



FI\$Cal

Financial Information System for California

FI\$Cal Solution Walkthrough (SWT): Customer Contracts

2017/2018 Release

Agenda

- Solution Walkthrough Objectives
- Customer Contracts Solution Overview
- Customer Contracts Processes
 - Create Customer Contracts
 - Activate Customer Contracts
 - Amend Customer Contracts
 - Close Customer Contracts
- Session Recap
- Q&A Session
- Feedback: www.surveymonkey.com/r/SWTFeedback



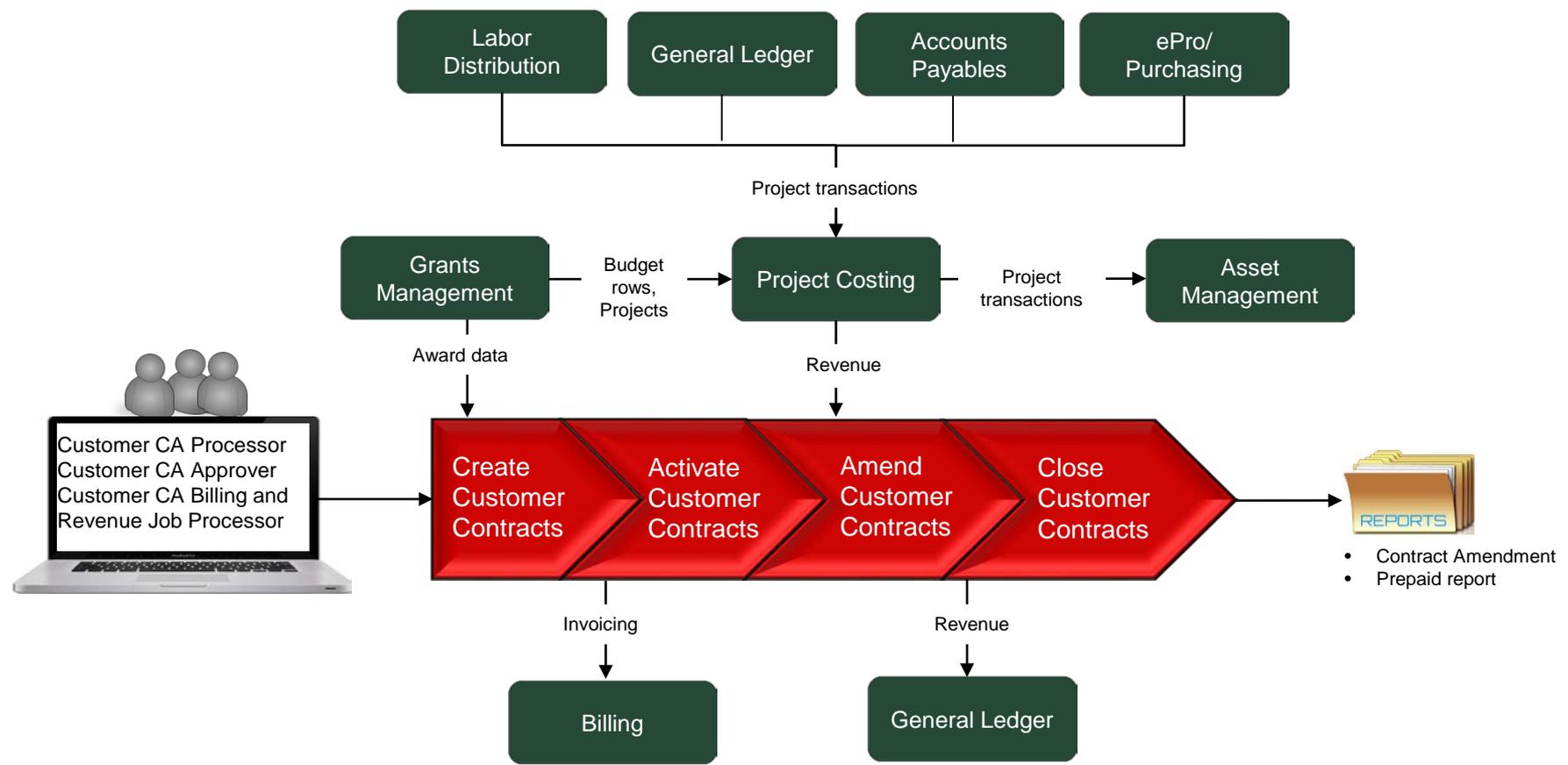
SWT Objectives

The Solution Walkthroughs will provide:

- An overview of the business processes, including key terms and functionalities
- A demonstration of the FI\$Cal solution
- “To-Be” business processes



Customer Contracts Overview



Customer Contracts Overview

Budget Act – Federal Fund (0890)

3960-001-0890—For support of Department of Toxic Substances Control, payable from the Federal Trust Fund	30,500,000
Schedule:	
(1) 3620011-Other Site Mitigation Activities	21,579,000
(2) 3625-Hazardous Waste Management	8,493,000
(3) 3630-Safer Consumer Products	428,000
Provisions:	

Key Takeaway

- If department has federal (0890) funding source, department is required to use Project Costing, Grants and Customer Contracts.



Customer Contracts Overview

Budget Act – Appropriated Capital Outlay

3125-301-0005—For capital outlay, California Tahoe Conservancy, payable from the Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund	814,000
Schedule:	
(1) 0000159-Land Acquisition and Site Improvements for Implementation of the Environmental Improvement Program for the Lake Tahoe Basin, pursuant to Title 7.42 (commencing with Section 66905) of the Government Code.....	814,000

Key Takeaway

- If department has appropriated capital outlay funding source of state fund (e.g. 0005), department is required to use Project Costing only.
- If department has appropriated capital outlay funding with federal fund (0890), then use Project Costing, Grants and Customer Contracts.
- If department has appropriated capital outlay funding source with reimbursement, then use Project Costing and Customer Contracts.



Customer Contracts Overview

Budget Act – Reimbursements

8660-001-0462—For support of Public Utilities Commission, payable from the Public Utilities Commission Utilities Reimbursement Account	93,506,000
Schedule:	
(1) 9900100-Administration	44,924,000
(2) 9900200-Administration—Distributed	-44,924,000
(3) 6680055-Energy	117,639,000
(4) 6680064-Water/Sewer.....	11,234,000
(5) 6680073-Communications	23,077,000
(6) Reimbursements to 6680055-Energy	-58,444,000

Key Takeaway

- If department has REIMBURSEMENT funding source and needed to track expenditures associated with reimbursement, recommend the use of Project Costing and Customer Contracts.

FI\$Cal's Customer Contracts Benefits

Customer Contracts enables you to:

- Capture contractual terms and conditions for billing and recognizing revenue for goods and services.
- Link Projects to Contracts for Billing and Revenue recognition.
- Automated billing and set Billing Limits.
- Ability to create rate or amount based contract lines.
- Prepaid functionality for tracking and utilizing advanced payments.
- Choose when and how to bill customer and recognize revenue.
- Automated deferred revenue processing and revenue recognition.
- Contract Billing History page where invoices can be tracked.
- Ability to drill from Contracts Billing History to review associated Receivables Item.
- Manage changes through amendment processing.

Customer Contracts Key Terms

Term	Definition
Project	Required FI\$Cal ChartField value used for tracking financial transactions associated with a Reimbursable Project (e.g. inter-departmental, private entities, local agencies).
Activity	Required FI\$Cal ChartField used to identify task or phase for the project.
Customer	External customer to be billed for the contract (e.g. inter-departmental, private entities, local agencies).
Customer Contract	Contract Agreement within FI\$Cal that will define Billing and Revenue Recognition terms for reimbursable project.
Contract Amendment	Change to the contract after it has been set to Active status. All history is tracked for contract amendments.
Procurement Contract	Also referred to as a Vendor or Supplier Contract. An agreement with an individual or entity (e.g. vendor, grantee, finance/ leasing company) that the state will pay. This includes the transactional contract and the contract document.

Create Customer Contracts

- Customer Contracts from Grants
 - Customer Contract page gets created automatically once the Award is generated.

- Customer Contracts without Grants
 - Manually create Customer Contracts
 - Add/update Contract Lines
 - Create Prepays
 - Create Bill Plans
 - Create Revenue Plans
 - Create Amendments

Create Customer Contracts

- Set Customer Contract Limits
 - Limit can be set for Contract lines.
 - Limits can also be set on specific transactions (such as labor, materials, or travel) that occur against a contract.
 - Transaction Limits use Transaction Identifiers to locate applicable transactions.
 - Transaction Identifiers are configurable combinations of Project Costing ChartFields (Resource Type, Resource Category, Resource Sub-Category).
 - All Billable transactions that are Priced within Project Costing and result in putting a contract line over it's associated limit will be identified with "OTL" Analysis Type and will not be billed / recognized.

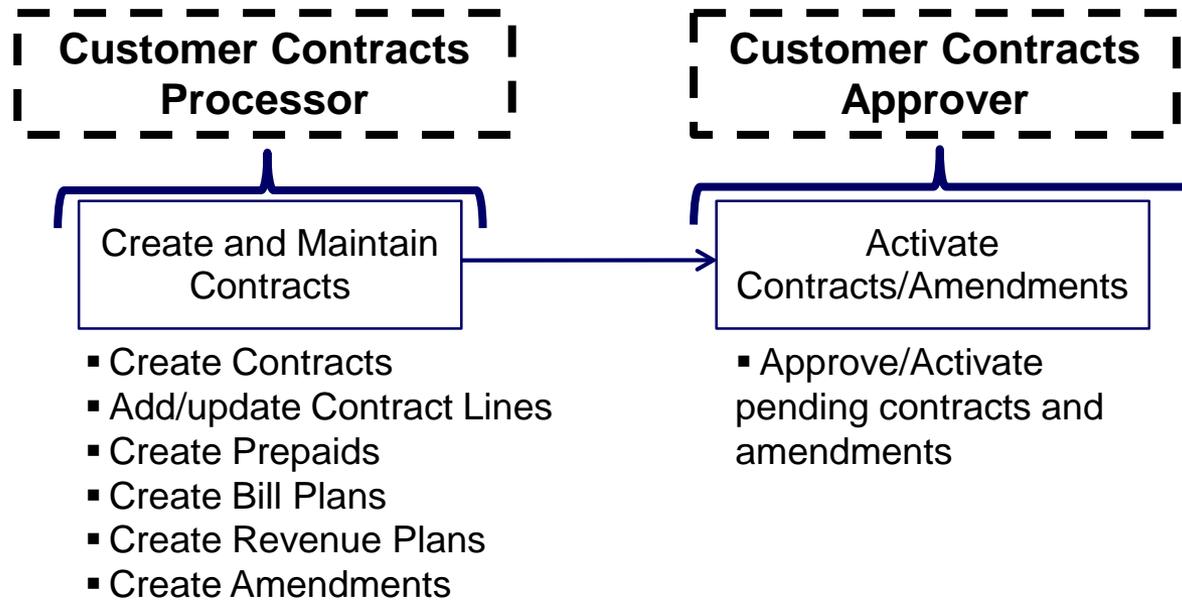
Create Customer Contracts

- Create Billing and Revenue Plans
 - Contains Billing and Revenue terms for the contract line.
 - Each contract line requires a Bill Plan and Revenue Plan.
 - Can be placed on Hold to prevent Billing and/or Revenue from running.

- Prepaid
 - The Prepaid solution is used for when amounts are collected in advance / up front.
 - As transactions are applied to Prepaid amount, the prepaid balance is reduced automatically. These actions cause entries that offset deferred revenue and revenue accounts.



Create Customer Contracts



Key Impacts

- Rate Based contract lines link Project Costing to Billing.
- All billing information sent into Billing Interface tables.

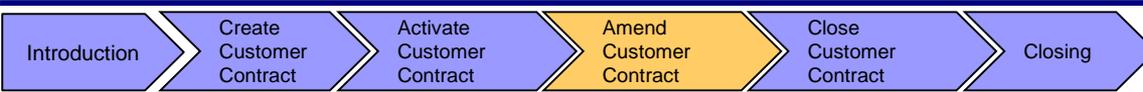
Activate Customer Contracts

- Once the Contract is created, it is activated manually by the Customer Contract Approver in FI\$Cal.
- Customer Contracts manages revenue and billing accounting entries separately when Revenue and Billing processes are run.



Amend Customer Contracts

- Amendments provide historical change control for modifications made to the contract header and lines.
- Examples of contract amendments:
 - Modify billing limits
 - Modify contract types



Close Customer Contracts

- When Customer is fully billed and payment has been received, the Project Activity related to the Contract gets closed.
- Once a Contract is closed, it cannot be reopened.
- If a Contract is closed in error you must unlink the Project and Activity tied to the current contract and link it to a new one.



Session Recap

- Key Considerations
- Action Items
- Open Questions



More Information Can be Found at...



FI\$Cal Project Information:

<http://www.fiscal.ca.gov/>

For Questions, Comments or Feedback:

www.surveymonkey.com/r/SWTFeedback

or e-mail the FI\$Cal Project Team at:

fiscal.cmo@fiscal.ca.gov

Appendix

Additional information and screenshots for reference

Accounting Entries

- Revenue Entry: The accounting entry is generated when the revenue process is run by debiting Unbilled AR and crediting Revenue Account.

Account	Debit	Credit
Unbilled AR Account	100	
Revenue Account		100

- Billing Entry: The accounting entry is generated when the billing process is run, by debiting AR and crediting Unbilled AR account.

Account	Debit	Credit
AR Account	100	
Unbilled AR Account		100

Accounting Entries

- When cash applications are posted in Accounts Receivable Cash is debited and AR is credited.

Account	Debit	Credit
Cash Account	100	
AR Account		100

Create and Amend Customer Contracts – Demonstration

Create Customer Contract: Contract General Information

[Favorites](#) > [Main Menu](#) > [Customer Contracts](#) > [Create and Amend](#) > [General Information](#)

FI\$Cal

[General](#) | [Lines](#) | [Amendments](#)

Contract Number: 15-001 **Sold To Customer:** ASIC Fingerprinting
Amendment Number: 0000000001 ***Contract Status:** ACTIVE

Description: **Processing Status:** Active
Contract Admin: **Amendment Status:** Complete
Region Code: **Business Unit:** Model Office_All Modules
Contract Type: GENERAL **Contract Classification:** Standard
Currency Code: USD **Last Amended:** 01/10/2016
Exchange Rate Type: CRRNT **Last Update Date/Time:** 01/10/2016 7:53:02PM
Contract Signed: 01/04/2016 **Last Update User ID:** 10000018

[Other Information](#)
[Summary of Amounts](#)

Go To: [Billing Plans](#) [Revenue Plans](#) [Milestones](#) [Renewals](#)

Create and Amend Customer Contracts – Demonstration

Create Customer Contract: Contract Lines

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Contract Number: 15-001  **Sold To Customer:** ASIC Fingerprinting
Amendment Number: 0000000001 **Contract Status:** ACTIVE

[Amend Contract](#)

Contract Lines Personalize | Find | View All |  |  First 1 of 1 Last

[General](#) | [Detail](#) | [Amount Detail](#) | 

Line	Product	Description	Price Type	Start Date	End Date	Status
1	AS_INCURRED	Non-Grants Rate based	Rate	<input type="text"/> 	<input type="text"/> 	Active

Go To: [Billing Plans](#) [Revenue Plans](#) [Milestones](#) [Renewals](#) [More](#) 

[Save](#) [Return to Search](#) [Notify](#) [Add](#) [Update/Display](#)

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Create and Amend Customer Contracts – Demonstration

Create Customer Contract: Line Details

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Contract Number: 15-001  **Sold To Customer:** ASIC Fingerprinting
Amendment Number: 0000000001 **Contract Status:** ACTIVE

[Amend Contract](#)

Contract Lines Personalize | Find | View All |  |  First 1 of 1 Last

Line	Product	Billing Plan	Revenue Plan	Contract Terms	Accounting	Internal Notes	Ship to Customer Name
1	AS_INCURRED	Ready	Ready	Contract Terms	Distribution	Internal Notes	ASIC Fingerprinting

Go To: [Billing Plans](#) [Revenue Plans](#) [Milestones](#) [Renewals](#) More 

Create and Amend Customer Contracts – Demonstration

Create Customer Contract: Line Details - Contract Terms

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Contract Number: 15-001  **Sold To Customer:** ASIC Fingerprinting
Amendment Number: 0000000001 **Contract Status:** ACTIVE

Contract Line: 1 **Price Type:** Rate
Product: AS_INCURRED
Description: Non-Grants Rate based

Amend Contract

PC Business Unit:  **Transaction Limits** [Review Limits](#)
Billing Limit: 150,000.00 Perform Limit Checking
Discount ID: Tiered Pricing **Retainage ID:** Tiered Pricing

Associated Rates Personalize | Find |  First 1 of 1 Last

Effective Date	Status	Rate Selection	Rate Set		
1 <input type="text" value="01/04/2016"/> 	<input type="text" value="Active"/> 	<input type="text" value="Rate Set"/> 	<input type="text" value="GMRATE"/> 	Rate Set	<input type="button" value="+"/> <input type="button" value="-"/>

Associated Projects & Activities Personalize |  First 1-2 of 2 Last

*Project	*Activity	Description	Description		
<input type="radio"/> <input type="text" value="000000000001253"/> 	<input type="text" value="000000000000001"/> 	CAAM facility rental	st brigid	<input type="button" value="+"/>	<input type="button" value="-"/>
<input type="radio"/> <input type="text" value="12314"/> 	<input type="text" value="000000000000001"/> 	Non-Grants Rate based	1	<input type="button" value="+"/>	<input type="button" value="-"/>

Create Project Create Activity All Activities

Process Billing and Revenue – Demonstration

Create Customer Contract: Line Details – Bill Plan

Favorites ▾ Main Menu ▾ > Customer Contracts ▾ > Create and Amend ▾ > General Information ▾ > Assign Billing Plan ▾ > Define Billing Plan



Home V

Billing Plan General | Events | Tax Parameters | History

Contract:	15-001	BI Unit:	0840
Sold To Customer:	00100009 ASIC Fingerprinting	Bill To:	00100009 ASIC Fingerprinting
Billing Plan:	B101 As Incurred	Currency:	USD

Description: ***Billing Status:** ▾

Billing Method: ▾ Hold

Customer Information

BI Unit: Model Office_All Modules

***Bill To Customer:** **Addr Num:**

Bill To Contact:

Billing Options

Bill Type: Pre Approved [Billing Header Note](#)

Bill Source: Direct Invoice [Internal Notes](#)

Summarization Template ID: [Preview Summarization Template](#)

Purchase Order:

Billing Default Overrides

Invoice Form:

Cycle ID: [View Customer Defaults](#)

Bill By ID: [Customer Contract](#)

Transaction Options

Bill Currency: ▾

Retainage Options

Items previously held as Retainages

Bill Write-off Hold

Tolerance Options

Minimum Bill Amount:

Final Bill

Process Billing and Revenue – Demonstration

Create Customer Contract: Line Details – Revenue Plan

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Revenue Plan

Revenue Plan

Contract: 15-001 **Business Unit:** 0840 **Currency:** USD
Sold To Customer: 00100009 **ASIC Fingerprinting** **GL Business Unit:** 0840
Revenue Plan: R101 **GL Currency:** USD

Description: As Incurred × ***Plan Status:** Ready

Recognition Method: As Incurred Hold

Define Events By

[Add Milestone](#)

Event Detail

[Personalize](#) | [Find](#) | [View All](#) | | First 1 of 1 Last

Event	Event Type	*Event Status	Accounting Date	
1	Date <input type="text"/>	Pending <input type="text"/>	01/10/2016	Event Note <input type="text"/> <input type="button"/> <input type="button"/>

[Return to Assign Revenue Plan](#)

Process Billing and Revenue – Demonstration

Process Billing: Establish Prepaid

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[Prepays](#) | [Audit History](#) | [Amendments](#)

Contract Number: 15-001  **Sold To Customer:** [ASIC Fingerprinting](#)
Amendment Number: 0000000001 **Contract Status:** ACTIVE

Contract Prepaid Totals	
Purchased Amount:	30,000.00
Remaining Amount:	30,000.00
Committed Amount:	0.00

[Amend Contract](#)

Prepays for this Contract Personalize | Find |  |  First 1 of 1 Last

General		Utilization	Initial Billing	Deferred Revenue Distribution		
Status	Hold	Purchased Amount	Remaining Amount	Committed Amount	Expiration Date	Depleted Date
1 Ready 	<input type="checkbox"/>	30,000.00	30,000.00	0.00		 

Go To: [Billing Plans](#)

[Return to General Information](#)

Customer Contract Amendments

[Favorites](#) > [Main Menu](#) > [Customer Contracts](#) > [Create and Amend](#) > [General Information](#)

FI\$Cal

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Contract Number: 15-001 **Sold To Customer:** ASIC Fingerprinting
Amendment Number: 0000000001 **Contract Status:** ACTIVE

[Amend Contract](#)

Amendments Personalize | Find | View All | | First 1-2 of 2 Last

Amendment	Amendment Type	Reason	Process Date	Amendment Status	Detail	Notes
0000000001	Additional Purchase	Scope Change	01/10/2016	Complete	Detail	Notes
0000000000			01/10/2016	Complete	Detail	Notes

Go To: [Billing Plans](#) [Revenue Plans](#) [Milestones](#) [Renewals](#) [More](#)

Original Contract Agreement is always Amendment “0000000000”