

Contractor Instructions for the Year-end Close Accrual Estimate Activity

Introduction

This document explains the year-end accrual entry process within Pisces. Using a sample screen shot and description of the fields (page 8) you should be able to navigate Pisces sufficiently to complete this activity with very little difficulty. Please refer to the step-by-step instructions on pages 2 and 3 for a more detailed explanation of how to develop the figures you'll enter into Pisces. A couple of examples can be found on pages 5 and 6

On August 10, individuals identified as "Accrual Contacts" for their organization, will begin seeing a list of contracts requiring an accrual estimate appear on the Accrual Entry screen in Pisces. **New since FY2013** some contracts may be exempt from manual submission of a year-end accrual estimate. These contracts will appear grayed out with the note, Submitted Accrual System, Confirmed by Accrual System. See page 4 for an explanation of which contracts require an accrual submittal via Pisces.

If you are the designated accrual contact you must have a Pisces account and have installed the software. Contact support@cbfish.org if you need access to Pisces. During accrual season (August 10 – September 19) you should be presented with the Accrual Entry screen upon logging in to Pisces. We have set this to be the initial screen you see to make accrual entry easier (page 8). If you don't see this screen, click File > Accrual Entry from the top menu.

Beginning on August 20, Pisces will send out automated emails to Accrual Contacts reminding them they must submit an accrual no later than September 19, 2016. Reminders will continue every few days until the accrual has been submitted.

If you have questions, please contact the following:

Ben Dick, Accountant, 503-230-3346

Michele Janssen, Program Analyst, 503-230-3482

Your BPA Project Manager or Contracting Officer's Technical Representative (COTR)

Expectations

- Submit an accrual estimate for each contract whether capital or expense that hasn't been calculated for you.
- Make the most accurate estimate you can, using the step-by-step instructions and examples below as your guide.
- Work with your field staff, accounting office, subcontractors, and COTR to make sure all information is included in the estimate.
- Enter your accrual estimate directly in Pisces by **September 19**. Help is available: contact your COTR or support@cbfish.org

Steps for Completing the Fiscal Year End Accrual Estimate Activity

<p>1. Review List of Contracts</p>	<p>You must provide a period-ending accrual estimate for each of the contracts you have with BPA. First, validate the list of contracts that belong to you. (See page 8 for a sample Accrual Entry screen).</p>	<ul style="list-style-type: none"> • Log on to Pisces. If you do not have a Pisces account, or have forgotten your password, please contact support@cbfish.org. • After logging in Pisces should automatically display the Accrual Entry screen. If for some reason it does not click File > Accrual Entry from the top level menu within Pisces. • Verify that the contract numbers are correct, and that all contracts you have with BPA are listed. Please note: A contract may automatically be removed from the list if certain criteria are met subsequent to the start of Accrual Season (e.g., the balance becomes zero due to an invoice, or it is closed. If you have concerns about the list of contracts, contact support@cbfish.org
<p>2. Validate Billings To Date</p>	<p>Make sure you know which invoices have already been received by BPA. The accrual estimate should not include charges for work that has already been billed to BPA or will be billed on or before September 28.</p>	<ul style="list-style-type: none"> • Note that the amount for each contract in the “Balance Remaining” column is a hyperlink. Clicking on this hyperlink will take you to the “Contract Payment and Balance History” report for each contract, which lists the invoices BPA has paid for that contract. NOTE: these reports are updated once daily around midnight, so they will not contain invoices posted on the same day. • If you are still unsure if an invoice has been paid by BPA, contact your bookkeeper or accounting office, or your BPA COTR.
<p>3. Determine Billings in Progress</p>	<p>Your accounting department may have invoices in progress that will be sent to BPA in the next few weeks. If an invoice will be received by BPA on or before September 28, the charges for that invoice should not be included in your accrual estimate.</p>	<ul style="list-style-type: none"> • Work with your internal staff to identify any invoices that are planned but not yet sent to BPA. • Determine when pending invoices are likely to reach BPA. Factor in your accounting department’s processing • If an invoice is expected to reach BPA by September 28, do not include it in the accrual estimate. • If an invoice is expected to reach BPA after September 28, then the invoice amount through September 30 <u>should</u> be included in your accrual estimate. • Let your BPA COTR know how invoices in-progress will be counted in your accrual estimate.
<p>4. Determine Work Already Performed That Will Not Be Billed In The Current Period (for which billings are not already in progress)</p>	<p>For each contract, determine the value of work that has been performed or goods that will have been received through September 30, but will not be billed to and received by BPA by September 28. Questions about invoices in progress should have been addressed in step 3.</p>	<ul style="list-style-type: none"> • Determine the invoice amount of work that has been performed through September 30 but will not be invoiced to (received by) BPA by September 28. • Include any subcontractor costs that will not be billed to BPA by September 28. If your subcontractor has billed you for work already performed, but you have not billed BPA, you should include the subcontractor charges in your accrual estimate (or invoice BPA for these costs before September 28). • Consult with your subcontractors to determine the value of any work that has been performed for which they have not billed you. As in the bullet above, what’s important is when these charges will be received by BPA. Any charges not billed by you and received by BPA by September 28 must be included in your accrual estimate. • Conduct any required consultations with other project managers, subcontractors, or accounting counterparts to validate your perspective on work completed but not billed.

Steps for Completing the Fiscal Year End Accrual Estimate Activity (continued)

<p>5. Determine Work That Has Yet To Be Performed (Before September 30 only) And Will Not Be Billed by September 28</p>	<p>Any work performed between the time you submitted your last invoice and September 30 should be counted in the accrual estimate.</p>	<ul style="list-style-type: none"> • Estimate the value of work that will be performed before September 30 for which BPA will not receive an invoice until after September 28. • Consult with your subcontractors to determine the value of work they plan to perform by September 30 that they will not bill to you in time for you to bill BPA by September 28.
<p>6. Compile Your Accrual Estimate</p>	<p>Based on steps 2 – 5, calculate an accrual estimate for each contract.</p>	<ul style="list-style-type: none"> • Your accrual estimate equals the sum of all work performed, by the contractor or subcontractor, by September 30, for which BPA will not receive an invoice by September 28. • See illustrations below for more guidance.
<p>7. Compare to Contract Balance</p>	<p>Validate that your accrual estimate plus the billings to date do not exceed your remaining contract balance. The remaining balance for each contract is listed in the “Remaining Balance” column in the accrual entry column in Pisces.</p>	<ul style="list-style-type: none"> • Add the billings to date determined in step 2 to your accrual estimate and compare to your remaining contract budget balance for the current performance period. • Validate the outcome with your BPA COTR if you are uncertain. • BPA will not reimburse you for costs that exceed your contract balance.
<p>8. Complete and Submit Your Accrual Estimate in Pisces</p>	<p>Accrual estimates must be entered in Pisces by September 18.</p>	<ul style="list-style-type: none"> • The accrual screen in Pisces should list each of the contracts you have with BPA. Use this screen to document an accrual estimate for each contract. • You can enter accrual data over multiple sessions if necessary; just click the Save button on the Pisces toolbar. • Don’t forget to click the Submit button when you are completely finished (when each of your contracts has an accrual estimate).

Illustration to determine which contracts BPA will require a Fiscal Year-End Accrual Estimate to be submitted.

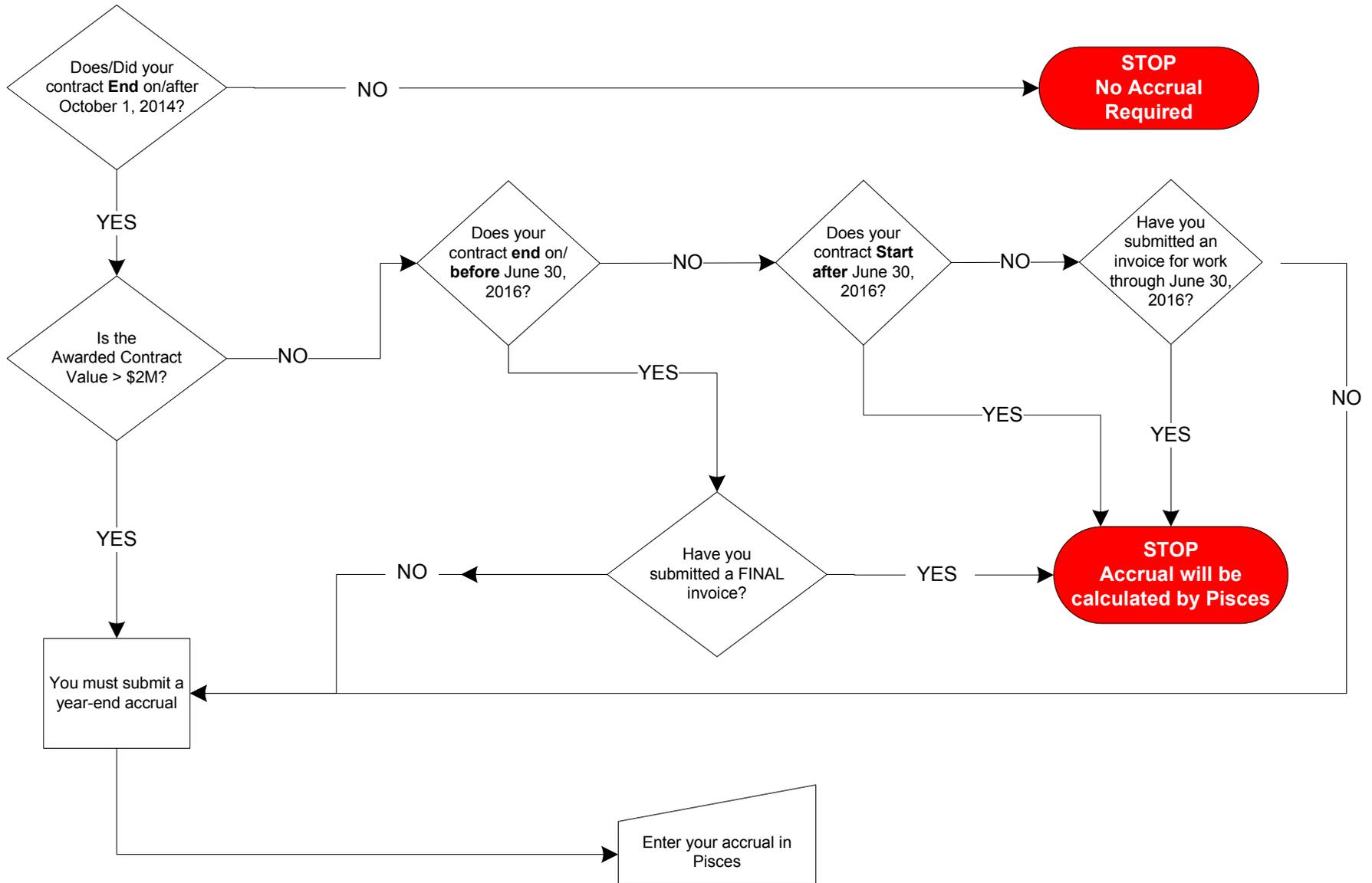
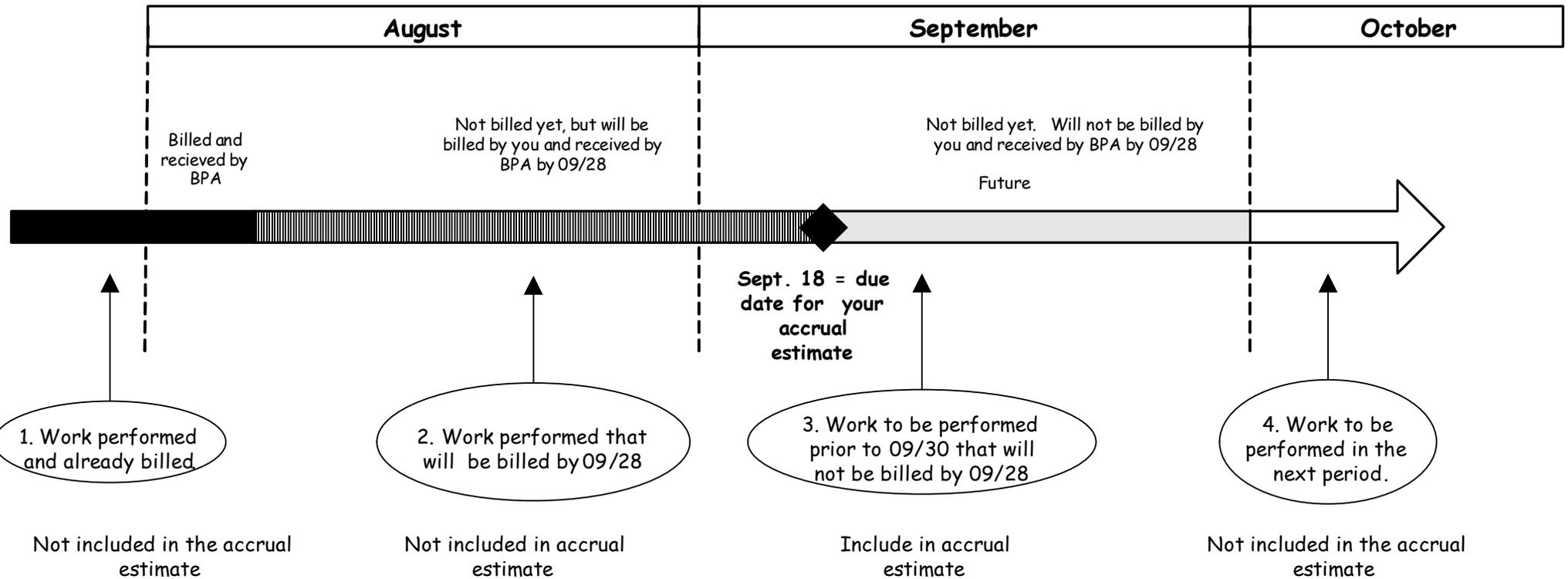


Illustration B: If you have to submit a Fiscal Year End Accrual Estimate, what should be included?



Example 1

Contract 1 has:

- \$109,000 in billings-to-date for the current fiscal year (Step 2)
- One \$8,000 invoice will be sent to BPA on September 15 for work performed by the contractor August 1 – August 31 (Step 3)
- \$6,000 of work performed by the contractor September 1 – September 15, for which BPA will be billed on October 15 (Step 4)
- \$13,000 of work performed by a subcontractor August 1 – 31, for which the prime contractor will bill BPA on October 15 (Step 4)
- \$3,000 of work will be performed by the contractor September 15 - 30 that won't be billed until October 15 (Step 5)
- \$2,000 of work will be performed by a subcontractor September 1 - 30 that won't be billed until November 15 (Step 5)
- A remaining contract balance of \$78,500

The total accrual estimate for this contract (Step 6) is:

\$6,000	(Included because invoice arrives after September 28)
+ \$13,000	(Included because invoice arrives after September 28)
+ \$3,000	(Included because invoice arrives after September 28)
+ <u>\$2,000</u>	(Included because invoice arrives after September 28)
= \$24,000	

Note: The \$8,000 invoice was not counted as part of the accrual estimate because it will reach BPA by September 28. BPA only needs an accrual estimate for those items that won't be billed to and received by September 28.

- The COTR concurs with the accrual estimate (Step 7), and the billings-to date plus the accrual estimate (\$8K + \$24K) is \$32K, well within the remaining contract balance (Step 8).
- The contractor enters \$24,000 as the accrual estimate for this contract in the Pisces accrual screen.

Example 2

Contract 2 has:

- \$340,000 in billings-to-date for the current fiscal year (Step 2)
- No invoices in progress (Step 3)
- \$47,000 of work performed by the contractor September 1 – September 15, for which BPA will be billed in October (Step 4)
- No subcontractors (Steps 4 and 5)
- \$21,000 of work will be performed by the contractor September 15 - September 30, for which BPA will be billed in October (Step 5)
- A remaining contract balance of \$60,000.

Therefore, the total accrual estimate for this contract (Step 6) is:

$$\begin{array}{r} \$47,000 \\ + \underline{\$21,000} \\ = \mathbf{\$68,000} \end{array}$$

An accrual of \$68,000 would result in the contractor exceeding the contract balance by \$8,000 (Step 8). BPA cannot pay invoices that would exceed the value of the contract. The contractor should notify the COTR and BPA Contracting Officer immediately to determine next steps.

How should the accrual estimate for this contract be documented?

The contractor may only claim \$60,000 in total accruals, so as not to exceed the contract remaining balance. The contractor may not bill for the remaining \$8,000 until which time a modification to the contract has been executed by the BPA Contracting Officer. If the contract is not modified the \$8,000 may not be invoiced at all.

Workflow Overview

An Accrual Contact only sees those contracts requiring an accrual and for which they have been identified as the responsible person.

Accrual Contact has write-access to fields on this form, and can click the Submit button. Other contacts from the same Organization see ALL contracts from their organization requiring accruals, but have read-only access and cannot click the Submit button.

Accrual Contact can enter accrual data over multiple sessions if necessary – saving their data by clicking the Save button (not shown) on the Pisces toolbar.

Validation on Load

At least one Accrual Contact is required for each organization. For instances where there are multiple contacts, then each contract must be assigned an accrual contact. If this test does not pass upon loading this window, a message will display saying Accrual Entry is disabled because Accrual Contacts have not been fully set up.

If you get this message please send an email to support@cbfish.org

Accrual Entry Screen for an Accrual Contact (non-BPA)

Megan Stewart's view on 8/14/2016 (in "Submit" phase), While Entering, before Submittal

Accrual Entry – MUST SUBMIT BY SEPTEMBER 10 X

Please enter accrual information for work performed prior to Sept 30, 2016, but that was not (nor will be) billed prior to Sept 28, 2016. This list includes all relevant contracts that have not yet invoiced for their full contract value. Click the contract number to view details of the contract, click the Balance Remaining value to view the Contract Payment and Balance History report. Once ALL your contracts have accrual information, click Submit to send this information to BPA.

Accrual Contact: **Megan Stewart**
 Accrual Organization: **Asotin County Conservation District**

Accrual Fiscal Year: 2016 1. 2. [Accrual Entry Guidance](#)

3. Contract #	Contract Title	COTR	Contractor	Start - End	Value	Balance Remaining	4. Accrual Start	Accrual Amt.	8. Submittal/Confirmation Log
67101	2002-050-00 EXP ACCD COUSE-TENMILE HABITAT RESTORATION	Branum	Asotin County Conservation D	7/1/2014 – 6/30/2016	\$267,000	\$243,731			Submitted by Accrual System Confirmed by Accrual System
65523	199401805 EXP ASOTIN MODEL WATERSHED PROGRAM	Kaplowe	Asotin County Conservation D	4/1/2014 – 6/30/2016	\$267,000	\$15,680	8/1/2016	\$14,000	
61553 5.	2002-050-00 EXP ACCD COUSE-TENMILE HABITAT RESTORATION	Branum	Asotin County Conservation D	4/1/2013 – 6/30/2016	\$233,333	\$233,333 5.	9/1/2016	\$46,000 6.	
59991	199401805 EXP ASOTIN MODEL WATERSHED PROGRAM	Kaplowe	Asotin County Conservation D	1/1/2013 – 3/31/2016	\$233,333	\$52,224			Submitted by Accrual System Confirmed by Accrual System 8.

Once contracts have accrual information, click Submit to send this information to BPA. 7.

Accruals MUST BE SUBMITTED BY SEPTEMBER 10.

- 1. Accrual Fiscal Year defaults to the most recent FY for which accrual information has not yet been confirmed. This allows anyone to review prior year's accrual information (good for transparency). Future FYs aren't listed in the dropdown until the prior one has been confirmed.
- 2. Goes to a web page containing accrual guidance from all years, present and past.
- 3. By default contracts are sorted by Contract # ascending. However, you can sort differently by clicking any column headings. Clicking the same heading will change the order (e.g., from ascending to descending)
- 4. **Accrual Start** is the beginning date for work performed but not to be invoiced
- 5. To see the remaining unpaid balance of a contract click the hyperlink under **Balance Remaining**. The **Contract #** is also a hyperlink and displays the Contract Details screen in Pisces when clicked.
- 6. Enter the accrual amount for each contract here.
- 7. Click the Submit button at any time. Pisces will validate that all required info has been entered and display an error message where info is missing.

Data validation

Accrual Start must be after the Contract Start.
 Accrual Amt. **cannot** exceed Contract Balance.
 Accrual Amount can be zero but not negative.

Clicking Submit validates that all required (green) fields are filled in with appropriate values, and then confirms the submittal with the user. Partial submittals are not allowed.

Clicking SUBMIT sends a Notification to the BPA COTR(s)
- 8. New for FY2016, many contracts will have their accrual amount automatically calculated by Pisces. When that is the case, you will see the text "Submitted by Accrual System" and "Confirmed by Accrual System" in the Submittal/Confirmation Log column. In addition, the fields "Accrual Start" and "Accrual Amt." are blank and grayed out. This is provided for your information only and does not require any action on your part.

My Stuff enhancements to support Accrual Entry

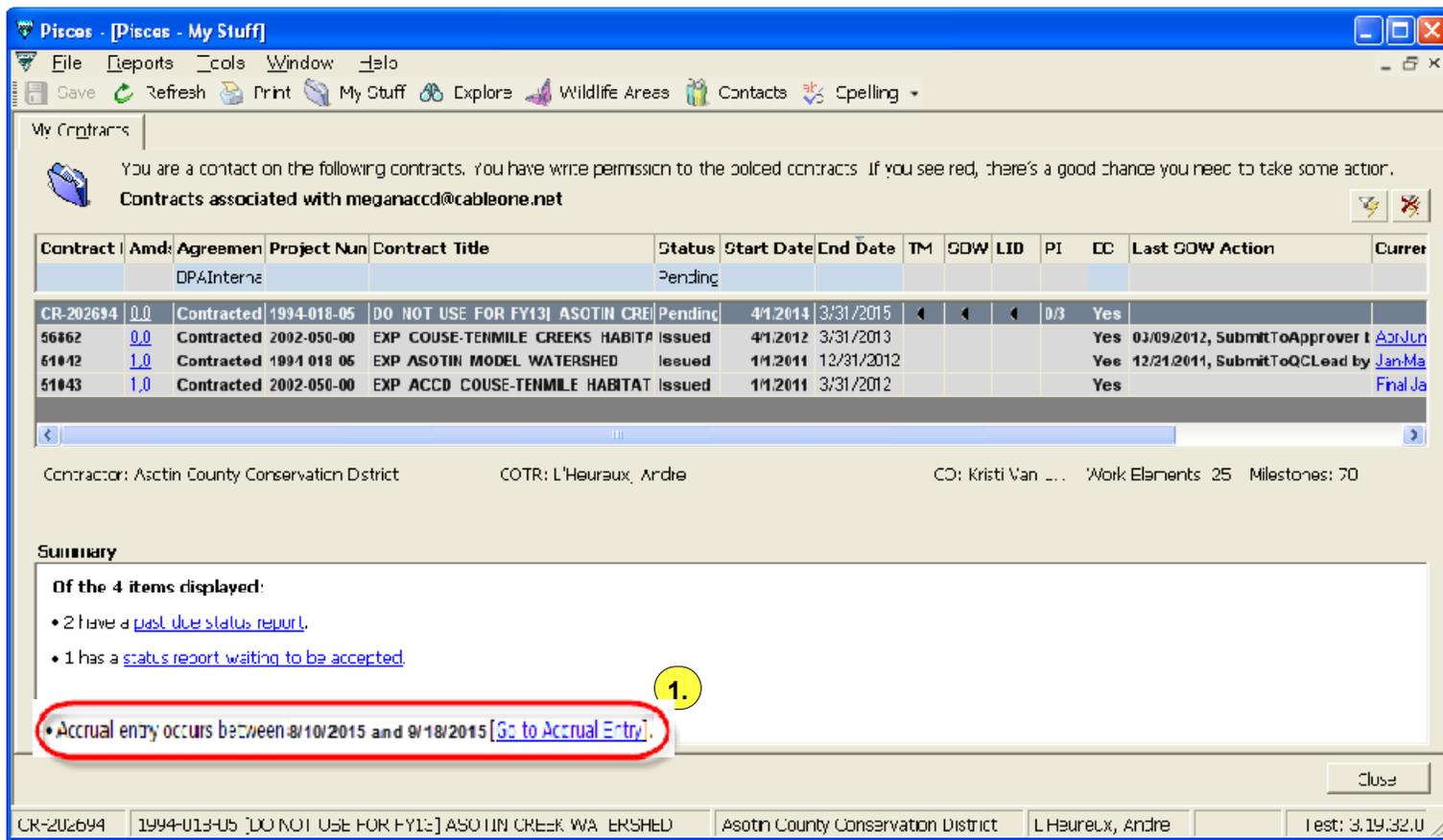


Figure 3: My Stuff with Accrual Entry enhancements

1. Click the [\[Go to Accrual Entry\]](#) hyperlink to open the Accrual Entry screen.