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 FinUnit/Project level and can’t reflect the cash position of your Project. PPM reporting will not be impacted and will accurately reflect the opening position of your Project.

If you are a faculty member, we have modified the reports being released to you and 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 FinUnit (NDR) and Budget & Actual Report will 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 once. The campus must wait until after annual UCOP financial statement audit is complete in October to ensure all possible audit adjustments are posted before the allocation process is performed.

Q: Can I see FY22 activity in the period between July 1 and October?
A: No. Account 300000, Net Position, is a balance sheet account and all balance sheet account balances reflect the activity through the end of the prior year. The difference between revenue and expense in any given year is the Change in Net Position for that year. All revenue and expense transactions for FY21 will remain in the General Ledger until the allocation process is performed in October.

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: Can I see FY22 activity in the period between July 1 and October?
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 allocation process can only be performed one time. The campus must wait until after annual UCOP financial statement audit is complete in October, we will reallocate the net position to Financial Unit and Project level. Therefore, once the annual UCOP financial statement audit is complete in October, we will reallocate the net position to Account 300000 at the granularity of FinUnit and Project.

Q: What about PPM? Will the close process zero out my PPM expenditures?
A: No. Account 300000, Net Position, is a balance sheet account and all balance sheet account balances reflect the activity through the end of the prior year. The difference between revenue and expense in any given year is the Change in Net Position for that year. All revenue and expense transactions for FY21 will remain in the General Ledger until the allocation process is performed in October. Oracle only reflects the net position at the entity/fund level, UC San Diego’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 UCOP financial statement audit is complete in October, we will reallocate the net position to Account 300000 at the granularity of FinUnit and Project.

Q: What does this mean to you? The FinUnit or Project dollar amount reflected in your equity account 300000 will continue to reflect last year’s IFIS carryforward balance.
A: The system will automatically reflect additional revenue and expense transactions in period Jun-21 in the opening net position balance for July FY22. The allocation process can only be performed one time. The campus must wait until after annual UCOP financial statement audit is complete in October, we will reallocate the net position to Financial Unit and Project level. Therefore, once the annual UCOP financial statement audit is complete in October, we will reallocate the net position to Account 300000 at the granularity of FinUnit and Project.

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Q: What about PPM? Will the close process zero out my PPM expenditures?
A: Yes. All postings to revenue, expense, assets, liabilities will continue for the new fiscal year and will be reflected at reports downstream to the fin unit and project level. Only the net position balance in Account 300000 will remain static with the PPS carried forward at the fin unit and project level until the allocation process is performed in October.

Q: Will the close process wipe out the Account 300000 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 allocation process can only be performed one time. The campus must wait until after annual UCOP financial statement audit is complete in October, we will reallocate the net position to Financial Unit and Project level. Therefore, once the annual UCOP financial statement audit is complete in October, we will reallocate the net position to Account 300000 at the granularity of FinUnit and Project.