



Key Concepts for Finance

ConnectCarolina User Group

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What are the user group meetings?

- “Deep dives” into hot topics
- A chance to ask questions
- Open to anyone who uses ConnectCarolina
- Find topics, dates and times on ccinfo.unc.edu, User Groups tab
- Please encourage your coworkers to come



Remember: Getting Help

- The Help Desk is the best way to ensure your question or issue doesn't get lost
- Include specific examples and screenshots if possible
- It's okay to put in a help ticket to ask, "How do I...."
- It's a way to request enhancements
- Two key ways:
 - 919-962-HELP
 - help.unc.edu





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Text: + -

These documents are provided to help ConnectCarolina users with the transition to the new system for Finance and HR/Payroll. They are offered as a complement to required training. If you need help while using ConnectCarolina, [click here](#) to view detailed instructions for contacting the Business Systems Help Desk

Need training materials for legacy Finance systems? Visit the [Finance Training site](#) for legacy training.



Documents



Slideshows



Student Guides



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Web Help

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Home » Finance

FINANCE

General Information

New

Consolidated, searchable info from the Finance Update Emails

Text:   

anges to Finance
link below to jump to a list
page for a term.

Access	ARP – Annual Raise Process	Budget	Campus Voucher
CMCS – Cash Management Central System	Commitment Accounting (Fund Swaps)	CBM – Customer Billing Management	eProcurement
Funding Swaps	General ConnectCarolina	General Finance	GL Journal

Quiz Yourself & Handouts

Find the quiz and the two handouts
right where you found the link to the
webinar—on the ccinf.unc.edu
webinars page

7 Key Concepts

- 1 Most transactions go through 5 basic steps.
- 2 Vouchers manage payments in ConnectCarolina.
- 3 Unposted GL journals are deleted at month end.
- 4 Our new accounting method is called the *accrual method*.
- 5 Information about budgets is tracked separately from information about actual transactions.
- 6 Once a transaction is budget checked, you see it in InfoPorte.
- 7 Unposted vouchers are rolled forward at the end of the month.

1

Most transactions go through 5 basic steps.

1

Create the transaction

example: create a purchase request or voucher

2

Check for chartfield errors

- sometimes automatic, sometimes a separate step

3

Budget check the transaction

4

Approve the transaction

- which is usually where your responsibility ends

5

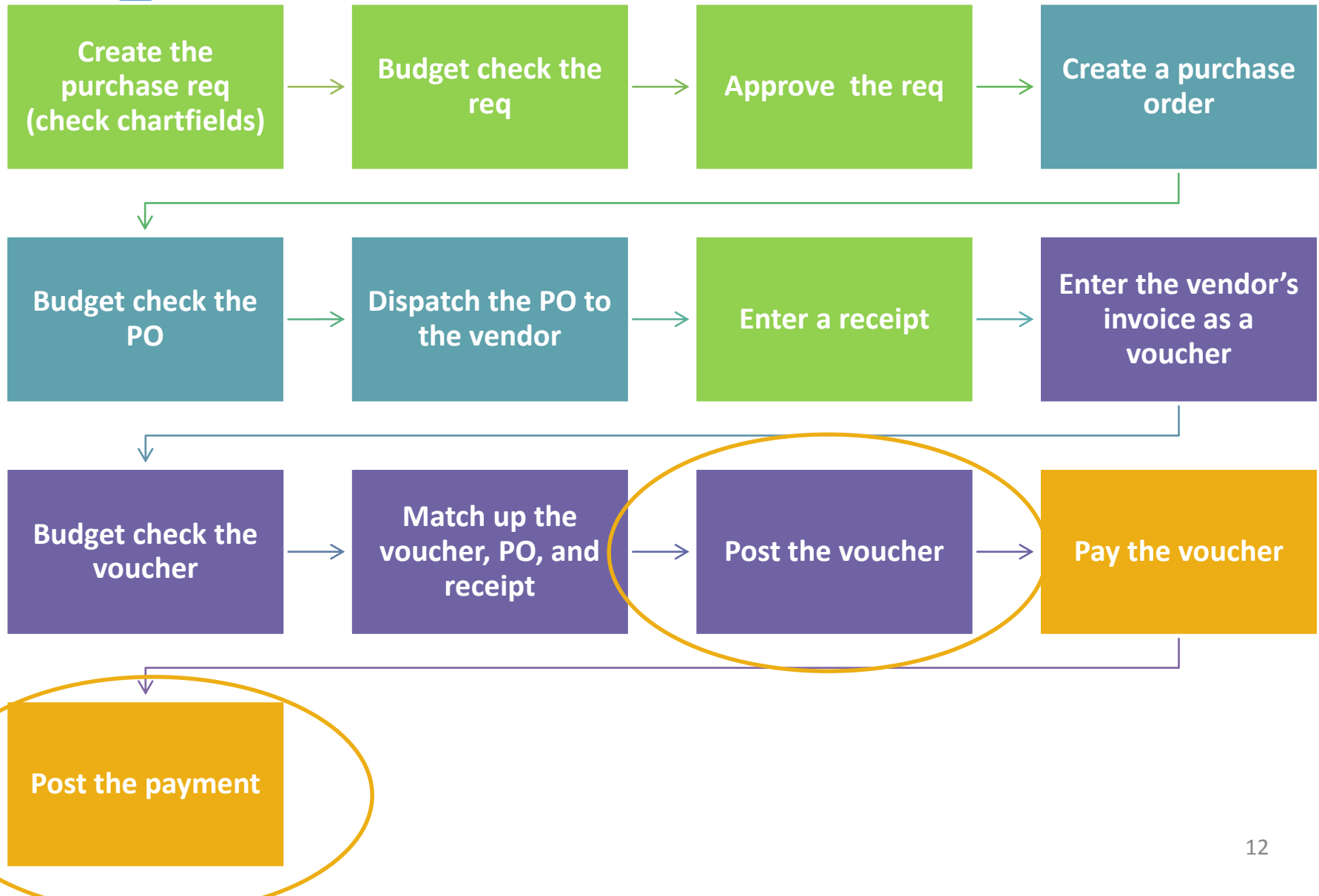
Post the transaction

- makes an official record of the transaction in our accounting system

2

Vouchers manage
payment in
ConnectCarolina.

Vouchers Are Used to Manage Payments ②

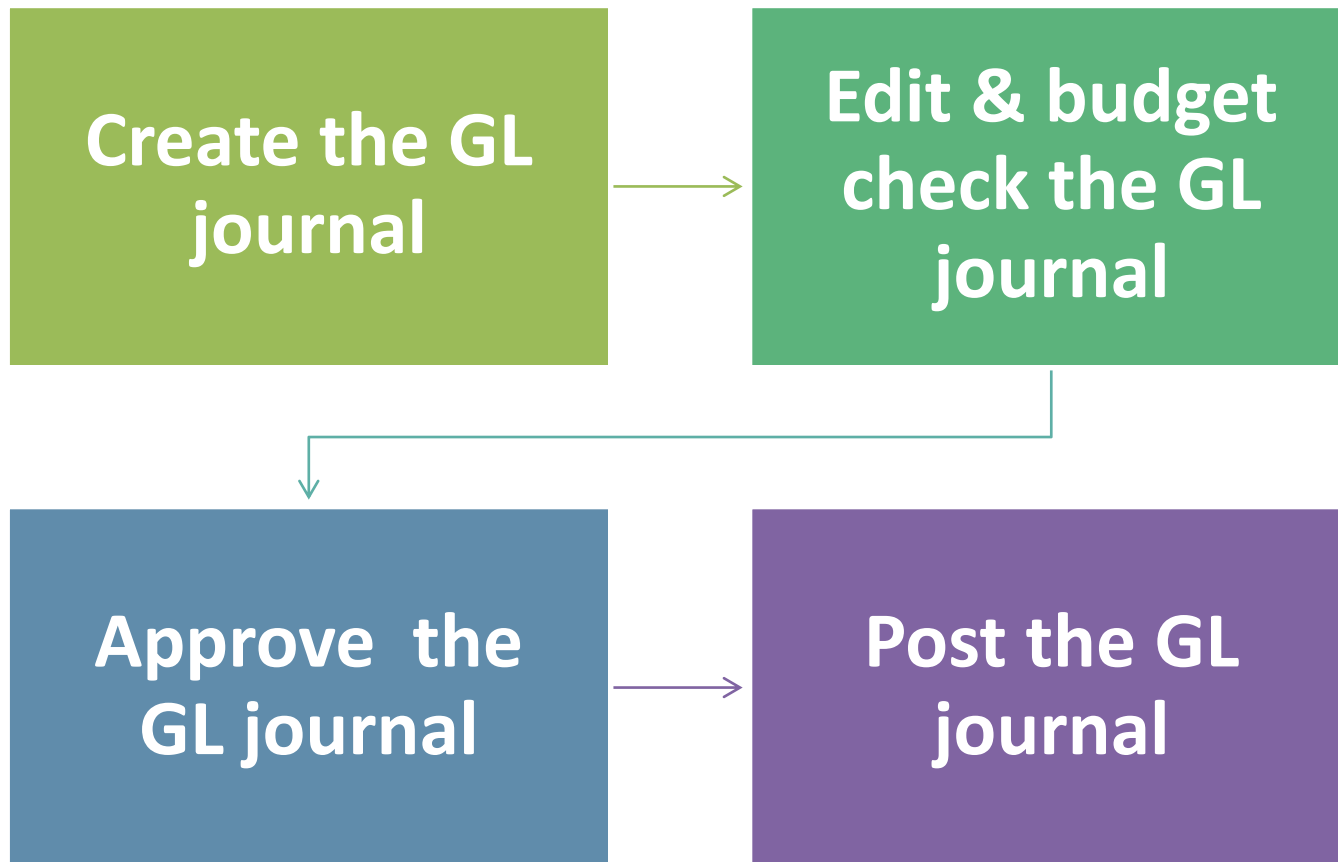


- Every payment against a purchase order has a voucher associated with it.
 - Even a vendor catalog order has a matching voucher
- Your available budget is reduced when you budget check the purchase request.
- You'll see the voucher in InfoPorte usually several weeks before it's paid.
 - The payment happens when the vendor's payment terms are met



3

Unposted journals are
deleted at month end.



- The month can't be closed if there's an unposted GL journal.
- Your role is to get the GL journal through departmental approvals by the date that Accounting Services tells you (usually a few days before the end of the month).
- If it's completely approved, it will post, so it won't be deleted.
- You can use the query to identify journals that haven't posted.
 - NC_GL_JRNL_NOT_POSTED_DEPT1



4

Our new accounting method is the accrual method.

- Before ConnectCarolina, the University used **cash basis accounting**. Now we use **accrual accounting**.
- The main difference is the timing of when we account for revenue and expenses.
- With the **cash method**, we
 - record revenue when the money is received
 - record expenses when money is paid out
- With the **accrual method** we:
 - record revenue when we earn it, even if we haven't received the cash
 - record an expense for goods and services when we make the purchase.

- **Example 1: Money coming in**
 - You sell a \$1,000 conference registration.
 - **Cash method** (the old way): you record \$1,000 revenue when you **receive the check**.
 - **Accrual method**: you record the \$1,000 revenue immediately when you **sell the registration**, even if you receive the money a few weeks later.
- **Example 2: Money going out**
 - You receive an electric bill for \$1,200.
 - **Cash method**: you record the \$1,200 expense when you actually **pay** the bill.
 - **Accrual method**: you record the \$1,200 expense the day you **receive** the bill.

Why is this important?

- Using the accrual method gives the University a more accurate picture of where our money is from month to month.
- But a challenge is that we still have to report to the State of North Carolina using the cash method.
- Also affects when you see information in InfoPorte.

Let's talk more about that in a minute...



5

Budgets and actuals
are tracked separately.

- **Budgets:** how much money we expect to receive and how we plan to use it.
 - Our plans for our money
- **Actuals:** how much money we actually received and how we actually spent it.
 - What actually happens with our money



- The University uses ledgers to track what happens to our budgets and actuals.
- A ledger is like a checkbook: you keep track of transactions and balances in a ledger.
- We keep our budget information in separate ledgers from our actuals information.



- Budget information is stored in a set of ledgers called the *Commitment Control* ledgers.
 - There are seven of them
 - Commitment Control is the part of the system that manages our budgets and the commitments against our budgets
- We track actual transactions in the *Actuals Ledger*.

- **Budgets:** A transaction is recorded in the Commitment Control ledgers when the transaction is budget checked.
 - For example, budget checking a purchase req reduces the budget available.
- **Actuals:** Transactions become part of actuals at the point they are posted.
 - For example, posting a voucher makes an official record in our accounting system, so it is an actual transaction.

- Remember the steps that all transactions go through?
 1. Create the transaction
 2. Check the chartfields
 3. Budget check the transaction
 4. Approve the transaction
 5. Post the transaction
- Depending on how long it takes to get a voucher approved, it could be weeks between the time that the voucher is budget checked and then posted.

Why is this important?

6

Once information is budget checked, you see it in InfoPorte.

Reason one:

- Once a transaction is budget-checked, you see it in InfoPorte.
 - Or actually, the next day, since information is copied into InfoPorte overnight.
 - That's because much of the information in InfoPorte is pulled from the Commitment Control ledgers.
- Just because you can see a transaction in InfoPorte doesn't mean it has been approved or posted.
 - It isn't necessarily ready to reconcile.
 - For example, after a voucher is budget-checked, it could take days for it to be approved and then posted.
 - Remember also: it can take weeks for the voucher to be paid, because vouchers are paid based on the payment terms associated with the vendor.

7

Unposted vouchers are rolled forward at the end of the month.

Reason two:

- For our reports to the State to be accurate, the Commitment Control ledgers and the Actuals ledger need to match at the end of the month.
- So the expense entry in the Commitment Control Ledgers and the expense entry in the Actuals Ledger need to be in the same month.
- This means that if a voucher has been budget checked but won't be approved before month end, the voucher is moved to the next month
- Only applies to vouchers, and only those not posted by month end.

Reason three:

- Recon Ready column on the Transactions tab of InfoPorte helps.
- If Y in the column, the voucher won't roll over.
- In the case of vouchers, the Y means the voucher has been posted
- Remember it doesn't mean the voucher has been paid.
 - The voucher will be paid when the payment terms with the vendor specify it should be paid, which is often 30 days after the invoice date.

- Once a transaction is budget checked, you see it in InfoPorte.
- Only vouchers roll forward, and only those that are not posted by the date Accounting Services tells you.
- The Recon Ready column on the Transactions tab in InfoPorte tells you whether a transaction is ready to reconcile.



7 Key Concepts **RECAP**

- ① Most transactions go through 5 basic steps.
- ② Vouchers manage payments in ConnectCarolina.
- ③ Unposted GL journals are deleted at month end.
- ④ Our new accounting method is called the *accrual method*.
- ⑤ Information about budgets is tracked separately from information about actual transactions.
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- ⑦ Unposted vouchers are rolled forward at the end of the month.

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**See you at the next Finance
user group meeting **11:00** on
March 20, **Genome Sciences**
G100**