

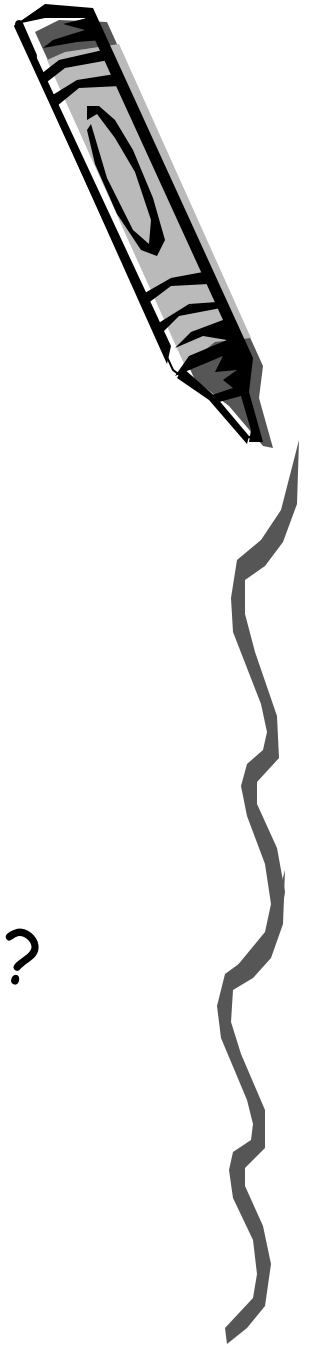
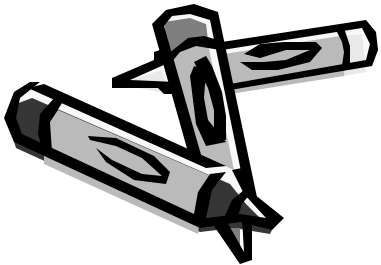
Accrual Voucher Class

Susan Moore
General Accounting
Accounting & Financial Services



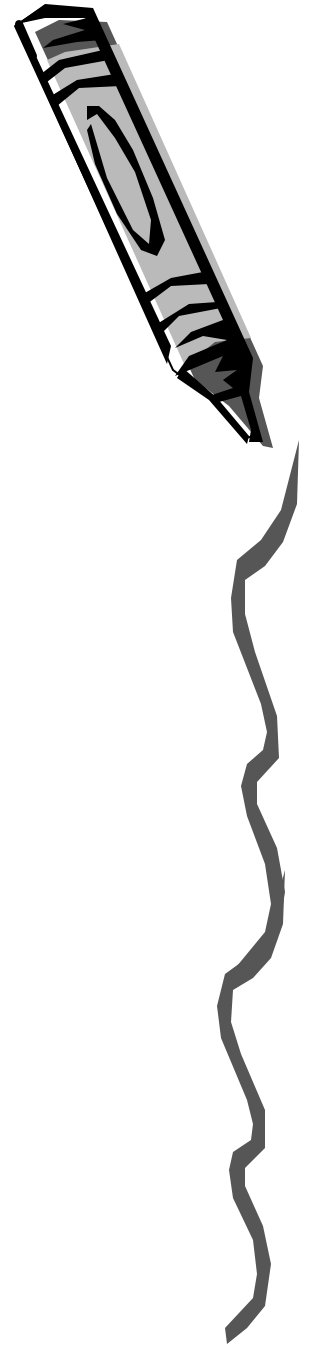
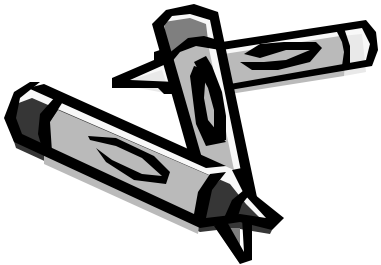
Agenda

- What is an Accrual?
- What are the types of Accrual?
- When should Accruals be Created?
- How do we Prepare Accrual Voucher or Year End Accrual Voucher Documents?
- What will get my AV or YEAV Rejected?



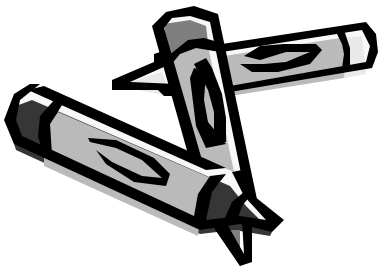
What is an Accrual?

- Matching principle
- Temporary adjustment
- General Funds (appropriated)
- Self Supporting Funds
- Extramural Funds



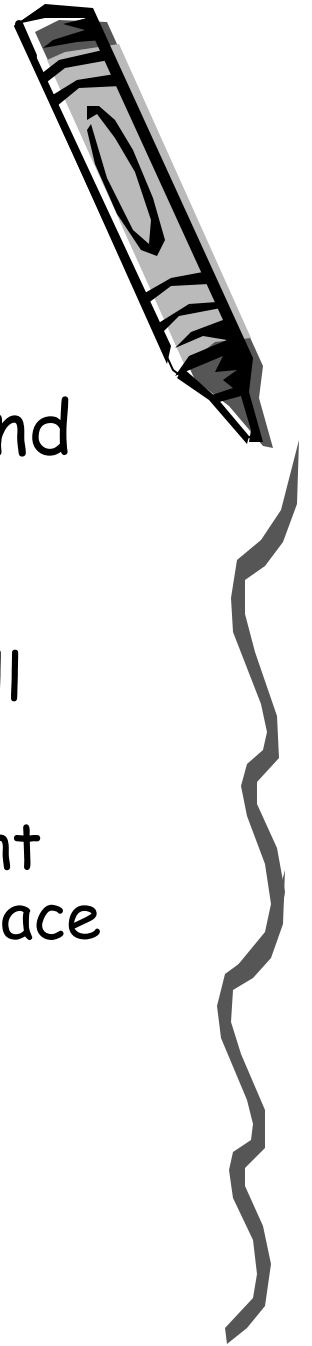
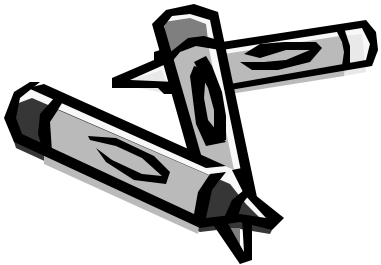
Types of Accruals

- Transaction posted to the next period but should be in current period.
 - Accrued Revenue: Sales NOT invoiced but goods/services RECEIVED by customer in the current period.
 - Accrued Expense: Goods/services RECEIVED in current period but invoiced/paid in next period.
 - Examples



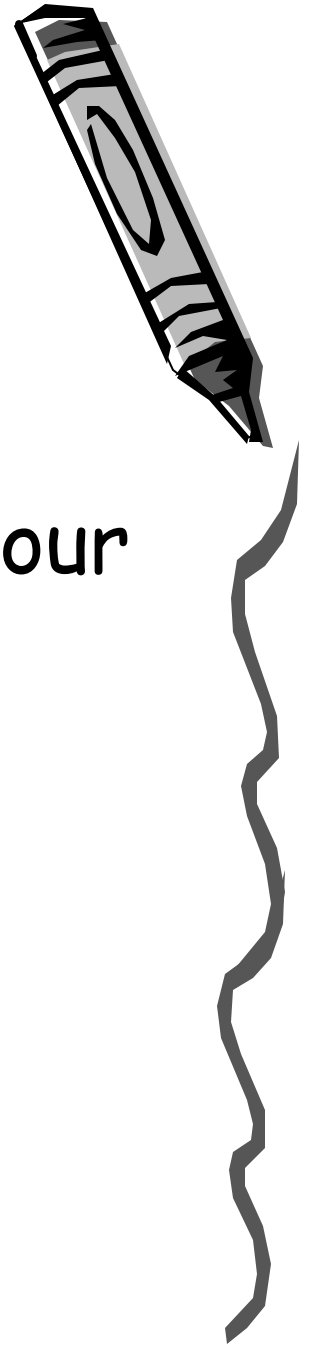
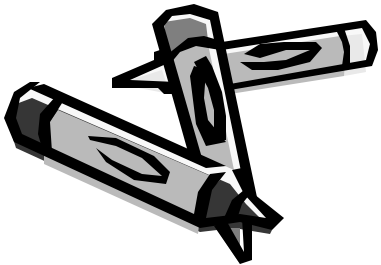
Types of Accruals

- Transaction posted to current period and should be in future period
 - Deferred Revenue: Income RECEIVED in current period for activity/service that will take place in future period.
 - Deferred Expense: Expense PAID in current period for activity/service that will take place in future period.
 - Examples



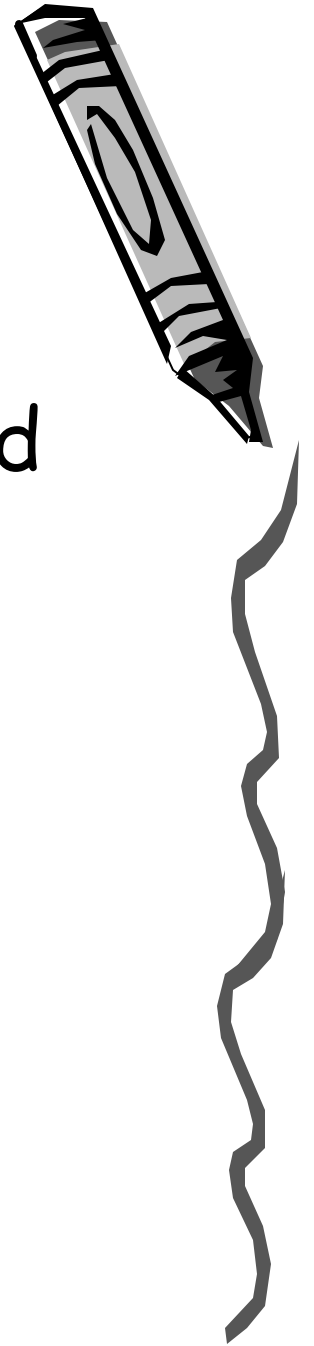
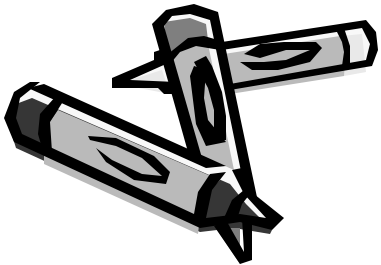
When Should Accruals be Created?

- Absence would create a **SIGNIFICANT** misstatement of your financial information
- Judgment call
- **NOT** significant if **UNDER \$100**

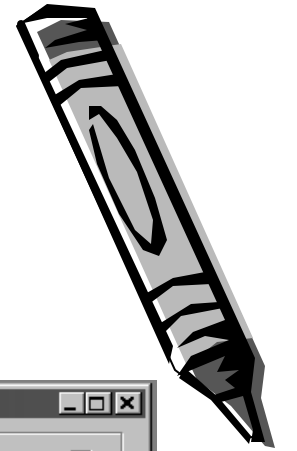


Preparing Accrual Voucher Documents

- Accrual Voucher (AV) and Year End Accrual Voucher (YEAV)
- Same document
- AV available until July 6th
- YEAV available July 7th



Accrual Voucher Document



Accrual Voucher

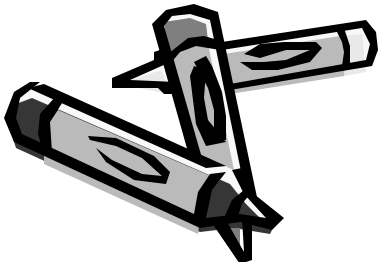
Accrual Voucher		Org/Departmental Information	
Document Num:	01 -019952866	Tracking Num:	
Initiator:	SMMOORE		
Created:	05/02/2004		
Status:	?		
Amount:	0.00	Posting Period:	10 2004
Description:		Reversal Date:	
		Explanation:	

Routing **Notes** **Balance** **Entries** **Print?**

OK **Quit**

Accounting						
COA	Account/Sub	Object/Sub	Project	Reference	Debit Amount	Credit Amount

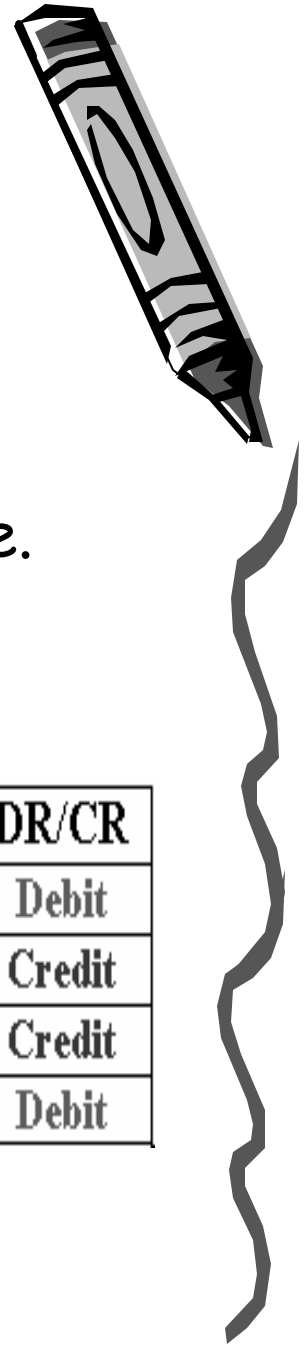
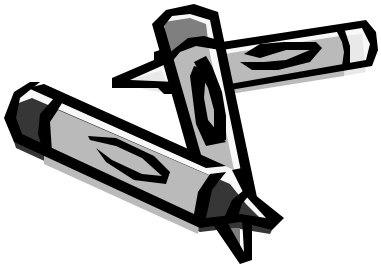
Insert Line **Delete Line** **Copy Line** Totals: 0.00 0.00



Accrual Voucher Document

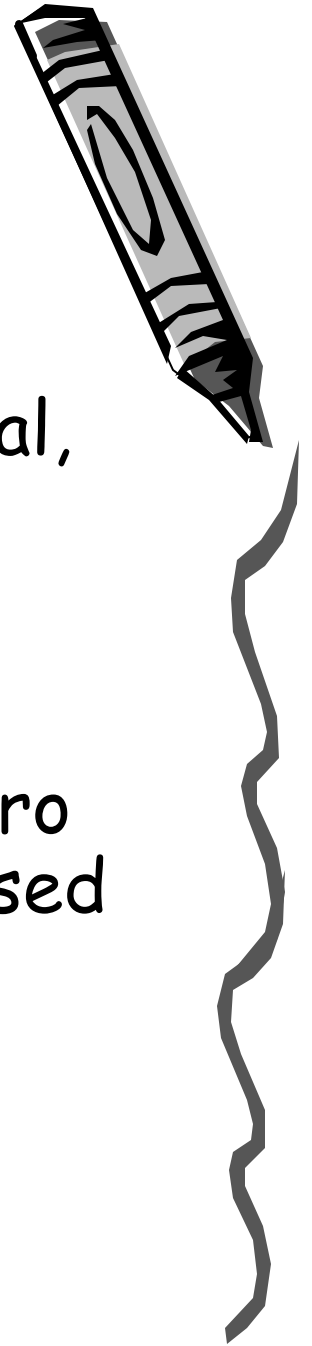
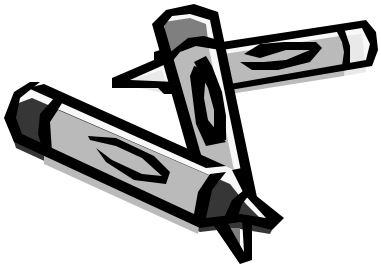
- Each type of accrual:
 - Has its own DaFIS account and object code.
 - Has its own sign (Debit/Credit).

Account	Account Description	Object	Object Code Description	DR/CR
1126790	Sundry Receivables	0301	Accrued Income	Debit
1154300	Audited Vouchers Payable	0300	Accrued Expense	Credit
1180300	Deferred Income Various	0800	Deferred Income	Credit
1143000	Deferred Expense	0801	Deferred Expense	Debit

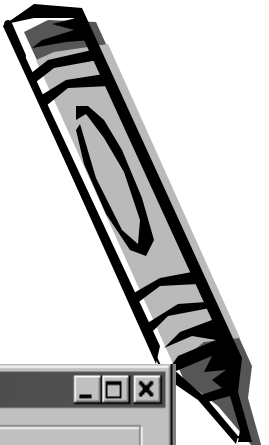


Accrual Voucher Document

- Use same FAU on AV or YEAV as original, including tracking # if required
- Fill in reversal date
- Include adequate explanation
- Accrual/deferral transaction **MUST** zero out the original transaction when reversed
- Use one line for the Accrual/Deferral account



Accrual Voucher Document

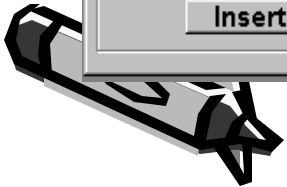


Explanation:

02/03 ACCRUAL OF EXPENSE INCURRED 2002-2003 DRINKING WATER SERVICE, MAY 16 - JUNE 9, 2003. SIERRA SPRING 3XXXX30029 VI H.

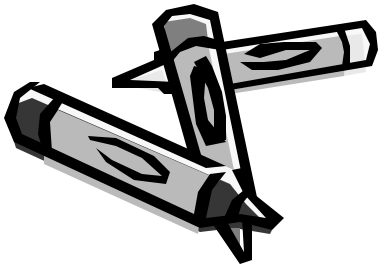
Created:	07/06/2003	Status:	A	Amount:	18.70	Posting Period:	13 2003	Reversal Date:	07/20/2003	Routing	Print?	<input type="checkbox"/>
Description:	02/03 ACCRUAL, DR WATER SERV			Explanation:						Notes	<input type="checkbox"/>	OK
										Balance	\$	Quit
										Entries	D/c	

Accounting							Debit Amount	Credit Amount
COA	Account/Sub	Object/Sub	Project	Reference				
1						9.91		
2	3 1154300	0300		WATER			9.91	
	BALNST AOAP BALN	AUDITED VOUCHERS PAYABLE		ACCR EXP				
3	3 1154300	0300		WATER		2.43		
	BALNST AOAP BALN	AUDITED VOUCHERS PAYABLE		ACCR EXP			2.43	
4	3 1154300	0300		WATER		5.80		
	BALNST AOAP BALN	AUDITED VOUCHERS PAYABLE		ACCR EXP			5.80	
5	3 1154300	0300		WATER				
	BALNST AOAP BALN	AUDITED VOUCHERS PAYABLE		ACCR EXP				
6	3 1154300	0300		WATER				
	BALNST AOAP BALN	AUDITED VOUCHERS PAYABLE		ACCR EXP				
Totals:						18.70	18.70	

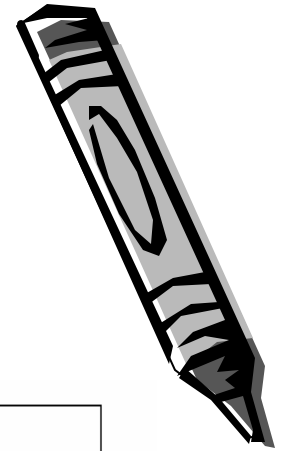


Accrual Voucher: Accrued Expense Example

On July 10th, you receive an invoice from **WIZBANG Consultants** for \$25,000 for the 5 hours spent designing your web page. They completed the work on June 15th.



Accrual Voucher: Accrued Expense Example



Year End Accrual Voucher

Document Num: 01-008567263

Initiator: CLSGURU

Created: 07/11/2004

Status:

Amount: 25,000.00

Description: Accrue 03/04 consulting expense

Org/Departmental Information

Tracking Num:

Posting 13 2004

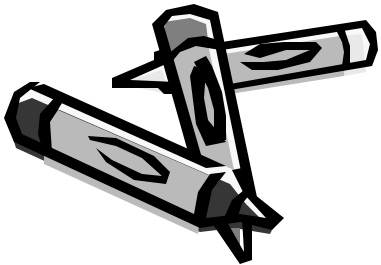
Period:

Reversal Date: 07/20/2004

Explanation: Accrue 03/04 WIZBANG CONSULTANTS invoice #A6295 for services completed June 15, 2004.



COA	Account/Sub	Object/Sub	Project	Reference	Debit Amount	Credit Amount
3	ABC1234	7200			25,000.00	
3	1154300	0300				25,000.00
Insert Line	Delete Line	Copy Line		Totals	25,000.00	25,000.00



Accrual Voucher: Accrued Expense Example

June 2004 Final ledgers – after the accrual posts

Transaction Listing

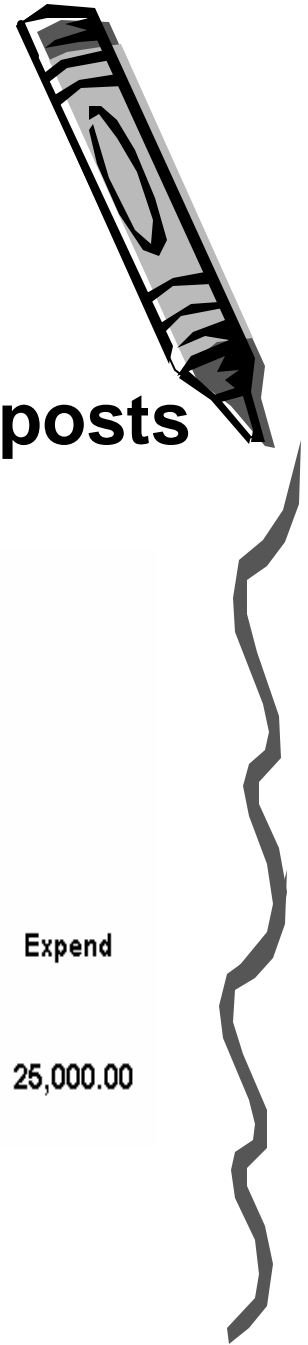
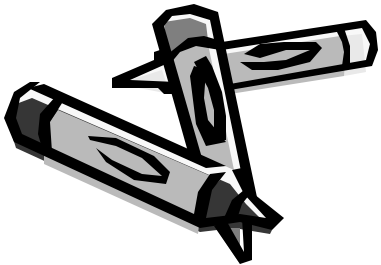
DaFIS Decision Support >> Transaction Listing Reports >> Transaction Listing (FIS2)

Fiscal Periods: June-2004 FINAL to June-2004 FINAL

Chart: 3

Account: ABC1234

Sub Account	Object	Project	Doc Type	Tracking #	Transaction Description	Posted Date	Approp	Expend
SUB3: SUPPLIES AND EXPENSE								
-----	7200		YEAV		Accrue 03/04 consulting expense	11-Jul-04		25,000.00



Accrual Voucher: Accrued Expense Example

August 2004 ledger – after the invoice was paid

Transaction Listing

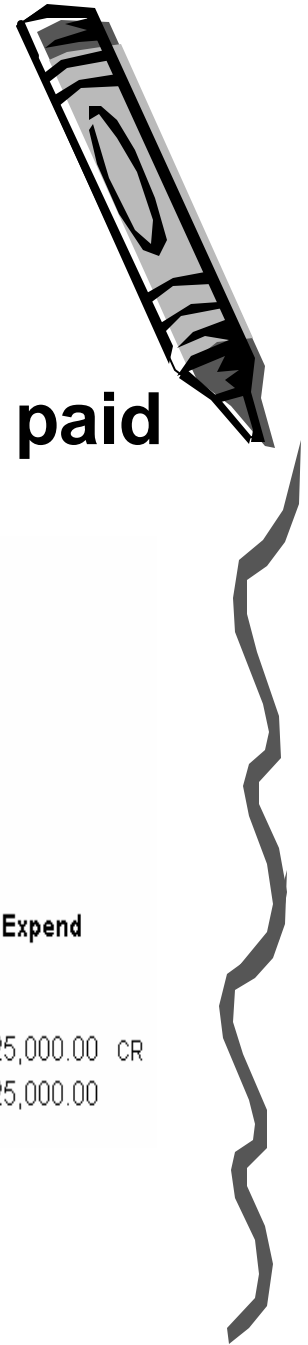
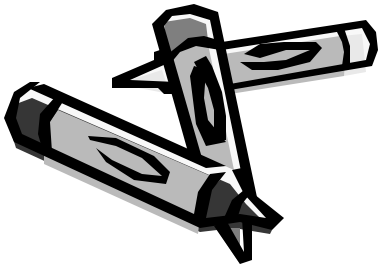
DaFIS Decision Support >> Transaction Listing Reports >> Transaction Listing (FIS2)

Fiscal Periods: July-2004 to August-2004

Chart: 3

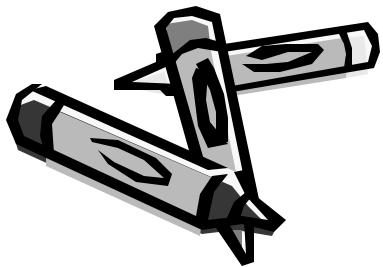
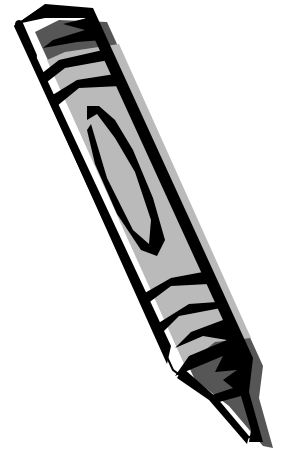
Account: ABC1234

Sub Account	Object	Project	Doc Type	Tracking #	Transaction Description	Posted Date	Approp	Expend
SUB3: SUPPLIES AND EXPENSE								
-----	7200		YEAV		AUTO REVERSAL-Accrue 02/03 consulting expense	20-Jul-04		25,000.00 CR
	7200		VI		WHIZBANG Consultants	20-Aug-04		25,000.00



What will get my AV or YEAV Rejected?

- No reversal date
- Inadequate explanation
- Wrong accrual account
- Transactions too small (under \$100)



Questions?

THANK YOU !!

