



PREPAID TRANSACTIONS IN PEOPLESOFT

TABLE OF CONTENTS

Overview.....	2
Definitions	2
Purchases for the New Year	2
Requisitions	2
Purchasing Card (PurCard)	3
Find Prepaid Expenses.....	3
Closeout Report.....	3
PeopleSoft Drill Down	3
Correct Prepaid Accounts	9
Resources/Help	9
Help/Footprints	9
Training.....	9
Relevant UVM Departments	9
Suggestions? Updates?	9



Overview

It is sometimes necessary to make a purchase or a payment in one fiscal year for goods or services that must be accounted for in the next fiscal year.

This document discusses how to:

- Determine the correct fiscal year for a purchase
- Initiate a purchase in the old fiscal year
- Prepare the correcting entry in the new fiscal year

All of these transactions ensure that expenses are appropriately reflected in the annual financial report.

Definitions

Prepaid Expenses or Deferred Charges - Costs that are incurred in the current year for future year's activities are recorded as an asset (prepaid expense) and amortized over the periods to which the charges relate. Examples include: rent paid in advance, subscriptions for the new year, or payments in the current year for software licenses for the next year.

Unearned (Deferred) Revenue - Payments received by UVM for services rendered in a future fiscal year are recorded as a liability (unearned revenue) in the current fiscal year. The liability is eliminated and the revenue is recognized in the year the service is provided. Examples include: tuition for summer session courses taught in July and August, fees received in May or June, advance sale of athletic tickets for future year's season, and fixed-price grants when the money is received up-front and revenue is recognized as expenses are incurred.

Purchases for the New Year

Requisitions

Requisitions for goods that relate to a new-year activity must use a prepaid category on the requisition. This will charge a prepaid account (13xxx) in the general ledger. **The function code must be 000**, or the requisition will fail budget checking.

If the invoice is paid in the old fiscal year, the requester must then prepare a journal in the new fiscal year to move the payment from the prepaid account and function 000 to an appropriate expense account and function.

If the invoice was not paid in the old fiscal year, the purchase order will be cancelled. A new requisition will need to be created in the new fiscal year to an appropriate expense account.



Examples of requisitions on prepaid categories include: new fiscal year rent, insurance, and software licenses. Routine purchases like supplies made in the current year that may also be used in later years should not use a prepaid category unless the amounts to be used in the future year are specifically designated for a new fiscal year program.

Purchasing Card (PurCard)

Purchases made on the Purchasing Card for future-year activity must be put on a prepaid account (13xxx) and **function 000** when the journal is reallocated in the old fiscal year. The cardholder or proxy must then prepare a journal in the new fiscal year to move the payment from the prepaid account and function 000 to an appropriate expense account and function.

Examples of old-year PurCard transactions that need to be allocated to prepaid accounts include: registration fees and airfare for conferences held in the new fiscal year. These should be allocated to account 13102 PurCard Travel in the old year.

Find Prepaid Expenses

Closeout Report

The Closeout Report can be used to find prepaid transactions from the prior fiscal year that need to be moved to the correct account in the current fiscal year. This report can be used for both projects and general fund chartstrings.

Closeout Report Section **“4F. Vouchers in Progress”** displays an Alert line if there are prepaid vouchers that need to be corrected:

4F. All Vouchers are completed for the selected parameters.							

4F1. Alert: There are balances in these accounts.							

13001 Pre-Paid Exp - General	01	30200	100	100001	000	0000 0000 0000	240.00
13001 Pre-Paid Exp - General	01	30200	100	100001	000	0550 0000 0000	85.00
13001 Pre-Paid Exp - General	01	30200	100	100001	000	0552 0587 0000	1,075.00
13001 Pre-Paid Exp - General	01	30200	100	100001	000	0560 0000 0000	750.00
13102 Pre-Paid Exp - Purcard Travel	01	30200	100	100001	000	0000 0361 0000	607.80
13102 Pre-Paid Exp - Purcard Travel	01	30200	100	100001	000	0550 0000 0000	195.00

For help running the Closeout Report, consult the [Basic Financial Reports User Guide \(PDF\)](#).

PeopleSoft Drill Down


The General Ledger screens in PeopleSoft are also useful in reviewing accounting information, particularly prepaid accounts. This example is for an FY18 prepaid transaction.

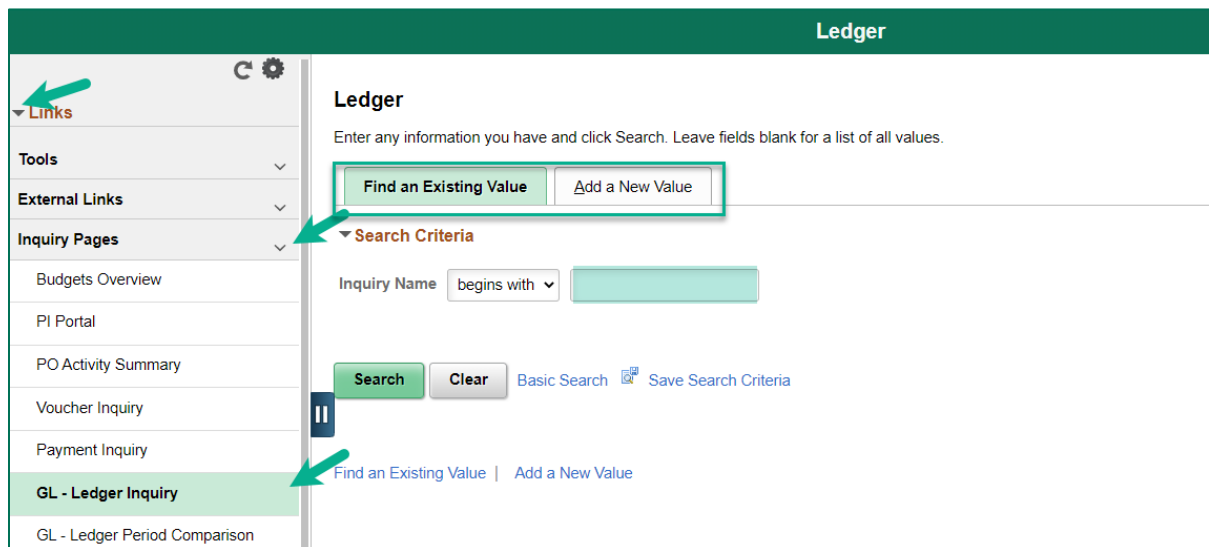
1. [Log into PeopleSoft Financials](#)



2. On the **UVM Employee Homepage** click on the **UVM Business Mgr WorkCenter** tile.



3. Click the **Arrow**  icon to expand the **Links** and **GL & Budget** to expand the menu, showing a list of frequently used links. Select **GL – Ledger Inquiry.**
4. An Inquiry ID is needed to run the inquiry. Click the **Search** button on the **Find an Existing Value** tab to choose an existing Inquiry ID, or create a new Inquiry ID by selecting the **Add a New Value** tab. Type a name for the Inquiry ID (spaces are not accepted), then click **Add**.




Ledger

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

Inquiry Name begins with

Search **Clear** Basic Search  Save Search Criteria

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

5. Enter the following in the Ledger Criteria:
 - Unit (always UVM01)
 - Ledger (always Actuals)
 - Fiscal Year
 - From Period
 - To Period
 - Check the “Show Transaction Details” box if desired
6. Enter the following Chartfield Criteria:
 - Account (13xxx)
 - Department, Project, or Program (as needed)
 - Sum By check box



- Click **Save**.
- Click **Search**.

Ledger Inquiry

Enter ledger, period, ChartField and rest of the criteria. Click on Search button to execute the query.

Ledger Criteria

Inquiry Name JOURNALS	*Unit UVM01	*Ledger ACTUALS	*Fiscal Year 2018	*From Period 1	*To Period 12	Currency
<input checked="" type="checkbox"/> Show YTD Balance <input type="checkbox"/> Show Transaction Details				Stat Code	Date Code View	
				<input checked="" type="checkbox"/> Include Closing Adjustments <input type="checkbox"/> Only in Base Currency	Max Ledger Rows 100	

Search **Clear** **Delete**

Chartfield Criteria

ChartField	Value	ChartField Value Set	Update/New	Sum By	Value Required	Order-By
Account	13150		Update/New	<input type="checkbox"/>	<input type="checkbox"/>	
Department	30500		Update/New	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1

Include Adjustment Periods

Sel	Period
<input checked="" type="checkbox"/>	997
<input checked="" type="checkbox"/>	998

- If the “Show Transaction Details” box was not checked, the Ledger Summary page is displayed. Click any **Activity** or **Detail** hyperlink to drill to the source information.

Ledger Summary

Before clicking on Detail hyper link, you can click on "Ledger Detail Drill-Down Chartfield Display" to display the chartfields that are pertinent to your inquiry.

Ledger Criteria

Go To [Inquiry Criteria](#) [Ledger Detail Drill-Down Chartfield Display](#)

Ledger Summary

Period	Activity	Detail	Account	Dept	Account Description	Period Balance (in Transaction Currency)	YTD Period Balance (in Transaction Currency)	Currency	Period Balance (in Base Currency)	YTD Period Balance (in Base Currency)	Base Currency
0		Detail	13001	30500	Pre-Paid Exp - General	99,508.16	99,508.16	USD	99,508.16	99,508.16	USD
1	Activity	Detail	13001	30500	Pre-Paid Exp - General	-92,352.27	7,155.89	USD	-92,352.27	7,155.89	USD
4	Activity	Detail	13001	30500	Pre-Paid Exp - General	-7,155.89	0.00	USD	-7,155.89	0.00	USD



10. If the “Show Transaction Details” box was checked, or after clicking an Activity or Detail hyperlink, transactions will be displayed on the Transaction Details page. Click **View All** in header, i.e. Journal Line, to see all returned results (if necessary).

Transaction Details

Ledger Inquiry

Transaction Details

Ledger Criteria

Go To [Inquiry Criteria](#) [Transaction Criteria](#)

Transaction Details

Ledger by Period and Chartfields

Period	Account	Dept	Account Description	Stat
1	13001	30500	Pre-Paid Exp - General	

Amount (in Transaction Currency) -92,352.27 USD Amount (in Base Currency) -92,352.27 USD

Journals

Journal ID	Line Descr	Date	Seq	Stat Amt	N/R	Amount (in Transaction Currency)	Currency	Amount (in Base Currency)	Base Currency
0000332456	Summer session split	07/01/2019		0.00	N	-2,551.40	USD	-2,551.40	USD
0000332456	Summer session split	07/01/2019		0.00	N	-24,302.62	USD	-24,302.62	USD
0000332456	Summer session split	07/01/2019		0.00	N	-591.35	USD	-591.35	USD

11. Click the **Journal ID** to view additional details, including the full chartstring.

Journal Inquiry Details

Journal Inquiry

Journal Inquiry Details

Ledger Criteria

Go To [Inquiry Criteria](#) [Transaction Details](#)

Journal Header

Journal ID	Date	Schedule
0000332456	07/01/2019	No Request

Journal Group ACTUALS Original Date 06/30/2019 Process No Request

Source FIN Date Posted 07/15/2019 Total Lines 154

Journal Status Posted Reversal Date User ID

Balanced DR=CR Reversal Reversal InterUnit BU UVM01

Doc Seq Budget Status Valid Date Code Adjustment N

Long Description

View Attachment

All Lines

From Line To Line

Query Journal Lines

Totals by Currency

Currency	USD	Debit Amount	Credit Amount	Net
USD	1,474,384.13	1,474,384.13	0.00	


Journal Line

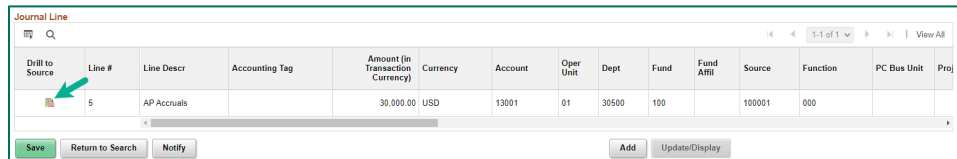
Line #	Line Descr	Accounting Tag	Amount (in Transaction Currency)	Currency	Account	Oper Unit	Dept	Fund	Fund Affil	Source	Function	PC Bus Unit	Project
29	Summer session split		-2,551.40	USD	13001	01	30500	311		400668	000		

Save Return to Search Notify Add Update/Display



12. To change criteria, click the **Inquiry Criteria** hyperlink.
To go back one screen to the Transaction Detail, press the **Transaction Details** hyperlink.

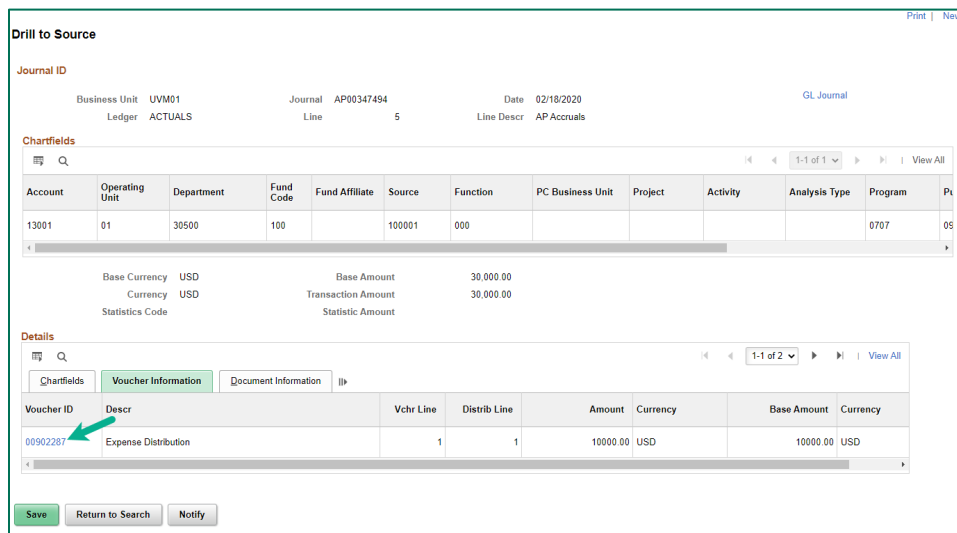
13. If the transaction of interest is an AP voucher, click the **Drill to Source**  icon to find additional information about the voucher.



Drill to Source	Line #	Line Descr	Accounting Tag	Amount (in Transaction Currency)	Currency	Account	Oper Unit	Dept	Fund	Fund Affil	Source	Function	PC Bus Unit	Proj
	5	AP Accruals		30,000.00	USD	13001	01	30500	100		100001	000		

14. A new window will open to display the Drill to Source screen.

15. Click the **Voucher ID** hyperlink.



Drill to Source

Journal ID: Business Unit UVM01, Journal AP00347494, Date 02/18/2020, GL Journal

Chartfields: Ledger ACTUALS, Line 5, Line Descr AP Accruals

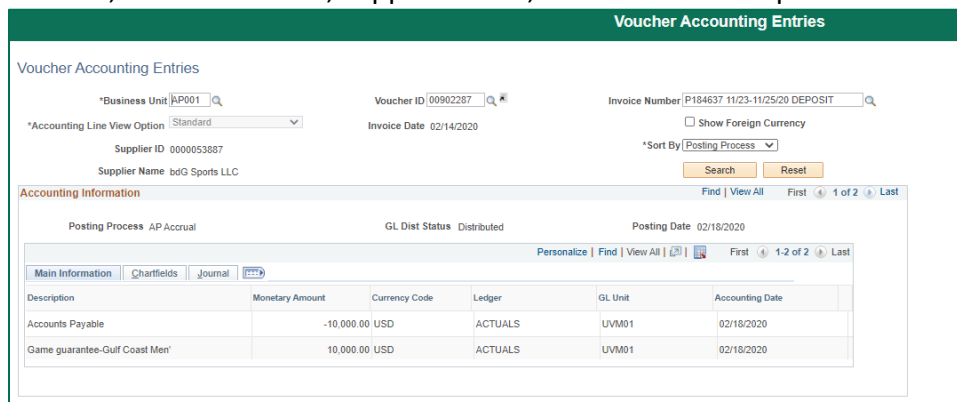
Account	Operating Unit	Department	Fund Code	Fund Affiliate	Source	Function	PC Business Unit	Project	Activity	Analysis Type	Program	Pt
13001	01	30500	100		100001	000					0707	05

Base Currency USD, Base Amount 30,000.00, Currency USD, Transaction Amount 30,000.00, Statistics Code, Statistic Amount

Details

Voucher ID 00902287, Descr Expense Distribution, Vchr Line 1, Distrib Line 1, Amount 10000.00, Currency USD, Base Amount 10000.00, Currency USD

16. A new window will open to display the Voucher Accounting Entries, including the voucher number, invoice number, supplier name, and invoice description.



Voucher Accounting Entries

Voucher Accounting Entries

*Business Unit AP001, Voucher ID 00902287, Invoice Number P184637 11/23-11/25/20 DEPOSIT

*Accounting Line View Option Standard, Invoice Date 02/14/2020, Show Foreign Currency

Supplier ID 0000053887, Supplier Name bdG Sports LLC, Sort By Posting Process

Accounting Information: Posting Process AP Accrual, GL Dist Status Distributed, Posting Date 02/18/2020

Description	Monetary Amount	Currency Code	Ledger	GL Unit	Accounting Date
Accounts Payable	-10,000.00	USD	ACTUALS	UVM01	02/18/2020
Game guarantee-Gulf Coast Men	10,000.00	USD	ACTUALS	UVM01	02/18/2020



17. To view a purchasing card transaction, click **Inquiry Criteria**, and select the checkbox **Show Transaction Details** and perform another search.
18. On the Transaction Details page, click the **Journal ID** hyperlink for the desired PurCard journal.

Transaction Details Print

Ledger Inquiry
Transaction Details

► **Ledger Criteria**

Go To [Inquiry Criteria](#) [Transaction Criteria](#)

Transaction Details 7 of 7 [View All](#)

Ledger by Period and Chartfields

Period Account Dept Account Description Stat

12	13001	30500	Pre-Paid Exp - General	
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Amount (in Transaction Currency) -1,061.23 USD Amount (in Base Currency) -1,061.23 USD

Journals

Journal ID	Line Descr	Date	Seq	Stat Amt	N/R	Amount (in Transaction Currency)	Currency	Amount (in Base Currency)	Base Currency
0000356763	FY20 Summer Session Split	06/30/2020		0.00	N	1,118.78	USD	1,118.78	USD
P059644-51	AQUA CREST POOL	06/25/2020		0.00	N	-2,280.00	USD	-2,280.00	USD
P128592-51	PREP HOOPS IL	06/25/2020		0.00	N	99.99	USD	99.99	USD

[Save](#) [Return to Search](#) [Notify](#) [Add](#) [Update/Display](#)

19. The Journal Inquiry Details page will be displayed.

Journal Inquiry Details

Journal Inquiry
Journal Inquiry Details

► **Ledger Criteria**

Go To [Inquiry Criteria](#) [Transaction Details](#)

Journal Header

Journal ID	P059644-51	Date	06/25/2020	Schedule	No Request
Ledger Group	ACTUALS	Original Date	06/25/2020	Process	4
Source	PUR	Date Posted	07/02/2020	Total Lines	4
Journal Status	Posted	Reversal Date		User ID	hiebanc
Balanced	DR=CR	Reversal	None	InterUnit BU	UVM01
Doc Seq		Budget Status	Valid	Date Code Adjustment	N
Long Description	USBank PURCARD 06/25/2020 2814				

[View Attachment](#)

☒ All Lines ☐ From/To From Line To Line [Query Journal Lines](#)

Totals by Currency

Currency	USD	Debit Amount	4,560.00	Credit Amount	4,560.00	Net	0.00
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Journal Line

Line #	Line Descr	Accounting Tag	Amount (in Transaction Currency)	Currency	Account	Oper Unit	Dept	Fund	Fund Affil	Source	Function	PC Bus Unit	Project
1	AQUA CREST POOL		-2,280.00	USD	13001	01	30500	311		400671	000		

[Save](#) [Return to Search](#) [Notify](#) [Add](#) [Update/Display](#)



20. Notice that the purchasing card journal information is displayed, including the vendor name in the Line Description field.

Correct Prepaid Accounts

Prepare correcting journals only in the new fiscal year, crediting the prepaid account and function 000, offsetting with a debit to the correct expense account and function where the expense should be charged.

Resources/Help

Help/Footprints

If you have questions about information in this document, or, if after reading it, you cannot find the information you need, please submit a PeopleSoft help desk ticket in [Footprints](#).

Training

- [UFS Roadshow Training Topics \(PDF\)](#)
- [Professional Development & Training Classes](#)
- [University Policies and Operating Procedures](#)

Relevant UVM Departments

- [Disbursement Center Accounts Payable team](#) - for questions on corrected prepaid expense or unearned revenue transactions
- [Purchasing Services](#) – for questions relating to requisitions and purchase orders

Suggestions? Updates?

Send an email to PS9-1Upgrade@uvm.edu.