

Clay, Dennis

From: Clay, Dennis
Sent: Wednesday, April 15, 2015 4:11 PM
To: Bonnett, Mark
Cc: LeBlanc, Lisa; Freese, Luis; Garrahan, Juan; Bradford, Jillian; Clay, Dennis
Subject: RE: Audit Subcommittee
Attachments: Project Ledger Reconciliation 4-15-2015.pdf

I've updated the Munis project ledger reconciliation. This report can be found on the Munis report server at [this location](http://wccdb.wccusd.net/Reports/Pages/Report.aspx?ItemPath=%2fFinance%2fProjects%2fProject+Ledger+Summary+Reconciliation):
<http://wccdb.wccusd.net/Reports/Pages/Report.aspx?ItemPath=%2fFinance%2fProjects%2fProject+Ledger+Summary+Reconciliation>

I've attached a PDF of one printed today. I have verified this report's totals against the "Project Budget Report" and "Project Summary Report" built into Munis for the combined 2014 and 2015 fiscal years.

As you can see the "Unpaid amounts not included in Project Summary" still has the \$6.5 million referenced in the audit. The current amount (it's cumulative) is \$14.2 million. I believe it has something to do with how retentions are posting.

All reconciling items combined are slightly less than \$60 million. We can certainly fix the "Amounts posted to the G/L only" portion for both this year and last (\$45 million this year, \$1.2 million last year). We can do this by posting journal entries that net to zero in the G/L, but correct the errors in the Project Ledger.

The hardest problem to fix will probably be the payroll issues. I don't know anything about the Munis payroll system, and I assume the payroll people don't know much more about the project ledger.

The "Unposted project amounts" section is not much of an issue, simply the difference in timing in posting between the G/L and the Project Ledger. Everything should clear naturally. There is, though, the 2014 unposted amount for encumbrances. If we continue to have issues with this into 2016, we'll probably want to make looking into it a priority.

Likewise we have four contract maintenance items (COL & COM in "G/L only" and "Period 0") that offset and net to zero. The Period 0 items are not posted to the G/L (Project ledger only), and the "G/L only" items are obviously not posting to the project ledger. This may indicate a misunderstanding in procedures for maintaining contracts.

I hope this helps in understanding the current Munis issues as it applies to the Primavera situation.

Thanks.

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