Quarterly Reconciliation Unbilled AR (11120001) Guidelines

All state agencies should reconcile the non-zero balance on their business unit's trial balance for account, 11120001 (Unbilled AR). The 11120001 account balance on the General Ledger trial balance should be reconciled at least quarterly to the TN_GR03_BILLING_DETAIL query to assist in detecting errors that might occur on the trial balance which is relied upon for financial reporting, or, on the TN_GR03_BILLING_DETAIL query which is usually relied upon for drawing down federal funds and monitoring what is due from the federal government.

The reconciliation should occur within at least 1-2 weeks before or after the end of the fiscal quarter. **Please note, the TN_GR03_BILLING_DETAIL query should be routinely reviewed (in addition to documenting the quarterly reconciliation) for propriety**, and actions taken promptly to correct omissions or amounts included in any errors.

Given the dynamic nature of the TN_GR03_BILLING_DETAIL query and its underlying transactions, it may not be possible to perform reconciliation for a specific or determined backward looking point in time. Therefore, it is recommended that the reconciliation process be completed as of the point in time when the below discussed reconciliation queries are actually run.

Below are the steps that should be followed to complete the reconciliation:

Step 1a: Run the TN_GL048_TRIAL_BALANCE_ACCT query for Account 11120001. Run for current state year beginning with Period 0 to current Period needed (note the time and date the query was ran).

Query Name	TN_GL048_TRIAL_BALANCE_ACCT	Search
*Description	Trial Bal- All CFs-By-Acct	

Update Parameters

Prompt Name	Value
BUSINESS_UNIT	33201
FUND_CODE	25000
FISCAL_YEAR	2018
ACCOUNTING_PD_BEG	0
ACCOUNTING_PD_TO	5
ACCOUNT	11120001

Using the pivot table functionality, sum the query results. It is not necessary at this time to include the project information. Below is an example:

TN_GL048_TRIAL_BALANCE_ACCT				
Sum of Sum			Fund	
Unit	Account	Year	25000	Grand Total
33201	11120001	2018	$31,244.45	$31,244.45
Grand Total			$31,244.45	$31,244.45

Step 1b: If no results are returned for Period 0, this means that the prior state year balances have not rolled. Run the TN_GL048_TRIAL_BALANCE_ACCT query for Account 11120001 for the prior state year beginning with Period 0 to Period 998.

Query Name TN_GL048_TRIAL_BALANCE_ACCT   Search

*Description Trial Bal- All CFs-By-Acct

Update Parameters

Prompt Name	Value
BUSINESS_UNIT	33201
FUND_CODE	25000
FISCAL_YEAR	2017
ACCOUNTING_PD_BEG	0
ACCOUNTING_PD_TO	998
ACCOUNT	11120001

Using the pivot table functionality, sum the query results. It is not necessary at this time to include the project information. Below is an example:

TN_GL048_TRIAL_BALANCE_ACCT

Sum of Sum			Fund	
Unit	Account	Year	25000	Grand Total
33201	11120001	2017	$6,958.98	$6,958.98
Grand Total			$6,958.98	$6,958.98

Step 1c: Add the results of the two Trial Balances together:

TN_GL048_TRIAL_BALANCE_ACCT

Sum of Sum			Fund	
Unit	Account	Year	25000	Grand Total
33201	11120001	2017	$6,958.98	$6,958.98
Grand Total			$6,958.98	$6,958.98

Sum of Sum			Fund	
Unit	Account	Year	25000	Grand Total
33201	11120001	2018	$31,244.45	$31,244.45
Grand Total			$31,244.45	$31,244.45

		Current Date's Trial Balance	$38,203.43

Step 2: Run the TN_GR03_BILLING_DETAIL query and use the pivot table functionality to review (note the time and date of the query). Below is an example:

TN_GR03_BILLING_DETAIL ran on 11/20/2017			
Sum of Billing Amount		**Fund**	
Bus Unit	**Activity**	**25000**	**Grand Total**
33201 FEDERAL		$36,176.32	$36,176.32
	INTERFED	$36.80	$36.80
33201 Total		**$36,213.12**	**$36,213.12**
Grand Total		**$36,213.12**	**$36,213.12**

Filter out the Interdepartmental Activity (INTERFED, INTERMATCH, INTERLOTERY, INTERFOUND, INTERLOCAL):

TN_GR03_BILLING_DETAIL ran on 11/20/2017			
Sum of Billing Amount		**Fund**	
Bus Unit	**Activity**	**25000**	**Grand Total**
33201 FEDERAL		$36,176.32	$36,176.32
33201 Total		**$36,176.32**	**$36,176.32**
Grand Total		**$36,176.32**	**$36,176.32**

Step 3: Document and Compare

Document the trial balance amount on the ***General Ledger (GL) Balance line on the Certification of Account Reconciliation*** form. Document the amount from the TN_GR03_BILLING_DETAIL query on the ***Agency Internal Records Balance*** line. If the calculation in the form results in an amount other than $0.00 (See line reconcile, reclassify or correct on the form) identify the details of the differences (see below for some helpful researching tips) and document on the reconciling items section of the form and take corrective or other action as needed.

 Below is an example:

TN_GR03_BILLING_DETAIL ran on 11/20/2017					
Sum of Billing Amount			**Fund**		
Bus Unit	**Activity**		**25000**	**Grand Total**	
33201 FEDERAL			$36,176.32	$36,176.32	
Grand Total			**$36,176.32**	**$36,176.32**	
TN_GL048_TRIAL_BALANCE_ACCT					
Sum of Sum Total Amt			**Fund**		
Unit	**Account**	**Year**	**25000**	**Grand Total**	
33201	11120001	2017	$6,958.98	$6,958.98	
Grand Total			**$6,958.98**	**$6,958.98**	
Sum of Sum Total Amt			**Fund**		
Unit	**Account**	**Year**	**25000**	**Grand Total**	
33201	11120001	2018	$31,244.45	$31,244.45	
Grand Total			**$31,244.45**	**$31,244.45**	
	Current Date's (11/20/2017)Trial Balance			$38,203.43	
	Current Date's (11/20/2017) TN_GR03 query (Agency's Internal Records)			$36,176.32	
	Reconciling Difference			$ 2,027.11	

Step 4: If no reconciling difference exists, complete the Reconciliation Form and submit. Don't leave the Description field blank. Note the dating of the running of the TN_GR03_BILLING_DETAIL query in the Description. Save as signed PDF file and submit by due date.

Certification of Account Reconciliation	Finance & Administration Division of Accounts

Fund: 11000   *Select from dropdown list*

Edison Account Number: 11120001 Unbilled-Accounts receivable   *Select from dropdown list*

Agency: ▓▓▓▓▓▓▓▓▓▓   *Select from dropdown list*

Date Completed: 10/3/2017

Fiscal Quarter: 1st Jul-Sep   *Select from dropdown list*

State Fiscal Year: 2018

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	Amount
General Ledger (GL) Balance	$ 189,487.57
Agency Internal Records Balance *(Please describe below)*	189,487.57
Difference to Reconcile, Reclassify, or Correct	$ 0.00

Description of agency internal records balance (e.g., independent system, edison submodule, statement, or report)

Review of TN_GR03_BILLING_DETAIL query as of 10/3/2017

Reconciling item(s) and transaction details

1. _____ $ _____
2. _____ _____
3. _____ _____
4. _____ _____
5. _____ _____

Attach list for additional items or explanations and include in the total of reconciling items

Total of Reconciling Items $ _____

Unreconciled Balance (SHOULD BE -0-) $ 0.00

Department Controller or Budget /Fiscal Officer   Date

▓▓▓▓▓▓▓▓▓▓▓▓▓   10/6/2017

By signing above, I certify that the completed reconciliation certification for the account listed is an accurate and verifiable representation of the stated balance and has been prepared and reviewed by accounting personnel employed by this agency. Identified discrepancies will be corrected within 60 days of the above quarter end.

If reconciling item(s) exists continue:

Step 4: Run query TN_GR20_UNBILLED_TRANSACTIONS.

a) Make sure that the Billing Worksheet amounts from TN_GR20 query with BIL and DEF analysis types on the non-interdepartmental Activity the amounts equal the amounts on the TN_GR03_BILLING_DETAIL query.

b) Compare to see if there are priced transactions on TN_GR20 that are not on the TN_GR03 query.

c) Check to see if the Customer (revenue) Contract processing status has been changed to "Closed/Superceded/Cancelled."

d) Make sure that the Customer (revenue) Contract processing statuses have been made Active by running the query TN_GR22_CONTRACTS_PENDING.

e) Make sure Billing Plans are "in Process" and are not marked "Completed."

Below is an example (in this case TN_GR20 equals TN_GR03 so the reconciling difference is not between TN_GR03 and TN_GR20):

TN_GR20_UNBILLED_TRANSACTIONS ran on 11/20/2017

Sum of Transaction				Billing Status ▼	
Business Unit ▼	Activity ID ▼	Contr Status ▼	Bill Plan Status ▼	Billing Worksheet	Grand Total
⊟33201	⊟FEDERAL	⊟ACTIVE	In Progress	$36,176.32	$36,176.32
Grand Total				$36,176.32	$36,176.32

TN_GR03_BILLING_DETAIL ran on 11/20/2017

Sum of Billing Amount		Fund ▼	
Bus Unit	Activity ▼	25000	Grand Total
⊟33201	FEDERAL	$36,176.32	$36,176.32
33201 Total		$36,176.32	$36,176.32
Grand Total		$36,176.32	$36,176.32

Step 5A: Search for journals that should have updated GL 11120001, but have not yet been generated or posted.

a) Run Query TN_GL33_EDIT_ERRORS_HDR – validate that there are no journals with combo edit or balancing errors in the header of the journal which need to be resolved on account 11120001.

b) Run Query TN_GL13_BUDGET_EXCEPTIONS – validate that there are no budget checking errors on any journals associated to account 11120001 which need to be resolved.

c) Run Query TN_GL18_BI_NOT_POSTED – validate that there are no invoices that were not posted to the general ledger from billing.

d) Run Query TN_GL18A_BI_NOT_POSTED_TO_AR – validate that all billing journals and/or Invoice Items have posted to accounts receivable.

e) Run Query TN_GL25_BI_NO_JRNL_GEN – validate that all billing journals have had a journal generated to post to the general ledger.

Step 5B: Validate that no CN journals are in budget error. Navigation: FSCM> Commitment Control> Review Budget Check Exceptions> General Ledger> Journal and enter the Business Unit, Journal ID (begins with CN) and Process Status = Errors Exist and click on Search.

Step 5C: Search for Unbilled AR account 11120001 non-system generated journals (EX, JV, AG, etc.) and any other journals which exist that may have an impact beyond the normal processing of Unbilled AR/11120001.

Run Query TN_GL63F_GL_JRNLS_YEAR specifically for account 11120001.

Use pivot table functionality to filter out the system generated journals of BI and CN; this should leave the agency with the identified non-system generated journals and other journals to aid in research for reconciliation. This query would have to be run for all years since the agency has been live in Edison, not just for the current year.

Remember, if your agency has prepaids, there may be a non-system generated journal which was entered to adjust the Unbilled AR/11120001 account and unearned revenue/35XXXXXX (formerly known as Deferred Revenue) for the utilization on zero dollar billings between state years. This journal is auto-reversing in the next state year and is a valid journal.

Below is an example:

TN_GL63F_GL_JRNLS_YR for Current Year				
Sum of Amount	**Source**			
Unit	**BI**	**CN**	**JV**	**Grand Total**
33201	-$1,700,840.26	$1,686,875.44	$45,209.27	$31,244.45
Grand Total	-$1,700,840.26	$1,686,875.44	$45,209.27	$31,244.45

Sum of Amount			**Source**	
Unit	**Journal ID**	**Long Descr**	**JV**	**Grand Total**
33201	MISC061701	Reduction of Deferred/Advanced Revenue for zero dollar billings of FY17 expenditures with billed dates in FY18.	$45,209.27	$45,209.27
Grand Total			$45,209.27	$45,209.27

Step 6: Complete the Certification of Account Reconciliation Form noting any identified reconciling items:

Certification of Account Reconciliation

<div style="text-align:right">Finance & Administration Division of Accounts</div>

Fund: 25000	*Select from dropdown list*
Edison Account Number: 11120001 Unbilled - Accounts Receivable	*Select from dropdown list*
Agency: ▮▮▮▮▮▮▮▮▮▮	*Select from dropdown list*
Date Completed: 4/21/2017	
Fiscal Quarter: 3rd Jan-Mar	*Select from dropdown list*
State Fiscal Year: 2017	

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	Amount
General Ledger (GL) Balance	$ 462,412.45
Agency Internal Records Balance *(Please describe below)*	460,385.34
Difference to Reconcile, Reclassify, or Correct	$ 2,027.11

Description of agency internal records balance (e.g., independent system, edison submodule, statement, or report)

Used Edison queries: TN_GL048, TN_GR03, TN_GR20 (as of 04/21/2017)

Reconciling item(s) and transaction details

1. Non CN/BI journal that should have been reversed	$	2,067.50
2. Transaction IDs 105137824 and 97127347 where Unbilled AR was issue		(40.39)
3.		-
4.		-
5.		-

Attach list for additional items or explanations and include in the total of reconciling items

Total of Reconciling Items	$	2,027.11
Unreconciled Balance (SHOULD BE -0-)	$	0.00

Department Controller or Budget /Fiscal Officer

Date 5/4/17

By signing above, I certify that the completed reconciliation certification for the account listed is an accurate and verifiable representation of the stated balance and has been prepared and reviewed by accounting personnel employed by this agency. Identified discrepancies will be corrected within 60 days of the above quarter end.

IMPORTANT: When signing the form please note that you are agreeing that "Identified discrepancies will be corrected within 60 days of the above quarter end."