

# MANAGEMENT DIRECTIVE

## Commonwealth of Pennsylvania Governor's Office

**Subject:**

Using Value (Service) Date in SAP

**Number:**

310.29 Amended

**Date:**

June 10, 2009

**By Direction of:**  
Mary A. Soderberg, Secretary of the Budget**Contact Agency:**

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This directive contains policy and procedures to ensure that agency and the Office of the Budget, Office of Comptroller Operations personnel are correctly and consistently recording the value date on all revenue and expenditure transactions and on all goods receipts posted in SAP. The value date may also be referred to as the "service date". The value date field is used primarily to track the date revenues are earned by the commonwealth and the date materials and services are received by the commonwealth. Accurate and consistent use of this field will enhance financial reporting in SAP and will aid agencies and the Office of the Budget in the preparation of financial reports, spending trend analyses, and year-over-year variance analyses. Marginal dots are excluded due to major changes.

1. **PURPOSE.** To establish policy and procedures to ensure that the value date is consistently and correctly populated on all SAP transactions.
2. **SCOPE.** This directive applies to all agencies under the Governor's jurisdiction, and independent agencies using the SAP system. It is recommended that other agencies adopt similar policy and procedures.
3. **OBJECTIVE.** To accurately reflect the value date (service date) for all revenue and expenditure transactions in SAP and all posted goods receipts.
4. **DEFINITIONS.**
  - a. **Accounts Receivable.** Monies owed to the commonwealth from external customers that received either services or products from the commonwealth. External customers do not include commonwealth agencies or employees.

- b. **Cost Allocation.** The movement of expenditures from one fund to another to reimburse for payments made on behalf of the other fund or for payment of services provided to the other fund.
  - c. **Customer Refunds.** Monies returned to external customers because of overpayments or errors.
  - d. **General Ledger Adjustment.** Adjustments made to general ledger accounts that represent the movement of expenditures or revenue between funds.
  - e. **Goods Receipt.** An entry made in SAP, by agency personnel, to recognize the receipt of materials or services on a purchase order.
  - f. **Materials Receipt.** The act of receiving goods provided by a vendor.
  - g. **Services Provided.** The receipt of services completed from a vendor.
  - h. **Vendor Invoice.** A vendor request for payment which includes an itemized list of materials or services provided specifying the quantity or period of service, price per unit, payment date, and terms of the sale.
  - i. **Vendor Refund.** Monies returned by a vendor that represent an overpayment, or error in payment, for materials or services provided.
5. **POLICY.** All expenditure, revenue, and general ledger transactions posted or parked in SAP by agency or the Office of Comptroller Operations personnel must reflect an accurate value date. All goods receipts posted in SAP by agency personnel must reflect an accurate value date. The value date field in SAP shall be completed as follows:
- a. **Value Date for Revenues.** Use the actual date that the services or materials were provided to the customer. For tax revenues, use the last date of the period of time to which the particular tax amount relates based on commonwealth law or regulation. For intergovernmental revenues, use the date the commonwealth earns the revenue. For investment income and interest on notes and loans, use the last date of the applicable period of time related to the remittance item. The value date generally occurs prior to the actual deposit date.
  - b. **Value Date for Expenditures.** Use the actual date that materials were received or services were provided to the commonwealth.
  - c. **Value Date for General Ledger Adjustments.** Use the date of the underlying transaction for which an adjustment is being recorded into the system.

## 6. RESPONSIBILITIES.

a. **The Office of Comptroller Operations and Agency Managers** are responsible for:

- (1) Implementing a methodology whereby all expenditure and revenue transactions, and general ledger adjustments, are posted or parked in SAP with an accurate value date.
- (2) Implementing a methodology whereby all goods receipts are posted in SAP with an accurate value date.
- (3) Monitoring the agency interface value date field, and if necessary, coordinating corrective measures with agency Information Technology (IT) staff for resubmission.

b. **Agencies** are responsible for:

- (1) Ensuring that all expenditure and revenue transactions and general ledger adjustments on interface files sent to Integrated Enterprise System (IES) include an accurate value date consistent with this policy.
- (2) Ensuring all expenditure transactions for non-PO invoices are posted/blocked in SAP with an accurate value date.
- (3) Revising existing interface files that post revenue or expenditures into SAP to include the value date field.

c. **The Office of Comptroller Operations, Bureau of Financial Management** is responsible for:

- (1) Establishing policy and procedures for posting the value date in SAP.
- (2) Monitoring value dates being recorded in SAP and, if necessary, coordinating corrective measures with IES, agency, and other bureaus within the Office of Comptroller Operations.
- (3) Planning, coordinating, and directing agency and the Office of Comptroller Operations personnel on the use of value date information for reporting and analyses.

d. **Integrated Enterprise System** is responsible for:

- (1) Identifying all revenue and expenditure interfaces posting into SAP which do not contain a value date field.
- (2) Establishing and instituting sufficient control procedures to ensure all new interface files accepted from agencies have a value date field on the file.
- (3) Notifying BFM when exceptions are found on interface files received for posting to SAP.

**7. PROCEDURES.** Value dates shall be posted to SAP as follows:

- a.** If the value date is not available from the invoice or check documentation, and identification of the actual value date is not readily apparent, enter the invoice date or check date in the value date field.
- b.** In general, when recording a service period in the value date field that represents more than one (1) day, use the beginning date or start date of the service period. Do not record the ending date or completion date of the service period unless the service time period crosses fiscal years as described in Section 7.c.
- c.** If the service span or time period crosses over fiscal years, i.e., it spans a period that includes June 30 and July 1, appropriate judgment must be used to determine which fiscal year the service will benefit. If the majority of the service is received in the prior fiscal year, use the beginning date of the service period. If the majority of the service falls in the current fiscal year, use the end date of the service period.
- d.** When the amount posted to a general ledger expenditure account represents multiple value dates, use the date representing the majority of the expenditures.
- e.** When the amount posted to a general ledger revenue account code represents multiple value dates, use the date representing the majority of the revenue. The value date should never occur after the actual deposit date.
- f.** For all vendor invoices posted or parked in SAP using transaction FB60, ZFB60, or FV60, the actual date of the service/goods receipt must be entered on each line item in the value date field.
- g.** For all vendor refunds posted or parked in SAP using transaction FB65 or FV65, the actual date of the service/goods receipt must be entered on each line item in the value date field.
- h.** For all accounts receivable transactions posted or parked in SAP using transaction FB70 or FV70, the actual date of the service/goods receipt must be entered on each line item in the value date field.
- i.** For all customer refunds posted or parked in SAP using transaction FB75 or FV75, the actual date of the service/goods receipt must be entered on each line item in the value date field.
- j.** For all expenditure or revenue entries posted or parked in SAP using transaction FB50 or FV50, the actual date of the service/goods receipt must be entered on each line item in the value date field.
- k.** When an adjustment is made to a expenditure or revenue account in SAP using FB50 or FV50, the value date of the original posting should be entered on each line item of the value date field.

- l.** For all cost allocations posted in SAP using transaction KB15N or ZFB15N, the actual date of the service/goods receipt must be entered in the "Document Date" field because there is no value date field on these transactions.
- m.** For all goods receipts recorded in SAP using transaction MIGO, the "Document Entry Date" field must be changed from the current date to match the actual service/goods receipt date.
- n.** For all goods receipts recorded in SAP using transaction MIGO, the "Delivery Performance Date" field must be changed from the current date to match the service/goods receipt date.

**This directive replaces, in its entirety, *Management Directive 310.29*, dated November 29, 2007.**