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Overview

The United Nations at times provides funds to an intermediary implementation partner, another UN entity, in the process of achieving its program objectives.

Objectives

This job-aid is intended to assist users in processing the transfer of funds to entities internal to the UN Secretariat.

Enterprise Roles

GM Account User, GM Grants Creator, GM Account Approver, FI Accounts Payable User, FI Accounts Payable Senior User, FI Accounts Payable approver, FI Accounts Receivable User, FI Accounts Receivable Senior User, FI Accounts Receivable approver, FI General Ledger User, FI General Ledger Approver.

* *

Chapter 1 Background

The process of transferring funds between UN entities is slightly different from the regular implementing partner process since the classification of both the sender and receiver entities in the financial statement volumes are taken into consideration. Though these transactions are documented through funding agreements, the accounting treatment is different in each case. In both cases, however, cash is moved through an accounting entry and does not involve a real transfer of cash between banks.

Within Same Financial Statement Volume

Receivable/payable/income/expense transactions between Internal Business Partners (IBP) in the same volume require elimination when consolidating the financial statements.

In this process, the sender IBP records the full expense at the onset, at the same time recording the revenue of the receiver IBP. For these IBPs, the process involves the creation of a funds commitment and a journal entry by the sender IBP while the receiver IBP creates a S grant and releases the budget for consumption. The steps are discussed in more detail below.

Different Financial Statement Volumes

Receivable/payable/income/expense transactions between IBPS that are classified in different financial statement volumes do not require elimination.
    a. The sender IBP gives an advance to the receiver IBP, the sender IBP creates a purchase order and requests the processing of an advance. The receiver processes a grant (S1 or

R1), a billing to record the receivable and revenue, and subsequently records a customer credit memo to receive the funds.

b. In the case of OCHA/CERF and the receiver IBP is in a different volume, the transfer of funds to another IBP is always recorded as an expense at the onset.

Internal Transfer Process

	Within same FS volume	Different FS volume
Advance	Not applicable	Sender: Standard IP process with internal BP DP request with payment method Y Receiver: Create S grant with revenue IO Standard billing Create Customer Credit Memo Clear GL Account to transfer cash Create and release budget Report expenditure to sender
Expense	Sender: Release budget under SC 'Allocation to UN' Create Funds Commitment JV to transfer cash Receiver: Create S grant with revenue IO Create and release budget	Sender: Release budget under SC 'Grants Out' Create Funds Commitment JV to transfer cash Receiver: Create S grant with revenue IO Create and release budget *This process is only for OCHA/CERF

umoja
training

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Grants Transfer of Funds between Internal Business Partners (UN Secretariat)

Chapter 2 Transfer of Funds between UN Entities Classified within the Same Financial Statement Volumes

When IBPs are in the same financial statement volume, there is no need to process an advance and the sender charges the transfer of funds as expense immediately. Initially, the sender IBP creates and approves an encumbrance document (Funds Pre-commitment). Subsequently, a Funds Commitment is created and approved against the Funds Pre-Commitment.

The major steps in this process are:

1. Create and approve an unreleased budget
2. Create and approve a released budget
3. Create and certify a funds pre-commitment document
4. Create and approve a funds commitment document
5. Park and approve a journal entry

The sender IBP uses the following sponsored classes when creating the unreleased and released budgets.

AM1-ALLOCATION-TO-UN (100% of BP Direct cost)
AM1-ALLOC-TO-UN-IDC (7% of BP Direct cost).

I SENDER IBP PROCESS

A. CREATE AN UNRELEASED GRANT BUDGET
   (Role: GM budget user)

1. **ENTER** "**GM_Create_Budget**" in the Command field
2. **CLICK** on the "**Enter**" icon. The Grant Budget - Create Document screen is displayed
3. **SELECT** "**Enter**" from the Process drop-down list
4. **ENTER** "**M1-32CER-XXXXX**" in the Grant field
5. **ENTER** "**EU**" in the GM Doc Type field
6. **ENTER** an appropriate description in the Header Description field, example reference to X country submission from the GMS
7. **ENTER** "**0**" in the Budget Version field (This value should always be 0)
8. **CLICK** the "**Enter**" icon or hit enter on the keyboard
9. **ENTER** an appropriate budget for each line item in the Total Amount fields (Split the total amount into three classes **AM1-ALLOCATION-TO-UN** (100% of BP Direct cost), **AM1-ALLOC-TO-UN-IDC** (7% of BP Direct cost) **PSC-UN-EXP** (3% calculated automatically by the system when propose IDC button is used)

10. **ENSURE** that the posting date against each line is correct
11. **CLICK** on the "**Propose IDC**" button in order for the IDC to be generated
12. **CLICK** the "**Prepost**" button. A message "Document xxxxxxxxxx has been posted successfully" displays in the screen. Please write down the document number.

B. APPROVE AN UNRELEASED GRANT BUDGET
(Role: GM budget approver unreleased)

1. **ENTER** "**SBWP**" in the Command field
2. **CLICK** on the "**Inbox**"
3. Find the budget document that is to be approved. Click on the "**document**" and it will take you to the pre-posted budget document.
4. **REVIEW** the document and if entries are correct click on "**Approve budget**" button.

C. CREATE RELEASED GRANT BUDGET
(Role: GM budget user released)

1. **ENTER** "**GM_BDGT_RELEASE**" in the Command field and click the "**Enter**" icon or hit enter on the keyboard. *GM Budget - Create Released Document screen is displayed*
2. **SELECT** "**Enter**" from the Process drop-down list
3. **ENTER** "**M1-32CER-XXXXX**" in the Grant field
4. **ENTER** "**ER**" in the GM Doc Type field
5. **ENTER** an appropriate description in the Header Description field, example reference to X country submission from the GMS
6. **ENTER** "**0**" in the Budget Version field (This value should always be 0)
7. **CLICK** the "**Enter**" icon or hit enter on the keyboard
    The List View tab appears displaying the sponsored classes contained in the grant's master data as well as the commitment items associated with each sponsored class.
    The top table represents the data saved in the GM module, while the bottom table represents data saved in the FM module.
8. **IDENTIFY** the appropriate sponsored program and class (select AM1-ALLOCATION-TO-UN (100% of BP Direct cost), AM1-ALLOC-TO-UN-IDC (7% of BP Direct cost) , PSC-EXP-UN for the sponsored class)
9. Double "**Click**" on the corresponding line item number in the GM module
10. **SELECT** an appropriate budget line from the FM
11. **ENTER** the amount to be released in the ∑ Total Amount field
12. **SELECT** corresponding posting period from the "**Distribution Key**" for each commitment item receiving budget (should match posting period, for example January is Z001, December is Z012)

13. **CLICK** on the "**Adjust from FM to GM**" button. Roll over the FM module menu bar and identify button that looks like a scale

14. **ENTER** the "**Posting Date**" for the release of the funds entered in the GM Posting Date field

15. **PRESS** the "**Enter**" key to update the status of the Sponsored Class and then click the "**Prepost**" button

D. APPROVE RELEASED GRANT BUDGET
(Role: GM budget approver released)

1. **ENTER** "**SBWP**" in the Command field
2. **CLICK** on the "**Inbox**" button
3. Find the budget document that is to be approved. Click on the document and it will take you to the pre-posted budget document.
4. **REVIEW** the document and if entries are correct click on "**Approve budget**" button.

E. CREATE FUNDS PRE-COMMITMENT DOCUMENT
(Role: FM budget office user)

1. **ENTER** "**FMY1**" in the Command field. Funds Pre-commitment Create Screen is displayed
2. **ENTER** input data in the following required fields:
   Document Type: "**10**"
   Company Code: "**1000**"
   Currency: "**USD**"
3. **HIT** the enter key
4. **ENTER** text in doc.text field (example CERF grant number 15-RR-HCR-001)
5. **ENTER** amount under the column amount changed. Split the amount into GL account # 78121010 - allocation direct (sum of 7 CERF budget categories excluding PSC) and the GL account 78121020 - allocation indirect (sum of PSC)
6. **ENTER** CERF grant number under the text column
7. **ENTER** G/L Account (78121010 for the allocation direct and the line # 2 is 78121020 for the allocation indirect)
8. **ENTER** WBSE number (example SB-000901.01) under the WBS Element column
9. **ENTER** Vendor ID (BP vendor ID)
10. **HIT** the enter key. The other remaining fields will be derived (Budget Period, Functional Area, Funds Center, Commitment Item)
11. **REPEAT** the same process for the GL account 78121020
12. **SELECT** the "**Check**" button or press **"Shift +F1"** to validate the document
13. **CLICK** on the "**Park Document**" icon in the Application toolbar or press **"F9"** on the keyboard

14. **WRITE DOWN** the "Fund Pre-Commitment Document number" that is displayed at the bottom left side of the screen. Example of Fund commitment document number : Doc#100000XXXX)

F. CERTIFY FUNDS PRE-COMMITMENT DOCUMENT
(Role: FM earmarked funds document certifier)

1. **ENTER** "**SBWP**" in the Command field
2. **CLICK** on the "Inbox" folder
3. **IDENTIFY** the Pre-commitment doc # in the inbox and click on it
4. **REVIEW** the document and if entries are correct click on "**Certify**" button.

G. CREATE FUNDS COMMITMENT DOCUMENT
(Role: FM budget office user)

1. **ENTER** "**FMZ1**" in the Command field. Funds commitment Create Screen is displayed
2. **ENTER** input data in the following required fields and hit the enter key.
   Document Type: Enter "30"
   Company Code: Enter "1000"
   Currency: Select "USD"
   Displaying Funds Commitment: Create Overview screen displayed
3. **ENTER** text in doc.text field (example CERF grant number 15-RR-HCR-001)
4. **ENTER** amount under the column amount changed. Split the amount into GL account # 78121010 - allocation direct (sum of 7 CERF budget categories excluding PSC) and the GL account 78121020 - allocation indirect (sum of PSC)
5. **ENTER** CERF grant number under the text column
6. **ENTER** G/L Account (78121010 for the allocation direct and the line # 2, 78121020 for the allocation indirect)
7. **ENTER** Vendor ID (BP vendor ID)
8. **ENTER** Funds pre-commitment document # under the Funds reserved column
9. **ENTER** "**1**" under the line item # column **(for the next item line item enter # 2)**
10. **HIT** the enter key. The other remaining fields will be derived (Budget Period, Functional Area, Funds Center, Commitment Item).
11. **REPEAT** the same process for the GL account 78121020
12. **SELECT** the "**Check**" button or press **"Shift +F1"** to validate the document
13. **CLICK** on the **"Park Document"** icon in the Application toolbar (or go to the menu "Document"/"Park Document") to park the transaction for approval.
14. **WRITE DOWN** the **"Fund Commitment Document number"** that is displayed at the bottom left side of the screen. (Example of Fund commitment document number: Doc#300000XXXX)

H. APPROVE FUNDS COMMITMENT DOCUMENT
(Role: FM funds commitment approver)

1. **ENTER** "**SBWP**" in the Command field
2. **CLICK** on the "Inbox" folder
3. **IDENTIFY** the Funds commitment doc # in the inbox and click on it
4. **REVIEW** the document and if entries are correct click on "**Approve**" button.

I. PARK GL DOCUMENT
(Role: FA user GL)

At this point, the sender IBP should coordinate with the receiver for the creation of the S1 grant (only) and the revenue internal order (IO) to facilitate the recording of the income for the receiver and the simultaneous transfer of funds through the cash main pool. <u>Remember that the journal entry below will not be complete without the revenue IO because this triggers the cash movement.</u>

1. **ENTER** "**FV50**" in the Command field. Park G/L Account Document screen is displayed.
2. **ENTER** header and line item inputs:

   - **Document Date: ENTER** "doc_date"
   - **Posting Date: ENTER** "post_date"
   - **Reference: ENTER** GMS Project code, example "15-RR-CEF-001"
   - **Currency: ENTER** "USD"

3. Under Line item #1

   GL Account: "**78121010**" for Allocation Direct Expenses
   Debit/credit
   Amount
   Earmarked Funds and Doc item: **ENTER** "Commitment Doc ID"

Earmarked funds	Earmarked funds: Document item

   Partner fund
   The below dimensions will be derived;
   Fund: "**32CER**"
   Business Area: "**S100**"
   Functional Area: **"27AC0001"**
   Grant: **"M1-32CER-00000"**
   Profit Center: **"9999"**
   WBSE:

4. Under Line item #2

    GL Account: "**78121020**" for Allocation Indirect Expenses
    Debit/credit
    Amount
    Earmarked Funds and Doc item: **ENTER** "Commitment Doc ID"

Earmarked funds	Earmarked funds: Document item

    Partner fund
    The below dimensions will be derived;
    Fund: "**32CER**"
    Business Area: "**S100**"
    Functional Area: "**27AC0001**"
    Grant: "**M1-32CER-00000**"
    Profit Center: "**9999**"
    WBSE:

    [**Note**: OCHA/CERF uses the Grants – out expenses when creating the journal entry for a Receiver IBP that belongs to a different financial statement volume (7811xxxx range of expenses). Please refer to the paragraph above regarding OCHA/CERF's process.]

    Under Line item #3 (Recording of funds for Receiver IBP)

    GL Account: "**61301010**" sum of the allocation direct and IDC
    Fund: **ENTER** "Receiver BP's Fund code"
    Business Area: **ENTER** "Receiver BP's Bus area"
    Functional Area: **ENTER** "Receiver BP's Functional area"
    Internal order: **ENTER** "Receiver Internal Order**"** provided earlier by Receiver BP
    Funds Center: **ENTER** "BP's center"

5. In the menu, navigate to Document and **SELECT** Simulate General Ledger View. General Ledger Simulation screen appears
6. **CLICK** on the back icon (green circle) or **PRESS** F3.
7. **CLICK** on "**SAVE AS COMPLETED**" icon. Note the document #.

For Entities other than CERF

Accounting entry:
Debit: 78121010 Allocation Direct Expenses - Sender Fund code
Debit: 78121020 Allocation Indirect Expenses – Sender Fund code
Credit: 61301010 Allocation Received from Other Fund – Receiver Fund code

For CERF

> **Accounting entry:**
> **Debit:** 78111010-781190010 Grant Out Expense (32CER)
> **Credit:** 61401310 Allocation Received from Other Fund – Receiver Fund code

J. APPROVE PARKED GL DOCUMENT
(Role: FA approver GL)

1. **ENTER** "**SBWP"** in the Command field
2. **CLICK** on the "Inbox" folder
3. **IDENTIFY** the GL doc # in the inbox and click on it
4. **REVIEW** the document and if entries are correct click on "**Approve**" button.

II RECEIVER IBP PROCESS

A. Create S grant with NO biling. Note that the credit in the journal entry created by the Sender IBP is for the income of the Receiver IBP. Create the revenue internal order needed by the Sender IBP for the journal entry ensuring that the S grant is referenced accordingly in the UN Assignment tab. Remember to communicate this information to the Sender IBP in order to enable the movement of cash transfer to the Receiver IBP.

B. Create and approve an unreleased budget.

C. Create and approve a released budget.

At this point, the receiver IBP can now consume the released budget.

▪▪▪

Chapter 3 Transfer of Funds between Entities Classified in Different Financial Statement Volumes

When the sender and receiver IBPs are from different financial statement volumes, the sender processes an advance and transfer funds to the receiver IBP. The latter creates a grant and records the receipt of funds prior to the implementation of the activities.

The major steps in this process are:

A. Advance Process – Sender IBP:
1. Create Purchase Order in SRM [GM Accounts User or GM Grants Creator]
2. Approve PO in workflow [GM Accounts Approver]
3. Create Down Payment Request (F-47) [FI Accounts Payable User]
4. Approve Down Payment Request in workflow [FI Accounts Payable Senior User]
5. Process payment (F110 and FPR_LIST) [Treasury role]

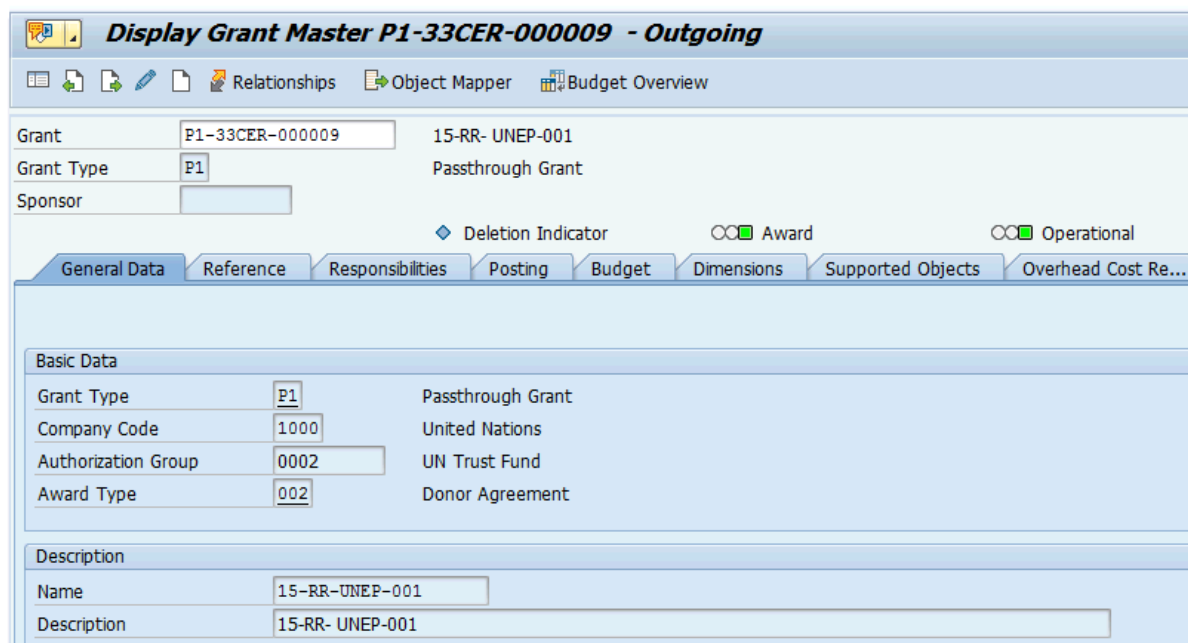**B. Receipt and Recording of Funds - Receiver IBP**
1. Create Simple Grant (S1) or Resource Mobilization Grant (R1) in Award/Operational Status
2. Perform standard billing
3. Create Customer Credit Memo
4. Clear General Ledger Account
5. Review Cash Balance Report

For this scenario, the following are required before an advance to an internal implementing partner is processed.

- Simple Grant (S1) or Main Implement Grant (M1) in Award/Operational Status
- Pass-through Grant (P1) in Award/Operational Status
- Project/WBSE in Released and Budgeted Status
- Released Budget in either S1 or M1 Grant
- Relationship established between S1 or M1 grant and P1 grant
- Object Mapper established in either S1 grant or M1 grant

A. Advance Process – Sender IBP

1) The sending entity creates a Pass through Grant against the receiving entity.
   Roles: GM Account User, GM Grants Creator, GM Account Approver
   Please see job aid on 'Create Grant Master' for detailed steps.

2) The budget process follows the standard 'Pass through transfer' budget process from the parent Grant (e.g. M or S grant).

3) Once the budget is released against the Pass through Grant the IP Purchase Order is ready to be created against the receiving entity (e.g. vendor = UNEP).

    Roles: GM Account User, GM Grants Creator, GM Account Approver

    Please see the job aid '**Pass-through Grant Execution'** for the detailed steps on how to create the Purchase Order.

Create Purchase Order

Purchase Order Number	2700000213	Purchase Order Type	GM IP Passthrough	Status	In Process	Document Date	19.05.2015	Total Value (Gross)	1,000.00 USD

Order | Save | Close | Print Preview | Check | Export | Import | Park | System Information | Create Memory Snapshot

Overview | Header | Items | Notes and Attachments | Approval | Tracking

General Header Data

Smart Number:	(Copy of the order 270000016:
	☐ Smart Number is External
Purchase Order Number:	2700000213
Supplier: *	1500000310 🔲 UNEP
Requester: *	1110015819 🔲 Abdulrahman ABAKER
Recipient: *	1110015819 🔲 Abdulrahman ABAKER
Location:	1110019450 🔲 UN Human Settlements Programme
Ship-To Address:	multiple
Purchasing Organization: *	UN Purchasing Organization 🔲
Purchasing Group: *	OCHA - Grants Management Unit 🔲 Show Members
Total Value (Net):	1,000.00 USD 🔲

Note to Supplier: [   ]

Internal Note: [   ]

▼ Item Overview

Details | Add Item ▲ | Copy | Paste | Duplicate | Delete | Undelete | | Propose Sources of Supply | Add Condition ▲ | Remove Condition ▲ | Exercise Option | | Order as Direct Material | | Proce

Line Number	Deleted	Item Type	Item Number	Product ID	Description	Product Category	Quantity	Unit	Gross Price	Currency	Per	Net Price	Option Ty
• 1		Service	1	5000006	IP-Transfers and Grants to Counterparts	84000000	300	EA	1.00	USD	1	1.00	
• 2		Service	2	5000005	IP-Equipment, Vehicles and Furniture	84000000	500	EA	1.00	USD	1	1.00	
• 3		Service	3	5000007	IP-Indirect Support Costs	84000000	200	EA	1.00	USD	1	1.00	

4) Once the Purchase Order is approved a Down Payment request (transaction code F-47) against vendor UNEP with special G/L 'Y' (advance to IP).

Roles: FI Accounts Payable User, FI Accounts Payable Senior User

Please see the job aid '**Pass-through Grant Execution'** for the detailed steps on how to create the Down Payment request.

Down Payment Request: Header Data

New item

Document Date	19.05.2015	Type	KA	Company Code	1000
Posting Date	19.05.2015	Period	5	Currency/Rate	USD
Document Number				Translatn Date	
Reference	Int IP advance				
Doc.Header Text					
Trading Part.BA				Tax Report Date	

Vendor

Account	1500000310
Trg.sp.G/L ind.	Y 🔲

5) Insert each line of the Purchase Order in the DP request. Make sure to insert Payment Method 'Y'.

6) Click 'Enter'

Grants Transfer of Funds between Internal Business Partners (UN Secretariat)

Down Payment Request Correct Vendor item

More data   New item

Vendor	1500000310	UNEP	G/L Acc 19101410
Company Code	1000	P.O. BOX 30552	
United Nations		NAIROBI	

Item 1 / Commercial Downpayme / 39 F

Amount   300.00   USD

☐ Calculate tax

Bus. Area   S100

Due on   19.05.2015

Pmnt Block   [ ]   Pmt Method   Y

Payment cur.   [ ]

Order   [ ] [ ]   Network   [ ] / [ ]

Cost Center   [ ]   Real estate   ☐

Purch.Doc.   2700000213 1   1

Flow Type   [ ]

Contract	[ ] / [ ]	WBS Element	SB-001188.04
Fund	33CER BP M99	Grant	P1-33CER-000009
Func. Area	27AC0001	Earmd Fnds	[ ] [ ]
Funds Ctr	11103	Cmmt Item	78107010
Assignment	[ ]		
Text	[ ]		🖊 Long Texts
		Funded Program	SB-001188

7) Continue to insert the remaining Purchase Order lines.

Down Payment Request Display Overview

New item   Display Currency

Document Date	19.05.2015	Type	KA
Posting Date	19.05.2015	Period	5
Document Number	INTERNAL	Fiscal Year	2015
Reference	INT IP ADVANCE		
Doc.Header Text			

Company Code	1000
Currency	USD
Translatn Date	19.05.2015
Cross-CC no.	
Trading Part.BA	

Items in document currency

	PK	BusA	Acct		USD	Amount	Tax amnt
001	39F	S100	1500000310	UNEP		300.00-	
002	39F	S100	1500000310	UNEP		500.00-	
003	39F	S100	1500000310	UNEP		200.00-	

D 0.00   C 1,000.00   1,000.00- *   3 Line items

8) Save as completed and approve the DP request through the work flow.

☑ Document 3500002076 was posted in company code 1000

9) Display document – FB03

Display Document: Data Entry View

Display Currency

Data Entry View

Document Number	3500002076	Company Code	1000	Fiscal Year	2015
Document Date	19.05.2015	Posting Date	19.05.2015	Period	5
Reference	INT IP ADVANCE	Cross-Comp.No.			
Currency	USD	Texts exist	☐	Ledger Group	

Co..	Itm	PK	S	Account	Description	Amount	Curr.	BusA	Fund	Amount LC	C	Func. Area	Funds ..	Cmmt Item	Grant	WBS elem.	Funded Prg	BP
1000	1	39	F	1500000310	UNEP	300.00-	USD	S100	33CER	300.00-		27AC0001	11103	78107010	P1-33C..	SB-001188...	SB-001188	M99
	2	39	F	1500000310	UNEP	500.00-	USD	S100	33CER	500.00-		27AC0001	11103	78106010	P1-33C..	SB-001188...	SB-001188	M99
	3	39	F	1500000310	UNEP	200.00-	USD	S100	33CER	200.00-		27AC0001	11103	78108010	P1-33C..	SB-001188...	SB-001188	M99

> **This transaction does not post any accounting entry since a down-payment request is a memo entry (SAP noted item).**

10) Treasury runs transaction F110 to trigger the payment.

Automatic Payment Transactions: Parameters

B.ex./pmt request...

Run Date	19.05.2015
Identification	CURE9

Status / Parameter / Free selection / Additional Log / Printout/data medium

Posting Date	19.05.2015	Docs entered up to	19.05.2015
		Customer items due by	

Payments control

Company codes	Pmt meths	Next p/date
1000	Y	20.05.2015

Accounts

Vendor	1500000310	to	
Customer		to	

11) Treasury runs transaction FPRL_LIST to release the payment.

12) Transaction FB03 - Display Payment doc.

Display Document: Data Entry View

Display Currency   General Ledger View

Data Entry View

Document Number	3300059183	Company Code	1000	Fiscal Year	2015
Document Date	21.05.2015	Posting Date	21.05.2015	Period	5
Reference		Cross-Comp.No.			
Currency	USD	Texts exist	☐	Ledger Group	

Co..	Itm	PK	S	Account	Description	Amount	Curr.	BusA	Fund	Amount LC	C	Func. Area	Funds ..	Cmmt Item	Grant	WBS elem.	Funded Prg	BP
1000	1	29	Y	1500000310	UNEP	300.00	USD	S100	33CER	300.00		27AC0001	11103	78107010	P1-33C..	SB-001188,..	SB-001188	M99
	2	29	Y	1500000310	UNEP	500.00	USD	S100	33CER	500.00		27AC0001	11103	78106010	P1-33C..	SB-001188,..	SB-001188	M99
	3	29	Y	1500000310	UNEP	200.00	USD	S100	33CER	200.00		27AC0001	11103	78108010	P1-33C..	SB-001188,..	SB-001188	M99
	4	50		35109920	AP Cash Payment Clrg	1,000.00-	USD			1,000.00-				35109920		FPNR	

> **Accounting Entry (Receiver):**
> Debit: 19101310 Advance to Implementing Partner (UN Family)
> Credit: 35109920 AP Payment Cash Clearing

Note:
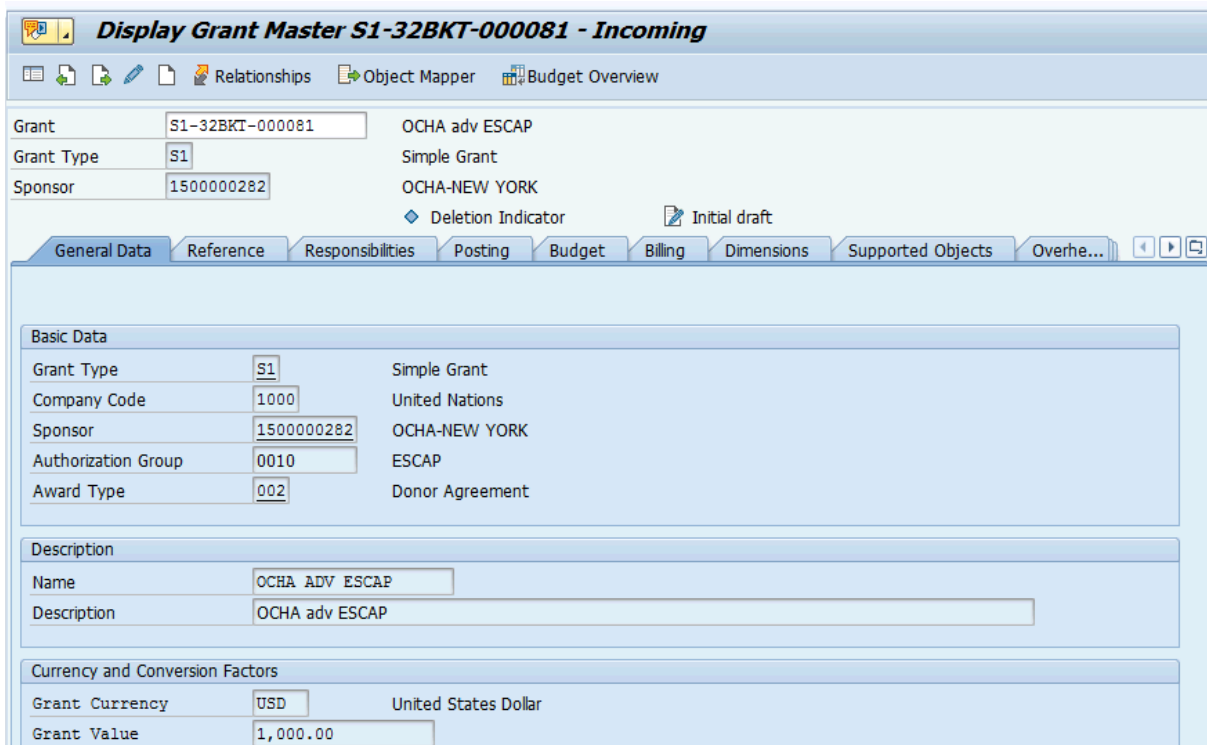
Notify Receiver of payment document created in this step since this document will be used as reference by receiver later in the process.

B. Receipt and Recording of Funds – Receiver IBP

1) The receiving entity creates a Resource Mobilization Grant or a Simple Grant. The Sponsor is listed as the sending entity (e.g. OCHA).

   Roles: GM Account User, GM Grants Creator, GM Account Approver
   Please see job aid on 'Create Grant Master' for detailed steps.

2) A revenue Internal Order and billing is completed.

Display Grant Master S1-32BKT-000081 - Incoming

Relationships   Object Mapper   Budget Overview

Grant	S1-32BKT-000081	OCHA adv ESCAP	
Grant Type	S1	Simple Grant	
Sponsor	1500000282	OCHA-NEW YORK	

◆ Deletion Indicator   Initial draft

General Data | Reference | Responsibilities | Posting | Budget | **Billing** | Dimensions

Billing Rule

Billing Rule	20 20 Unconditional - Cash
Letter of Credit	

SD Order

Sales document	

Sales Order

Sales Organization	1000	United Nations
Distribution Channel	06	Grants
Division	00	General Serv & Other

Billing Data

Order	19001745
WBS Element	
Total Billing Amount	1,000.00

3) Billing plan
Please see the job aid 'Grant Billing Process' for detailed instructions.

Change Dates for Billing Plan

Date details

Item	10				
Material	2000000002	GRANT MATERIAL - CAS			
Quantity	1	EA	Net value	USD	1,000.00

Billing plan

BillingPlanType	Z1	UN Milestone Billing
Start date	24.05.2015 01	Today's Date Reference

InvoicePercentg	0.00	Billing value	1,000.00	USD

Dead.

Billing Date	DtDs	MlstRel		%	Bill.value	Crcy	Block	MStn	BR	BillSt	PayT	DCat	Billing
24.05.2015	Z001		Milestone		1,000.00	USD	02	☐	2	A		Z1	

4) Billing invoice

Ty...	Grant	Message Text
🟩	Billing document	Document 5200000390 has been saved
🟩	Billing document	Grant S1-32BKT-000081: Invoice 5200000390 has been creat...
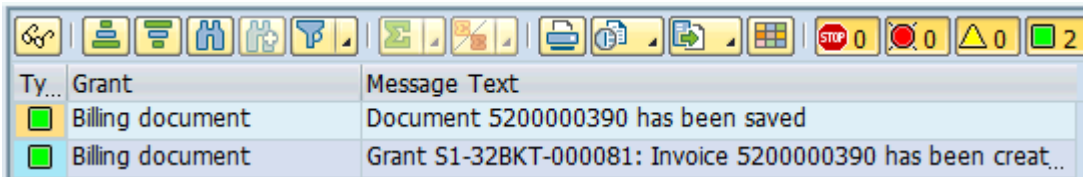
Accounting entry generated from GM billing process (Receiver):
Debit: 14101310 Accounts Receivable – Voluntary Contributions UN Family
Credit: 6120xxxx Revenue – Voluntary Contributions UN Agencies

5) Customer credit memo – FV75

Roles: FI Accounts Receivable User, FI Accounts Receivable Senior User , FI Accounts Receivable approver

The receiving entity creates a customer credit memo against the sending entity (e.g. OCHA) and document type 'DG' (customer credit memo). **Remember to enter the special GL indicator V so the system defaults the correct reconciliation account. If the special GL indicator is not entered, the system will default entry to regular AR reconciliation account, not to AR-Voluntary Contributions account.**
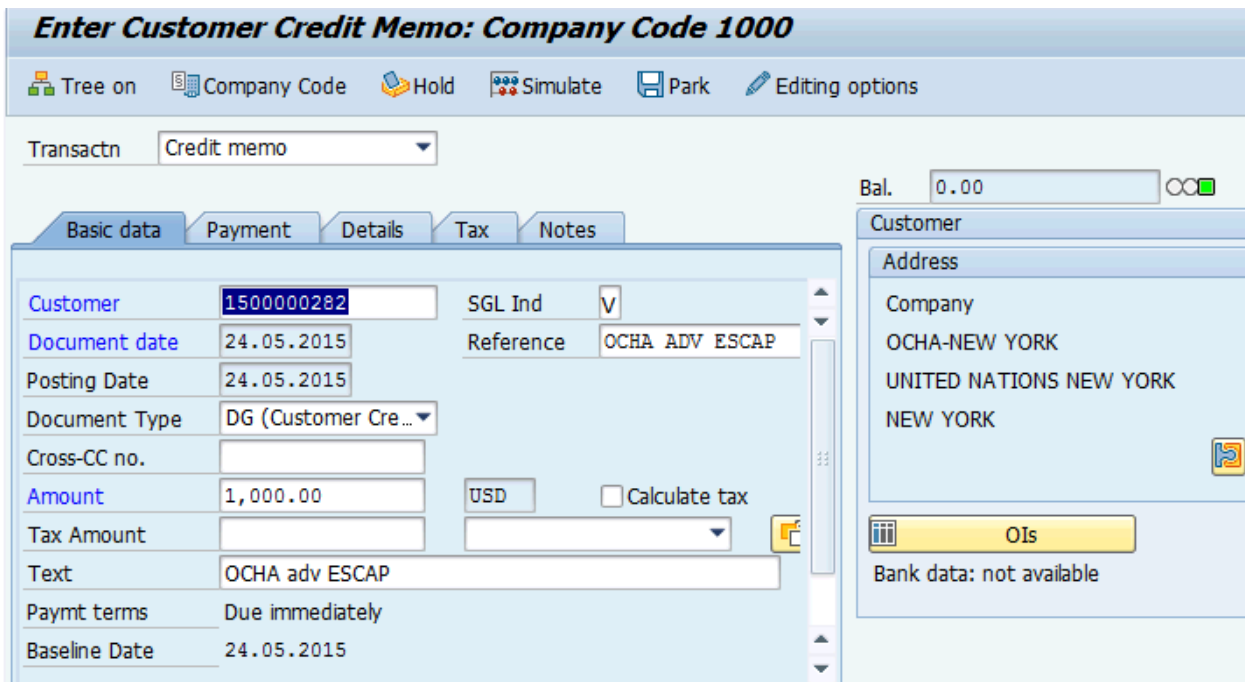
6) Enter GL account 35109920 (AP cash payment), amount and the revenue IO from the billing process.

1 Items (No entry variant selected)						
S...	G/L acct	Short Text	D/C	Amount in doc.curr.	Cost center	Order
✅	35109920	AP Cash Pay...	Debit ▼	1,000.00		19001745

7) Click 'enter' and the rest of the dimensions are derived.

1 Items (No entry variant selected)								
S...	G/L acct	Short Text	D/C	Amount in doc.curr.	Commitme...	Fund	Budget Pe...	Partner Fund
✅	35109920	AP Cash Pay...	Debit ▼	1,000.00	35109920	32BKT	M99	

8) Save as complete and post through the workflow

✅ Document 2300000002 was posted in company code 1000

9) FB03 – display customer credit memo

Display Document: Data Entry View

Display Currency   General Ledger View

Data Entry View

Document Number	2300000002	Company Code	1000	Fiscal Year	2015
Document Date	24.05.2015	Posting Date	24.05.2015	Period	5
Reference	OCHA ADV ESCAP	Cross-Comp.No.			
Currency	USD	Texts exist	☐	Ledger Group	

Co...	Itm	PK	S	Account	Description	Amount	Curr.	BusA	Fund	Amount LC	C	Func. Area	Funds ...	Cmmt Item	Grant	WBS elem.	Funded Prg	BP
1000	1	11	V	1500000282	OCHA-NEW YORK	1,000.00-	USD	R400		1,000.00-					15101000		FPNR	
	2	40		35109920	AP Cash Payment Clrg	1,000.00	USD	R400	32BKT	1,000.00		19AC0004	11349	35109920	S1-32B...		FPNR	M99

> **Accounting entry (Receiver):**
> **Debit: 35109920 AP Cash Payment Clearing**
> **Credit: 14101310 AR – Voluntary Contributions UN Family**

10) F-03 clearing of GL 35109920 AP Cash Payment Clearing

35109920 AP Cash Payment Clearing is an open item managed accounts that needs to be cleared using the t-code F-03.

Roles: FI General Ledger User, FI General Ledger Approver.

Enter the G/L account 35109920 and click 'document number'.

Clear G/L Account: Header Data

Process open items

Account	35109920	Clearing Date	24.05.2015	Period	5
Company Code	1000	Currency	USD		

Open Item Selection

☑ Normal OI

Additional Selections

○ None
○ Amount
◉ Document Number

11) Process open items

Enter the customer credit memo and payment document numbers.

Clear G/L Account Enter selection criteria

Other selection   Other account   Process open items

Parameters entered

Company Code	1000	
Account	35109920	
Account Type	S	
Special G/L ind.		☑ Standard OIs

Document Number

From	To	String	Initial value
2300000002		☐	☐
3300059183		☐	☐

12) Click 'Process open items'

13) Assign the two documents (see below)

Clear G/L Account Process open items

Distribute diff.   Charge off diff.   Editing options

Standard | Partial Pmt | Res.items | Withhldg tax

Account items 35109920 AP Cash Payment Clearing

Assignment	Ref...	Document...	D..	P..	Posting Date	Document...	USD Gross
230000000200...	OCHA...	2300000002	DG	40	24.05.2015	24.05.2015	1,000.00
330005918300...		3300059183	KY	50	21.05.2015	21.05.2015	1,000.00-

Amo... Gross<... Currency Items Items Disc. Disc.

Processing Status

Number of items	2	Amount entered	0.00
Display from item	1	Assigned	0.00
Display in clearing currency		Not assigned	0.00

14) Post

✅ Document 1100007267 was posted in company code 1000

15) FB03 - Review clearing of GL 35109920 to validate '11701010' cash received in General Ledger view.

Display Document: General Ledger View

Display Currency   Entry View   Other Ledger

Data Entry View

Document Number	1100007267	Company Code	1000	Fiscal Year	2015
Document Date	24.05.2015	Posting Date	24.05.2015	Period	5
Reference		Cross-Comp.No.			
Currency	USD	Texts exist	☐	Ledger Group	

Ledger 0L

Doc.	1100007267	FiscalYear	2015	Period	5

Co...	Itm	L.item	PK	S	Account	Description	Amount	Curr.	BusA	Fund	Amount LC	C	Func. Area	Funds ...	Cmmt Item	Grant
1000	1	000001	40		35109920	AP Cash Payment Clrg	1,000.00	USD	S100	33CER	1,000.00			11103	35109920	P1-33CER-000009
	2	000002	50		35109920	AP Cash Payment Clrg	1,000.00-	USD	R400	32BKT	1,000.00-			11349	35109920	S1-32BKT-000081
		000003	40		11701010	Csh MAIN Pool	1,000.00	USD	R400	32BKT	1,000.00					S1-32BKT-000081
		000004	50		11701010	Csh MAIN Pool	1,000.00-	USD	S100	33CER	1,000.00-					P1-33CER-000009

16) Run the GM Cash balance report to verify that the cash has been transferred to the receiving Grant.

Cash Balances GM Budget Release

Report Selection :   Available Cash Balance Report

By Fund/Grant : X
Available Cash Balance : X
Fund : (Include - EQ) 32BKT
Fiscal Year : (Include - BT) 2000 To
Fiscal Year : (Include - BT) 2015

	Unreleased Budget	Released Budget	Total Budget	Funds Block (Operating Reserve)	Obligations/Commitments	Actual Expenses	Total Committed	Available Released Budget	Available Total Budget	Cash Balance
32BKT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
S1-32BKT-000081	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00
Fund Total of 32BKT	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,000.00

Follow-on processes

The receiving entity can now create and release the budget against the Simple Grant (or Main Implementation Grant related to the Resource Mobilization Grant if used).

The downstream processes for the implementation are the same as a regular IP agreement for both sending and receiving entities (e.g. the receiving entity will submit an expenditure report to the sending entity as part of the IP agreement; the sending entity records a service entry sheet and an invoice etc.).

Please see the job aid '**Pass-through Grant Execution'** for the detailed instructions on the downstream processes.

Annex A. Summary of Accounting Entries

1. For Transfer of Funds between IBPs in the Same Financial Statement Volume

    a. Creation of journal entry – non CERF
        Debit: Expense (Allocation expenses – 7812xxxx series) Sender grant and WBS or Internal Order
        Credit: Allocation Received from Other Funds (61301010) Receiver IBP grant and internal order

    b. Creation of journal entry – CERF
        Debit: Grant out expenses
        Credit: Allocation Received from Other Funds (61301010) Receiver IBP grant and internal order

2.   For Transfer of Funds between IBPs in Different Financial Statement Volumes

    a. Sender IBP - Creation of Down-payment document during payment run
         Debit: Advance to Implementing Partner (Receiver IBP)
         Credit: AP Cash Payment Clearing (35109920)

    c. Receiver IBP – Recording of Receivable from Sender IBP
        Debit: AR – Voluntary Contributions (Sender IBP)
        Credit: Voluntary Contributions Revenue

    d. Receiver IBP – Recording of Customer Credit Memo (requires special GL indicator V)
        Debit: AP Cash Payment Clearing (35109920)
        Credit: AR – Voluntary Contributions (Sender IBP)

    e. Receiver IBP – Clearing of AP – Cash Payment Clearing account (F-03)
        Debit: AP Cash Payment Clearing (from sender IBP document)
        Credit: AP Cash Payment Clearing (from receiving IBP document)

        Debit: Cash Main Pool (11701010) Receiver IBP Fund
        Credit: Cash Main Pool (11701010) Sender IBP Fund

    f. Sender IBP – Posting of Service Entry Sheet (SES) upon Receipt of Report from Receiver IBP (automatic generation of entries upon Acceptance of SES)
        Debit: Grants Expense
        Credit: AP Goods Receipt

        Debit: AP – vendor (Receiver IBP) with payment block
        Credit: Advance from Implementing Partner

    g.   Sender IBP – Processing of Notional Invoice
           Debit: AP Goods Receipt
           Credit: AP – vendor (Receiver IBP) with payment block
           ****

Revision History (Soft Copy only)

Date	Version	Prepared by	Description
21 May 2015	1	Peter Jonsson	Initial Draft
2 February 2016/8 July 2016	2	Elsa Bonecillo-Deniega	Consolidated process for IBPs and created section for accounting entries