

**C. REVENUE RECOGNITION UNBILLED (URE) BILLED (RE) CASH RECEIPT (CRE)
GENERAL FUND & CAPITAL FUND**

(Revenue Monitor Contact List is located on page 37)
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Critical Dates

- **July 10, 2015** – Last date to enter June month 12 CREs into FMS Accounting (deposit date of 6/30/15 or earlier)
- **August 28, 2015** – Last date to enter Fiscal Year 2015 REs into FMS Accounting for General & Capital Fund billed Receivables
- **September 18, 2015** – Last date to enter Fiscal Year 2015 UREs into FMS Accounting for General & Capital Fund Unbilled Receivables

1. **Grant Revenue** (funded by Federal, State and private sources) – should be recognized in the budget fiscal year (BFY) where reimbursable expenditures occurred. Receipt of cash is never the basis of recognition for grant revenue.

REs (Billed Revenue Invoices) should be entered in FMS Accounting **when the grantor is billed** to recognize revenue and establish a receivable.

UREs (Accruals of Unbilled Revenue) should be entered in FMS Accounting during year-end month 13 to recognize revenue earned via reimbursable expenses occurring by 6/30/15 but **not yet billed to the grantor**.

Open receivables remain in FMS Accounting for each RE and or URE not referenced by the next step in the revenue chain. URE → RE → CRE

AGENCIES MUST FOLLOW UP ON OPEN BILLED AND UNBILLED RECEIVABLES, KEEPING THE OFFICE OF THE COMPTROLLER INFORMED OF THESE ACTIONS THROUGH STATUS REPORTS.

See Section E for more on Open Receivables and how to follow up.

2. **Cash Basis Revenue**
Revenues identified as cash basis in FMS Accounting are BOTH recognized and realized when a CRE is processed in FMS Accounting.

Examples include license or permit fees, privileges, fines, taxes, etc.

Cash basis revenue must be received and **deposited into the bank by June 30, 2015** to be included in the CAFR as Fiscal Year 2015 revenue.

For such receipts received by June 30, 2015 but deposited on July 1, 2015 and later, a **J2D document must be prepared** (please see Section D for additional instructions).



NOTE:

During the months of July through October when two years are open, please avoid processing revenue realizations in the current year (FY 2016) for prior year (FY 2015) receivables. Month 13 will be open during this timeframe and should be used when processing these types of transactions. Any questions, please contact your revenue monitor.

Procedures and Documentation

▪ **Advice of Revenue Invoice (RE)**

This document is used to recognize revenue in FMS Accounting and to notify the Office of the Comptroller a claim has been filed with the grantor (**Do not wait until the funds are received**). REs should always bear the same date as the underlying claims. REs for Fiscal Year 2015 should be entered into FMS Accounting no later than August 28, 2015. Use the RE extended description field on the accounting line to explain how the revenue was calculated. Include Agency contact name and phone number in the Document Description field. Attach supporting documentation to the RE document, i.e. invoice, claim number, etc.

▪ **Year End Accrual of Unbilled Revenue (URE)**

All UREs must be entered by September 18, 2015.

After August 28, 2015, Agencies must enter a URE for their estimate of unbilled revenue for Fiscal Year 2015. Use the URE extended description field on the accounting line to explain how the estimate was calculated. Include Agency contact name and phone number in the Document Description field. Attach supporting documentation to the URE document.

Supporting documentation for unbilled Reimbursable Grant revenue must consist of either a schedule identifying the Agency and budget code where the expenditures were incurred or a schedule identifying the FMS Accounting documents which established the accrued expenses.

Supporting documentation for unbilled Fee for Service Grants revenue must consist of a schedule identifying the number of unbilled units of reimbursable services rendered multiplied by the reimbursement rate per unit. This schedule must be signed by the preparer and include the preparer's telephone number and E-mail address.

▪ **Cash Receipts (CRE's)**

All CRE's for treasury account deposits brought to the bank June 30, 2015 or earlier should be entered in FMS Accounting by July 10, 2015.

Please remember to enter the Record Date (using the actual date stamped on the deposit slip by the bank); enter the FY and BFY as 2015 with period 12 on the Header to avoid possible misposting.

After July 10, 2015 Agencies must contact Revenue Staff at the Comptroller's Office to receive credit for June deposits not entered in FMS Accounting by July 10th (see page 37 for the Revenue Contact List). **ALWAYS USE THE DATE STAMPED BY THE BANK AS THE DATE OF DEPOSIT IN THE "RECORD DATE" FIELD ON CRE's** when entering the Record Date.



NOTE:

Please attach deposit ticket and bank receipt to the cash receipt as supporting documentation.

Use the Document Description field on all revenue documents to provide Agency contact name and complete telephone number. For REs include a brief explanation of your support for the claim. For UREs include a description of the estimate process. For additional space use the Document Name and/or Extended Description fields to provide further explanation.

To facilitate the audit of grant revenue, please:

- **Attach supporting documentation to the FMS documents.**
- Keep copies of supporting documentation on file at a central office rather than at different locations within the Agency.
- Prepare a schedule for reimbursable grant expenditures, including budget and object codes where the expenditure was charged, and FMS Accounting identification numbers of the supporting reimbursable expense documents.
- For “Fee For Service” grants, maintain documentation supporting the calculations of claimable amounts
- For “Expenditure Driven” grants, maintain overhead and fringe benefit calculations where claimed..

The Comptroller’s Office staff will be verifying compliance with these procedures. The City’s entire receivable effort relies upon the care taken in the preparation of these forms. Responsible personnel should make an extra effort to be certain the data is correct before entering or approving receivables in FMS Accounting. Agencies are responsible for approving all revenue documents in the FMS Agency Level 3 worklist. If agencies do not have the ability to approve their own documents, they must request approval from their revenue monitor. Agencies must frequently review their revenue documents in the Agency Level 3 worklist to ensure all of their documents have been approved.