Grants Basic Training
Rate Sets and Accounting

Rate Sets and Accounting Training Objectives

➢ Gain an Understanding of Rate Sets used on Customer (revenue) Contracts in Edison

➢ Learn the Characteristics and Accounting Used of the various Rate Sets

➢ Learn by examples of the various Rate Sets

- Revenue Recognition Rate Sets
- Statistical Rate Sets
- Non-revenue Recognition Rate Sets

➢ Understand Pricing and OLT Transactions

➢ Query that shows the Accounting of Rate Sets

Rate Set Definition

➢ A Rate Set is configured to auto-generate transaction rows for costing, billing, and recognizing revenue when transactions are processed under a Customer (revenue) Contract.

➢ A Rate Set has two parts:

  ▪ ***Source criteria*** define the parameters the Pricing process uses to compare against a transaction's chartfields.

  ▪ ***Targeted results*** define the system generated results created for costing, billing, and revenue recognition when the Pricing process occurs.
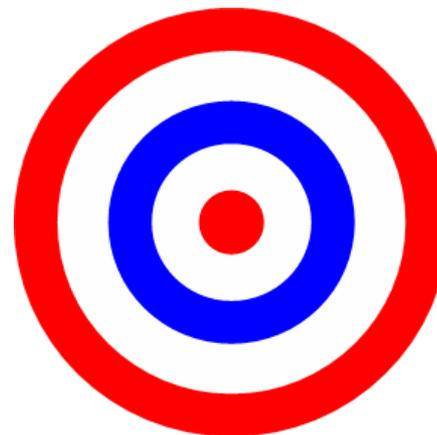
Rate Sets
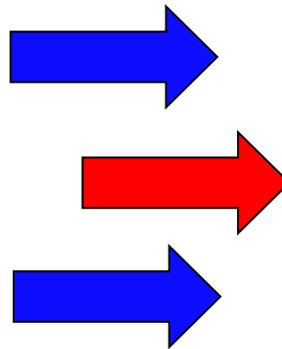
Rate Set Understanding

➢ *When a transaction's chartfields match the **source criteria** in the Rate Set, the Pricing process creates an accounting transaction for every **target result** defined in the Rate Set.*

Source Criteria   *produces*   *Targeted Results*

Accounts Payable

Payroll

General Ledger

Accounts Receivable

Billing

&

Revenue

Rate Sets

Rate Set Characteristics

➢ Located on the Customer (revenue) Contract

➢ Located on the Related Projects page

➢ Has Project ID's associated to it

➢ Uses specific Analysis Types to produce billing

➢ Directs the revenue recognition process for the Customer (revenue) Contract

Rate Sets

Rate Set Characteristics

➢ Configured specific for each business unit/agency

➢ Can use specific account or wildcard (%) values

➢ Have calculating and/or pricing values

➢ Are effective dated & can be changed

➢ Have Billing Plans with accounting rules

➢ Have Revenue Plans with accounting rules

Rate Sets

Rate Sets

Common Rates Sets for Business Unit/Agency

Rate Set	Description	Used by Customer (revenue) Contract
68001	Federal Revenue	When source of funding is from the Federal Government and SEFA reportable
68002	Federal Capital Grants	When source of funding is for Capital Projects, from the Federal Government and SEFA reportable
68030	Counties	When source of funding is from a County located in Tennessee
68050	Cities	When source of funding is from a City located in Tennessee
68060	Nongovernmental	When source of funding is from a non-profits or non-governmental entity
68070	Other State	When source of funding is from another State and is not Federal funds
68080	Current Services	When source of funding is income generated by the State for providing goods or services
68090	Interdepartmental	When source of funding is passed through from another state agency
68095	Interdepartmental CU	When source of funding is passed through from a component unit
STAT	Statistical	When source of funding is not associated with direct reimbursable costs

Rate Sets

34501 – 68001 Federal Revenue

Source Criteria   **Targeted Results**

	Unit	Rate Set	Eff Date	Type	Rate Def Type	Descr	An Type	Source Type	Category	Account	Option	Rate Amt	Override	Tgt An Type	Tgt Res Type	Tgt Cat
1																
2	34501	68001	1/1/2013	Standard	Billing	Federal Revenue	ACT	%	%	%	Bill at Cost	1	Y	BIL	68001	
3	34501	68001	1/1/2013	Standard	Billing	Federal Revenue	GLE	%	%	%	Bill at Cost	1	Y	BIL	68001	
4	34501	68001	1/1/2013	Standard	Billing	Federal Revenue	SFA	%	%	%	Bill at Cost	1	Y	BIL	68001	SFA
5	34501	68001	1/1/2013	Standard	Billing	Federal Revenue	SPY	%	%	%	Bill at Cost	1	Y	BIL	68001	BILPY
6	34501	68001	1/1/2013	Standard	Billing	Federal Revenue	GLR	%	%	68012000	Bill at Cost	1	Y	BIL	68001	
7	34501	68001	1/1/2013	Standard	Billing	Federal Revenue	GLR	%	%	68060001	Bill at Cost	1	Y	BIL	68001	
8	34501	68001	1/1/2013	Standard	Billing	Federal Revenue	GLR	%	%	68080005	Bill at Cost	1	Y	BIL	68001	

Federal Rate Sets

Transactions associated to Project ID & Federal Activity:

- An actual expenditure transaction was incurred and system-assigned the ACT analysis type.

- A journal entry was entered and manually assigned the GLE analysis type.

- A summarized payroll expenditure was incurred & system-assigned the SPY analysis type.

GL BU	Fund	Department	Account	Location CF	UserCode	Program	PC BU	Project	Activity	Source	An Type	Amount
34501	11000	3450101000	7XXXXXXX	19059			34501	HSCS_CSE004_17	FEDERAL		ACT/GLE/SPY	$ 25.00

GL BU	Fund	Department	Account	Location CF	UserCode	Program	PC BU	Project	Activity	Source	An Type	Amount
34501	11000	3450101000	7XXXXXXX	19059			34501	HSCS_CSE004_17	FEDERAL	68001	BIL	$ 25.00

Federal Rate Sets

Indirect cost was incurred and assigned the SFA analysis type associated to Project ID & Federal Activity

GL BU	Fund	Department	Account	Location CF	UserCode	Program	PC BU	Project	Activity	Source	Category	Sub-category	An Type	Amount
34501	11000	3450111000	89040000	19000			34501	HSCS_CSE004_15	FEDERAL				SFA	$ 2,050.00

GL BU	Fund	Department	Account	Location CF	UserCode	Program	PC BU	Project	Activity	Source	Category	Sub-category	An Type	Amount
34501	11000	3450111000	89040000	19000			34501	HSCS_CSE004_15	FEDERAL	68001	SFA		BIL	$ 2,050.00

Federal Rate Sets

An accounts receivable and/or GL re-allocation transaction related to the Refund of Prior Year Federal Expenditures (68012000) or Program Income (68060001-Nongov or 68080005 - Current Services Program Income) occurred and was assigned the GLR analysis type.

GL BU	Fund	Department	Account	Location CF	UserCode	Program	PC BU	Project	Activity	Source	An Type	Amount
34501	11000	3450101000	68012000/6806001/6808005	19059			34501	HSCS_CSE004_17	FEDERAL		GLR	$ (15.00)

GL BU	Fund	Department	Account	Location CF	UserCode	Program	PC BU	Project	Activity	Source	An Type	Amount
34501	11000	3450101000	68012000/6806001/6808005	19059			34501	HSCS_CSE004_17	FEDERAL	68001	BIL	$ (15.00)

Accounting for Federal Rate Set 68001

Accounting Associated to Rate Sets

Unit	Rate Set	Eff Date	Rate Def Type	Descr	Tgt An Type	Tgt Res Type	ACCTG RULES Proj Type	ACCTG RULES Source Type	ACCTG RULES JRNL Template	ACCTG RULES JRNL DR/CR	ACCTG RULES JRNL Use	ACCTG RULES JRNL Account
34501	68001	01/01/13	Billing	Federal Revenue	BIL	68001	%	68001	CN_PR	DR	UAR	11120001
34501	68001	01/01/13	Billing	Federal Revenue	BIL	68001	%	68001	CN_PR	CR	REV	68001000

Accounting for Federal Rate Set 68001

T-Account Example of Accounting

32701		32701	
Revenue Recognition		Revenue Recognition	
occurs with CN Journal		occurs with CN Journal	
Debit	Credit	Debit	Credit
11120001 Unbilled AR		68001000	
210.00			(210.00)

Accounting for Federal 68001 Rate Set

CN Journal Example

Unit 32701   Journal ID CN02752272   Date 01/25/2018   ☐ Errors Only

Template List   Search Criteria

*Process [Edit Journal ▾]   [Process]   ⤒ ⤴   Line 10 ⤓ ⤒

▼ Lines

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Select	Line	nount	Fund	Dept	Account	Location CF	Program	User Code - CF 1	PC Bus Unit	Project
☐	1	20,739.52	11000	3273601000	11120001	01020	136001		32701	
☐	2	-4,148.82	11000	3273601000	68001000	01020	136001		32701	EN720DOEMONITOR
☐	3	-16,590.70	11000	3273601000	68001000	01020	136001		32701	EN721DOEFEDFACL

‹ ▬▬▬▬▬ ›

▼ Totals

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Unit	Total Lines		Total Debits	Total Credits	Journal Status	Budget Status
32701	3		20,739.52	20,739.52	P	V

Statistical Rate Sets

➢Uses statistical journal templates

➢One line journals

➢Uses 9XXXXXXX numbers

➢Can multiply by various amounts

Unit	Rate Set	Eff Date	Type	Rate Def Type	Descr	An Type	Source Type	Account	Option	Rate Amt	Tgt An Type	Tgt Res Type
34501	STAT	01/01/01	Standard	Billing	Statistical Billing	SJE	%	90999928	Quantity Rate	1	BIL	68001
34501	STAT	01/01/01	Standard	Billing	Statistical Billing	SJE	%	90999931	Quantity Rate	0.01	BIL	68001

Statistical Rate Set Journal

Header	Lines	Totals	Errors	Approval	FileNet Interface

Unit 32300   **Journal ID** 0002451262   **Date** 01/31/2017

Long Description STAT JE for Cemetery Grant Burials for the Month of January 2017.

189 characters remaining

*Ledger Group STATISTIC   **Adjusting Entry** Non-Adjusting Entry

Ledger   **Fiscal Year** 2017

*Source JV   **Period** 7

Reference Number   **ADB Date** 01/31/2017

Journal Class

Transaction Code CASH

☐ **Save Journal Incomplete Status**

SJE Type

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PC Bus Unit	Project	Activity	An Type	Stat Amt	UOM	Journal Line Description
32300	VAVETSBURKNOX02	FEDERAL	SJE	42.00	EA	Number of Interment Allowance
32300	VAVETSBURMEMP02	FEDERAL	SJE	67.00	EA	Number of Interment Allowance
32300	VAVETSBURNASH02	FEDERAL	SJE	33.00	EA	Number of Interment Allowance

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ines		Total Debits		Total Credits	Journal Status
		0.00		0.00	P

Statistical Rate Set Journal

Stat Journal Entered

Unit	Fund	Department	STAT Account	Location CF	Program	User Code	PC BU	Project ID	Activity	An Type	Stat Amount	UOM
32300	11000	3230000040	90999929	47007			32300	VAVETBURKNOX02	FEDERAL	SJE	42	EA
32300	11000	3230000034	90999929	79008			32300	VAVETBURMEMP02	FEDERAL	SJE	67	EA
32300	11000	3230000035	90999929	19022			32300	VAVETBURNASH02	FEDERAL	SJE	33	EA

Produces the following BIL transactions on TN_GR03

Unit	Fund	Department	STAT Account	Location CF	Program	User Code	PC BU	Project ID	Activity	An Type	Stat Amount
32300	11000	3230000040	90999929	47007			32300	VAVETBURKNOX02	FEDERAL	BIL	$ 31,458.00
32300	11000	3230000034	90999929	79008			32300	VAVETBURMEMP02	FEDERAL	BIL	$ 50,183.00
32300	11000	3230000035	90999929	19022			32300	VAVETBURNASH02	FEDERAL	BIL	$ 24,717.00

Statistical Rate Set Journal

Accounting for Revenue Recognition produces the following CN Journal

Unit	Fund	Department	Account	Location CF	Program	User Code	PC BU	Project ID	Activity	An type	Amount
32300	11000	3230000040	68001000	47007			32300	VAVETBURKNOX02	FEDERAL	GLR	$ (31,458.00)
32300	11000	3230000034	68001000	79008			32300	VAVETBURMEMP02	FEDERAL	GLR	$ (50,183.00)
32300	11000	3230000035	68001000	19022			32300	VAVETBURNASH02	FEDERAL	GLR	$ (24,717.00)
32300	11000		11120001								$106,358.00

Review – there were 42 Stat amounts for the VAVETBURKNOX02 multiplied by $749.00 for each internment = $31,458.00 that bills & recognizes revenue

Statistical Rate Set Journal

When we look at the Rate Set "VA_FED" one can see when Account 90999929 is used it uses an SJE analysis type and multiplies by 749 for each Stat amount entered.

Unit	Rate Set	Eff Date	Rate Def Type	Descr	An Type	Account	Option	Rate Amt	Tgt An Type	Tgt Res Type
32300	VA_FED	10/1/2016	Billing	VA Federal for Interments	SJE	90999929	Quantity Rate	749	BIL	68001
32300	VA_FED	10/1/2016	Billing	VA Federal for Interments	SJE	90999929	Quantity Rate	749	BIL	68001

Non Revenue Rate Sets

Interdepartmental – Pass through Rate Sets

> **68090** State Agency
>
> **68095** Component Unit

Normally Process Differently…..

> Produces a billing
>
> Do **NOT** produce revenue
>
> Does **NOT** produce an Accounts Receivable Open
> Invoice Item
>
> **Revenue** recognized with **IUR on IU Journals**

Accounting for Interdepartmental

➢ Configuration allows for billing invoice to be produced/created

➢ Configuration also says no accounting is taking place

   ➢ No CN Revenue journal

   ➢ No Unbilled AR

➢ Interdepartmental Revenue is recognized through IU journal

Billing for Interdepartmental

Secondary Agency, 30227, had the source expenditure.

Unit	Fund	Department	Account	Location CF	Program	User Code	PC BU	Project ID	Activity	An Type	Amount
30227	11000	3022700100	72203000	19000	276500		30227	CSNARIPNICS	INTERFED	ACT	$4,355.00

Secondary Agency, 30227, targeted results produced a BIL.

Unit	Fund	Department	Account	Location CF	Program	User Code	PC BU	Project ID	Activity	An Type	Amount
30227	11000	3022700100	72203000	19000	276500		30227	CSNARIPNICS	INTERFED	BIL	$4,355.00

Revenue for Interdepartmental – IUR

Secondary Agency, 30227, now needs the Interdepartmental Revenue.

Unit	Fund	Department	Account	Location CF	Program	User Code	PC BU	Project ID	Activity	An Type	Amount
30227	11000	3022700100	68090000	19000	276500		30227	CSNARIPNICS	INTERFED	IUR	$(4,355.00)
30227	11000		10000000								$ 4,355.00

Primary Agency, 31701, now needs the expenditure to produce the billing to the Federal sponsor and recognize Federal revenue.

Unit	Fund	Department	Account	Location CF	Program	User Code	PC BU	Project ID	Activity	An Type	Amount
31701	11000	3170600002	71300000	19000	061064		31701	FANARIP15P	FEDERAL	GLE	$ 4,355.00
31701	11000		10000000								$(4,355.00)

Accounting for Interdepartmental – IUR

➢ **Must be at least $1,000.00 according to F&A Policy #18**

➢ **Secondary Agency has already incurred expenditures via Accounts Payable/Travel/Payroll/GL to Project ID and….**
  - ➢ **INTERFED**
  - ➢ **INTERMATCH**

➢ **Secondary Agency/BU needs 68090000 Interdepartmental revenue**
  - ➢ **INTERFED**
  - ➢ **INTERMATCH**

➢ **Primary Agency needs expenditures to be recorded**
  - ➢ **FEDERAL**
  - ➢ **STATE**

Pricing and OLT Transactions

Pricing and OLT (Over the Customer (revenue) Contract's billing limit)

➢ Billing Limit on Customer (revenue) Contract

➢ Created from Sponsor Direct Budget values

➢ Pricing occurs nightly in batch processing

➢ If Billing Limit reached transactions go to OLT

Can split a single expenditure transaction

Does not recognize revenue

TN_GR19_OLT_CHECK & TN_GR19A_OLT_DETAIL

Rate Sets Query

Query - **TN_PR141_RATE_SETS_W_ACCTG**

Provides current agency/business unit values

Questions ???