



**State of Wisconsin**  
**Department of Administration**

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**FIN306: Inter Unit Billing**  
**Training Guide**

**Version 1.0**



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## Course Introduction

**Introduction** The Inter Unit Billing course discusses creating and receiving Inter Unit Bills including payment and clearing.

This course consists of the following modules:

- Module 1: Inter Unit Billing

**Objectives** After completing this course, the user will be able to:

- Describe the Inter Unit Billing process.
- Create an Inter Unit Bill.
- Prepare to receive an Inter Unit Bill.

**Roles and Responsibilities** The following roles are associated with this course:

- Agency Accounts Payable Approver: Person responsible for reviewing the voucher and approving it.
- Agency Accounts Payable Processor: Person responsible for reviewing the voucher and submitting it for approval.
- Billing Processor or Billing Agency: Person who loads information to create a bill.
- Program Area Staff: People responsible for verifying bills.

## Activities

### Introduction

You will take part in three levels of group and individual activities throughout this course: Instructor Demonstrations, Training Exercises, and Challenges. The definitions and descriptions of each are below.

### Activity 1: Instructor Demo

Instructor demonstration activities involve a walk-through of procedures. Your instructor will show you how to perform these activities while you follow along.



### Activity 2: Training Exercises

You will determine how to perform an activity by following either the User Productivity Kits (UPKs) or data sheets, and by using the training materials as reference tools. You can perform Training Exercises individually or in groups, as directed by your instructor.



### Activity 3: Challenges

Challenges do not contain step-by-step instructions. Instead, this is a self-led activity in which you will be provided the minimum amount of information required to perform a transaction. You also may refer to the provided data worksheet for this activity. This document provides all the information you need to complete the activity.



## Module 1: Inter Unit Billing

### Objectives

After completing this module, you will be able to:

- Describe the Inter Unit Billing process.
- Create an Inter Unit Bill.
- Prepare to receive an Inter Unit Bill.

### Lessons

This module includes the following lessons:

- Inter Unit Billing Process
- Creating an Inter Unit Bill
- Receiving an Inter Unit Bill

### Key Terms

The following key terms are used in this module:



Term	Definition
Bill	A bill generates an invoice for an amount of money owed
Inter Unit (Interagency) Bill	A bill created from one agency to another
Invoice	A bill issued by the agency after having provided goods or services to the customer
Netting	Consolidating two or more transactions or payments in order to create a single value
Voucher	A form authorizing a disbursement of cash or a credit against a purchase or expense to be made in the future

## Inter Unit Billing Process

**Lecture**

Inter Unit Billing is also known as interagency billing. Inter Unit Bills are created from one agency to another.

Billing information is collected using agency-specific processes. Data is also imported using flat files. The flat files are loaded to staging tables when imported.

Within PeopleSoft, each agency is linked as either a customer or a supplier. The agency being billed is a customer. The agency doing the billing is a supplier. An invoice is created using the Billing module. When creating the invoice, by selecting another agency as the customer, the transaction is flagged as inter unit. An inter unit transaction allows payment processes to be completed automatically with batch jobs. The clearing process is performed centrally and no actual checks are printed in the transactions.

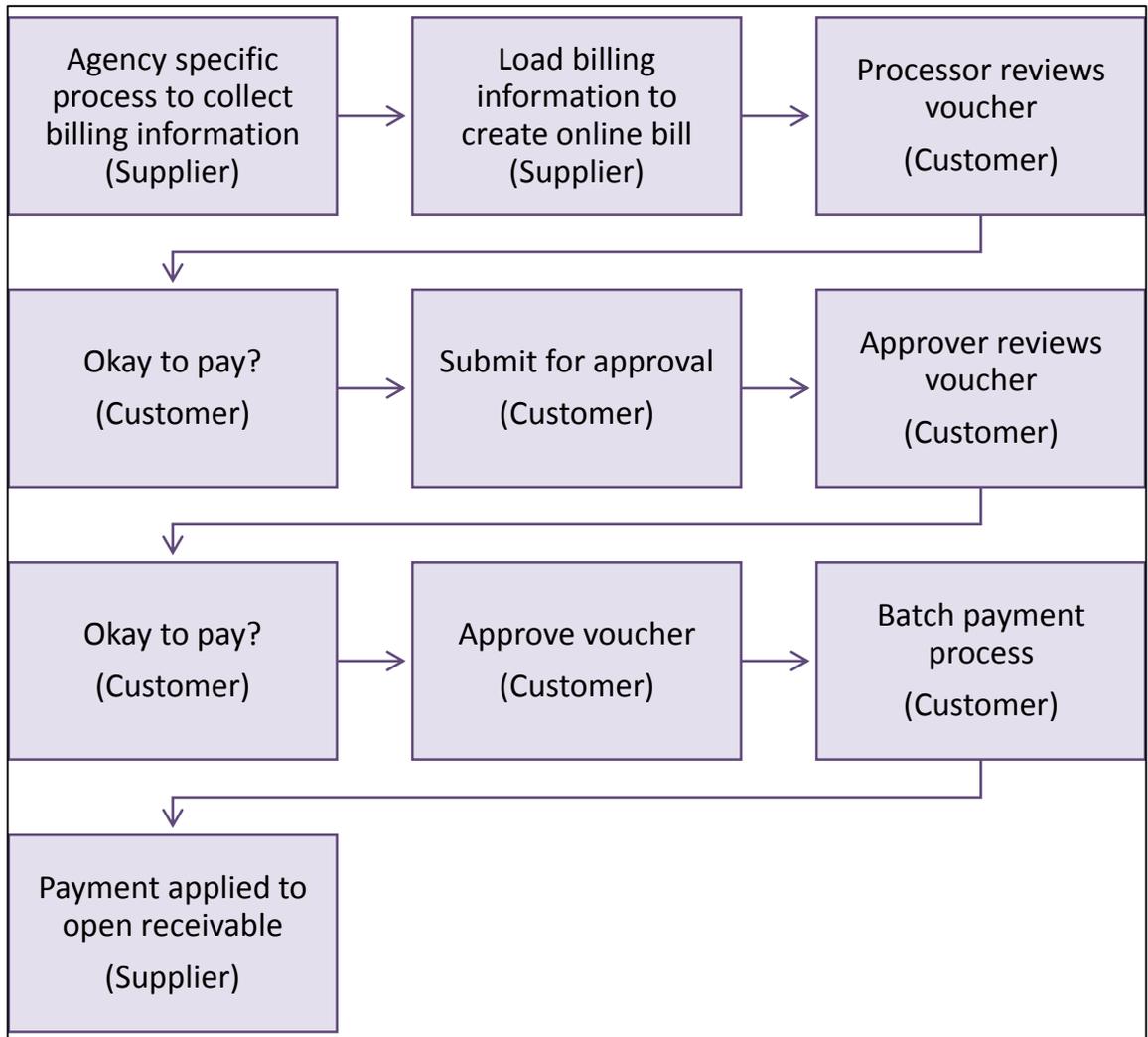


Figure 1: Inter Unit Billing Process Flow

## Inter Unit Billing Process (Cont.)

### Lecture

Bills can be located using the Bill Entry page. Search criteria, such as Status, Customer, Contract and Invoice, are used to perform the search.

### Integration with other Modules

Billing is integrated with other modules in the STAR PeopleSoft system. Billing transaction details are sent to General Ledger and other sub-modules (e.g. Accounts Receivable, Accounts Payable, Projects, and Customer Contracts).

### Process Overview

Details of the transaction are sent to Accounts Receivable for tracking the open receivable item. Accounting entries are generated in the General Ledger, and an open payable is added to the Accounts Payable module for tracking and payment. The Agency Accounts Payable processor will review the voucher to audit or verify it. After a voucher is approved, pay cycles are run. Pay cycles generate internal payment to be applied against open receivables in Accounts Receivable. The General Ledger process is loaded, generating the journals. At this stage, the Due, To and From, clearing process is complete.

## Learning Checkpoint

### Instructions

Use the training materials, job aids, and UPKs to answer the questions below. The questions will gauge your knowledge of the Inter Unit Billing Process.

### Questions



1. For an Inter Unit Billing transaction, who is the supplier?

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2. For an Inter Unit Billing transaction, who is the customer?

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## Lesson Summary

### Objectives Achieved



Now that you have completed the Inter Unit Billing Process lesson, you should be able to:

- Recognize the Inter Unit Billing process.
- Identify the customer and supplier roles.
- List the other submodules which integrate with Inter Unit Billing.

## Creating an Inter Unit Bill

### Lecture

Creating Inter Unit Billing transactions is the process of a General Ledger business unit (agency) billing another general ledger business unit (agency) for products or services provided. When this activity occurs, accounting entries must be made that reflect activity for the agencies involved, but have no effect on the State as a whole.

When Inter Unit billing occurs, accounting entries must be made to reflect balanced activity for the agencies involved.

When creating an Inter Unit Bill, the end-user must select an inter unit customer that represents the Bill To general ledger business unit. The inter unit customers have already been preconfigured into the system.

Outlined below is the process required to enter an Inter Unit Bill:

1. Navigate to the **Header – Info 1** page: **Main Menu > Billing > Maintain Bills > Standard Billing > Add a New Value**

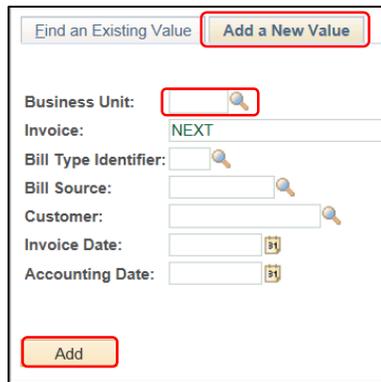


Figure 2: Add a New Value page

2. Input the agency identification number in the **Business Unit** field.  
**Note:** the Invoice field will default to **Next**
3. Click **Add**

## Creating an Inter Unit Bill

**Lecture**

Use the **Header – Info 1** page to specify bill header information including data about:

- Where the bill came from
- Where the bill is going
- When the bill will be sent to the customer
- How the bill should be formatted

Figure 3: Header - Info 1 Page

4. Input the **Source** - use the **Source** field to specify where the order or sale originated. For example, if a customer places an order via mail, the bill source would be mail. The default value is via mail.
5. Input the **Customer** – the Customer IDs are preconfigured.
6. Click **Refresh**

**Note:** after clicking **Refresh**, the other fields will auto populate.

7. Click the **Bill to Unit** Icon –

**Note:** The follow pop-up box will display:

Figure 4: Bill to Business Unit Pop Up

The **Bill to GL Unit** information will auto populate.

8. Click **OK**

## Creating an Inter Unit Bill

Lecture

9. Navigate to the **Line – Info 1** page. This page is used to enter required charge information, such as Product, Quantity, and Price.

Figure 5: Line - Info 1

10. Input the **Identifier** – use this to categorize what the bill is for (optional).
11. Input the **Description** – use this to identify item name or type (optional).
12. Input the **Quantity** – use this to identify the product or service quantity.
13. Input the **Unit of Measure** (examples include Acre, Box, Carton).
14. Input the **Unit Price** – notice that the **Gross Extended** price will update once the page is saved or refreshed.
15. Click **Save** and then Click **OK**

**Note:** After clicking **OK**, the invoice number is generated.

16. Navigate to the **Acctg - Inter Unit Payables** page by selecting it from the **Navigation** drop down list.

Navigation Line - Info 1

Use the **Acctg - Inter Unit Payables** page to view and update Inter Unit payables ChartFields for each bill line. After updating the information, the Creating an Inter Unit Bill process is complete.

## Training Exercise: Create an Inter Unit Bill

### Scenario



You are an employee of the Department of Natural Resources. You want to create an Inter Unit Bill between your agency and the Department of Corrections.

### Instructions

This activity is will be performed in groups; you must complete it on your classroom workstation using the PeopleSoft training environment. Your instructor will tell you how to log into PeopleSoft.

You will determine how to perform the activity by following the data sheet, and by using the training materials as reference tools.

There are faculty members in the room to assist if you have questions.

### Relevant Resources

- Creating an Inter Unit Bill lesson content
- Training Exercise Sheet
- Data Sheet

## Training Exercise: Creating an Inter Unit Bill

Debrief



1. In this scenario, who is the supplier?

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2. In this scenario, who is the customer?

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3. What information is prepopulated, and what has to be manually populated?

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## Lesson Summary

### Objectives Achieved



Now that you have completed the Creating an Inter Unit Bill lesson, you should be able to:

- Understand the purpose of creating an Inter Unit Bill.
- Create an Inter Unit Bill.
- Recognize the customer and supplier roles in any given Inter Unit Billing transaction.

## Receiving an Inter Unit Bill

### Lecture

This lesson will review the Receiving an Inter Unit Bill process. The agency that receives the Accounts Payable side of the entry (buyer) will clear the transaction in the system to make the “Payment.” This action clears their accounts payable and also clears the accounts receivable for the billing agency.

A few things to keep in mind:

- To enter or interface a bill, the transaction must have the same number of accounting lines on both sides of the transaction (i.e. number of expenditure lines must equal number of revenue lines).
- Agency/Unit receiving the bill (Accounts Payable) cannot change the dollar amount in total.

Outlined below are the process steps to receive an Inter Unit Bill:

1. Run the Single Action Invoice.
2. Run the Batch Voucher Edit process to create the voucher from the staging table.
3. Agencies can edit or split the distribution lines on the Voucher, as required, to control where the payment will come from.
4. After the voucher is approved, the Budget Check process will run.
5. Then the Pay Cycle runs. This process will be run manually.
6. Voucher Posting and Payment Posting creates accounting entries for accruals and payments.
7. The journal generator will generate journals for accruals and payments.
8. The journals are created from the Accounts Payable module, with the accounting entries.
9. The Batch Run process will run the Load Payments process to Accounts Receivable (AR) staging (runs in Accounts Payable).



The screenshot displays the 'Payment Interface' configuration page. At the top, there are links for 'Run Control ID', 'Payment\_Interface', 'Report Manager', and 'Process Monitor', along with a 'Run' button. The main section is titled 'Payment Interface Parameters' and is divided into two sub-sections: 'Data Sources' and 'Match Criteria'. In the 'Data Sources' section, the 'Accounts Payable Payments' checkbox is checked, while others are unchecked. The 'Match Criteria' section has several options, all of which are currently unchecked. At the bottom of the page, there is a row of navigation buttons: 'Save', 'Return to Search', 'Previous in List', 'Next in List', and 'Notify'.

Figure 6: Payment Interface

## Receiving an Inter Unit Bill

### Lecture

10. The Batch Run process will run the Process Payment Interface, with the Accounts Payable (AP) Payments checkbox selected (runs in AR).
11. The payment predictor or a manual worksheet can be created to apply the payments for the open receivables.
12. The payment is applied to the open receivable. No checks are printed.

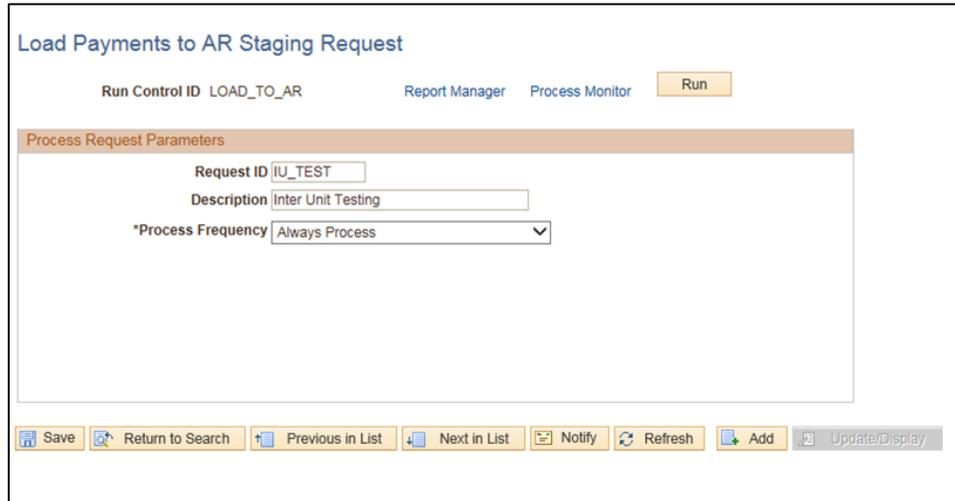


Figure 7: Process Payment Interface

13. The Batch Run process will run the Accounts Receivable update. The Request Receivables update will post the receivables, and creates the entries in the General Ledger.
14. The Batch Run process will run the Journal Generator for the Accounts Receivable entries.
15. This will create the journal for AR Payments, which will generate a Journal Entry to credit the Accounts Receivable balance and debit cash.

## Training Exercise: Receiving an Inter Unit Bill

### Scenario



You are an employee of the Department of Corrections. You need to process an Inter Unit Bill you've received from the Department of Natural Resources.

### Instructions

This activity will be performed individually; you must complete it on your classroom workstation using the PeopleSoft training environment. Your instructor will tell you how to log into PeopleSoft.

You will determine how to perform the activity by following the data sheet, and by using the training materials as reference tools.

There are faculty members in the room to assist if you have questions.

### Relevant Resources

- Receiving an Inter Unit Bill lesson content
- Training Exercise Sheet
- Data Sheet

## Training Exercise: Receiving an Inter Unit Bill

### Debrief



1. At which step in the process will a check be printed for payment?

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2. True or False: Agencies can edit or split the distribution lines on the Voucher.

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3. What are the two methods to apply the payments for the open receivables?

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## Lesson Summary

### Objectives Achieved



Now that you have completed the Receiving an Inter Unit Billing lesson, you should be able to:

- Recognize the receiving an Inter Unit Billing process.
- Identify the different modules involved.
- Explain the departure points between a typical Bill and an Inter Unit Bill.

## Module 1 Summary

### Objectives Achieved



Now that you have completed the Inter Unit Billing module, you should be able to:

- Describe the Inter Unit Billing process.
- Create an Inter Unit Bill.
- Prepare to receive an Inter Unit Bill.

## Course Summary

### Objectives Achieved



Congratulations! You have completed the FIN306: Inter Unit Billing course. You now should be able to:

- Describe the Inter Unit Billing process.
- Create an Inter Unit Bill.
- Prepare to receive an Inter Unit Bill.

### Next Steps

Now that you have completed the FIN306: Inter Unit Billing course, make sure that you complete the following tasks:

- Course assessment (tests your knowledge of the content)
- Course evaluation (collects course feedback)
- Log off your workstation

## Reference Materials

### Reference Materials



If you have further questions about any of the topics presented in the FIN306: Inter Unit Billing course, use the following resources:

STAR Job Aids

- Inter Unit Billing

For additional information:

- STAR Project Website: [starproject.wi.gov](http://starproject.wi.gov)
- STAR Intranet: <http://starconnection.wi.gov/Team>

## Glossary

### Key Terms



The following key terms are used in this course:

Term	Definition
Bill	A bill generates an invoice for an amount of money owed
Inter Unit (Interagency) Bill	A bill created from one agency to another
Invoice	A bill issued by the agency after having provided goods or services to the customer
Netting	Consolidating two or more transactions or payments in order to create a single value
Voucher	A form authorizing a disbursement of cash or a credit against a purchase or expense to be made in the future