



GM 11.4 Generate Bills – Advance Pay

GM 11.4 Generate Billing – Advance Pay

Contracts with a contract type of Advance Pay should regularly be run through the billing process to utilize expenditures against the advance. Through this process the deferred revenue amount is utilized by the system based on the transactions that have been processed and revenue is recognized. As a reminder, an Advance Pay contract is a contract where the sponsor has provided funding up front but is requiring the institution to account for and report fiscal information based on expenditures. Also, with this type of contract the sponsor requires that the institution return unexpended funds at the end of the award period.

On occasion confusion occurs because users believe that the invoice produced to deposit and post the advance payment is the end of billing on prepaid contracts. This is not the case.

One of the differences between Advance Pay Contract setup and Scheduled Pay contract setup is that the B101 bill plan for Advance Pay contracts is given a status of Ready while the B101 bill plan in a Scheduled Pay contract is set to Ready and given a HOLD status. The B101 bill plan for a Scheduled Pay contract will never be released from HOLD because the system would never bill this contract based on expenditures. That is not the management method for billing for non-cost reimbursable contracts such as Scheduled Pay. The B102 bill plan (this could also be B103 or higher) is used to create an AR Open Item for payment application for the advance payment received from the sponsor.

As you process the Advance Pay contract type, remember to make the B101 bill plan ready, make the R101 revenue recognition plan ready, and establish the prepaid line for the funding you have received. A business process should be established for managing the Advance Pay billing process. This process will recognize the deferred revenue from advance payments made by sponsors and it will affect the institutional financial reporting.

The Billing Method for the B101 bill plan is always as incurred. This differs from the billing method of Immediate, which is the billing method for the prepaid billing plan (B102, B103, etc.) on Advance Pay contract types.

The following screen shot is showing the utilization information for the prepaid billing established for an Advance Pay contract. It can be viewed with the following navigation: Customer Contracts > Create and Amend > General Information > click the Prepaid Balances hyperlink > Click the Utilization tab > Click the Utilization Criteria hyperlink.

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The Utilization Criteria tab shows an overview of the current status of the prepaid utilization. Each prepaid line will have a separate utilization hyperlink that will detail the specific status of that payment.

Utilization Criteria | [Utilization History](#)

Contract: FAR0005511

Description: PPD Bal#1 of Contr# FAR0005511

Use Sequence: 1
Use for all Contract Lines

Purchased: 2,750.00

Remaining: 2,750.00

Committed: 1,285.04

Expiration Date:

Balance Utilization Controls - Use % for Wildcard | [Customize](#) | [Find](#) | [View All](#) | [First](#) | [1 of 1](#) | [Last](#)

PC Bus Unit	Project	Activity ID	Analysis Type	Resource Type	Resource Category	Resource SubCategory
%	%	%	BIL	%	%	%

Note: The purchased amount tells how much the first advance payment was. During the life of the prepaid the billing process utilizes expenditures on the project connected to this prepaid to reduce the amount of remaining funds. You can also see that of the \$2,750 payment received, \$1,285.04 is currently committed. These two values can also be viewed from the prepaid balances page, shown below.

Screenshot of Prepaid Lines for contract used in the future examples

Prepaids | [Audit History](#)

Contract: FAR0005511

Business Unit: NDSU1 | **Contract Status:** ACTIVE

Sold To Customer: NONP_47950 | **Contract Type:** ADVANCE_PAY

Customer Name: US Golf Association Inc. | **Currency Code:** USD

Prepaids for this Contract | [Customize](#) | [Find](#) | [First](#) | [1-2 of 2](#) | [Last](#)

General	Utilization	Initial Billing	Advanced Revenue Distribution	Purchased Amount	Expiration Date	Remaining Amount	Committed Amount	Disputed Date
1	Active	<input type="checkbox"/>		2,750.00		2,750.00	1,285.04	
2	Active	<input type="checkbox"/>		2,750.00		2,750.00	0.00	

[Return to Contract Entry](#)

Save | Return to Search | Notify | Previous tab | Next tab



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Note: From this screenshot, a user can tell that two checks of \$2750.00 have been received for this award.

Step 1: Run the Contracts to Billing Interface

Navigation: Customer Contracts > Schedule and Process Billing > Process Billing

The screenshot shows the PeopleSoft Billing interface. At the top, the PeopleSoft logo is visible. Below it, the 'Billing' tab is selected. The 'Run Control ID' is 'ca_bi_intfc_p', and there are links for 'Report Manager', 'Process Monitor', and a 'Run' button. The 'Process Instance' is 885414. The 'Program Name' section shows 'CA_BI_INTFC' and 'Process Frequency' set to 'Always'. The 'Contract Information' section includes fields for Contract, Business Unit (NDSU1), Contract Type (ADVANCE_PAY), Sold To, Bill To, 'BUProj/Act Option', PC Business Unit, Project, Activity ID, Project Type, and Project Manager. The 'Billing Options' section includes Billing Plan ID, Billing Method, Billing Business Unit (NDSU1), Billing Specialist (MS), Billing Cycle Identifier, Billing Authority, Letter of Credit ID, Grants Billing Cycle Id, 'Date Option' (All), From Date, Through Date (07/30/2005), Event Date (08/09/2005), Invoice Date (08/09/2005), and an 'Ignore Tolerance Amount' checkbox. The 'From Date' is 01/01/2005 and the 'To Date' is 07/30/2005.

After the process runs to success, go into the message log and get the interface id. Also note the number of lines processed. This value should remain consistent throughout the billing process.

The message log for the process provides this information.



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Message Log

Process

Instance: 885414 **Type:** Application Engine
Name: CA_BI_INTFC **Description:** Contracts to Billing Interface

[Customize](#) | [Find](#) | [View All](#) | [First](#) | 1-6 of 6 | [Last](#)

Severity	Log Time	Message Text	Explain
10	10:28:16AM	2 rows before starting multi currency conversion.	Explain
10	10:28:18AM	2 rows successfully converted to the target currency	Explain
10	10:28:18AM	0 row(s) will be reset in Projects.	Explain
10	10:29:24AM	4 row(s) were inserted into PS_INTFC_BI with an INTFC_ID of 491.	Explain
	10:29:47AM	Published message with Pub ID of 88901 to request to have report added in folder GENERAL	Explain
	10:29:48AM	Successfully posted generated files to the report repository	Explain

[Return](#)

Step 2: Run the Billing Interface Process

Use the interface id produced by a successful CA_BI_INTFC to run Process Billing Interface.

Navigation: Billing > Interface Transactions > Process Billing Interface

PeopleSoft. [Home](#)

Billing Interface

Run Control ID: Process_Billing_Interface [Report Manager](#) [Process Monitor](#) [Run](#)

From Interface ID: [🔍](#)

To Interface ID: [🔍](#)

Step 3: Approve the invoice on the billing worksheet

Navigation: Billing > Billing Worksheet

Worksheet Search Tab, enter the Business Unit and the Contract ID. Click the flashlight.

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As seen in the example above, the invoices produced by B101 bill plan for contracts with prepaid lines are for zero dollars until the prepaid is fully utilized.

Click the Line Detail Tab

The Line details tab shows why the invoice is for zero dollars. The BIL rows are being offset against the UTL rows generated by the prepaid line when the contracts to billing interface process was run.

Be sure to make a note of the Invoice number when you are approving the temporary invoices. This will make the Generate Invoice step easier.

If you note that the invoice is not for zero dollars, that it shows money is due from the sponsor, the first step is to check to see if there is another check due from the sponsor. If the sponsor is sending another check delete the temporary invoice and wait for the check to be received and the payment made before generating another invoice for this contract.

If another check is not forthcoming and the sponsor does owe this amount for the research that was done, approve the invoice and send out in the regular manner. If the sponsor does not plan to pay any further amount on the research and there is money due,



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first delete the temporary invoice and then have the department transfer off the inappropriate transactions.

If there is a transaction for an amount greater than the available deferred revenue, the system will establish a UTL line for the amount of deferred revenue left to be utilized. Next, the system will create a BIL line for the difference between the amount of the transaction to be utilized to recognize the deferred revenue and the remaining transaction amount to be billed.

Step 4: Generate Invoice

Run the Single Action Invoice process.

Navigation: Billing > Generate Invoices > Non-Consolidated > Single Action Invoice

Single Action Invoice [Print Options](#)

Run Control ID: Single_Action [Report Manager](#) [Process Monitor](#) [Run](#)

Language: English Specified Recipient's

Selection Parameters [Find](#) | [View All](#) | First 1 of 1 Last

Seq Nbr: 1 'EDI Invoice Options: Print Only Posting Action: No Action Post Later

Invoice Date Option: Processing Date User Defined

Range Selection: All Invoice ID Bill Cycle Cust ID Date Bill Added Bill Type Range ID Bill Source

Business Unit: NDSU1

From Invoice: FAR-0000000809

To Invoice: FAR-0000000809

The invoice will be for zero dollars and no AR accounting entries will be created in the AR step of Single Action process. Note the information on the Message Log below.

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Message Log			
Process			
Instance:	885426	Type:	SQR Report
Name:	BILDAR01	Description:	Load AR Pending Items
Customize Find View All First 1-8 of 8 Last			
Severity	Log Time	Message Text	Explain
	12:45:38PM	Range Option: INVOICE ID Starting Id: FAR-0000000808 Ending Id: FAR-0000000809	Explain
	12:45:38PM	Business Unit: NDSU1. Post Action: Post Later	Explain
	12:45:39PM	Bill or Line amount is zero - not written to AR Pending Item (NDSU1 FAR-0000000808).	Explain
	12:45:39PM	Bill or Line amount is zero - not written to AR Pending Item (NDSU1 FAR-0000000809).	Explain
	12:45:39PM	Total # of Invoices processed: 0. Total # of AR entries generated: 0	Explain
10	12:45:39PM		Explain
	12:45:51PM	Published message with Pub ID of 89141 to request to have report added in folder GENERAL	Explain
	12:45:51PM	Successfully posted generated files to the report repository	Explain
Return			

If you have multiple projects on a contract you will have to establish the deferred revenue lines based on how you would like the revenue applied to each project. This would be accomplished using multiple prepaid bill lines and managing the deferred revenue in the system to match the expenditures to be utilized by each project.

The final two steps of this process run each evening in the Batch Process that is managed by the Project Team. It is advisable to allow these two steps to run in the batch process. The information on running these two steps is included below for informational purposes. Do not run these steps unless specifically instructed to do so by a Grants Manager.

Step 5: Run the Update Contract/Project Data

Navigation: Billing > Generate Invoices > Utilities > Update Contracts/Projects Data

Run BI PC/CA Intrfc.

Run Control ID: CUG_UPDATE_CONTRACT

[Report Manager](#)
[Process Monitor](#)
[Run](#)

Run Control Options
[Find](#) | [View All](#)

Run Options

All Business Units

Single Business Unit

Business Unit:



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This process will update the utilization information in the Contracts module.

PeopleSoft. Home | Worklist | M

Utilization Criteria | **Utilization History**

Contract: FAR0005511

Description: PPD Bal#1 of Contr# FAR0005511

Use Sequence: 1

Purchased:	2,750.00
Remaining:	1,464.97
Committed:	0.01
Expiration Date:	

Project	Activity ID	An Type	Amount	Currency
FAR0005511	1	UTL	37.83	USD
FAR0005511	1	UTL	94.16	USD
FAR0005511	1	UTL	468.85	USD
FAR0005511	1	UTL	243.00	USD
FAR0005511	1	UTL	132.50	USD
FAR0005511	1	UTL	52.38	USD
FAR0005511	1	UTL	19.98	USD

Save | Return to Search | Notify | Previous tab | Next tab

The Utilization History lists the amounts (from project resources) that have been utilized against the prepaid. The remaining amount and the committed amount have decreased after the billing processes have been run and retrieve revenue has run in the overnight batch process.

Step 6: Run the Retrieve Revenue from Contract Process

Navigation: Projects > Collect Revenue > Retrieve Revenue from Contract

Contracts

User ID: cgravely Run Control ID: CUG_RETRIEVE_REVENUE [Process Monitor](#) **Run**

Program Name: PC_CA_TO_PC Process Frequency: Always

Find | View All | First

'BU/Proj/Act Option: Selected BU / Project Request Number: 1 [Proi Resources](#)

Business Unit: UND01 'Date Option: Accounting Date

Project: UND0005292 From Date: 08/01/2005 Thru Date: 08/24/2005