

Year End Guidelines

Facility Engagement Management System (FEMS)

July 2020



SSC Facility Engagement
FEMS – Physician Society Guidelines

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1. Document Purpose

This document provides recommendations for the fiscal year end Internal Operating Expenses adjustment entries, outlines how the automatic accruals process works in FEMS, and provides details for physician societies regarding unclaimed GST credits and year end GST adjustment entries. The audience for this document includes the following individuals:

1. The physician society's Finance Administrator (accountant or bookkeeper)
2. The physician society's Treasurer (or person responsible for the accounting/reporting of the society's funds)
3. Doctors of BC Engagement Partners (awareness of the financial interface functions)

1.1 Support Contact

Call FEMS Support

Phone number: 604-638-4869 Toll-free number: 1-800-665-2262. You can call us from 9:00 am to 4:00 pm - Monday to Friday (excluding stat holidays).

Email us: femssupport@doctorsofbc.ca

For accounting related questions, please first contact your MSA Finance Administrator.

2. Year End Internal Operating Expenses Adjustment Entries

An Internal Operating Expense is an expense that is not directly related to any Engagement Activities. Internal Operating Expenses (IOE) are related to the running (overhead) of the incorporated Physician Society for the purposes of the Facility Engagement Initiative. A comprehensive list of Internal Operating Expenses can be found [here](#).

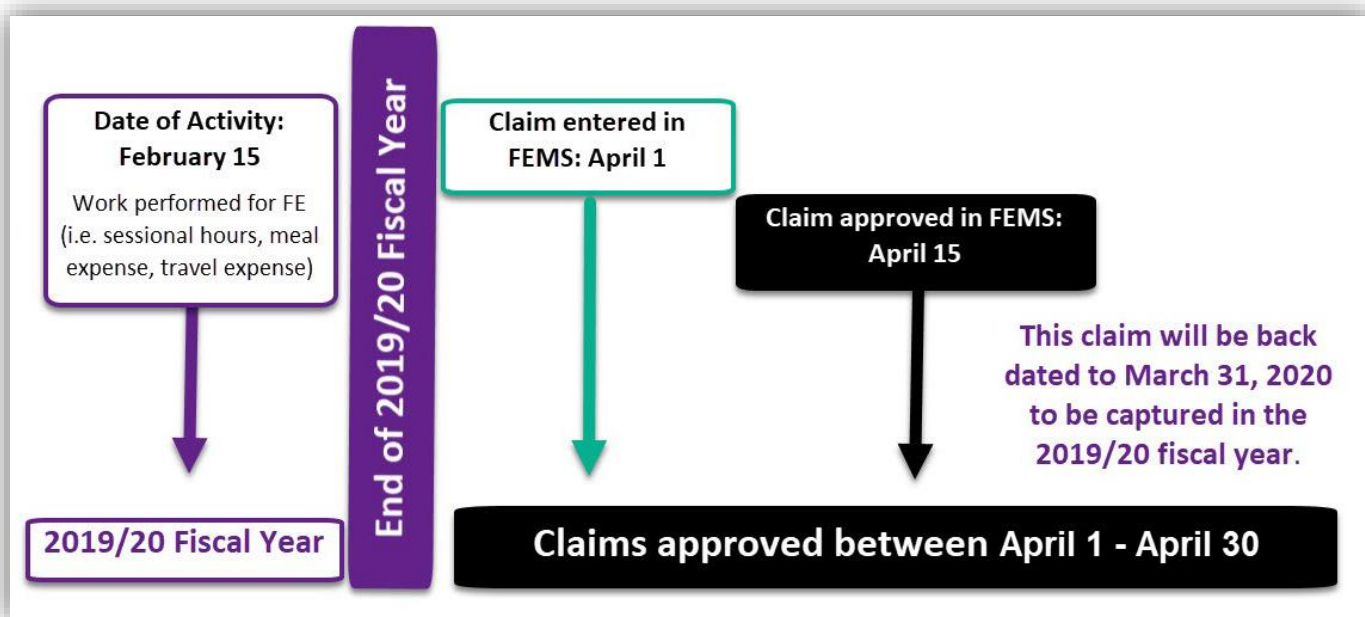
Completion of the [Financial Interface Guidelines](#) process is required every month to ensure that FEMS and the physician society accounting software are in balance. Additional work may be required to balance at fiscal year end, and therefore it is recommended that two (or more) year end Internal Operating Expenses (IOE) adjustment entries be made in FEMS to clearly capture the IOEs for the month of March and the fiscal year.

FEMS will allow multiple adjustment entries to be captured on the same day, however, it is recommended that the usual monthly entry be captured on March 30, a day prior to year end, to allow for additional year end entries to be captured on March 31.

3. 30 Day Accrual Process

The Accrual process ensures that **claims approved within the first 30 days of a new financial year (between April 1 and April 30)** but with the activity date in the previous financial year **are recognized in that previous financial year.**

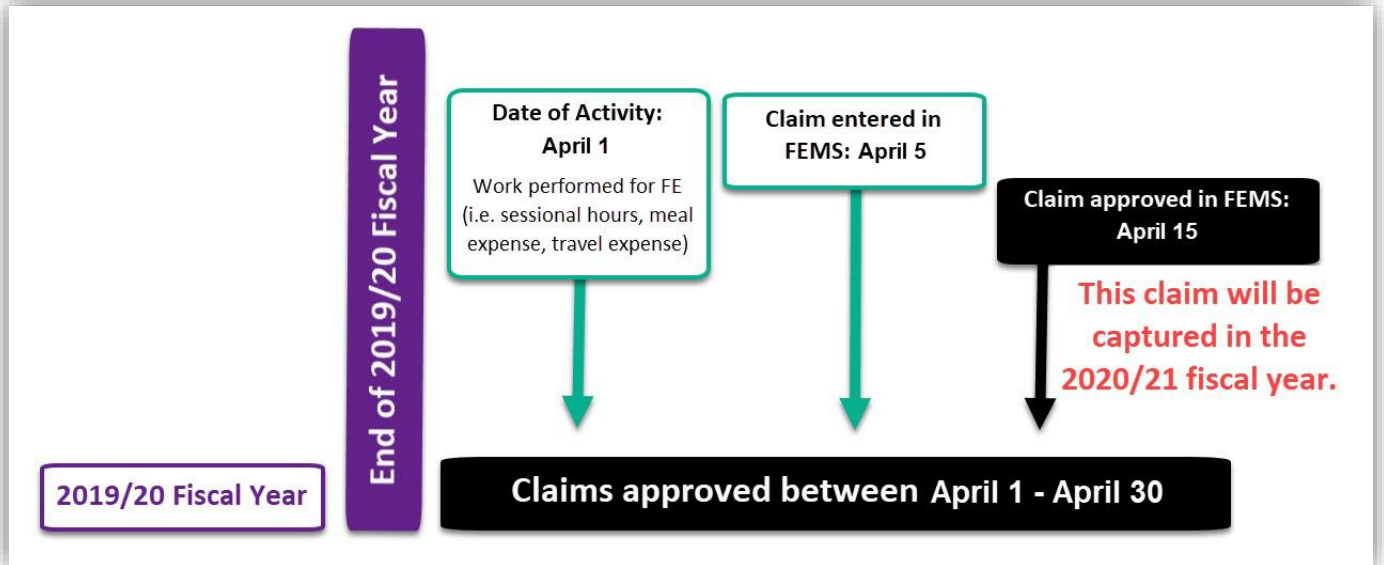
3.1 Example 1: for claims approved between April 1-April 30, where activity date is prior to March 31



Date	Activity	In FEMS	Finance Transactions
February 15	Work performed for FE (i.e. sessional hours, meal expense, travel expense)		
April 1		Claim entered in FEMS on April 1, date of activity February 15	
April 15		Claim approved in FEMS on April 15	This claim will be back dated to March 31, 2020 to be captured in the 2019/20 fiscal year.

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3.2 Example 2: for claims approved between April 1-April 30, where activity date is after March 31



Date	Activity	In FEMS	Finance Transactions
April 1	Work performed for FE (i.e. sessional hours, meal expense, travel expense)		
April 5		Claim entered in FEMS on April 5, date of activity April 1	
April 15		Claim approved in FEMS on April 15	This claim will be captured in the 2020/21 fiscal year.

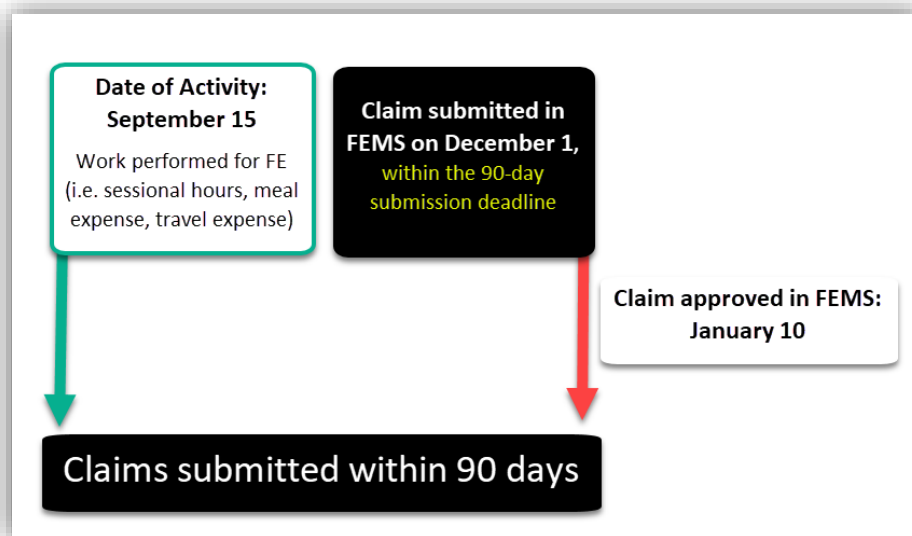
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4. 90 Day Submission Deadline

In order to align Facility Engagement with Doctors of BC claims policy approved by the Board of Directors, effective October 1, 2020, a 90-day claim submission limit will be applied to all claims in FEMS. This means that claims must be submitted within 90 days of the date of activity or expense incurred in order to be paid. Claims submitted more than 90 days after the activity date or expense will cause an exception notice that will require intervention by the site administrator. These claims should only be paid on an exceptional basis in the case of debility or disability. Any claim submitted after the 90-day period that is requesting an exception should be presented to and reviewed by the MSA Executive for a decision. Claims more than 12 months old will not be paid.

For ongoing project work, the key date that is used to trigger the 90 days is the date that the expense/work occurred, not the start date of the engagement activity.

4.1 Example 1: for claims submitted within 90 days



Date	Activity	In FEMS
September 15	Work performed for FE (i.e. sessional hours, meal expense, travel expense)	
December 1		Claim submitted in FEMS on December 1 (within the 90 day submission deadline), date of activity September 15
January 10		Claim approved in FEMS on January 10

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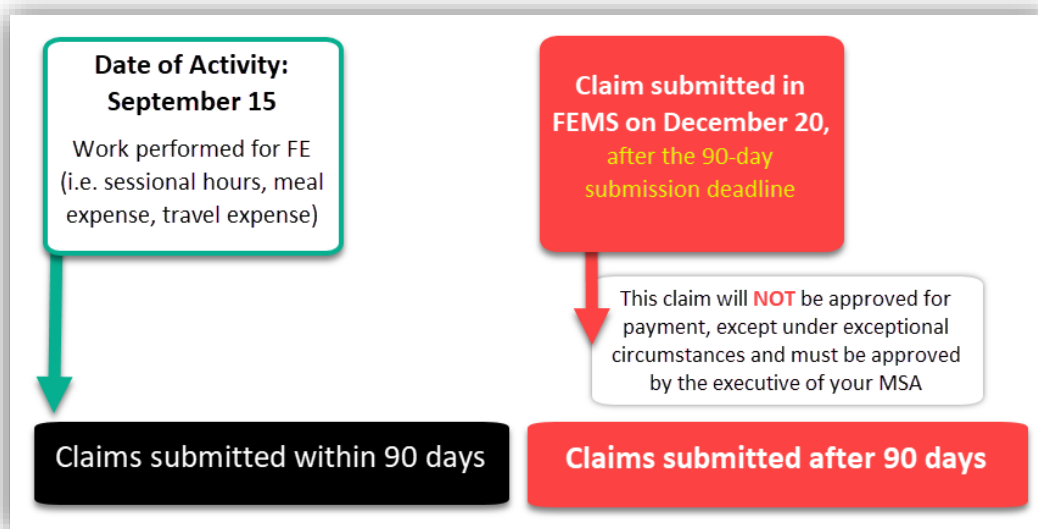
4.2 Example 2: for claims submitted after 90 days

When a physician is trying to submit a claim with an Activity Date more than 90-days past the submission date, the claim is routed for manual review. It includes an activity log item “Claim activity date of <Activity Date> is outside the claims submission window” in the workflow.

The claim approver chooses one of the following options:

1. Comment on the claim (using “Request Further Info”);
2. Adjust the activity date (using the “Adjust” button), if applicable; or
3. Override and approve the claim through the new option under the “More” menu called “Approval Override.”

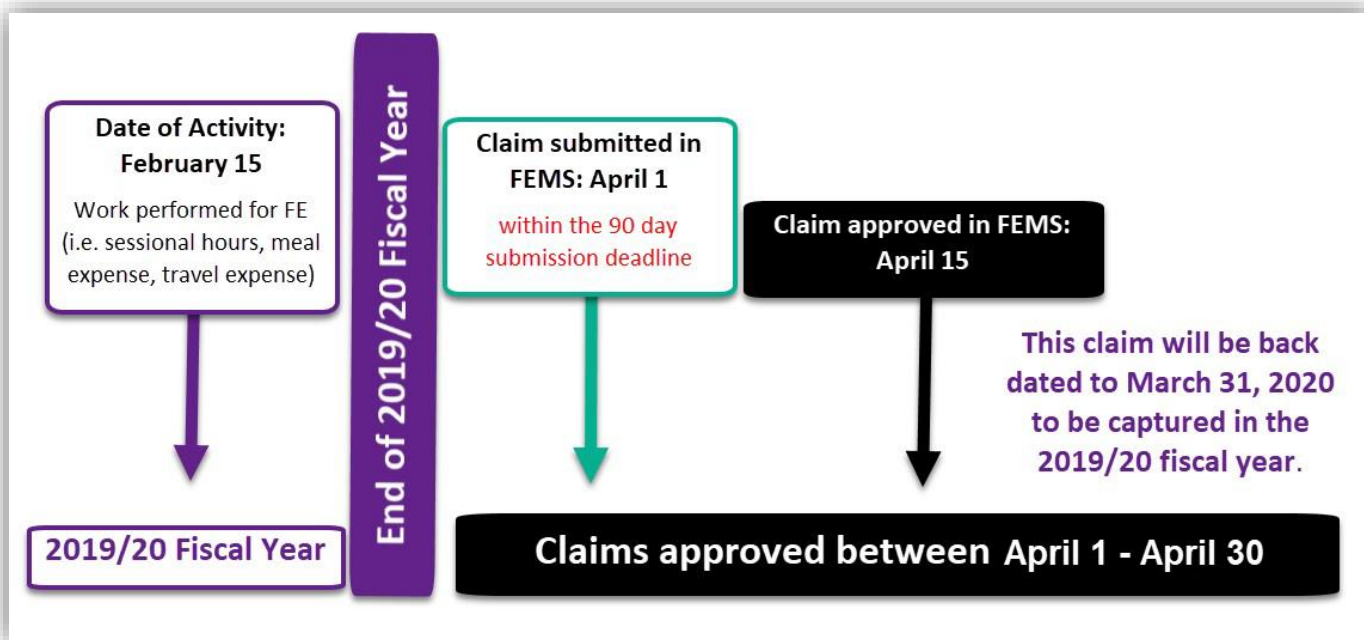
Reminder: Prior to approval of the claim in FEMS the claim must be reviewed and approved by the MSA executive or delegate in accordance with the exception policy. The Approver will be prompted to include a reason for the override. A reason must accompany the approval before being submitted along with the approvers name.



Date	Activity	In FEMS
September 15	Work performed for FE (i.e. sessional hours, meal expense, travel expense)	
December 20		Claim submitted in FEMS on December 20 (after the 90 day submission deadline), will not be approved for payment, except under exceptional circumstances and must be approved by the executive of your MSA

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4.3 Example 3: for claims submitted within 90 days, during the accrual period



Date	Activity	In FEMS	Finance Transactions
February 15	Work performed for FE (i.e. sessional hours, meal expense, travel expense)		
April 1		Claim submitted in FEMS on April 1 (within the 90 day submission deadline), date of activity February 15	
April 15		Claim approved in FEMS on April 15	This claim will be back dated to March 31, 2020 to be captured in the 2019/20 fiscal year.

5. Partial GST Rebate

Physician societies are eligible to apply to the Canadian Revenue Agency (CRA) for a partial rebate (50%) of GST, based on the recommendation of their Finance Administrators (accountants or bookkeepers).

There may be unclaimed GST amounts in account 20302 'GST Paid' in the society's accounting software. During the year end process, and once the eligible rebates have been claimed, it is appropriate to write off the remaining liability as an internal operating expense.

Below are steps on how to manage this process. Based on the advice you receive from your Finance Administrator, or how they manage your books, they may prefer to use a different process.

1. Determine if GST needs to be written off as an internal operating expense. This should be the total amount of GST paid for the previous fiscal year, less the amount of your CRA rebate.
2. Create a journal entry between 20302 'GST Paid' and 41000 'Internal Operating Expenses'.
3. Run an Income Statement/Profit and Loss report from the accounting software, and an Income Statement from FEMS. Then calculate the adjustment entry amount and capture this entry into FEMS for March 31.