



## Procurement Accounting Entry Templates

<b>Issue Summary</b>	The participants of the AP and Expenses Fit Gap sessions are requesting modifications to the Procurement accounting entry templates; as well as the addition of new accounts for the implementation of Travel and Expenses. Screen shots are provided at the end of this document.
<b>Background</b>	<ol style="list-style-type: none"> <li>1. Due to new 8.9 functionality and the implementation of the Travel and Expenses module, accounts for new transaction types are needed in the Accounting Entry Template. These accounts are shared with the following applications: Purchasing, Accounts Payable and Expenses: <ul style="list-style-type: none"> <li>• Escheatment Liability – account - 241500</li> <li>• Expense Accrual – account 211500</li> <li>• Employee Advances – account 132300</li> <li>• Prepaid Airfare – account 132100</li> <li>• Prepaid Expense – account 132100</li> <li>• Prepaid Hotel – account 132100</li> </ul> </li> <li>2. Action Item from 12/07/06 AIC - A dummy/suspense account that stands out and is easily identifiable is required for the transaction types of the Accounting Entry Template that is currently unused by GeorgiaFirst. Account 799990 will be used as the dummy account number. Decision on account description is still pending.</li> </ol>
<b>Risks</b>	<ol style="list-style-type: none"> <li>1. End Users will need to be trained on new Expense processing and account breakdown.</li> <li>2. Various accounts within these account ranges (211XXX, 64XXXX, 65XXXX) are currently in use by some institutions.</li> </ol>
<b>Possible Solution(s)</b>	<ol style="list-style-type: none"> <li>1. Escheatment Liability - Create a new liability account that can be used where payments that are not cashed within a set time are reclassified to an Escheatment Liability account. System entry would debit cash and credit the specified liability account. Expense Accrual – In order to identify Accrual transactions created in Accounts Payable and Expenses, 8.9 allows for two separate accrual accounts in the Accounting Entry Template.</li> <li>2. See below recommendation.</li> <li>3. Breakdown of Employee travel accounts is optional and not required to implement Expenses.</li> <li>4. Non-employee travel account breakdown is optional as well.</li> </ol>
<b>Escalating Sub-team and Lead</b>	Functional – Donna Wooddell/Deidre Crawford



<p><b>Recommended Action</b></p>	<ol style="list-style-type: none"> <li>1. Escheatment Liability – Create a new liability account. Expense Accrual - Continue to use 211000 in the AET for Accounts Payable and use an account number like 211XXX for Expense Accrual. Refer to Appendix A for additional information.</li> <li>2. Decision made at 12/07/06 AIC meeting that Account 799990 will be used. Account description is still needed.</li> <li>3. Although the detailed breakdown of travel accounts is not required for implementing Expenses, we recommend that the request be granted as it will also provide opportunities to meet future reporting requirements (e.g. data warehousing). For example, institutions can easily report on how much money is spent on total airfare outside of the Expenses application. Refer to Appendix A for an example of Expense Type Setup.</li> <li>4. If item 3 for breakdown of employee travel accounts is approved, it is recommended that non-employee accounts also change.</li> </ol>
<p><b>Accounting Issues Committee Comments</b></p>	<p>The Accounting Issues Committee decided to create the 799990 account with a description of "Expense Error." A new expense accrual liability account will be created (211500) to isolate expense liabilities from payable liabilities.</p> <p>The accounting entry template for escheatment will be configured to charge fund - 60000 deptid – E100000 program - 00000 and class - 00000. The existing escheatment account (241500) will be used to record the escheatment liability.</p>