

OMNI AR/Billing: Handling Advance Prepayments

Detailed Business Process Guide - ABILL15

Unearned (deferred) revenue should be recorded when payments are requested and invoices made far in advance of the event taking place. This will require 2 steps: a prepayment invoice and a subsequent invoice that shows the payment as a credit and adjusts for the balance.

1. Prepayment Invoice (Half-Down Invoice)

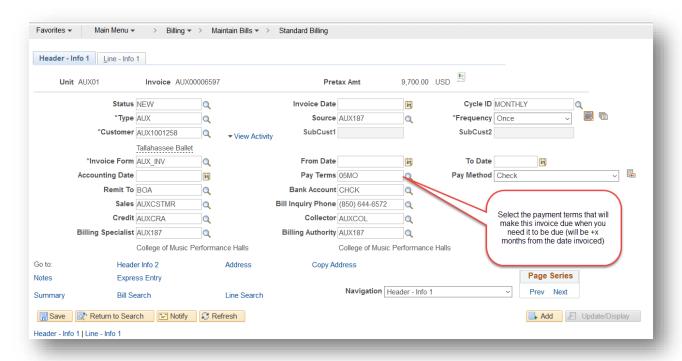
Here is an example of creating the original prepayment invoice. This invoice will create accounting entries that will increase (debit) Accounts Receivable and increase (credit) Deferred Revenue.

Navigation: Main Menu > Billing > Maintain Bills > Standard Billing

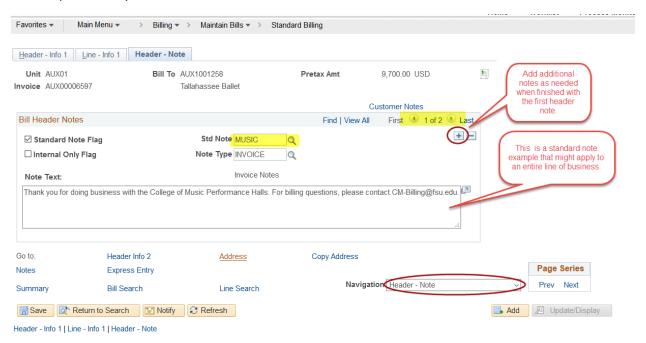
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- 1. Navigate to Main Menu > Billing > Maintain Bills > Standard Billing
- 2. Select "Add a New Value."
 - a. Business Unit: AUX01
 - b. Invoice ID: NEXT
 - c. Bill Type ID: AUX
 - d. Enter your auxiliary's Bill Source
 - e. Enter the Customer ID
 - f. Invoice Date & Accounting Date should be left blank
 - g. Select "Add."
- 3. Set up the defaults for the invoice.

Office of the Controller
Rev. October 2017
Questions? Contact: ctl-auxiliaryaccounting@fsu.edu

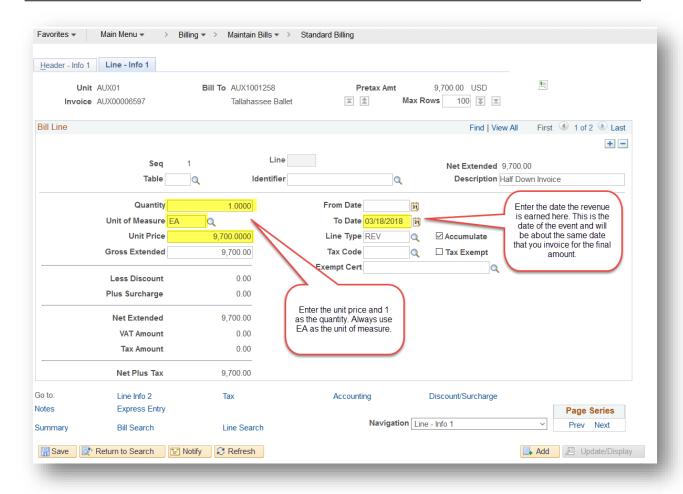


4. Enter any header notes that apply to your business or any header notes that you would like to provide to your customer for this invoice

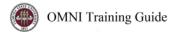


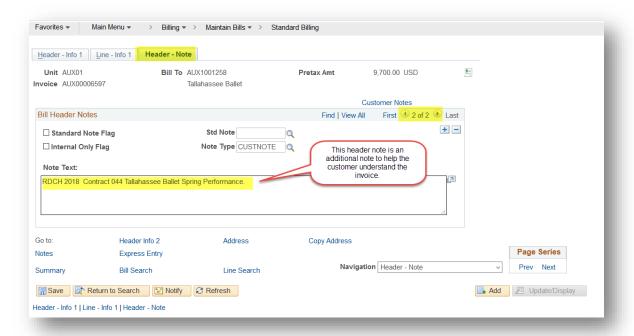
5. Enter the line(s) data



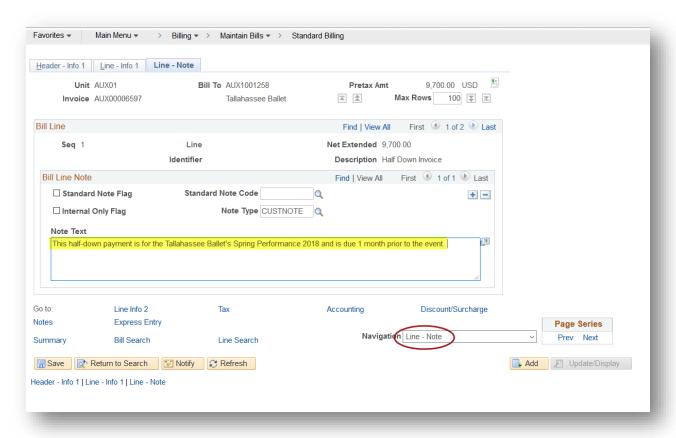


6. Enter any header notes you might want to provide (Navigation Drop Down – Header – Note)



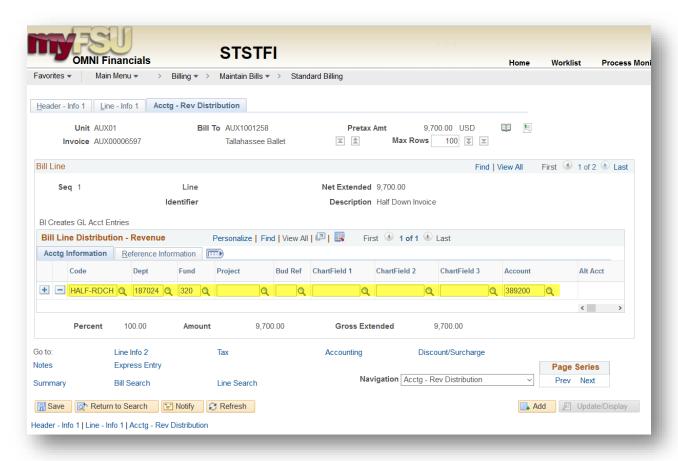


7. Enter any line notes you might want to provide the customer (Navigation drop-down: Header – Note)





- 8. Enter the accounting information. (Navigation drop down Acctg Rev Distribution)
 - a. Because this is due so far in advance and you won't have earned the revenue until the event takes place, you need to enter a different account code.
 - b. Enter the Department, Fund, and Account 389200.
 - c. Note: Distribution Codes may be set up to automate this for you, or you may enter the information manually.



9. Set the bill to ready and invoice the bill as usual. The customer will pay the prepayment by the due date and the event will take place (or the good/service will be provided). The invoice will look like this:

Bill To:

Tallahassee Ballet Jenny Levitt P.O. Box 772 Tallahassee FL 32302 United States Customer Id: Payment Terms: Purchase Order: Due Date:

AMOUNT DUE:

AUX1001258 05_MO

2/6/18

9,700.00 USD

Remit To:

Florida State University Auxiliary Accounts Receivable P.O. Box 3062397 Tallahassee, FL 32306-2397 United States

Electronic/ACH Payments - Contact (850) 644-1824

For billing questions, please call (850) 644-6572.

FSU Music Performance Halls

Line	Product	Activity Date	Description	Quantity	UOM	Unit Amt	Net Amount
1		03/18/2018	Half Down Invoice	1.0000	EA	9700.0000	9,700.00

This half-down payment is for the Tallahassee Ballet's Spring Performance 2018 and is due 1 month prior to the event.

Subtotal:
Amount Due:

9,700.00

9,700.00

Thank you for doing business with the College of Music Performance Halls. For billing questions, please contact CM-Billing@fsu.edu.

Please include a copy of this invoice with payment. Thank you. RDCH 2018 Contract 044 Tallahassee Ballet Spring Performance.

2. Settlement Invoice (Post-Event Invoice)

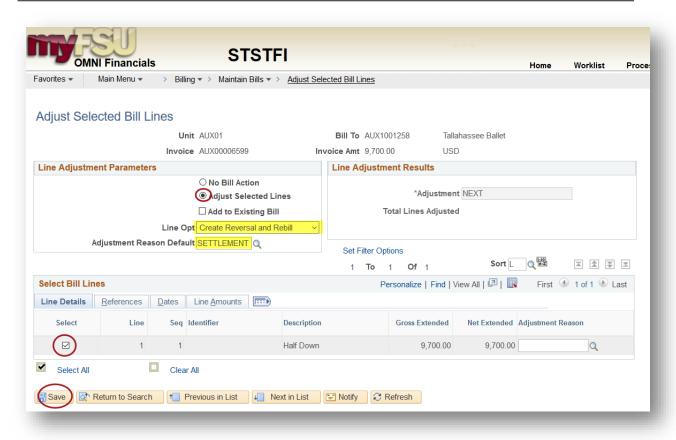
Here we will use the adjust bill feature to create the accounting entries needed to reverse the liability (Deferred Revenue) and record the Revenue.

This usually takes place just after the event is completed / good/service is provided.

- 1. Locate the prepayment invoice number.
- 2. Select the "Adjust Selected Bill Lines" navigation and pull up the invoice.
- 3. Select "Adjust Selected Lines" and Line Option "Create Reversal & Rebill." Choose Adjustment Reason Default of "SETTLEMENT". Select the half-down line.

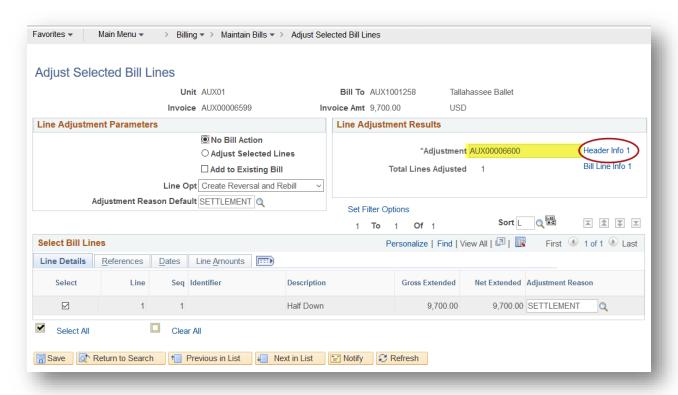
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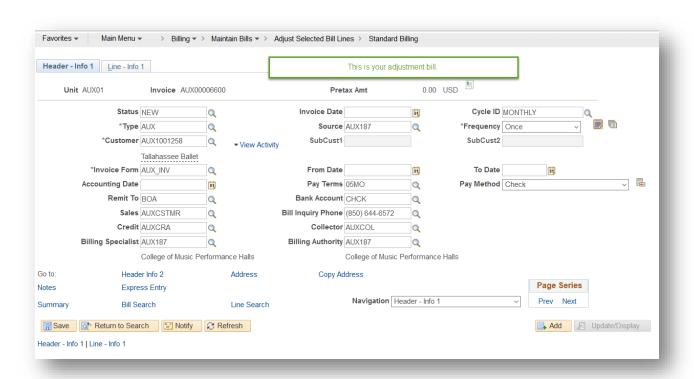




4. Save. Your new adjustment bill appears. Click on "Header Info 1" to navigate to the bill.

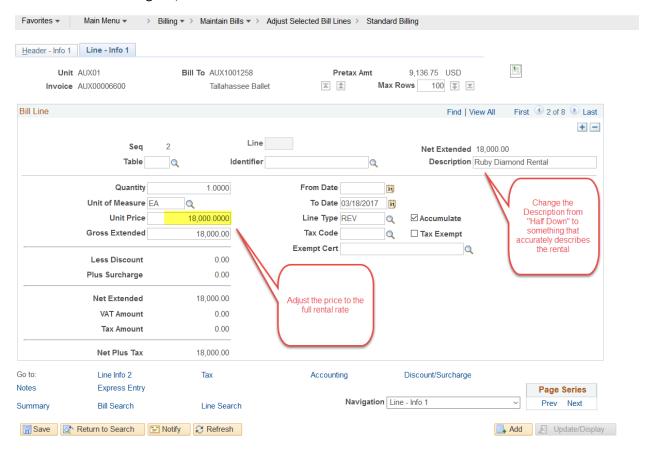






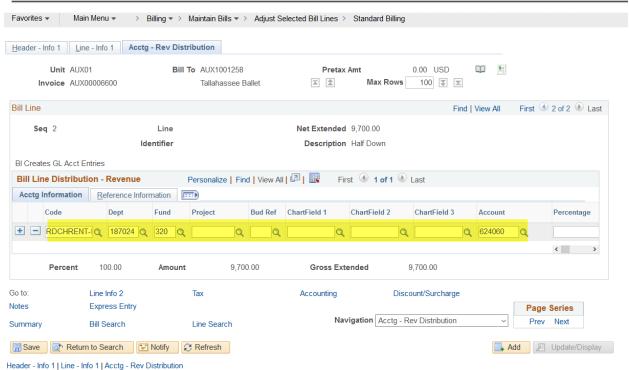


- 5. Review your lines. 1 line is reversing, and 1 line is rebilling. This allows us to account for any differences in the expected amount of the charge and the actual amount of the charge after the good/service is provided.
 - a. For example, the customer requests to prepay for 500 hours of equipment time, and paid for 500 hours of equipment time. However, the experiment only took 459 hours of equipment time. The adjustment would include an additional credit for 41 hours.
 - b. For example, the customer requests to prepay for 500 hours of equipment time, and paid for 500 hours of equipment time. However, the experiment took an extra 50 hours of equipment time. The adjustment would include an additional amount charged for the extra 50 hours.
- 6. For the rebill line (The positive number), adjust to show the entire amount for the charge and edit the description from "Half Down Payment" or "Prepayment" to something that actually describes the good/service



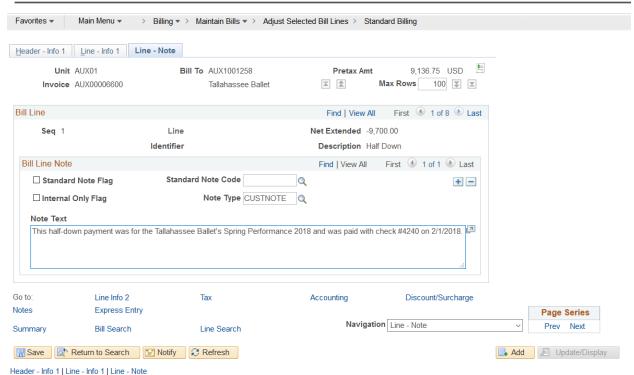
- 7. For the rebill line, you need to edit the accounting information before moving forward. This way, you record the revenue selecting the normal revenue account code / distribution code.
 - a. Navigation Drop Down: "Acctg Rev Distribution"
 - b. Enter the Department, Fund & Revenue Account Code (e.g. 623001)



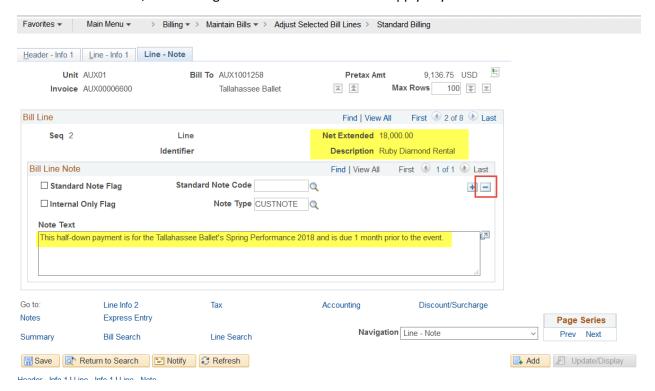


- 8. You might also want to delete or edit any line notes so they don't keep showing up on the invoice after they've lost relevance.
 - a. Here, we are editing the line note for the prepayment to show that the payment was made and make it clear to the customer.
 - b. Navigation Line Note
 - c. Use the + or signs to delete or add notes

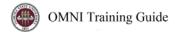




d. Here, I'm deleting the note because it doesn't apply any more.



9. Then, add any new lines you need to completely settle the account. You will get a warning message. This is ok. Proceed as usual to complete accounting, PO information, notes, etc.



- 10. Review all information and ensure you've completed all tasks as required in the job aid for Credit/Rebill (Bill Adjustment) before proceeding.
 - a. Note bill header notes aren't retained, so ensure you add any bill header notes that you want to retain on the adjusting/settlement bill
- 11. Set the bill to ready and invoice.
- 12. This is what your settlement bill will look like:





Invoice No: AUX00006600 Invoice Date: 3/18/18 Page: 1 of 2

Bill To: Tallahassee Ballet Jenny Levitt P.O. Box 772 Tallahassee FL 32302 United States
 Customer Id:
 AUX1001258

 Payment Terms:
 05_MO

 Purchase Order:
 bue Date:
 8/18/18

 AMOUNT DUE:
 9,136.75 USD

Remit To: Florida State University Auxiliary Accounts Receivable P.O. Box 3062397 Tallahassee, FL 32306-2397 United States

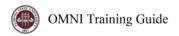
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Original Invoice: AUX00006599 9/6/17

Line	Product	Activity Date	Description	Quantity	UOM	Unit Amt	Net Amount
1		03/18/2017	Half Down	-1.0000	EA	9700.0000	-9,700.00
	This half-down payment was for the Tallahassee Ballet's Spring Performance 2018 and was						
2	paid with	check #4240 o 03/18/2017	n 2/1/2018. Ruby Diamond Rental	1.0000	EA	18000.000 0	18,000.00
3		03/18/2018	Event Manager	4.5000	EA	40.0000	180.00
4		03/18/2018	AV Equipment Projector	2.0000	EA	50.0000	100.00
5		03/18/2018	Technician	1.0000	EA	25.0000	25.00
6		03/18/2018	House Manager	5.2500	EA	35.0000	183.75



7	03/18/2018	Stage Crew & Ushers	12.7000	EA	15.0000	190.50
8	7 ushers requested 03/18/2018	Technical Specialist	4.5000	EA	35.0000	157.50
	Subtotal:					9,136.75
Amount Due:						

Please include a copy of this invoice with payment. Thank you.
Thank you for doing business with the College of Music Performance Halls. For billing questions, please contact CM-Billing@fsu.edu.
RDCH2018 Contract044 Tallahassee Ballet Spring Performance