



Financial Transaction SOP: Financial Processing, Distribution of Income and Expense

SOP Owner: Financial Processing Manager

Version Number, Date Revised: #3, 8/13/2013

Date Implemented:

Approval(s):

1. Purpose

The Distribution of Income and Expense (DI) e-doc is used to distribute income or expenses from a holding account to one or more appropriate account(s) when one account has incurred expenses or received income on behalf of one or more other accounts. When you have accumulated income or expense and need to distribute / move it to other accounts (for example, programs with shared costs), you would use a DI.

Example: Use DI if Outdoor Education is running a program with the Vet College and will be sharing costs.

It can also be used to move income, expenses, assets and liabilities to other sub-accounts, object codes, or sub-object codes.

Do NOT use the DI to bill other departments for goods or services that you provide to them (use either the Internal Billing or Service Billing e-doc).

2. Procedure

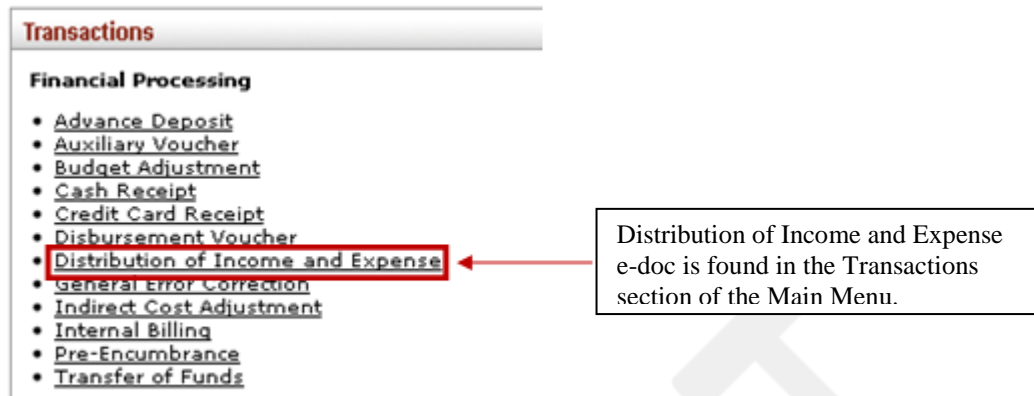


Figure 1 – KFS Financial Processing, Transactions menu



action list doc search Logged in User: rfd46 login

Distribution Of Income And Expense ?

Doc Nbr: 10000687 Status: INITIATED
Initiator: rfd46 Created: 12:59 PM 12/30/2010

expand all collapse all * required field

Document Overview

Document Overview

* Description: Explanation:

Org. Doc. #:

Financial Document Detail

Total Amount:

Accounting Lines

Accounting Lines ?

From	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0.00	<input type="button" value="add"/>
Line Description <input type="text"/>									
To	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0.00	<input type="button" value="add"/>
Line Description <input type="text"/>									

Capital Edit

General Ledger Pending Entries

Notes and Attachments (0)

Ad Hoc Recipients

Route Log

Figure 2 – Distribution of Income and Expense e-doc



Distribution Of Income And Expense

Backdoor Id nms32 is in use

Doc Nbr:	10000738	Status:	SAVED
Initiator:	nms32	Created:	03:55 PM 01/03/2011

expand all collapse all * required field

Document Overview

Document Overview

* Description: Distribute Fedex charges for Dec

Org. Doc. #:

Explanation:

Financial Document Detail

Total Amount: 300.00

Accounting Lines

Accounting Lines

From	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0.00	<input type="button" value="add"/>
1	IT Ithaca Campus	A03A003 ART DEPT	<input type="text"/>	6100 Postage and Shipping	<input type="text"/>	<input type="text"/>	<input type="text"/>	300.00	<input type="button" value="delete"/> <input type="button" value="bal inquiry"/>
Total: 300.00									
To	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0.00	<input type="button" value="add"/>
1	IT Ithaca Campus	A033101 EXPANDED PRINT / MEDIA COURSES	<input type="text"/>	6100 Postage and Shipping	<input type="text"/>	<input type="text"/>	<input type="text"/>	100.00	<input type="button" value="delete"/> <input type="button" value="bal inquiry"/>
2	IT Ithaca Campus	A034100 ART-GENERAL EXPENSE	<input type="text"/>	6100 Postage and Shipping	<input type="text"/>	<input type="text"/>	<input type="text"/>	100.00	<input type="button" value="delete"/> <input type="button" value="bal inquiry"/>
3	IT Ithaca Campus	A043118 GIS COURSE/LAB	<input type="text"/>	6100 Postage and Shipping	<input type="text"/>	<input type="text"/>	<input type="text"/>	100.00	<input type="button" value="delete"/> <input type="button" value="bal inquiry"/>
Total: 300.00									

Capital Edit

General Ledger Pending Entries

Notes and Attachments (1)

Notes and Attachments

	Posted Timestamp	Author	* Note Text	Attached File	Actions
add:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> <input type="button" value="Browse..."/>	<input type="button" value="add"/>
1	01/03/2011 03:55 PM	Rawleigh, Nicole Meredith	fedex bill Dec 2010	fedexbill1210.pdf (369 KB, application/pdf)	<input type="button" value="CANCEL"/>

Ad Hoc Recipients

Route Log



Figure 3 – Distribution of Income and Expense example



- Do *not* use the DI to distribute salary, wages, or benefits. The DI does *not* accept compensation object codes. (There are specific labor distribution e-docs for this purpose.)
- **Note:** Year End Distribution of Income (YEDI) e-doc is only available during fiscal year-end close.

Business Rules

- When you process a transaction, debits must equal credits.
- KFS automatically generates cash offset entries (object code 1000) as defined by the information entered into the e-doc.
- Anything put in the **From** section reduces the amount of the object code in that section; anything put in the **To** section will increase the amount.
- Can be processed with accounts either in both From and To sections, or only in the From section or only in the To section, depending on object codes used. (Reference DI Matrix)
<http://www.dfa.cornell.edu/cms/accounting/tools/financialprocessing/di/upload/di-matrix.pdf>.
- Negative amounts are not allowed.
- Approved by fiscal officer of each account impacted.

Best Practice recommendation: if you receive an out-of-balance error, open the General Ledger Pending Entries (GLPE) tab and check the debits / credits indicator column to identify the problem. Save DI e-doc, go to general ledger balance lookup, click “include pending ledger entry” to ALL, and review object code balances to ensure the e-doc is working as intended.

Accounting Lines												
Accounting Lines ?												
From												
	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions			
1	IT Ithaca Campus	G254700 ACCOUNTING DEPT EXP		1200 Receivables-Billed			Feb01	100.00				
									Total: 100.00			
To												
	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions			
1	IT Ithaca Campus	G234715 UNIVERSITY FINANCIAL SYSTEMS		4010 Sales and Services			Feb01	100.00				
									Total: 100.00			
General Ledger Pending Entries												
Seq #	Fiscal Year	Chart	Account Number	Sub-Account	Object	Sub-Object	Project	Doc Type	Balance Type	Obj. Type	Amount	D/C
1	2011	IT	G254700	----	1200	---	-----	DI	AC	AS	100.00	C
2	2011	IT	G254700	----	1000	---	-----	DI	AC	AS	100.00	D
3	2011	IT	G234715	----	4010	---	-----	DI	AC	IN	100.00	C
4	2011	IT	G234715	----	1000	---	-----	DI	AC	AS	100.00	D

Figure 4 – Out-of-balance transaction



The following object sub-types are prohibited on the transaction:

Table 1 Restricted object sub-type in the DI e-doc

Sub-Type	Description	Restrictions			
FR	Fringe Benefits	Use Benefits Expense Transfer e-doc			
SA/HW	Salaries and Wages	Use Salary Expense Transfer e-doc			
LD	Loss on Disposal of Assets	Use CAMS e-docs			
OP	Other Provisions	Use Auxiliary Voucher (AV) e-doc			
TF	Transfer of Funds	Use Transfer of Funds (TF) e-doc			
TN	Transfer- Generic	Use Transfer of Funds (TF) e-doc			
BU	Budget Only Object Codes	Use Budget Adjustments (BA) e-doc			