



Financial Management Modernization Initiative (FMMI)

FMMI 202 – General Ledger Overview





Course Outline



- **Introduction Module**
- Module 1 – General Ledger Overview
- Module 2 – Maintain General Ledger Master Data
- Module 3 – Manage General Ledger Postings
- Course Summary
- Course Evaluation



Welcome to FMMI General Ledger Overview



- The General Ledger Overview course will provide you an introduction to the process, coordination, and information needed to understand General Ledger in FMMI. The course introduces you to:
 - End-to-End General Ledger process
 - Key Terminology
 - FMMI User Roles and their responsibilities
 - General Ledger touchpoints with other process areas





Course Objectives



After completing this course, you will be able to:

- List the key General Ledger terminology
- Illustrate the process flows associated with the General Ledger process
- Explain high level General Ledger processes
- Explain the FMMI roles required to perform the General Ledger process
 - Maintain General Ledger Master Data
 - Manage General Ledger Postings
- Explain how other process areas interact with the General Ledger process
- Provide examples of the FMMI standard reports





Introduction Module Overview



Before you get started with the course modules, review the next slides. The next slides include:

- Process Flow Reference Guide
- Review of the content covered in FMMI 101 – Introduction to FMMI
- Review of the FMMI Curriculum



Introduction to FMMI (100 Level) Review



As a prerequisite to the 200 Level courses, you participated in the FMMI 101 - Introduction to FMMI course. FMMI 101 provided a high-level overview of the FMMI project, changes and impacts of the implementation, and benefits of the new system.

After completing the 100 Level course, you learned to:

- Summarize the FMMI program objectives
- Explain the benefits and advantages FMMI provides
- Describe an Enterprise Resource Planning (ERP) solution and the benefits it provides USDA
- Explain new processes and concepts
- Explain the key implementation timeline and milestones
- Explain what organizations are impacted by each release of FMMI

The 200 Level Process Overview courses takes a step further and provides you a high-level overview of FMMI's new terminology and processes.



Your Curriculum



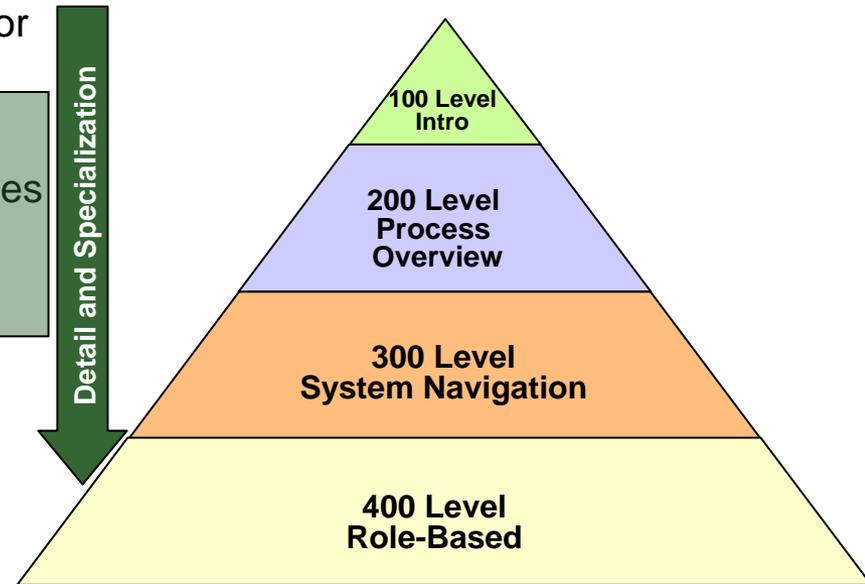
The FMMI Training curriculum outlines the training required for FMMI User Roles. The training courses provide an understanding of the FMMI program and application(s) and the USDA financial processes.

- **Introduction to FMMI (100 Level)**
 - Overview of the FMMI project
 - Instructor-led course, delivered in an auditorium or via teleconference

- **Process Overview (200 Level)**
 - High-level view of USDA's core financial processes
 - Web-based course, delivered via AgLearn Learning Management System

- **System Navigation (300 Level)**
 - Hands-on practice navigating the FMMI system
 - Instructor-led course, delivered in a computer-based classroom

- **Role-Based (400 Level)**
 - Hands-on training and detailed introductions on how to process transactions in the FMMI system
 - Instructor-led course, delivered in a computer-based classroom





Module Completion



Congratulations! You have completed the Introduction module. The next few modules provide you an overview of the General Ledger process in FMMI.





Course Outline



- Introduction Module
- **Module 1 – General Ledger Overview**
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Welcome to Module 1: General Ledger Process Overview



- This module will provide you an overview of the General Ledger process
- Proceed to each new page by clicking the **Next** button when you have finished reading the content on a page
- To view a full list of the topics covered in this module, click the Menu button on the top right corner of the course
- When you are finished with the Module, click **Exit** to mark the module complete and return to AgLearn





Objectives



After completing this module, you will be able to:

- List the key General Ledger terminology
- Explain the General Ledger elements within the Financial Accounting hierarchy
- Illustrate the FMMI Financial end-to-end process and explain where General Ledger fits within the process
- Describe the purpose and use of FMMI roles associated with the General Ledger process
- Illustrate the process flow of the General Ledger activities
- Explain key concepts related to the General Ledger process
- Explain the interactions between Periodic Processing and other process areas within FMMI
- Provide examples of the FMMI standard reports





Key Terminology



Review the following terms and definitions before beginning the General Ledger Overview module:

- **Business Area** = A business area representing any reporting entity that can generate financial statements and is a subdivision of a Company Code used for reporting
- **Chart of Accounts** = The organization unit holder which contains the General Ledger accounts and includes both proprietary and budgetary General Ledger accounts
- **Company Code** = An organizational unit where financial statements and trial balances are generated. USDA is the single FMFI company code used
- **General Ledger** = Addresses the financial, budgetary, and statutory reporting requirements. Every transaction resulting in a financial impact posts to the General Ledger



What is the Finance Module (FI)?



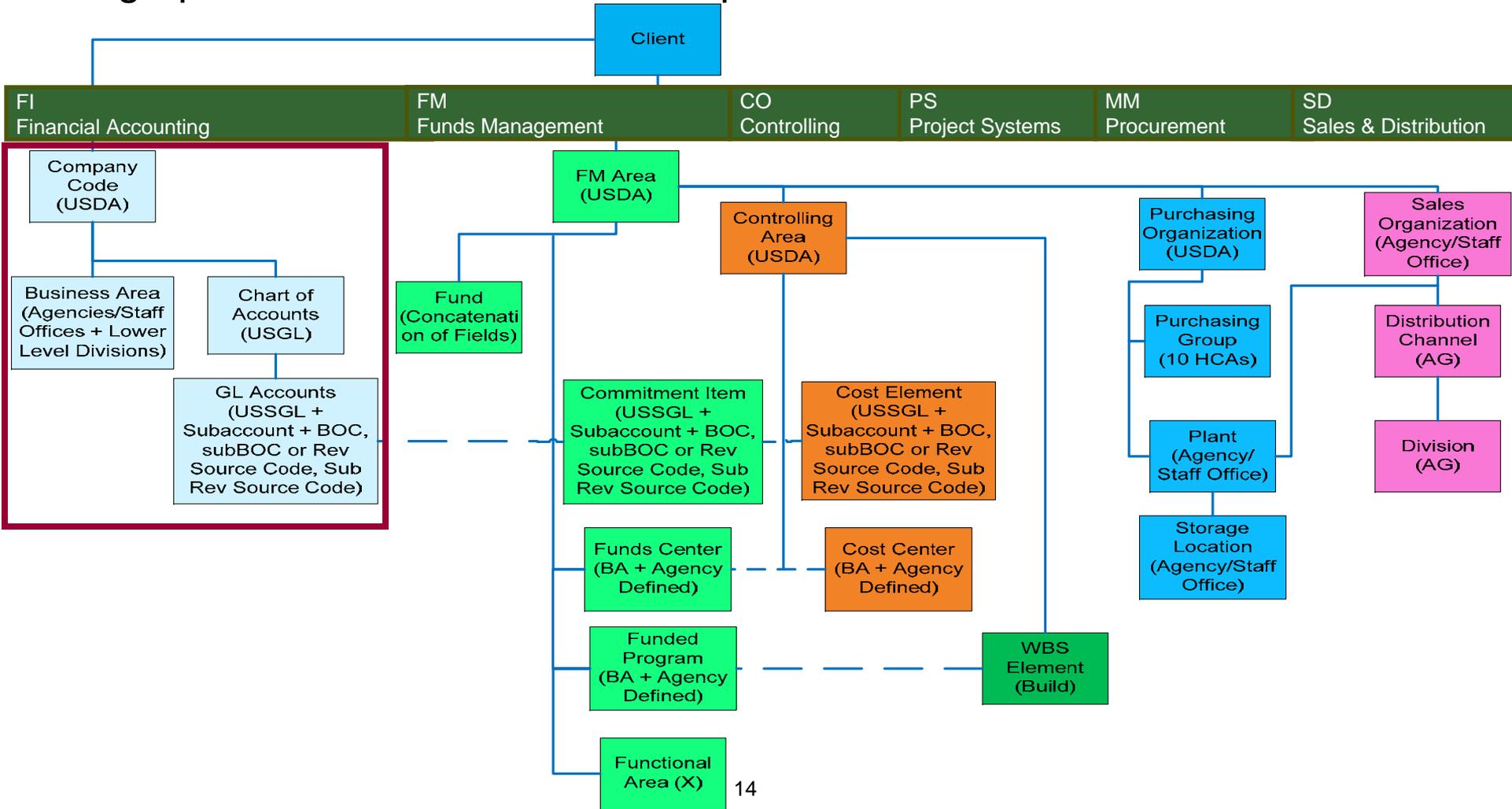
- The Financials (FI) module addresses the financial, budgetary, and statutory reporting requirements.
- Every transaction resulting in a financial impact posts to the FI module
 - The FI module houses three special ledgers:
 - Ledger 95: Holds data for the Balance Sheet by Fund
 - Ledger 96: Holds data for the FACTS I reporting
 - Ledger 97: Holds data for the FACTS II reporting
 - The FI module is a source of many financial reports
 - The account balances of each GL Account (USSGL + sub account) are housed in the FI module
 - Immediately after data is entered, the FMMI system displays information on updated accounts, account totals, and balances; it can also produce the Balance Sheet and Statement of Net Cost



FMMI Organizational Hierarchy



This graphic illustrates the relationships between the different FMMI modules:

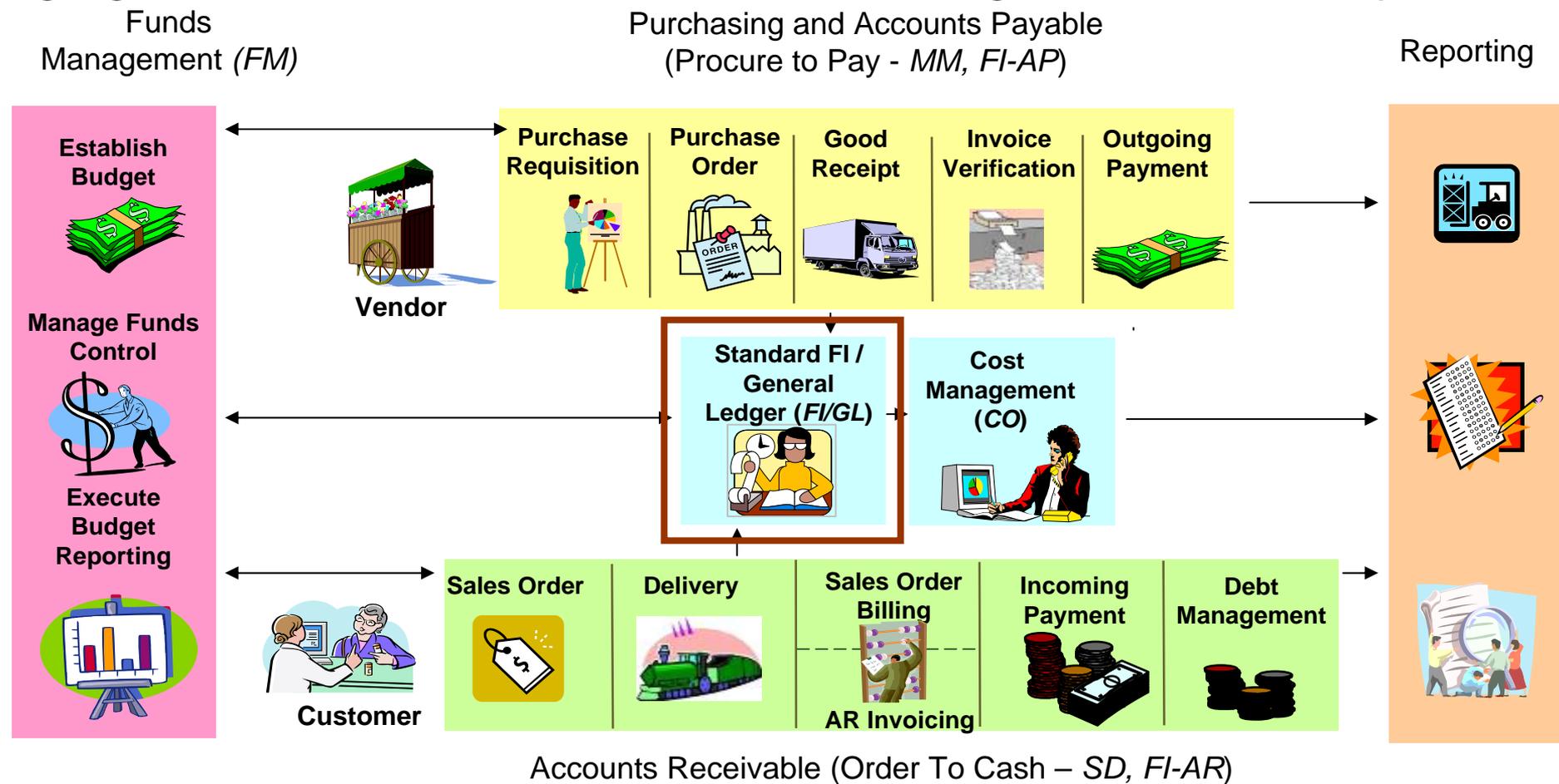




FMMI Financial Process Flow



This process flow illustrates the FMMI Financial end-to-end process. The highlighted area illustrates where the General Ledger fits in the entire process.



FMMI Modules = *Italics*



FMMI User Roles



- Role Alignment is the process of defining FMMI User Roles required to obtain system access to perform the FMMI business processes
- Once roles are defined, FMMI users are aligned to them
- Proper role definition and alignment:
 - Ensures users have access to perform the tasks needed to perform FMMI transactions
 - Ensures proper segregation of duties
 - Ensures FMMI users receive proper training
- An individual user may be assigned one or more FMMI roles based on his or her responsibilities
- Upcoming modules further explain FMMI user roles

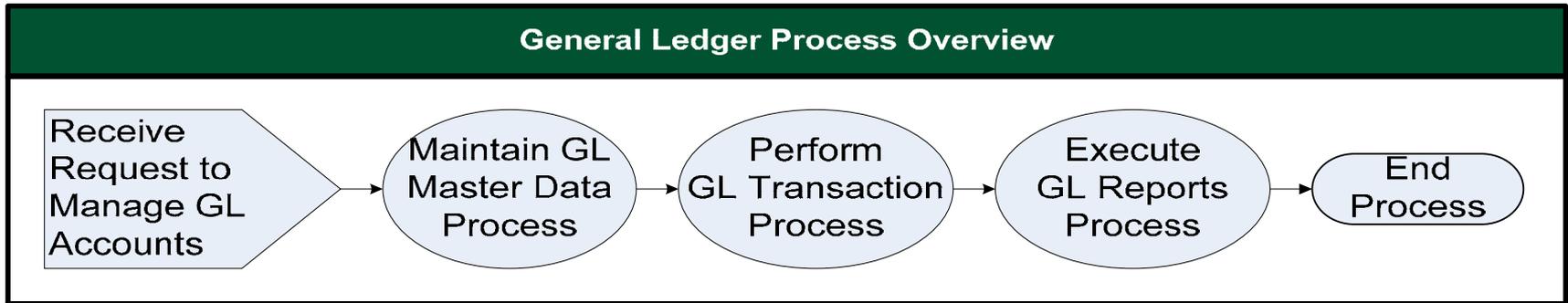




General Ledger Process Overview Flow



This process flow outlines the key activities related to end-to-end General Ledger process:





Key Concepts



The following concepts pertain to the General Ledger (GL) process in FMMI:

- The General Ledger is the central accounting record for FMMI and contains the balances of all offsetting debit and credit accounts
- A corresponding General Ledger posting occurs for every transaction posted in each business area of FMMI
- The Chart of Accounts provides a listing of all accounts and sub-accounts within the General Ledger
- The General Ledger addresses all financial, budgetary, and statutory reporting requirements
- Accruals, adjustments, financial reports, and statements of transactions occur in the in the Financial module



FMMI General Ledger Structure



The FMMI General Ledger follows the structure mandated by the United States Standard General Ledger (USSGL).

- The USSGL provides a uniform Chart of Accounts and technical guidance for standardizing federal accounting
- The USSGL contains five major sections:
 - Chart of Accounts
 - Accounting Descriptions
 - Accounting Transactions
 - USSGL Attributes
 - Report Crosswalks



Benefits of USSGL Accounting for FMMI



Using the USSGL Accounting structure provides the following benefits:

- Establishes an account structure for the integration of appropriation accounting, property accounting, revenue accounting, and expense accounting
- Provides managers with visibility into accurate and complete financial data, including total operating expenses and total acquisition cost of property
- Achieves uniform treatment of similar transactions by USDA across all agencies
- Ensures compliance with Federal regulatory requirements



General Ledger Accounts



- GL accounts are the structures that classify debit and credit values for accounting transactions in the Financials (FI) module and form the basis for creating financial statements and fulfilling other regulatory reporting requirements
- GL accounts represent types of financial postings (Assets, Liabilities, Net Position, Budgetary, Revenues, and Expenses)
- GL accounts are created at the lowest possible level to capture financial information, both for internal and external reporting, analysis and reconciliation



Account Groups



- The account group determines the data necessary to create or change a master record
 - An account group must be assigned to each master record
 - Account groups determine the number range for GL accounts
 - Each of the GL accounts will be assigned to an account group
 - “Account Group” could be used as selection criteria for standard Chart of Accounts and General Ledger Reports



General Ledger Account Configuration



- The recommended configuration of the USDA account groups is 10 digits as represented in the table below:

GL Account Group	Number Ranges
Assets	1000000000 – 1999999999
Liabilities	2000000000 – 2999999999
Net Position	3000000000 - 3999999999
Budgetary	4000000000 - 4999999999
Revenue	5000000000 - 5999999999
Expense	6000000000 - 6999999999
Gain/Loss	7000000000 – 7999999999
Secondary Cost Elements	8000000000 - 8999999999

- The GL account number has to be within the predefined ranges assigned



View of the FMMI General Ledger



FMMI General Ledger

Chart of Accounts

**1000 -
Assets**

**2000 -
Liabilities**

**3000 -
Net Position**

**4000 -
Budgetary**

**5000 -
Revenue & Other
Financing
Sources**

**6000 -
Expenses**

**7000 -
Gains/Losses/
Miscellaneous**

**8000 -
Memos**



General Ledger Accounts Data Requirements



The following data elements are necessary to establish a GL account in FMMI:

Data Field In FMMI	Description
General Ledger Account Number	10 digit number <ul style="list-style-type: none">■ Position 1-4: USSGL■ Position 5-6: Sub Account■ Position 7-10: Budget Object Class (BOC) or Revenue Source Code (RSC)
Company Code	USDA
Account Group	Classify GL accounts into categories for authorization and number range control
Profit and Loss (P&L) or Balance Sheet Account	Defines if the GL account is: <ul style="list-style-type: none">■ Revenue or Expense (which is Profit and Loss)■ Balance sheet account



General Ledger Accounts Data Requirements Continued



Data Field In FMMI	Description
GL Account Short Text	Short description of GL account
GL Account Long Text	Detailed description of GL account
Account Currency	American Dollar (USD)
Commitment Item	Classify budget according to criteria (Revenue, Cash, Expense)
Field Status Group	Similar to account group, they help identify the required fields to be entered when documents post to the corresponding GL account



Touchpoints



- Touchpoints are those instances where one process area or activity interacts with another process area or activity
- General Ledger interacts with the following processes
 - **Create Commitment Item Master Data**
 - Interaction with Funds Management
 - Funds Management Master Data Maintainer Role
 - **Create Cost Element**
 - Interaction with Cost Management
 - Controlling Master Data Maintainer Role





Touchpoints Continued



- **Periodic Processing**
 - Interaction with Month-End and Year-end Processing
 - FACTS Processor, Treasury Submission, Period-End Processor Roles
- **Accounts Receivable**
 - Interaction with Accounts Receivable
 - Sales Processor Role
- **Accounts Payable**
 - Interaction with Accounts Payable
 - Accounts Payable Payment Processor Role
- **Purchase Order**
 - Interaction with Direct Account Assignment
 - Purchase Order Processor Role





FMMI Reports



FMMI provides users with much needed information by utilizing reports. Listed below are some examples of reports available in FMMI:

- Balances Report
- G/L Line Items Report
- Recurring Entry Documents Report
- Balance Sheet Report
- Statement of Net Cost
- Statement of Budgetary Resources
- Statement of Register Report
- Trial Balance by Fund at Full Account Level Report
- Status of Funds Report
- SF-224 Report

Later FMMI courses provide a more exhaustive list and more detailed information about reporting.



Learning Checkpoint Question and Answer (Q&A)



- Now is your opportunity to see if you are learning the course material
- If you answer the questions incorrectly, please be sure to reference the course if you need more explanation about key concepts





Learning Checkpoint Question and Answer (Q&A)



1. **True/False:** The Chart of Accounts is the code of an organizational unit, where financial statements and Trial Balances are generated.
(*False*)

2. **Multiple Choice:** Which of the following transactions does not interact with General Ledger?
 - a. Generate Cost Reports
 - b. *Display Budget Entry Documents*
 - c. Create Cost Element
 - d. Both A and B

3. **Fill in the Blank:** Ledger 95 holds data for *balance sheet* by fund.



Learning Checkpoint Question and Answer (Q&A)



4. **True/False:** The purpose of the General Ledger is to manage USDA's complete record for all Financial business transactions.
(*True*)

5. **Multiple Choice:** General Ledger interacts with what process?
 - a. Create Cost Element
 - b. Create Commitment Item Master Data
 - c. Periodic Processing
 - d. *All of the above*



Module Summary



In this module, you have learned to:

- List the key General Ledger terminology
- Explain the General Ledger elements within the Financial Accounting hierarchy
- Illustrate the FMMI Financial end-to-end process and explain where General Ledger fits within the process
- Describe the purpose and use of FMMI roles associated with the General Ledger process
- Illustrate the process flow of the General Ledger business activities
- Explain key concepts related to the General Ledger process
- Explain the interactions between Periodic Processing and other process areas within FMMI
- Provide examples of the FMMI standard reports





Module Completion



Congratulations! You have completed the Module 1 – General Ledger Process Overview. The next module will provide you an overview of the General Ledger Master Data Maintenance process in FMMI.





Course Outline



- Introduction Module
- Module 1 – General Ledger Overview
- **Module 2 – Maintain General Ledger Master Data**
- Module 3 – Manage General Ledger Postings
- Course Summary
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Welcome to Module 2: Maintain General Ledger Master Data



- This module will provide you an overview of the General Ledger Master Data Maintenance process
- Proceed to each new page by clicking the **Next** button when you have finished reading the content on a page
- To view a full list of the topics covered in this module, click the Menu button on the top right corner of the course
- When you are finished with the Module, click **Exit** to mark the module complete and return to AgLearn





Objectives



After completing this module, you will be able to:

- List the key General Ledger Master Data Maintenance terminology
- Describe the FMMI roles associated with the General Ledger Master Data Maintenance process
- Illustrate the process flow of General Ledger Master Data Maintenance activities
- Explain key concepts
- Explain General Ledger Master Data activities
- Explain the effects of changes made to General Ledger master data elements
- Explain touchpoints with other areas





Key Terminology



Review the following terms and definitions before beginning the Maintain General Ledger Master Data module:

- **Account Group** = A way to organize and manage a large number of GL accounts in FMFI. Account groups use a numeric organizational structure (e.g. Account group 1000 = Asset, 2000 = Liabilities, etc.)
- **Cost Element** = A carrier of cost (e.g. material costs, personnel costs, energy costs) where a corresponding GL account exists in the General Ledger allowing costs to flow through the system



Key Terminology Continued



- **Commitment Item** = Represents a functional grouping of expenditures and revenues within the funds management module. Commitment items are required for each of the GL accounts. There are one to many relationships between GL accounts and Commitment items
- **Material Group** = A grouping of materials and services with the same attributes (e.g. Office Supplies, Furniture)
- **Recurring Entry Document** = A document entry template which records expenditures occurring for the same amount and in the same account on a regular basis



FMMI User Roles



The FMMI Master Data Maintenance process area includes the following roles:

Role Name	Function
General Ledger Master Data Maintainer	<ul style="list-style-type: none"><li data-bbox="683 639 1251 853">■ Manages all master data related to the General Ledger account master records<li data-bbox="683 882 1319 1039">■ Creates, blocks, changes, and deletes General Ledger accounts

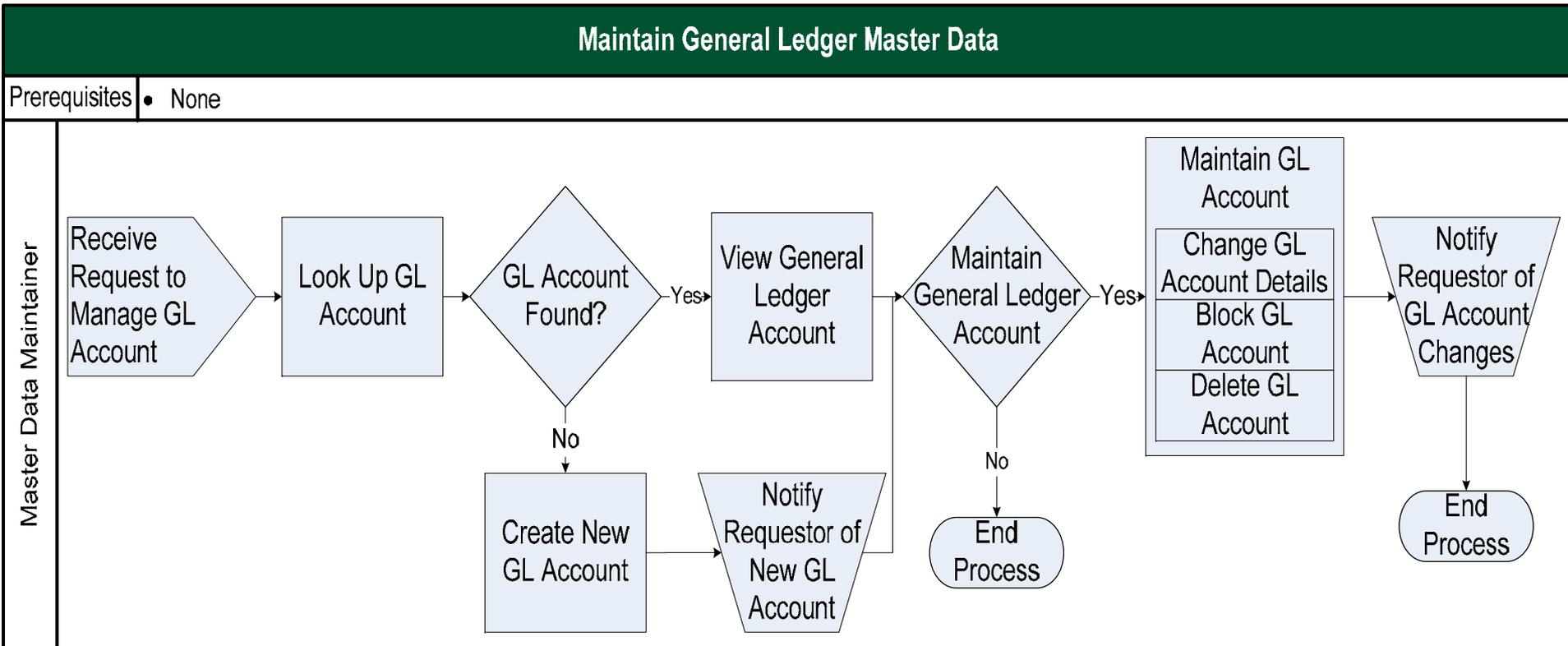




Maintain General Ledger Master Data Flow



This process flow outlines the key activities related to the Maintain General Ledger Master Data process:





Key Concepts



The Maintain General Ledger Account Master Data process is the process through which all GL Master Data elements are created, changed, displayed, and deleted.

- All GL master data elements are centrally managed by the Office of the Chief Financial Officer (OCFO), and created and maintained by the General Ledger Master Data Maintainer
- The General Ledger Master Data Maintainer is responsible for adding/changing/blocking master data
- The GL account and the corresponding information required to be added/changed /blocked is based on a request received from agencies or from Treasury
- A GL account is marked for deletion only if it was incorrectly maintained or if Treasury has mandated that the account is no longer used



General Ledger Master Data Maintenance



General Ledger master data falls within one of two tasks:

- FMMI Chart of Accounts

- The Chart of meets the USSGL standards mandated for government accounting
- Each master data record represents one GL account in the Chart of Accounts

- Account Groups

- GL accounts are arranged in account groups in order to organize and manage the large number of GL accounts better
- The accounts of an account group normally have similar business functions (i.e. 1000 – Assets)

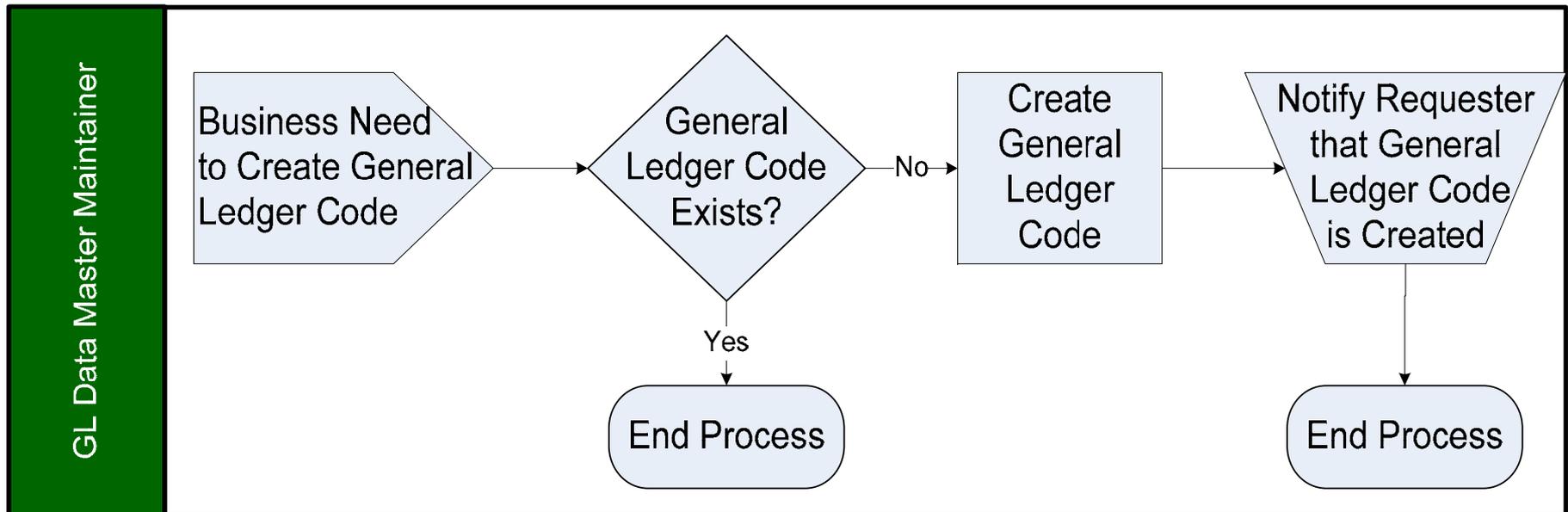


Master Data Processes: Create GL Account Code



New General Ledger accounts will be added by the General Ledger Master Data Maintainer as required. The additions include:

- Incorrect GL Account Codes
- Requests received from Treasury
- Requests received from Agencies



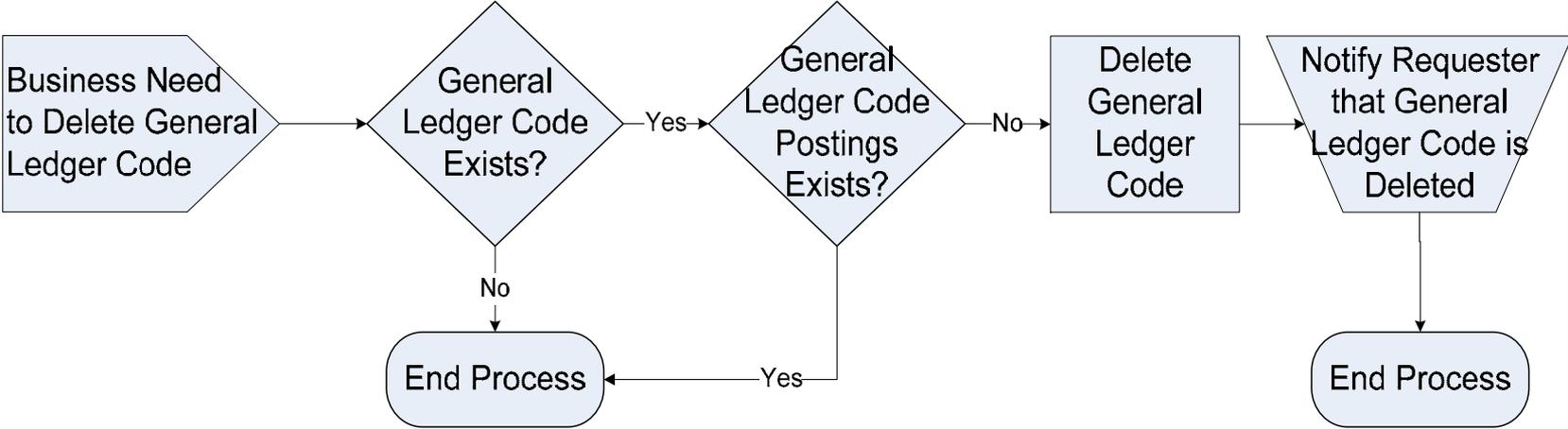


Master Data Processes: Mark for Deletion GL Code



GL Accounts can not be deleted if posting documents exist.

GL Data Master Maintainer



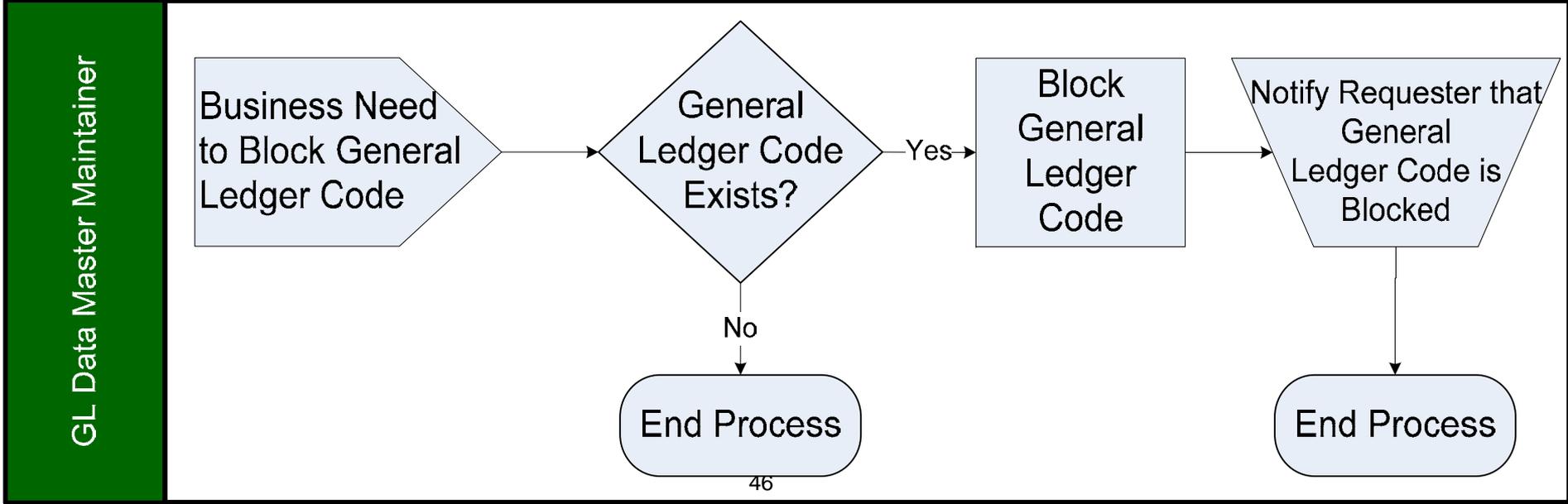


Master Data Processes: Block (Deactivate) GL Account Codes



The following are two examples of when the Block GL Account Process would be carried out:

- If Treasury indicates that the account is no longer used, then the GL account would be blocked from future postings
 - It is not permitted to block a GL Account without guidance from Treasury
- If an authorized user incorrectly creates an account or if the GL account was incorrectly maintained it would be blocked





Effects of Changes to Master Data Elements



Changes to master data records effect postings across FMMI:

- Changes to General Ledger Master Records can impact the entire FMMI system
- Incorrect General Ledger account master records generate incorrect financial statements
- Centralized management of all General Ledger master data by the General Ledger Master Data Maintainer prevents data corruption





Touchpoints



The following table outlines the key touchpoints between the Master Data Maintenance process and other business areas within FMMI:

Process	Touchpoint
Funds Management – Funds Management Master Data	<ul style="list-style-type: none"> Funds Management Data Maintainer needs to create the corresponding commitment item in the Funds Management module if a new GL account is created
Cost Management – Controlling Master Data	<ul style="list-style-type: none"> Controlling Master Data Maintainer posts a revenue or expense to the General Ledger, referencing a primary cost element and cost object which is required
Periodic Processing – Month-End Closing	<ul style="list-style-type: none"> Period-End Processor closes out accounts



Touchpoints Continued



Process	Touchpoint
Accounts Receivable – Customer Master Data	<ul style="list-style-type: none">■ Accounts Receivable Sales Order Processor creates sales orders which impacts the General Ledger■ Postings of invoices and the creation of billing documents impacts the General Ledger
Accounts Payable – Accounts Payable Payment Execution	<ul style="list-style-type: none">■ Approved invoices immediately posts to the General Ledger■ The Payment Processor may need to interact with the General Ledger Master Data Maintainer if the proper GL accounts are not created
Purchasing – Vendor Master Data	<ul style="list-style-type: none">■ Purchase Order direct account assignment, GL expense account, material group, and evaluation class drives General Ledger postings



Learning Checkpoint Question and Answer (Q&A)



- Now is your opportunity to see if you are learning the course material
- If you answer the questions incorrectly, please be sure to reference the course if you need more explanation about key concepts





Learning Checkpoint Question and Answer (Q&A)



1. **True/False:** GL Accounts can not be deleted if posting documents exist. (*True*)
2. **Fill in the Blank:** General Ledger Master data elements are centrally managed.
3. **True/False:** A field status group is required to establish a General Ledger account in FMMI? (*True*)



Learning Checkpoint Question and Answer (Q&A)



4. **True/False:** In FMMI the General Ledger account number is a 12 digit number. (**False**)
5. **Fill in the Blank:** Changes to the General Ledger account are managed centrally by the General Master Data Maintainer.



Module Summary



In this module, you have learned to:

- Explain the key General Ledger Master Data Maintenance terminology
- List the FMMI roles associated with the General Ledger Master Data Maintenance process
- Illustrate the process flow of General Ledger Master Data Maintenance business activities
- Explain key concepts
- Explain General Ledger Master Data activities
- Explain the effects of changes made to General Ledger master data elements
- Explain touchpoints with other areas





Module Completion



Congratulations! You have completed Module 2 –General Ledger Master Data Maintenance Process. The next module will provide you an overview of the Managing General Ledger Postings in FMFI.





Course Outline



- Introduction Module
- Module 1 – General Ledger Overview
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Welcome to Module 3: Manage General Ledger Postings



- This module will provide you an overview of the Manage General Ledger Postings process
- Proceed to each new page by clicking the **Next** button when you have finished reading the content on a page
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- When you are finished with the Module, click **Exit** to mark the module complete and return to AgLearn





Objectives



After completing this module, you will be able to:

- List the key Manage General Ledger Postings terminology
- Describe the FMMI Roles associated with the Manage General Ledger Postings process
- Illustrate the process flow of the Manage General Ledger Postings activities
- Explain the key concepts
- Explain Adjustment and Accruals process in FMMI
- Explain Recurring Entries process in FMMI
- Explain touchpoints with other process areas





Key Terminology



Review the following terms and definitions before beginning the Managing General Ledger Postings Process module:

- **Accounting Document** = An accounting document consists of one or more line items and links the business transaction to the posting in the General Ledger
- **Adjustment Posting** = Additional posting for one or more business transactions already posted in the General Ledger
- **Document Number** = The key FMMI uses to access the accounting document
- **Document Type** = Classifies accounting documents and determines the document's posting location. An example of a document type is AA = Asset Posting
- **Interface Postings** = Posting entries related to interface transactions



FMMI User Roles



The FMMI Managing General Ledger Postings process includes the following roles:

Role Name	Function
General Ledger Processor	<ul style="list-style-type: none"> ■ Manages accruals process in FMMI on a periodic bases ■ Creates/change parked G/L Account Documents which will be approved by G/L Approver ■ Execute recurring entries
General Ledger Approver	<ul style="list-style-type: none"> ■ Manages the approval and posting of parked G/L Account Documents
General Ledger Administrator	<ul style="list-style-type: none"> ■ Creates, changes, and reverses G/L Account Documents, thus processing direct postings to the General Ledger

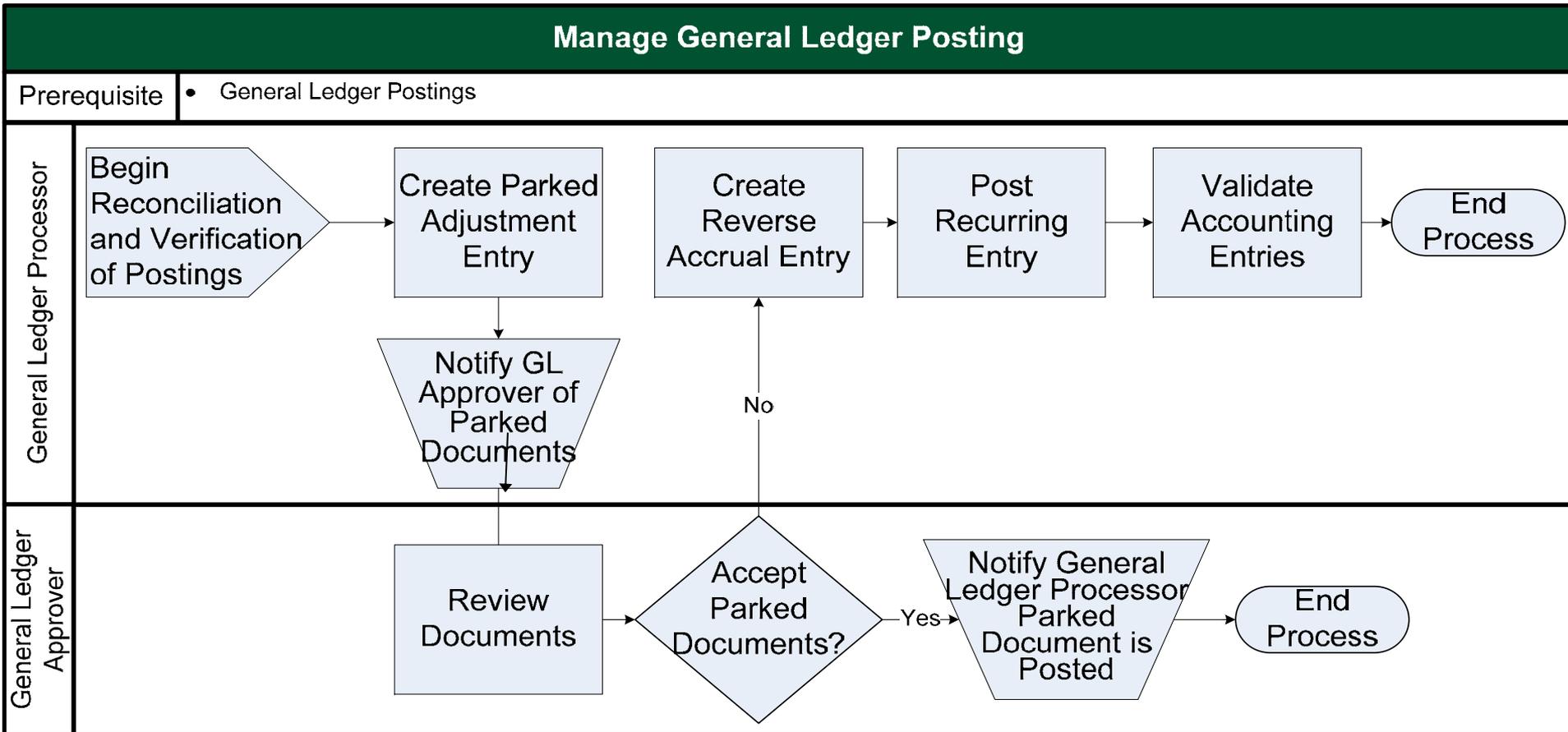




Manage General Ledger Posting Flow



This process flow outlines the key activities related to the Managing General Ledger Postings for reconciliation and verification:

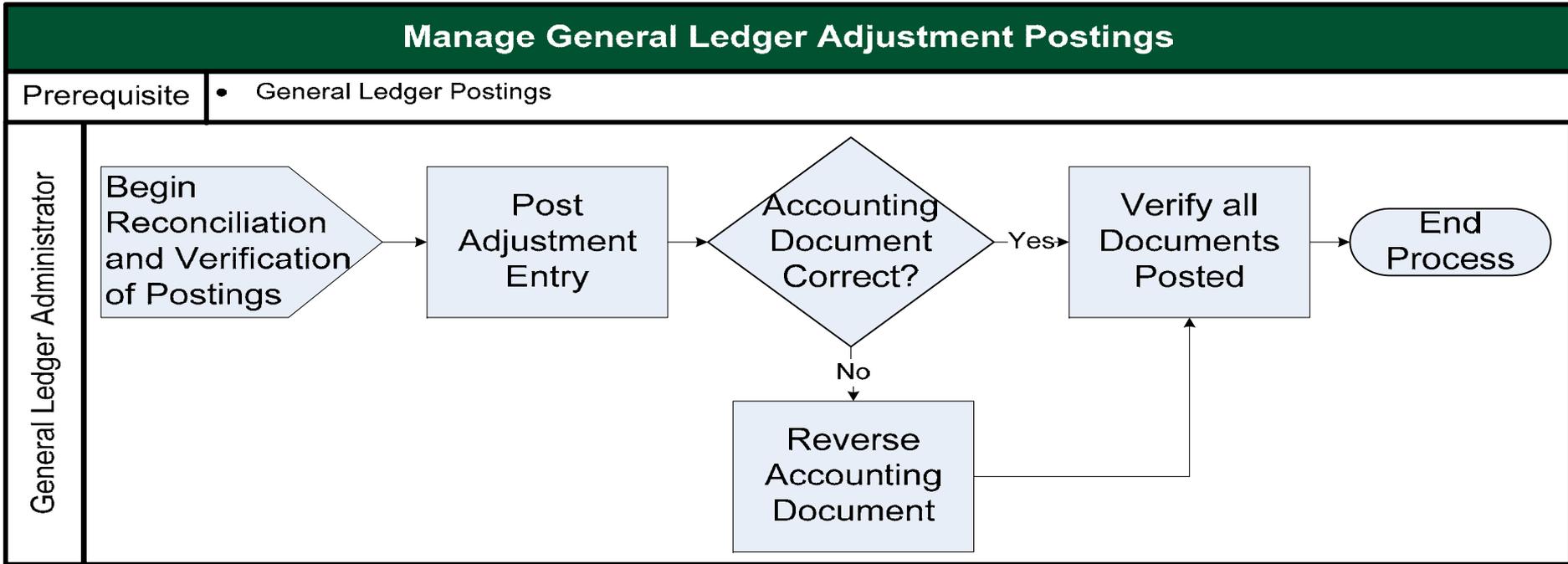




Manage General Ledger Adjustment Postings Flow



This process flow outlines the key processes area related to the Managing General Ledger Adjustment Postings process:





Key Concepts



The General Ledger Processor is responsible for performing activities related to General Ledger adjustments and accruals and has access to manage the information on parked General Ledger Account Documents.

- The General Ledger Approver approves and posts parked General Ledger account documents created by the General Ledger Processor
- After the General Ledger Administrator creates the recurring entry document, the General Ledger Processor can execute recurring documents to be posted
- The General Ledger Administrator is responsible for performing activities related to the execution of the General Ledger processes
- General Ledger account documents are automatically created at the completion of a business transaction that posts the corresponding information to the General Ledger



Key Concepts Continued



- The General Ledger Administrator has access to create, change, edit, and reverse General Ledger Account Documents, thus processing direct postings to the General Ledger
- General Ledger adjustments and accruals can be posted manually or via automated interfaces, such as payroll, CPAIS, or IAS
- The General Ledger Processor is able to manage the accruals process in FMMI on a periodic basis
- FMMI allows creation of manual accrual entries that can be captured for future periods
- Parameters for recurring entries capture start and end dates and posting frequency (monthly, quarterly, or specified number of days) for recurring entries and reversals
 - FMMI has the capability to capture the start and end dates, posting frequency of recurring entries, reversals, and accruals via a single transaction code



Manage General Ledger Transaction Postings



- Transactional posting within the General Ledger (i.e. standard voucher) can include the following postings:
 - Postings to record audit adjustments
 - Adjustment postings to correct previously posted transactions
 - Reversal of documents
 - Certain recurring transactions and interface postings
- This process is comprised of the following process areas:
 - Maintain General Ledger accruals and adjustments
 - General Ledger recurring entries



Adjustments and Accruals



As part of the monthly activities, various transactions such as accruals and General Ledger adjustments are recorded and processed.

- General Ledger Adjustment entry is a corrective action in FMMI to an accounting error identified as a result of reconciliation or other detailed analysis
- This adjustment is processed as a direct entry into FMMI using a standard transaction code (Enter General Ledger Account Document)
- The accrual entry is processed as a direct entry into FMMI using a standard transaction code (Enter Accrual /Deferral Document)
 - This transaction requires a reversal date and reason code



Adjustments and Accruals Activities



The General Ledger adjustments, accruals, and recurring activity comprises the following tasks that are performed by the General Ledger Processor, General Ledger Approver, and General Ledger Administrator.

- Review Interface Logs / Interfaces from other systems (e.g. Integrated Acquisition System (IAS), Payroll, GovTrip)
- Create Parked Adjustment Entries
- Create / Reverse Accrual Entries
- List / Post Recurring Entries
- Review, Review, or Post Parked Documents
- Create Adjustment Entries
- Reverse Accounting Documents Created Incorrectly
- Review and Validate Accounting Postings
- Create adjustment entry



Adjustments



The following Adjustment process pertains to the Managing General Ledger Postings and is executed by the General Ledger Processor.

- Adjustments

- Use a General Ledger adjustment entry in FMMI to correct an accounting error identified during reconciliation or other detailed analysis
- Process an adjustment as a direct entry in FMMI
- Post a standard voucher in situations where the correction of an amount or coding of a completed financial transaction is needed
- In FMMI a journal voucher may also be used to process reallocations of expenses, such as recharge transactions, and to transfer or redistribute budgetary allocations



Accruals



The General Ledger Processor manages the accrual entry and reversal activities.

- Accruals accounting requires the recognition of revenues and expenditures in the period in which they occur
 - Regardless of whether payment, billing, or cash receipt occurs
 - Revenue accruals record revenue earned in the current period but not yet billed, or in the case of cash sales, cash not received
 - Expenditure accruals record goods or services acquired in the current period for which a payment has not yet been issued



Recurring Entries



The General Ledger Administrator uses the recurring entries functionality to automatically post regularly recurring business transactions.

- A recurring entry is used to record business event transactions that occur in regularly scheduled intervals
 - Posting a fixed depreciation amount on the first day of each month over the course of a fiscal year is an example of a recurring entry
- In general, recurring entries are used for consistent, repeated account postings in which little or no data changes for each posting



Recurring Entries Continued



The General Ledger Administrator defines a recurring entry document in the General Ledger to establish a recurring entry agreement in the system.

- The recurring entry document represents details of the billing agreement such as billing amounts, GL/accounting information, payment terms, posting schedule, etc.
- The GL is automatically updated based on transactions performed in Accounts Receivable (AR) and Accounts Payable (AP)
- The following data remains consistent in recurring entries:
 - Posting key
 - General Ledger accounting document
 - Billing amount



FMMI Recurring Entry Document Types



■ Recurring Entries

- A separate Document Type may be set up to indicate the type of Recurring Entry
- The USDA-specified Document Types cannot be the same as the Standard FMMI Document Types

Proposed Document Type	Document Type Description
ZB	Insurance
ZD	Utilities
ZF	Rent
Any additional Document Types	Agency Specific



FMMI Specific Document Types



■ FMMI Interfaces

- Each FMMI Interface posts using a USDA-specified Document Type
- The USDA-specified Document Types cannot be the same as Standard FMMI Document Type

Proposed Document Type	Document Type Description
ZI	IAS - Procurement
ZE	Payroll - Payroll
ZA	ACRWS - Reconciliation
ZG	GovTrip - Travel
ZT	TRVL - Relocation
ZM	SmartPay II - Purchase Card
ZC	CPAIS - Asset Accounting



Touchpoints



The following table outlines the key touchpoints between the Managing General Ledger Postings process and other business areas within FMMI.

Process	Touchpoint
Accounts Receivable – Customer Master Data	<ul style="list-style-type: none"> Accounts Receivable Sales order processor creates sales orders which impacts the General Ledger Posting of invoices and the creation of billing documents impacts the General Ledger
Purchasing – Vendor Master Data	<ul style="list-style-type: none"> PO Direct account assignment, GL expense account, material group, and evaluation class drives GL postings
Periodic Processing – Month-End Closing	<ul style="list-style-type: none"> Period end processor will close out accounts



Learning Checkpoint Question and Answer (Q&A)



- Now is your opportunity to see if you are learning the course material
- If you answer the questions incorrectly, please be sure to reference the course if you need more explanation about key concepts





Learning Checkpoint Question and Answer (Q&A)



1. **True/False:** An example of a document type is AA = Asset Posting. (**True**)

2. **Multiple Choice:** Which of the following user roles in the FMMI Managing General Ledger Postings sub-process creates and changes parked G/L accounting documents?
 - a. General Ledger Administrator
 - b. General Ledger Master Data Maintainer
 - c. General Ledger Processor
 - d. **Both A and C**

3. **True/False:** General Ledger adjustment and accruals can be posted manually or by automated interfaces in FMMI? (**True**)



Learning Checkpoint Question and Answer (Q&A)



4. **True/False:** In FMFI, does the Document Type ZG represent GovTrip? (**True**)

5. **Fill in the Blank:** In FMFI, a journal voucher may also be used to process reallocations of expenses, such as recharge transactions, and to transfer or redistribute budgetary allocations



Module Summary



In this module, you have learned to:

- List the key Manage General Ledger Postings terminology
- List the FMMI Roles associated with the Manage General Ledger Postings process
- Explain the process flow of Manage General Ledger Postings activities
- Explain the key concepts
- Explain Adjustment and Accruals process in FMMI
- Explain Recurring Entries process in FMMI
- Explain touchpoints with other process





Module Completion



Congratulations! You have completed Module 3 – Manage General Ledger Postings process. The next module will provide you a course summary.





Course Outline



- Introduction Module
- Module 1 – General Ledger Overview
- Module 2 – Maintain General Ledger Master Data
- Module 3 – Manage General Ledger Postings
- **Course Summary**
- Course Evaluation



Course Summary



After completing this course, you will be able to:

- List key General Ledger terminology
- Illustrate the process flows associated with the General Ledger process
- Explain high level General Ledger processes
- Explain the FMMI roles required to perform the General Ledger process
 - Maintain General Ledger Master Data
 - Manage General Ledger Postings
- Explain how other business areas interact with the General Ledger process
- Explain touchpoints with other process areas
- Provide examples of the FMMI standard reports



Course Completion



Congratulations, you have completed :

FMMI 202- General Ledger Overview

To ensure that your FMMI training curriculum is updated and you receive credit for completing the course, please click the link below to complete the course completion form.

[Course Completion](#)





Course Outline



- Introduction Module
- Module 1 – General Ledger Overview
- Module 2 – Maintain General Ledger Master Data
- Module 3 – Manage General Ledger Postings
- Course Summary
- **Course Evaluation**



Course Evaluation



- In our efforts to continuously improve FMMI Training, please complete the course evaluation
- The FMMI team uses the results of evaluations to determine the overall effectiveness of the training program and to identify improvements for future sessions
 - Your answers will remain confidential but you may also provide your name if desired
- The evaluation can be accessed at the following link:

[Course Survey](#)

