Wave 1 Solution Walkthrough (SWT): Accounts Receivable and Billing

Wave 2 Departments

April 23, 2014
Agenda

- FI$Cal Project Overview
- Wave 1 Solution Walkthrough Objectives and Approach
- FI$Cal Solution Overview
- Set Up and Maintain Customers Process
  - Key Terms
  - Business Process Overview
  - Wave 1 Demonstration
- Generate and Adjust Invoices Process
- Enter and Maintain Receivables Process
- Process Payments Process
- Collect Receivables Process
- Technology Considerations
- Session Recap

April 23, 2014

The Financial Information System for California (FI$Cal) is a business transformation project for the State in the areas of budgeting, accounting, procurement, and cash management. The Project prepares the State to work in an integrated financial management system.

California’s Partner Agencies are working together to form the partnership to support FI$Cal at the highest level:

- Department of Finance (DOF)
- Department of General Services (DGS)
- State Controller’s Office (SCO)
- State Treasurer’s Office (STO)
FI$Cal Wave Timeline

<table>
<thead>
<tr>
<th>Calendar Years</th>
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</thead>
<tbody>
<tr>
<td>2012</td>
</tr>
<tr>
<td>Q1</td>
</tr>
</tbody>
</table>

- **Pre-Wave (~12 Months)**
- **Wave 1 (20 Months)**
- **Wave 2 (15 Months)**
- **Wave 3 (24 Months)**
- **Wave 4 (24 Months)**

O&M
SWT Objectives

The Wave 1 Solution Walkthroughs will provide:

- An overview of the business process, including key terms and implemented functionality
- A list of changes with the “To-Be” business process
- An opportunity to begin thinking about updates to internal department processes
- A demonstration of the FI$Cal Wave 1 solution
FI$Cal Design Approach

**Objective**
- Define and validate DRAFT processes to best meet the State's needs independent of the software details
- Clarify requirements

**Audience**
- Department of General Services (DGS)

**Key Outputs**
- Revised DRAFT To-Be Processes with department input

**Tools / Methods**
- Interactive Working Sessions with department SMEs
- Gather additional input on:
  - As-Is Process
  - Statutes, Reg, Policy
  - To-Be Process, Benefits, Challenges

**Objective**
- Provide departments with an understanding of Wave 1 FI$Cal business processes
- Demonstration of Wave 1 FI$Cal solution
- Identify where Wave 1 solution may not meet the needs of new departments

**Audience**
- Wave 2 Departments absent in Wave 1

**Key Outputs**
- New departments prepared for CRP sessions
- Key Considerations
- Action Items and concerns from departments

**Tools / Methods**
- Solution Walkthroughs
- Wave 1 FI$Cal Solution

**Objective**
- Conduct a systematic review of how FI$Cal requirements and DRAFT To-Be Processes are enabled by the FI$Cal software solution

**Audience**
- Wave 1 and Wave 2 departments

**Key Outputs**
- Revised DRAFT To-Be Processes with department input
- Basis for System Configurations and Functional Designs

**Tools / Methods**
- Interactive CRP Sessions with Department SMEs
- CRP Sandbox

**Objective**
- Validate and document final business process designs
- Confirm how requirements are met

**Audience**
- Project team with department input

**Key Outputs**
- Final Business Process Designs
- Update Requirements Traceability Matrix
- RICEF Inventory

**Tools / Methods**
- Conduct follow-up meetings / validation sessions as necessary
- Resolve open issues / outstanding decisions

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**Department Participation and Input**

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Ground Rules & Guiding Principles

- **Challenge** how the State does things today
- **Perspective** – Adopt a “Statewide” perspective
- **Silence is Consent** – Speak and share your thoughts
- **There are no Bad Questions** – Better to question, then assume
- **Consider Best Practices** and business process changes
- **Think of the data** and information you require
FI$Cal Solution Overview

Oracle Enabling Technology

Operations & Maintenance

Identity & Access Management

Portal (Single Sign-on)

Application Security
- Budgeting
- Finance & Purchasing
- Business Intelligence

Content Management

Audit Users
- Department Users
- Vendor Users
- Deferred Exempt Departments

Authentication
Access Control

Reports, PDFs
Spreadsheets
Output Files

External Interfaces

ERP Modules
Enabling Software Technology

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FI$Cal Accounting Solution

Legend
- Pre-Wave
- Wave 1
- Wave 2
- Wave 3

FI$Cal Procurement Solution

Legend
- Pre-Wave
- Wave 1
- Wave 2

General Ledger / Commitment Control

VMF Vendors
VMF Bidders
VMF SB/DVBE
Item Master

Vendors/Bidders

eProcurement (Requisitions)
Strat. Sourcing (RFX Solicitation)
Contract Management

Purchasing (Purchase Order)
Receipts
Encumbrances
PO Qty/Amt

Asset Mgmt
Project Costing
Accounts Payable

P-Card (Cal-Card)

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FI$Cal Budgeting Solution

Legend
- Pre-Wave
- Wave 1
- Wave 2

Other Sources (Spreadsheet Templates)
- Statistical Data

SCO Payroll
- HR Data

Smart View for Office
- View/Update Data

Hyperion Public Sector Planning & Budgeting
- Actuals and Budget Data
- Final Budget Data

Budget Books
- PDF
- HTML

General Ledger / Commitment Control

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## Set Up and Maintain Customers Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer</td>
<td>An entity which receives goods or services from a department and/or owes money to the State</td>
</tr>
<tr>
<td>Customer Contact</td>
<td>Individual or unit associated with a customer that the department may interact with for Billing and Accounts Receivable purposes</td>
</tr>
<tr>
<td>Customer Hierarchy</td>
<td>A tiered-structure formed from linking customers in one or more levels of parent-child relationships</td>
</tr>
<tr>
<td>Customer ID</td>
<td>A unique value/identifier assigned to a customer for tracking a customer profile in the system</td>
</tr>
</tbody>
</table>
Set Up and Maintain Customers Overview

- The Set Up and Maintain Customers business process is an integral part of the accounts receivable function, and supports key activities, such as creating invoices, tracking receivables, recording receipts, and collecting on receivables.
- In FI$Cal, the setup of a customer record is required to generate invoices and track receivables.
- A customer record is not required to simply record receipt of miscellaneous (non-receivable related) payments.
Set Up and Maintain Customers Overview

- Customers will be set up and maintained by departments in department-specific customer files.
- A department’s customer file may contain many types of customers, such as:
  - External entities and individuals
  - State departments/agencies
  - Local governments
  - Federal agencies
  - State employees
Set Up and Maintain Customers Overview

- Parent-child relationships may be established to link one customer to another customer to form a customer hierarchy for tracking purposes
- Multiple addresses and contacts may be associated with a single customer
- A Taxpayer Identification Number (TIN) for a customer may be stored in FI$Cal
  - Confidential Users within the Departments can choose to mask the TIN when entering and updating customer records.
What *IS NOT* Changing in Wave 1

- Departments will continue to set up and maintain their own customer files
  - Each department will use its own list of customers for creating invoices and setting up receivables
What is Included in Wave 1

- Customers set up for FI$Cal departments will be used in the FI$Cal Billing module for generating invoices and in the Accounts Receivable (AR) module for tracking receivables.
- Customers will be set up and maintained separately from vendors.
- Interagency customers will be assigned standard customer IDs to be used by all FI$Cal departments. Departments may link interagency customers converted into FI$Cal to the new FI$Cal interagency customer records to form parent-child relationships for reporting purposes.
Set Up and Maintain Customers

- Submit form after identification of need to set up or update customer information

- Enter/update customer name, addresses, correspondence options
- Enter/update optional TIN info (Department Confidential Customer Processor only)

- Enter/update contact details
- Link contact to one or more customers

Key Impacts
- Standard FI$Cal form will be used for requesting/updating customer information
- TIN information will be entered by the Department Confidential Customer Processor Role
- Employees with outstanding payroll ARs will need to be set up as customers
- Interagency Customer IDs will be standardized across departments
- Customer parent-child relationships may be established for reporting purposes
Set Up and Maintain Customers

Key Points:

- One or more customer Names can be captured
- Type of Customer can be recorded for reporting purposes
- Roles determine how the customer can be used in the system (e.g. Bill To Customer flag must be checked in order for the customer to be available for selection on an invoice)
Set Up and Maintain Customers

Key Points:

- One or more addresses can be set up for a customer
- Bill To, Ship To, etc. flags determine where in the system the address is visible
- Effective dates can be used to capture changes in address information
Set Up and Maintain Customers

Key Points:

- Credit Analyst and Collector roles are required for utilizing the customer for AR and Billing
- Defaults values set up on the customer default onto specific billing or accounts receivable transactions in the system
- The accounting entry for the receivable line on a bill/receivable can be defaulted based on the customer record.
### Generate and Adjust Invoices Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Invoice</td>
<td>A record of goods sold or services provided to a customer</td>
</tr>
<tr>
<td>Pro Forma Invoice</td>
<td>A draft print/output of an in progress invoice. This may be used for reviewing billing charges before finalizing the bill for invoicing.</td>
</tr>
<tr>
<td>Credit Invoice</td>
<td>A complete reversal of a finalized invoice. A credit invoice is assigned a new invoice number and is linked to the original invoice.</td>
</tr>
<tr>
<td>Rebill Invoice</td>
<td>A new invoice generated to adjust a finalized invoice. The rebill is assigned a new invoice number and is linked to the credit and the original invoice.</td>
</tr>
<tr>
<td>Voucher</td>
<td>An electronic transaction created for the processing of vendor invoices, apportionments, employee expenses, or adjustments</td>
</tr>
</tbody>
</table>
The Generate and Adjust Invoices business process supports the creation of invoices from billable charges and the subsequent adjustment of finalized invoices within the Billing module.

- Customers must be established in FI$Cal prior to creating and adjusting invoices.
- Billable charges may be manually entered or interfaced into the Billing module.
- Billable charges from projects and grants are manually entered in the Billing Module in Wave 1.

In Wave 2, billable charges from projects and grants will be integrated with the FI$Cal Billing module, allowing the charges to flow into the Billing module for invoice generation.
Generate and Adjust Invoices Overview

- Invoices finalized within the Billing module become outstanding receivables in the Accounts Receivable (AR) module
  - Payments and collection activities for invoices are tracked within the AR module
What **IS NOT** Changing in Wave 1

- Departments with external systems for collecting billable charges may continue to use those systems and interface the billing data into FI$Cal for generation of invoices.
- Departments that direct charge other departments will continue to send direct transfer details to SCO per their existing process.

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What is Included in Wave 1

- Departments will generate invoices out of the FI$Cal Billing module for charges that are entered in or interfaced into FI$Cal.
- System-generated vouchers will be created for interagency invoices from FI$Cal departments, while billed departments will create vouchers for invoices from non-FI$Cal departments.
- Two standard invoice layouts will be available for generating invoice outputs. The layouts will include a standard bar code with customer ID, invoice number, and amount information. Departments may leverage the bar code information with their scanning devices for processing remittances.
- Departments will have one centralized remittance address that will print on invoices generated in FI$Cal for the department.
Generate Invoices Flow

Bill Requester
- Submit Request to Bill Charges
  - Complete Excel request form with billable charges
  - Send form to Department BI Processor

Department BI Processor
- Enter Billing Information
  - Enter/review invoice lines, amounts, and accounting details
  - Review charges from interfaces or projects / grants (if applicable)
  - Generate pro forma invoice

Bill Requester/Reviewer
- Review Pro Forma Invoice
  - Review and notify Department BI Processor of changes or approval

Department BI Approver
- Finalize and Distribute Invoice
  - Review bills for finalization
  - Review billing accounting entries
  - Generate invoices for distribution to the customer

Post Invoice Data
  - Send Billing accounting entries to the General Ledger
  - Establish receivables in AR

Key Impacts
- Standard FI$Cal Excel form will be used for requesting invoices
- Billable charges may be entered or interfaced into FI$Cal
- Invoices generated from FI$Cal will send accounting information to the General Ledger and establish receivables in AR
Adjust Invoices Flow

Bill Requester
- Submit Request for Adjustment
  - Identify need to adjust an invoice
  - Populate request form and send to Department BI Adjustment Processor

Department BI Adjustment Processor
- Select Invoice and Adjustment Type
  - Adjust entire invoice or specific lines (credit only or credit and rebill)

Department BI Processor
- Reroute to Finalize Adjustments
  - Review pro forma invoice
  - Send to requester
  - After review, the bill will go through the steps outlined for regular invoices

Key Impacts
- Standard FI$Cal form will be used for requesting invoice adjustments
- Department BI Adjustment Processor role is needed to initiate adjustment of finalized invoices
- Adjusted invoices are linked to original invoices in the system for tracking purposes
Interagency Billing Overview

- Interagency bills will be recorded and generated in FI$Cal for departments that are in FI$Cal
  - Billing departments:
    - Billing departments in FI$Cal will set up billed departments as customers. If the billed department is also in FI$Cal, then the billed department customer will be flagged for interagency billing processing
    - Billing a FI$Cal department from FI$Cal Billing will result in the creation of a voucher in FI$Cal Accounts Payable for the billed department
  - Billed departments:
    - Departments will process system-generated vouchers for interagency invoices from FI$Cal departments
    - Departments will record vouchers for interagency invoices from non-FI$Cal departments
Interagency Billing Scenarios Summary

- Scenario 1: FI$Cal department billing another FI$Cal department
  - 1A: Non-Direct Transfer Charges
  - 1B: Direct Transfer Charges
- Scenario 2: FI$Cal department billing a non-FI$Cal department for Direct Transfers or non-Direct Transfers
- Scenario 3: FI$Cal department receiving interagency invoices from a non-FI$Cal department for Direct Transfers or non-Direct Transfers
- Scenario 4: Non-FI$Cal department billing a non-FI$Cal department
  - Continue existing process outside of FI$Cal
Interagency Scenario 1A: FI$Cal Dept. Billing FI$Cal Dept. – Non-Direct Transfers

**Key Impacts**
- Interagency customers of FI$Cal departments which are also FI$Cal departments will be flagged for FI$Cal interagency billing processing
- Vouchers for interagency billing reference the interagency invoice number
- Voucher is routed through appropriate departmental and SCO approvals

**Enter Charges and Finalize Invoice (BI)**
- Follow Generate Invoices process to set up and finalize invoice
- Distribute invoice to department being billed

**Generate Voucher**
- FI$Cal processes will generate voucher linked to the interagency invoice

**Process Voucher and Payment (AP)**
- Billed department attaches invoice to voucher
- Voucher requires department and SCO approval prior to payment via warrant

**Record Payment (AR)**
- Upon receipt of payment, billing department will deposit payment at the bank and record receipt in FI$Cal to clear the receivable

Interagency Scenario 1B: 
FI$Cal Dept. Billing FI$Cal Dept. – Direct Transfers

**Department BI Approver**

- Record Default Coding String
- Enter Charges and Finalize Invoice (BI)
- Generate Interagency Voucher
- Process Voucher and Payment (AP)
- Record Receipt (AR)
- Record Journal Voucher (AP)

**Key Impacts**

- Default coding for FI$Cal department customers stored in FI$Cal by billing department
- Direct transfer vouchers bypass departmental approval but are approved by SCO
- Billed departments can view direct transfer vouchers on inquiry screens in FI$Cal
- Billing department requests direct transfer in SCO Fiscal per existing process
Interagency Scenario 2: FI$Cal Dept. Billing Non-FI$Cal Dept.

Enter Charges and Finalize Invoice (BI)
- Follow Generate Invoices process to set up and finalize invoice
- Distribute invoice to department being billed

Request Direct Transfer (if applicable)
- Submit request to SCO per existing process for direct transfer charges

Record Customer Receipt (AR)
- Upon receipt of payment or direct transfer confirmation, follow the Process Payments process to record receipt in FI$Cal and clear the receivable

Key Impacts
- Interagency customers which are not using FI$Cal (i.e. non-FI$Cal departments) will not be flagged for FI$Cal interagency billing processing
- Billing department requests direct transfer in SCO Fiscal per existing process
Interagency Scenario 3: FI$Cal Dept. Billed by Non-FI$Cal Dept.

Key Impacts

- Billed department receives interagency invoice or downloads invoice from billing department per existing process
- Voucher can be created through online entry, interface, or Excel spreadsheet upload
- Journal voucher can be used to reclassify coding from a regular voucher
Generate and Adjust Invoices

Key Points:

- Invoice ID numbering is configurable
- Status field captures if the invoice is in progress or ready to be finalized
- Invoice Header captures a variety of information, such as Customer, Invoice Form, Remit to Address, From Date/To Date, Bill Inquiry Phone etc.
Generate and Adjust Invoices

Key Points:

- Invoice can have one or more invoice lines to capture the different charges.
- Identifier (Charge Codes) can be configured, along with Unit of Measure and Unit Price. These Charge Codes can default accounting for the bill line too.
- Tax Codes will be available for selection on an invoice line.
Generate and Adjust Invoices

Key Points:

- User may define the accounting distribution for each invoice line. Multiple distributions may be associated with a single bill line.
- ChartField coding can be defaulted from the Identifier (Charge Code) configuration.
Enter and Maintain Receivables Key Terms

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Receivable</td>
<td>A claim against a debtor, such as a person, business, or governmental entity for money owed to the State</td>
</tr>
</tbody>
</table>
Enter and Maintain Receivables Overview

- The Enter and Maintain Receivables business process supports the creation and tracking of receivables within the FI$Cal Accounts Receivable module
  - Receivables are created by the system for customer invoices generated in FI$Cal
  - Receivables can be established directly in the FI$Cal AR module if an invoice does not need to be generated
What **IS NOT** Changing in Wave 1

- Departments will still receive employee payroll overpayment information from SCO to set up payroll receivables
What is Included in Wave 1

- Invoices generated in the FI$Cal Billing module will establish receivables within the FI$Cal AR module
- Employee payroll receivables will be entered and maintained within the FI$Cal AR module
Enter and Maintain Receivables

Key Impacts

- Invoices from the Billing Module are automatically created as receivables in the FI$Cal AR Module
- A customer must be set up in FI$Cal before a receivable can be entered for that customer (including employees)

Submit Request to Record Receivable

- Identify need to record a receivable (e.g. payroll half-sheet)

Enter Receivables Details

- Select customer and enter receivable number and amount
- Enter/review accounting details

Set Receivables to Post

- Review accounting details and set to post

Receivables Established in AR

- Receivables posted
- Accounting entries generated for posting to GL
Enter and Maintain Receivables

Key Points:

- Group Control page captures the total counts and amounts of the receivables that will be set up as part of the group.
- Control Count and Amount are used to determine if the group is in balance or not.
- Unbalanced group cannot be set to post.
Enter and Maintain Receivables

Key Points:

- Key receivable details can be captured on the Pending Item 1 page, such as Item ID (i.e. Receivable number), Customer, Amount, Terms
- PO References and Contracts can be associated with the Item
Enter and Maintain Receivables

**Key Points:**

- Additional information such as a Pay Period for Employee Receivables may be recorded on the Pending Item 3 tab.
Enter and Maintain Receivables

Key Points:

- Accounting Entries for the receivable are entered on the Accounting Entries tab.
- Speed Type configuration can be leveraged to default accounting for the User Defined Line.
## Process Payments Key Terms

<table>
<thead>
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<tbody>
<tr>
<td>Bank Deposit</td>
<td>Monies received by the departments and placed into the Treasurer’s account at an approved depository bank within the Centralized Treasury System</td>
</tr>
<tr>
<td>System Deposit</td>
<td>A system transaction consisting of one or more customer payments used for balancing and processing purposes</td>
</tr>
<tr>
<td>Receivable Payment</td>
<td>A receipt that is meant to be applied to a customer’s open receivable balance</td>
</tr>
<tr>
<td>Miscellaneous Receipt</td>
<td>A customer payment that is not related to an open receivable. Referred to as a Direct Journal Payment in FI$Cal.</td>
</tr>
</tbody>
</table>
## Process Payments Key Terms

<table>
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</thead>
<tbody>
<tr>
<td><strong>Customer Conversation</strong></td>
<td>Documentation of an interaction with a customer or a collection activity. A Customer Conversation may include details on payments and/or receivable collection activities.</td>
</tr>
<tr>
<td><strong>Payment Predictor</strong></td>
<td>System process that applies payments against receivables based on configured rules and reference information associated with the payment (for example, Invoice ID)</td>
</tr>
<tr>
<td><strong>Payment Worksheet</strong></td>
<td>Method for applying a customer payment to a customer’s open receivable balance</td>
</tr>
<tr>
<td><strong>Non-Sufficient Fund (NSF) Payment</strong></td>
<td>Customer check payment that failed to clear the deposit into a bank account. Also may be referred to as a dishonored check.</td>
</tr>
</tbody>
</table>
Process Payments Overview

- The ProcessPayments business process for Accounts Receivable supports the recording and application of customer payments in the FI$Cal Accounts Receivable module.
- Departments will apply customer payments against invoices or code payments to specific accounting classifications for non-receivable-related payments.
- Payments can be entered directly in FI$Cal or they can originate from an external system and be interfaced into FI$Cal.
- Deposits recorded in the Accounts Receivable module will be integrated with the Cash Management module for the Bank Reconciliation process.
What **IS NOT** Changing in Wave 1

- Departments will continue to enter deposit information into the STO Electronic Deposit Form (EDF) System to generate a deposit slip, or use a paper-based bank deposit slip per the existing process.
- Departments will continue to enter remittance information into the SCO Electronic Fiscal Input Transaction System (eFITS) or use a paper-based form per the existing process.
- Departments will continue to send transaction requests to SCO to correct balances/funds at SCO.
- Federal wires and payments from counties will continue to be recorded per the existing process.
What is Included in Wave 1

- Departments will use the FI$Cal AR module to record and apply customer payments
- Accounting for customer payments will be recorded as follows:
  - When a customer payment is applied to a receivable or coded to a fund, FI$Cal will record accounting entries into the appropriate cash account (General Cash, Agency Trust, ORF, Cash in State Treasury)
  - For unapplied payments, the department will record a GL Journal Entry to record General Cash and Uncleared Collections
  - Once an unapplied payment has been applied or coded to the proper revenue and cash accounts, the department will record a GL Journal Entry to reverse the original General Cash and Uncleared Collections entry
Process Payments

**Key Impacts**

- Departments continue to use EDF and eFITs processes outside of FI$Cal
- Dept. AR Payment Approver role is needed to post and code miscellaneous payments. This includes referencing Open Item Keys for ORF Salary Advance Receipts.
- Journal entries need to be submitted to record or reverse general cash/uncleared collections (as applicable)
Payment Adjustments – Misc. Receipts

Key Impacts
- Customer payments recorded in the Accounts Receivable module are integrated with the Cash Management module for the bank reconciliation process in FI$Cal.
- Any adjustments requiring updates to transactions at STO or SCO will need to follow the existing processes.

Department AR Payment Processor
- Determine Type of Payment Adjustment
  - Miscellaneous receipt
  - Incorrect payment amount
  - Incorrect coding on the payment
- Record Adjustment amounts
  - Record system deposit/payment(s) with positive and/or negative amounts
- Finalize Adjustment
  - Code payment adjustments
  - Set payment(s) to post
  - Payment and accounting posted by FI$Cal processes

Department AR Payment Approver
- Bank Reconciliation (CM)
  - Reconcile adjustments in Cash Management

Payment Adjustments – Receivables

**Dept. AR Payment Processor**

- Determine Type of Payment Adjustment
  - Invoice related receipt
  - Payment posted to the wrong invoice
  - Invoice with incorrect coding

- Adjust Invoices, if needed (BI)
  - Follow process for adjusting invoices to generate credit and rebill invoices

**Dept. AR Payment Processor**

- Select Payment for Unposting
  - If payment was already posted, select for unposting and specify reason

**Dept. AR Payment Approver**

- Set Payment for Unposting
  - Set unposting transaction to post
  - Payment will be processed by FI$Cal processes

**Process Payments (AR)**

- Follow steps to apply payment

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**Key Impacts**

- Payments posted to the wrong invoice can be unposted and reposted
- Adjustment invoices are linked to the original invoice
- Any adjustments requiring updates to transactions at STO or SCO will need to follow the existing processes
Process NSF Payments

Department AR
Payment Processor

Capture NSF Details
- Receive NSF notification
- Review payment details
- Document NSF details using Customer Conversations

Complete Request for Payment (AP)
- Request payment for NSF buyback
- Provide proper coding
- AP will create agency check plus a journal voucher (if payment was remitted to Cash in State Treasury)
- SCO will record entry in Fiscal System to account for buyback if payment was remitted

Create an NSF Invoice (BI)
- Follow process for creating invoices
- Create an invoice to bill the customer for the NSF amount
- Include amount of the closed receivable, if applicable

Key Impacts
- NSF details recorded in Customer Conversations for tracking and reporting purposes
- Departments buyback NSFs through agency checks created by using the AP module
- SCO will record entry in Fiscal System to account for buyback if payment was remitted
Process Payroll Deduction Payments

Key Impacts
- Departments use existing process for receiving payroll deduction notifications
- Payroll deduction receipts will be recorded in FI$Cal AR to clear out outstanding Payroll receivables
- FI$Cal AR Payment Predictor functionality streamlines payment application by using receivable reference(s) on the payment to clear corresponding outstanding receivable(s)
Process Direct Transfer Payments

Key Impacts
- Departments use existing process for receiving direct transfer notifications
- Direct transfer receipts will be recorded in FI$Cal AR to clear out outstanding interagency receivables
- FI$Cal AR Payment Predictor functionality streamlines payment application by using receivable reference(s) on the payment to clear corresponding outstanding receivable(s)
Process Payments - Deposits

Key Points:

- Deposit ID is system assigned. Bank Deposit ID is used to record the Bank Deposit Number. Identifier is used to record the Location Code for the deposit.
- Bank Code/Account and Deposit Type are configured values that will be selected for each deposit.
- Control Total Amounts are compared against entered total amount and count.
Key Points:

- Payment ID is a free-form field that can be used to capture an identifier for the payment (e.g. check number, journal ID, etc.).
- Payment Predictor or Journal Directly flags can be set for each payment.
- Additional payment information can be recorded for reporting purposes.
- Cash Type notes the final Cash Account associated with the payment. If recorded to General Cash and a State Fund, then the payment will be reclassified as Cash in State Treasury.
- One or more Customer or Item (Invoice) references can be selected for a payment.
Key Points:

- Additional payment information can be recorded for reporting purposes.
- Cash Type notes the final Cash Account associated with the payment. If recorded to General Cash and a State Fund, then the payment will be reclassified as Cash in State Treasury.
- Customer reference information can be provided for the miscellaneous payment, but is not required.
- Item/Invoice reference information fields are grayed-out/disabled for Direct Journal payments.
Process Payments – Receivable Payments

Key Points:

- Customer and Reference information will be populated on the payment worksheet if entered on the payment level. If not on the payment, this information can be updated on the payment worksheet as well.
- Build button generates the worksheet based on the references provided.
Process Payments – Receivable Payments

Key Points:

- Based on the reference information, items can be selected for payment application
- User can select/deselect items as required if more than one item is available for selection
- Remaining amount on the worksheet must be zero to post the worksheet
Process Payments – Misc. Receipts

Key Points:

- One or more accounting classifications can be entered for the Direct Journal.
- Speed Types can be configured/set up to default classification that is commonly used.
- If coding is to a State Fund and Cash Type is General Cash, then the payment will be reclassified to Cash in State Treasury.
Process Payments – Misc. Receipts

Key Points:

- The Cash accounting entries are defaulted from the bank set up. This cash entry will be reclassified based on the Cash Type and Fund coding for the payment.
- Mark the Complete flag to enable the Direct Journal for posting. The receipt will be available for posting once it has passed budget checking.
## Collect Receivables Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dunning Letters</td>
<td>Collection letters sent to a customer, on a defined schedule, to collect for overdue receivables</td>
</tr>
<tr>
<td>Overdue Charges</td>
<td>An additional charge to a customer for not paying a receivable prior to the receivable's due date</td>
</tr>
<tr>
<td>Disputes</td>
<td>A customer disagreement regarding an invoice charge from a department. Receivables in FI$Cal can be marked as in dispute.</td>
</tr>
<tr>
<td>Write-off</td>
<td>Process of clearing bad debt/discharging accounts receivable based on a set of approvals</td>
</tr>
<tr>
<td>Refunds</td>
<td>A credit balance that is paid back to a customer</td>
</tr>
</tbody>
</table>
## Collect Receivables Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables</td>
<td>System functionality used to apply credit and debit receivables against each other, transfer receivables from one customer to another, initiate receivable refunds, and process write-offs</td>
</tr>
<tr>
<td>Maintenance</td>
<td></td>
</tr>
<tr>
<td>Worksheet</td>
<td></td>
</tr>
</tbody>
</table>
Collect Receivables Overview

The Collect Receivables process supports collections of receivables from customers (including departments, private entities, and employees) in the FI$Cal AR module, including:

- Reviewing customer account and balance information
- Aging and reporting on receivables
- Documenting customer conversations and notes
- Tracking receivables as being in dispute/sent to collections
- Generating dunning letters
- Assessing overdue charges
- Processing refunds to customers
- Writing off uncollectable receivables
What **IS NOT** Changing in Wave 1

- Departments will continue to send write-off information to SCO per the existing process and policies
- Departments will continue to use existing offset programs outside of FI$Cal (for example, the FTB offset process)
- Departments will continue to report receivable balances (including the Statewide Receivable Report) to SCO at fiscal year end
What is Included in Wave 1

- Departments will use the FI$Cal AR module to track receivables and associated collections activities.
- Departments will generate dunning letters out of FI$Cal using a standard layout with department-specific text.
  - Overdue receivables will be grouped onto a single dunning letter per customer, indicating the number of days overdue and number of letters previously sent for each receivable.
- Write-offs will be routed through a departmental approval workflow.
- After a refund has been processed in the AR module, a voucher for the refund will need to be created in the Accounts Payable module to generate an agency check or warrant.
Collect Receivables – General

**Key Impacts**

- Department AR Collection Approver role is needed to set transactions with accounting entries to post
- Proper approvals need to be obtained outside of FI$Cal, as applicable, for write-offs and refunds
Generate Dunning Letters

**Department AR Collections Processor**

- **Review Receivables Balances**
  - Review balances online using collections workbench
- **Specify Selection Parameters**
  - Select a specific customer, group of customers or all eligible customers for department
- **Run Dunning Process**
  - FI$Cal process selects information for dunning letters per the specified parameters
- **Review Dunning Letters**
  - Review online customers and the associated overdue ARs
  - Remove any customers or items that should be excluded
- **Finalize and Distribute Letters**
  - Finalize dunning letters
  - Distribute the dunning letters to customers

**Key Impacts**
- Dunning letters are created at the customer level, with one letter per customer for all their overdue receivables for a particular cycle
- Dunning letters can be created on configurable intervals (30 days, 60 days, etc.)
- Specific customers can be excluded from receiving dunning letters
Process Write-offs

**Department AR Collections Processor**

- Review Receivables Balances
  - Identify/review receivables to be written-off
  - Obtain offline approvals, as applicable
  - Create worksheet with receivables to be written-off
  - Select write-off reason
  - Submit worksheet for approval workflow

**Department AR Collections Approver**

- Review Write-off Worksheet
  - Review worklist for write-off approvals
  - Review write-off details/accounting and applicable offline approvals
  - Approve/reject

- Set Worksheet to Post
  - Set worksheet to post, if approved

**Process Worksheet**

- Receivable(s) closed in AR module
- Accounting entries generated for posting to the GL

**Key Impacts**

- All write-off transaction are routed to the Department AR Collections Approver. Additional approvals, as needed, must be obtained offline per the existing process.
Assess Overdue Charges

Key Impacts

- Overdue charges generated per configured overdue charge rates
- Overdue charges are included on dunning letters
- Specific customers can be excluded from being assessed overdue charges
Process Refunds – Credit ARs

**Key Impacts**

- Refunds for credit receivables are recorded in the FI$Cal AR module
- Refund payments to customers must be processed via the FI$Cal AP module
Technology Considerations – Interfaces

<table>
<thead>
<tr>
<th>Interface</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inbound Billable Charges</td>
<td>This inbound interface allows departments to send billing information from their systems into FI$Cal Billing. Invoices may then be printed in FI$Cal and sent to the customer. Any errors identified during interface error processing need to be corrected via resubmission of corrected file (e.g. incorrect control totals) or transaction being sent in subsequent interface file processing (e.g. incorrect transactions).</td>
</tr>
</tbody>
</table>
## Technology Considerations – Interfaces

<table>
<thead>
<tr>
<th>Interface</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Receipts</td>
<td>This inbound interface will create deposits and customer payments by importing receipt information from interface files provided by Departments into FI$Cal. Any interface errors identified during error processing need to be corrected via resubmission of corrected file (e.g. incorrect control totals) or transaction being sent in subsequent interface file processing (e.g. incorrect transactions). Types of Transactions 1. Receipts for outstanding receivables 2. Miscellaneous Receipts</td>
</tr>
</tbody>
</table>
## Technology Considerations – Conversions

<table>
<thead>
<tr>
<th>Conversion</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers</td>
<td>Only active customers, addresses, and contacts will be converted into FI$Cal. This should include customers that have outstanding receivables or customers that are expected to be billed shortly after go-live.</td>
</tr>
<tr>
<td>Open Receivables</td>
<td>Open/outstanding Receivables that have a date prior to June 30th within their legacy systems.</td>
</tr>
<tr>
<td>Unapplied Receipts</td>
<td>Unapplied receipt data includes receipts that have been recorded as deposits and payments in the Department's accounting system but must be reviewed to determine whether they are to be accepted for a fund in the State Treasury or refunded to payers. If the payment has been applied to an open receivable or classified as revenue in the department’s accounting system, the payment should not be converted as part of the Unapplied Receipts Conversion.</td>
</tr>
</tbody>
</table>
Data Protection Overview

- FI$Cal will receive and retain various types of data that will need to be protected. All data can be classified as:
  - Public
  - Personally Identifiable Information
  - Sensitive
  - Confidential

- Various state agencies assisted FI$Cal in the development of a Data Classification and Protection Framework
Data Protection Overview

- All data that is received, retained, and transmitted by FI$Cal protected by:
  - Business Unit
  - Encryption
  - Role Based Access

- In addition, data classified as PII, sensitive, and confidential will receive the additional protection of:
  - Masked
  - Tracking when added, updated, deleted, and read
  - Role Based Access, such as Confidential User
# Data Protection – Key Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Information</td>
<td>Information maintained by state agencies that is not exempt from disclosure under the provisions of state or federal laws.</td>
</tr>
<tr>
<td>Confidential Information</td>
<td>Information maintained by state agencies that is exempt from disclosure under the provisions of state or federal laws.</td>
</tr>
<tr>
<td>Sensitive Information</td>
<td>Information maintained by state agencies that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information may be either public or confidential.</td>
</tr>
<tr>
<td>Personally Identifiable Information</td>
<td>Information that identifies or describes an individual. This information must be protected from inappropriate access, use, or disclosure and must be made accessible to data subjects upon request.</td>
</tr>
</tbody>
</table>
### Data Protection Processes & Fields

**Standard Data Protection level for:** Confidential (Protected under the Public Records Act), Electronic Protected Health Information (e/PHI), Federal Tax Information, Notice Triggering Information, Payment Card Industry, Personally Identifiable Information (PII) and Sensitive Information, the following is the Standard Data Protection Level:

1. Mandates that Govern the Collection of this Field – State Administrative Manual (SAM).
2. Federal Tax Information Labeling – None.
3. FI$Cal Standard Protection Method(s):
   - Business Level Security.
   - Encryption.
   - Masked (SSN, TIN, and Payment Card).
   - Role Based.
4. FI$Cal Standard Actions to be Tracked:
   - Add, Delete, Update and Read.
5. FI$Cal Standard Data Retention: Average 7 Years. (No data disposal planned for FI$Cal currently).

#### Process & Field Description Table

<table>
<thead>
<tr>
<th>Process Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Set Up and Maintain Customers</td>
<td>Customer ID</td>
</tr>
<tr>
<td>Set Up and Maintain Customers</td>
<td>Customer Type</td>
</tr>
<tr>
<td>Set Up and Maintain Customers</td>
<td>Contact Title</td>
</tr>
<tr>
<td>Generate and Adjust Invoices</td>
<td>Billing Customer ID</td>
</tr>
<tr>
<td>Generate and Adjust Invoices</td>
<td>Invoice Amount</td>
</tr>
<tr>
<td>Generate and Adjust Invoices</td>
<td>Invoice ID</td>
</tr>
<tr>
<td>Generate and Adjust Invoices</td>
<td>Billing Charge Description</td>
</tr>
<tr>
<td>Enter and Maintain Receivables</td>
<td>Customer ID</td>
</tr>
<tr>
<td>Enter and Maintain Receivables</td>
<td>Balance Amount</td>
</tr>
<tr>
<td>Collect Receivables</td>
<td>Collection Code</td>
</tr>
<tr>
<td>Collect Receivables</td>
<td>Customer Conversation</td>
</tr>
<tr>
<td>Collect Receivables</td>
<td>Comments</td>
</tr>
<tr>
<td>Process Payments</td>
<td>Payment ID</td>
</tr>
<tr>
<td>AR4 - Process Payments</td>
<td>Payment Amount</td>
</tr>
<tr>
<td>Process Payments</td>
<td>Deposit Business Unit</td>
</tr>
<tr>
<td>Enter and Maintain Receivables</td>
<td>Receivable Item ID</td>
</tr>
</tbody>
</table>

Accounts Receivables classified as Public with the exception of the fields highlighted to be Confidential or Sensitive.
### Standard Data Protection level for:
Confidential (Protected under the Public Records Act), Electronic Protected Health Information (e/PHI), Federal Tax Information, Notice Triggering Information, Payment Card Industry, Personally Identifiable Information (PII) and Sensitive Information, the following is the Standard Data Protection Level:

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   - Average 7 Years. (No data disposal planned for FI$Cal currently).

### Data Protection Processes & Fields

<table>
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<tr>
<th>Process Name</th>
<th>Field Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>AR1 - Set Up and Maintain Customers</td>
<td>Customer Name</td>
</tr>
<tr>
<td>AR1 - Set Up and Maintain Customers</td>
<td>Address Line 1</td>
</tr>
<tr>
<td>AR1 - Set Up and Maintain Customers</td>
<td>Taxpayer Identification Number (TIN)</td>
</tr>
<tr>
<td>AR1 - Set Up and Maintain Customers</td>
<td>Contact Name</td>
</tr>
<tr>
<td>AR1 - Set Up and Maintain Customers</td>
<td>Contact Phone</td>
</tr>
<tr>
<td>AR1 - Set Up and Maintain Customers</td>
<td>Bankruptcy Flag</td>
</tr>
<tr>
<td>AR4 – Process Payments</td>
<td>Bank Deposit Number</td>
</tr>
<tr>
<td>AR4 – Process Payments</td>
<td>Bank Account</td>
</tr>
</tbody>
</table>

**Sensitive**

**Accounts Receivables classified as Public with the exception of the fields highlighted to be Confidential or Sensitive**
Data Protection – Next Steps

- FI$Cal is expecting this framework confirmed by Wave 1 departments will also meet the data protection requirements of Wave 2 departments
- Opportunity to request additional data protection in Wave 2 task TECH201: Review Data Classification and Protection Framework
Session Recap

- Key Considerations
- Future Action Items
- Action Items
- Concerns
Question and Answer

FI$Cal Project Information:
http://www.fiscal.ca.gov/

or e-mail the FI$Cal Project Team at:
fiscal.cmo@fiscal.ca.gov
Guide to Symbols in Flows

- **Start/End** - Indicates point at which the process begins or ends. Does not represent any activity.

- **Decision** - Shows a decision point, such as yes/no. Each path emerging from the diamond is labeled with one of the possible answers.

- **System Task** - Represents an individual step or activity in Fi$Cal.

- **Manual Task** - Represents an individual step or activity in the process that is made out of Fi$Cal.

- **Input Documents** - A paper document (or email) that is used for entering data into the process. For electronic data, the interface shape is used.

- **Connector** - On/Off-Page Connector. Used to avoid complex overlapping connector lines or to continue a process on a subsequent page. Connectors are labeled with upper case letters.

- **Interface** - Data conversion from one electronic system to another.

- **Batch Process** - Represents a batch process within Fi$Cal.

- **Flow Arrow**

- **Intra Integration Process** - A input or Output to some other process within the same capability.

- **Output Documents** - An electronic document that is created by the process and can be printed (for example — any kind of report).
AR1 – Set up and Maintain Customers

Start

Identify a need to create/update customer information

Submit a customer set up/update form

Review form and make corrections

No

Receive a request to create/update customer information

Review form for accuracy/completeness

Check against defined standards for Name, Addresses, etc.

Form Complete?

Yes

Check Customer in FI$Cal

Customer Exists?

Yes


B

Check for Customer Name, address, etc...

No

A

Enter General Information

Enter the general information for a customer such as customer name, billing currency, type (external, department/agency, employee, etc.)

Enter Customer Address Information

Enter one or more addresses for the customer (e.g. billing, correspondence)

Enter Customer Attributes & Defaults

Enter billing options, correspondence options, etc.

Confidential Customer Information?

No

C

Yes

D
AR1 – Set up and Maintain Customers (Cont’d)

1. **Link to Existing Customer Contact?**
   - **Yes**: Select Existing Customer Contact
   - **No**: Enter Contact Information

2. **Enter Contact Information**
   - Enter information such as name, email address, phone, mailing preferences for one or more contacts

3. **Update Requested Information**
   - Updates to General Info, Addresses, Contacts, etc.

4. **Update Confidential Customer Information?**
   - **Yes**: Notify Requestor
   - **No**: Continue with subsequent steps

5. **Continue with subsequent steps**
   - Customer is available for billing/receivables transactions

6. **Enter/Update TIN Information for the Customer**

7. **New Customer**
   - **No**: Notify Requestor
   - **Yes**: Customer is available for billing/receivables transactions
AR2 – Generate and Adjust Invoices – Enter Billable Charges

Start
Start process to enter charges for invoice generation

Identify a need to bill a customer

Submit a request to bill charges

Review request and make corrections

No

Receive a request to bill charges

Review request for accuracy/completeness

Check against defined standards

Request Complete?

Yes

Enter Billing Information

Select bill to customer, address, contact, enter line items, etc.

Enter/Review Accounting Details

A

Recurring Bill?

Yes

Enter Recurring Billing Schedule

Can also use BIIVCSTS program to change bill status

Set Invoice Status To Ready

BIRECUR generates the recurring bills per schedule; Can also process via Batch

No

A

B
AR2 – Generate and Adjust Invoices – Finalize Invoices

**Department BI Requestor**

1. **C**
   - Review Proforma Invoice
   - Changes needed?
     - Yes: Submit changes/
     - No: Notify BI Processor to Finalize Invoice

**Department BI Processor**

1. **B**
   - Review Invoice / Make Necessary Corrections
2. **C**
   - Generate Proforma (Draft) Invoice
3. **D**
   - Review Proforma Invoice
   - Changes needed?
     - Yes: Send Invoice To Requestor / Reviewer
     - No: Set Invoice Status To Ready

**Department BI Approver**

1. **E**
   - Finalize Invoice
   - Review Processed Invoice
   - Distribute Invoices
   - Invoices distributed per billing contact preference (print, email, etc.)
AR2 – Generate and Adjust Invoices – Send Invoices to AR

**Central BI Batch Processor**

- **E**
  - Process Billing Accounting Entries
    - Multiple programs run via Batch
      - BILDAR01 Process sends invoices to AR staging area
        - Load AR
          - Load AR Errors?
            - Yes → **F**
            - No → **E**
        - Processing Errors?
          - Yes → **F**
          - No → Process Budget Check
    - **F**
      - Correct Processing Errors
        - **E**
      - Budget Checking Errors?
        - Yes → **F**
        - No → Load GL
          - Load GL
            - Yes → **F**
            - No → GL – Enter and Process Journals
              - BILDGL01 Process sends invoices to GL staging area
                - AR - Enter and Maintain Receivables
                  - Business Process to review posting in AR
                    - End
            - Business Process to send Billing Accounting Entries to the General Ledger
AR2 – Generate and Adjust Invoices – Interface and Other Module Charges

Start

Start process to create invoices for billable charges from Project/Grants/Contracts Modules or from external systems

CA – Process Billing and Revenue

Process to load data into Billing staging tables

Business Process from Projects/Grants/Contracts

Process Billing Transactions

BillF0001 Billing process takes data from staging tables to create temporary bills

Correct Transactions

Transactions in Error?

Transactions in Error? No

Yes

Charges from External Interface?

Yes

No

Review Temporary Worksheet Bills

Generate Proforma (Draft) Invoice

Send Invoice To Requestor / Reviewer

Mark Temp Bill To Become An Invoice

Process Worksheet To Invoice

Notify Department BI Processor

Review Proforma Invoice

Changes needed?

Yes

Submit changes/

No

F
Enter and Maintain Receivables

AR3 – Enter and Maintain Receivables

Department AR Item Requestor

- Start
  - Start process to record a receivable which does not require an invoice out of FI$Cal
- Identify a need to record a receivable
- Submit a request to record a receivable
- Review & make corrections

Department AR Item Processor

- Receive a request to record a receivable
- Review request for accuracy/completeness
  - Check against defined standards
- Request Complete?
  - Yes: Enter Receivable Details
  - No: Enter/Review Accounting Details

April 23, 2014

Enter and Maintain Receivables

AR3 – Enter and Maintain Receivables

Department AR Item Approver

A → Review Receivable Details → Set Receivables To Post → Review Posting Results → Correct Posting Errors

- Yes
  - Posting Errors?
  - No → Receivable from Billing

Central AR Batch Processor

Start → AR – Generate and Adjust Invoices → Post Receivables → GL – Enter and Process Journals → End

- No → Receivable entered in AR
  - Process to send AR Accounting Entries to the General Ledger
  - ARUPDATE process posts receivables in the AR module

Process to review receivables created from invoices generated in FISCal

AR – Generate and Adjust Invoices

Continue from Business Process AR – Generate and Adjust Invoices
Employee Payroll Deductions and Direct Transfers

AR4 – Process Payments – Employee Payroll Deductions and Direct Transfers

- Start
- Process for Payroll Deductions or Interagency Direct Transfers
- Receive Notification for Employee Payroll Deduction or Direct Transfer
- Enter/Review Deposit Details
- Enter/Review Payment Details
- Enter/Review AR ID(s) or Customer ID(s) for the Payment
- Apply using Payment Predictor?
  - Yes
  - No

Graphical Representation:
- Start
- Process for Payroll Deductions or Interagency Direct Transfers
- Receive Notification for Employee Payroll Deduction or Direct Transfer
  - Enter/Review Deposit Details
  - Enter/Review Payment Details
  - Enter/Review AR ID(s) or Customer ID(s) for the Payment
  - Apply using Payment Predictor?
    - Yes
    - No
AR4 – Process Payments – Direct Journal Deposit Adjustments

1. Start
   - Recognize Discrepancy between FISCAl Deposit and Bank Deposit

2. Bank Deposit Slip Amount Error?
   - Yes
     - Provide Bank with New Bank Deposit Slip for Remaining Amount
     - D
   - No
     - FISCAl Amount Error?
       - Yes
         - Enter New Deposit With Negative Direct Journal Payment
       - No
         - Bank Deposit Slip Amount Greater than Deposit in FISCAl?
           - Yes
             - Enter New Deposit With Positive Direct Journal Payment
           - No
             - FISCAl Deposit Greater than Bank Deposit Slip Amount?
               - Yes
                 - Enter New Zero Dollar Deposit With Offsetting Direct Journal Payments
               - No
                 - FISCAl Posted Direct Journal Payment Coding Error?
                   - Yes
                     - One payment should reverse the original coding while the other payment should be coded correctly
                   - No
                     - Bank Deposit Slip Amount Greater than Deposit in FISCAl?
                       - Yes
                         - GL – Enter and Process Journals
                       - No
                         - AP2 – Enter and Process Vouchers

3. Enter/Update Payment(s) Accounting Entries

4. Set Direct Journal Payment(s) to Post

5. Budget Check Payment(s)

6. Budget Errors?
   - Yes
     - GL – Enter and Process Journals
   - No
     - AP2 – Enter and Process Vouchers

AR4 – Process Payments – Receivable Payment Adjustments

**Department AR Payment Processor**
- Start
  - Process for adjusting a receivable with incorrect coding or correcting a payment applied to an incorrect receivable
  - Payment Applied to a Receivable?
    - Yes
      - Unpost Payment To Receivable
    - No
      - Receivable with Incorrect Coding?
        - Yes
          - If previous payment was remitted, update Fiscal with new remittance
        - No
          - Receivable Created in Billing or AR Module?
            - Yes
              - AR
            - No
              - Billing

**AR4 – Record Payments**

**AR3 – Enter Receivables Process**
- Process should create a credit memo for the incorrect coding and a new AR with the correct coding
- AR

**AR5 – Create Maintenance Worksheet**
- Maintenance Worksheet is created to match the credit memo to the original receivable
- Payment should be applied to the new receivable once payment is received. If previous payment was remitted, update Fiscal with new remittance.

**AR4 – Record Payments**
- Previous Payment Applied to Original Receivable and Unposted?
  - Yes
    - Set Unposted Payments to Post
  - No
  
**Central AR Batch Processor**
- Post Unpost Payments

**April 23, 2014**
**FI$Cal: Transparency. Accuracy. Integrity.**
AR4 – Process Payments – Non-Sufficient Funds (NSF) Payment

Start

Receive Notification of NSF Payment

Type of Payment?

- Direct Journal Payment

Document Notes for the NSF Payment

Direct Journal Coded and Posted?

- No

Flag NSF Payment as Direct Journal Payment

Applied and Posted to Receivable?

- Yes

AP2 – Enter and Process Vouchers

Voucher is recorded in AP to buyback the NSF check from the bank

Create A New Receivable Due From The Customer

Yes

Source of Receivable?

- Fi$Cal Billing

E

Fi$Cal AR

- AR2 – Generate Invoices

End

No

Budget Errors?

- No

GL – Enter and Process Journals

- Yes

Department AR Payment Processor

Enter/Update Payment Accounting Entries

Set Direct Journal Payment to Post

Budget Check Payment
AR4 – Process Payments – Non-Sufficient Funds (NSF) Payment

Start

Type of Payment?

- Direct Journal Payment
  - Direct Journal Coded and Posted?
    - Yes
      - Flag NSF Payment as Direct Journal Payment
    - No
      - Applied and Posted to Receivable?
        - Yes
          - AP2 – Enter and Process Vouchers
        - No
          - Create A New Receivable Due From The Customer

Voucher is recorded in AP to buyback the NSF check from the bank

Receive Notification of NSF Payment

Document Notes for the NSF Payment

End

Source of Receivable?

Yes

No

E

Set Direct Journal Payment to Post

Budget Errors?

- Yes
  - End

- No
  - Budget Check Payment
  - GL – Enter and Process Journals

GL – Enter and Process Journals

FI$Cal AR

FI$Cal Billing

Enter/Update Payment Accounting Entries

AR3 – Enter and Maintain Receivables

AR2 – Generate Invoices

Department AR Payment Processor

Department AR Payment Approver
Refund Customer Payment

AR4 – Process Payments – Refund Customer Payment

Start

Payment Coded and Posted?

Yes ➔ AP2 – Enter and Process Vouchers

No ➔ Flag as Direct Journal Payment

Generate refunds for customer payments

End

AP2 – Enter and Process Vouchers

If Direct Journal Payment remitted to State Fund, generate warrant for Refund Payment. Otherwise, generate Agency Check for the Refund Payment

If Budget Errors?

No ➔ GL – Enter and Process Journals

Yes ➔ Budget Check Payment

Set Direct Journal Payment to Post

Enter/Update Payment(s) Accounting Entries

Department AR Payment Processor

Department AR Payment Approver

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AR5 – Collect Receivables

- Start
  - Review receivable balances and determine collection activities

- Process AR Aging
  - AR_AGING
  - Process ages open receivables per configured rules

- Review Customer Account Balance & Details

- Review online using Collections Workbench and/or reports (e.g. Aging Report)
  - Next Action?

- Department AR Collections Processor
  - Contact Customer
    - A
  - Send Dunning Letter
    - C
  - Assess Overdue Charges/Interest
    - D
  - Flag Receivable As In Dispute / Collections
    - E
  - Reclassify Receivables
    - F
  - Match Credit/Debit Receivables
    - G
  - Process Receivable Credit Balance Refunds
    - I
  - Process Write-offs
    - J
AR5 – Collect Receivables – AR Credit Balance Refunds

Steps to process AR credit balance refunds:

1. Select Receivable Credit Balance To Refund
2. Document Reason/Notes For Refund
3. Create Maintenance Worksheet
4. Notify AR Collections Approver
5. Correct Worksheet
6. Approve?
   - Yes → Set Worksheet to Post
   - No → Correct Posting Errors
   - Yes → AP2 – Enter and Process Vouchers
   - No → GL – Enter and Process Journals

Central AR Batch Processor

Process Receivable Posting

Request AP Voucher for refund. This request process occurs outside of FISCAL.
AR5 – Collect Receivables – Write-Offs

Steps to process write-offs:

1. Create Maintenance Worksheet
2. Select Receivable(s) To Write-off
3. Document Reason/Notes For Write-off
4. Enter/Review Accounting Information
5. Route For Approval
6. Update Worksheet
7. Review Rationale For Write-off Not Being Approved
8. Review Posting Results
9. GL – Enter and Process Journals

End

Department AR Collections Processor

Central AR Batch Processor

April 23, 2014
Write-Offs

AR5 – Collect Receivables – Write-Offs

SCO

M → Review Write-off Request

Approve → Yes → Amount >$7500?

No → O

Yes → Review Write-off Request

O → No

Yes → Approve Write Off

N

Attorney General's Office & VCGCB

Review Write-off Request

Approve

Offline in Wave 2