



BUREAU OF THE  
**Fiscal Service**  
U.S. DEPARTMENT OF THE TREASURY

# Intragovernmental Transactions Working Group (ITWG)

Sept 10, 2019

# Today's Agenda

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- Tentative ITWG Schedule
- Program Update
- New Performance Rule
- Accruals
- Survey Results
- Remittance Extract
- Survey Questions
- Accrual Examples

# Tentative ITWG Schedule

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- ✓ May 14 – Mapping FIDS to IPAC, Settlement Rules
  - ✓ July 9 – Program Updates, Settlement, Remittance Extract
  - ❑ Sept 10 – Accruals, Remittance Extract
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Planned Dates: Nov 12, Dec 10, Jan 14

Future Topics:

- Loading Active Documents
- Authoritative Source
- Reporting



*2-3:30 pm ET*

# G-Invoicing Program Update

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- Release 2.3 (July 2019)
  - Supports Performance transactions
- Release 3.0 (Oct 17, 2019)
  - Settlement triggered by Performance
  - Enhanced GT&C User interface
- Updated Information
  - OMB Max - <https://portal.max.gov/portal/home>
    - Implementation Plans and Dashboard
    - Trading Partner Directory
  - G-Invoicing - <https://www.fiscal.treasury.gov/g-invoice>
    - FIDS, Specs and XML samples
- New BETCs
  - Agencies must be a TAS-BETC reporter
  - Requires component TAS

# Release 3.0 – Enhanced User Interface

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- GT&C data standards have not changed
- Pull API has not changed for GT&Cs
- Existing GT&Cs will still be valid
- GT&C user roles have not changed
  - Trading Partner role has been eliminated
- User Interface has been enhanced
  - Modern user experience, similar to Orders
  - Quicker validations and better presentation of errors
  - GT&Cs will always be routed to an active user
  - Copy and Print (PDF) features
- Enhanced GT&C UI Preview & Demo will start in late September
  - Sign up on the Fiscal Service training website

# New Performance Rule

- Conditions:
  - Order with FOB Point = Source (i.e., seller action initiates settlement)
  - Schedules are a mix of Advanced and non-Advanced
- Rule: Delivered/Performed against a mix of Advanced and non-Advanced Schedules cannot be reported in a single Performance transaction
- Reason: Settlement status (on Performance Header) can only have one value
- Example:
  - Order Line 1. Schedule 1: \$40 advanced; Schedule 2: \$60 payable upon delivery
  - Order Line 2. Schedule 1: \$20 advanced; Schedule 2: \$30 payable upon delivery
  - Advance Performance has already been submitted for \$40 and \$20
- Performance transactions must be split as follows:
  - Performance transaction #1 ... evaluated as Status = INF (informational)
    - Detail 1: Delivered/Performed \$40
    - Detail 2: Delivered/Performed \$20
  - Performance transaction #2 ... evaluated as Status = PND (Pending Settlement)
    - Detail 1: Delivered/Performed \$60
    - Detail 2: Delivered/Performed \$30

# Vision for Accruals

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- Accruals are needed to communicate revenue earned and the related expenses that were incurred for a specific accounting period
  - Extremely important for IGT differences and to properly eliminate
- Accrual reporting will provide agencies a more accurate reflection of current activity
- G-Invoicing will use the Performance transaction to communicate the activity that occurred

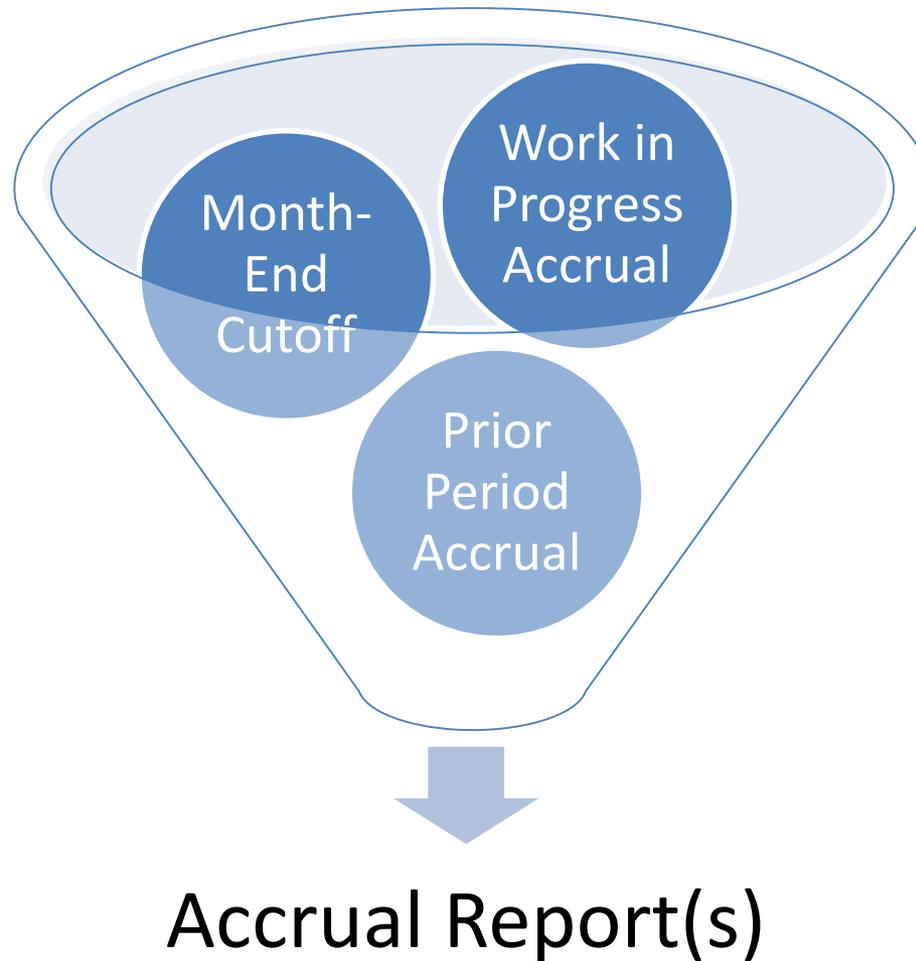
# Accruals

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- One of the largest contributors to the IGT Buy/Sell differences due to communication and timing
- G-Invoicing provides a platform for the communication and timing that agencies can leverage for their ATB reporting in GTAS
- G-Invoicing will provide an “Accrual Report(s)” to agencies
- Targeted for release 3.1 during calendar year 2020.
  - Rules and specifications will be available in 2019 assuming ITWG can agree to business rules by November

# Accruals Captured in G-Invoicing

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# Accruals in G-Invoicing

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- For all three types of accruals the performance transaction and accounting period will be the drivers
- Settlement functionality and data needed to calculate accruals will be available with release 3.0 and will be leveraged in 2020 for reporting accruals
- Program Guide will be updated to include accrual information and guidance

# Accruals

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- Accounting Period will be derived
  - This is currently an optional data element on the Performance transaction
- G-Invoicing will be enforcing a settlement cutoff at month/year end
  - 3 business days at month end
  - 5 business days at year end
- Accrual entries can be made at the beginning of month for the prior period
  - Previous period stays open for 3 business days
  - Previous fiscal year stays open for 5 business days

# Accounting Period

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- Currently a 6 digit numeric value (YYYYMM) that is optional at the Performance header level
- G-Invoicing will derive accounting period based on Performance Date to communicate accruals
  - Agency input of Accounting Period (via API) will be ignored
- Always one period open at all times. Two periods can be open simultaneously beginning on the first of the new month
  - Previous month stays open for first 3 business days into the next month
  - The previous fiscal year (September) stays open for 5 business days into October

# Settlement Cutoff

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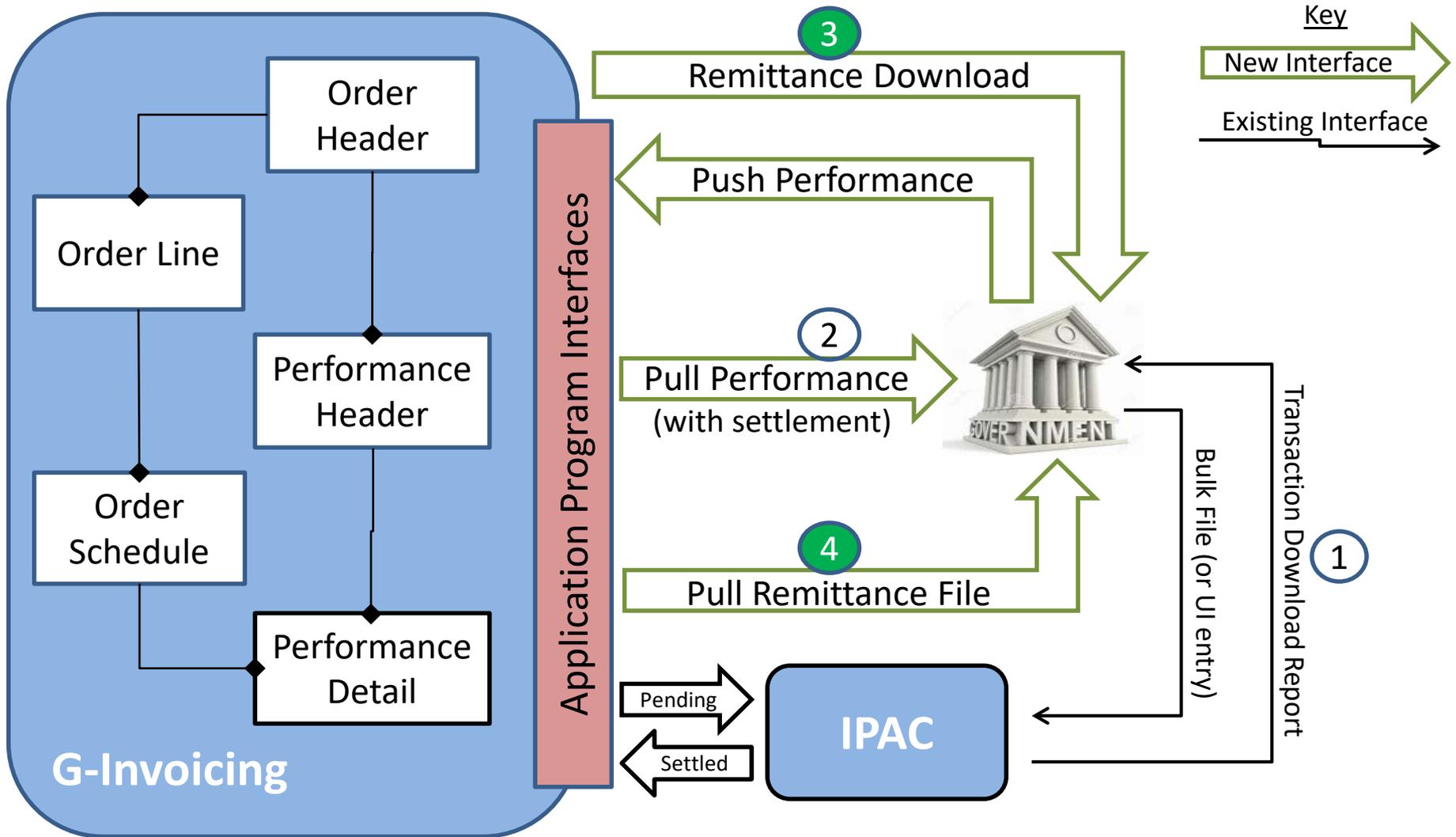
- G-Invoicing will hold settlement requests to IPAC on the last 3 business days of the month and the last 5 business days of year end
  - Included in R3.0
- Performance Transactions that are in Pending status will remain in Pending status until after midnight (Eastern) on the first business day of the following month
- These transactions will be included in the accrual balance
  - Example: Seller sends a Delivered/Performed transaction of \$100 on 7/29 with a Performance Date of 7/29 (FOB Source). This \$100 will be included in the accrual balance but funds will not settle until August

# Survey Results – Mapping to IPAC

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- Three agencies questioned settlement data being passed to IPAC
  - Requisition Number in IPAC will be 'GINV' for filtering
  - Agency specific data requirements in IPAC will not apply to G-Invoicing
    - The FIDS defines required vs optional vs conditional data elements
  - Three mistakes were identified and corrected ... *Thank you!*
    - Requesting Agency Order Number will appear in Accounting Classification Code
    - Servicing Agency Order Number will appear in Job Number
    - The rules for Sender TAS vs Receiver TAS were reversed
  - G-Invoicing not sending Business Unit, Cost Center or Dept. ID to IPAC
    - We decided not to introduce new data elements to IPAC
    - Repurposing existing/unused IPAC data elements would be confusing
    - Agencies should extract Remittance data from G-Invoicing, not IPAC
  - IPAC will not be validating that Amount = Quantity x Unit Price
    - Unit Price in G-Invoicing carries 5 decimals, but IPAC only carries 2
    - G-Invoicing will multiply Quantity times Price, then round to nearest penny
    - IPAC will not check math because it lacks the precision of G-Invoicing

# Extracting Remittance Data



# Remittance Extract – Format

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- G-Invoicing will support CSV export and API pull
    - API pull will efficiently format data of this depth
      - GT&C
        - Order Header
          - Performance Header
            - Order Line
              - Order Schedule
                - Performance Detail
- CSV export to include full Remittance data set
  - Flat file format, with repeated header/line data, suitable for Excel
- Other
  - File size will need to be governed
  - Link adjustments and receipts back to the original Performance
  - Distinguish agency initiated receipts from constructive receipts

# Remittance Extract – Content

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- See Order and Performance data standards
  - Proposed 110 data elements occupying 4 kb per settlement detail record (i.e., funds transfer)
    - Show Performance reference where applicable
  - Filter by “Remittance Data” column
    - Column H in Order FIDS
    - Column D in Performance FIDS
    - <https://www.fiscal.treasury.gov/g-invoice/resources.html#standards>

***Warning:*** *If we add more data elements to the extract, the date-range capacity of the Remittance file will shrink*

- TBD whether all agencies will be able to extract a full month
  - File size will not be a problem for vast majority of agencies
  - May need to “chunk” data for largest agencies

# Remittance Extract - Filters

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## *July survey results*

| <u>Filter</u>                   | <u>Votes</u> | <u>Comments</u>                          |
|---------------------------------|--------------|--|
| Transfer Date range             | 11           | aka, Accomplished Date                   |
| Partner ALC                     | 11           | aka, customer                            |
| Order Number                    | 9            | aka, obligating document number          |
| Treasury Account Symbol         | 9            |  |
| Status                          | 8            | e.g., STL = settled, INF = informational |
| Performance Date (range)        | 6            |  |
| Agency Transaction ID           | 5            | aka, Invoice Number                      |
| Performance Number              | 4            |  |
| GT&C Number                     | 3            | aka, Contact Number, Agreement Number    |
| Accounting Period               | 2            |  |
| Originating ALC                 | 2            | aka, submitter ALC                       |
| Doc Ref Num                     | 2            |  |
| 10 filters received 1 vote each | 1            |  |
| BETC                            | 0            | Needed to separate DR/CR                 |

# Survey Questions for Today

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1. Please provide your agency name and (ideally) your contact info so we can address your concerns.
2. Upon reviewing the Accrual slides at the end of this deck, does your agency have any business scenarios that are not covered?
3. Does your agency have specific questions or concerns about how accruals will be reported from G-Invoicing?
4. Agency specific data requirements in IPAC will not apply to settlement requests from G-Invoicing. Does this cause issues for your agency? If so, please explain.
5. Does your agency agree with plans for including Order data elements on the Remittance Extract, as shown by filtering column H (Remittance Data) in the Order FIDS?  
<https://www.fiscal.treasury.gov/g-invoice/resources.html#standards>

# Survey Questions for Today

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6. Does your agency agree with plans for including Performance data elements on the Remittance Extract, as shown by filtering column D (Remittance Data) in the Performance FIDS?
7. For a receipt or adjustment, which data elements from the original (referenced) Performance transaction should be included in the Remittance Extract?
8. Is there any other topic on this slide deck or related to G-Invoicing in general that you want to provide feedback on?
9. Does your agency think that Seller Initiated Orders should be a considered for a future G-Invoicing enhancement?

# Accrual – Work in Progress

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- Performance Type = Deferred Payment
- Performance rules require a Delivered/Performed to move funds
- Example 1:
  - Schedule quantity = 100, unit price = \$1
  - Deferred Payment on 8/20/2019 of \$50 accrued in August
  - Delivered/Performed on 9/10/2019 of \$50 settled in September
- Example 2:
  - Schedule quantity = 100, unit price = \$1
  - Deferred Payment on 8/08/2019 of \$50 accrued in August
  - Delivered/Performed on 8/19/2019 of \$50 settled in August
  - Deferred Payment on 8/19/2019 of \$-50 backed out in August

*Note: Deferred Payment will no longer be allowed with future Performance Date*

# Accrual – Month-End Cutoff

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- Conditions
  - Delivered/Performed reported against a non-Advanced schedule
    - *This will settle ASAP (FOB Source) or later (FOB Destination)*
  - Performance Date does not fall in a past month
  - Settlement Window is closed on Performance Date
- Examples:
  - Schedule quantity = 100, unit price = \$1
  - Example 1 (current period Performance Date): Delivered/Performed reported on 8/30/2019 for \$50 with Performance Date 8/29/2019
  - Example 2 (future period Performance Date): Delivered/Performed reported on 7/15/2019 for \$50 with Performance Date 8/29/2019
  - In either case:
    - On 8/29/2019 the Settlement Window is closed, so \$50 is accrued for 2019-11
    - If FOB Source, Settlement occurs on 9/3/2019 (1<sup>st</sup> business day of Sept)
    - If FOB Destination, Settlement occurs when receipt is reported or constructed

# Accrual – Prior Period

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- Conditions
  - Delivered/Performed reported against a non-Advanced schedule
  - Performance Date falls in a past month
  - The prior period (i.e., last month) is still open
- Examples:
  - Schedule quantity = 100, unit price = \$1
  - Example 1 (last month): Delivered/Performed reported on 9/3/2019 for \$50 with Performance Date 8/29/2019
  - Example 2 (many months ago): Delivered/Performed reported on 9/3/2019 for \$50 with Performance Date 5/15/2019
  - In either case:
    - On 9/3/2019 August is open, so \$50 is accrued for Accounting Period 2019-11
    - If FOB Source, Settlement occurs immediately on 9/3/2019
    - If FOB Destination, Settlement occurs when receipt is reported or constructed