Level 2 – Proposed To Be – Grants – Managing Advances

Handling of Advanced Payment

The majority of prepayments will be sent to SFR with the Contract from the PC BU. It is the responsibility of the Department to verify that the Department has been informed to submit the advance payment to the vendor in an amount requested.

Associating Prepaid with Contract Lines

Once the prepaid amount has been established, the user must navigate to the Utilization tab of the Prepaid window to associate the prepaid amount with the contract.

Utilization Information

The system generates the utilization information for billing by concatenating the prepaid use sequence number with the contract number. You can accept the default utilization screen, or you may enter a custom description. If the utilization history for this prepaid amount is requested, this is the description used on the Utilization tab that is included in the history.

Deferred Revenue Distribution

The user must enter the deferred revenue distribution. It’s recommended that the accounting distribution be defaulted where possible.

Activating the Prepaid

The user must set the prepaid status to “Ready” and save the data. The prepaid is processed when the Manage Award Billing steps are executed.

Utilization of Prepaid Amounts

The actual utilization of the prepaid balance is based on the billing tree that is utilized in Project Costing (via the Processing Grants Transactions process). When Contracts work loaded-based billing activity to Billing (during the Manage Award Billing process), the prepaid is processed as an on-fact or deferred revenue distribution. As these rows are sent to Billing, the prepaid committed amount is increased. After billing is finalized by the Billing to PC/CA Interface process (BIPCC000), the prepaid committed amount is removed and the prepaid remaining amount is decremented appropriately. In Project Costing the prepaid remaining amount is used for Costing for analysis and to adjust the balance sheet accounting.

The utilization process continues until the prepaid balance is fully decremented (remaining amount equals zero).