Kuali@USC Quick Reference Guide: Kuali Internal Billing for Department Users Submitting Requisitions

In the USC Kuali system, every type of transaction is created and submitted in the form of an electronic document referred to as an "eDoc." The Kuali Financial System (KFS) includes an **Internal Billing** module, which is designed to record purchase transactions in which goods or services are exchanged between two university departments: the requesting department that requests and receives the goods or services, and the Service Center that fulfills the request.

This guide provides basic instructions for completing and submitting the KFS Internal Billing Requisition eDoc. For brevity, this document does not cover introductory Kuali information, such as general descriptions of the Kuali on-screen interface or explanations of workflow routing. For that information, please see the separate document titled **Kuali Basics: Reference and Training Guide**, which can be accessed from this web page: <www.usc.edu/kuali/basicsguide>

If you need assistance, please call ITS Customer Support at 213-740-5555 (UPC) or 323-422-1968 (HSC).

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General Information About Kuali Internal Billing

Under the university's legacy systems, Service Center Liens were created when a Service Center received an Internal Requisition from a department requesting goods or services. A special Journal Voucher would then be used to process the expense and relieve the lien. The Internal Billing module in KFS has been designed to address the needs of the majority of service centers and requesting departments for such transactions.

The **Internal Billing Requisition** eDoc enables authorized users in a university department to requisition goods or services from a designated Service Center, either as a *one-time-only* requisition or as a *blanket* requisition for ongoing requests. A lien is placed on funds in the relevant accounts to cover the requesting department's cost in purchasing the requested goods or services. When the requisition is fulfilled, an **Internal Billing Journal Voucher** eDoc is created to update the General Ledger and remove the lien.

Basic Overview of the Internal Billing Process

1. A user in the requesting department initiates an **Internal Billing Requisition** (IBR) eDoc as either a one-time-only or blanket (ongoing) requisition. Upon submittal, the IBR is routed to the designated Service Center for approval of the eDoc and fulfillment of the requisition.
2. A user associated with the Service Center approves the IBR eDoc, or returns it to the initiator if additional information is needed or if changes are necessary to accommodate significant price increases before the requisition can be fulfilled.
3. When the IBR is approved by the Service Center, an encumbrance (i.e., a lien) is applied to funds in the account(s) that the IBR specifies should be charged for the requested goods or services. The Service Center can now fulfill the IBR.
4. Periodically, one or more of the Service Center's users who are authorized to create Journal Vouchers will use the **Service Center Processing Lookup** function in the Kuali system to locate IBR eDocs that are awaiting processing by that Service Center. That user creates an **Internal Billing Journal Voucher** (IBJV) eDoc for one or more of those IBRs. The IBJV specifies the source and destination accounts for the transfer of funds needed to pay for the purchased goods or services.
5. When the IBJV is submitted, it is routed to its prescribed approvers at the department level and in the Office of the Comptroller.
6. When the IBJV has received all needed approvals, the encumbrance is relieved, removing the lien on funds in the source account.

NOTE: This guide includes only basic information about IBJV eDocs, but more detailed information on IBJVs is available in the separate document titled **Quick Reference Guide: Kuali Internal Billing for Service Centers**. The various stages of IBR and IBJV processing and routing are illustrated in diagrams at the end of this guide (see ***Appendix A*** on page 11 and ***Appendix B*** on page 12).

Workflow Routing for Internal Billing Requisition eDocs. Each Internal Billing Requisition (IBR) eDoc will automatically be routed for approval to the Service Center designated in the eDoc.

- All users in the approval node for the designated Service Center will receive all approval action requests in their Action Lists. When one of these users approves an IBR, that eDoc will be removed from the Action List Inbox of the other approvers.
- If an IBR eDoc includes an accounting line item that is associated with an Equipment Management object code (e.g., *171xx* or *448xx*) **and** has a cost exceeding $5,000, that eDoc will automatically be routed to the Equipment Management department for approval before being routed to the designated Service Center.

Two Kinds of IBR Document Status. Unlike most Kuali eDocs, an Internal Billing Requisition (IBR) eDoc has two separate kinds of document status. The first of these is the standard *Status* that applies to every eDoc, indicating its current level in the workflow routing process:

- INITIATED – The eDoc has been started, but not yet saved or submitted.
- SAVED – The eDoc has been saved within the system, but not yet submitted.
- ENROUTE – The eDoc is being routed for review, with *Approve* action requests pending.
- FINAL – The eDoc has been routed to all approvers and has no *Approve* action requests pending.

The other kind of IBR document status is the *IBR Status,* which is the current status of the requisition itself:

- PENDING – The requisition is awaiting approval from the Service Center responsible for fulfilling it. Note that this status is automatically assigned to the IBR when you first begin to create the eDoc.
- OPEN – The requisition has been approved by the designated Service Center and is now awaiting fulfillment, as well as an accounting update to the General Ledger.
- CLOSED – The requisition has been fulfilled, and the General Ledger has been updated to reflect the transfer of funds associated with the transaction.

Open One-Time-Only IBRs Closed Automatically by Month End Process. At the end of each month, an automated Month End process will run in the Kuali system. This process will find and close all one-time-only IBR eDocs that have been partially expensed and that have an *IBR Status* of OPEN, provided they are not included in an IBJV that is currently being routed for approval. However, any authorized Service Center user can flag individual one-time-only IBRs to remain open, which will exclude them from being closed by the Month End process. Blanket IBRs are not affected by the Month End process, and will remain open until they are closed manually.

NOTE: If an IBJV brings the total encumbrance amount associated with an IBR down to zero (*0*), that IBR will be closed automatically. If an IBJV only partially relieves the encumbrance amount from an IBR that is flagged to stay open, that IBR will remain open.

Business Rules for Kuali Internal Billing

- Internal Billing Requisition (IBR) eDocs can be initiated only by Department or Service Center users who have been assigned the *IBR Document Initiator* role. (Student workers are not authorized to initiate IBR eDocs.)
- Internal Billing Journal Voucher (IBJV) eDocs can be initiated only by users who have been assigned the *JV Initiator* role.
- IBR eDocs can be approved only by Service Center users who have been assigned the *IBR Service Center Approval* role.
- Because all users authorized as approvers for a particular Service Center will receive the *Approve* action request for an IBR eDoc that is submitted to that Service Center, the IBR can be approved by any of those users. Once approved, the IBR will be moved from the Inbox to the Outbox in the Action List of all approvers for that Service Center.
- Near the end of the fiscal year, new Internal Billing transactions must be submitted using special versions of the IBR and IBJV designed for use during this period. The **Next Year Internal Billing Requisition** is used to submit requisitions to be processed for the next fiscal year rather than the one that is ending. The **Year End Internal Billing Journal Voucher** is used to process IBRs in Period 13 Series of the current closing year. (See ***Year End Internal Billing*** on page 9 for more details.)

NOTE: These “Next Year” and “Year End” eDocs can only be used during limited year-end processing periods at the end of each fiscal year, as designated and announced by the Office of the Comptroller.

Business Intelligence/Cognos Reports for Internal Billing. You can generate an Internal Billing financial report using the Business Intelligence/Cognos reporting system, which interfaces with KFS. This report can be used for multiple purposes: opened requisitions, closed requisitions, aging, tracking, history, all service centers, a specific service center, and so on. You can access the **Business Intelligence Portal for KFS** by clicking the **Business Intelligence** button located in the upper right-hand corner of the Kuali screen.

Initiating an Internal Billing Requisition (IBR) eDoc

1. Type www.usc.edu/kuali in the address field of your browser.
2. When the "Kuali at USC" page is displayed, click the **Kuali Login** link. The "USCnet Login" page will be displayed.
3. Log in, using your USC NetID user name and password. If you do not know your USC NetID or password, please call ITS Customer Support at 213-740-5555 (UPC) or 323-422-1968 (HSC).

   The **Financial Main Menu** page of the Kuali screen will be displayed.

   TIP: It is strongly recommended that you create a browser bookmark to the Financial Main Menu page for easy access to the Kuali system. When you later use that bookmark, you will be directed first to the "USCnet Login" page and then to the Financial Main Menu page once you have logged in.

4. In the **Transactions** section on the Financial Main Menu page, click **Internal Billing Requisition** under the **Financial Processing** heading.

   The screen will change to display the **Internal Billing Requisition** (IBR) eDoc form. Fields marked with an asterisk (*****) are required, and must be completed in order to submit the eDoc. In the upper right-hand area of the screen, the fields for document number (abbreviated as *Doc Nbr*), Status, Initiator, and the creation date will be populated by the system. The *IBR Status* field will show that the IBR is PENDING.

5. In the *Description* field in the uppermost folder tab, labeled **Document Overview**, type a brief description (40 characters max.) of the requisition that you are creating. The *Explanation* field is optional and can be used to enter a continuation of the *Description*, if needed. (Below the *Description* field, the *Organization Document Number* field is not in use at this time.)

   NOTE: The eDoc you are creating could appear in the results of a document search performed by any Kuali user. Do not include any sensitive information in the *Description* field because that description will be visible in the search results.

   In the *Financial Document Detail* portion of the **Document Overview** tab, the *Total Amount* field will automatically be populated later, using data you will input on other tabs.

6. No data input is needed on the **Internal Billing Requisition Instructions** tab, which presents brief instructions to assist you in submitting the IBR eDoc. (The instructions shown on this tab may be revised occasionally by system administrators.)
7. Use the following instructions to complete the fields on the **Internal Billing Details** tab.
   a. In the **Contact Information** section of this tab, you only need to complete the *Principal Name* field; the other fields cannot be edited. Enter the user name of the person who should be contacted with any questions regarding this requisition, whether it is you or another individual in your department. When you press the TAB key to proceed to the next field, the other fields in this section will be populated automatically with the appropriate information.

      If you need to look up the person's user name, click the magnifying glass icon next to the *Principal Name* field. When your browser displays the **Person Lookup** page, enter the employee's name, email

address, 7-digit Employee ID number, or other search criteria, and click the search button on that page to display matching results at the bottom of the page. Among the displayed results, locate the entry for the person in question and click the **return value** link in that row. Your browser will then display the IBR eDoc form again, with the *Principal Name* field populated along with the other fields in the **Contact Information** section.

b. Complete the **Internal Billing Details** section of this tab, as follows:

i. The *Fiscal Year* field displays the current fiscal year by default, and cannot be changed.

ii. In the *Service Center Number* field, enter the ID number that identifies the Service Center to whom you are submitting this requisition.

If you do not know the Service Center number, you can look it up by clicking the magnifying glass icon next to the *Service Center Number* field. When your browser displays the **Service Center Lookup** page, click the search button on that page. (Make sure that either "Yes" or "Both" is selected for *Active Indicator*.) The lookup page will be refreshed to display a list of all Service Centers defined within the Kuali system at the bottom of the page. Optionally, if you know the first one or two digits of the Service Center Number you are seeking, you can filter the list of search results by entering those numbers followed by an asterisk [*****] wildcard. Among the displayed results, locate the entry for the desired Service Center and click the **return value** link in that row. Your browser will then display the IBR eDoc form again, with the *Service Center Number* field now populated.

iii. In the *Requisition Type Code* drop-down list, select "One Time Only" if this will be a one-time requisition, or "Blanket" if the requisition represents an ongoing order. (When you submit the completed eDoc at the end of this procedure, the system will present an error message if the Service Center you have specified does not accept the type of requisition you selected.)

iv. In some instances, the purchase price for the goods or services that your department is requesting could end up being higher or lower than originally anticipated. The possibility of a lower price does not require any special action on your part, but you have to specify how much higher a price would still be acceptable to your department. Use the *Approved Overage* drop-down list to select a percentage (from 0% to 10%) indicating how much higher an amount your department is willing to pay, if necessary, over the purchase amount that will be specified in the **Accounting Lines** tab of the eDoc.

- For example, if you select *5%,* the Service Center approver can approve the IBR and fulfill the requisition provided that the purchase price is no more than 5% higher than the amount specified in the **Accounting Lines** tab.
- If you select *0%,* the IBR will only be approved if the requisition can be fulfilled without charging any more than the amount specified in the **Accounting Lines** tab.

v. You cannot edit the *Requisition Date* field, which is automatically populated with the date on which the IBR eDoc is first created and saved.

vi. Use the date selector tool adjacent to the *Department Due Date* field to specify the date by which the requested goods or services are needed. The specified date will be used as a guideline for timely billing and for reporting purposes.

8. Use the following instructions to complete the fields in the **Accounting Lines > Encumbrance** area on the **Requisition** tab. Your entries in this part of the eDoc will be used to place a lien on funds in the specified account when the IBR is approved by the Service Center.

a. The default selection in the *Chart* drop-down list is **SC**, which usually should not be changed.

b. In the *Account Number* field, type the account number that will be encumbered. Enter only digits without any dashes. You can only specify an Expense, Construction In Progress, or Agency account.

If you need to look up the desired account number, click the magnifying glass icon next to the *Account Number* field to access the **Account Lookup** form. Enter relevant search criteria, and click the search button to view matching results at the bottom of that page. Among the displayed results, locate the entry for the desired account and click the **return value** link in that row. Your browser will then display the IBR eDoc form again, with the account number you selected now entered in the *Account Number* field.

c. In the *Object Code* field, enter the Object Code applicable for the encumbrance amount being requested in the same line. If the Account Number and Object Code that you have specified are not compatible, the system will display an error message at the top of the eDoc form when you attempt to submit the eDoc.

The **Sub-Account, Sub-Object, Project,** and **Org Ref ID** fields are not currently used at USC.

d. In the *Amount* field, enter the dollar amount that will be encumbered in the account you specified in the same line.

e. In the *Line Description* field, enter text briefly describing the items or services that you are requesting. Your text cannot exceed 40 characters and must contain no punctuation except for a period to end each sentence.

If you need to specify more details about the requested items or services, you can do so on the **Service Details** tab (see step 9 later in this procedure).

f. In the **Actions** column, click the add button to include the new accounting line entry in this IBR eDoc.

g. If you want to include additional accounting lines, repeat the preceding steps. Note the following guidelines:
   - If you selected "One Time Only" in the *Requisition Type Code* drop-down list, you can add accounting lines for multiple account numbers.
   - If you selected "Blanket" in the *Requisition Type Code* drop-down list, the same account number must be used for all accounting lines, but you can use multiple Object Codes provided they are all compatible with the specified account number.
   - If you need to remove an accounting line entry, click the delete button for that line.

NOTE: The final *Total* amount at the bottom of the **Accounting Lines** tab will be used later by the system to automatically populate the *Total Amount* field of the **Document Overview** tab on this eDoc.

9. Because you can enter only 40 characters in the *Line Description* field on the **Accounting Lines** tab, the **Service Details** tab provides a place where you can enter a more detailed description or itemized breakdown of the requested goods or services. Completing the **Service Details** tab is optional; it can be left blank. However, if you do choose to complete it, note that all the fields in that tab are marked with asterisks, meaning they are all required. Use the following instructions if you are completing the **Service Details** tab.

   a. In the *Description* field, enter a brief description (max. 40 characters) of the requested goods or services.

   b. In the *Quantity* field, enter a number (max. 10 digits) representing the quantity of goods or services you are requesting.

c. In the *UoM* field, enter a one- or two-character abbreviation to identify the Unit of Measure for the goods or services you are requesting. You may enter any abbreviation that is agreeable to your department and the Service Center in question. The following examples are offered here as a guide:

N = number (quantity of items)	*P* = pieces
Lb = pounds	*Oz* = ounces

d. In the *Item Cost* field, enter the cost per item that is applicable for the requested goods or services, and then press the TAB key to proceed. The system will use your data entries to calculate the total cost for the requested goods or services, and will automatically populate the *Total* field in that row.

e. In the **Actions** column, click the [add] button to include that row of details in the eDoc.

Based on your data input, the system will automatically update the *Total* value in the lower right-hand corner of the **Service Details** tab, as well as the *Total Amount* value displayed in the lower right-hand corner of the **Document Overview** tab.

f. If you want to include any additional line entries in the **Service Details** tab, repeat the preceding steps.

NOTE: The final *Total* value on the **Service Details** tab must match the *Total Amount* value in the **Document Overview** tab.

10. No action is required on the **General Ledger Pending Entries** tab, which will display information about pending entries to the General Ledger when applicable.

11. If you need to add any general comments or attachments to the eDoc, then complete the **Notes and Attachments** tab, as follows:

a. Click the [show] button on the **Notes and Attachments** tab to reveal the fields and controls used for adding comments and attaching related files.

b. Type your comments in the text box labeled *Note Text*. If you are just attaching a file, you must enter the file name or a brief comment in the text box. (This is a required field.)

c. To add an attachment, click the [Browse...] button next to the *Attached File* field and navigate to the location of the file on your computer that you want to attach to this eDoc. The full path of the file that you have selected will appear in the *Attached File* field, but it is not yet attached.

If you want to change your selection to a different file, click the small [CANCEL] button just below the *Attached File* field. When that field is empty again, click the [Browse...] button once more to locate the other file that you want to attach.

d. To save the notes you entered and attach the file that you have selected, click the [add] button located to the right of the *Attached File* field.

12. Approval routing for IBR eDocs is pre-defined. If you also want to send a courtesy *FYI* notification to someone when submitting the IBR eDoc, then complete the **Ad Hoc Recipients** tab as follows:

a. Select *FYI* from the *Action Requested* drop-down list in the *Person Requests* section.

b. In the *Person* field, enter the User ID of the person to whom you want to route the eDoc.

If you need to search for the User ID of the intended recipient, click the magnifying glass icon next to the *Person* field. When your browser displays the **Person Lookup** page, enter search criteria as needed to locate the desired person, and click the [search] button on that page to display matching results at the bottom of the page. Among the displayed results, locate the entry for the person in

question and click the **return value** link in that row. Your browser will then display the IBR eDoc form again, with the *Person* field populated accordingly.

c. Click the add button in the *Actions* column.

13. When you are ready to submit the IBR eDoc, click the submit button.

NOTE: Upon submittal, the IBR eDoc's *Status* field changes to show the document status is ENROUTE, but the *IBR Status* field will continue to show the requisition status is PENDING. The *IBR Status* will not change until the Service Center specified in the IBR eDoc has taken action on it.

Routing and Approval of the Internal Billing Requisition (IBR) eDoc

Routing of IBR eDocs. Each Internal Billing Requisition (IBR) eDoc is routed to the Service Center specified in the eDoc, with the following exception: If the **Accounting Lines** tab of the IBR eDoc includes a line entry that is associated with an Equipment Management object code (e.g., *171xx* or *448xx*) **and** has a cost exceeding $5,000, the eDoc will automatically be routed to the Equipment Management department for approval before being routed to the designated Service Center.

Approving an IBR eDoc. When an IBR eDoc is routed for approval, the approver may take any of the following actions:

- **Approve the IBR eDoc in its current form.** The IBR eDoc's Status field will change to FINAL, and the IBR Status field will change from PENDING to OPEN. Additionally, an encumbrance (lien) for the *Total Amount* shown in the IBR will be applied to the account(s) specified on the **Accounting Lines** tab of the eDoc. The approved IBR will be removed from the action lists of any other approvers within the same department.

  Once the IBR eDoc has been approved by the designated Service Center, it is ready for processing by someone in that Service Center who is authorized to initiate an Internal Billing Journal Voucher.

- **Return the IBR eDoc to its initiator for changes or additions.** For example, the approver might need to return an IBR for changes to accommodate a recent price increase affecting the goods or services requested in the IBR.

  The IBR eDoc's *Status* field will continue to show the document status as ENROUTE, and the *IBR Status* field will continue to show the requisition status is PENDING.

- **Disapprove the IBR.** The IBR eDoc's *Status* field will change to DISAPPROVED, and the *IBR Status* field will change from PENDING to CLOSED.

Changes That Can Be Made by IBR Approvers. When reviewing an IBR eDoc, an approver can only edit the *Amount* field on the **Accounting Lines** tab, or the *Item Cost* field on the **Service Details** tab. Note that the value specified in the *Approved Overage* drop-down list by the eDoc's initiator will restrict any price increase that the approver might try to input. If other changes are needed, the approver should return the IBR to its initiator with a note explaining the requested changes in the **Notes and Attachments** tab.

An IBR approver also has the option of closing an open IBR after it has been approved, if necessary. For example, the requesting department might ask that a requisition be canceled after it has already been approved by the Service Center to which it was submitted.

Year End Internal Billing

In the lower right-hand portion of the **Financial Main Menu** in KFS, you will find the following menu command links under the **Financial Processing** heading in the **Year End Transactions** menu group:

- **Next Year Internal Billing Requisition** – opens a special year-end version of the IBR, which can be completed by following the same procedure presented in ***Initiating an Internal Billing Requisition (IBR) eDoc*** (see page 4). This eDoc is used to submit requisitions to be processed for the next fiscal year rather than the one that is ending. On the **Internal Billing Details** tab of this IBR, the *Fiscal Year* field will display the upcoming fiscal year by default, and cannot be changed.
- **Year End Service Center Processing** – opens a special lookup page that Service Center processors will use to work with open IBRs that were submitted during Periods 1 through 12 of the fiscal year and that need to be processed in Period 13 of the currently closing year.
- **Year End Internal Billing Journal Voucher** – opens an empty (unpopulated) year-end version of the IBJV that is used to process IBRs in Period 13 Series of the currently closing year.

NOTE: These special "Next Year" and "Year End" eDocs can only be used during limited year-end processing periods at the end of each fiscal year, as designated and announced by the Office of the Comptroller.

Resubmitting an eDoc Returned for Correction

When an approver returns an IBR eDoc to its initiator for changes, the initiator should proceed as follows:

1. Open the eDoc and scroll down to the **Notes and Attachments** tab to read the approver's reason for returning the eDoc.
2. Edit the eDoc to make the changes requested by the approver.
3. Click the approve button to re-submit the modified eDoc for approval.

Checking the Status of a Submitted eDoc

Use this procedure to learn the current status of an IBR eDoc that has been submitted for approval.

1. Log in to the Kuali system, as described earlier in the procedures for initiating IBR or IBJV eDocs.
2. Near the top of the Kuali screen, click the doc search button.

   The **Document Lookup** page will be displayed.
3. In the *Initiator* field, enter the user name of the person who initiated the eDoc in question.

   TIP: If you are unsure of your own user name, note that it is displayed as "Logged in User:" in the upper right-hand area of the Kuali screen.
4. Use the date selector tools adjacent to the *Date Created From/To* fields to specify the date range during which you submitted the eDoc in question.
5. Click the search button.

   The search results, consisting of all the eDocs that you submitted during the specified time period, will be displayed in a table at the bottom of the screen.

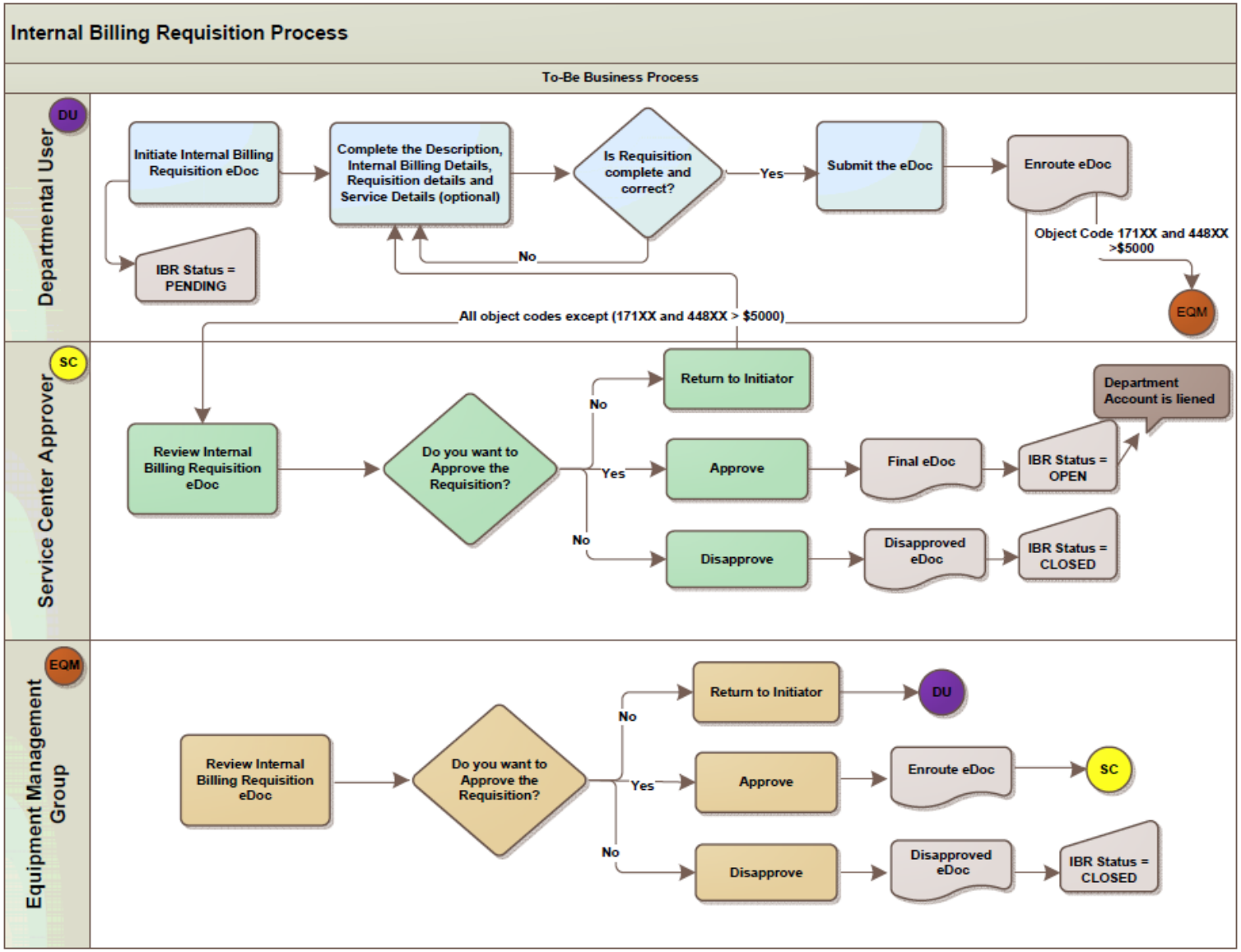
6. In the search results table, identify the eDoc whose status you want to check, and click the document icon at the rightmost end of the same row, in the column labeled *Route Log*.

   The screen will change to display status information for the eDoc in question, so that you can see where it is in the approval process.

Logging Out of Kuali

There is no "Log Out" link or button in the Kuali system. To exit Kuali, you must close all open windows of your browser using the standard window **Close** button. (On an Apple computer running the OS X operating system, you must also quit the browser.)

Appendix A: Flowchart Illustrating Internal Billing Requisition (IBR) Process



Appendix B: Flowchart Illustrating Internal Billing Journal Voucher (IBJV) Process