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 the net position at the entity/fund level in the General Ledger's balancing segments. 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 practice? The FinUnit or Project dollar amount reflected in your equity account 300000 will contain the start of 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 resource 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 Projects.

If you are a report author, please ensure that any of your reports currently using equity account 300000 as a beginning 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 amounts to the net position for entity/fund, will transactions for FY 21 post 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 July FY22. The impact of this 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 always. This standard accounting process simply resets these accounts for the new fiscal year.

Q: Will the close process wipe out the Account 300000 balance?
A: No. Account 300000, Net Position, is a balance sheet account and all balance sheet accounts return to zero at the beginning of the new fiscal year. 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 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 in reports down to the fin unit and project level. Only the net position balance in Account 300000 will remain static with the FY5 carryforward affecting the fin unit and project level until the allocation process is performed in October.

Q: What about PPM? Will the close process zero out my PPM expenditures?
A: No. The close process does not touch PPM. PPM is inception to date data; there is no accounting close process to update these balances. The system will automatically reflect additional revenue and expense transactions in period Jun-21 in the opening net position balance for July FY22. The impact of this to financial Unit & Project will be visible after the October allocation.

Q: What about the allocation of this carryforward until the October allocation. 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: Will the close process wipe out the Account 300000 balance?
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