Subject: Carryforward Balance FinUnit and Project: Account 300000

As we approach the start of the new fiscal year, we want to update you on the data movement that will support our fiscal year close-out activities. Oracle only reflects this at the end of the fiscal year after the campus has finalized its budget segment. We recognize that there is a need to see this information at the financial unit and project level. Therefore, once the annual UCP financial statement audit is complete in October, we will reallocate the net position to account 300000 at the granularity of FinUnit and Project.

What does this mean in year? The FinUnit or Project dollar amount reflected in your equity account 300000 will continue as the last year’s IFIS carryforward until the allocation occurs in October.

If you are a faculty member, we have modified the reports being released to your Faculty and Researcher Panorama in such a way that there will be no impact to you. These reports are using last fiscal year’s ending net position; this year’s revenue and expenses, and lifetime capital equipment charges. Your general ledger resources available will accurately reflect the cash position of your Project. The Net Oper (NOR) and Budget vs Actual Report will also be updated to ensure you have accurate reporting of both your FinUnit and Project.

If you are a report author, please ensure that any of your reports currently using equity account 300000 as a starting balance are updated to instead use ending net position from the previous fiscal year.

Reminder: PPM Reporting is not impacted at all.

We will circulate a recorded demonstration shortly. Please utilize the Budget & Finance Community of Practice for questions and additional training and support information to follow.

Commonly Asked Questions

Q: Why is the allocation process so late after year-end close?
A: The allocation process can only be performed one time. The campus must wait until after annual UCP financial statement audit is complete in October to ensure that possible audit adjustments are posted before the allocation process is performed.

Q: If the system automatically nets FY21 revenue and expenses on July 1 and posts net amount to the net position for entity/fund, will transactions for FY 21 posting to Jun-21 after July 1 but before the final close still be reflected in the FY22 carryforward balance?
A: Yes. The system will automatically reflect additional revenue and expense transactions in period Jun-21 in the opening net position balance for FY22. The allocation of the fund to Financial Unit & Project will be visible after the October allocation.

Q: Will the close process wipe out FY21 revenues and expenses?
A: No. Revenue and expense transactions for FY21 will remain in the General Ledger balances. This standard accounting process simply resets these accounts for the new fiscal year.

Q: Can I see FY22 activity in the period between July 1 and October?
A: Yes. All postings to revenue, expense, assets, liabilities will continue for the new fiscal year and will be reflected and reported down to the Fin Unit and project level. The difference between revenue and expense in any given year is the Change in Net Position for that year. Only Revenue and Expense accounts are set to zero during the close process for the next fiscal year.

Q: Will the close process wipe out Account 300000 balance?
A: No. Account 300000, Net Position, is a balance sheet account and all balance sheet accounts reset to zero at the start of the new fiscal year. If you are a faculty member, your net position balance in Account 300000 will continue to reflect last year’s IFIS carryforward until the allocation occurs in October.

Q: What does this mean to you?
A: For the new fiscal year, the general ledger reports being released to the Faculty and Researcher Panorama will continue to use “last year’s” ending net position in their reports. The central Oracle BI Team is rewriting the impacted reports to use ending net position for entity/fund.

Q: Can I see FY22 activity in the period between July 1 and October?
A: Yes. All postings to revenue, expense, assets, liabilities will continue for the new fiscal year and will be reflected and reported down to the Fin unit and project level. The difference between revenue and expense in any given year is the Change in Net Position for that year. Only Revenue and Expense accounts are set to zero during the close process to prepare for the next fiscal year. For example:

<table>
<thead>
<tr>
<th>Category</th>
<th>General Ledger</th>
<th>Cube Class Code</th>
<th>Project Panorama</th>
<th>Faculty and Researcher Panorama</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Expense</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Q: What does PPM mean?
A: No. Revenue and expense transactions for FY21 will remain in the General Ledger balances. This standard accounting process simply resets these accounts for the new fiscal year.

Q: Why is the allocation process so late after year-end close?
A: The allocation process can only be performed one time. The campus must wait until after annual UCP financial statement audit is complete in October to ensure that possible audit adjustments are posted before the allocation process is performed.

Q: What about PPM? Will the close process zero out my PPM expenditures?
A: No. The close process does not touch PPM. PPM is incept to date data; there is no accounting close process to prepare for the next fiscal year.

Q: What does this mean to you?
A: For the new fiscal year, the general ledger reports being released to the Faculty and Researcher Panorama will continue to use “last year’s” ending net position in their reports. The central Oracle BI Team is rewriting the impacted reports to use ending net position for entity/fund.