



Financial Transaction SOP: Financial Processing, Internal Billing (IB)

SOP Owner: Financial Processing Manager

Version Number, Date Revised: #2, 09/10/14

Standard Operating Procedure

1. Purpose

Internal Billing (IB) e-doc is used to bill for goods or services provided by one university department to another university department, reflecting internal income to the provider and expense to the customer. An IB is *not* used to record the transfer of capital equipment between university accounts—this type of transaction is usually recorded via a Transfer of Funds (TF) e-doc, (to move associated funds), and an Asset Transfer e-doc (to move the asset itself). **Note:** the IB e-doc is not used to report external income.

Examples of when to use an IB include:

- ILR Conference Center Billing
- CIT Training and Documentation Billing
- Parking Permits
- Recharge Operation
- Department use of golf course



2. Procedure

Transactions

Financial Processing

- [Advance Deposit](#)
- [Auxiliary Voucher](#)
- [Budget Adjustment](#)
- [Cash Receipt](#)
- [Credit Card Receipt](#)
- [Disbursement Voucher](#)
- [Distribution of Income and Expense](#)
- [General Error Correction](#)
- [Indirect Cost Adjustment](#)
- **[Internal Billing](#)** ←
- [Pre-Encumbrance](#)
- [Transfer of Funds](#)

Internal Billing e-doc is located on KFS Main Menu: Transactions.

Figure 1 – Main Menu, Transactions

In addition to the standard financial transaction tabs, the IB has a unique tab, called: Items.

Internal Billing Doc Nb: 10000688 Status: INITIATED
Initiator: rid46 Creator: 01:33 PM 12/30/201

[expand all](#) [collapse all](#)
* required field

Document Overview ▼ hide

Document Overview

* Description: Explanation:

Org. Doc. #:

Financial Document Detail Total Amount:

Accounting Lines ▼ hide

Accounting Lines hide detail

Income	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	0.00	import lines					
		Line Description							add
									add
Expense	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
add:	IT	<input type="text"/>	0.00	import lines					
		Line Description							add
									add

Items [show](#)

Capital Edit [show](#)

General Ledger Pending Entries [show](#)

Notes and Attachments (0) [show](#)

Ad Hoc Recipients [show](#)

Route Log [show](#)

Figure 2 – Internal Billing e-doc

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Date	Stock#	Description	* Quantity	UoM	* Item Cost	Total
						Total: \$0.00

Figure 3 – Items tab

The Items tab is optional; however, if you choose to use this tab, Quantity and Item Cost are required fields. Note: this tab *does not have any impact on the Accounting Lines information*, nor does it need to balance to the accounting lines. Filling out the Items tab does not automatically update the total of the accounting lines and should be used for informational purposes only. (Note: Items tab does not have an import function.)

Table 1 Items tab field definitions

Field Name *Description (* indicates a required field)*

Date	Optional. Enter the date of service or select it from the Calendar.
Stock #	Optional. Enter the stock number for the goods or services provided.
Description	Optional. Enter the description of goods or services.
Quantity	Conditionally required. Enter the quantity of goods or services provided.
UoM	Optional. Enter the unit of measure.
Item Cost	Conditionally required. Enter the cost per item for goods or services.
Total	Display-only. The extended cost is calculated when you click add to add the line.



Internal Billing Backdoor Id ky16 is in use

Doc Nbr: 10001662	Status: ENROUTE
Initiator: rld46	Created: 01:09 PM 01/20/2011

[expand all](#) [collapse all](#)
* required field

Document Overview ▼ hide

Document Overview	
* Description: Charges for visitor parking permits	Explanation: Visitor Professor Series
Org. Doc. #:	
Financial Document Detail	
Total Amount:	250.00

Accounting Lines ▼ hide

Accounting Lines hide detail									
Income									
* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions	
II Ithaca Campus	1002011 LACROUTE RONNI DEANS DISCRETIONARY		4025 Interdepartmental Revenue -IB				250.00		
Line Description									
							Total: 250.00		
Expense									
* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions	
II Ithaca Campus	2002446 MORRIS FRED B CTY AGR AG PROF IMPR		6630 Interdepartmental Services				250.00		
Line Description									
							Total: 250.00		

Items ▶ show

Capital Edit ▶ show

General Ledger Pending Entries ▶ show

Notes and Attachments (0) ▶ show

Ad Hoc Recipients ▶ show

Figure 4 – Internal Billing example

Best Practice recommendation: require client to provide an account number before the good(s) / service(s) are delivered.

Business Rules

- Negative accounting line amounts are allowed for billing corrections (i.e., processing a credit).
- There must be at least one accounting line in the **Income** section and one accounting line in the **Expense** section.
- Total **Income** section must equal total in **Expense** section in the Accounting Lines tab.
- Object codes must have a sub-type of ID Interdepartmental Activity.
- Fund and Sub-fund Groups allowed on the doc are controlled by parameters.

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Workflow

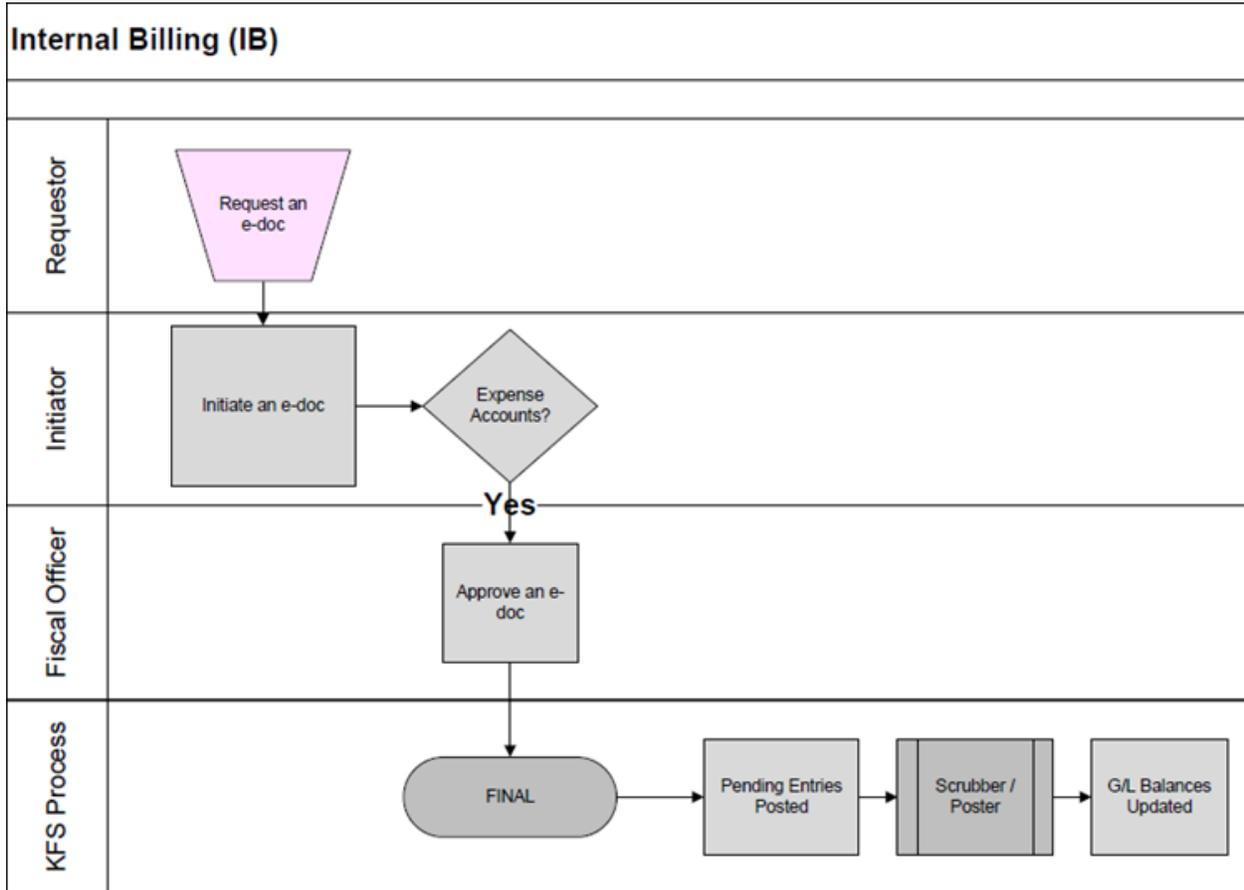


Figure 5 – Internal Billing e-doc workflow

3. Definitions

- KFS at CU: Chart of Accounts
- KFS at Cornell Glossary
- Old World / New World, Definitions, Helpful Information

4. References

- KFS Basics Tutorials
- Financial Processing, Overview, SOP and tutorial
- Internal Billing tutorial