# **Luma Projects & Grants Balances Conversion**

## **Frequently Asked Questions**

### **Why are we requesting project balances?**

This round of project balance workbook completion is for the Production tenant. It will ensure that the life-to-date balances on your projects are up to date and that no overspending will be processed by mistake.

### **Will there be an opportunity to view and validate project balances entered into the workbook prior to them being loaded in the Production environment?**

Balances will be loaded into the AX2 tenant for your validation prior to loading into Production. Recommended guidance for validating balances in AX2 (documentation with screenshots) will be provided in late July/early August.

### **How will we know how to validate the balances loaded into the Production environment?**

Additional guidance for validating balances in Production will be provided ahead of the balances being loaded into Production.

### **Can I use the project balances workbook that was submitted back in March as a starting point to add updates to?**

Yes. This workbook contains minor revisions, but you may use the previously submitted workbook as a starting point. We recommend using the new workbook for new comments or explanations. If you use prior workbook, please make sure to delete any prior amounts or old projects that are no longer active.

### **Are project balances required?**

All agencies with billable projects and grants will need to complete project balances workbooks to ensure that life-to-date project transactions and contract balances are trued up in the new system and overspending is prevented. Project balances are required regardless of whether or not a project budget is used.

### **How will service contracts / subcontracts / subrecipient contracts be added to my project contracts?**

Service contracts, subcontracts, and subrecipient contracts are different types of vendor contracts. Data for vendors contracts will be collected and added into Luma by the Procurement team. Once vendor contracts are added into Luma, the Procurement Team will provide the vendor contract number to be used to attach the service contract to the project contract. Refer to the instructional video ([Luma Training - Add Vendor Contract Project Contract](https://idahosco.servicenowservices.com/sp?id=kb_article_view&sysparm_article=KB0012563)) and/or QRG LUM\_211302-FIN-AddVendorContractProjectContract for steps.

***\*\*Please ensure you are using the correct project coding when submitting vendor contract data to the Procurement Team and include separate lines by funding source, as vendor contracts do not front-end split in the system.***

### **Can in-kind project balances be added into the system?**

Yes. In-kind balances will be loaded on the GLContractBalances tab using the statistical account code 699600. Fill in units instead of amount for in-kind balances.

### **How will historical retainers, or cash advances, be added into Luma (AR)?**

All historical project retainers that were received prior to Luma Go-Live must be added via workbook. The workbook for the P&G team to load project retainers will be provided to you via email and on the [Luma Projects and Grants website](https://www.sco.idaho.gov/LivePages/luma-projects-and-grants.aspx). Note that only the remaining balance should be loaded and not the original amount if transactions have already been applied to the retainer in the legacy system. ***\*\*Once retainers are added to the system, Accounts Receivable will create a writeoff for the historical retainer to ensure the revenue is not double counted for the transactions already recorded in STARS.***

### **Do I need to add project balances information for projects that do not begin until the beginning of the fiscal year (July 1, 2023)?**

No, you do not need to submit project balances data for projects that do not begin until the beginning of FY2024.

### **Is Luma going to post an offsetting expenditure transaction minus the project code for each expenditure line in the workbook so there is no net impact on fund balance and appropriation?**

Yes. While offset lines are not required in the project balances workbook, they will be added by the Luma Projects & Grants team prior to loading to the system to ensure that fund balance and appropriation are not impacted.

### **Will this projects and grants balances conversion be needed each year going forward?**

No. This conversion is part of the transition to the new Luma system. Moving forward, the balances will be updated live in the system.

### **I noticed that the examples on the GLContractBalances tab include examples for some types of account categories but not other. For example, there is an example for “personnel billed, cash not received Fed.” Shouldn’t there be similar lines for operating and indirect?**

Yes. The examples provided a starting point for the types of lines that may be added depending on your project balances but *are not comprehensive*. If you have operating or indirect that is billed not yet received, then your line would look just like the personnel line only with the summary account codes changed.

**From 06/27/2023 Kickoff:**

### **How do we bill for legacy system June expenses for which billing invoices (or requests for reimbursement) are due in July?**

Our recommendation is to bill any expenses outside from June out of the legacy system or as a manual billing, if possible. For project billing that cash was not received for in the legacy system (STARS), treatment is dependent on (1) whether the billing is non-state or interagency and (2) whether the revenue accrual was recorded in STARS before close. See the guidelines below. **\*\*\*Non-state billing invoices will require an Open AR invoice submitted to AR (see Q14).** \*\*\***Intercompany billing invoices will be manually added into LUMA using the guidelines below.** In the project conversion workbook, indicate that those expenses have been billed, cash not yet received and specify whether or not the revenue amount was recorded in legacy (STARS) or not (billed manually/paper or other method wherein revenue was not recorded). When the project conversion workbook is loaded, the amounts will be adjusted based on that conversion line. See guidelines below. This grid is also on the Projects & Grants Balances Conversion Workbook Master – Guidelines for Billable Balances tab. [Projects & Grants Balances Conversion Workbook MASTER](https://consulting.global.deloitteonline.com/sites/projectluma/TF/Finance%20Team/Projects%20and%20Grants%20Working%20Folder/Project%20Balance%20Conversions/Projects%20%26%20Grants%20Balances%20Conversion%20Workbook%20MASTER.xlsx?web=1)

### **How do we handle Open AR invoices (AR) for non-state billing?**

**The Open AR workbook will be collected beginning July 17 (when STARS year-end reports are available) and due July 19.** Projects must be included on the open AR invoices for projects. These expenditure balances would be recorded as historical transactions in P&G and not available for billing (not marked as “unbilled”)-for reporting purposes only.

***Expenditures NOT recorded in the STARS:*** Prior month expenditures that HAVE NOT been recorded as accounts receivable in the legacy system should be totaled by accounting string and entered in the Open AR workbook with *GL Status of POST and NO project number*. These entries will be converted as open AR and will be a reconciling item when compared to the Open GL conversion amounts for AR.

***Expenditures recorded in the STARS:*** Prior month expenditures that HAVE BEEN recorded as accounts receivable in the legacy system should be totaled by accounting string and entered in the Open AR workbook with *GL Status of NON-POST WITH the project number*. These entries will also be converted as open AR and will be a reconciling item when compared to the Open GL conversion amounts for AR.

### **How do we handle cash that has been received for a manual project billing prior to the Open AR invoices being loaded (AR)?**

If cash is received prior to the open AR invoice being converted into Luma, it can be recorded in a Receivable Payment batch to the customer number on the Customer Payments tab. The Remittances section of the screen will be left blank. This will tie the payment to the customer and record the entry as Received not Applied (RNA). Once the invoice is available in Luma, the payment can be applied to the invoice using ‘Select Invoices And Apply Cash.’ Please contact the AR team if that will not work.

### **Can we submit partial workbooks up to August? For example, I can submit my federal grants/projects now but not my agency non-billable projects until after legacy close.**

We request that the workbooks be submitted once they are completed.

### **Where are training videos on AR cash receipts and receipt draws on grants (AR)?**

Training materials can be accessed from the Idaho Service Portal Homepage: <https://idahosco.servicenowservices.com/sp?sysparm_stack=no>

Once on the homepage, click on the Luma FSM drop down arrow and select Accounts Receivable and click on Luma Training – (AR) Class 1 of 2: Deposits & Sweeps.

