

D. CAPITAL FUND GRANT REVENUE RECOGNITION

(Revenue Monitor Contact List is located on pages 27-29)

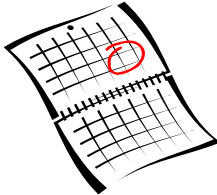
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Critical Date



- **June 12, 2017** – Distribution of REVPYA-001 report
- **June 23, 2017**- Submit Receivable Status Report
- **July 7, 2017** – Last date to enter June month 12 CREs into FMS Accounting (deposit date of 6/30/17 or earlier)
- **September 15, 2017** – Last date to enter Fiscal Year 2017 Billed and Unbilled Receivable documents (REs/UREs) into FMS Accounting for Capital Fund Receivables that were not booked during the fiscal year at the point when the expenditure was incurred

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 for the **Capital Fund at the point when the Capital expenditure has been incurred, if the claim for reimbursement has been immediately submitted to the grantor** to recognize revenue and establish a receivable.

UREs (Accruals of Unbilled Revenue) should be entered in FMS Accounting for the **Capital Fund during the fiscal year as the Capital expenditure is incurred if the reimbursement has not yet been claimed** to recognize revenue earned via reimbursable expenditures occurring by 6/30/17 but **not yet billed to the grantor**. Any Capital Fund URE that has not been booked by period 12 for Capital expenditures incurred throughout the fiscal year must be booked in period 13 by September 15, 2017.

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.

NOTE:

During the months of July through September when two fiscal years are open, please avoid processing revenue realizations in the current year (FY 2018) for prior year (FY 2017) receivables. Month 13 will be open during this timeframe and should be used when processing these types of transactions.



To facilitate the review of revenue realization requests the Revenue Monitoring Unit has developed a template for requests which encompass multiple CRE or RE documents and multiple lines. A copy of the template can be found on page 21 and can be downloaded from the Comptroller's website. Any questions, please contact your revenue monitor.

Procedures and Documentation (URE or RE)

When processing a URE or RE in FMS, remember to include Agency contact name, phone number, and email address in the Document Description field. Attach supporting documentation to the URE or RE document, i.e. invoice, claim number, communications with grantor, etc. Ensure that the URE or RE document is being created using the same budget structure i.e. unit of appropriation, budget code, reporting category, etc. as the related expenditure.

To ensure all Fiscal Year 2017 Capital Fund receivables are booked to match the related Capital Fund expenditures the Revenue Monitoring Unit will distribute the Capital Fund Expenditures and Revenue CFEXRV-001 report to assist with this process. The report will be distributed on **July 28, 2017** and **August 21, 2017**. Agencies should review the report, determine what's collectable and book receivable documents (RE or URE depending on whether the grantor has been billed) for expenditures listed with no matching revenue booked. All Capital Fund receivables must be booked by **September 15, 2017**.

- **Cash Receipts (CRE's)**

All CRE's for treasury account deposits brought to the bank June 30, 2017 or earlier should be entered in FMS Accounting by July 7, 2017.

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 2017 with period 12 on the Header to avoid possible misposting.

After July 7, 2017 agencies must contact the Revenue Monitoring Unit at revenue@comptroller.nyc.gov to receive credit for June deposits not entered in FMS Accounting by July 7th. **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**

To provide a sufficient audit trail for Capital Fund 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, unit of appropriation and reporting categories where the expenditure was charged, and FMS Accounting identification numbers of the supporting reimbursable expense documents.

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 the Revenue Monitoring Unit. Agencies must frequently review their revenue documents in the Agency Level 3 worklist to ensure all of their documents have been approved.

Receivable Status Report for Fiscal Year 2017 Capital Fund Revenue

The Comptroller's Office will be distributing via email the **Month 13** REVPYA-001 report for the Capital Fund on September 1, 2017. The status of the receivables listed should be provided on the REVPYA-001 report itself in the column entitled Status. The **Month 13** Capital Fund REVPYA-001 reports must be submitted to the Comptroller's Office by **September 15, 2017**. The Capital Fund receivable status reports should be submitted via email to the Revenue Monitoring Unit at revenue@comptroller.nyc.gov.



NOTE:

Open grant receivables and unapplied deferred revenue remains an ongoing issue due to lags in applying cash to open invoice documents. Every effort should be made to apply deferred revenue during the year-end closing process.

COMPTROLLER'S OFFICE REVENUE MONITORING UNIT CONTACT LIST

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