UNANET GOVCON:
USING BILLING AND REVENUE PROCESS MANAGEMENT

PARTICIPANT GUIDE

Last Revised April 2023

Table of Contents

ABOUT THIS PARTICIPANT GUIDE

This document serves as a supplement to the training courses offered through Unanet University at **www.unanetuniversity.com**. Participants should use this workbook to complete activities while attending the course. Additionally, participants should record notes and actions for reference when working within their own Unanet system.

Symbols used in this guide

Activity	Demonstration	Important Note	Question	Tour
A hands-on practical exercise that will be completed by participants	An instructor-guided detailed review of features or processes	A callout of critical information related to a topic	Assesses participants' understanding of a topic	A high-level review of system features or functionality by the instructor

Unanet Contact Information

Send questions to **VirtualUU@unanet.com** for information about courses, course schedules, enrollments, and certifications. This is a mailbox that is monitored daily.

Unanet Certification Program and Badges

For more information on the Unanet Certification Program, **click here**.

Support Portal

Use Unanet's Support Portal **support.unanet.com** to access product reference articles and FAQs. To obtain a Support Portal ID, send an email to **support@unanet.com** with the subject "Support Portal ID request".

The following conditions must be met to be granted a support account:
- The "from" address must match the domain of your company
- It must NOT be a generic email account (e.g., gmail.com)

COURSE INTRODUCTION

Unanet Financial users will complete the billing process as performed by the Unanet Billing Manager including posting and invoicing and use reporting to analyze revenue recognition for Time and Materials (T&M), Fixed Priced (FP), and Cost Plus (CP) contracts.

Recommended roles: Billing Manager, AR Manager

Learning Objectives

In this course, **Unanet GovCon: Billing & Revenue Process Management** participants will:

- Analyze and perform the various steps of the Billing Process

- Identify the Unanet roles and responsibilities required for the Billing Process

- Review Customer Organization information used for Billing Process

- Review Project Level Billing Invoice Setup per contract specifications for Billing Process

- Recognize the requirements and decisions involved to properly perform the Billing & Revenue Post

- Differentiate the various procedures and options used to create, process, complete (post), and send Customer Invoices for various contract types

- Analyze revenue recognition for each billable contract type

- Apply invoice adjustments and analyze impact to billing and revenue

- Determine which Billing & Revenue reports to use to ensure accurate transaction processing

Student Training Site

A Unanet training system has been specifically created to support this course. The system is configured around a fictional GovCon company named MyCo. The activities, and accompanying simulations, reference MyCo, its related internal and external organizations, and business processes.

Roles & Access

Unanet is a role-based system which provides security and access based on the roles assigned to the user by the System Administrator. It is helpful to be familiar with Unanet's roles and the access that comes with each unique role. Users may find the need to be assigned a combination of roles in order to perform various job functions.

During this course, students will be instructed to log in to Unanet utilizing specific user personas which contain the appropriate roles in order to access and complete the required activities.

Please note, the password is case sensitive; username is not.

	Unanet Role	Name	Unanet login Username	Password
Customer Invoice Manager	**Billing Manager** **Bill Rate Manager** – to see bill rates and amounts **Project Viewer** - to view the Project Transaction Report	Cindy Invoice	**cinvoice**	**welcome**
Customer Invoice Approver	**AR Manager** **Billing Viewer**	David User	**duser1**	**welcome**

LESSON 1: BILLING PROCESS OVERVIEW

Learning Objectives

- Analyze the various steps of the Billing Process
- Identify the user roles and responsibilities required for the Billing Process

Introduction

The Billing Process (Customer Invoicing) represents the procedures involved in collecting information needed to create and issue invoices to customers. Customer Invoices are business documents that enable companies to get paid for their goods and services provided. It is critical to understand the process flow and which roles are able to perform the various steps to help maintain cash flow and ensure the goods or services provided are paid for by the Customer in a timely manner.

🖥 Lesson 1 Overview Video (for SDL only)

Billing Process Flow

The Billing Process can be separated into two main sections:

1. **Ongoing Business** where the Customer, its Profile, and Billable Projects are configured for the use of charging time and expenses on them.
2. **Responsibility of a Billing Manager** to gather billable items, place them on a Customer's invoice, and send the invoice to the Customer for payment.
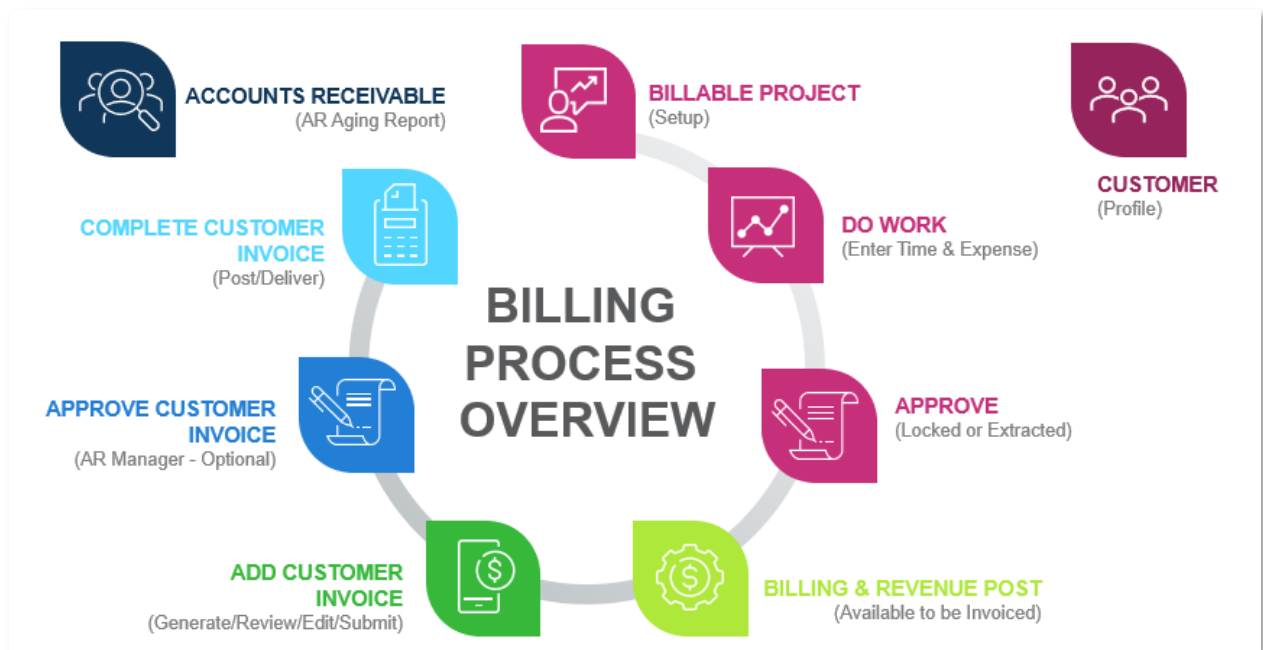
Unanet Role - Billing Manager

Unanet is a role-based system which provides security and access based on the roles assigned to the user by the System Administrator. It is helpful to be familiar with Unanet's roles and the access that comes with each unique role. Users may find the need to be assigned a combination of roles in order to perform various job functions.

Unanet controls the permissions of what a user has access to do and see through a combination of Role selections and Access settings. A user can view their assigned Roles, and other settings, in their Profile under My Account.

Navigate: My Account (upper right-hand corner) > Preferences > Profile > Roles

Responsibility of a Billing Manager is to gather billable items through performing the Billing & Revenue Post, create/edit/submit/complete a Customer's invoice from the billable items, and send the invoice to the Customer for payment (creates Accounts Receivable).
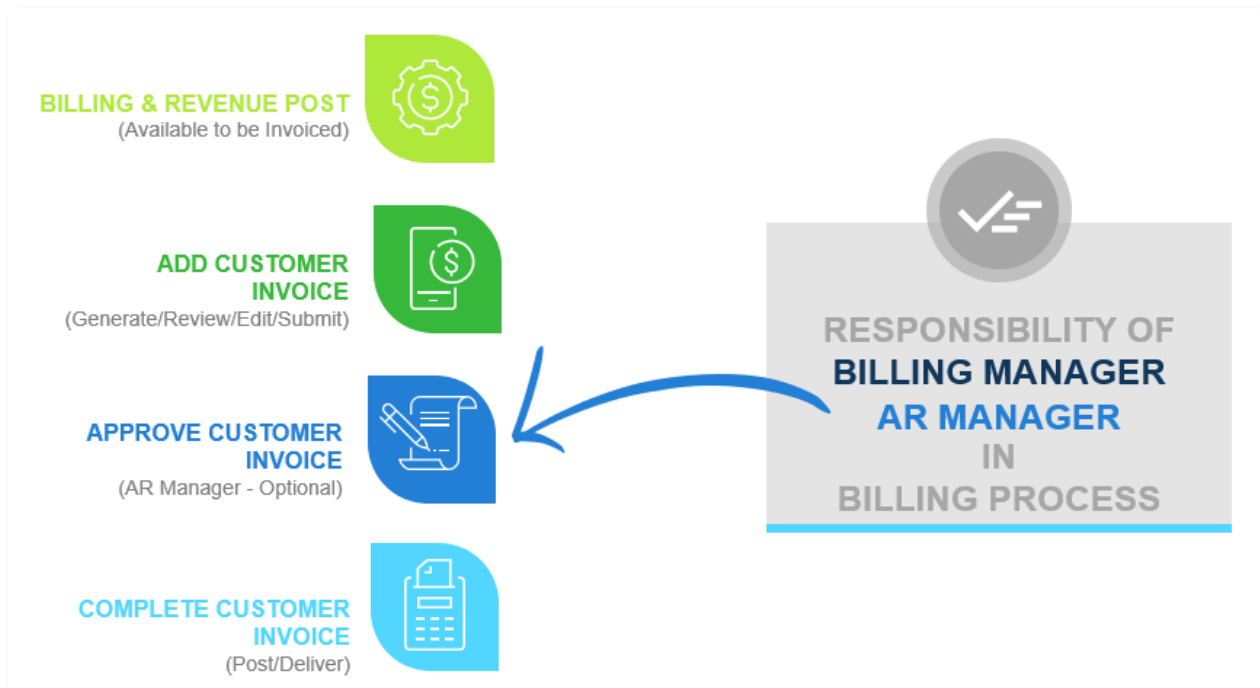
Along with the responsibilities in the Billing Process Overview, the Billing Manager role has additional access to add/edit Organization Contacts, Addresses, and Project level Billing menu. Access to the Project level Billing menu

BILLING MANAGER ROLE OVERVIEW

- Billing & Revenue Post

- Customer Invoice:
  - ✓ Add/Generate
  - ✓ Edit/Customize
  - ✓ Submit

- Customer Invoice:
  - ✓ Complete
  - ✓ Deliver
  - ✓ Void

- View/Execute Reports:
  - ✓ Project Accounting
  - ✓ Accounts Receivable Aging

- View Organizations
  - ✓ Edit Contacts/Address
  - ✓ Default Bill To, Ship To, Remit To

- View Project Information

- Add/Edit Project Level Billing Menu
  - ✓ Invoice Setup
  - ✓ Fixed Price Items

Activity 1.1 Access for Unanet Role of Billing Manager

Activity Steps:
a.   **Login** to your student site as the Billing Manager, **Cindy Invoice**
   - **Username:**   **cinvoice**
   - **Password:**   **welcome**

b.   **Navigate**: My Account (upper right-hand corner) > Preferences > Profile > Roles to confirm Cindy Invoice has the appropriate assigned roles.

c.   **Navigate**: Reports > Dashboard to confirm Cindy Invoice (as the Billing Manager) has access to the Financial Accounts Receivable Aging report.

Check Your Understanding

1. What are the main areas of responsibility in the Billing Process for the role of the Billing Manager?
   a) Billing & Revenue Post, Add Invoice, Complete Invoice, and Accounts Receivable Aging
   b) Approving Timesheets, Billing & Revenue Post, and Add Invoice
   c) Billing & Revenue Post and Accounts Receivable Aging

2. What Unanet procedure involves the collecting of data and information needed to create and issue invoices to customers?
   a) Collections for past due payments
   b) Billing process
   c) Vendor payments

3. Although the role of the Billing Manager can only view the majority of a Project's configuration areas, what Project level menu area can a Billing Manager add/edit?
   a) Accounting
   b) Budget
   c) Project level Billing Accounting

4. What are business documents that enable companies to get paid for their goods and services provided to their customers?
   a) Vendor Invoices
   b) Customer Invoices
   c) Checks

5. What does Unanet use for security and to control the permissions of what a user has access to do and see?
   a) Roles assigned to the user by the System Administrator
   b) There is nothing used to control the permissions of a user
   c) Roles assigned by the user

6. Where can a user view their assigned Roles, and other profile settings?
   a) In their Profile under the Organization menu
   b) In their Profile under the Contracts menu for Project Profile
   c) In their Profile under My Account

Refer to Appendix A for answers to the Check Your Understanding questions

LESSON 2: CUSTOMER INVOICING IN UNANET

Learning Objectives

- Review Customer Organization information used for Billing Process
- Review Project Billing Invoice Setup per contract specifications for Billing Process

Introduction

There are three types of Organizations in Unanet Financial, Customer, and Vendor. Any entity you intend to receive payments from will need to be defined in Unanet as a **Customer Organization** with an active Customer profile associated to it.

All reporting of time and expense and resource planning must be performed against (charged to) what is called a **Project** in Unanet. Therefore, Customers and their Projects must be established in order to track direct billable time, expenses, and indirect cost (overhead, general & administration, fringe, etc.) for total project costing. This is considered to be ongoing business processes to configure a Customer Organization, its Profile, and associated billable projects into the system in order for time and expenses to be charged against it. As well as establishing a fixed priced item or schedule.

Lesson 2 Overview Video (for SDL only)

Ongoing Business Processes:
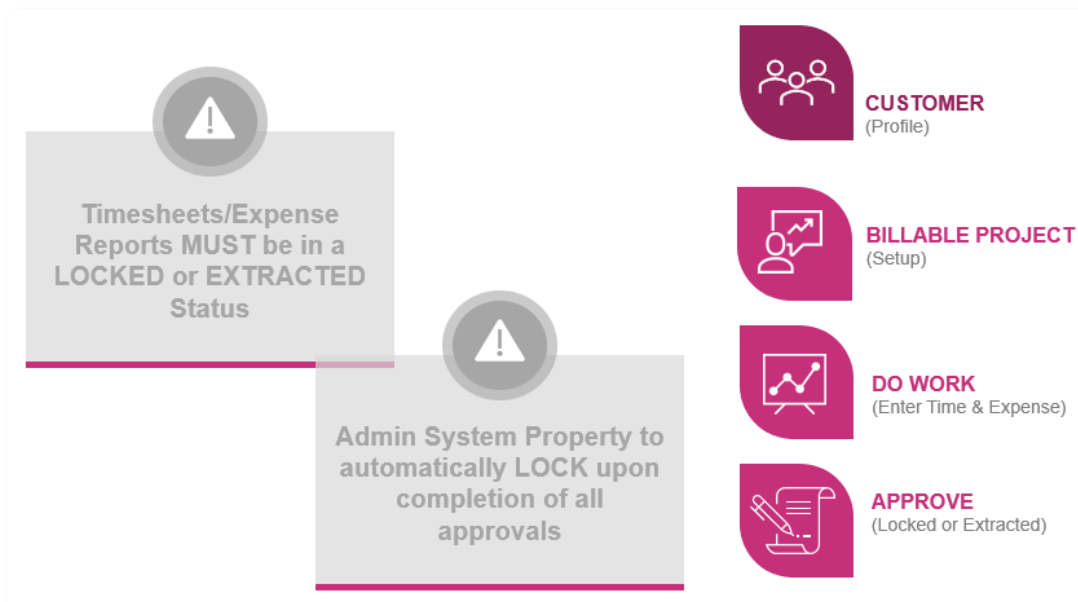
Customer - Project Organization

Each Unanet project must be associated with a Project Organization which represents a Customer.

Navigate: Organizations > List > Pencil Icon (to edit)

Billing Managers have access to input contact and address information into an Organization profile via the Organizations dashboard. Contact Name, Email, and Organization Addresses must be entered prior to completing the Project Setup for Billing & Invoicing. This information is then selectable in the project profile and when creating the Customer Invoice.

Unanet requires Customer Invoices to have a Bill To address and a Remit To address as per the customer's contract or agreement.

Assign Default Contact/Address For:

- **Bill To:** Project Organization (Customer) – where the invoice is sent
- **Remit To:** Owning Organization (Financial Organization) - where the customer is to send their payment for the invoice (AR Dept)
- **Ship To:** Project Organization (Customer) - OPTIONAL

Project Setup

The billable Project and all of its properties are inputted into Unanet according to the signed contract. The role of the Billing Manager has access to view the project information.

Navigate: Contracts > Project > List > Magnifying glass (to View) or Pencil icon (to Edit)

Project Level Billing Configuration

The Billing Manager has access to enter and modify data in the Project level Billing screens. This information must be established for a project to participate in the posting and billing processes.

Project Level – Billing

The setup for the overall invoice and payment options for the project's invoices is found under the Billing menu. The Billing menu is also used to define a Fixed Price project's billing schedule and associated revenue recognition management.

Navigate: Contracts > Project > List > Edit Pencil Icon > Billing (left side menu)

The Billing menu has several sub-menu options used to manage Billing information for a project.

Invoice Setup: Setup Tab / Contacts / Additional Invoice Formats / Other

Project Billing Invoice Setup:

Setup Tab: one overarching control on the Setup tab is the **Generate Unanet Invoices checkbox**. This box designates whether a Unanet invoice will be created for a project. For example, if a project is newly created and not authorized to bill, this box may not be selected. Once this item has been checked, several other attributes on the invoice setup tabs will be required.

> **Approval Group:** projects within the Approval Group are assigned within the project billing invoice setup. Approvers assigned to the group must have the AR Manager role.

> **Standalone Project vs Invoice Groups:** need to define whether a project is being invoiced as stand-alone or whether it participates in an Invoice Group. An Invoice Group is a group of projects that are to be invoiced together. Participants in an Invoice Group include at a minimum, a Lead Project, and optionally additional Contributor Projects. Invoice setup details will be determined by the configuration established on the Lead Project and thus many of the setup options will be disabled when editing a Contributor project.

> **Payment / Invoice Options:** required fields for Primary Invoice Format, Invoice Number Format, and Payment Terms. The master list of available options is defined by the System Administrator.

Contacts Tab: default values for contacts and addresses are established at the Organization level. The *Bill To, Remit To* and *Ship To* can be designated. An Invoice signature can be selected to show a signer's electronic signature, if required. As well as the default for *Invoice Delivery Options*, print or email of invoices. If emailing, must have a valid email address and System Administrator must configure the system for email.

If the address values are blank on this screen, you must populate them in the Organizations dashboard. These selections can be overridden on an invoice-by-invoice basis when adding or editing an invoice.

Additional Invoice Formats Tab: are configured by the System Administrator in the Admin Setup area, and then selected at the Project profile level. When configuring the Invoice Setup, you are required to specify a Primary Invoice Format (on the Setup tab) and optionally specify one to many additional formats. When specifying additional formats, the invoice generation process will create the multiple invoices at once.

Other Tab: provide for the option of specifying additional information such as Invoice Header information and two freeform areas (Description and Invoice Memo).

Note*: that many of the attributes defined at the project level on these tabs can subsequently be modified on individual draft invoices*

Activity 2.1 Edit Project Level Billing Invoice Setup

Login as Cindy Invoice (Billing Manager) – *cinvoice / welcome*

Helpful Tip: when searching the Project Organization Code and Project Code, use the % (wildcard) along with Customer number and abbreviate the criteria as seen below to help narrow down the results for the projects used in this course:

Activity Steps:

a. **Navigate** to Contract > Project > List

- Enter the following criteria then **Select** List tab:

Project Organization:	CUST-3-UU3
Project:	TM-PROJ-BILLING-MGR

b. **Click** pencil icon then **Navigate** (on left side menu) to Billing > Invoice Setup

c. **Customize** the Invoice Setup using the following criteria:

Setup tab:	
Confirm:	
GENERATE UNANET INVOICE	Checkbox is marked
APPROVAL GROUP	Customer Invoice – Cust 3
INVOICING OPTIONS	Invoice as Standalone Project
PRIMARY INVOICE FORMAT	BR Class Format
Contacts tab:	
BILL TO	Madeline Lake
SHIP TO	Donnie Williams
INVOICE SIGNATURE	David User1
INVOICE DELIVERY OPTIONS (confirm/enter):	
Invoice Delivery Method	Email
E-mail Message	Invoice Transmittal
To Email address	AP@customer.com
Other tab:	
Description	"Contract Signed 02/20/21"

d. **Save**

Do Work and Charge Labor/Expense to a Billable Project

As work is performed, a user must enter their time/expense to the appropriate billable project. First the project must be assigned to the timesheet/expense user in order for the project to be available for selection from the dropdown list.

Approve Timesheets and Expense Reports

Any timesheet and expense report must be fully approved and in the LOCKED or EXTRACTED status in order to be included in the Billing Process of performing the Billing & Revenue Post. An Admin Property Settings can be set to LOCK upon completion of all approvals.

⚠ In the Project level Billing menu Setup tab, Generate Unanet Invoices checkbox designates whether a Unanet invoice will be created for a project

⚠ Any timesheet and expense report must be fully approved and in the LOCKED/EXTRACTED status in order to be included in the Billing Process

Check Your Understanding

1. In order for Customer invoices to be processed appropriately in Unanet, where are the default contact/address for the Bill To, assigned?
   a) Owning Organization
   b) Project Organization (Customer)
   c) Project Organization (Vendor)

2. On the Setup tab in the Project level Billing menu, what Invoice Options need to be defined when configuring a project to be available for invoicing?
   a) Invoice as a stand-alone project or part of an Invoice Group
   b) Additional Invoice Formats
   c) Contract Number

3. On the Setup tab in the Project level Billing menu, what are the terms used to define the specific projects involved in an Invoice Group?
   a) Direct/Indirect Project
   b) Project/Approver
   c) Lead/Contributor Project

4. In Unanet, what must all reporting of time and expense and resource planning be performed against (charged to)?
   a) A Bank account
   b) A Project
   c) A Role

5. What can be selected to show on the invoice as proof that a person, such as the project manager, has approved or signed off on the invoice?
   a) An Invoice signature
   b) An email address
   c) An option to include the contract number

6. Where can the setup for the overall invoice and payment options for the project's invoices be found?
   a) Under the Profile menu for a Project
   b) Under the Billing menu for both Project and Invoice
   c) Under the Billing menu for Project only

7. Which Admin System Property feature is suggested in order to automatically make timesheets and expenses reports available to be included in the Billing & Revenue Post?
   a) To LOCK them upon completion of all approvals
   b) To require approvals
   c) To allow self-assignments

8. Where is the setting found to select the Generate Unanet Invoices checkbox, which designates whether a Unanet invoice will be created for a project?
   a) Under the Customer's profile menu
   b) Under the Invoice's Billing menu
   c) Under the Project's Billing menu

Refer to Appendix A for answers to the Check Your Understanding questions

LESSON 3: BILLING MANAGER PROCESS STEPS

Learning Objectives

- Analyze and perform the various steps of the Billing Process
- Recognize the requirements and decisions involved to properly perform the Billing & Revenue Post
- Differentiate the various procedures and options used to create, process, complete (post), and send Customer Invoices for various contract types
  - Customer Invoice Approval Workflow (optional)
- Determine which Billing & Revenue reports to use to ensure accurate transaction processing
  - Accounts Receivable Aging

Introduction

It is critical to understand the various steps performed by the Billing Manager role for the Billing Process in Unanet. This lesson breaks apart the Billing Manager's process into a 5 Step approach which will be used to help evaluate revenue.

Lesson 3 Overview Video (for SDL only)
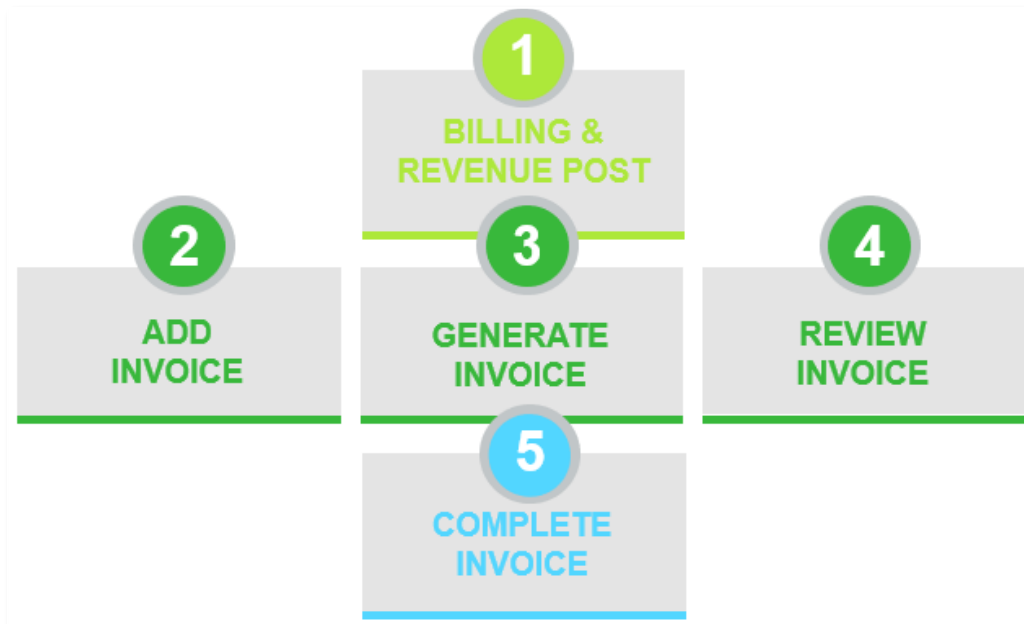
Step 1: Perform Billing & Revenue Post

Navigate: Financials > Invoicing & Posting > Billing & Revenue Post

What's Available to Bill? What Revenue will be posted?
Unanet's Billing & Revenue Post is the critical step where the software pulls all of the items ready to be invoiced together into one place. The system will also logically determine revenue entries to be recorded to either recognized or deferred revenue accounts. This is one of the most critical steps performed in Unanet by the Billing Manager as the transactions are posted to the relevant General Ledger accounts and must be performed in order to create a draft invoice.

Step 2: Add Invoice

Navigate: Financials > Invoicing & Posting > Add Invoice

In this step, the Billing Manager is searching/listing the available items that have been gathered from the Billing & Revenue Post. Items can be reviewed and selected to be Generated.

Note: To create a blank draft invoice for a customer invoice, on the Add Invoice Search page check the box in LIST OPTIONS for "Include Projects without unbilled data". The subsequent screen will allow you to create a blank draft invoice on which Additional Items can be included.

Step 3: Generate Invoice

Navigate: Add Invoice – List results click Generate Invoices button

In this step, the Billing Manager is creating a Customer Invoice in DRAFT status. There may only be one Customer Invoice in Draft, Submitted, or Approved statuses for a given project at one time.

Note: To check for any draft invoices for a customer, on the Add Invoice Search page check the box in LIST OPTIONS for "Include Projects with Draft invoice". The subsequent screen will include any invoices that have yet to be completed which is creating the reason as to why another invoice cannot be added.

Step 4: Review Invoice (Edit, Preview, Submit, and Approve)

Navigate: Financials > Invoicing & Posting > List Invoices

A draft invoice can be reviewed (magnifying glass icon), edited (pencil icon), deleted (trash can icon), then submitted (and approved, if applicable). A Customer Invoice will remain editable until it is Completed.

Customer Invoice Approval Workflow - This optional functionality, for Cloud Customers only, will insert an automated approval workflow into the billing process to permit authorized approvers with the role of AR Manager to approve customer invoices before they are Completed and issued. This requires System Properties for Customer Approvals to be turned on, Approval Group configuration, and the Approval Group selected in the project's billing level menu.

Step 5: Complete Invoice

Navigate: Financials > Invoicing & Posting > List Invoices

Once Customer invoices are in the **Approved** status, they can be **Completed** (circle with checkmark icon). Completing an invoice is a posting process to the general ledger. Once the invoice is Completed, it can be sent to the Customer (email or printed) and will now show on the Accounts Receivable Aging report to be monitored for collections.

Sample Customer Invoice:

Bill To:		Invoice Number:	UNANET-01194	
Attn: Madeline Lake		Invoice Date:	5/2/2021	
123 Anystreet		Billing Period:	From 4/1/2021 To 5/1/2021	
Anywhere CA 92111		Payment Terms:	Due on Receipt Due Date:	5/2/2021
USA				

INVOICE

Description		Current Period	Inception to Date
Contract Signed Date 02/20/21			
Project: CUST-3-UU3 TM-PROJ-BILLING-MGR TM PROJECT FOR BILLING MGR CLASS			
Funded Value: $18,000.00 **Remaining Funded Value:** $14,760.00			
Contract Signed Date 02/20/21			
T&M Expense			
Rental Car		$ 740.00	$ 740.00
Supplies / ODCs		$ 2,500.00	$ 2,500.00
Total for T&M Expense:		$ 3,240.00	$ 3,240.00
Total for Project CUST-3-UU3 TM-PROJ-BILLING-MGR TM PROJECT FOR BILLING MGR CLASS:		$ 3,240.00	$ 3,240.00
Please See Attached for Details			
Total Amount:		$ 3,240.00	$ 3,240.00
Total Amount Due This Invoice:		$ 3,240.00	
Total Amount Invoiced To Date:		$ 3,240.00	

Please See Attached for Details

Signature

David User1

Please remit payment to:
Attn: Frank Controller, General Services, 22970 Indian Creek Dr Suite 200, Dulles VA 20166

Activity 3.1 Perform Billing & Revenue Post and Create Customer Invoice
Login as Cindy Invoice (Billing Manager) – *cinvoice / welcome*

Activity Steps:
a. **Step 1: Perform the Billing & Revenue (B&R) Post**

   Navigate: Financials > Invoicing & Posting > Billing & Revenue Post
   Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	TM-PROJ-BILLING-MGR
Include Actuals Through:	2nd of Posting Month
Post Date*:	3rd of Posting Month
Fiscal Period:	Posting Period

b. **Step 2: Add the Invoice**

   Navigate: Financials > Invoicing & Posting > Add Invoice
   Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	TM-PROJ-BILLING-MGR
Through Date*:	3rd of Posting Month
Invoice Date:	5th of Posting Month
Post Date:	5th of Posting Month
Fiscal Period:	Posting Period

*Add Invoice Through Date is based on the **Post Date** used in B&R Post*

c. **Step 3: Generate the Invoice** – **Click** this button to create a draft invoice

d. **Click** List button (shortcut to List Invoice menu results)

Invoice Level Billing Configuration

The Invoice level billing configuration edits are available for the Billing Manager to make changes on a specific invoice. Many items can be selected and overridden from the data previously set at the Organization and/or Project levels. These selections can be overridden on an invoice-by-invoice basis when adding or editing an invoice. As previously mentioned, the Billing Manager also has access to these same Invoice Setup screens at the Project level Billing menu within each project.

Invoice Setup:

Setup Tab: includes various settings from the project level that can be overridden such as Payment terms for the individual invoice.

Note: Invoice date combined with the Payment Terms value for the invoice will determine the invoice due date and will be used to calculate any discounts that may apply.

Contacts Tab: includes where you can override the designated *Bill To* and *Remit To* Contact and addresses for an invoice. If the address values are blank on this screen, you must populate them from the Organizations dashboard. Invoice Signature and Invoice Delivery Options can also be selected.

Additional Invoice Formats Tab: includes the list of available invoice formats (created by the System Administrator) in which Billing Managers will be able to select from for an invoice.

Other Tab: provide for the option of specifying additional information such as Invoice Header details, Description, and Invoice Memo.

Attachments:

Attachments can be uploaded and associated with the timesheet or overall expense report as well as to an individual line item in the expense report.

Invoice – Choose to Preview Timesheets and/or Expense Reports to see the supporting information to be included with the invoice. This creates a detail report of the charges included on the invoice that can be saved, attached, and sent along with the invoice. It creates a modified version of:

- Timesheets – Timesheet Status report
- Expense Reports – Expense Status report information and the attached receipts

Expense Receipts – (if applicable) a listing of attachments is displayed. Each line item shows the associated EXPENSE REPORT number, the FILE NAME/ SIZE, the associated PROJECT(s), and a selection to EMAIL WITH INVOICE.

*Note: Admin Property to use one project per expense report

Activity 3.2 Review and Edit Invoice Setup on Customer Invoice
Login as Cindy Invoice (Billing Manager) – *cinvoice / welcome*

Activity Steps:
Step 4: Review Invoice (Edit, Preview, and Submit) created in previous Activity

a. **Click** pencil icon then **Navigate** to Invoice > Invoice Setup (left side menu)
    Customize the Invoice Setup using the following criteria:

Setup tab:	
Billing Period From Date	1st of Previous Posting Month
Payment Terms	Due on Receipt
Contacts tab:	
Ship To	Choose the blank selection under name and address to remove shipping contact from this Invoice
Confirm signature and email settings	
Additional Invoice Format tab:	
Select from Available (left side) and click Move Right icon so it appears under Invoice Formats (right side)	A Standard Detail Invoice
Other tab:	
Description	Delete "Contract Signed 02/20/21"
Invoice Memo	"Please See Attached for Details"

b. **Save**

c. To Include **Attachments**, on the left side menu, **Select** Attachments >
    - **Select** Invoice then Click Preview Expense Reports to create an Expense Status report
        - **Download/Save** to computer
        - **Click** Browse and Choose File to Attach to the Invoice
        - **Save** and Confirm the file is selected to Email With Invoice
    - **Select** Expense Receipts (may need to Click Refresh Expense Receipts)
        - Confirm the receipts are selected to Email With Invoice
        - **Save**

d. **Select Invoice Print Preview** to see the results of the customization and 2 Invoice Formats (Primary and Additional) presented

e. **Safe** for **Review/Approval? Select Invoice Review** then **SUBMIT**. The invoice is now in Submitted status awaiting Approval

f. **LOGOUT as Cindy Invoice, Billing Manager**

Activity 3.3 Review and Approve Customer Invoice
Login as David User1 (AR Manager) – *duser1 / welcome*

Activity Steps:

a. **LOGIN as David User, AR Manager**

b. **Step 4: Review Invoice (Approve)** submitted in previous Activity

c. **Navigate:** Financials > Accounts Receivable > Approvals (or from Home Dashboard), under AR Manager Approvals, **Select** magnifying glass on Customer invoice to Review

d. **Review** then **Select APPROVE** (the invoice is now in Approved status and can be Completed)

e. **LOGOUT as David User, AR Manager**

Activity 3.4 Complete Customer Invoice
Login as Cindy Invoice (Billing Manager) – *cinvoice / welcome*

Activity Steps:

a. **LOGIN as Cindy Invoice, Billing Manager**

b. **Navigate**: Financials > Invoicing & Posting > List Invoice

   Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	TM-PROJ-BILLING-MGR
Invoice Date:	Date Range of Posting Month
Invoice Status:	Approved Completed

c. **Step 5: Complete the Invoice** – **Select** circle with checkmark icon to Complete (to Post) the invoice which can now be sent to the customer.

Invoice Delivery

Customer Invoices can be delivered as PDF via email or printed out and sent by mail.

List Invoices:

Navigate: Financials > Invoice & Posting > List Invoices

The List Invoices screen is used to view, edit, delete, complete, void, un-complete, print or email existing invoices. The resulting list of invoices presents summary information about each invoice, including amount, payment terms, invoice date, by whom and when an invoice was created, completed, extracted, printed, or emailed.

Invoice Delivery Options:

When selecting one of the Invoice Delivery Method options on the Search tab, the resulting list will include a series of leading check boxes and either an Email or Print button. The invoice will be generated into a PDF formatted file available for print or available as an attachment to an email. The filename will be invoice_number.pdf.

Email Invoices:

A valid To email address must be set on the project profile contacts tab. **System Administrator must set the properties to enable email** with a valid FROM email as well as configure the settings for the email message. Only valid (not voided) completed invoices can be emailed.

Printing Invoices:

Invoices can be printed regardless of status, including voided. To print numerous Invoices together, the **Invoice Status** report is recommended to use. This article discusses bulk-printing Invoices: Search Support - FAQ - Can I Bulk Print Multiple Invoices at Once?

Activity 3.5 Deliver Customer Invoice
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. **Navigate**: Finance > Invoice & Posting > List Invoices

Enter the following criteria then **Select** List tab:

Project Organization:	CUST-3-UU3
Project:	TM-PROJ-BILLING-MGR
Invoice Date:	Date Range of Posting Month
Post Date:	BOT to EOT
Invoice Status:	Completed
Invoice Delivery Options (Print)	Print all selected invoices
Default Delivery Method	E-mail and Print
Actual Delivery Method	Include invoices that were not Printed or Emailed
Column Options	Select All

b. **Select** all results then **Click** Print button. An intermediate page is displayed showing the invoices to be Downloaded and Printed.

c. **Click** Back button

d. **Select** Search and Edit filter criteria for the following Invoice Delivery Options:

Invoice Delivery Options (Email)	Email all selected invoices
Default Delivery Method	E-mail and Print
Actual Delivery Method	Deselect Include invoices that were not Printed or Emailed

e. **Select** List tab. **Select** all results then **Click** Email button. An intermediate page is displayed showing the invoices and its associated attachments to be Emailed.

f. **Click** Email button to complete the process. *An email is generated with the invoice PDF and its attachments *(AS LONG AS EMAIL has been ENABLED by System Administrator)

g. **Click** Back button and review the results

Reports Dashboard – Financials and Project Accounting

The Billing Process role of the Billing Manager automatically gives access to the Financial Accounts Receivable Aging Report and limited Project Accounting Reports found on the Reports Dashboard. During this course, we will be running and analyzing each of the reports below. These reports are typically used to provide information on billing, revenue, and invoices. For more information, Search Support – I&P Guide Reports:

- **Financial Reports**
  - **Account Receivable**
    - Accounts Receivable Aging
- **Project Accounting Reports**
  - **Detail Reports**
    - Fixed Price Details
    - Project Transactions (need to have Project Viewer role)
  - **Summary Reports**
    - Billing & Revenue Summary

Financials Accounts Receivable Aging

Navigate: Reports > Dashboard > Financials > Accounts Receivable > Accounts Receivable Aging

A completed invoice will be listed on the Accounts Receivable Aging report where the Accounts Receivable dept can monitor customer collections.

This report provides a list of outstanding Customer Invoices and Unapplied Customer Payments with the outstanding balances categorized by the age of the document.

The aging categories (i.e., Days Past Due) for individual invoices is computed by determining the number of days between the Aging Date (specified by the user) versus a particular date on the Customer Invoice (either the Document Date, Due Date or Customer Invoice Date).

The Accounts Receivable Aging report is a **Financial Report under** Account Receivable on the Reports Dashboard. This report is available to users having any of the following roles: Administrator, AR Viewer, Billing Manager, Billing Viewer.

Activity 3.6 Run Accounts Receivable Aging Report
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. **Navigate**: Reports > Dashboard > Financials > Accounts Receivable > Accounts Receivable Aging

b. **Run** the **Accounts Receivable Aging Report** with the following criteria:

Project Organization	CUST-3-UU3
Project	TM-PROJ-BILLING-MGR
Aging date	End of Posting Month

c. **Confirm** the results show the competed invoice

Additional Reports – Billing Manager

These additional reports can be used to provide information on billing, revenue, invoice, and journal entry data. For more information, Search Support – I&P Guide Reports:

- **Project Accounting Reports**
  - **Detail Reports**
    - Billing & Revenue Details
    - Invoice Details
    - Journal Details
  - **Summary Reports**
    - Journal Summary
  - **Status Report**
    - Invoice Status

Billing & Revenue Details

"What is the latest status of the Billable items for my projects? What is the latest revenue status?"

This can be run as a standalone report or as a link from the other reports. The Billing & Revenue Post and Add Invoice screens and the Billing & Revenue Summary report all provide the ability to select certain values (shown in blue) to drill down and see the detail comprising a summary value.

This report provides details related to what has happened in the system with respect to billing and revenue recognition. When run from either the Post Preview or the Add Invoice screen, the report pre-calculates what is expected to happen as a result of the post. When run stand-alone or from the Billing & Revenue Summary report, this report includes only posted values. This report may be helpful for investigating the details that went into a particular cost element summary number, for example, such as labor or ODCs that appeared on an invoice.

When running this report, you will need to indicate whether the resulting output should include details related to Billing or Revenue but not both. Details can be included based on Item Date (when the item of interest happened) or Journal Date (the Post Date associated with the item during the Billing & Revenue Post or Invoice Completion process).

When running this report for Cost Plus projects, the labor and expense will be shown at the time cell/expense data allocation level. Indirect charges (i.e., fringe, G&A, overhead) and fees will be shown with the appropriate cost element's description.

Invoice Details

"Which invoices have not been completed for a given date range? Show me all invoices that have a certain status. Optionally, allow me to print multiple invoices."

This report provides a view of the data that is included on an invoice, not necessarily at the same level as the data displayed on the invoice. The output can include invoices having a status of draft, completed and those having been marked extracted (via the Admin >> Export >> Accounts Receivable export). This report may be helpful when reviewing multiple invoices for an

individual project or a set of projects. This report will show the details of each invoice along with the multiple group totals (e.g., project, project organization, etc.).

Journal Details

"What are the Journal transactions for my projects?"

This report will provide a view of the Unanet Journal detail information that has resulted from a Billing & Revenue Post or Invoice Completion process. This may be useful if attempting to investigate the supporting detail of a number display on other billing reports.

Journal Summary

"Show me the summary of journal entries for a given transaction date. Summarize the data by account number."

This report provides a summary of all billing or revenue transactions posted to Unanet Journals to a given journal account on a given day resulting from a Post or Invoice Completion process. Optionally, this report can be used to generate project, project organization, or owning organization summaries.

Invoice Status

"Which invoices have not been completed for a given date range? Show me all invoices that have a certain status. Optionally, allow me to print multiple invoices."

Utilize this report to provide a summary of status and pending approval information. The *Invoice Status* report provides a *Summary View* or a *Detail View* of invoices. Select the desired view under REPORTING OPTIONS on the Criteria page. If the *Detail View* is chosen, invoices are displayed grouped by invoice number. Groupings are separated with a page break/horizontal line which aids in bulk printing processes.

System Administrator – Setup

Invoice Formats

The Unanet System Administrator has the responsibility to creating and maintaining Invoice formats. For information about what can be included in an Invoice format, refer to the following documentation: Search Help Docs – Admin Setup Invoice Formats

Invoice Formats – 1034 and 1035

Many government contractors are required to submit their Invoices using standard 1034 or 1035 formats. Unanet supports this process by generating the format in Excel using an Export template.

   ✓ **Important**
For more information on creating the 1034 and 1035 format through Unanet, please read:

Search Support – Quick Topics 1034 1035 Invoice Formats

Invoice Number Formats

Administrators can use the *Invoice Number Formats* setup screen to create and maintain the set of possible invoice numbering schemes that will be available for use in your system.

Billing Managers will select a specific invoice numbering scheme when setting up the project billing information (on a project-by-project basis). The number can also be set within the Invoice setup screen. Unanet invoice numbers are guaranteed to be unique, but they will not necessarily be sequential without gaps. If you delete a draft invoice, that invoice number will not be reused.

Payment Terms

Administrators can use the *Payment Terms* setup screen to create and maintain the set of payment terms that will be available for use in your system. A default Payment Term is set for each Customer and can be overwritten on the Project Billing setup or within an individual Invoice.

Additional Item Types

The Unanet System Administrator has the responsibility to create and maintain the set of Additional Item Types that will be available for use in the system. The Additional Item Types defined on this screen are available for use when a Billing Manager is creating a Customer Invoice and would like to include additional items such as discounts or fees. Note that each additional item identifies the account categories used to make debit and credit journal entries. The account is identified at the project level.

   ✓ **Important**
Discounts must be entered as a negative number in order to reduce the amount Billed on the Invoice.

Check Your Understanding

? 1. Which step in the Invoicing Process MUST be performed in order to be able to create a draft customer invoice?
   a) Reconciling Accounts Receivable Aging
   b) Running the Billing & Revenue Post
   c) Running the Invoice Status report

? 2. In the Invoice level Billing menu, what tab is used to access the Invoice Header, Description, and Invoice Memo?
   a) Other
   b) Additional Invoice Formats
   c) Contacts

? 3. What report provides a summary of status information as well as a detailed preview version of each invoice?
   a) Billing & Revenue Summary
   b) Accounts Receivable Aging
   c) Invoice Status

? 4. On the List invoice screen, the Billing Manager uses which icon to customize, defer, write-off, or include additional items on a draft invoice?
   a) Trashcan
   b) Complete
   c) Pencil

? 5. Which of the steps, in the Billing process, is the Billing Manager searching/listing the available items that have been gathered from the Billing & Revenue Post?
   a) Add Invoice
   b) Generate Invoice
   c) Complete Invoice

? 6. On the Add Invoice search page, what does selecting the check box in LIST OPTIONS for "Include Projects without unbilled data" allow the Billing Manager to do?
   a) To check for any draft invoices for a customer
   b) To create a blank draft invoice
   c) To delete an invoice

7. On the Add Invoice search page, what does selecting the check box in LIST OPTIONS for "Include Projects with Draft invoice" allow the Billing Manager to do?
   a) To check for any draft invoices for a customer
   b) To create a blank draft invoice
   c) To delete an invoice

8. A Customer Invoice will remain editable until it reaches which status?
   a) Draft
   b) Approved
   c) Completed

9. Which screen is used to view, edit, delete, complete, void, print or email existing Customer Invoices?
   a) List Invoices
   b) Add Invoices
   c) Billing & Revenue Post

10. Where is the Customer Approval Group selected?
    a) Under the Customer's Profile menu
    b) Under the Invoice's Billing menu
    c) Under the Project's Billing menu

11. Which is a posting process to the General Ledger in Unanet?
    a) Billing & Revenue Post only
    b) Billing & Revenue Post and Completing an invoice
    c) The Billing process contains no posting to the general ledger

12. What should the Through Date be based on, when searching on the Add Invoice page?

    The post date used in the Billing & Revenue Post
    The date of actual transaction values
    The date used on the invoice

13. What is the order of where invoice data (e.g., contact and addresses) comes from to be selectable and overridden on an invoice?
    a) From Invoice to Organization to Project level
    b) From Organization to Project to Invoice level
    c) From Project to Organization to Invoice level

14. In Unanet, how can the PDF of Customer Invoices be delivered?
    a) Email only
    b) Printed out and sent by mail only
    c) Both email or printed out and sent by mail

15. Which report is recommended to use to print out numerous Customer Invoices together?
    a) AR Aging
    b) Invoice Status
    c) Project Transactions

Refer to Appendix A for answers to the Check Your Understanding questions

LESSON 4 REVENUE RECOGNITION

Learning Objectives

- Analyze revenue recognition for each billable contract type
  - Time & Materials (TM)
  - Cost Plus (CP)
  - Fixed Price (FP)
- Determine which Billing & Revenue reports to use to ensure accurate transaction processing
  - Billing & Revenue Summary
  - Fixed Price Details

Introduction

The combination of Project Types and Billing Types (contract) determines the resulting impact to Customer Invoices and Revenue in the General Ledger. In this lesson, we will analyze the billing process to determine at what step revenue is recognized (amount being posted and shown in the General Ledger).

Lesson 4 Overview Video (for SDL only)

Project Type & Billings Type

Project Types:

Project Type determines whether or not something is billable. Each project within Unanet will have a default project type associated with it. The Project types available in your system are defined by the System Administrator.

The Project Type may classify projects into categories such as Billable, Non-Billable, Internal or Administrative (the default). Project Type is a key reporting field and may be used to categorize different types of projects.

The key attribute of a project type is the Billable indicator. This indicator is used to determine whether amounts charged to a project should be passed along and invoiced to the Customer.

Billing Types:

The Billing Type determines how we bill and recognize revenue for a project. Each project within Unanet will have a Billing Type associated with it. The Billing Type is defined in the Customer's project.

A project's Billing Type can be Time & Materials (TM), Cost Plus (CP), Fixed Price (FP), or Non-billable (NB). Billing Types can be used to categorize different types of contracts for reporting purposes.

Billing & Revenue Calculations by Billing Type

The impact of the Billing & Revenue Post to Revenue in the General Ledger is determined by the Billing Type and contract agreement of the Project being posted.

Time & Materials
Revenue is Recognized at the time of the Billing & Revenue Post

Cost Plus
Revenue is Recognized at the time of the Billing & Revenue Post

Fixed Price
Requires Project level Billing set up according to the contract.

Revenue is recognized based on the method selected when setting up the Project level Billing. The methods are Custom Schedule, % Complete, and When Billed.

Revenue is Recognized at the time of the Billing & Revenue Post:
- Custom Schedule
- % Complete (from the Project's Budget tab)

Revenue is Recognized at the time of Invoice Completion:
- When Billed

Billing & Revenue Summary Report Analysis

Navigate: **Reports > Dashboard > Project Accounting > Billing & Revenue Summary**

Billing & Revenue Summary: this report provides a summary level of information related to what has happened in the system with respect to billing (customer invoices) and revenue recognition for a given project through a given date. When running this report, you will need to indicate whether the resulting output should include data related to Billing, Revenue, or both. The transactions reported on in this report are the results of the Billing & Revenue Post as well as Customer Invoice creation and completion processes. Several values can be drilled down on to show the details as displayed on the Billing & Revenue Detail report. This report does not include any projected values.
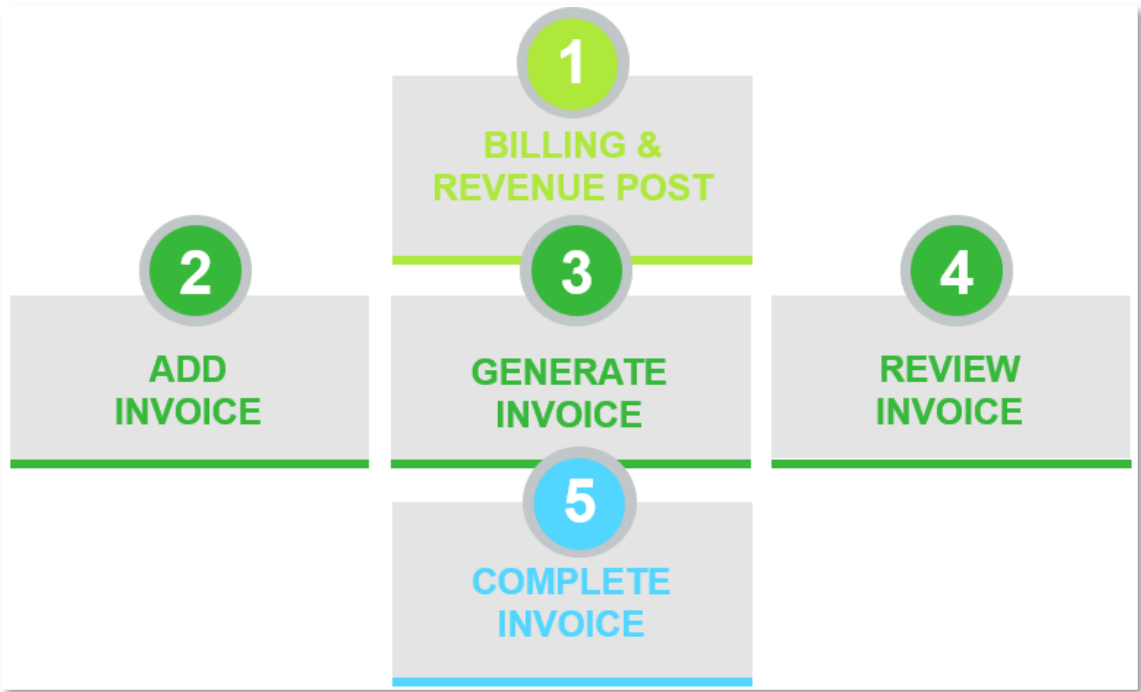
Follow the **Billing Process** (**STEPS 1-5**), **REFRESH** report, and record the **RESULTS**

PROJECT	BILLINGS			REVENUE		
Billing Type	Unbilled	Draft	Billed	Deferred	Draft	Recognized
STEP 1						
STEP 2						
STEP 3						
STEP 4						
STEP 5						

Time & Materials:

Revenue is Recognized at the time of the Billing & Revenue Post.

What is included?

- T&M Labor from timesheets = Billable hours worked * Bill Rate
- T&M Expenses from expense reports = Billable expenses (may include markups)

Activity 4.1 Run Billing & Revenue Summary Report
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. <u>On a separate tab</u>, **Navigate** to Reports > Dashboard > Project Accounting > Summary > Billing & Revenue Summary

b. **Run the Billing & Revenue Summary Report** with the following criteria:

Report on:	All Projects I can see
Project Organization:	CUST-3-UU3
Project:	T&M-02-PROJ-BILLING-MGR
Journal Date Through:	End of Posting Month
Column Options:	Select – Show Billings and Show Revenue

<u>RESULTS BEFORE</u> ANY Class Activity (no B&R post / no invoice)

Billing & Revenue Summary Report

Run Date:
Including Journal Entries Through:

PROJECT	BILLING TYPE	PROJECT TYPE	PROJECT STATUS	FUNDED VALUE	BILLINGS DEFERRED	UNBILLED (U)	DRAFT (D)	BILLED (B)	TOTAL (U) + (D) + (B)	VARIANCE FUNDED	REVENUE DEFERRED	DRAFT (D)	RECOGNIZED (R)	TOTAL (D) + (R)	% RECOGNIZED (TOTAL REV) / (TOTAL BILL)
CUST-3-UU3 T&M-02-PROJ-BILLING-MGR TM		BILLABLE	2-Open	450,000.00	—	—	—	—	—	450,000.00	—	—	—	—	—
			Grand Totals:	**450,000.00**	**—**	**—**	**—**	**—**	**—**	**450,000.00**	**—**	**—**	**—**	**—**	**—**

Billing Status:

- Deferred – Earned but not yet billable (legacy in 10.0).
- Unbilled – Posted, billable amounts but are not yet billed, or on an invoice.
- Draft – Amounts on a non-complete invoice including Additional items.
- Billed – Amounts that are on a completed invoice.

Revenue Status:

- Deferred – Unearned, but billable amounts.
- Draft – Fixed Price items with a Revenue Recognition Method of When Billed or any Additional Items or Write-offs included on draft invoices.
- Recognized – Amount of Revenue posted via the Billing & Revenue Post and Invoice Completion processes

c. **Confirm** the results (Keep this report open to **REFRESH** in the next Activity)

d. Use the footnote on the Billing & Revenue Summary Report to answer what each column represents:

BILLINGS			REVENUE		
Unbilled	Draft	Billed	Deferred	Draft	Recognized

Activity 4.2 Follow Billing & Revenue for Time & Materials Contract
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. After **EACH STEP** in the billing process, **REFRESH the Billing & Revenue Summary Report** (from previous activity) and **UPDATE** the table below with the results in each column:

TM Billing Type	BILLINGS			REVENUE		
	Unbilled	Draft	Billed	Deferred	Draft	Recognized
STEP 1						
STEP 2						
STEP 3						
STEP 4						
STEP 5						

STEP 1   Perform the Billing & Revenue Post

Navigate: Financials > Invoicing & Posting > Billing & Revenue Post
Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	T&M-02-PROJ-BILLING-MGR
Include Actuals Through:	End of Posting Month
Post Date/Fiscal Period:	End of Posting Month/Posting Period

REFRESH report and UPDATE results AFTER Perform the B&R Post

STEP 2   Add the Invoice

Navigate: Financials > Invoicing & Posting > Add Invoice
Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	T&M-02-PROJ-BILLING-MGR
Billing Period from Date	1st of Posting Month
Through Date:	End of Posting Month
Invoice Date:	End of Posting Month
Post Date/Fiscal Period:	End of Posting Month/Posting Period

REFRESH report and UPDATE results AFTER Add the Invoice

ARE THERE ANY CHANGES TO THE BILLING & REVENUE SUMMARY REPORT? YES / NO

STEP 3   Generate the Invoice (then click List button)

REFRESH report and **UPDATE** results **AFTER** Generate the Invoice

STEP 4   Review and Submit the Invoice

Select Pencil icon, Invoice Review and SUBMIT. Approvals are not used for this project therefore the invoice is now in Approved status and can be Completed.

STEP 5   Complete the Invoice

Navigate back to Search criteria tab and **Select** Invoice Status - **Approved** then List results. **Select** circle with checkmark icon to Complete (to Post) the invoice
or
Navigate back to **Invoice Review** and **Scroll down,** the SUBMIT button is now a COMPLETE button, **Press** COMPLETE (to Post) the invoice

REFRESH report and **UPDATE** results **AFTER** Complete the Invoice

b. Answer the following Question:

QUESTION	ANSWER
For the Billing Type TM (Time & Materials), at what STEP of the billing process is revenue recognized?	

Cost Plus:

Revenue is Recognized at the time of the Billing & Revenue Post.

What is included?
- CP Labor from timesheets = Direct billable hours worked * Cost Rate
- CP Expenses from expense reports = Other Direct billable expenses
- **PLUS,** Indirect Costs
- **PLUS,** Fees on Cost Plus contract

A Fee for the contract is established on the Accounting tab in the Project Profile. Billing Manager role can view these properties by using the magnifying glass icon.

Indirect Costs are calculated based on the Indirect Cost Formula and Indirect Rates in the Cost Structure. The System Admin Posting Option Setup defines which Indirect Rate (Actual, Provisional, or Target) is to be used to calculate the Billing (Customer Invoice) and Revenue Recognition amounts for a Cost Plus project.

Cost Plus type contracts are typically billed at the Provisional rates, which is the estimated rate submitted to an external agency such as Defense Contract Management Agency (DCMA). This may result in a difference between Billings and Revenue at the end of the year due to the differences between the Provisional and Actual rates. This difference is shown in the Deferred Revenue column on the Billing & Revenue Summary Report. From an accounting reporting perspective, this is expected and corrected through a "true-up" invoice or journal entry since Actual rates are often unknown until after the year end close.

Activity 4.3 Follow Billing & Revenue for Cost Plus Contract

Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. <u>On a separate tab</u>, **Run the Billing & Revenue Summary Report** with the following criteria:

Report on:	All Projects I can see
Project Organization:	CUST-3-UU3
Project:	CP-PROJECT-BILLING-MGR
Journal Date Through:	End of Posting Month
Column Options:	Select – Show Billings and Show Revenue

b. After **EACH STEP** in the billing process, **REFRESH the Billing & Revenue Summary Report** and **UPDATE** the table below with the results in each column

COST PLUS	BILLINGS			REVENUE		
Billing Type	Unbilled	Draft	Billed	Deferred	Draft	Recognized
STEP 1						
STEP 2						
STEP 3						
STEP 4						
STEP 5						

STEP 1 Perform the Billing & Revenue Post

Navigate: Financials > Invoicing & Posting > Billing & Revenue Post
Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	CP-PROJECT-BILLING-MGR
Include Actuals Through:	End of Posting Month
Post Date:	End of Posting Month
Fiscal Period:	Posting Period

REFRESH report and UPDATE results AFTER Perform the B&R Post

STEP 2   Add the Invoice

Navigate: Financials > Invoicing & Posting > Add Invoice
Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	CP-PROJECT-BILLING-MGR
Billing Period From Date:	1st of Posting Month
Through Date:	End of Posting Month
Invoice Date:	End of Posting Month
Post Date:	End of Posting Month
Fiscal Period:	Posting Period

REFRESH report and UPDATE results AFTER Add the Invoice

NO CHANGES TO THE BILLING & REVENUE SUMMARY REPORT RESULTS

STEP 3   Generate the Invoice (then click List button)

REFRESH report and UPDATE results AFTER Generate the Invoice

STEP 4   Review and Submit the Invoice

Select Pencil icon, Invoice Review and SUBMIT. Approvals are not used for this project therefore the invoice is now in Approved status and can be Completed.

STEP 5   Complete the Invoice

Navigate back to Search criteria tab and **Select** Invoice Status - **Approved** then List results. **Select** circle with checkmark icon to Complete (to Post) the invoice
or
Navigate back to **Invoice Review** and **Scroll down,** the SUBMIT button is now a COMPLETE button, **Press** COMPLETE (to Post) the invoice

REFRESH report and UPDATE results AFTER Complete the Invoice

c.   Answer the following Questions:

QUESTION	ANSWER
1) For the Billing Type CP (Cost Plus), at what **STEP** of the billing process is revenue recognized?	
2) For the Billing Type CP (Cost Plus), what does Deferred Revenue represent and how will it be handled at the end of the year?	

Fixed Price:

What is included?
- Fixed Price items as determined by the Project level Billing menu

Requires Project level Billing Set up according to the contract.

Two options are provided for defining Fixed Price items:

- Adding an individual item to be billed - click +Fixed Price Item
- Creating a schedule of billable items from a single total value - click +Fixed Price Billing Schedule

The Bill date established in the Project level Billing menu drives when a Fixed Price item is to be invoiced and included in the Billing & Revenue Post. The Billing Manager role can add/edit this information (using the pencil icon).

How Revenue will be recognized is based on the method selected when setting up the Project level Billing. Revenue Recognition Methods are Custom Schedule, % Complete, and When Billed.

Revenue is Recognized at the time of the Billing & Revenue Post:
- Custom Schedule
- % Complete (from the Project's Budget tab)

Revenue is Recognized at the time of Invoice Completion:
- When Billed

If a project is to be Billed on Completion, the completion date and 100% must be in the project's profile Budget tab which will drive when to invoice. The Billing Manager role can only view this information (using the magnifying glass icon).

Fixed Price Details Report:

Navigate: Reports > Dashboard > Project Accounting > Fixed Price Details

"What fixed price items have been created for my projects?"

Utilize the Fixed Price Details report to ensure the fixed price items are properly set up. This report provides visibility of fixed price billing items and their associated revenue recognition schedules. The report can be configured to optionally display Unbilled and Billed amounts, Deferred and Recognized Revenue amounts, Revenue Recognition Schedules, and can also be used to show Past Due Fixed Price items (those configured to Bill on Completion).

Activity 4.4 Set up Fixed Price Item Schedule on Project
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. **Configure** the following project for invoicing and add a **Fixed Price Billing Schedule:**

- **Navigate** to Contract > Project > List and Search for **CUST-3-UU3 FP Project Billing Mgr**

- **Edit** Project (pencil icon) > Billing >
  o **Select** Invoice Setup and Select **GENERATE UNANET INVOICE** box then **Save**

  o **Select** Fixed Price and Click **+Fixed Price Billing Schedule** to add a Fixed Price Billing Schedule for CUST-3-UU3 FP-PROJECT-BILLING-MGR

  o **Enter** the following information:

Task:	No Task
Description:	Monthly Maintenance
Bill Date:	1st of Posting Month
Bill Amount:	60,000
Revenue Recognition Method	When Billed
Split into Periods:	Calendar Months / 24 / Middle of Period

- Click **Generate Schedule** and **Save**

b. On a separate tab, **Navigate** to Reports > Dashboard > Project Accounting > Details > Fixed Price Details

c. **Run** the **Fixed Price Details Report** with the following criteria:

Report on:	All Projects I can see
Project Organization:	CUST-3-UU3
Project:	FP-PROJECT-BILLING-MGR
Fixed Price Bill Date:	Date Range of Posting Month
Reporting Options:	Select – Show Billings and Show Revenue

d. **View** the results to confirm the Project's Fixed Price Billing Schedule is properly setup and shows 1 month is available to bill

e. Keep this report open to refresh during the next activity

Activity 4.5 Follow Billing & Revenue for Fixed Price Contract
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. <u>On a separate tab</u>, **Run the Billing & Revenue Summary Report** with the following criteria:

Report on	All Projects I can see
Project Organization:	CUST-3-UU3
Project:	FP-PROJECT-BILLING-MGR
Journal Date Through:	End of Posting Month
Column Options:	Select – Show Billings and Show Revenue

b. After **EACH STEP** in the billing process, **REFRESH** the Billing & Revenue Summary Report and **UPDATE** the table below with the results in each column

FIXED PRICE REVENUE = WHEN BILLED	BILLINGS			REVENUE		
Billing Type	Unbilled	Draft	Billed	Deferred	Draft	Recognized
STEP 1						
STEP 2						
STEP 3						
STEP 4						
STEP 5						

STEP 1   Perform the Billing & Revenue Post

Navigate: Financials > Invoicing & Posting > Billing & Revenue Post
Enter the following criteria then **Select** List tab:

Legal Entity	MYCO
Project Organization	CUST-3-UU3
Project	FP-PROJECT-BILLING-MGR
Include Actuals Through	End of Posting Month
Post Date	End of Posting Month
Fiscal Period	FY21-08 Posting Period

REFRESH report and UPDATE results AFTER Perform the B&R Post

STEP 2   Add the Invoice

Navigate: Financials > Invoicing & Posting > Add Invoice
Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	FP-PROJECT-BILLING-MGR
Billing Period From Date:	1st of Posting Month
Through Date:	End of Posting Month
Invoice Date:	End of Posting Month
Post Date:	End of Posting Month
Fiscal Period:	Posting Period

NOTE* you will not be able to add the invoice if the Generate Unanet Invoice box has not been selected on the Project Billing Setup in the previous Activity.

REFRESH report and UPDATE results AFTER Add the Invoice

NO CHANGES TO THE BILLING & REVENUE SUMMARY REPORT RESULTS

STEP 3   Generate the Invoice (then click List button)

REFRESH report and UPDATE results AFTER Generate the Invoice

STEP 4   Review and Submit the Invoice

Select Pencil icon, Invoice Review and SUBMIT. Approvals are not used for this project therefore the invoice is now in Approved status and can be Completed.

STEP 5   Complete the Invoice

Navigate back to Search criteria tab and **Select** Invoice Status - **Approved** then List results. **Select** circle with checkmark icon to Complete (to Post) the invoice
or
Navigate back to **Invoice Review** and **Scroll down,** the SUBMIT button is now a COMPLETE button**, Press** COMPLETE (to Post) the invoice

REFRESH report and UPDATE results AFTER Complete the Invoice

c. Answer the following Question:

QUESTION	ANSWER
For the Billing Type FP (Fixed Price) in this specific Activity (when revenue recognition is set to be When Billed), at what **STEP** of the billing process is revenue recognized?	

d. Refresh the **Fixed Price Details Report** to confirm results

Advanced Costing: allows you to apply variable target or provisional indirect rates to individual projects or tasks within a project.

The Advanced Costing property must be enabled for the system. When enabled, projects can then be enabled with the Advanced Costing field on the Project > Accounting tab. If Advanced Costing rates are added to the project, then these rates are used instead of the rates in the project cost structure. The Billing & Revenue Post uses Advanced Costing rates when applicable:

- Billing Type CP: For actual rates, the bill rate and revenue recognition rate will use the rates from the Advanced Costing cost structure. For target or provisional rates, the post process will use the Advanced Costing indirect rates.

- Billing Type FP: If the option for the completed percent selected is "Total Cost + Burdens" and the posting option chosen is target or provisional, the indirect rates will be sourced from the Project's Advanced Costing rate structure.

- Expenses: For target or provisional rates, the post process will use the Advanced Costing indirect rates.

Advanced Costing field on the Project > Accounting tab:

Admin > Setup > Cost Structures:

Check Your Understanding

1. What are the Project Types in Unanet?
   a) Time and Materials (T&M)/Cost Plus (CP)/Fixed Price (FP)
   b) Direct and Indirect
   c) Billable and Non-billable

2. In Unanet, what is defined as Unbilled Billings?
   a) Amounts on a non-complete invoice
   b) Billable amounts posted in Billing & Revenue Post, but are not on an invoice
   c) Amounts that are on a completed invoice

3. In Unanet, what is defined as Draft Billings?
   a) Amounts on a non-complete invoice
   b) Billable amounts posted in Billing & Revenue Post, but are not on an invoice
   c) Amounts that are on a completed invoice

4. In Unanet, what is defined as Billed Billings?
   a) Amounts on a non-complete invoice
   b) Billable amounts posted in Billing & Revenue Post, but are not on an invoice
   c) Amounts that are on a completed invoice

5. In Unanet, what is defined as Deferred Revenue?
   a) Additional Items or Write-offs included on draft invoices
   b) Unearned, but billable amounts
   c) Amount of Revenue posted via the Billing & Revenue Post and Invoice Completion processes

6. In Unanet, what is defined as Draft Revenue?
   a) Fixed Price items with a Revenue Recognition Method of "When Billed" or any Additional Items or Write-offs included on draft invoices
   b) Unearned, but billable amounts
   c) Amounts on a non-complete invoice

7. In Unanet, what is defined as Recognized Revenue?
   a) Additional Items or Write-offs included on draft invoices
   b) Unearned, but billable amounts
   c) Amount of Revenue posted via the Billing & Revenue Post and/or Invoice Completion processes

8. For the Billing Type TM (Time & Materials), at what STEP of the billing process is revenue recognized?
   a) Billing & Revenue Post
   b) Generate a draft invoice
   c) Complete Invoice

9. For the Billing Type CP (Cost Plus), at what STEP of the billing process is revenue recognized?
   a) Billing & Revenue Post
   b) Generate a draft invoice
   c) Complete Invoice

10. For the Billing Type FP (Fixed Price), with a revenue recognition method of When Billed, at what STEP of the billing process is revenue recognized?
    a) Billing & Revenue Post
    b) Generate a draft invoice
    c) Complete Invoice

11. Indirect Costs are calculated based on the Indirect Cost Formula and Indirect Rates in the Cost Structure. The System Admin Posting Option Setup defines which Indirect Rate (Actual, Provisional, or Target) is to be used to calculate the Billing & Revenue Recognition amounts for which type of contract?
    a) Fixed Price (FP)
    b) Cost Plus (CP)
    c) Time & Materials (TM)

12. Cost Plus type contracts are typically billed at the Provisional rates, which is the estimated rate submitted to an external agency such as Defense Contract Management Agency (DCMA). What is the reason why this may result in a difference between Billings and Revenue at the end of the year?
    a) Due to the different indirect rates used, as define by the System Admin Posting Option Setup, between the Provisional rates for Billings and Actual rates used to calculate Revenue Recognition amounts
    b) Due to the same indirect rate used for Billings and Revenue Recognition amounts as define by the System Admin Posting Option
    c) Due to the Bill date on the billing schedule

13. How is Deferred Revenue, for the Billing Type CP (Cost Plus) projects, handled at the end of the year?
    a) Deferred Revenue cannot exist for CP (Cost Plus) projects
    b) Corrected through a "true-up" invoice or journal entry since Actual rates are often unknown until after the year end close
    c) Not Corrected since Actual rates are often unknown until after the year end close

14. What drives when a fixed price item is included in the Billing & Revenue Post?
    a) Bill date in the Project level Billing menu
    b) When timesheets are in a Lock/Extracted status
    c) When expense reports are in a Lock/Extracted status

15. When setting up the Project level Billing for Fixed Price Projects (FP), what are the Revenue Recognition Method choices available to be used to determine when Revenue is recognized?
    a) Custom Schedule is the only Revenue Recognition Method used for FP projects
    b) Revenue recognition methods are not selected for FP projects
    c) Custom Schedule, % Complete, When Billed

Refer to Appendix A for answers to the Check Your Understanding questions

LESSON 5 INVOICE ADJUSTMENTS

Learning Objectives

- Apply invoice adjustments and analyze impact to billing and revenue
  - Funded Value limits
  - Deferral
  - Write-off
  - Void
- Determine which Billing & Revenue reports to use to ensure accurate transaction processing
  - Billing & Revenue Summary
  - Project Transactions

Introduction

Applying invoice adjustments in the Billing & Invoicing process includes Funded Value limits, Deferrals, Write-offs, and Voids as performed by the Unanet Billing Manager.

Lesson 5 Overview Video (for SDL only)

Funded Value Limits on Customer Invoice

Unanet can limit billing and/or revenue recognition posted to the Funded Value set at the project/task level. A Billing Manager has access to view these settings on the project (use magnifying glass). If there is a checkmark next to the setting, then billing and/or revenue will be limited to the Funded Value (less any fixed fees).

Limit Billing to Funded Value - to ensure that the customer is never billed an amount in excess of the funded value.

Limit Revenue to Funded Value - if there is uncertainty surrounding whether additional funding will be received, and accounting policies state not to recognize revenue on amounts "at-risk".

If **Limit Funded Value settings** are checked, during the Billing & Revenue Post, calculated values in excess of the Funded Value (less any fixed fee, if applicable), will be posted as a billing and/or revenue reduction, called a Funding Cap Adjustment. The Funding Cap Adjustments can be displayed on the invoice or hidden, depending upon the invoice format that is being used.

Note: *Revenue adjustments entered via Additional Items (i.e., invoice edit screen) are excluded from the remaining funded value and cap adjustment calculations. As a result, consider reducing your funding cap amount by the additional item amounts.*

Reports - Project Transactions*:

Navigate: Reports > Dashboard > Project Accounting > Details > Project Transactions

"What transactions (Labor, expense, fixed price, funding caps, etc.) have been charged to my projects? Which of them were posted to journals?" This report will provide details related to what transactions (labor, expense, fixed price, funding caps, etc.) have been charged to a particular project, with additional details regarding which of those transactions have been posted to the journals. *Must have the Project Viewer role

Activity 5.1 Funded Value Limits on Customer Invoice
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:
a. <u>On a separate tab</u>, **Navigate**: Reports > Dashboard > Project Accounting > Details > Project Transactions

b. **Run the Project Transactions Report** and **Review** the report Totals using the following criteria: (keep this report opened to refresh results)

Report on:	All Projects I can see
Project Organization:	CUST-3-UU3
Project:	LR2FV-TM-PROJ-BILLING-MGR
Date Range:	1st of Previous Month through End of Posting Month
Posted Date Range:	End of Posting Month
Adjustments:	Adjustments using Worked Date within range
Include Expense Reports:	Using Line-Item Date within range
Reporting Options:	Include unposted data (Deselect AFTER BR Posting)
	Include only Locked/Extracted Timesheets

c. <u>On a separate tab</u>, **Navigate**: Reports > Dashboard > Project Accounting > Summary > Billing & Revenue Summary

d. **Run the Billing & Revenue Summary Report** with the following criteria:

Report on	All Projects I can see
Project Organization:	CUST-3-UU3
Project:	LR2FV-TM-PROJ-BILLING-MGR
Journal Date Through:	End of Posting Month
Column Options:	Select – Show Billings and Show Revenue

PROJECT	BILLING TYPE	PROJECT TYPE	PROJECT STATUS	FUNDED VALUE	BILLINGS					VARIANCE	REVENUE				% RECOGNIZED
					DEFERRED	UNBILLED (U)	DRAFT (D)	BILLED (B)	TOTAL (U) + (D) + (B)	FUNDED	DEFERRED	DRAFT (D)	RECOGNIZED (R)	TOTAL (D) + (R)	(TOTAL REV) / (TOTAL BILL)
CUSTOMER-2 CAP-TM-PROJ-BILLING-MGR	TM	BILLABLE	2-Open	100,000.00											

e. After **EACH STEP** in the billing process, **<u>REFRESH</u> the Billing & Revenue Summary Report** and **<u>UPDATE</u>** the table below with the results in each column

TM	BILLINGS			REVENUE		
Billing Type	**Unbilled**	**Draft**	**Billed**	**Deferred**	**Draft**	**Recognized**
STEP 1						
STEP 2						
STEP 3						
STEP 4						
STEP 5						

STEP 1   Perform the Billing & Revenue Post

Navigate: Financials > Invoicing & Posting > Billing & Revenue Post
Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	LR2FV-TM-PROJ-BILLING-MGR
Include Actuals Through:	End of Posting Month
Post Date:	End of Posting Month
Fiscal Period:	Posting Period

<u>REFRESH</u> report and <u>UPDATE</u> results <u>AFTER</u> Perform the B&R Post

STEP 2   Add the Invoice

Navigate: Financials > Invoicing & Posting > Add Invoice
Enter the following criteria then **Select** List tab:

Legal Entity:	MYCO
Project Organization:	CUST-3-UU3
Project:	LR2FV-TM-PROJ-BILLING-MGR
Billing Period From Date:	1st of Previous Month
Through Date:	End of Posting Month
Invoice Date:	End of Posting Month
Post Date:	End of Posting Month
Fiscal Period:	Posting Period

STEP 3   Generate the Invoice (then click List button)

REFRESH report and UPDATE results AFTER Generate the Invoice

f.   Answer the following Questions:

QUESTION	ANSWER
1) Do you foresee a possible issue? If so, what?	
2) What are some possible solutions?	

g.   <u>On a separate tab</u>, **Navigate** to Contracts > Project menu and **Search** for this project (CUST-3-UU3 LR2FV-TM-PROJ-BILLING-MGR). **View** (with magnifying glass) the Project's Accounting configuration for Funded Value Limits to answer the following Question:

QUESTION	ANSWER
3) Is there a check mark selection on:	
• Limit Billing to Funded Value (less fixed fee)	yes or no
• Limit Revenue to Funded Value (less fixed fee)	yes or no

h.   **Close** the Project window tab, if desired and **Return** to the Generated Invoice window tab for the next Activity

Defer and Write-off Items

Defer Items:

Deferring an item removes it from the current invoice (Invoice Total will be adjusted accordingly) and puts it back in the "pool" of available items to be included on the next draft invoice for a project (it does not unpost or otherwise change any journal entries). By checking the desired line items and clicking the Defer Selected button, the designated items will be removed from the current invoice. Once and item it deferred, it cannot be re-added it to the current draft invoice. **Note** that any recognized revenue will **not** be reduced.

Write-off Items:

Unlike deferring an item, writing off all or a portion of an item will permanently remove that portion from the current (or any future) invoice (Invoice Total will be adjusted accordingly). By checking the desired line items and clicking the Write Off Selected button, the entire amount will be written off (the Write Off Amount will be set equal to the Amount and the Billable Amount will be set to zero).
Note that any recognized revenue will be reduced.

Invoice Amount Recalculation:

Saving changes to deferrals or write-offs will trigger a general invoice recalculation process which has the potential to recalculate Invoice and Discount Amounts. In order to get an item back on a current draft invoice, you would need to delete and recreate the draft invoice all together**.**

Activity 5.2 Defer and Write-off Labor and Expense on Customer Invoice

Login as Cindy Invoice (Billing Manager) – cinvoice / *welcome*

Activity Steps:
STEP 4   Review and Edit the Invoice

a. **Edit** the Invoice (select pencil icon) from the previous Activity

b. **Select** T&M Labor on left hand menu then Search and Filter T&M Labor to show:

Person:	Clark A. User and Gerald User
Date Range:	Previous Month

c. **List** the results, select all the lines, and **Click** the **Defer** Selected button

REFRESH report and UPDATE results AFTER Defer Items

d. **Select** T&M Expense on left hand menu then Search and Filter T&M Expenses to show:

Expense Type:	SUPPLIES / ODCs
Person:	Eleanor S. User and Clark A. User

e. **List** the results, select all the lines, and **Click** the **Defer** Selected button

REFRESH report and UPDATE results AFTER Defer Items

f. **Select** T&M Expense on left hand menu then Search and Filter T&M Expenses to show:

Expense Type:	OTHER
Person:	Eleanor S. User
Cost Element:	OTHER

g. **List** the results, select all the lines, and **Click** the **Write off** Selected button

REFRESH report and UPDATE results AFTER Write-off Items

STEP 4   Review and Submit the Invoice

h. **Select** Invoice Review then **SUBMIT**. Approvals are not used for this project therefore the invoice is now in Approved status and can be Completed

STEP 5   Complete the Invoice

i.   **Navigate** back to Search criteria tab and **Select** Invoice Status - **Approved** then List
     results. **Select** circle with checkmark icon to Complete (to Post) the invoice
     or
     Navigate back to **Invoice Review** and **Scroll down,** the SUBMIT button is now a
     COMPLETE button**, Press** COMPLETE (to Post) the invoice

REFRESH report and UPDATE results AFTER Complete the Invoice

j.   **Refresh/Re-run** the **Project Transactions Report** for **all Posted** values. **Review**
     the values in the POSTINGS columns and write the Totals below. Do the Totals
     match the expected outcomes from the actions taken above?

Reminder Deselect the Reporting Options to Include unposted data

POSTING TOTALS	AMOUNTS
WRITE-OFF TOTAL	
UNBILLED TOTAL (DEFERRED BILLINGS)	
BILLED TOTAL (INVOICE AMOUNT)	
FUNDING CAP ADJUSTMENT TOTAL (DEFERRED REVENUE)	

k.   **Summarize** the situation presented in this activity for Defer and Write-off items for
     the Billing Type of Time & Materials (TM) to answer the following Question:

QUESTION	ANSWER
Does RECOGNIZED REVENUE change when items are:	
• DEFERRED	• yes or no
• WRITTEN-OFF	• yes or no

Void an Invoice

Anytime a completed invoice requires changes or corrections, the Billing Manager must begin with voiding the Invoice. Unanet will void the invoice by creating a new invoice that contains the negative value of the original invoice. The original invoice (that is voided) remains in the system for auditing purposes along with the new voiding invoice with extension REV added to the invoice number.

VOID INVOICE UNANET-00836

Project:	CUSTOMER-1 10.10.7011.102	Post Date:	11/30/2018
Invoice Number:	UNANET-00836	Fiscal Period:	FY19-02
Invoice Date:	11/30/2018		
Invoice Amount Equals:	$23,173.33		

The voiding of this invoice will cause the creation of a voiding invoice and appropriate reversing journal transactions. All items from the voided invoice, excluding onetime items, will be available for subsequent invoices. Onetime items from the voided invoice will need to be recreated for any new invoice.

*Void Date: 11/30/2018

*Post Date: 6/1/2019   *Fiscal Period: FY19-09 ▼

Void   Cancel

Activity 5.3 Void Customer Invoice
Login as Cindy Invoice (Billing Manager) – cinvoice / welcome

Activity Steps:

a. **Navigate** Financials > Invoicing & Posting > List Invoices

b. **Enter** the following criteria then **Select** List tab:

Invoice Number:	%412%
Invoice Date:	BOT to Today
Invoice Status:	Completed

c. **Select** the icon to Void the Invoice

d. **Edit** Void Date to be first day of Posting period then Click Void button

e. Return to Search Criteria and **Select** both Invoice numbers listed

f. **Edit** Invoice Status to Select All then List and review results to confirm the original and REV invoices are both listed

Check Your Understanding

1. Where is the setting found to limit the Billing or Revenue to the Funded Value?
   a) View Organization
   b) View Project - Accounting
   c) Edit Customer Invoice

2. What role, if any, can uncomplete an invoice?
   a) Billing Manager
   b) Uncomplete an invoice is not an option
   c) System Administrator

3. How does Voiding customer invoices leave an audit trail?
   a) The original invoice (that is voided) is removed from the system and replaced with the new voiding invoice
   b) By creating an additional new invoice that contains the negative value of the original invoice
   c) Voiding does not leave an audit trail

4. What extension is automatically added to the end of a voiding invoice?
   a) REV
   b) VOID
   c) X

5. What Project setting is made to align with Accounting policy which state not to recognize "at-risk" revenue if there is uncertainty surrounding whether additional funding will be received for the project?
   a) Limit Billing to Funded Value
   b) Limit Revenue to Funded Value
   c) Billing Invoice Setup

6. Saving changes to deferrals or write-offs will trigger a general invoice recalculation process which has the potential to recalculate Invoice and Discount Amounts. If done in error, how do you return an item back to the draft invoice?
   a) Delete and recreate the Draft invoice
   b) Void the Draft invoice
   c) You cannot edit an invoice while it is in Draft status

Refer to Appendix A for answers to the Check Your Understanding questions

APPENDIX A: CHECK YOUR UNDERSTANDING ANSWER KEY

Lesson 1: BILLING PROCESS OVERVIEW

1. What are the main areas of responsibility in the Billing Process for the role of the Billing Manager?
   a) **Billing & Revenue Post, Add Invoice, Complete Invoice, and Accounts Receivable Aging** - This is the correct answer because all four areas listed are the main areas of responsibility in the Billing Process for the role of the Billing Manager
   b) Approving Timesheets, Billing & Revenue Post, and Add Invoice - This is an incorrect answer because Billing Manager role does not approve timesheets
   c) Billing & Revenue Post and Accounts Receivable Aging - This is an incorrect answer because it doesn't include Add Invoice, Complete Invoice

2. What Unanet procedure involves the collecting of data and information needed to create and issue invoices to customers?
   a) Collections for past due payments - This is an incorrect answer because payment collections is handled by Accounts Receivable and not a part of referenced procedure
   b) **Billing process** - This is the correct answer because the Billing process represents procedure involves the collecting of data and information needed to create and issue invoices to customers
   c) Vendor payments - This is an incorrect answer because Vendor payment is handled by Accounts Payable and not a part of referenced procedure

3. Although the role of the Billing Manager can only view the majority of a Project's configuration areas, what Project level menu area can a Billing Manager add/edit?
   a) Accounting - This is an incorrect answer because Billing Manger can only view the Accounting information not add/edit
   b) Budget - This is an incorrect answer because Billing Manger can only view the Budget information not add/edit
   c) **Project level Billing** - This is the correct answer because Billing Manger can add/edit the Project level Billing menus

4. What are business documents that enable companies to get paid for their goods and services provided to their customers?
   a) Vendor Invoices - This is an incorrect answer because Vendor Invoices are used for Vendors not Customers
   b) **Customer Invoices** - This is the correct answer because Customer Invoices are business documents that enable companies to get paid for their goods and services provided to their customers
   c) Checks - This is an incorrect answer because Checks are used for payment, not proof that goods and services were provided to customers

5. What does Unanet use for security and to control the permissions of what a user has access to do and see?
   a) **Roles assigned to the user by the System Administrator** - This is the correct answer because roles are used to control permissions and security
   b) There is nothing used to control the permissions of a user - This is an incorrect answer because roles are used to control permissions and security
   c) Roles assigned by the user - This is an incorrect answer because only an administrator can assign roles

6. Where can a user view their assigned Roles, and other profile settings?
   a) In their Profile under the Organization menu - This is an incorrect answer because the Organization menu doesn't provide this information
   b) In their Profile under the Contracts menu for Project Profile - This is an incorrect answer because the Project profile doesn't provide this information
   c) **In their Profile under My Account** - This is the correct answer because this is where a user views their assigned Roles and settings

Lesson 2: CUSTOMER INVOICING IN UNANET (8)

1. In order for Customer invoices to be processed appropriately in Unanet, where are the default contact/address for the Bill To, assigned?
   a) Owning Organization - This is an incorrect answer because this represents a financial internal department
   b) **Project Organization (Customer)** - This is the correct answer because the default contact/address for the Bill To is assigned on the Project Organization (Customer)
   c) Project Organization (Vendor) - This is an incorrect answer because this represents a Vendor for which the company is to send payment to with payment Remit To

2. On the Setup tab in the Project level Billing menu, what Invoice Options need to be defined when configuring a project to be available for invoicing?
   a) **Invoice as a stand-alone project or part of an Invoice Group** - This is the correct answer because these are the Invoice Options
   b) Additional Invoice Formats - This is an incorrect answer because this is an optional feature, and it is not located on the Setup tab
   c) Contract Number - This is an incorrect answer because this data can be found on the Other tab

3. On the Setup tab in the Project level Billing menu, what are the terms used to define the specific projects involved in an Invoice Group?
   a) Direct/Indirect Project - This is an incorrect answer because these terms are used costs of a project not an Invoice Group
   b) Project/Approver - This is an incorrect answer because these terms are used in approval process not with an Invoice Group
   c) **Lead/Contributor Project** - This is the correct answer because these terms are used for an Invoice Group

4. In Unanet, what must all reporting of time and expense and resource planning be performed against (charged to)?
   a) A Bank account - This is an incorrect answer because a bank account is not used to record time and expenses to
   b) **A Project** - This is the correct answer because Unanet uses projects to charge time/expenses to
   c) A Role - This is an incorrect answer because a role is not used to record time and expenses to

5. What can be selected to show on the invoice as proof that a person, such as the project manager, has approved or signed off on the invoice?
   a) **An Invoice signature** - This is the correct answer because the electronic signature can be added to an invoice
   b) An email address - This is an incorrect answer because it isn't used as proof that someone has signed off on an invoice
   c) An option to include the contract number - This is an incorrect answer because it isn't used as proof that someone has signed off on an invoice

6. Where can the setup for the overall invoice and payment options for the project's invoices be found?
   a) Under the Profile menu for a Project - This is an incorrect answer because billing information is not found under the project's profile menu
   b) **Under the Billing menu for both Project and Invoice** - This is the correct answer because both menus give access to the invoice setup and payment options
   c) Under the Billing menu for Project only - This is an incorrect answer because both Project and Invoice menus give access to the invoice setup and payment options

7. Which Admin System Property feature is suggested in order to automatically make timesheets and expenses reports available to be included in the Billing & Revenue Post?
   a) **To LOCK them upon completion of all approvals** - This is the correct answer because only those in a LOCKED or Extracted status can be included in the B&R post and there is an admin property that can be set to automatically make that happen.
   b) To require approvals - This is an incorrect answer because the setting of requiring approvals doesn't automatically make charges available for the B&R Post process
   c) To allow self-assignments - This is an incorrect answer because the setting to allow self-assignments doesn't automatically make charges available for the B&R Post process

8. Where is the setting found to select the Generate Unanet Invoices checkbox, which designates whether a Unanet invoice will be created for a project?
   a) Under the Customer's profile menu - This is an incorrect answer because the checkbox is not found in the menu

b) Under the Invoice's Billing menu - This is an incorrect answer because the checkbox is not found in the menu

c) **Under the Project's Billing menu** - This is the correct answer because the checkbox is found in the menu

Lesson 3: BILLING MANAGER PROCESS STEPS (15)

1. Which step in the Invoicing Process MUST be performed in order to be able to create a draft customer invoice?
   a) Reconciling Accounts Receivable Aging - This is an incorrect answer because this step is not required to create an invoice
   b) **Running the Billing & Revenue Post** - This is the correct answer because this MUST be performed in order to be able to create a draft customer invoice
   c) Running the Invoice Status report - This is an incorrect answer because this step is not required to create an invoice

2. In the Invoice level Billing menu, what tab is used to access the Invoice Header, Description, and Invoice Memo?
   a) **Other** - This is the correct answer because the Other tab is where Header information, Description, and Invoice Memo is found
   b) Additional Invoice Formats - This is an incorrect answer because this tab shows the selections for Additional Invoice Formats
   c) Contacts - This is an incorrect answer because this tab shows the selections for Contacts

3. What report provides a summary of status information as well as a detailed preview version of each invoice?
   a) Billing & Revenue Summary - This is an incorrect answer because this report shows billing and revenue not summary of status information as well as a detailed preview version of each invoice
   b) Accounts Receivable Aging - This is an incorrect answer because this report shows the Aging of AR not summary of status information as well as a detailed preview version of each invoice
   c) **Invoice Status** - This is the correct answer because this report provides summary of status information as well as a detailed preview version of each invoice

4. On the List invoice screen, the Billing Manager uses which icon to customize, defer, write-off, or include additional items on a draft invoice?
   a) Trashcan - This is an incorrect answer because this deletes the draft invoice

b) Complete - This is an incorrect answer because complete icon posts the invoice

c) **Pencil** - This is the correct answer because this icon is used to edit the invoice

5. Which of the steps, in the Billing process, is the Billing Manager searching/listing the available items that have been gathered from the Billing & Revenue Post?

a) **Add Invoice** - This is the correct answer because Add invoice searches for items that have been gathered from the Billing & Revenue Post

b) Generate Invoice - This is an incorrect answer because Generate Invoice creates a Customer Invoice in Draft status

c) Complete Invoice - This is an incorrect answer because completing an invoice is to post to the general ledger

6. On the Add Invoice search page, what does selecting the check box in LIST OPTIONS for "Include Projects without unbilled data" allow the Billing Manager to do?

a) To check for any draft invoices for a customer - This is an incorrect answer because the results will include any invoices that have yet to be completed which is the reason as to why another invoice cannot be added

b) **To create a blank draft invoice** - This is the correct answer because the subsequent screen will allow you to create a blank draft invoice on which Additional Items can be included

c) To delete an invoice - This is an incorrect answer because the trash can icon is used to delete a draft invoice from the List Invoice screen

7. On the Add Invoice search page, what does selecting the check box in LIST OPTIONS for "Include Projects with Draft invoice" allow the Billing Manager to do?

a) **To check for any draft invoices for a customer** - This is the correct answer because The subsequent screen will include any invoices that have yet to be completed which is the reason as to why another invoice cannot be added.

b) To create a blank draft invoice - This is an incorrect answer because the results will allow you to create a blank draft invoice on which Additional Items can be included

c) To delete an invoice - This is an incorrect answer because the trash can icon is used to delete a draft invoice from the List Invoice screen

8. A Customer Invoice will remain editable until it reaches which status?
   a) Draft - This is an incorrect answer because an invoice can still be edited until it reaches the Completed status
   b) Approved - This is an incorrect answer because an invoice can still be edited until it reaches the Completed status
   c) **Completed** - This is the correct answer because once an invoice is completed (posted) it can no longer be edited

9. Which screen is used to view, edit, delete, complete, void, print or email existing Customer Invoices?
   a) **List Invoices -** This is the correct answer because the List screen is used to view, edit, delete, complete, void, print or email existing Customer Invoices
   b) Add Invoices - This is an incorrect answer because the Add Invoice screen is used to search for items that have been gathered from the Billing & Revenue Post
   c) Billing & Revenue Post - This is an incorrect answer because this is a posting process where the software pulls all of the items ready to be invoiced and determines if revenue is to be recognized

10. Where is the Customer Approval Group selected?
    a) Under the Customer's Profile menu - This is an incorrect answer because the Approval Group selected is not found in this menu
    b) Under the Invoice's Billing menu - This is an incorrect answer because the Approval Group is not selectable at the invoice level
    c) **Under the Project's Billing menu** - This is the correct answer because the Approval Group selected is found in this menu

11. Which is a posting process to the General Ledger in Unanet?
    a) Billing & Revenue Post only - This is an incorrect answer because Completing an invoice is also a posting process
    b) **Billing & Revenue Post and Completing an invoice** - This is the correct answer because both are posting processes in Unanet
    c) The Billing process contains no posting to the general ledger - This is an incorrect answer because both the Billing & Revenue Post and Completing an invoice are posting processes in Unanet

12. What should the Through Date be based on, when searching on the Add Invoice page?

    a) **The post date used in the Billing & Revenue Post** - This is the correct answer because the Add Invoice through date should match the B&R Post date

b) The date of actual transaction values - This is an incorrect answer because the actual through date is used in the B&R Post

c) The date used on the invoice - This is an incorrect answer because the date entered is used to determine the due and any discount period dates

13. What is the order of where invoice data (e.g., contact and addresses) comes from to be selectable and overridden on an invoice?

a) From Invoice to Organization to Project level - This is an incorrect answer because the information provided on the Customer Organization is available in the Project which then is available on the individual invoice

b) **From Organization to Project to Invoice level** - This is the correct answer because the information provided on the Customer Organization is available in the Project which then is available on the individual invoice

c) From Project to Organization to Invoice level - This is an incorrect answer because the information provided on the Customer Organization is available in the Project which then is available on the individual invoice

14. In Unanet, how can the PDF of Customer Invoices be delivered?

a) Email only - This is an incorrect answer because invoices can be delivered both via email and printed

b) Printed out and sent by mail only - This is an incorrect answer because invoices can be delivered both via email and printed

c) **Both email or printed out and sent by mail** - This is the correct answer because invoices can be delivered both via email and printed

15. Which report is recommended to use to print out numerous Customer Invoices together?

a) AR Aging - This is an incorrect answer because this report provides a list of outstanding Customer Invoices and Unapplied Customer Payments

b) **Invoice Status** - This is the correct answer because invoices are displayed grouped by invoice number. Groupings are separated with a page break/horizontal line which aids in bulk printing processes

c) Project Transactions - This is an incorrect answer because this report provides provide details related to what transactions (labor, expense, fixed price, funding caps, etc.) have been charged to a particular project

Lesson 4: REVENUE RECONITION (15)

1. What are the Project Types in Unanet?
   a) Time and Materials (T&M)/Cost Plus (CP)/Fixed Price (FP) - This is an incorrect answer because these are the Billing Types
   b) Direct and Indirect - This is an incorrect answer because these are Types of Costs
   c) **Billable and Non-billable** - This is the correct answer because these are the Project Types. This course focuses on the Billable Project Types

2. In Unanet, what is defined as Unbilled Billings?
   a) Amounts on a non-complete invoice - This is an incorrect answer because this is defined as Draft Billings
   b) **Billable amounts posted in Billing & Revenue Post, but are not on an invoice** - This is the correct answer because this is defined as Unbilled
   c) Amounts that are on a completed invoice - This is an incorrect answer because this is defined as Billed

3. In Unanet, what is defined as Draft Billings?
   a) **Amounts on a non-complete invoice** - This is the correct answer because this is defined as Draft Billings
   b) Billable amounts posted in Billing & Revenue Post, but are not on an invoice - This is an incorrect answer because this is defined as Unbilled
   c) Amounts that are on a completed invoice - This is an incorrect answer because this is defined as Billed

4. In Unanet, what is defined as Billed Billings?
   a) Amounts on a non-complete invoice - This is an incorrect answer because this is defined as Draft Billings
   b) Billable amounts posted in Billing & Revenue Post, but are not on an invoice - This is an incorrect answer because this is defined as Unbilled
   c) **Amounts that are on a completed invoice** - This is the correct answer because this is defined as Billed

5. In Unanet, what is defined as Deferred Revenue?
   a) Additional Items or Write-offs included on draft invoices - This is an incorrect answer because this is defined as Draft Revenue
   b) **Unearned, but billable amounts** - This is the correct answer because this is defined as Deferred Revenue

c) Amount of Revenue posted via the Billing & Revenue Post and Invoice Completion processes - This is an incorrect answer because this is defined as Recognized Revenue

6. In Unanet, what is defined as Draft Revenue?
   a) **Fixed Price items with a Revenue Recognition Method of "When Billed" or any Additional Items or Write-offs included on draft invoices** - This is the correct answer because it represents Draft Revenue
   b) Unearned, but billable amounts - This is an incorrect answer because this is defined as Deferred Revenue
   c) Amounts on a non-complete invoice - This is an incorrect answer because this is defined as Draft Billings

7. In Unanet, what is defined as Recognized Revenue?
   a) Additional Items or Write-offs included on draft invoices - This is an incorrect answer because this is defined as Draft Revenue
   b) Unearned, but billable amounts - This is an incorrect answer because this is defined as Deferred Revenue
   c) **Amount of Revenue posted via the Billing & Revenue Post and/or Invoice Completion processes** - This is the correct answer because this is defined as Recognized Revenue

8. For the Billing Type TM (Time & Materials), at what STEP of the billing process is revenue recognized?
   a) **Billing & Revenue Post** - This is the correct answer because revenue is recognized in B&R Post for TM projects
   b) Generate a draft invoice - This is an incorrect answer because this process is not a post and revenue is not recognized
   c) Complete Invoice - This is an incorrect answer because revenue is recognized when an invoice is completed for FP projects set to When Billed

9. For the Billing Type CP (Cost Plus), at what STEP of the billing process is revenue recognized?
   a) **Billing & Revenue Post** - This is the correct answer because revenue is recognized in B&R Post for CP projects
   b) Generate a draft invoice - This is an incorrect answer because this process is not a post and revenue is not recognized
   c) Complete Invoice - This is an incorrect answer because revenue is recognized when an invoice is completed for FP projects set to When Billed

10. For the Billing Type FP (Fixed Price), with a revenue recognition method of When Billed, at what STEP of the billing process is revenue recognized?

   a) Billing & Revenue Post - This is an incorrect answer because revenue is recognized for TM, CP, and FP projects that are not set to When Billed

   b) Generate a draft invoice - This is an incorrect answer because this process is not a post and revenue is not recognized

   c) **Complete Invoice** - This is the correct answer because revenue is recognized when an invoice is completed for FP projects set to When Billed

11. Indirect Costs are calculated based on the Indirect Cost Formula and Indirect Rates in the Cost Structure. The System Admin Posting Option Setup defines which Indirect Rate (Actual, Provisional, or Target) is to be used to calculate the Billing and Revenue Recognition amounts for which type of contract?

   a) Fixed Price (FP) - This is an incorrect answer because indirect rates are used in calculating CP projects

   b) **Cost Plus (CP)** - This is the correct answer because indirect rates are used in calculating CP projects

   c) Time & Materials (TM) - This is an incorrect answer because indirect rates are used in calculating CP projects

12. Cost Plus type contracts are typically billed at the Provisional rates, which is the estimated rate submitted to an external agency such as Defense Contract Management Agency (DCMA). What is the reason why this may result in a difference between Billings and Revenue at the end of the year?

   a) **Due to the different indirect rates used, as define by the System Admin Posting Option Setup, between the Provisional rates for Billings and Actual rates used to calculate Revenue Recognition amounts** - This is the correct answer because The System Admin Posting Option Setup defines which Indirect Rate (Actual, Provisional, or Target) is to be used to calculate the Billing and Revenue Recognition amounts. If they are using difference rates it causes a difference which should be reconciled at the end of the year

   b) Due to the same indirect rate used for Billings and Revenue Recognition amounts as define by the System Admin Posting Option - This is an incorrect answer because the rate used is the same which would not cause a difference

c) Due to the Bill date on the billing schedule - This is an incorrect answer because a billings schedule with a Bill date is used for Fixed Price contracts

13. How is Deferred Revenue, for the Billing Type CP (Cost Plus) projects, handled at the end of the year?
    a) Deferred Revenue cannot exist for CP (Cost Plus) projects - This is an incorrect answer because Deferred Revenue could exist if the indirect rate used to calculate Billings and Revenue are not the same
    b) **Corrected through a "true-up" invoice or journal entry since Actual rates are often unknown until after the year end close** - This is the correct answer because CP projects should be reconciled once Actual rates are known
    c) Not Corrected since Actual rates are often unknown until after the year end close - This is an incorrect answer because CP projects should be reconciled once Actual rates are known

14. What drives when a fixed price item is included in the Billing & Revenue Post?
    a) **Bill date** in the Project level Billing menu - This is the correct - because the bill date drives when amounts are included in the B&R Post
    b) When timesheets are in a Lock/Extracted status - This is the incorrect answer because this is the driver for TM/CP projects
    c) When expense reports are in a Lock/Extracted status - This is the incorrect answer because this is the driver for TM/CP projects

15. When setting up the Project level Billing for Fixed Price Projects (FP), what are the Revenue Recognition Method choices available to be used to determine when Revenue is recognized?
    a) Custom Schedule is the only Revenue Recognition Method used for FP projects - This is an incorrect answer because the revenue recognition methods are Custom Schedule, % Complete, When Billed selected for FP projects
    b) Revenue recognition methods are not selected for FP projects - This is an incorrect answer because revenue recognition methods are selected for FP projects
    c) **Custom Schedule, % Complete, When Billed** - This is the correct answer because these are the selectable revenue recognition methods for FP projects

Lesson 5: INVOICE ADJUSTMENTS (6)

1. Where is the setting found to limit the Billing or Revenue to the Funded Value?
   a) View Organization – Customer profile - This is an incorrect answer because a Project's Funded Value limit settings are not found under the Organization
   b) **View Project - Accounting** - This is the correct answer because a Billing Manager can view the Project's Funded Value limit settings under Accounting
   c) Edit Customer Invoice - This is an incorrect answer because a Project's Funded Value limit settings are not found in the Customer Invoice

2. What role, if any, can uncomplete an invoice?
   a) Billing Manager - This is an incorrect answer because this role cannot uncomplete an invoice only the System Administrator can
   b) Uncomplete an invoice is not an option - This is an incorrect answer because a System Administrator can uncomplete an invoice
   c) **System Administrator** - This is the correct answer because only the System Administrator can uncomplete an invoice if the property is selected to allow it

3. How does Voiding customer invoices leave an audit trail?
   a) The original invoice (that is voided) is removed from the system and replaced with the new voiding invoice. - This is an incorrect answer because voiding creates an additional negative invoice which leaves 2 invoices in the system for reference
   b) **By creating an additional new invoice that contains the negative value of the original invoice** - This is the correct answer because 2 versions of the invoice are kept in the system for reference
   c) Voiding does not leave an audit trail - This is an incorrect answer because voiding creates an additional negative invoice which leaves 2 invoices in the system for reference

4. What extension is automatically added to the end of a voiding invoice?
   a) **REV** - This is the correct answer because REV represents reversal which is shown on the extension of the invoice number
   b) VOID - This is an incorrect answer because VOID is not shown on the extension of the invoice number
   c) X - This is an incorrect answer because an X is not shown on the extension of the invoice number

5. What Project setting is made to align with Accounting policy which state not to recognize "at-risk" revenue if there is uncertainty surrounding whether additional funding will be received for the project?
   a) Limit Billing to Funded Value - This is an incorrect answer because this setting is used to cap the value on the invoice not revenue
   b) **Limit Revenue to Funded Value** - This is the correct answer because this setting is used to cap the value of revenue to be recognized
   c) Billing Invoice Setup - This is an incorrect answer because the billing invoice setup doesn't include access to limit revenue

6. Saving changes to deferrals or write-offs will trigger a general invoice recalculation process which has the potential to recalculate Invoice and Discount Amounts. If done in error, how do you return an item back to the draft invoice?
   a) **Delete and recreate the Draft invoice** - This is the correct answer because once a deferral or write-off has been made on a draft invoice, the only way to get those items back is to delete and recreate the invoice again. An invoice can be edited or deleted until it is completed
   b) Void the Draft invoice - This is an incorrect answer because a Void is only done for an invoice that has been Completed
   c) You cannot edit an invoice while it is in Draft status - This is an incorrect answer because an invoice can be edited or deleted until it is completed then it will need to be voided

APPENDIX B: SUPPLEMENTAL INFORMATION

System Administrator – Setup

This section contains supplemental information for the Billing Manager regarding actions that the System Administrator controls in Unanet. This information is to supplement your understanding of the system.

Accounts

Unanet offers the ability to establish a Chart of Accounts for all license types except for Project Time and Project Expense. A full chart of accounts is not required unless Unanet Financials license is applied. The Unanet System Administrator is responsible for the setup and maintenance of the accounts.

Posting Groups

When items are posted to the General Ledger, the accounts to which the various items are posted are determined based on the rules specified in Posting Group Setup. Posting Groups are used by the various posting procedures to identify the financial organization and account to which a transaction should be posted (for each Account Category).

Posting Groups will be referenced by many Unanet processes capable of generating General Ledger transactions including:
- Financial Documents
  - Vendor Invoice (default Accounts Payable account and org)
  - Vendor Payment (account and org used when posting AP Discount Taken and Unapplied Payment amounts)
  - Customer Payment (account and org used when posting AR Discount Taken, Small Balance Write-off and Unapplied Payment amounts)
  - Balance Sheet (net income and retained earnings)
  - Fiscal Year Close (retained earnings)
- Labor Cost Post
- Expense Report Cost Post
- Billing & Revenue Post
- Invoice Completion

Posting Options

Administrators can use the *Posting Options* setup screen to define a number of system wide billing related attributes, such as the desired Billing and Revenue Recognition rates for use in Cost Plus calculations, and which dates are to be used with respect to be identifying Labor and Expenses for inclusion in posting processes. These values are specified at the system level and will be used when posting data for all projects.

Reference Links

Unanet GovCon Glossary of Terms

NEXT STEPS

Course Survey

We appreciate your feedback on our courses and encourage you to complete the course survey.

Certificate of Completion

Upon course completion, a Certificate of Completion, including applicable CPE credits, is available to download from your unanetuniversity.com account under *Completed Courses*. Completion status depends on the method used to attend the course:

- Instructor-Led Training (ILT) courses are marked as "Completed" once attendance has been recorded by the staff of Unanet University

- Self-Directed Learning (SDL) courses are marked as "Completed" upon achieving a passing score of at least 70% on the CPE Credit assessment

To access the Certificate of Completion, log in to your unanetuniversity.com account, navigate to the *Dashboard*, select **My Courses > Completed Courses**, locate the completed course, and select the **Certificate** button to download.