AP Year-End Accrual Detail Report Instructions

The Office of the University Controller

Prerequisites

Prior to reading the instructions on the AP Year-End Accrual Detail Report, it is beneficial to review the below sections to gain foundational information:

1. Accounting Foundations Section
2. Chart of Accounts Section
3. Financial Statement Section
4. Movement of Funds
5. Closing Procedures

Introduction

Overview

The AP Year-End Accrual Detail Report was introduced to identify which accounts payable (AP) invoices were included in the automatic AP accrual process and assist fiscal officers in determining if all material expenses have been properly recorded in the correct period.

How does the Report Determine Which Invoices Were Accrued?

In order to understand how the report determines which invoices were accrued, you must have a general understanding of the AP Accrual process. For further detail on the accrual process, refer to the accrual section of the closing procedures, but a brief summary has been included below as a reference:

- Prior to first closing, the AP Accrual batch job, identifies the BUY.IU invoice transactions posted to the General Ledger (GL) in July that had an invoice date on June 30 or prior. Those entries, which include actual expense and liabilities will be posted back to June (period 12).
- This process is repeated a second time prior to second close to capture any additional BUY.IU invoices where the invoice was dated June 30 or prior. These transactions will be posted back to June (period 13).

In both cases, the reversal of the July entry and the posting of the June entry will occur on the BUY.IU Accrual Entry document type (doc type code =BYAC).

The AP Year-End Accrual Detail Report looks for transactions in June with a doc type code equal to BYAC and lists them on the report.

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Importance & Impact of Financial Statement Reporting

The AP Year-End Accrual Detail Report analysis helps identify what has been accrued and assists in the identification of any material accounts payable liability that was not automatically recorded in the GL during first or second closing.

The transactions processed through BUY.IU are both material in dollars and in transaction and volume. If a fiscal officer does not have a strong understanding of what is in the GL, there is a higher risk that the financial statements may not represent the true balances of the entity. Misrepresentation of the financial statements can have negative impacts on Indiana University and the individual entities. If errors are discovered in the audit process, audit findings can be issued and result in potential restatements and impact future funding.

Where to Find the AP Year-End Accrual Detail Report

The AP Year-End Accrual Detail Report can be found under the Controller's Office Reporting Tools tile in [One.IU] and also available on the controller.iu.edu. The information below describes how to find the BUY.IU Year-End AP Accrual Report on One.IU. Using the search bar located at the top of the page, Search for "Controller's Office Reporting Tools" and select Controller's Office Reporting Tools. Mark this task as a favorite by clicking the heart icon near the start button.

Once in the Controller's Toolkit, users will see all available reporting tiles. Navigate to the Liability reports. Once the liability tile is selected, new report tiles will be presented. Select the AP Year-End Accrual Detail Report.

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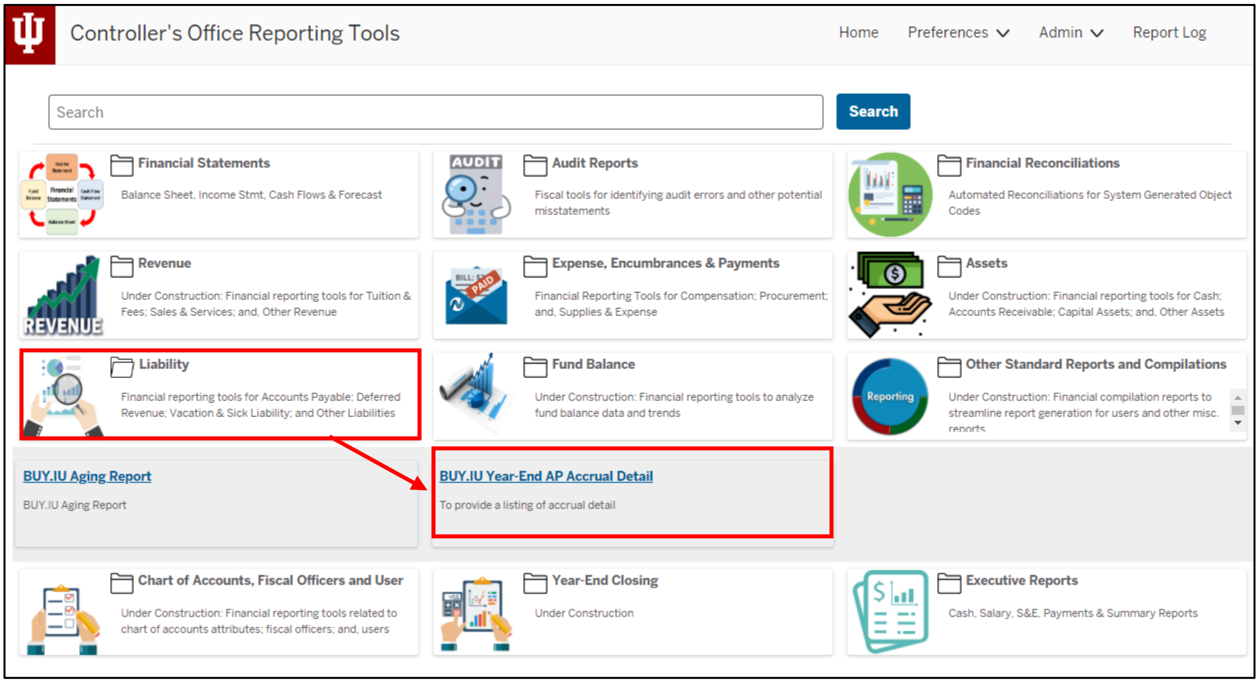

Reporting Requirements & Best Practices

Requirements

1. Run the AP Year-End Accrual Detail Report after the AP Accrual batch job runs during the **first and second** close to identify any errors, misstatements or abnormalities. (Please refer to the calendar for specific dates.)
2. Review the AP Year-End Accrual Detail Report after the AP Accrual batch job runs during **second** close to help identify any material Accounts Payable liability that was not automatically recorded in the General Ledger. See reviewing reports section below for further detail.

Running the Report

Define the search parameters to return results relevant to your organization or to a specific account. The search parameters available in AP Year-End Accrual Detail Report are divided into three parameter types: chart of account report parameters, report specific parameters and display parameters. For further information on the on the related report parameters, refer to the parameters appendix.

Reviewing Report Results

1. Contact University Accounting & Reporting Services at uars@iu.edu if you identify any errors on the AP Year-End Accrual detail. To the extent possible, please include PO and/or invoice number in your email.
2. After the AP Accrual batch job runs during second close, compare the invoices on the AP Year-End Accrual Detail Report to the goods and services received, by the entity. Please contact Accounting & Reporting Services at uars@iu.edu if a material accounts Payable liability was not automatically recorded in the General Ledger.

Appendix

Chart of Accounts Parameters

A number of parameters are available to assist users. Users can enter the responsibility center (RC) code, organization code, and account for their respective organization. At this time, all of the parameters are optional; however, this may result in a long report run time.

If unsure, several of the parameters have a valid values function which displays the available codes and corresponding descriptions.

Parameter	Description
University Fiscal Year	Used to limit report results to one or more fiscal years.
University Fiscal Period	Used to limit report to a specific fiscal period.
Chart of Accounts	Used to limit report to one or more specific chart of accounts. For assistance determining your chart code, refer to KFS chart report.
Responsibility Center Code	Used to limit to a specific RC. Users are encouraged to use this parameter in conjunction with a chart of accounts code. For assistance determining your RC code, refer to KFS RC report.
Organization Code	Used to limit report to a specific organization code. Users are encourage to use this parameter with in conjunction with a chart of accounts code.
Account Number	Used to limit report to one or more specific account(s).
Sub-Account Number	Used to limit report to one or more specific sub-accounts
Object Level	Used to limit report to one or more specific object level(s).
Object Code	Used to limit report to specific financial object code(s).

Sub-Object	Used to limit report to one or more specific financial sub-object code(s).
Fund Group	Limits report to one or more specific fund group(s).
Sub-Fund	Limits report to one or more specific sub-fund group(s).

Report Specific Parameters

A report specific parameter is a parameter that is limited to a single or small group of reports.

Parameter	**Description**
Financial Document Type Code	Limits report to one or more specific document type codes.
Financial Document Number	Limits report to one or more specific financial documents.
As of Date	By entering in an 'As of Date' users should be able to reconcile back to their financial statements (if they also run the Buy.IU Aging and Departmental 9045 Reconciliation Report as of the same date.)

Display Parameters

Display parameters are parameters that define and restrict the visual presentation of the AP Year-End Accrual Detail Report. They are found on the lower part of the parameters.

Parameter	**Description**
Include Hyperlinks in Excel Output	Check/Uncheck - If the user checks the Show Excel Links box, they will have the ability to navigate to additional detail
Select the Output Format	Check/Uncheck - Selects whether the report is generated in Excel or HTML format. If a user selects HTML format, the report will appear in a separate tab within the user's browser and will look identical to the excel version. Output format is based on personal preference.
Select the Output Destination	Once the report has finished generating in the background, a pop-up box will appear on

	the screen allowing you to access it. If the report takes too long to generate, the system will automatically send it to your email.
Include Subtotaling	Check/Uncheck - If the user selects clicks on include subtotaling, the report will insert a subtotal at the account level.

Click Save Parameter Settings to save your parameters for future use of this report.

For instructions, review the Saving Parameter Set portion of the Controller's Office Reporting Tools page to learn how.