AR-18 FAQ 2024 AR Year-End Accrual Process

Purpose

The purpose of this Quick Reference Guide (**QRG**) is to provide answers to frequently asked questions related to the AR Year-End Accrual Process within NCFS.

Introduction and Overview

This QRG covers FAQs related to the AR Year-End Accrual Process within NCFS. Topics included are invoices, journal entries, spreadsheets, and reports associated with the AR Year-End Accrual Process.

Frequently Asked Questions

Shown below are the frequently asked questions in relation to the AR Year-End Accrual Process.

When should we use NC Accrual?

Agencies should not use the NC Accrual data access set. Use NC ACCRUALS ENT - AGENCY XXXX or NC ACCRUALS READ - AGENCY XXXX.

Do JV entries have to use NC Accrual?

For Spreadsheet or direct entry accruals, you should use the Category NC AGY REVERSING ACCR or NC AGY NON-REVERSE ACCR as appropriate.

When should modified accrual be used vs. full accrual?

Agencies should record accrual entries in both the accrual and modified accrual ledger.

What steps are required when submitting a Journal via spreadsheet and changing ledgers?

When you submit a journal in a spreadsheet you need to ensure that your data access set is NC ACCRUALS ENT-AGENCY XXXX before downloading the spreadsheet. You can select the ledger NC ACCRUAL US, submit the journal, then select the ledger NC MODIFIED ACCRUAL US, and submit again. Each line needs to be updated so that the triangle appears in column A of the spreadsheet. This indicates the line is to be included in the upload. It is suggested that you copy the agency number column and paste it back in the same column to validate the column for upload.

Should you keep funds within the same budget code and not mix them together?

Journal entries can be combined for multiple budget codes.

Can different budget funds from several different budget codes be in the same journal? Or should these funds be within the same budget code and not mix them together?

It is OK to have budget funds from several different budget codes in the same journal.

What if most of what we certify is done in the Intercompany Module, not as a journal?

The accrual account can be added on the description line in the Intercompany Module.

Darlene's method of using the AR account filter in the 165 report requires line-item descriptions. Will line-item descriptions show up on the G/L detail report for this filter to work?

Yes.

Should we only reverse things that would be duplicated by cash in the following year?

Yes.

Can all approvals be done through the notification bell icon regardless of the ledgers?

Yes, all the entries will appear in the notification bell and can be approved there without opening the journal from manage journals.

Is there any training for the FBR reports (DSS like statements)?

Currently, no training is planned.

Will the 113220 for Patient AR still be available?

Yes, 11322000 will still be available.

Are two entries, accrual and modified, require for all funds including general funds, not just internal service funds?

Yes.

Should the federal shares also be recorded twice?

Entries should be posted in both ledgers.

When will duplicate entries be reversed? When should we complete the financial statement audit following the ACFR submission?

The reversals will occur with a July date only in the Accrual and Modified Accrual ledgers. Reversals will occur as we close July.

If we do not have a modified ledger, do we have to request access?

The ledgers are not determined by security access.

Is there a cutoff date for entering accruals?

The ACFR team has set the cut off as 7-31-24.

Do we accrue IGO payments or just cash/check deposits?

You would accrue any receipts that are related to prior year revenues.

For those agencies that interface to NCFS, will there be a report that will show the accrual from last year?

The NC Agency GL Detailed Transaction Report (RPT-RTR-165) report can be run for all 3 ledgers, to view the Jun 2023 entries that were reversed in July 2023, run the RTR-165 report in for the NC ACCRUAL or the NC MODIFIED ACCRUAL ledger and for Jul-23 period and filter for the journal batch that begins with NCAS Conversion Data XXXX Jul-23 Conversions (XXXX is the agency number) with the Category R3 NCAS Conversion.

If Accrual ledger is for ISF Funds, does that mean Modified would technically be for General and Special Funds?

We are asking agencies to record the accruals in both ledgers, however your ACFR reporting for ISF will only be from the Accrual ledger.

Is there a naming format you want everyone to use for the Accrual JV's?

OSC’s recommended naming convention is to begin your journals with the agency number.

I am responsible for ACFR entries, but I only have a Data set for Accruals READ. How do I get the access to enter ACFR entries?

Please submit a Security Request for the Accruals Ent role.

When we keyed entries in NCAS we used the code 33 for accruals and 31 for adjustments. How do these two codes relate to NCFS?

Code 33 equates to an NC AGY REVERSING ACCR and a 31 equates to a NC AGY INTERNAL BC ENTRY.

Our regional fiscal offices used to complete entering and reversing accruals. We have only started entering in our GL since Go-Live in October 23. If we have no experience with entering Accruals or Reversing Accruals in NCAS or NCFS, what do we need to know and who should we work with?

Please work with your agency controller's office and your OSC ACFR analyst, they will be able to assist.

Why do entries have to be recorded twice?

Accrual entries such as AR & AP accruals may posted cumulatively for multiple GASB funds. Posting the entries in both ledgers eliminates the need to parse the data by GASB. In addition, the GASB is evaluating a new financial reporting model, and it is unclear at this time if the model will require full accrual for all fund types. After a discussion with the ACFR team, they have determined that it is unnecessary to post entries for General Fixed Assets or General Long-Term Debt in the NC Modified Accrual ledger.

If we have not used injections and have only used manual entries, can entries still be done this way? If we did it manually, they need to be entered twice?

Yes, you can still do the entries manually and enter them twice.

Can the data be accessed later for reference?

Yes.

Is there a specific journal category to use in NCFS?

Use the Category NC AGY REVERSING ACCR or NC AGY NON REVERSE ACCR as appropriate.

What reports should be generated to see reversals of last year's accruals? Can the RTR-165 report display the data if the data access set is changed?

The NC Agency GL Detailed Transaction Report (RPT-RTR-165) report can be generated for all 3 ledgers. To view the June 2023 entries that were reversed in July 2023, generate the RTR-165 report in for the NC ACCRUAL or the NC MODIFIED ACCRUAL ledger and for Jul-23 period. Then filter for the journal batch that begins with NCAS Conversion Data XXXX Jul-23 Conversions (XXXX is the agency number) with the Category R3 NCAS Conversion.

If we are not using the Category NC AGY Reversing entries, which category should be used for entries that are for June but posted/entered in July/August?

Use the category NC AGY NON REVERSE ACCR for 30_Jun-23 entries that do not require reversal.

Just to reiterate, the actual deposit will be keyed using the nc cash data access set and the accrual entry will be keyed using "NC Accrual ENT-Agency xxxx." Is that right?

Yes, the deposit in July should be keyed with the appropriate DEP category.

When is the ACFR Accrual cut-off date?

ACFR has extended the date to July 31st.

Are the line descriptions similar to the old accrual codes that we used in NCAS? Are there any differences?

Yes, the line descriptions for AR accrual will be the same as was used in NCAS with 00 added at the end.

Previously, there was a flagged accrual report that would pull all accruals performed. Is there currently a way to locate all the accrual entries in a report?

The RTR-165 report will show the AR accruals and there will be additional reports for AP accruals.

How do you know if an entry needs to be reversed?

This should be discussed with your agency management and/or your ACFR analyst at OSC.

Is there a subject matter expert assigned to AR, whom we can ask questions throughout this accrual process? If so, who would that contact person be?

Please contact the NCFS Help Desk for assistance.

What is the URL for the Help Desk? How can we locate our ACFR Analyst for questions?

The form NCFS Inquiry | NC OSC can be used to ask questions to our Help Desk and identify the ACFR analyst.

Will the trial balance be available to verify reversals?

The trial balance may not be useful in confirming accrual reversals since day to day transactions are posted to the accrual accounts, in the accrual and modified accrual ledgers.

How do you change the data set from NC Cash?

You can't change the Data Access Set within the journal. The Data Access Set can be changed on the General Accounting Dashboard, the Journals, or the Manage Journals screen.

What security allows for Accrual Entry?

The 2 roles that allow security for accrual entry are NC GL Journal Entry JR and NC GL Journal Approval - Agency JR.

Would selecting All instead of Accrual & Modified capture everything instead of doing 2 entries?

You can't select all, you must select each individually.

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