Use accrual mode for subscriptions that span multiple budget periods

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Discover how to use accrual mode to automatically distribute the cost of subscription items across budget periods.

Overview

Accrual mode allows you to split the cost of order and invoice items over multiple budget periods. When accrual mode is enabled on an item, the cost of that item is distributed automatically across the budget periods, proportional to the number of days that fall within each budget period. However, the later budget periods will not be encumbered or expended until the first budget period is closed. The money is listed as a future encumbrance or pre-paid expense on the first budget period until that budget is closed.

Important notes about accrual mode

- In order to enable accrual mode on an order item:
  - The Acquisition Type must be set to Subscription
  - The Processing Type cannot be Monographic Series.
  - Start and end dates are required.
  - The budget period of the order item must be enabled and must match the start date of that item.
- When invoicing accrual mode order items, please remember:
  - Once an item has been invoiced, you cannot disable accrual mode for that item.
  - Items with accrual mode enabled cannot be invoiced partially but must be invoiced in full, if invoiced.
  - If you change the start or end dates of the subscription item after paying, the invoice item will still use the original dates.
  - If a subscription has partial invoice items, you cannot enable accrual mode for that item.
  - If you want to pay for an order item with a percentage, you must disable accrual mode on that item.
- When closing a budget with accrual mode order items, please remember:
  - If you close a budget without paying for an accrual mode item, the entire encumbrance will move to the next budget period.
  - You will receive a warning message if you attempt to close a budget that has accrual mode items that have not be paid yet, or unpaid invoice items that are using accrual mode.
  - If an accrual mode item uses a fund in the current budget period, the same fund will be used when the next budget period is encumbered or expended.
- If an accrual mode item uses a fund in the current budget period, the fund used in the next budget period will be chosen based on the fund mapped in the Close Budget dialog. This defaults to the fund with the same fund code in the next budget period, but a different fund can be chosen. Care should be taken when selecting the fund in the fund-mapping dialog when closing the budget.
Enable accrual mode on a subscription order item

(Optional) Set an accrual threshold

The accrual mode threshold feature allows you to set a maximum amount of funds to be allocated to a single subscription order item. If you attempt to place an order including a subscription order item that costs more than the accrual threshold, you will receive a message warning you that you are about to exceed your threshold and may want to enable accrual mode for the subscription item.

1. From Settings in the left navigation, click on Administration > Optional Features.
2. Enter a maximum amount in the Accrual Mode Threshold box, or leave blank to disable.

Add accrual mode items to an order

1. Use Discover Items to search WorldCat for print or other physical format monographs and serials.
2. From the search results, find the subscription item you want to order and click Add to > Order.
3. From the Add Item to Order dialog window, select the following settings:
   ◦ Acquisition Type - Subscription
   ◦ Processing Type - Electronic Product, Serial or Monograph
   ◦ Add a start and end date for the subscription.
     Note: The start and end dates must fall within or before your enabled budget periods.
4. (Optional) Add any additional information about the item (ISBN, Period, Start Date, and/or End Date) or apply a template (available for orders only). From the Apply Order Template list, click the template you want to apply.
5. Find the existing order to which you want to add the subscription item, or create a new order.
6. Click Add to add the subscription to the order.
7. Click Close.

Enable accrual mode on order items

You can enable or disable accrual mode on an order item from one of the following screens:

• Order Item Details screen:

   1. In the left navigation, navigate to Orders > Order Items > Search > Title.
   2. Click the Title to view or edit the order item.
   3. From the Budget/Fund tab, click Enabled for Accrual Mode.
      Note: The Accrual Mode Encumbrances table will display at the bottom of the Budget/Fund tab. Information contained in this table includes:
      ◦ Order amount
      ◦ Amount encumbered in the selected budget period
      ◦ Future Encumbrance, or the portion of the order amount not encumbered in the current budget period
but reserved for the next budget period
4. Select a fund for your order item.
5. Click Save.

Or

- Order Details screen:

1. In the left navigation, navigate to one of the following Orders > Orders > Search > Order Name.
2. Click the Order Name to view or edit the order.
3. From the Budget/Fund column for an item, click Assign multiple budgets/funds.
4. Click Enabled for Accrual Mode.
5. Select a fund for your order item.
6. Click Save.

Invoice accrual mode items

1. Using Receive and Invoice in the left navigation, find your ordered accrual mode item(s) to invoice.
2. Create a new invoice or select an existing invoice and add your accrual mode item(s).
3. In the Invoiced column, click Add to Invoice. The Add Item to Invoice dialog window will appear, noting that only full invoicing is allowed for accrual mode order items. The Pay Option Pay in full is selected by default.
4. Click Add in the Add Item to Invoice window.
5. Navigate to the invoice page and click on Assign multiple budgets/funds to choose a fund on an invoice.
   Note: The Accrual Mode Expenditures table will display in the Assign multiple budgets/funds dialog. This table displays how much is expended in the current budget as well as the pre-paid expense. These values can also be viewed by enabling the To be expended and To be prepaid columns when you search and filter invoice items.