



Issue Summary	Should USG change the accounting methodology for performing fund to fund transfers?
Background	USG R7.5 has been customized to auto-generate fund balancing entries. The process creates journal lines to transfer fund activity through the cash account 118100. R8.9 delivers functionality to balance by fund using the intra-unit processor. Each time a journal entry is edited by the system, the IU processor is invoked and balancing entries are created. USG must determine if the customization to balance by fund should be removed in favor of delivered functionality. Additionally, USO should decide if the accounting methodology should be altered by changing the accounts or chartfields populated by the IU processor.
Risks	<ol style="list-style-type: none"> 1. If the customization is retrofitted, it could conflict with delivered functionality. Thus creating unnecessary journal lines or journal lines that take the general ledger out of balance. 2. Not using the fund affiliate field will reduce the visibility of where a fund transfer originated 3. Using an account other than cash will require a step be added to the close to settle outstanding payable and receivable balances
Possible Solution(s)	<ol style="list-style-type: none"> 1. Transfer through a due to/from account and use the affiliate chartfield to denote the transferring fund 2. Transfer through due to/from account without the use of the affiliate chartfield 3. Transfer through a new general ledger contra account that rolls up under the cash node in the reporting tree 4. Continue using cash account
Escalating Sub-team and Lead	Functional – Deidre Crawford
Recommended Action	<ul style="list-style-type: none"> • Continue performing fund to fund transfers through a “Cash” account • Do <u>not</u> use the affiliate field • Assess the need to a new account as opposed to continuing with the 118100 account



AIC Committee Comments	
	<p>Accounting Issues Committee decided to drop the USG customization in favor of the delivered functionality. Member institutions decided it wasn't necessary to have an affiliate chartfield, but they did want to use an account different than the 118100 to perform the fund to fund transfers. AIC determined the new account will be 118200. The system generated balancing entries will include the program and project chartfields.</p>