# IFR Accruals
## Policies, Procedures, and Documentation

Stony Brook University policy maintains that the financial stability of IFR accounts is the responsibility of the President, Provost or Vice President within whose organizations the accounts reside.  An accrual basis is used to analyze each IFR account and its ability to remain sustainable. Each account manager must complete a semiannual (December and June) IFR accrual data worksheet for each IFR.

On a semiannual basis, the Accounting Office requests information from IFR Account Managers to identify activity that is not reflected in the monthly accounting reports.  The information collected from each submission is critical in determining the fiscal viability of the account and it's compliance with budgetary policies.  The IFR Accrual Schedule is utilized to analyze account information and identify any issues regarding the financial stability and going concern of each account.  Accrual balances are required for mid-year and end of year only.  This does not, however, diminish an account manager's responsibility to maintain records for both audit reasons and the preservation of the IFR's fiscal integrity.

## Inputting IFR Accruals in PeopleSoft HCM:

Go to the following URL to sign in to PeopleSoft HCM:
http://www.stonybrook.edu/hcmprod

Go to:  Budget-IFR Accruals-IFR Accruals

Choose a Budget Model ID and Accounting period *(example: Budget Model ID 2017, Accounting Period 12 = June 2017)*

Click "Search" to see all accounts that access has been granted for or input the account specifically and click "Search".

The following information may assist you in the completion of the schedule:

Model Year:          2017 = 16/17
   *(Fiscal Year)*      2018 = 17/18
                           2019 = 18/19

Accounting Period:   6 = December
                           12 = June

Account:               IFR Account Number

Description:           IFR Account Name

Completed:        This box should be checked when the user has finished inputting the IFR accrual. This is an indicator box intended to assist VP coordinators, deans, chairs, managers, and the Accounting Office in understanding whether an accrual is completed.  Once the completed box is checked, all areas will be greyed out, disallowing further input.

Manager Name:    The initial load of IFR Accounts will include the Account Director/Manager of the account.  This field can be modified to indicate the individual responsible for completing the accrual.

1.    Ending Cash Balance: This is the amount indicated on the month-end accounting report (AES).

2.    Revenue Summary for last 15 days: This is the last the 15 days of revenue that posts to the IFR account in the month following the accrual month; for December accruals, it is the December 16th to December 31st revenue that posts to your IFR account in January; for June accruals, it is the June 16th to June 30th revenue that posts to your IFR account in July.

3.    Accounts Receivable: Accounts receivable are the billings and/or invoicing which have been issued by your Department for services provided by your area for which payment has not been received or reflected in your current cash balance; for December accruals, it is billings and/or invoicing prior to 1/1/XX; for June accruals, it is billings and/or invoicing prior to 7/1/XX.  The accounts receivable balance should include all outstanding payments and deposits (cash, journal transfers, salary offset deposits and/or Research Foundation revenue transfers) that have not been posted to the cash balance in your account expenditure report as of the month-end of the accrual.  **For financial reporting, please identify A/R by entity as indicated on the IFR Accrual Page.  Please note that backup must be provided and attached on the "File Attachments" tab for all accounts receivables reported on the IFR accrual.  Back-up should include an aging schedule showing the invoice/bill date and days past due.  Attach a file using the "Add" button and select the "AR Flag".  The IFR accrual cannot be saved without a corresponding attachment for accounts receivable.**

4. Inventories:  For IFR accounts providing materials to other areas, inventory is the materials on hand at month-end used for sale to other areas.  The inventory should be valued at the cost of the material, not at its resale value. The recommended valuation method for inventory is FIFO (First In, First Out).  **Each December may be a reasonable estimate.  Each <u>June</u>, a physical inventory <u>must </u>be performed and documented. This documentation must be a detail listing of all items and must be submitted to the Accounting Office along with your accrual data worksheet.  It must include the item description, quantity on hand at either December 31$^{st}$ or June 30$^{th}$, cost of item, and the extended value.  The operations manager and an employee who participated in the physical count must sign this documentation.  Please note that backup must be provided and attached on the "File Attachments" tab for all inventory reported on the IFR accrual.  Attach a file using the "Add" button and select the "Inv Flag".  The IFR accrual cannot be saved without a corresponding attachment for inventory.  <u>PLEASE NOTE for June 30 IFR Accruals: SUNY's Exhibit III Inventory Schedule has been included in the last pages of this document for your convenience.</u>**



5. Unrecovered Equipment Purchases: Only for IFR accounts that are service centers providing services to other areas.  Unrecovered Equipment Purchases is the portion of the equipment purchased that is not depreciated.  **Please note that backup must be provided and attached on the "File Attachments" tab for all unrecovered equipment purchases reported on the IFR accrual.  Attach a file using the "Add" button and select the "Unrec Eq Flg".  The IFR accrual cannot be saved without a corresponding attachment for unrecovered equipment.**



6. Subtotal:  A system calculated sum of 1, 2, 3, 4 and 5.

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7. Due to others (liabilities): Due to others includes the bills and/or invoices that you owe to others that are not reflected in your account reports as of month-end; 12/31 for December accruals, 6/30 for June accruals. Please note that liabilities are input with a negative (-) sign. **The IFR accrual cannot be saved if a liability is input as a positive number.**

8. Net balance: A system calculated subtraction of 7 from 6. If the net balance is a deficit (negative), a deficit reduction plan consistent with the budgetary policy must be submitted. The policy requires accounts with deficit balances must be resolved in the same fiscal year. **The IFR accrual cannot be saved in a deficit without a corresponding explanation of how the deficit will be eliminated consistent with budget policies in the box provided.**

| | |
|---|---|
| ENDING CASH BALANCE AS OF DECEMBER | $0 |
| 2. REVENUE SUMMARY FOR LAST 15 DAYS | $0 |
| **3. ACCOUNT RECEIVABLE** | |
| In House (State, IFR, HIFR, DIFR, SBF) | $0 |
| Research Foundation | $0 |
| Auxiliary Services (FSA) | $0 |
| Others(CPMP, Off-Campus) | $0 |
| 4. INVENTORIES | $0 |
| 5. UNRECOVERED EQUIPMENT PURCHASES | $0 |
| **6. Subtotal (1+2+3+4+5)** | $0 |
| 7.DUE TO OTHERS (LIABILITIES) | $-600 |
| **8.NET BALANCE (6-7)** | $-600 |
| 9. UNCOLLECTIBLE ACCOUNTS RECEIVABLE | $0 |

Please explain how the deficit (-) will be eliminated consistent with the budget policies

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9. **Uncollectible Accounts Receivable:** Uncollectible Accounts Receivable includes any accounts receivable that a Department cannot collect; accounts receivable should be monitored to ensure balances are collected timely. Receivables deemed uncollectible should be written off when all efforts at collection have been unsuccessful. **Please note that backup must be provided and attached on the "File Attachments" tab for all uncollectible accounts receivable reported on the IFR accrual. Attach a file using the "Add" button and select the "Unc AR Flag". The IFR accrual cannot be saved without a corresponding attachment for uncollectible accounts receivable.**

| IFR Accruals | File Attachments | | | | | |

Fiscal Year 2017      Accounting Period: December - 6      Account 90000000

Personalize | Find | View All | 🔲 | 🏢 First ◀ 1 of 1 ▶ Last

| | Attached File | Add | AR Flag | Inv Flg | Unc AR Flag | Unrec Eq Flg | |
|---|---|---|---|---|---|---|---|
| 1 | | Add | ☐ | ☐ | ☐ | ☐ | ➕ ➖ |

## Running the IFR Accruals Report:

Go to:  Budget-IFR Accruals-IFR Accruals Report

Click Search for a Control ID

> If this is the first time you are running the IFR Accruals Report you will have to create a Control ID.

> > Click "Add New Value"

### IFR Accruals Report

Enter any information you have and click Search. Leave fields blank for a list of all values.

| Find an Existing Value | Add a New Value |

▽ Search Criteria

**Search by:** Run Control ID begins with [          ]

☐ Case Sensitive

[ Search ]  Advanced Search

Create a Control ID called IFR_ACCRUALS

**IFR Accruals Report**

| Find an Existing Value | Add a New Value |
|---|---|

Run Control ID: IFR_ACCRUALS

Add

Select Control ID IFR_ACCRUALS

IFR Accrual Report

Run Control ID:    IFR_ACCRUALS    Report Manager    Process Monitor    Run

Fiscal Year [     ] 🔍        Accounting Period [     ] 🔍

Choose the Fiscal Year and Accounting period and click Run *(example: Fiscal Year 2017, Accounting Period 12 = June 2017)*

IFR Accrual Report

**Run Control ID:** IFR_ACCRUALS    Report Manager    Process Monitor    Run

**Fiscal Year** 2017 🔍    **Accounting Period** 6 🔍

Select Server Name PSUNX, Format = CSV, Click "OK"

**Process Scheduler Request**

**User ID** SALEHMAN    **Run Control ID** IFR_ACCRUALS

**Server Name** PSUNX ▼    **Run Date** 07/07/2017 📅
**Recurrence Name** 🔍    **Run Time** 2:48:51PM    Reset to Current Date/Time
**Time Zone** 🔍

**Process List**

| Select | Description | Process Name | Process Type | *Type | *Format | Distribution |
|--------|-------------|--------------|--------------|-------|---------|--------------|
| ☑ | IFR Accruals Report | SUIFRRPT | SQR Process | Web ▼ | CSV ▼ | Distribution |

OK    Cancel

Go to the Process Monitor



Click "Refresh" in the Process Monitor to check the status of the Report.

Click Refresh until the Run Status shows Success and the Distribution Status shows Posted. Please call the Accounting Office if the process takes longer than 5 minutes to run, stays in a Queued Run Status, or the Run Status is unsuccessful. When Run Status is Success and Distribution Status is Posted, click "Details".



Click "View Log/Trace"

## Process Detail

**Process**

Instance 9948841
Name SUIFRRPT
Run Status Success

Type SQR Process
Description IFR Accruals Report
Distribution Status Posted

**Run**

Run Control ID IFR_ACCRUALS
Location Server
Server PSUNX
Recurrence

**Update Process**

○ Hold Request
○ Queue Request
○ Cancel Request
◉ Delete Request
○ Restart Request

**Date/Time**

Request Created On 07/07/2017 2:50:11PM EDT
Run Anytime After 07/07/2017 2:48:51PM EDT
Began Process At 07/07/2017 2:50:26PM EDT
Ended Process At 07/07/2017 2:50:40PM EDT

**Actions**

Parameters          Transfer
Message Log
Batch Timings
View Log/Trace

OK     Cancel

Click SUIFRRPT.csv to open the Report

**View Log/Trace**

**Report**

| Report ID: | 6836488 | Process Instance: | 9948841 | Message Log |
|---|---|---|---|---|
| Name: | SUIFRRPT | Process Type: | SQR Process | |
| Run Status: | Success | | | |

IFR Accruals Report

**Distribution Details**

Distribution Node: psnsrepos2    Expiration Date: 07/14/2017

**File List**

| Name | File Size (bytes) | Datetime Created |
|---|---|---|
| SQR_SUIFRRPT_9948841.log | 1,835 | 07/07/2017 2:50:40.937606PM EDT |
| SUIFRRPT.csv | 91,624 | 07/07/2017 2:50:40.937606PM EDT |
| suifrrpt_9948841.out | 477 | 07/07/2017 2:50:40.937606PM EDT |

**Distribute To**

| Distribution ID Type | *Distribution ID |
|---|---|
| User | SALEHMAN |

[ Return ]

## IFR Accrual Security:

IFR Accrual Security is be piggy-backed off of CBM security.  Additional security can be added for IFR Accrual input that would not affect CBM security.  For example, if a user has access to all of VP10 SOM in CBM but also fills out an IFR Accrual for an account that rolls to VP03 Provost, security can be added to the IFR Accruals only for that one account.  The user would then be able to see all accounts that roll to VP 10 and the additional account in IFR Accruals.  Please note that CBM security would remain unchanged in this process.  CBM Security provides access to accounts at Organization Level only; meaning is only granted by Level 1 (VP), 2 (Sch & Div), 3 (Deans), or 4 (Parent) in CBM.  IFR Accrual security has the ability to add security at Level 1-4 and also at Account Level.

## Locking IFR Accruals:

Once IFR accruals are marked complete and reviewed by VP Coordinators, a request can be sent to Accounting to lock accounts by organization level so that no further changes can be made.  Accounts can by locked by levels 1-5.

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Exhibit III

The State University of **New York**
Office of the University Controller
Campus Financial Reporting Package

**Inventories**

PURPOSE

The intent of this survey is to obtain information concerning expenditures processed through the Central Accounting System that must be reclassified as asset additions for financial reporting purposes.

DEFINITIONS

Inventories are defined as the aggregate of those items of tangible personal property which are held for sale in the normal course of business (e.g., supplies), or are to be consumed within one year in the production of a service (e.g., fuel).

The matching of revenue and costs is an important objective in accounting for inventories to ensure the proper determination of income in accordance with GAAP. The basis of accounting for inventories is cost, which has been defined as the price paid or the consideration given to acquire an asset. When the utility of the goods, in the ordinary course of business, is no longer as great as their cost, a departure from the cost basis principle of measuring inventory is required (e.g., obsolescence, physical deterioration, changes in price levels). When this occurs, inventories should be stated at the lower of cost or market (market meaning current replacement cost) and a loss should be recorded in the current period.

The value of inventory is determined by a physical count on a specific date and is recorded by valuing the actual inventory count in accordance with the inventory method used (e.g., FIFO, LIFO, weighted average, specific identification).

The FIFO (first-in, first-out) method of valuing inventory is illustrated below and is the preferred method. This method of recording inventories is based on the assumption that costs should be charged against revenue in the order in which they occurred. The inventory remaining on hand is presumed to consist of the most recent costs. The first goods acquired are the first goods out, and the last goods acquired are in the ending inventory.

Units Purchased During the Year

| Date | Units | Cost/Unit | Total Cost |
|------|-------|-----------|-----------|
| August 15 | 20,000 | 5.20 | $ 104,000 |
| November 22 | 50,000 | 5.00 | 250,000 |
| January 1 | 30,000 | 5.40 | 162,000 |
| March 6 | 5,000 | 5.30 | 26,500 |
| May 26 | 5,000 | 5.50 | 27,500 |
| | 110,000 | | $ 570,000 |

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Assume: Beginning Inventory is 10,000 units @ $5.00.
Ending Inventory per physical count is 14,000 units.

### FIFO Inventory Value

| | | |
|---|---|---|
| May 26 | 5,000 units @ 5.50 = | $ 27,500 |
| March 6 | 5,000 units @ 5.30 = | 26,500 |
| January 1 | 4,000 units @ 5.40 = | 21,600 |
| | 14,000 | $ 75,600 |

## INSTRUCTIONS

Report all material inventories as of June 30 on the attached worksheet to Exhibit III. Materiality is defined as a component greater than or equal to $20,000. Only include inventories purchased through appropriated State funds (i.e., revenue offset, IFR, hospital, dorm, etc.). Do not include inventories held by an Auxiliary Service Corporation or Research Foundation.

**The value of inventories should be based on physical counts performed as of June 30.** The recommended method for costing inventories is the FIFO method, although other methods are permitted if they more clearly reflect periodic income. Please state the method used when completing Exhibit III.

Some examples of inventory components include hospital pharmaceuticals and supplies; central, maintenance, mechanical and electrical stores; fuel, diesel, and coal, office and computer supplies, lumber, fabric, hand tools, and postage.

The State University of **New York**
Office of the University Controller
Campus Financial Reporting Package

**Inventories**

Campus: _____ Email address: _____

Contact: _____ Telephone: _____

| Account # Purchased From | Fund # | Cost Method | Components | Balance as of June 30 |
|---|---|---|---|---|
| _____ | _____ | _____ | _____ | $ _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ |

Total $ _____

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