**Follow Up Questions**

**Staff Question - 1**

**Ref: GA Analysis Workform, October 31, 2022**

In the revised GA Analysis Workform, the GA 2021 tab shows reconciling item 3b “Significant current period billing adjustments recorded in other year” of ($65,818). In the Principal Adjustment tab, there is a reversal of $65,818 for “Differences between GA accrual and actual for Account 1589 (cell J47)”.

1. Please clarify whether the two items reference above are for the same item. If so, please explain what this item pertains to.
2. Please explain whether the amount is a debit or credit. Please revise the GA Analysis Workform as required.

$65,818 is for cost accrual difference from 2020. GA Model has been updated.

**Staff Question - 2**

**Ref 1: GA Analysis Workform, October 31, 2022**

**Ref 2: Staff Question 2**

In response to Staff Question 2 regarding Account 1588, a principal adjustment for “Differences between accrual and actual 2020 posted in 2021” of ($119,489) was identified. In the Principal Adjustment tab, a principal adjustment for “Differences between unbilled to actual revenue 2020” of ($119,489) was identified.

1. It appears that this principal adjustment is a principal adjustment for 2020, that was recorded in the general ledger in 2021. Please confirm.
2. This principal adjustment was not included as a principal adjustment in the 2020 balances that were approved for disposition. Please explain why this principal adjustment is identified for the 2021 balance, when there is no principal adjustment from 2020 to be reversed in 2021. Please revise the evidence as needed.
3. Please clarify whether this principal adjustment relates to cost accrual or unbilled revenue differences.

Principle adjustment should not be in the model. GA Analysis Workform has been updated.

**Staff Question - 3**

**Ref 1: GA Analysis Workform, October 31, 2022**

**Ref 2: Staff Question 2**

For Account 1588, the amounts in the below table were noted for principal adjustments. Please reconcile the difference between the amount in Staff Question 2/IRM Rate Generator Model and the amount in the GA Analysis Workform. Please revise the evidence as needed, taking into account the previous staff question as well.

|  |  |
| --- | --- |
|  | **Principal Adjustments ($)** |
| Staff Question 2 | (411,504) |
| GA Analysis Workform – Account 1588 tab and Principal adjustment tab | (434,906) |
| IRM Rate Generator Model – Tab 3 | (411,504) |

Principle adjustment in IRM Rate Generator Model should a credit of $(315,417). IRM Rate Generator Model and GA Analysis Workform have been updated.

**Staff Question - 4**

**Ref 1: GA Analysis Workform, October 31, 2022**

**Ref 2: IRM Rate Generator Model – Tab 3**

For Accounts 1589 and 1588, the variance between RRR vs. 2021 Balance (column BW) in the DVA Continuity Schedule typically equals the reversed sign of “Total Current Year Principal Adjustments” in the principal adjustment tab of the GA Analysis Workform as principal adjustments are typically timing differences that will reverse. The table below shows the difference between the two items noted above. Please reconcile and explain the difference between the Current Year Principal Adjustments shown in the GA Analysis Workform to the variance between the RRR vs. 2021 Balance in the DVA Continuity Schedule.

|  |  |  |
| --- | --- | --- |
|  | **Account 1589** | **Account 1588** |
| GA Analysis Workform - Principal Adjustment Tab | (49,174) | (385,730) |
| DVA Continuity Schedule - column BW | 0 | 362,369 |
|  | (49.174) | (23,361) |

Principle adjustments have been reconciled.

|  |  |  |
| --- | --- | --- |
|  | **Account 1589** | **Account 1588** |
| GA Analysis Workform - Principal Adjustment Tab | (49,174) | (266,242) |
| DVA Continuity Schedule - column BW | 49,174 | 266,242 |
|  | 0 | 0 |