

ACCOUNTING FOR DEPOSIT AND PREPAY ACCOUNTS IN ALEPH


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The following is a list of detailed instructions with screen prints organized to show procedures for creating deposit or prepay account fund records, paying prepay invoices, proper expensing of materials listed on invoices for these accounts, recording interest payments and changing fiscal years.

PART 1 - CREATING BUDGET RECORDS

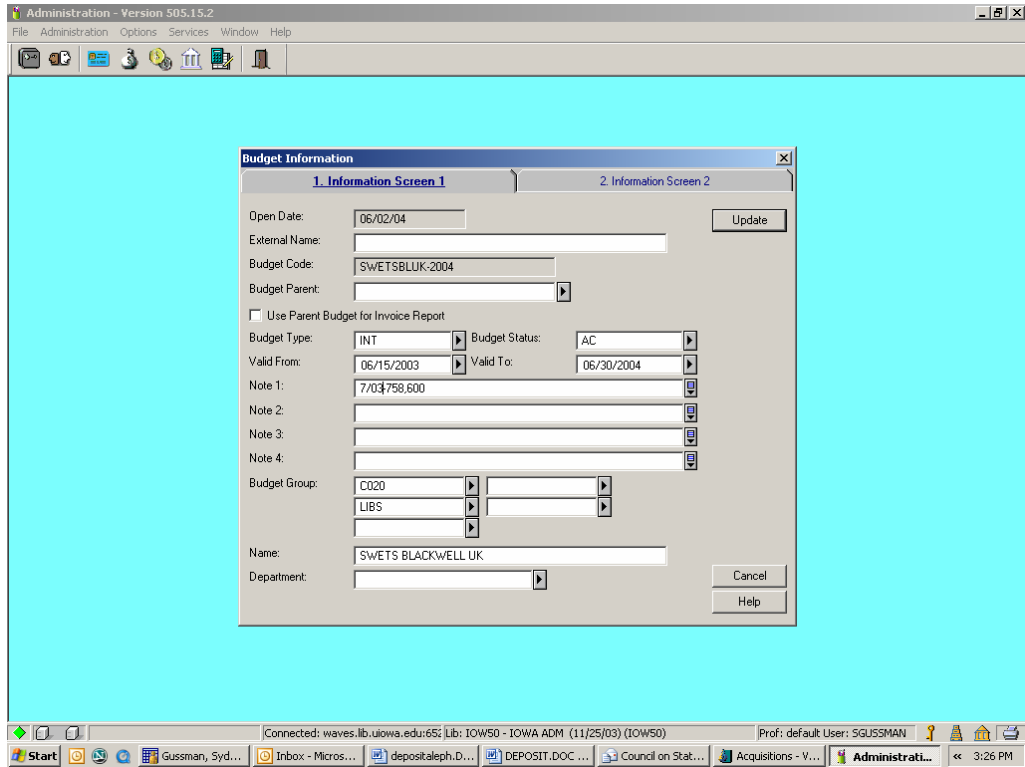
1. Deposit or prepay account invoice received. (Example #1 below)

Example #1

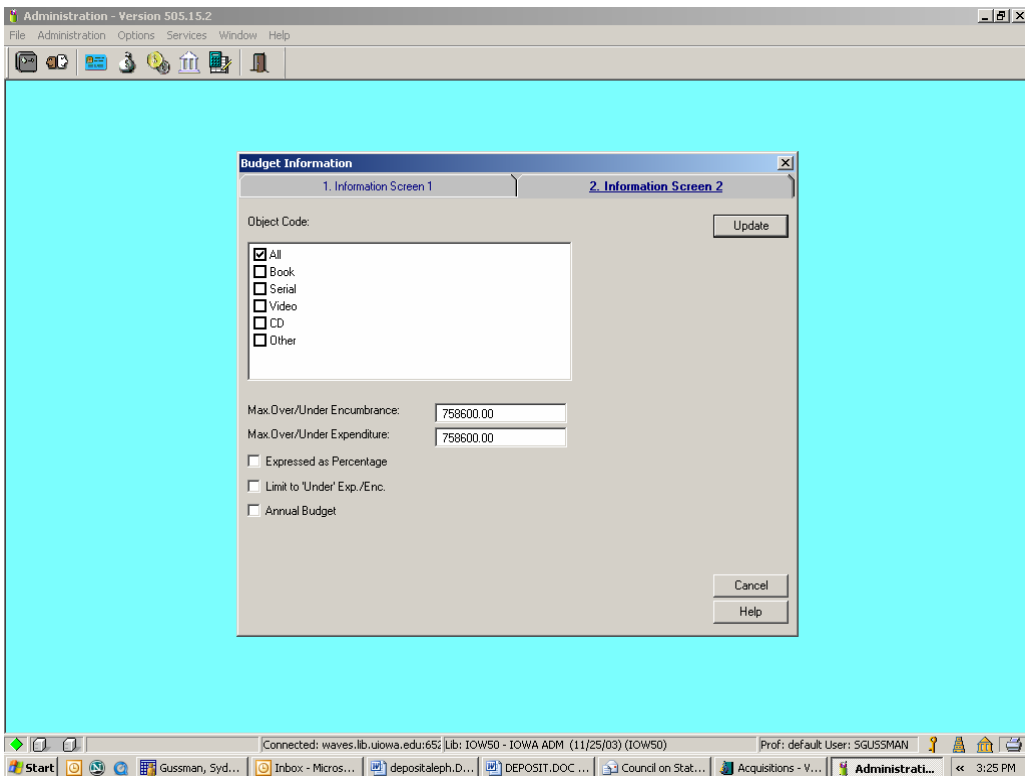
 117.203.0 Serials Department University of Iowa Libraries IOWA CITY - IA 52242 USA	<p><i>SWETSBL/UK</i></p>	<p><u>For inquiries please contact:</u> Swets Blackwell Ltd. Swan House Wyndley Furlong Abingdon Business Park Abingdon, OXON, OX14 1UG United Kingdom</p> <p>Tel: +44 1235857 500 Fax: +44 1235857 501 Email: info@uk.swetsblackwell.com www.swetsblackwell.com / uk</p>
Invoice Number E4.001-773 Date: 20 May 2003		
Please quote this number with your payment.		
ONE-LINE INVOICE 2004 SUBSCRIPTIONS.		
Subscriptions to be supplied for the period 1-1-2004 through 31-12-2004 according to the enclosed list.		
Amount	US Dlr \$758,600.00	
THE PAYMENT FOR THIS INVOICE MUST HAVE REACHED OUR BANK ACCOUNT BY THE 30TH OF SEPTEMBER 2003.		
For payment by this date you will be granted 0.60% discount. If the invoice is paid early, we grant an additional 0.30 discount per month, calculated on a daily basis. The discount will be given on the Definite Invoice for 2004 and should not be deducted from the One-Line Invoice.		
Please submit your payment to PNC Bank, Philadelphia - PA 19103 Account no 8014398415 ABA Code 031207607 or send us your cheque Swets Blackwell PO Box 827147 PHILADELPHIA - PA 19182-7147 USA quoting our invoice number(s).		
This invoice is issued by Swets Blackwell Inc. P.O. Box 1459 Runnemede, New Jersey 08078 USA.		

2. Create a new budget record for each deposit or prepay account individually. Budget will have a zero Allocation. (Example #2)
 - a. List month, year and initial payment amount in the NOTE field. (Example #2)
 - b. Enter the amount to be paid in the MAX OVEREXPENDITURES field. (Example #3)
 - c. If an invoice is received for additional payment list in the NOTE field. (Example #4)
 - d. If an invoice is received for additional payment increase the MAX OVEREXPENDITURES field appropriately so that the amount in this field is the total of the payments listed in the NOTE fields. (Example #5)

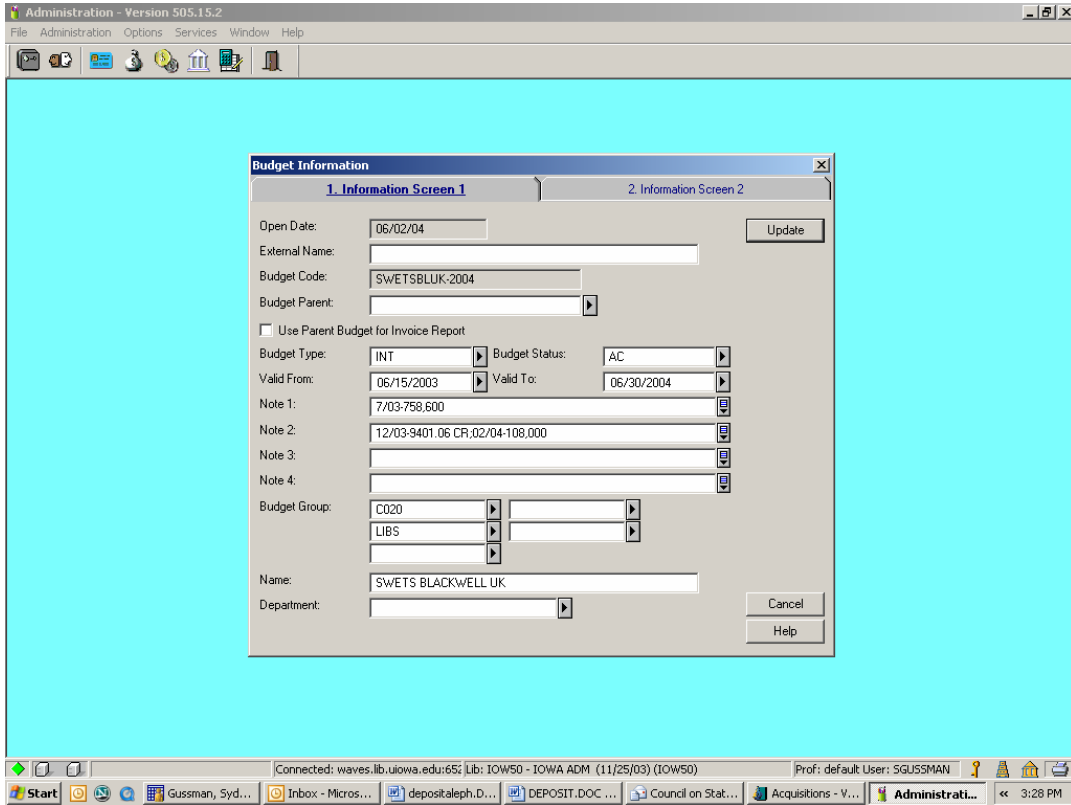
Example #2



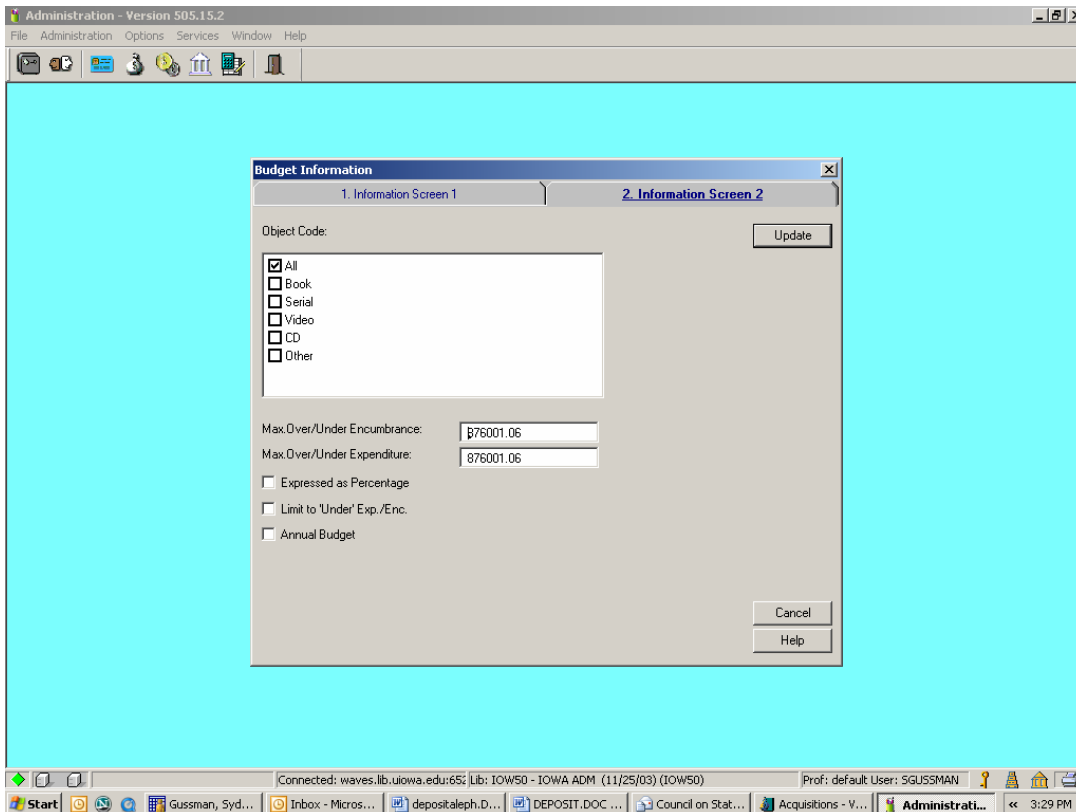
Example #3



Example #4



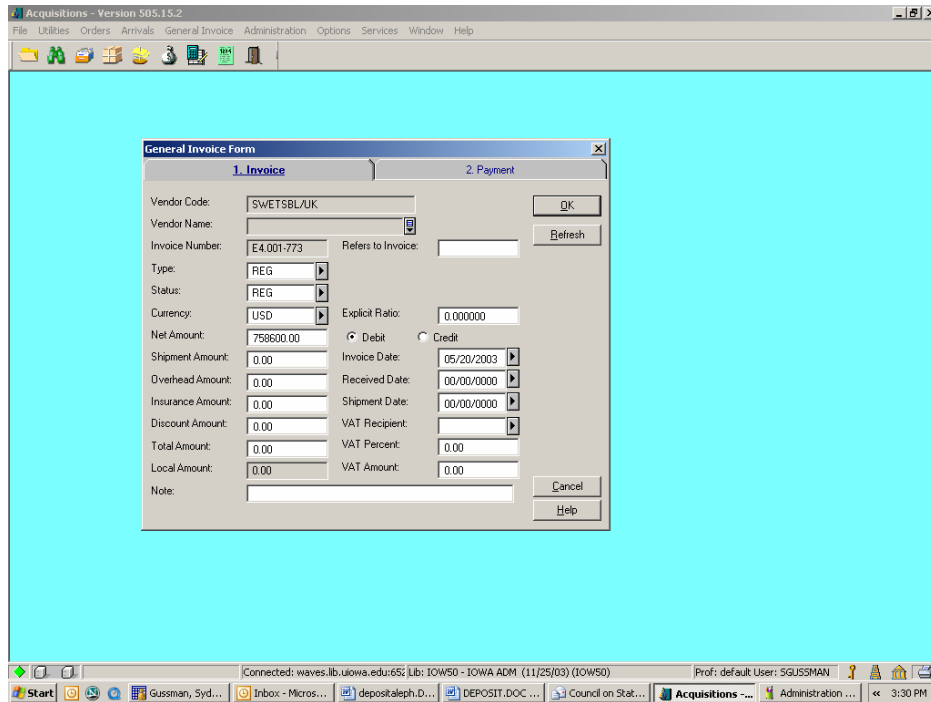
Example #5



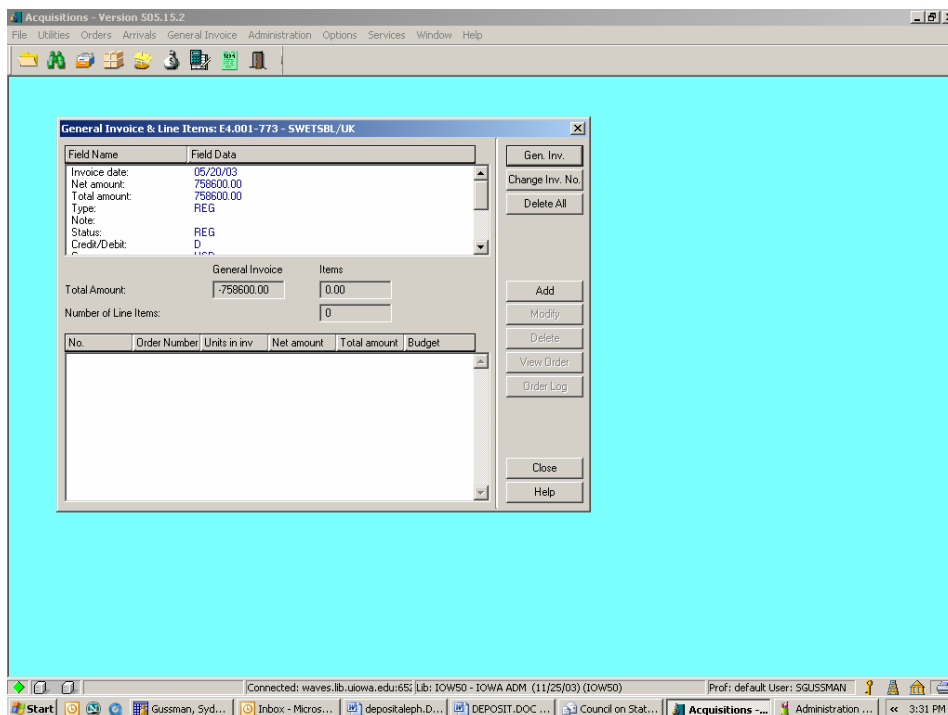
PART 2 - PAYING DEPOSIT OR PREPAY ACCOUNT INVOICES

1. Create an invoice. (Examples #6 and #7)

Example #6

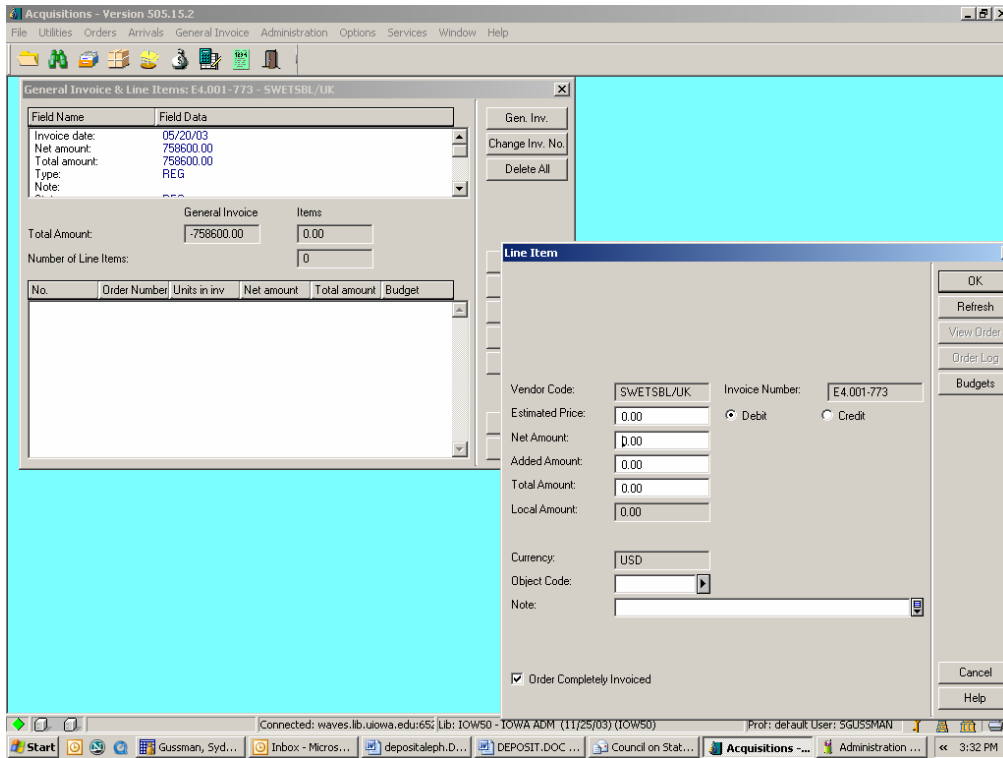


Example #7



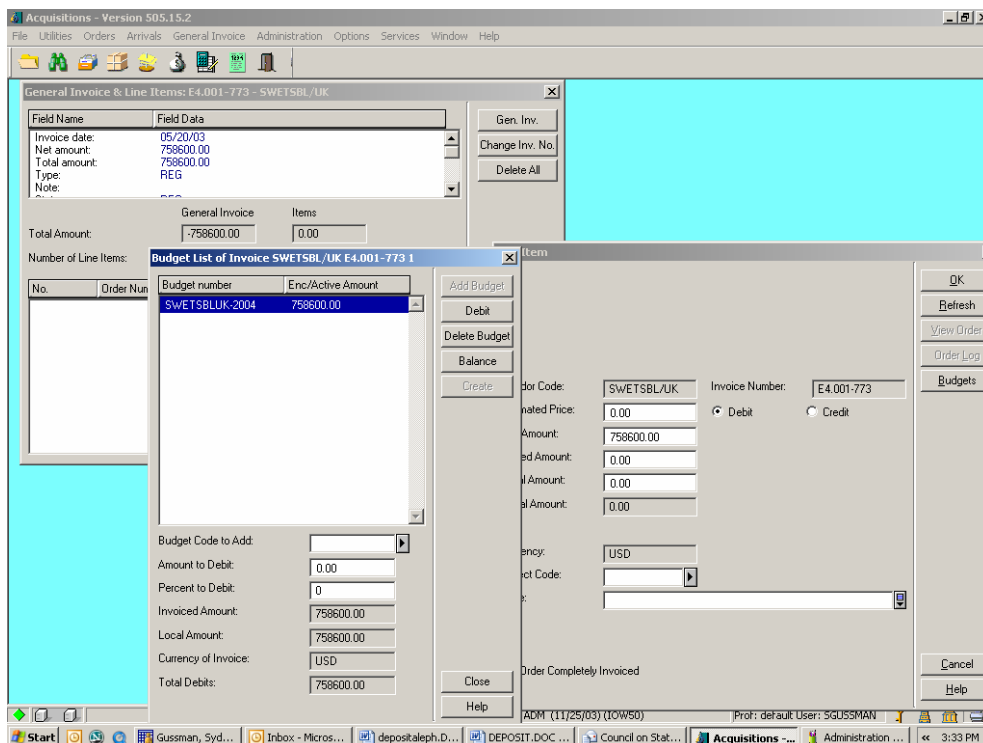
2. Enter payment directly to the invoice.* (Example #8)
 *Invoices will be approved according to established procedures.

Example #8



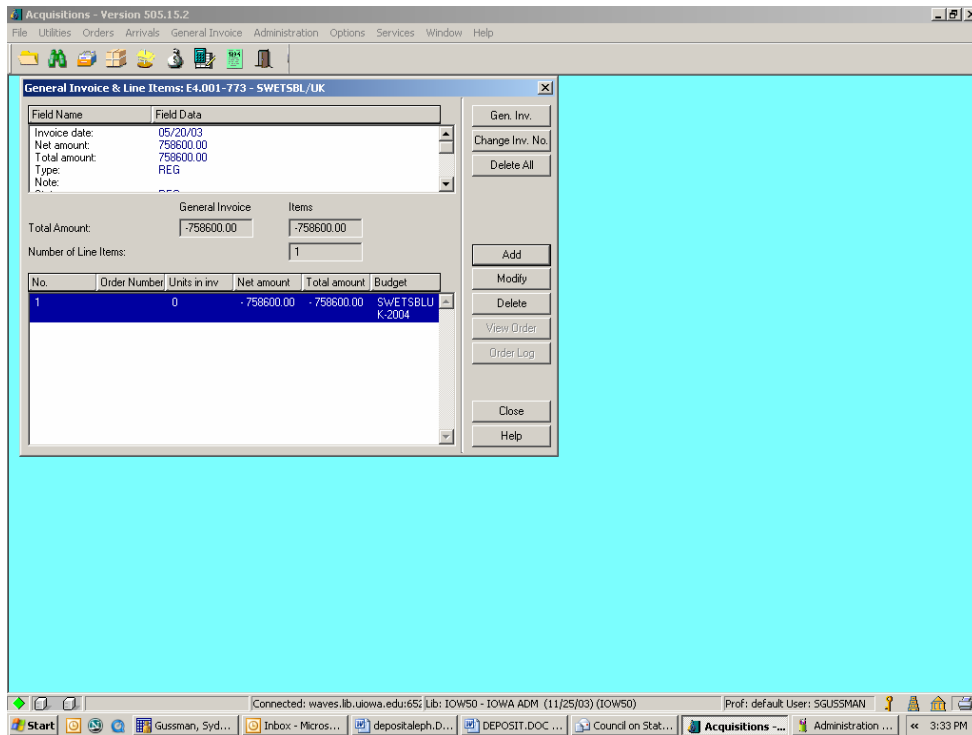
3. Enter the budget for the prepay or deposit account. (Example #9)

Example #9



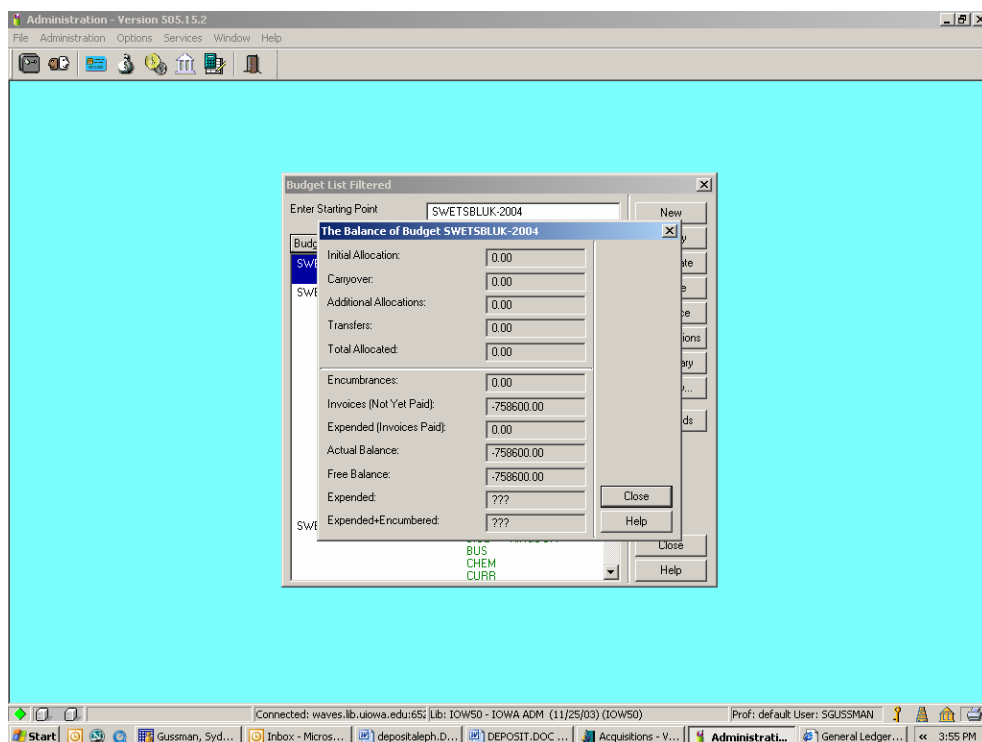
4. Paid invoice. (Example #10)

Example #10

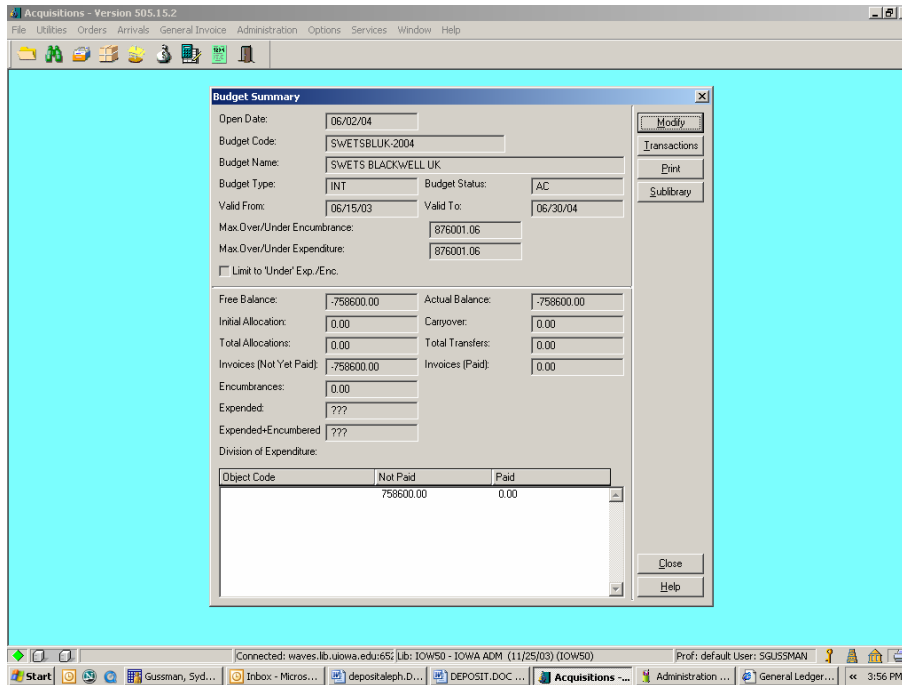


5. Budget record to the deposit account is displayed indicating the expenditures. (Example #11 and #12)

Example #11



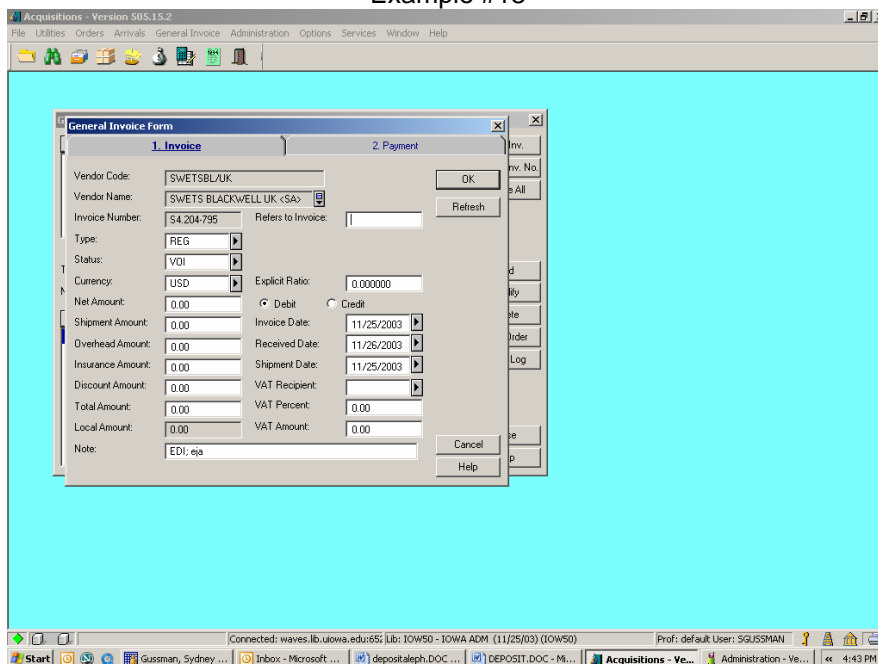
Example #12



PART 3 - PROPER POSTING OF CHARGES

1. Materials are received. Materials listed on serials annual invoices will be charged in the same manner although they may not be listed as received at the time of payment.
2. Create online invoice for materials received or invoices are created by EDI. (Example #13). Use (VOID) in the INVOICE TYPE or INVOICE STATUS field dropdowns when creating invoice or updating EDI invoices. This prevents the invoice from being inadvertently approved and processed through the payment interface. The VOID is read by our payment interface so that the invoice accounting is recorded but a check is not issued. (It VOIDS the processing of the check.)

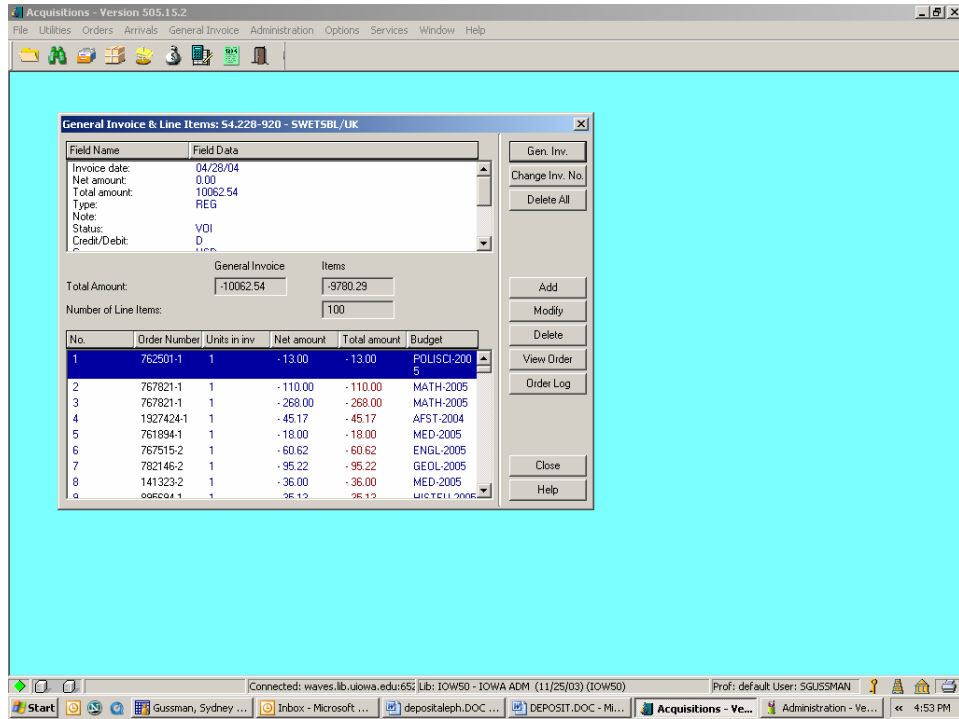
Example #13



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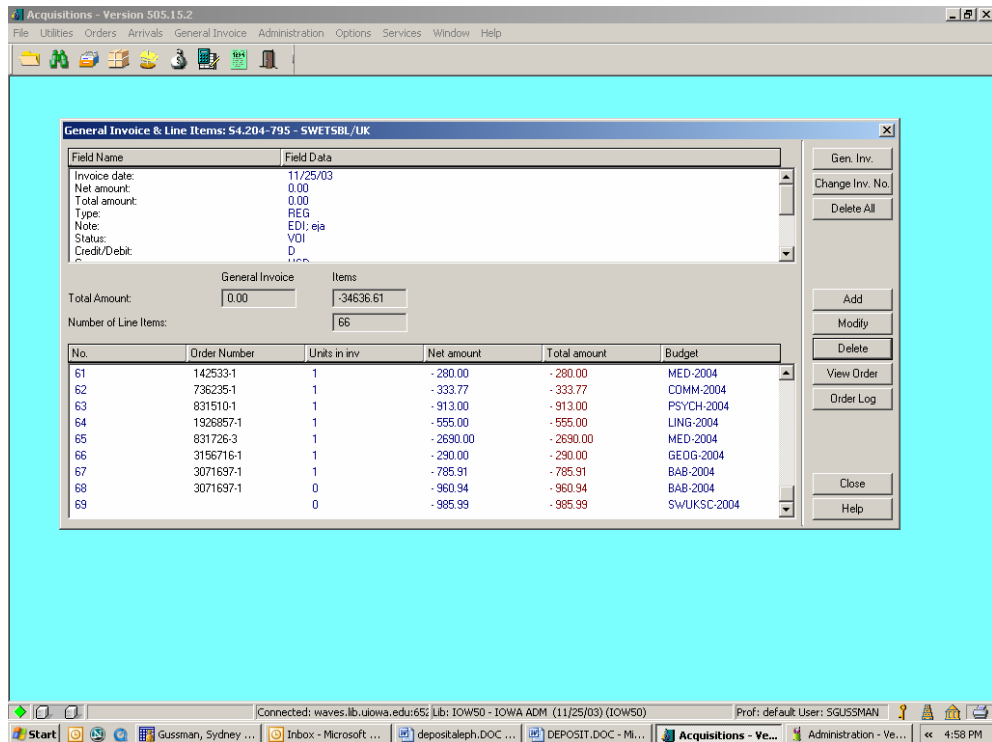
3. Invoices are either posted manually or by EDI. EDI invoices will display a total invoice amount. Pay for items received, posting to the corresponding order number using the correct budget code to be expensed. (Example #14)

Example #14



4. Service charge or postage is paid directly on the invoice. (Example #15).

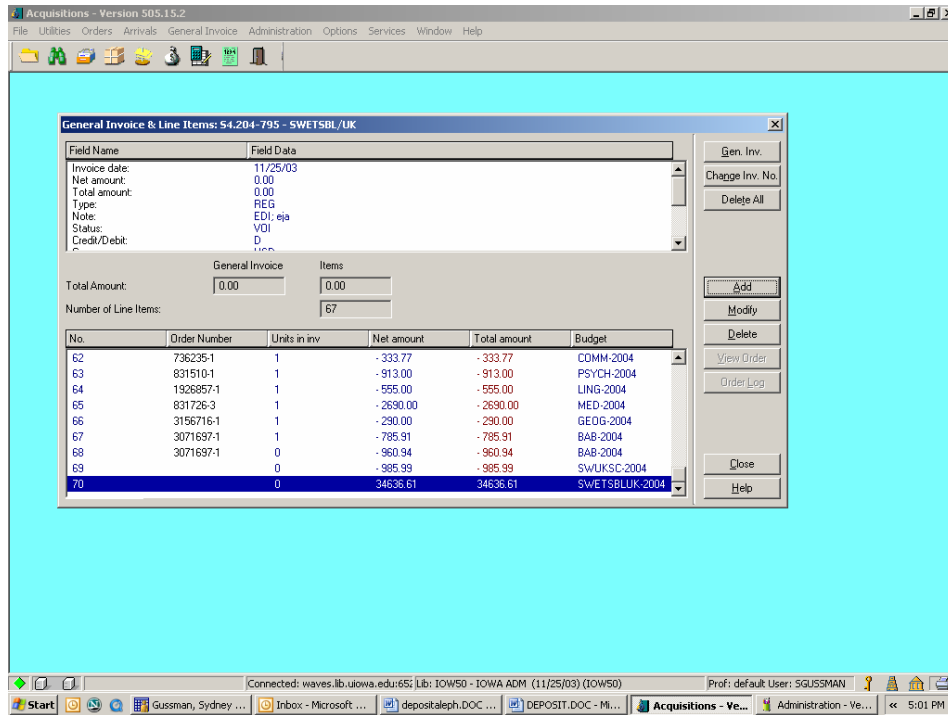
Example #15



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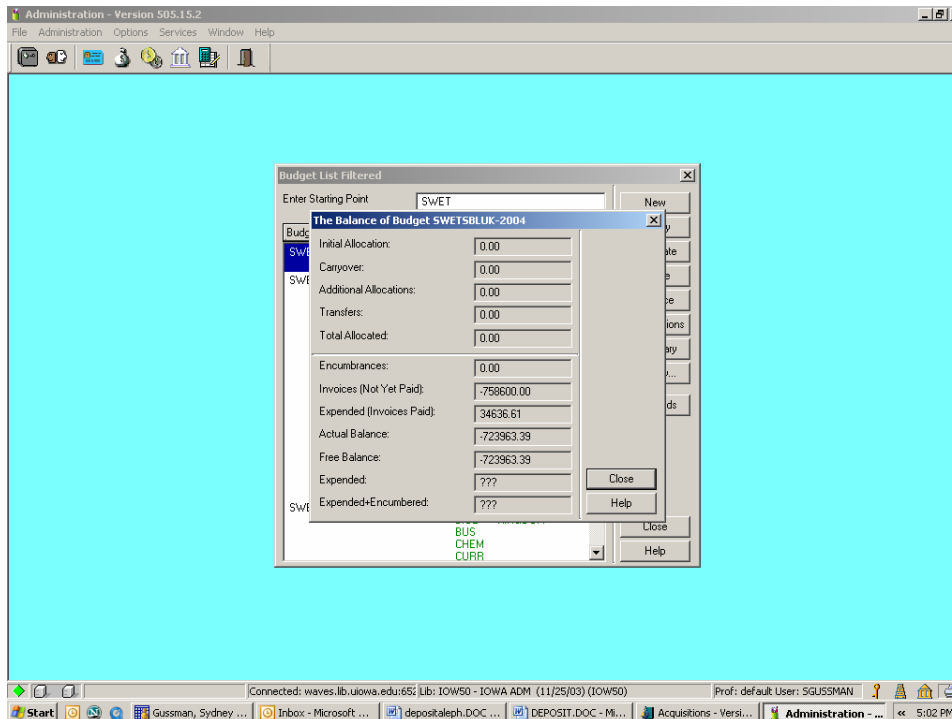
- Credit deposit account directly to the invoice by posting a credit. (Example #16).

Example #16



- Fund record will be properly expensed. (Example #17)

Example #17

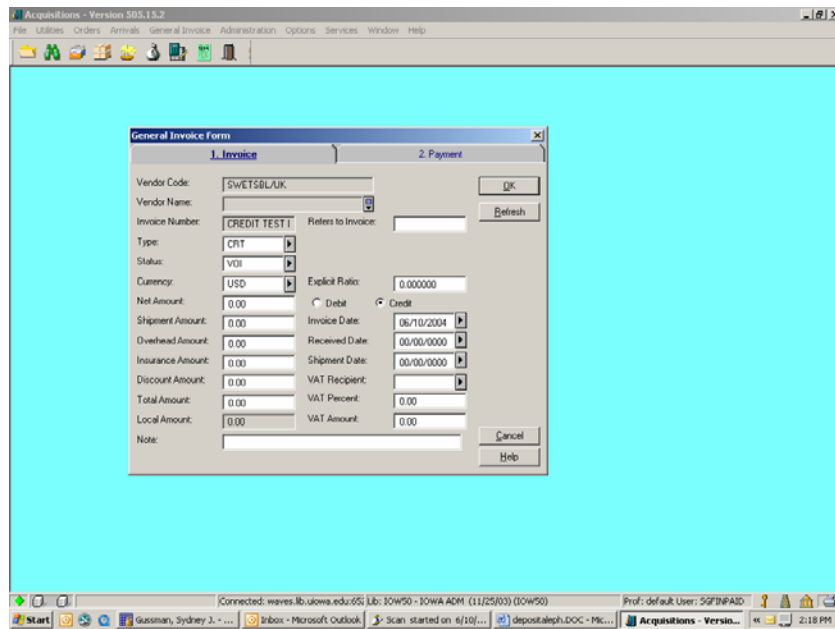


7. Deposit account budget records will indicate the credit posted back. Eventually the deposit budget expenditures will near to or return to zero and the materials purchased will be charged to the proper funds. If not all funds are expenditure carry remaining fund over to next fiscal year.

PART 4 – POSTING CREDITS

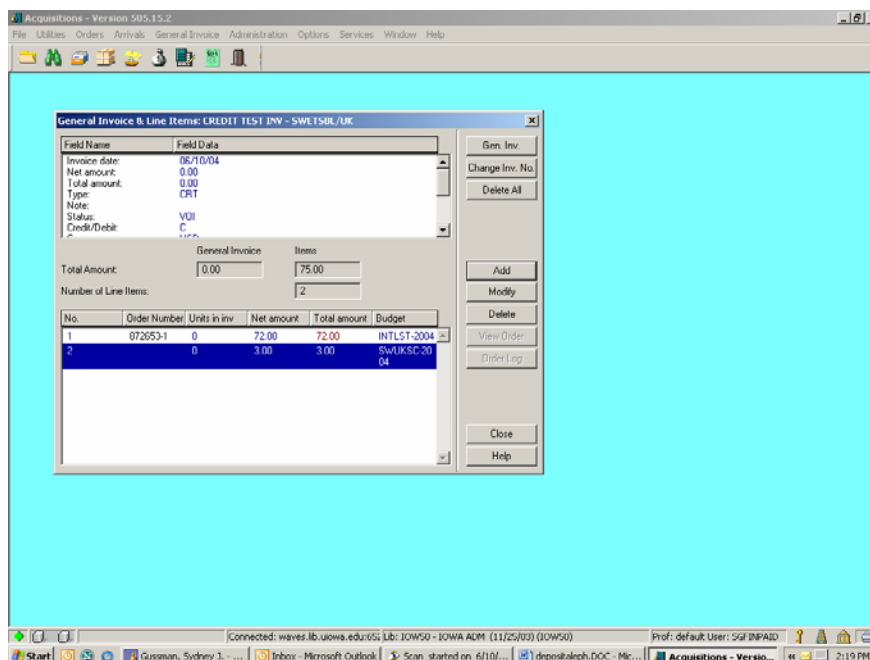
1. Credits will be handled in the reverse of invoices. Create an invoice on-line for zero dollar amount. Indicate the invoice is a credit invoice in the INVOICE TYPE field and VOID in the INVOICE STATUS field. Do not forget to mark the credit field on the invoice as well. (Example #18)

Example #18



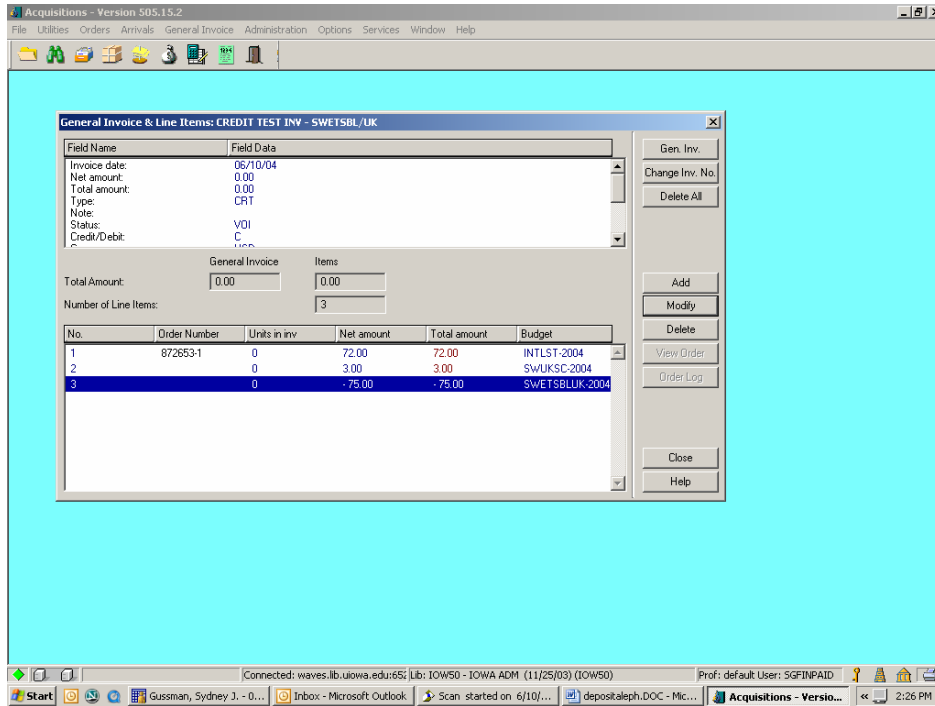
2. Items will be credited to the correct order number using the appropriate budget code. Postage or Service Charge will be credit by adding a line item as needed. (Example #19)

Example #19



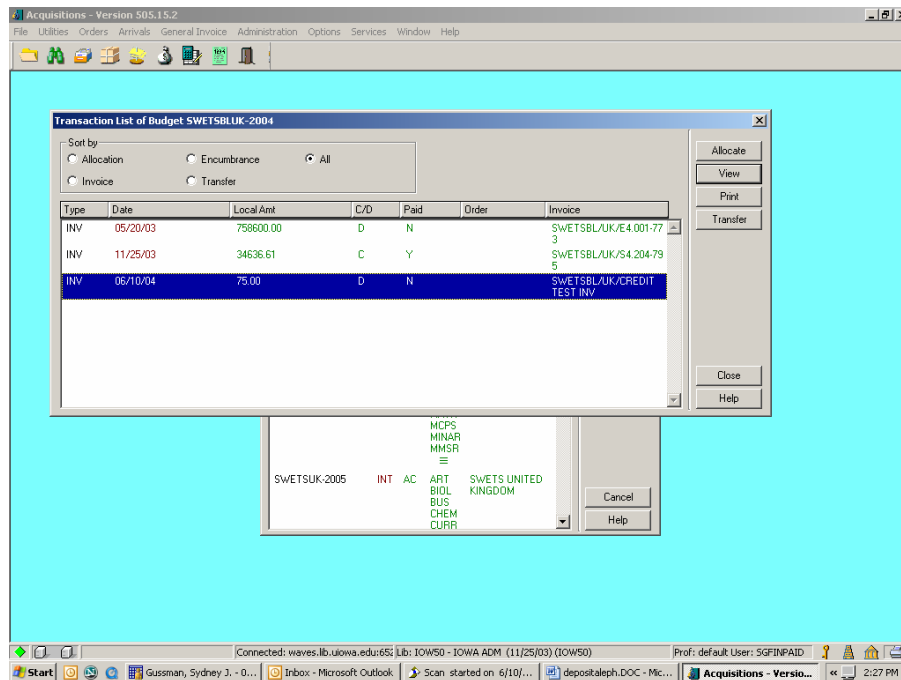
- Expense the deposit account with a debit amount. Do not forget to indicate debit on the line item entry. (Example #20)

Example #20



- This will then increase the amount in the deposit account as indicated by the credit and can be viewed in the budget transaction list. (Example #21).

Example #21



PART 5 – POSTING INTEREST OR SERVICE CHARGE CREDITS

1. Many vendors will either send a credit note for service charge or add the credit directly into the deposit or prepay account. It is necessary to add this interest/discount to the deposit account although no cash has changed hands. We have chosen to create a negative account for our deposit and prepay accounts. Then you can expend and credit the accounts correctly so that the budget still balance. Create a negative budget record. (Example #22)

Example #22

The screenshot shows the 'Budget Information' dialog box, 'Information Screen 1'. The 'Open Date' is 06/10/04. 'Budget Code' is SWBLUR.NEG-2004. 'Budget Status' is AC. 'Valid From' is 06/15/2003 and 'Valid To' is 06/30/2004. 'Note 1' contains the text '09/04 \$6500 service charge credit'. The 'Budget Group' is set to C021 and LIB5. The 'Name' and 'Department' fields are empty. Buttons for 'Update', 'Cancel', and 'Help' are visible.

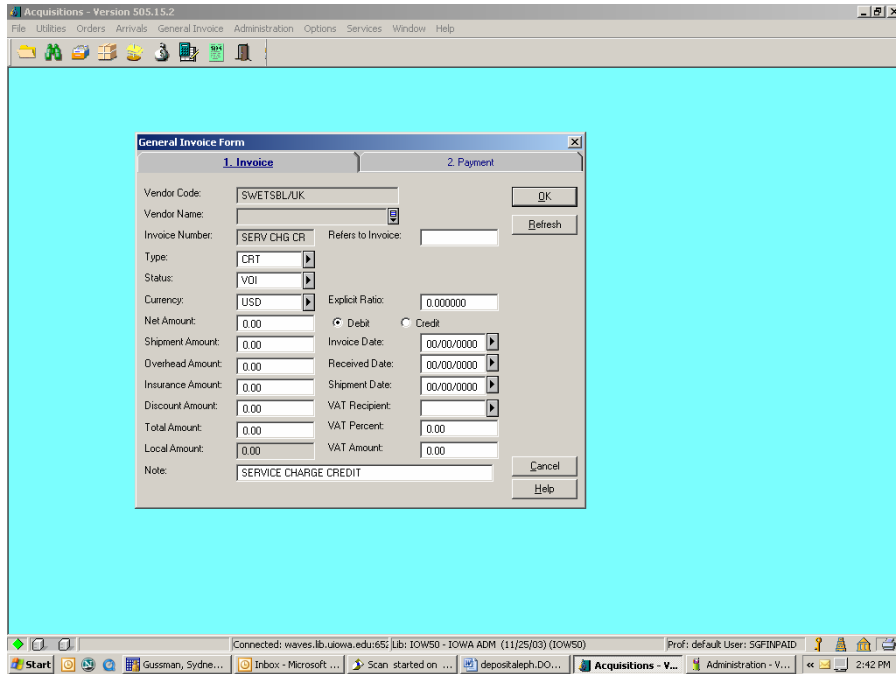
2. Note that the interest credit is noted in both the NOTE field (Example #22 above), the Maximum Over Commitment and Maximum Over Expenditure field. (Example #23). You should also add a to the note field in the deposit account budget that a credit was added.

Example #23

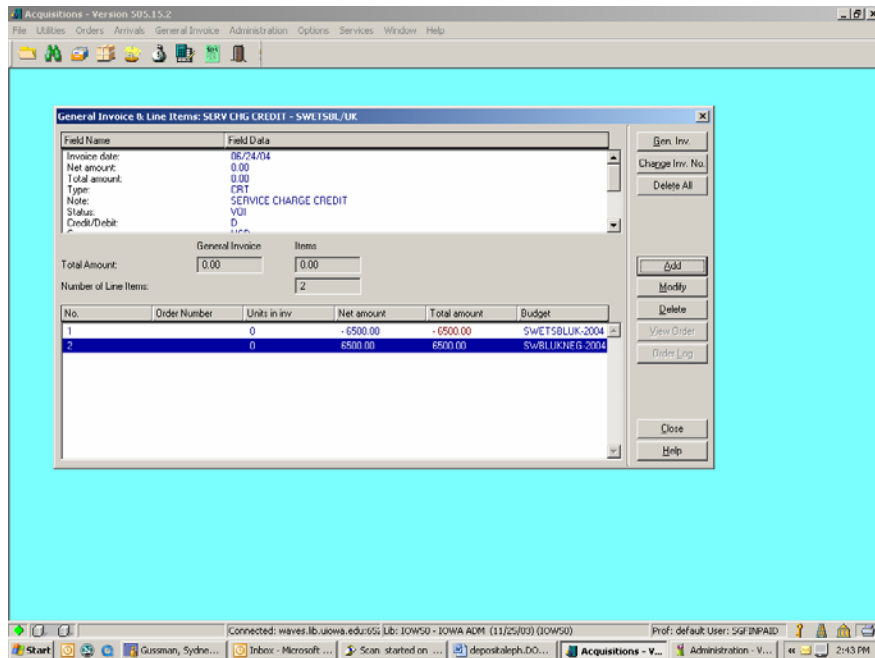
The screenshot shows the 'Budget Information' dialog box, 'Information Screen 2'. The 'Object Code' list has 'All' selected. 'Max Over/Under Encumbrance' and 'Max Over/Under Expenditure' are both set to 6500.00. There are checkboxes for 'Expressed as Percentage', 'Limit to 1 Under Exp./Enc.', and 'Annual Budget', all of which are currently unchecked. Buttons for 'Update', 'Cancel', and 'Help' are visible.

3. Create an invoice for the interest credit. Post the interest, expensing the deposit account budget and crediting the deposit account negative fund. (Example #24 and #25)

Example #24



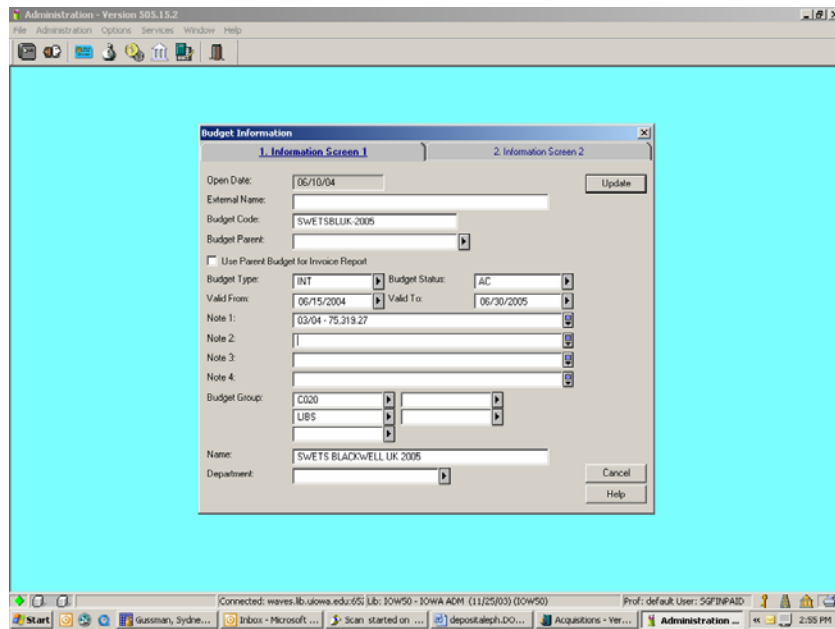
Example #25



PART 6 – CHANGING FISCAL YEARS

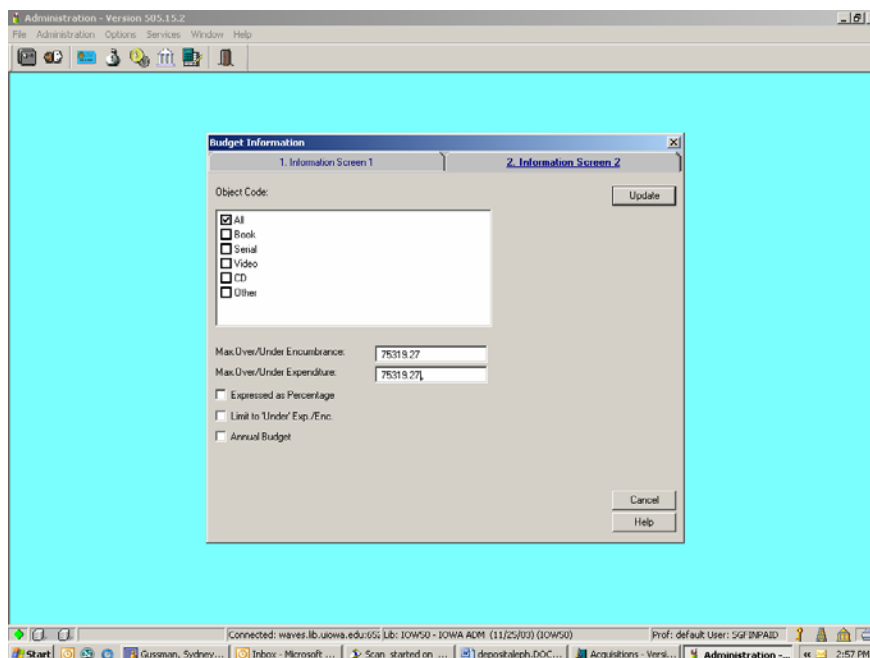
1. For the new fiscal year create a new budget code for your deposit or prepay account as described in PART I or let the fiscal year rollover process handle this for you. If there is money remaining from the previous year's deposit account you may need to create a negative budget record as described in PART V.
2. In the NOTE fields indicate the fiscal year and the amount being carried over in both the deposit or prepay account budget and the deposit or prepay account budget record. (Example #26)

Example #26



3. In the Maximum Over Commitment and Maximum Over Expenditure field list the amount carried over. (Example #27)

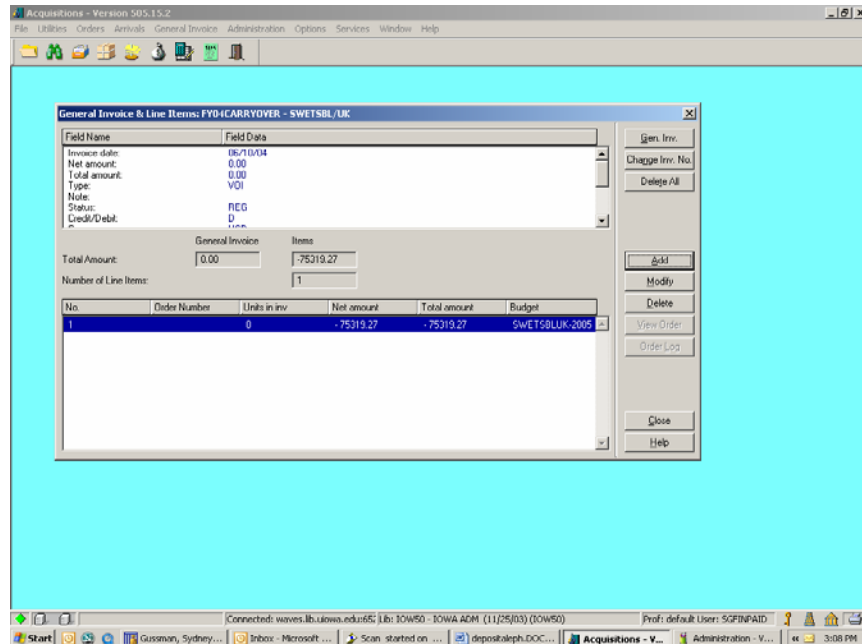
Example #27



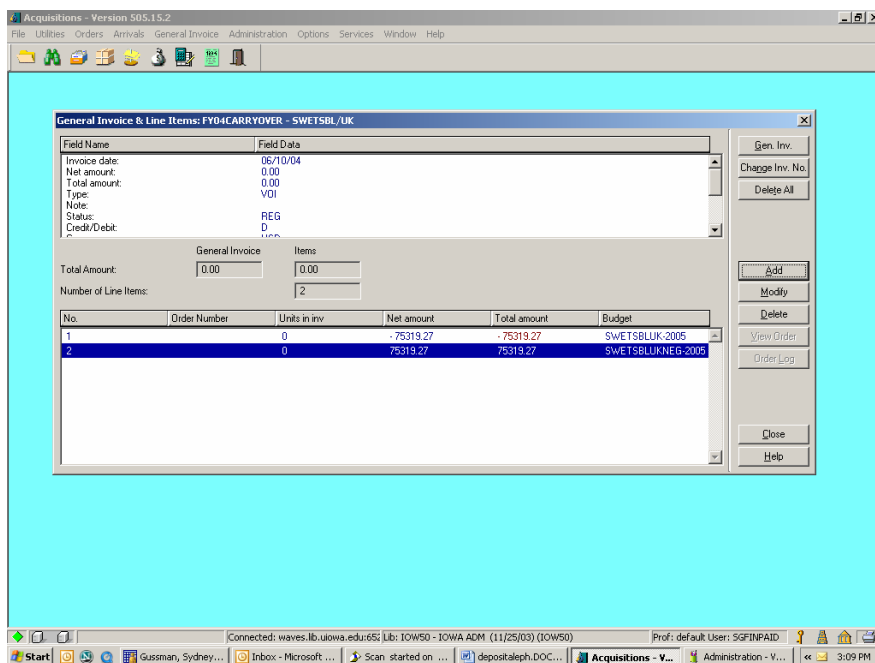
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4. Create a VOIDED invoice to post the amount to be carried over.
 - a. Post payment directly to the invoice for the amount to be carried from the previous fiscal year expensing the deposit or prepay budget. (Example #28).
 - b. Post a second payment for the amount to be carried from the previous fiscal year to the deposit or prepay negative budget. (Example #29)
 - c. Check both fund records to see that the posting have been correctly recorded. (Examples #30 and #31).
 - d. Approve invoices according to established procedures.

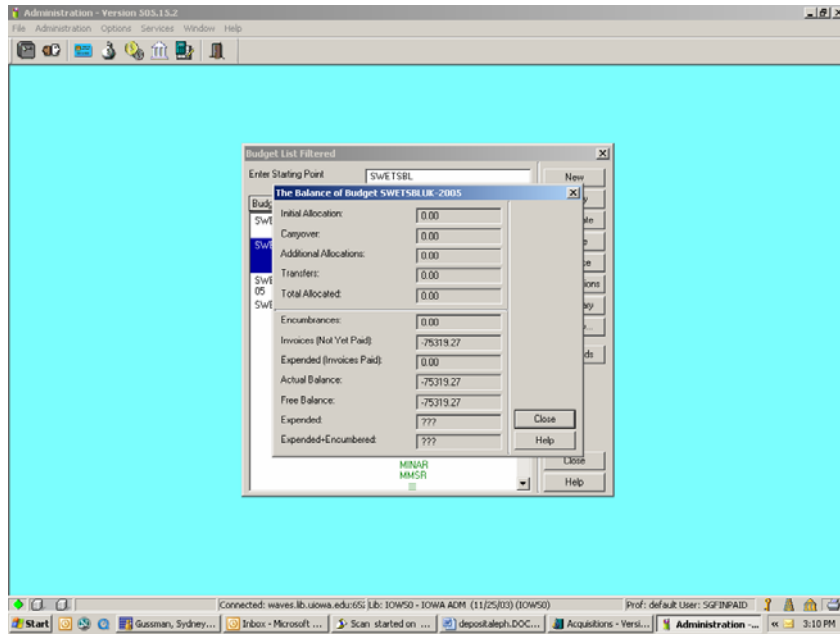
Example #28



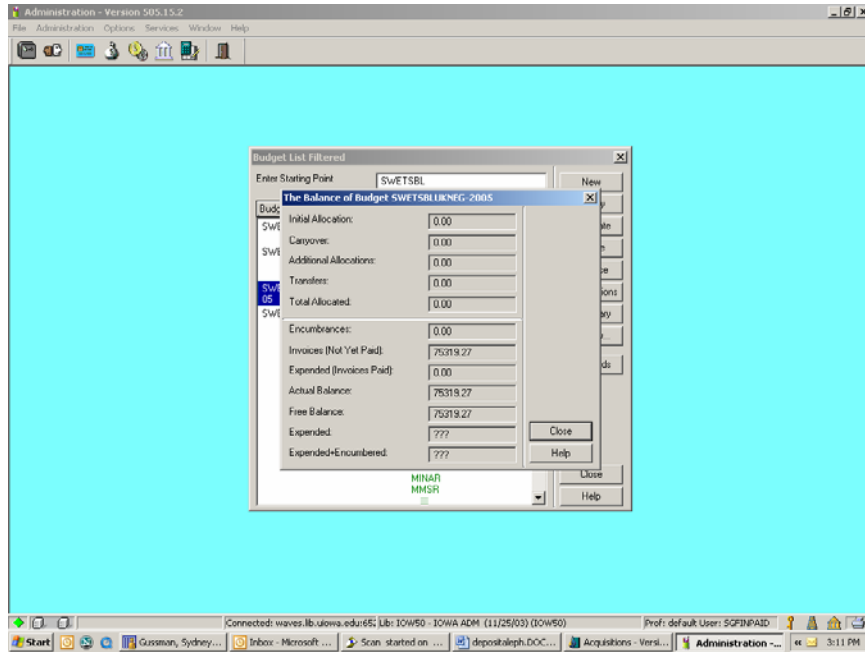
Example #29



Example #30



Example #31



5. Additional payments will be processed by repeating the procedures above.