1234565789A, then 123456789B, and so on. In this manner, the deposit ticket and cash receipt referencing the same collection will be clearly linked in the system.

At the time of deposit, the collection is credited to the Deposit Suspense Account, where it is stored as an unclassified deposit. Each cash receipt processed against a deposit increases the classified amount field on the open deposit items tables by the amount of the cash receipt. The last activity date is also updated. The remaining amount of the deposit is also recomputed, as the total deposit amount less the classified amount. Cash receipts may not process if the cash receipt amount is greater than the remaining amount.

Cash Receipt Document

Figure 3-8 is the AFS standard Cash Receipt (CR) input screen. See *ISIS/AFS Online Features* for coding instructions.

Figure 3-8a
Sample Cash Receipt (CR) Screen 1

```
 FUNCTION:                  DOCID:
  STATUS:                   BATID:                       ORG:
 H-                                  CASH RECEIPT INPUT FORM

        TRANS DATE: .. .. ..        ACCTG PRD: .. ..        BUDGET FY: ..
                             CMIA SCHEDULE DATE:
           ACTION: .      BANK ACCOUNT CODE: ..

          COMMENTS: ...........


                                            DOCUMENT TOTAL: ..............
                                   CALCULATED DOCUMENT TOTAL:
```

Figure 3-8b
Sample Cash Receipt (CR) Screen 2

```
 FUNCTION:                  DOCID:
  STATUS:                   BATID:                   ORG:          000-000 OF 000
 01-
        LINE NUMBER: ..    REFERENCE DOC ID: .. ... ........... REF LINE NO: ..
    VEND/PROV/CUST: ...........        NAME:
      BILLING CODE: ....
              FUND: ....           AGENCY: ...      ORG/SUB-ORG: .... ..
          ACTIVITY: ....       REV/SUB-REV: .... ..    APPR UNIT: .........
          FUNCTION: ....       OBJ/SUB-OBJ: .... ..   JOB NUMBER: ........
          REPT CAT: ....        BS ACCOUNT: ....
       DESCRIPTION: .............................
            AMOUNT: ..............     I/D: .       P/F: .
```

Figure 3-9 is a sample cash receipt input screen, coded to record miscellaneous receipts for fund 100.

Figure 3-9a
Sample CR
Screen 1

```
 FUNCTION:                  DOCID: CR 100 100DEP001

  STATUS: PEND1         BATID:                       ORG:
 H-                              CASH RECEIPT INPUT FORM

       TRANS DATE: 05 10 98      ACCTG PRD:              BUDGET FY: 98
                           CMIA SCHEDULE DATE:
             ACTION: E     BANK ACCOUNT CODE: 03

         COMMENTS: MISC RECEIPT

                                         DOCUMENT TOTAL:      4,000.00
                               CALCULATED DOCUMENT TOTAL:     4,000.00
```

Figure 3-9b
Sample CR
Screen 2

```
 FUNCTION:                  DOCID: CR 100 100DEP001

  STATUS: PEND1         BATID:                  ORG:         001-001 OF 001
 01-
      LINE NUMBER: 01    REFERENCE DOC ID:                    REF LINE NO:
   VEND/PROV/CUST:                    NAME:
    BILLING CODE:
          FUND: 100            AGENCY: 100       ORG/SUB-ORG: 1300
         ACTIVITY:            REV/SUB-REV: 1330 08    APPR UNIT: 002
         FUNCTION:            OBJ/SUB-OBJ:             JOB NUMBER:
        REPT CAT:             BS ACCOUNT:
     DESCRIPTION:
          AMOUNT:        4,000.00    I/D:          P/F:
```

Cash Receipts - Issues & Concepts

The Bank and Offset Cash Account Codes

The bank code associated with a transaction is specified in the following manner:

- Bank account is inferred from the Deposit Suspense (DS) transaction.

The cash account used on the system-generated offset entries is specified in the following manner:

- The cash account is inferred from Organization (ORG2), using the organization coded on the form. If the agency and fund do not require an organization to be coded, such as certain capital outlay funds, the cash account is inferred from the fund and bank tables.

Classified and Remaining Amounts on the Open Deposit Item Tables

When a cash receipt document is accepted, it updates fields on the open deposit items tables (ODIT, ODAI, ODCI) for the deposit suspense record referenced. The amount of the cash receipt is added to the classified amount field on the tables, while the transaction date of the CR is written to the last activity date field. The processing of a cash receipt also recomputes the remaining amount field - as the original deposit amount less the (new) classified amount. The remaining amount is the field that each new cash receipt is compared to during processing. If the amount of the cash receipt is greater than the remaining amount, an error is produced and the CR document will not accept.

Original Funds and Final Funds

When revenue is classified for an organization, Organization (ORG2) is researched. If the organization is established with an original fund, then any revenue classified to the organization must first be posted to the original fund, then transferred to the final fund (the fund coded on the document). Transferring the money to the original fund and then to the final fund is performed automatically. These additional postings are lines on a Journal Voucher (JV) transaction. The created Journal Voucher uses the same agency and document number as the original CR, although its transaction ID is "JV". Furthermore, the description on each of the JV lines is "AUTO TRF CR". Detail on the accounting entries created by the automated transfers appears later in this chapter.

Vendor Refunds

Vendor refunds are actually cash receipts, but the receipt may be credited back to the account from which it was expended. For this situation, the agency, organization, and an *object code* may be used on a cash receipt line, instead of a revenue source code. On these transactions, a vendor code must also be provided.

When an object code is used on a cash receipt transaction, the following transaction is recorded in the Current Detail General Ledger (GENLED):

    Dr   Assets (cash)
        Cr   Expenditures/ Expenses

The amount used is the cash receipt line amount. Also, the expended amount will be decreased on the appropriate lines in the following budgetary tables:

    Expense Budget Inquiry (Extended) (EEX2)
    Appropriation Inquiry (Extended) (EAP2)
    Vendor (VEN2) (both fiscal year and calendar year amounts)

Figure 3-10 shows a cash receipt screen for a $50.00 refund from a paper supply vendor. Fund 247, agency 247 originally expended the $50.00 for object 3100 against appropriation 100.

Figure 3-10a
Sample CR -
Vendor Refund
Screen 1

```
FUNCTION:                     DOCID: CR    247 247DEP107
 STATUS: PEND1          BATID:                      ORG:
H-                              CASH RECEIPT INPUT FORM

      TRANS DATE: 05 10 98       ACCTG PRD:              BUDGET FY: 98
                        CMIA SCHEDULE DATE:
          ACTION: E     BANK ACCOUNT CODE: 03

        COMMENTS: VNDR REFUND

                                        DOCUMENT TOTAL:       50.00
                                 CALCULATED DOCUMENT TOTAL:   50.00
```

Figure 3-10b
Sample CR -
Vendor Refund
Screen 2

```
FUNCTION:                     DOCID: CR    247 247DEP107
 STATUS: PEND1          BATID:                  ORG:        001-001 OF 001
01-
      LINE NUMBER: 01    REFERENCE DOC ID:                  REF LINE NO:
   VEND/PROV/CUST: 72024529010       NAME: BUTLER PAPER COMPANY
     BILLING CODE:
             FUND: 247              AGENCY: 247      ORG/SUB-ORG: 3145
         ACTIVITY:              REV/SUB-REV:           APPR UNIT: 100
         FUNCTION:              OBJ/SUB-OBJ: 3100     JOB NUMBER:
         REPT CAT:              BS ACCOUNT:
      DESCRIPTION: VEND REFUND FOR RETURNED PAPER
           AMOUNT:        50.00    I/D:          P/F:
```

Cash Received
in Advance

A cash advance is money collected but not yet earned. The receipt of the cash advance is recorded in AFS as a balance sheet transaction on a cash receipt form. Code fund, agency, and the balance sheet account for deferred revenue. The following entries are posted in the Current Detail General Ledger (GENLED):

    Dr   Assets (cash)
        Cr   Liabilities (deferred revenue)

The dollar amount used is the line amount. Figure 3-11 shows a cash receipt coded to record an advance.

Figure 3-11a
Sample CR -
Cash Advance
Screen 1

```
 FUNCTION:                    DOCID: CR    247 247DEP362
  STATUS: PEND1          BATID:                    ORG:
 H-                              CASH RECEIPT INPUT FORM

         TRANS DATE: 05 10 98        ACCTG PRD:             BUDGET FY: 98
                          CMIA SCHEDULE DATE:
             ACTION: E      BANK ACCOUNT CODE: 03

          COMMENTS: CASH ADVANCE

                                           DOCUMENT TOTAL:     14,000.00
                                CALCULATED DOCUMENT TOTAL:     14,000.00
```

Figure 3-11b
Sample CR
Cash Advance
Screen 2

```
 FUNCTION:                    DOCID: CR    247 247DEP362
  STATUS: PEND1          BATID:                    ORG:        001-001 OF 001
 01-
       LINE NUMBER: 01    REFERENCE DOC ID:              REF LINE NO:
    VEND/PROV/CUST:                   NAME:
     BILLING CODE:
             FUND: 247             AGENCY: 247     ORG/SUB-ORG:
          ACTIVITY:          REV/SUB-REV:            APPR UNIT:
          FUNCTION:          OBJ/SUB-OBJ:            JOB NUMBER:
          REPT CAT:          BS ACCOUNT: 6510
     DESCRIPTION: CASH ADVANCE
            AMOUNT:     14,000.00    I/D:          P/F:
```

When the revenue is earned, a journal voucher must be submitted to recognize the revenue. The journal voucher should be coded in the following manner:

- Code the debit line with account type 02 (Liabilities), fund, agency, and the deferred revenue balance sheet account (used on the original cash receipt).

- Code the credit line with account type 31 (Revenue), and the agency, organization, and revenue source for the received revenue.

This causes the following entries to be posted to the Current Detailed General Ledger (GENLED):

   Dr   Liabilities (deferred revenue)
      Cr   Revenue

Figure 3-12 shows a journal voucher coded to recognize the earning of a cash advance.

Figure 3-12a
Sample J1 - Recognizing a Cash Advance Screen 1

```
 FUNCTION:                   DOCID: J1   247  J1000000005
   STATUS: PEND1          BATID:                    ORG:
 H-                            JOURNAL VOUCHER INPUT FORM
     JV DATE:          ACCTG PRD:      BUDGET FY:     REVERSAL DATE:
     ACTION:      BUDGET OVERRIDE IND:        COMMENTS:
         DEBIT DOC TOTAL:      14,000.00    CREDIT DOC TOTAL:      14,000.00
         CALC DEBIT TOTAL:          5.00    CALC CREDIT TOTAL:         5.00
```

Figure 3-12b
Sample J1 - Recognizing a Cash Advance Screen 2

```
 FUNCTION:                   DOCID: J1   247  J1000000005
 STATUS: PEND1          BATID:                    ORG:          000-000 OF 000
 AC                SUB                    FUNC OBJ SUB  BS   JOB     FROM/TO
 TP  FUND  AGCY  ORG ORG  APPR UNIT  ACTV  TION REV O/R ACCT NUMBER  FUND
 --  ----  ----  ------- --------- ----  ----  ------- ---- ------ -------
 INT   REF   BK    DEBIT                        VENDOR / PROVIDER
 FUND  AGCY  CD    AMOUNT       REPT CAT  CODE             NAME
 ----  ----  --  --------------  --------  -------------------------------
                               CREDIT     CASH
 DESCRIPTION                   AMOUNT     IND
 --------------------------  --------------  ---
 02  247   247                                        6510
                     14,000.00
 
 31  247   247   3145    200                  1200
 
                      14,000.00
```

Alternate Cash Receipt (C1)

On standard Cash Receipt (CR) documents, line data is spread across the screen. On the Alternate Cash Receipt (C1), line data is more condensed and three lines may be viewed at a time (only one may be viewed on the standard CR). Which document to use is a matter of preference - both documents function identically. Important note: all entries posted to tables and ledgers appear with transaction code "CR", regardless if they were entered on a C1 or a CR.

Figure 3-13 is a AFS Alternate Cash Receipt (C1) which has the same coding instructions as the AFS standard Cash Receipt (CR).

Figure 3-13a
Alternate Cash Receipt (C1) Screen 1

```
 FUNCTION:                DOCID:
  STATUS:                 BATID:                   ORG:
 H-                            CASH RECEIPT INPUT FORM

      TRANS DATE:                 ACCTG PRD: .. ..       BUDGET FY: ..

           ACTION: .      BANK ACCOUNT CODE: ..

         COMMENTS: ...........

                                           DOCUMENT TOTAL: ..............
                                CALCULATED DOCUMENT TOTAL:
```

Figure 3-13b
Alternate Cash Receipt (C1) Screen 2

```
 FUNCTION:                DOCID:
 STATUS:                  BATID:                   ORG:       000-000 OF 000

    REF   REF        REF              SUB      REV SUB
    CD    NUMBER       LINE FUND AGCY ORG/ORG  ACTV  SRC/REV  APPR UNIT FUNC
   --------------------- ---- ---- ------- ---- ------- --------- ----
    OBJ/SUB-OBJ  JOB NUMBER  REPT CAT  BS ACCT  VEND/PROVIDER
   -----------  ----------  --------  -------  -------------
    AMOUNT         I/D  P/F  DESCRIPTION
   --------------  ---  ---  ----------------------------
 01- .. ... ........... .. .... ...   .... .. .... .... .. ......... ....
     .... ..   ........   ....     ....   ...........
     ............. .    .   ...............................
 02- .. ... ........... .. .... ...   .... .. .... .... .. ......... ....
     .... ..   ........   ....     ....   ...........
     ............. .    .   ...............................
 03- .. ... ........... .. .... ...   .... .. .... .... .. ......... ....
     .... ..   ........   ....     ....   ...........
     ............. .    .   ...............................
```

Logic Tests on Cash Receipt Amounts

Cash receipt line amounts are subjected to the following tests:

- The agency and deposit number referenced in the CR document ID must exist on ODIT.

- The cash receipt amount cannot exceed the remaining amount for the deposit it references. The remaining amount is stored on Open Deposit Items (ODIT).

Accounting Model and Ledger

When a cash receipt document is processed by AFS, ledger records are posted to the Current Detail General Ledger (GENLED) to record the accounting event, and to reverse the effects of the deposit suspense document. Because of the many uses of the cash receipt document, one of several different accounting models may be used to record a cash receipt, although all uses of the cash receipt have the same impacts in reversing out the deposit suspense.

The reversal of the deposit suspense is a classification of the collected deposit as revenue. Ledger records are posted to the Current Detail General Ledger (GENLED).

Dr   Deposit Suspense Account (6076)
    Cr   Deposit Cash Account (6040)

Reserved fund and balance sheet account codes are used for these postings. The fund for both sides of the posting is the Deposit Suspense Fund (001) listed on System Special Accounts (SPEC). The credit posting uses the Deposit Cash Balance Sheet code (6040), while the debit posts against the Deposit Suspense Account (6076). Both of these codes are listed on SPEC.

Figure 3-14 presents the accounting model used for a cash receipt to reverse the impacts of a deposit suspense document.

Figure 3-14
*Accounting Model
for Cash Receipt
Referencing Deposit
Suspense Document*

When the cash receipt document is used to record receipts under cash-basis accounting (no prior documents), one of the following accounting models will be used.

- Revenue Transactions - organization does not use an original fund:

  Dr   Assets (Cash)
     Cr   Revenue

- Revenue Transactions - organization is linked to an original fund:

Dr	Assets (Cash)	FOR ORIGINAL FUND
Cr	Revenue	FOR ORIGINAL FUND
Dr	Expend. (Auto Transfer Out)	FOR ORIGINAL FUND
Cr	Assets (Cash)	FOR ORIGINAL FUND
Dr	Assets (Cash)	FOR FINAL FUND
Cr	Revenue	FOR FINAL FUND

- Vendor Refunds:

  Dr   Assets (Cash)
     Cr   Expenditures/Expenses

- Balance Sheet Transactions:

  Dr   Assets (Cash)
     Cr   Balance Sheet Account

Tables

When a cash receipt document is accepted by the system, an entry is added to Document Control Inquiry (DCTL). The entry includes the following data elements from the header portion of the input form: accounting period, transaction code (CR), transaction agency, cash receipt number, and the date of record. The purpose of the table is to keep track of the cash receipt numbers used during an accounting period, so that duplicate numbers are not used. This prevents the inadvertent use of a duplicate label within an accounting period.

The Monthly Clearing activity purges this table of all entries with an accounting period equal to the accounting period being closed.

The table also stores journal voucher, manual warrant, and payroll voucher document numbers.

Figure 3-15 is a sample Document Control Inquiry (DCTL).

Figure 3-15
*Document Control
Inquiry (DCTL)*

```
 ACTION: . SCREEN: DCTL USERID:


               D O C U M E N T   C O N T R O L   I N Q U I R Y

    ACCOUNTING
    PERIOD      TRANSACTION ID      DATE OF RECORD
    =========   ==================  --------------
01- .. .. ..       .. ... ...........  .. .. ..
02- .. .. ..       .. ... ...........  .. .. ..
03- .. .. ..       .. ... ...........  .. .. ..
04- .. .. ..       .. ... ...........  .. .. ..
05- .. .. ..       .. ... ...........  .. .. ..
06- .. .. ..       .. ... ...........  .. .. ..
07- .. .. ..       .. ... ...........  .. .. ..
08- .. .. ..       .. ... ...........  .. .. ..
09- .. .. ..       .. ... ...........  .. .. ..
10- .. .. ..       .. ... ...........  .. .. ..
11- .. .. ..       .. ... ...........  .. .. ..
12- .. .. ..       .. ... ...........  .. .. ..
13- .. .. ..       .. ... ...........  .. .. ..
14- .. .. ..       .. ... ...........  .. .. ..
```

Quick Cash Receipt

A Quick Cash Receipt (CRQ) transaction also exists enabling entrance of cash receipts "quickly". This transaction is shown in figure 3-16, below. It contains both header and line data on one screen thus enabling speedier data entry. The coding instructions for the cash receipt (CR) document should be used for the CRQ.

Figure 3-16
Quick Cash Receipt (CRQ)

```
 FUNCTION:                     DOCID: CRQ
 STATUS:              BATID:                ORG:        000-000 OF 000
 H-                       QUICK CASH RECEIPT INPUT FORM
    TRANS DATE:             ACCT PRD: .. .. BFY: ..   ACTION: .
    BANK CODE: ..                              COMMENTS: ............
                                         DOCUMENT TOTAL: ..............
                                    CALCULATED DOCUMENT TOTAL:


   -----REFERENCE-----                         REV SUB
   CD      NUMBER    LN FUND AGCY ORG/SUB  ACTV  SRC/REV  APPR UNIT FUNC
  -- --------------- -- ---- ---- ------- ---- ------- --------- ----
   OBJ/SUB-OBJ  JOB NUMBER  REPT CAT  BS ACCT  VEND/PROVIDER
   ----------- ---------- -------- ------- -------------
   AMOUNT        I/D P/F DESCRIPTION
   -------------- --- --- ----------------------------
 01- .. ... ........... .. .... ...   .... .. .... .... .. ......... ....
     .... ..      ........    ....      ....    ...........
           ....... .    .   .............................
 02- .. ... ........... .. .... ...   .... .. .... .... .. ......... ....
     .... ..      ........    ....      ....    ...........
           ....... .    .   .............................
```