



Creating Non-Federal Rate-Based Prepaid Contracts Overview

There are some agreements which require the customer to pay their portion of project costs in advance of work being initiated on the project. In these cases, the advance payment from the customer is considered a prepaid.

A prepaid may be associated to a rate-based contract to allow the advance payment to be drawn down (utilized) as expenditures are incurred on the project and processed for billing. The revenue is recognized at the time the contract invoice is finalized in the billing module.

The prepaid may be added to the contract at the time a new contract is created or to an existing contract at the time the advance payment is received.

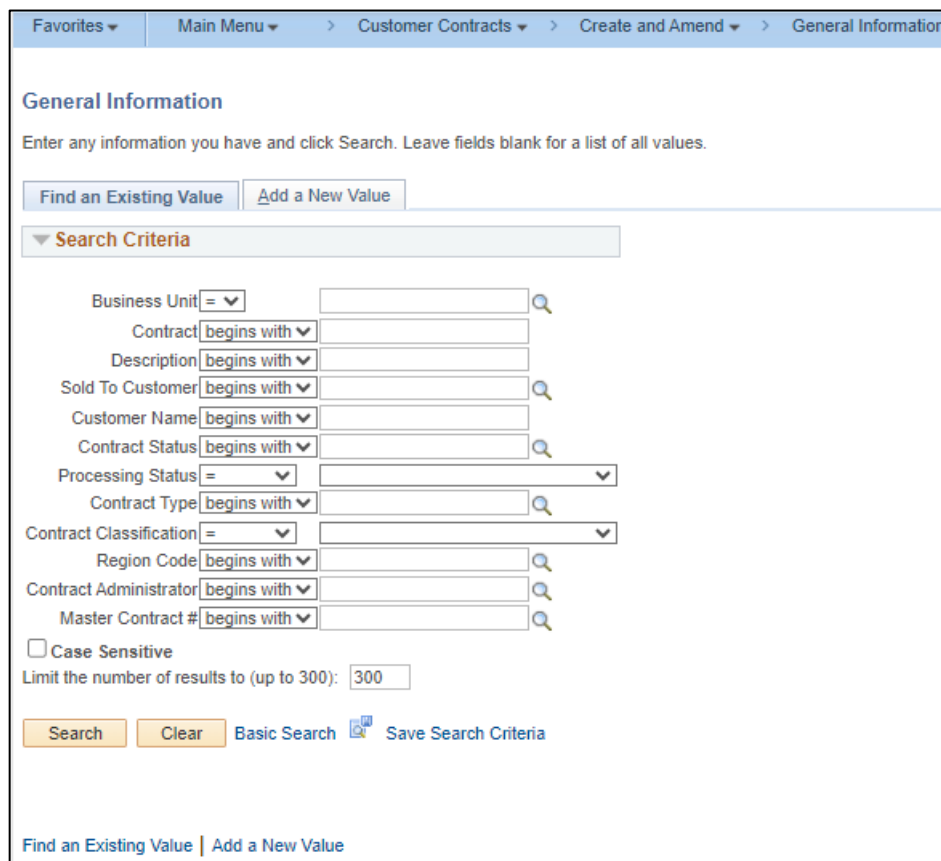
Table of Contents

Setting up the Prepaid for a Non-Federal Rate-Based Contract.....	2
Placing the Contract Line Bill Plan on Hold	12
Amending a Rate-Based Contract Prepaid.....	14

Setting up the Prepaid for a Non-Federal Rate-Based Contract

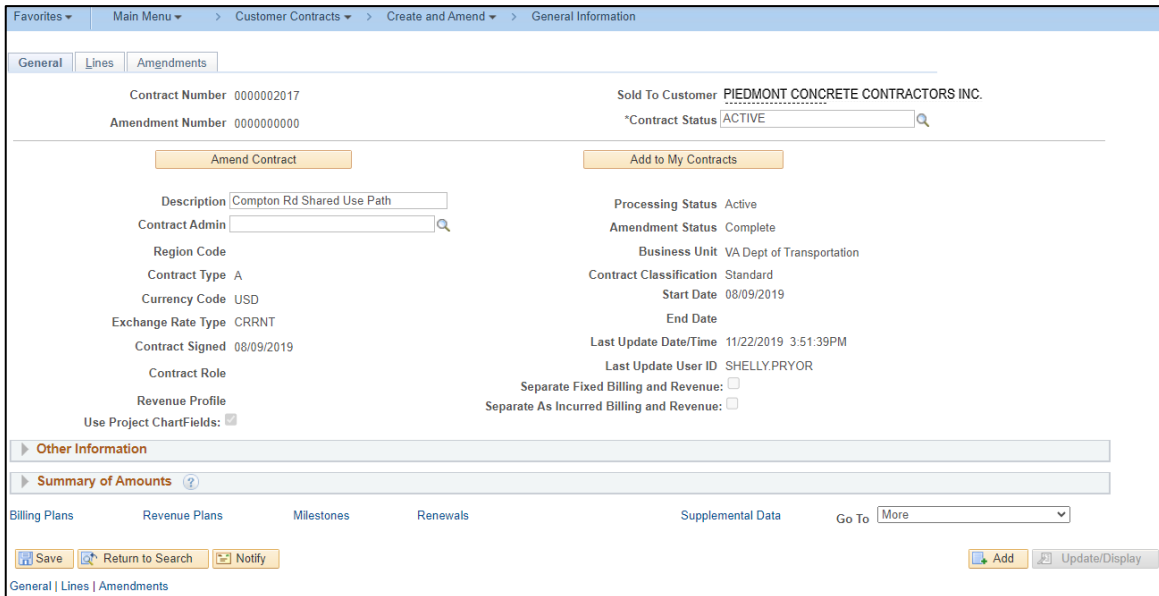
Step	Action
1.	<p>Navigate to the General Information page for the rate-based contract using the following path:</p> <p>Main Menu > Customer Contracts > Create and Amend > General Information</p> <p>Scenario: we will add a prepaid to a Pending contract.</p> <p>To add a prepaid to an existing contract, you must first create an amendment and then follow the steps listed below, prior to processing the amendment.</p>

The **General Information** search page displays.



Step	Action
2.	Enter the contract number in the Contract field. 
3.	Click the Search button. 

The **General Information** page displays.



Contract Number 0000002017 Sold To Customer PIEDMONT CONCRETE CONTRACTORS INC.
 Amendment Number 0000000000 *Contract Status ACTIVE

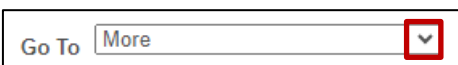
Amend Contract Add to My Contracts

Description Compton Rd Shared Use Path Processing Status Active
 Contract Admin Amendment Status Complete
 Region Code Business Unit VA Dept of Transportation
 Contract Type A Contract Classification Standard
 Currency Code USD Start Date 08/09/2019
 Exchange Rate Type CRRNT End Date
 Contract Signed 08/09/2019 Last Update Date/Time 11/22/2019 3:51:39PM
 Contract Role Last Update User ID SHELLY.PRYOR
 Revenue Profile Separate Fixed Billing and Revenue:
 Use Project ChartFields: Separate As Incurred Billing and Revenue:

Other Information
 Summary of Amounts

Billing Plans Revenue Plans Milestones Renewals Supplemental Data Go To More

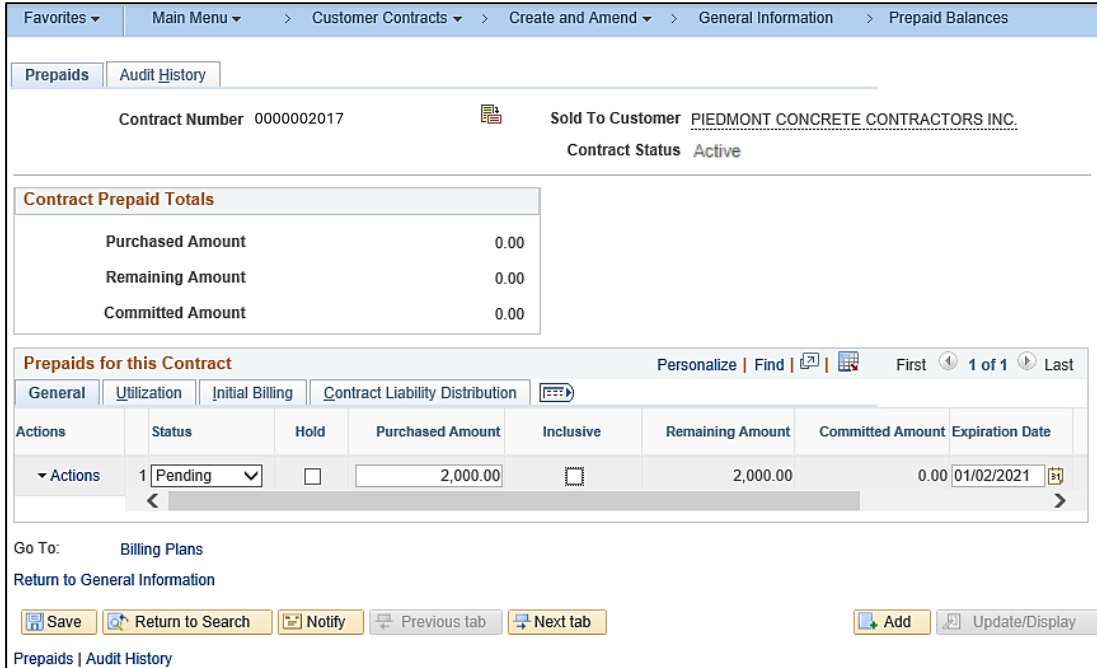
Save Return to Search Notify Add Update/Display

4.	Click the Go To drop-down menu 
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5.	Select Prepays . 
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Step	Action
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The **Prepays** section displays.




Note: In the **Prepays for this Contract** section of the page, the status defaults as **Pending**.

6.


In the **Purchased Amount** field, enter the amount of the prepaid that was paid in advance by the customer.

Actions	Status	Hold	Purchased Amount	Inclusive	Remaining Amount	Committed Amount	Expiration Date
▼ Actions	1 Pending	<input type="checkbox"/>	2,000.00	<input checked="" type="checkbox"/>	2,000.00	0.00	01/02/2021

7.

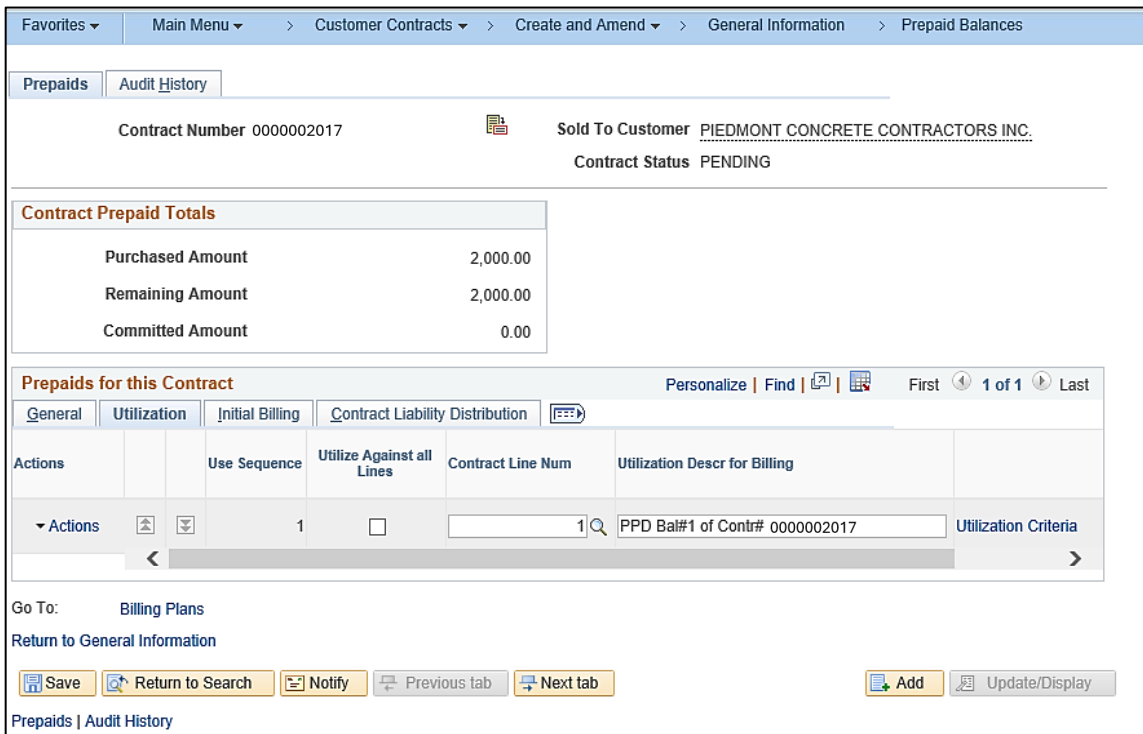
The **Inclusive** checkbox defaults as checked. Uncheck this checkbox. By unchecking it, it lets Cardinal know that the prepaid amount is not included in the total contract amount.

Actions	Status	Hold	Purchased Amount	Inclusive	Remaining Amount	Committed Amount	Expiration Date
▼ Actions	1 Pending	<input type="checkbox"/>	2,000.00	<input type="checkbox"/>	2,000.00	0.00	01/02/2021

Step	Action
8.	<p>In the Expiration Date field, enter an expiration date one year in the future for the prepaid. This field is for informational purposes only and will not impact processing.</p> 

9.	<p>Click the Utilization tab.</p> 
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The **Prepays** section displays with the **Utilization** tab selected.



Favorites ▾ Main Menu ▾ > Customer Contracts ▾ > Create and Amend ▾ > General Information > Prepaid Balances

Prepaids | Audit History

Contract Number 0000002017 Sold To Customer PIEDMONT CONCRETE CONTRACTORS INC.
 Contract Status PENDING

Contract Prepaid Totals	
Purchased Amount	2,000.00
Remaining Amount	2,000.00
Committed Amount	0.00

Personalize | Find | [?] [] First 1 of 1 Last

General | **Utilization** | Initial Billing | Contract Liability Distribution

Actions	Use Sequence	Utilize Against all Lines	Contract Line Num	Utilization Descr for Billing
▾ Actions [↑] [↓]	1	<input type="checkbox"/>	1	PPD Bal#1 of Contr# 0000002017 Utilization Criteria

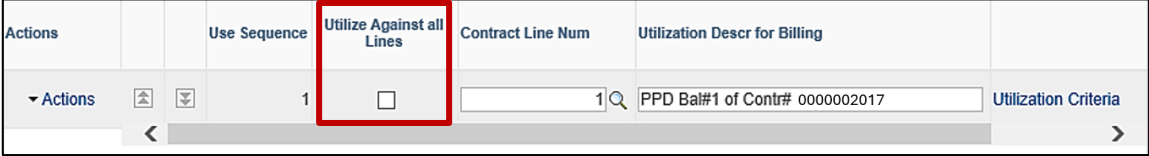
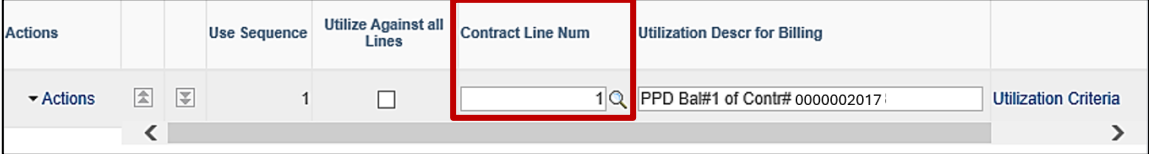

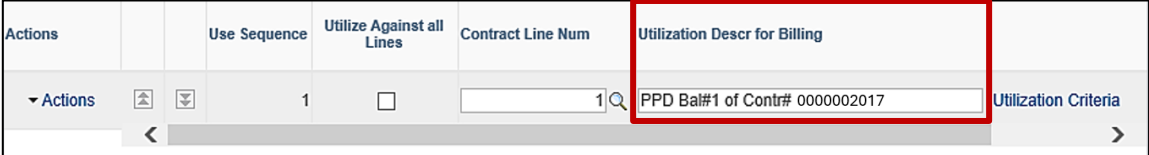

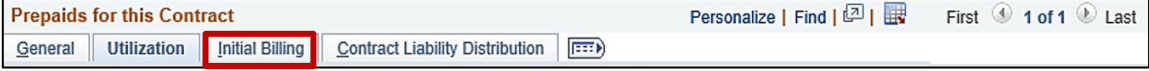
Go To: Billing Plans
 Return to General Information

Save Return to Search Notify Previous tab Next tab Add Update/Display

Prepaids | Audit History

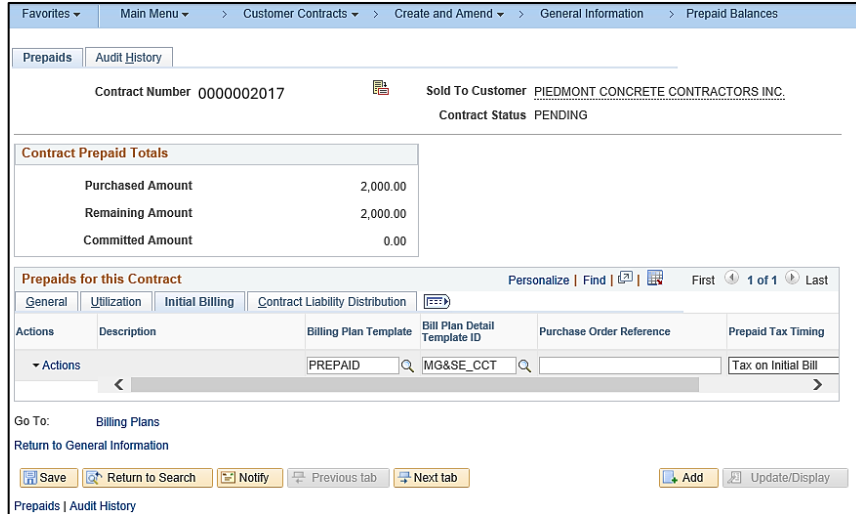


Note: The **Use Sequence** displays the number of prepaid amounts and Cardinal uses this to determine which amount to apply first when there is more than one.

Step	Action
10.	<p>The Utilize Against all Lines checkbox should be left unchecked. Select this checkbox if the prepaid amount is to be applied against all rate-based contract lines on this contract.</p> 
11.	<p>The Contract Line Num field allows you to select the contract line number you wish to apply this prepaid amount to again. In most instances, this value will be 1.</p> 
	<p>Note: The Utilization Descr for Billing field is automatically populated when you click the Save button. The description is the prepaid Use Sequence number joined with the Contract number.</p> 
12.	<p>Click the Save button. The Utilization Descr for Billing displays.</p> 
13.	<p>Click the Initial Billing tab.</p> 

Step	Action
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The **Prepays** page displays with the **Initial Billing** tab selected.



14. **Billing Plan Template:** Select **PREPAID**. The Billing Plan template automates the creation of the prepaid billing plan.

Actions	Description	Billing Plan Template	Bill Plan Detail Template ID	Purchase Order Reference	Prepaid Tax Timing
▼ Actions		PREPAID	MG&SE_CCT		Tax on Initial Bill

15. **Billing Plan Detail Template ID:** Select the **Billing Plan Detail Template ID** that has the Bill Type and Customer Type, which corresponds with the contract line created.

Actions	Description	Billing Plan Template	Bill Plan Detail Template ID	Purchase Order Reference	Prepaid Tax Timing
▼ Actions		PREPAID	MG&SE_CCT		Tax on Initial Bill




Note: Purchase Order (PO) Reference: this field is not used in Cardinal, so do not enter any values.

Actions	Description	Billing Plan Template	Bill Plan Detail Template ID	Purchase Order Reference	Prepaid Tax Timing
▼ Actions		PREPAID	MG&SE_CCT		Tax on Initial Bill

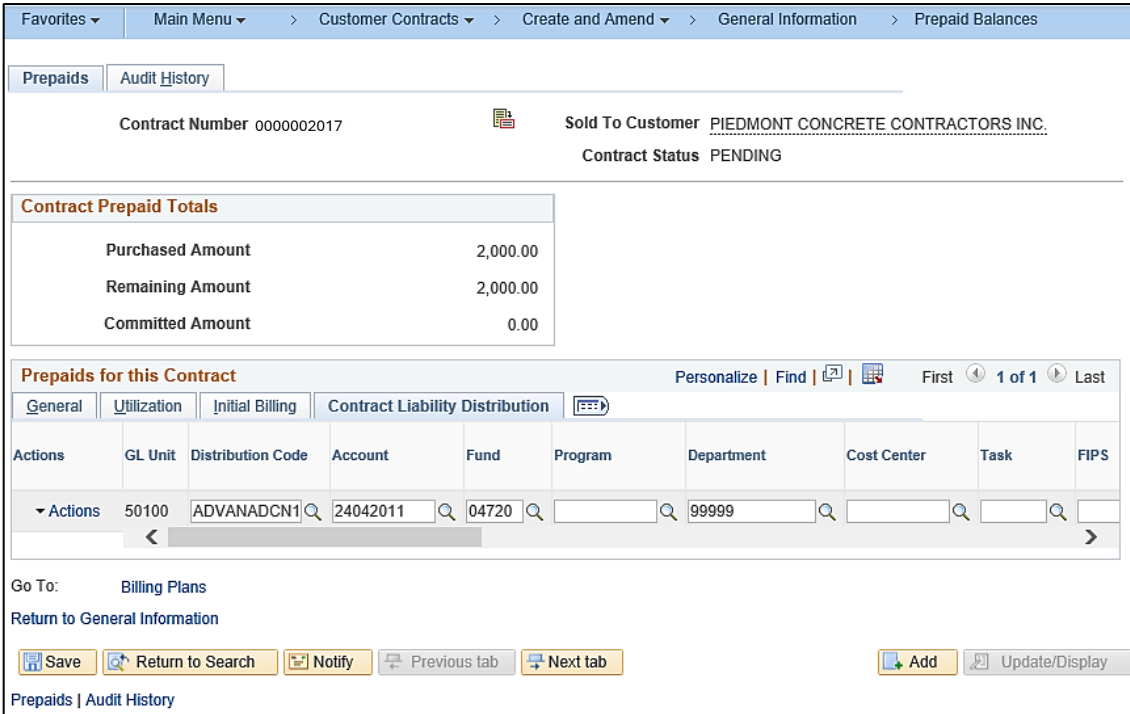


Note: Prepaid Tax Timing: This field defaults to **Tax on Initial Bill** and should not be changed.

Actions	Description	Billing Plan Template	Bill Plan Detail Template ID	Purchase Order Reference	Prepaid Tax Timing
▼ Actions		PREPAID	MG&SE_CCT		Tax on Initial Bill

Step	Action
16.	<p>Click the Contract Liability Distribution tab.</p> 

The **Prepays** page displays with the **Contract Liability Distribution** tab selected.



Contract Number 000002017 Sold To Customer PIEDMONT CONCRETE CONTRACTORS INC.
Contract Status PENDING

Contract Prepaid Totals	
Purchased Amount	2,000.00
Remaining Amount	2,000.00
Committed Amount	0.00

Actions	GL Unit	Distribution Code	Account	Fund	Program	Department	Cost Center	Task	FIPS
▼ Actions	50100	ADVANADCN1	24042011	04720		99999			

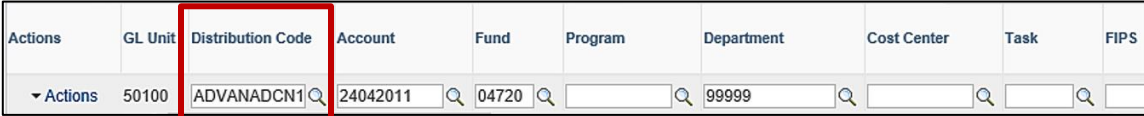
Go To: [Billing Plans](#)
Return to [General Information](#)

Save Return to Search Notify Previous tab Next tab Add Update/Display

Prepays | Audit History



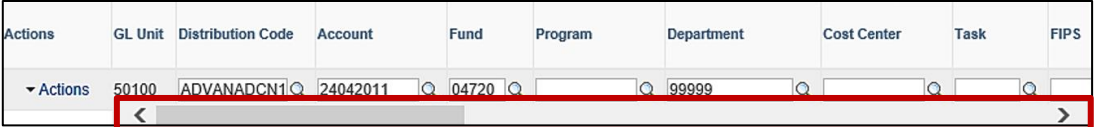
Note: The **Contract Liability Distribution** must be defined as this controls the ChartFields, which will be populated when booking the prepayment.

17.	<p>Distribution code: Select the distribution code by using the look up icon. The Distribution Code automatically populates the Account, Fund, and Department values. Select the code which has the Fund and Customer type used on the Contract Line. For this scenario ADVANADCN1.</p> 
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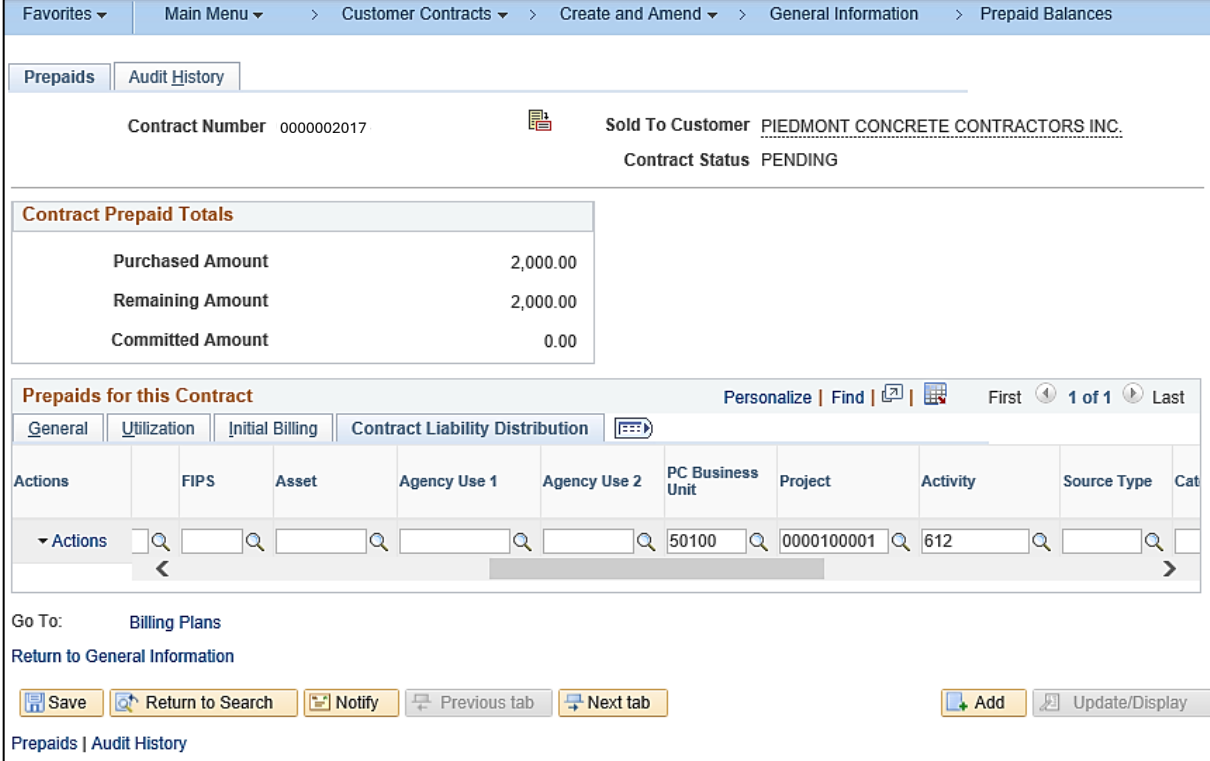



Project Accounting Job Aid


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Step	Action
18.	Use the scrollbar to scroll right. 


The remainder of the **Contract Liability Distribution** tab displays.



19.	PC Business Unit: Enter 50100 
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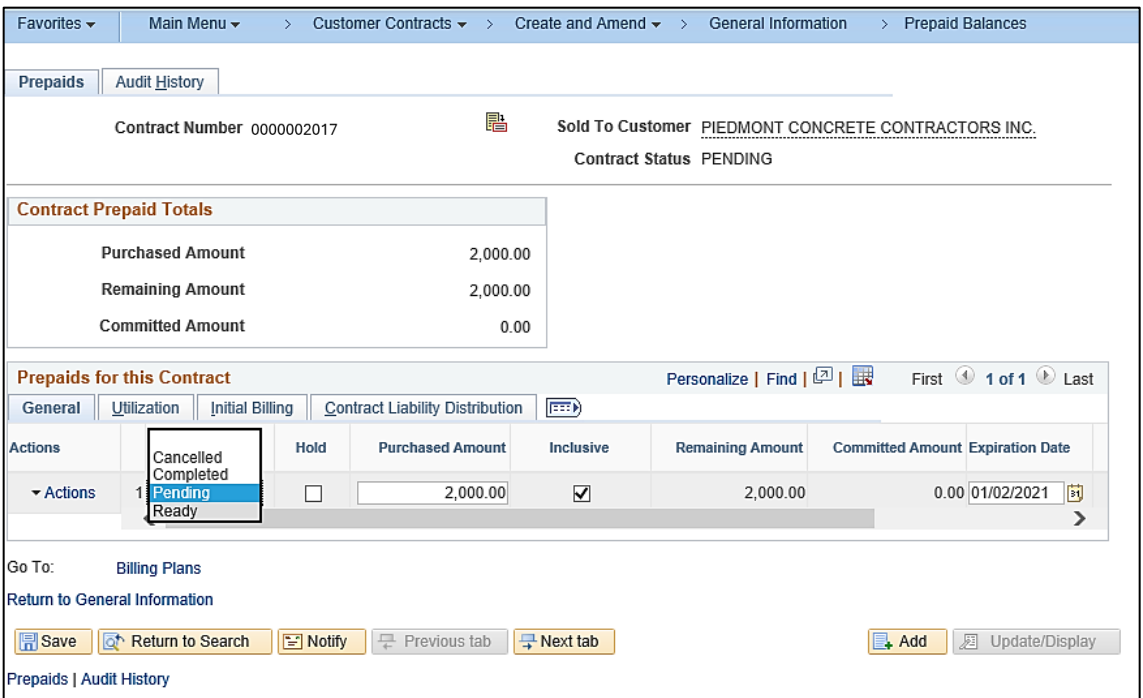
20.	Project: Enter the same Project ID that was used when the contract line was created. Once you enter the Project, the Distribution Code disappears but the ChartFields remain. 
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Step	Action
21.	<p>Activity: Enter one of the activities which was added on the contract line Related Projects page.</p> 


	<p>Note: The activity must be active in order for the distribution to save.</p>
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22.	<p>Click the General tab.</p> 
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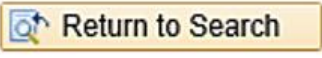


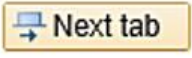

The **Prepays** page displays with the **General** tab selected.



Actions	Cancelled	Completed	Hold	Purchased Amount	Inclusive	Remaining Amount	Committed Amount	Expiration Date
▼ Actions	Cancelled	Completed	<input type="checkbox"/>	2,000.00	<input checked="" type="checkbox"/>	2,000.00	0.00	01/02/2021

23.	<p>Change the Status to Ready.</p> 
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24.	<p>Click the Save button. The Initial Billing for the Prepaid will be processed once the contract status is Active.</p>
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Step	Action
	    
	<p>Note: You must place the contract line Bill Plan on Hold so the initial prepaid can be finalized and processed. If this step is missed, the system will create a bill when expenditures are posted to the project instead of drawing down the prepaids.</p> <p>Placing the contract line Bill Plan on Hold must also be done when adding the prepaid to an existing contract.</p>



Project Accounting Job Aid

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Placing the Contract Line Bill Plan on Hold





Step	Action
1.	Navigate to the Billing Plan General page. Main Menu > Customer Contracts > Create and Amend > General Information > Define Billing Plan

The **Billing Plan General** page displays.

The screenshot shows the 'Define Billing Plan' page for contract 0000002017. The 'Billing Status' is 'Ready'. The 'Hold' checkbox is present but not checked. The page includes sections for Customer Information, Billing Options, Billing Default Overrides, Hold Details, Transaction Options, Retainage Options, and Tolerance Options.

2. Place the **Contract Line Billing Plan** on hold. Select the **Hold** checkbox.

This screenshot is identical to the previous one, but the 'Hold' checkbox in the 'Actions' section is now checked and highlighted with a red box. The date '1/06/2020' is visible next to it.

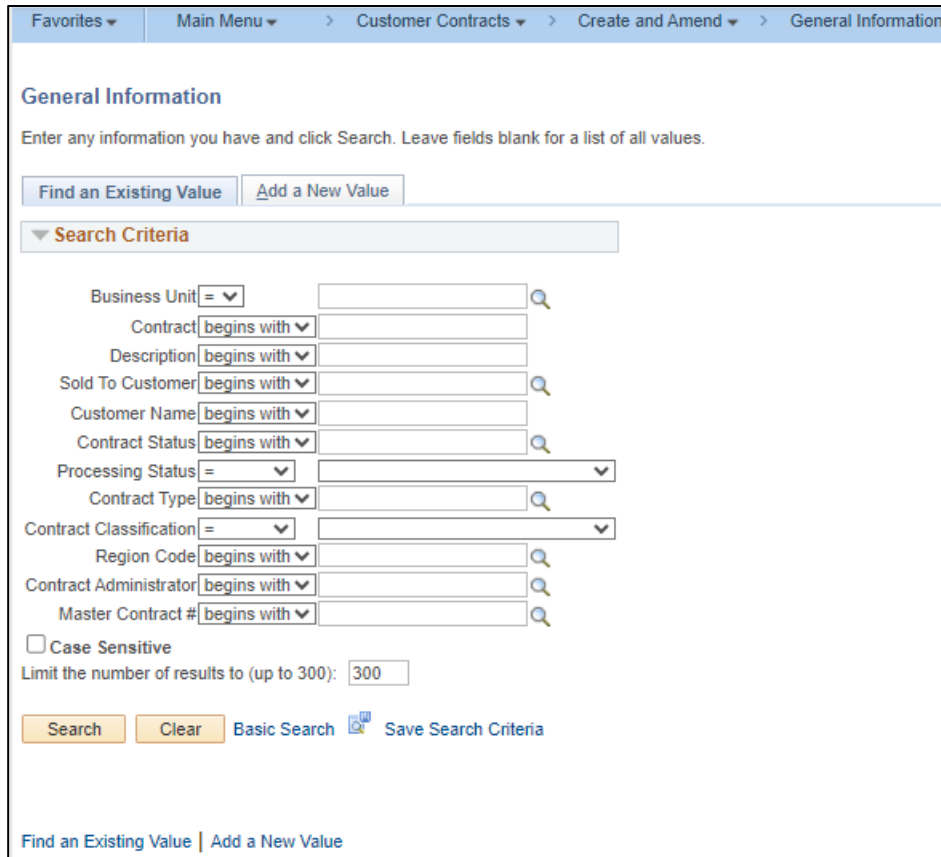
Step	Action
3.	<p>For Hold Reason select Process Int. Prepaid</p> <div data-bbox="326 390 940 594" style="border: 1px solid black; padding: 5px;"> <p>Hold Details</p> <p>Put On Hold Date 01/06/2020</p> <p>Hold User SHELLY.PRYOR</p> <p>Hold Reason Process Int. Prepaid <input type="text"/></p> </div>
4.	<p>Click the Save button.</p> <div data-bbox="326 667 954 724" style="border: 1px solid black; padding: 5px;">  Save  Return to Search  Notify </div>
	<p>Note: Once the Initial Prepaid invoice has been finalized, you can remove the Billing Plan Hold on the next day.</p>

Amending a Rate-Based Contract Prepaid

You can increase or decrease the initial prepaid amount with an amendment as long as you do not reduce the prepaid amount below the utilized amount. Follow the steps below to amend a Rate-Based Contract Prepaid.

Step	Action
1.	Navigate to the General Information page using the following path: Main Menu > Customer Contracts > Create and Amend > General Information


The **General Information** search page displays.



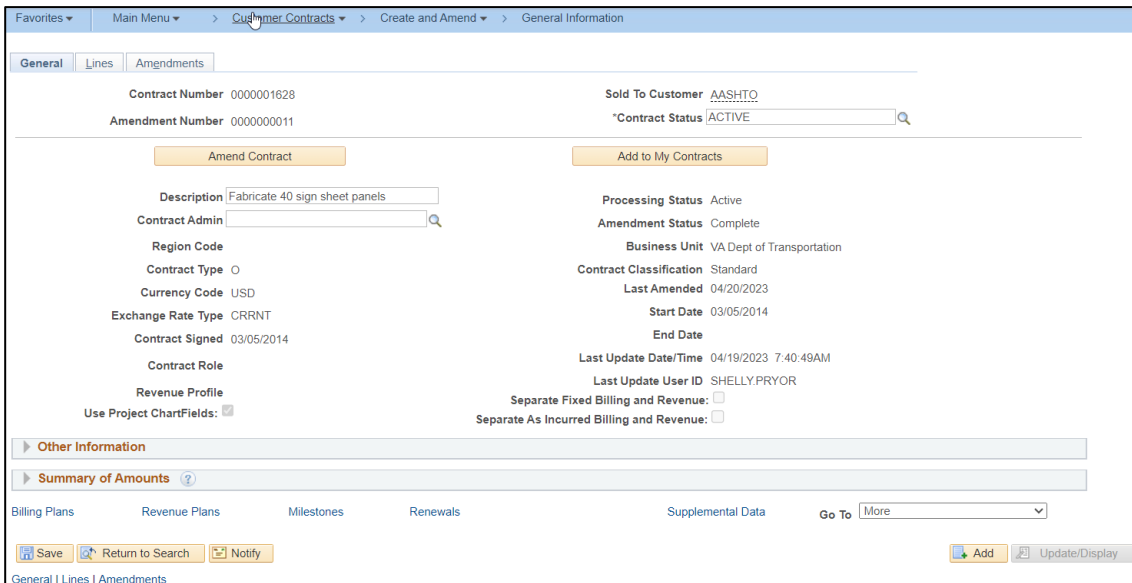
The screenshot shows the 'General Information' search page. At the top, there is a breadcrumb trail: 'Main Menu > Customer Contracts > Create and Amend > General Information'. Below this, the page title 'General Information' is displayed. A message states: 'Enter any information you have and click Search. Leave fields blank for a list of all values.' There are two buttons: 'Find an Existing Value' and 'Add a New Value'. A 'Search Criteria' section follows, containing several search fields:

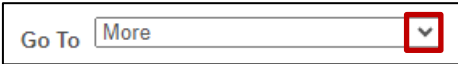
- Business Unit: dropdown menu and text input with search icon
- Contract: 'begins with' dropdown and text input with search icon
- Description: 'begins with' dropdown and text input with search icon
- Sold To Customer: 'begins with' dropdown and text input with search icon
- Customer Name: 'begins with' dropdown and text input with search icon
- Contract Status: 'begins with' dropdown and text input with search icon
- Processing Status: dropdown menu and text input
- Contract Type: 'begins with' dropdown and text input with search icon
- Contract Classification: dropdown menu and text input
- Region Code: 'begins with' dropdown and text input with search icon
- Contract Administrator: 'begins with' dropdown and text input with search icon
- Master Contract #: 'begins with' dropdown and text input with search icon

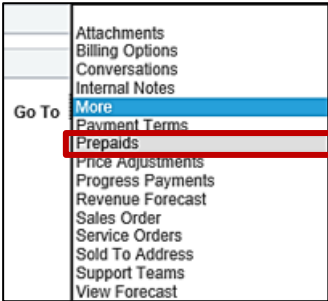
 There is a 'Case Sensitive' checkbox and a 'Limit the number of results to (up to 300):' field with '300' entered. At the bottom, there are buttons for 'Search', 'Clear', 'Basic Search', and 'Save Search Criteria'. A footer at the very bottom of the form area contains the text 'Find an Existing Value | Add a New Value'.

Step	Action
2.	Enter the contract number in the Contract field. 
3.	Click the Search button. 

The **General Information** page displays.

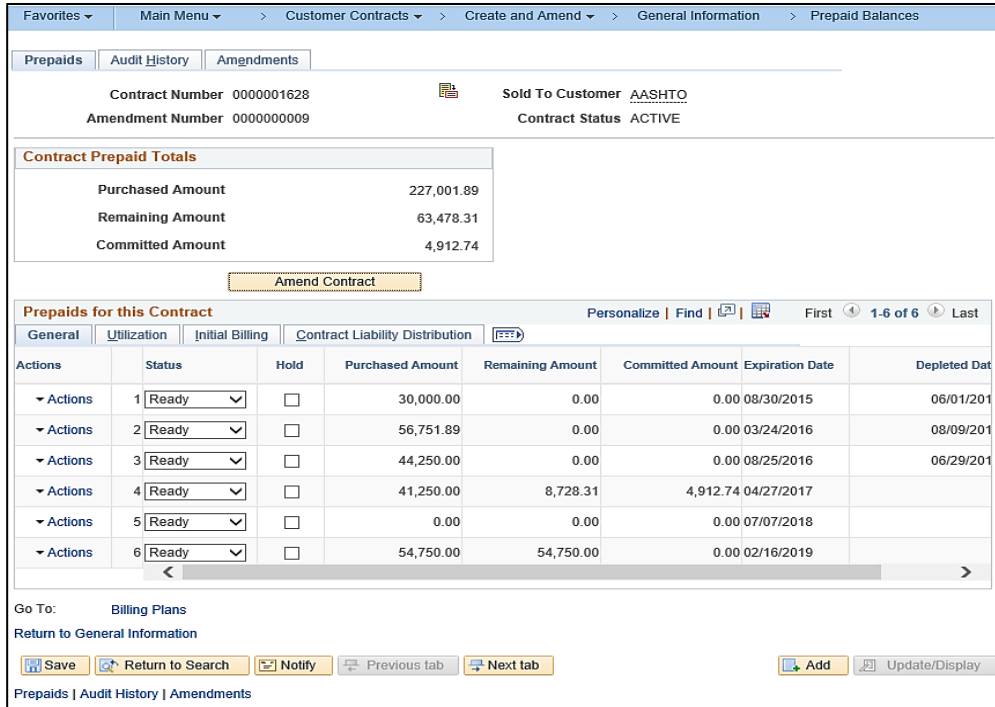


4.	Click the Go To drop-down menu 
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5.	On the General tab, in the Go To field, select Prepays from the drop-down menu. 
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Step	Action
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The **Prepays** tab displays.



The screenshot shows the 'Prepaid Balances' interface for contract 0000001628. It includes a 'Contract Prepaid Totals' section and a table of actions.

Category	Amount
Purchased Amount	227,001.89
Remaining Amount	63,478.31
Committed Amount	4,912.74

Actions	Status	Hold	Purchased Amount	Remaining Amount	Committed Amount	Expiration Date	Depleted Date
▼ Actions 1	Ready	<input type="checkbox"/>	30,000.00	0.00	0.00	08/30/2015	06/01/2016
▼ Actions 2	Ready	<input type="checkbox"/>	56,751.89	0.00	0.00	03/24/2016	08/09/2016
▼ Actions 3	Ready	<input type="checkbox"/>	44,250.00	0.00	0.00	08/25/2016	06/29/2016
▼ Actions 4	Ready	<input type="checkbox"/>	41,250.00	8,728.31	4,912.74	04/27/2017	
▼ Actions 5	Ready	<input type="checkbox"/>	0.00	0.00	0.00	07/07/2018	
▼ Actions 6	Ready	<input type="checkbox"/>	54,750.00	54,750.00	0.00	02/16/2019	


6.	<p>Click the Amend Contract button.</p> <div style="border: 2px solid red; padding: 5px; display: inline-block; margin: 10px 0;"> Amend Contract </div>
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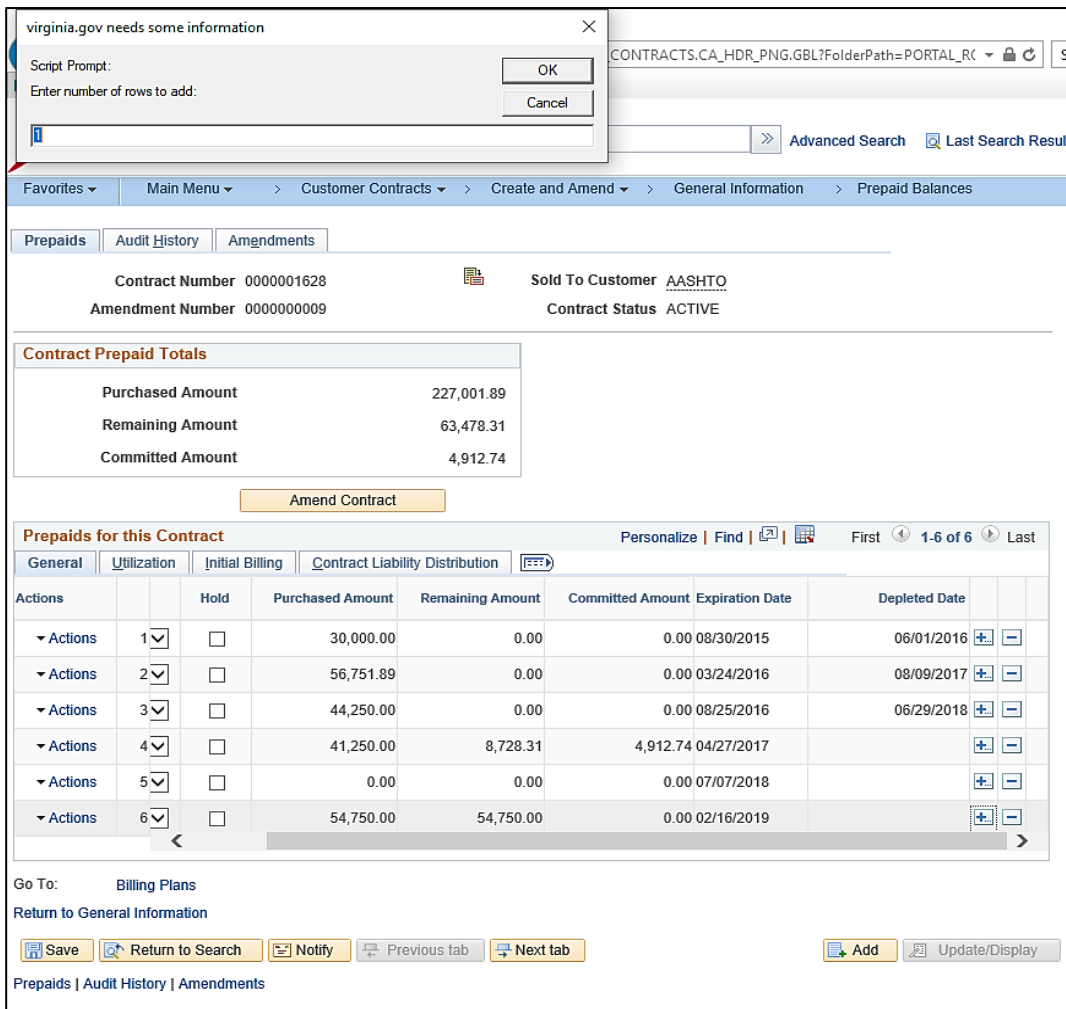
Step	Action
------	--------

The **Amendments** tab displays. In this scenario, the prepaid amount is being changed.

7.	In the Amendment Type field select Prepaid .
8.	In the Reason field select Amend Prepaid .
9.	Click the Save button.

Step	Action
10.	Click the Prepays tab. 

The **Prepays** tab displays. Increase or decrease the prepaid amount on this tab.



Contract Number 000001628 Sold To Customer AASHTO
 Amendment Number 000000009 Contract Status ACTIVE

Contract Prepaid Totals	
Purchased Amount	227,001.89
Remaining Amount	63,478.31
Committed Amount	4,912.74

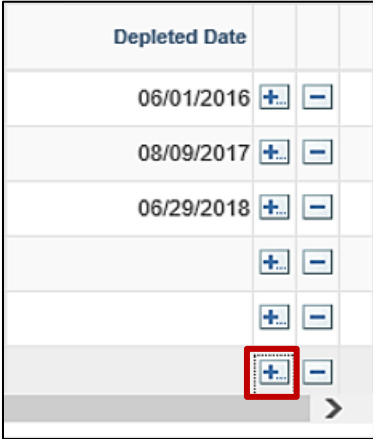
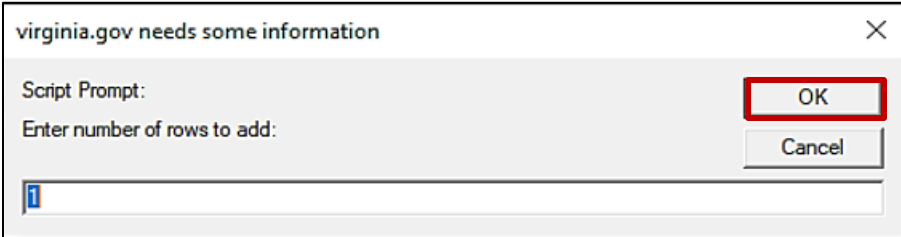
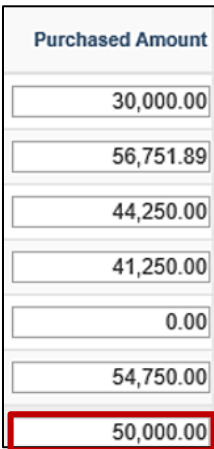
Amend Contract



Prepays for this Contract								Personalize	Find	First	1-6 of 6	Last
Actions	Hold	Purchased Amount	Remaining Amount	Committed Amount	Expiration Date	Depleted Date						
▼ Actions 1	<input type="checkbox"/>	30,000.00	0.00	0.00	08/30/2015	06/01/2016	+	-				
▼ Actions 2	<input type="checkbox"/>	56,751.89	0.00	0.00	03/24/2016	08/09/2017	+	-				
▼ Actions 3	<input type="checkbox"/>	44,250.00	0.00	0.00	08/25/2016	06/29/2018	+	-				
▼ Actions 4	<input type="checkbox"/>	41,250.00	8,728.31	4,912.74	04/27/2017		+	-				
▼ Actions 5	<input type="checkbox"/>	0.00	0.00	0.00	07/07/2018		+	-				
▼ Actions 6	<input type="checkbox"/>	54,750.00	54,750.00	0.00	02/16/2019		+	-				

Go To: [Billing Plans](#)
 Return to General Information

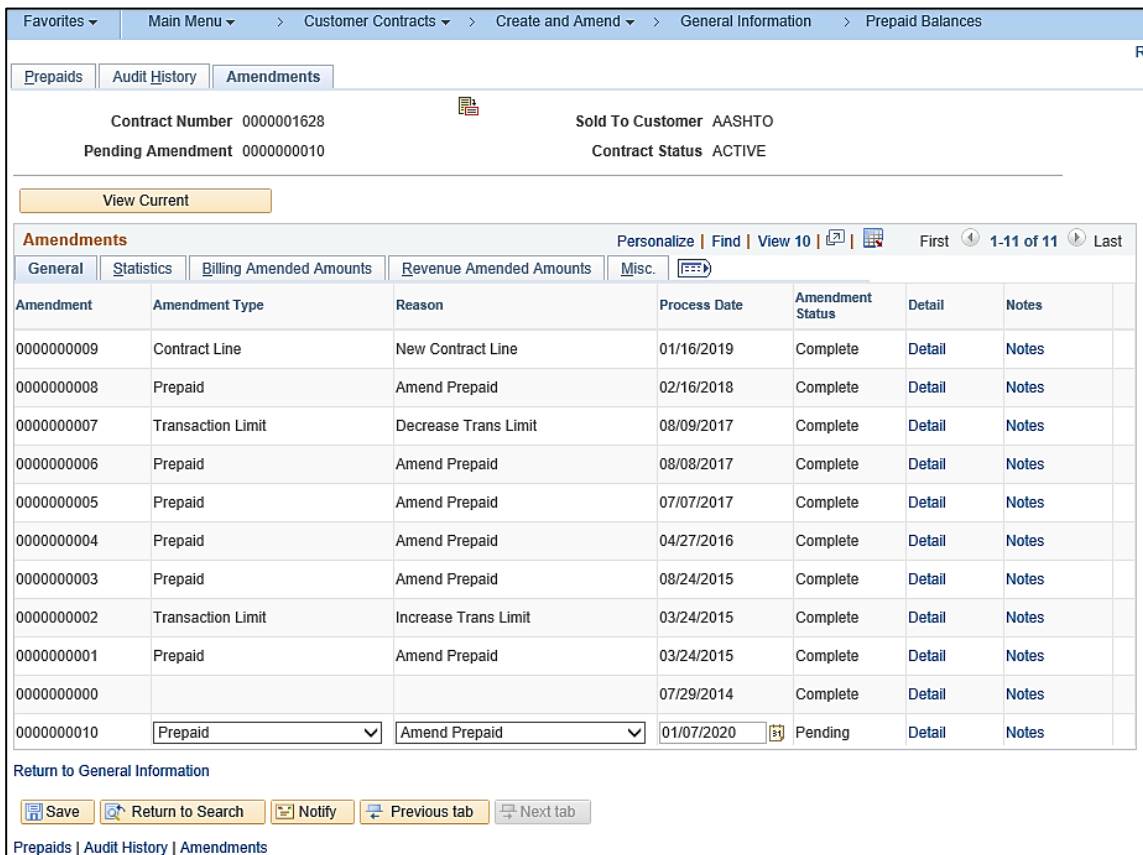
Save Return to Search Notify Previous tab Next tab Add Update/Display

Prepays | Audit History | Amendments

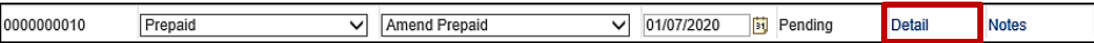
Step	Action
11.	<p>In this example, there are previous amendments. Scroll to the end of the line and click the plus (+) button to add a row.</p> 
12.	<p>When the Script Prompt message displays, click the OK button to add 1 row.</p> 
13.	<p>For this scenario, we are increasing the prepaid by 50,000. Enter the amount of the increase in the Purchased Amount field.</p> 

Step	Action
14.	Click the Save button. 
15.	Click the Amendments tab. 

The **Amendments** tab displays.

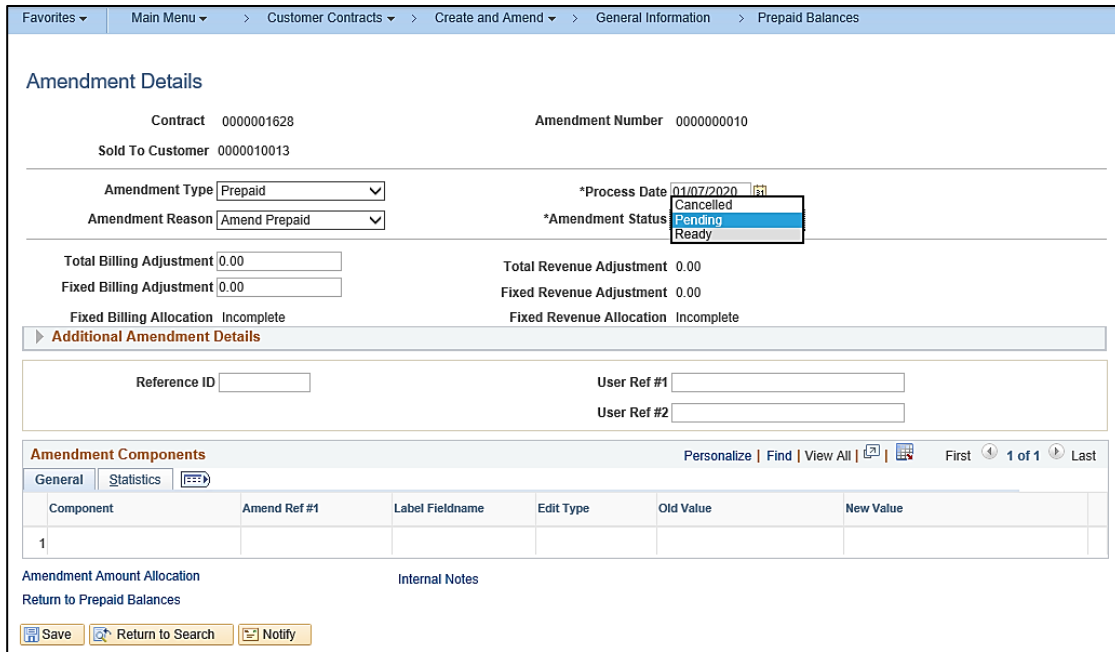


The screenshot shows the 'Amendments' tab selected. At the top, there are navigation breadcrumbs: Favorites > Main Menu > Customer Contracts > Create and Amend > General Information > Prepaid Balances. Below this, there are tabs for 'Prepaids', 'Audit History', and 'Amendments'. The main content area displays contract information: Contract Number 0000001628, Sold To Customer AASHTO, Pending Amendment 0000000010, and Contract Status ACTIVE. A 'View Current' button is present. Below that is a table titled 'Amendments' with columns: Amendment, Amendment Type, Reason, Process Date, Amendment Status, Detail, and Notes. The table contains 11 rows of amendment data. At the bottom, there are navigation buttons: Save, Return to Search, Notify, Previous tab, and Next tab. A 'Return to General Information' link is also visible.

16.	Click the Detail link next to the amendment that was added. 
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Step	Action
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The **Amendment Details** page displays.



Amendment Details

Contract 000001628 Amendment Number 000000010
 Sold To Customer 000010013

Amendment Type *Process Date 01/07/2020
 Amendment Reason *Amendment Status (Dropdown menu: Cancelled, Pending, Ready)

Total Billing Adjustment 0.00 Total Revenue Adjustment 0.00
 Fixed Billing Adjustment 0.00 Fixed Revenue Adjustment 0.00
 Fixed Billing Allocation Incomplete Fixed Revenue Allocation Incomplete

Additional Amendment Details

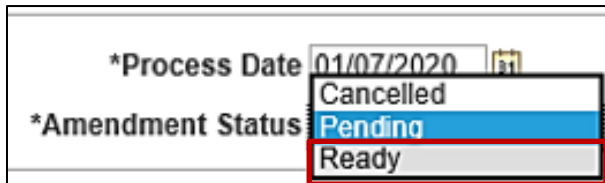
Reference ID User Ref #1
 User Ref #2

Amendment Components Personalize | Find | View All | First 1 of 1 Last

Component	Amend Ref #1	Label Fieldname	Edit Type	Old Value	New Value
1					

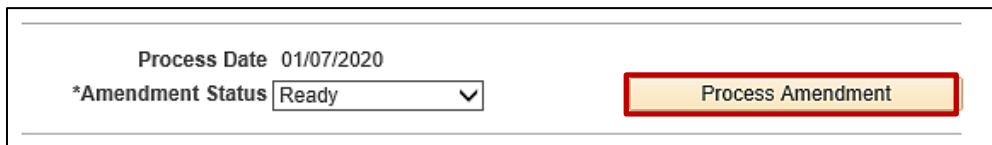
Amendment Amount Allocation Internal Notes
 Return to Prepaid Balances

17. To process the amendment, change the **Amendment Status** from **Pending** to **Ready**.



*Process Date 01/07/2020
 *Amendment Status (Dropdown menu: Cancelled, Pending, Ready)

18. A **Process Amendment** button displays. Click the **Process Amendment** button.



Process Date 01/07/2020
 *Amendment Status



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The **Amendment Status** changes to **Complete** and the changes are now active in the system.

Favorites ▾ Main Menu ▾ > Customer Contracts ▾ > Create and Amend ▾ > General Information > Prepaid Balances

Amendment Details

Contract	0000001628	Amendment Number	0000000010
Sold To Customer	0000010013	Amendment Completed On	01/07/2020 9:42AM
Amendment Type	Prepaid	Process Date	01/07/2020
Amendment Reason	Amend Prepaid	Amendment Status	Complete
Total Billing Adjustment	0.00	Total Revenue Adjustment	0.00
Fixed Billing Adjustment	0.00	Fixed Revenue Adjustment	0.00
Fixed Billing Allocation	Incomplete	Fixed Revenue Allocation	Incomplete

▶ **Additional Amendment Details**

Reference ID	User Ref #1
	User Ref #2

Amendment Components

Personalize | Find | View All | | | First 1 of 1 Last

Component	Amend Ref #1	Label Fieldname	Edit Type	Old Value	New Value
1					

Return to Prepaid Balances

Internal Notes

Save Return to Search Notify