Q10 - Cash Balances by Business Unit Procedures:

1. Run cash receipts, cash disbursements, cash summary, payroll account queries.
2. Cash Receipts queries and edit for accounting date:
   a. BPA_AR_CASHRECEIPTS_BILLS
   b. BPA_AR_CASHRECEIPTS_ITEMS
   c. BPA_AR_CASHRECEIPTS_ONACCOUNT
   d. BPA_AR_CASHRECEIPTS_DIRJOURNAL
   e. Compare total of 4 queries to cash summary query for accounts receivable. For differences use joined tables – ITEM, ITEM_ACTIVITY and CUSTOMER to research items. Make manual adjustments accordingly.
3. Cash Disbursements queries:
   a. BPA_AP_CASH_BY_ACCT_GL_UNIT – gives accounts for cash disbursed. Prompts for fiscal year, accounting period and account (use %). Pivot by GL Unit, account, amount. Review accounts under CORPT unit for adjustments to other business units. For example, Energy Northwest payments in accounts 165XXX accounts for Power and account 154009 for fish tags. Make manual adjustments accordingly.
   b. Compare total to cash summary query for accounts payable payments and cancelled payments. Use VCHR_ACCTG_LINE table to query 131001 account, CORPT business unit and accounting dates to determine what business unit differences are from. Compare two queries by voucher. Make manual adjustments accordingly.
4. Cash Summary query and edit for cash account (131001) and journal date – Pivot by description and amount:
   a. BPA_GL_CASH_06_GL_ENTRIES (JRNL_HEADER joined to JRNL_LN)
      i. Compare AR total to cash receipt queries total
      ii. Compare AP (payments & cancels) total to cash disbursement query total
      iii. IPAC and CORPS of ENGINEER entries attribute to POWER
      iv. Payroll total (includes offline, cancelled, manual checks and TSP adjustments). Use A. JRNL_LN / B.JRNL_HEADER tables with criteria of: A. Account like %; B. Accounting Period; B. Fiscal Year; B. Source = PAY; A. Ledger = ACTUALS; B. LEDGER_GROUP = ACTUALS. Sort payroll account query by account and payroll ID. Using the between business unit account (146001) divide the Power portion by the total and the Trans portion by the total for each pay period. Take average percent to allocate the payroll disbursements to each business unit.
      v. For bonds borrowings, redemptions and interest – summarized in cash summary query as TREASURY BOND. Use Deal Management for detail on what unit for amounts if possible. I use Bond Outstanding worksheet for components by business unit. Use 1081 for Interest Offset Credit amount. The prior month's cash split percentage is used to attribute the IOC to the two business unit and is trued up each month using the current cash split percentage.
      vi. TREASURY INVESTMENT total allocated between business units based on prior month's cash split percentage until cash split percentage is determined for current month and allocation is updated accordingly.
      vii. Radio Spectrum adjustment is attributed to TRANS.

5. CORPT receipts and disbursements are allocated between the Power and Transmission Business Units based on weighted average of actual allocations set in the PeopleSoft General Ledger for Corporate overhead at the beginning of each fiscal year.
    a. Use Hyperion CORPT Allocation query to get current month amounts by program. Use beginning year percentages to allocate totals for each program between Power and Trans. Divide each unit's total by total for month for Corpt allocation. Use these percentages to allocate receipts and disbursements for Corpt between Power and Trans.
6. This is the cash split prior to manual adjustments for assumptions in model. Compare cash total for both Power and Trans to GL cash balance plus cash invested in market based specials at the beginning of each year. This is a check to make sure all items have been included in cash split.
7. Cash Split Assumptions:
    a. **Energy Northwest Debt Service:** Based on analysis it was determined that Transmission has an obligation for a portion of the Energy Northwest debt service due to Debt Service Reassignment actions taken by BPA. Debt and Investment Management maintains the Debt Service Reassignment balances for all years. The Transmission portion is used to adjust the cash balances from Transmission to Power. Total principal and interest for fiscal year is divided by 12 for the monthly adjustment.
    b. **Inter-Business Unit Revenue/Expenses:** Although these transactions have no bearing on the agency cash position, the expenses are collected through the Business Unit rates and both revenues and expenses have been recognized as if they were cash transactions. This data is found in the income statements for the Business Units. In this case, the cash transactions are deemed to occur simultaneously with the revenue and expense recognition.
        i. Use PeopleSoft Financials Report Manger to get Power (2001GL) and Trans (2000GL) income statement reports.
        ii. Use intraagency revenues (400003) and between business line expense accounts (600530, 600531, 600540, 600545, 600550) to get net revenue by business unit. Average the two amounts and adjust cash split accordingly.
    c. **Interest Offset Credit:** Each business unit earns a portion of the calculated interest offset credit based on the allocation percentage in the prior month. The IOC is applied to the bond interest payments to U.S. Treasury as a whole amount for the agency and does not consider which unit earned it. A monthly balance of earned and taken IOC by business unit is maintained to determine if one unit is taking more than it has earned. Adjustment to each business unit's cash balance is made accordingly. We use this same methodology for investment income.
8. After these manual adjustments are made compare cash total for both Power and Trans to GL cash balance plus cash invested in market based specials at the beginning of each year. This is a check to make sure all items have been included in cash split.
9. Use the beginning and the ending adjusted cash balance for each unit and take the average. The Average Monthly Balance for each unit is used in calculating the percentage used to allocate the interest income credit and for rate-making purposes.