

Journal Entry & Budget Adjustment Backup Documentation



UNIVERSITY
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Objectives

1. Understand purpose of JEs and BAs
2. Learn the types of JEs and BAs.
3. Understand when to use each type of entry.
4. Learn what backup is required for each entry and why.



Agenda

1. Journal Entries

- Definition
- Purpose
- Types
- Backup Documentation

2. Budget Adjustments

- Definition
- Purpose
- Types and Backup Documentation



Journal Entries

Definition

An accounting transaction used to make corrections to an existing transaction.

Purpose

To move an expense charged to an incorrect FOAP to the correct FOAP **OR** to allocate an expense charged to a single FOAP to other FOAPs.



Journal Entries

Types

- Intra-Fund: Entries that transfer an expense or revenue within the same Fund. Process using the Journal Type **JE15**.
- Inter-Fund: Entries that transfer an expense or revenue from one Fund to a different Fund. Process using Journal Type **JE16**.

Both types can be processed by the Unit if the Organization codes are within the Unit. If a different Unit's ORG is used, the entry must be processed by Financial Services.

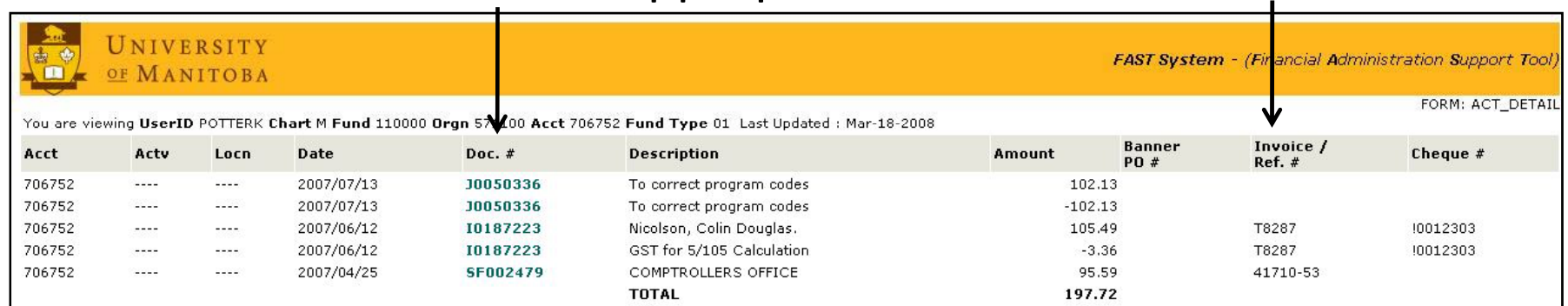


Journal Entries

Back-Up Documentation

Intra-Fund and Inter-Fund with a *common Organization code* and an *Operating fund*.

- Description field should be the same as FAST. If FGAJVCD is used then the Document Reference Field should be the same as the original Document # or Invoice/Ref#, whichever is most appropriate.



UNIVERSITY OF MANITOBA

FAST System - (Financial Administration Support Tool)

You are viewing UserID POTTERK Chart M Fund 110000 Orgn 57000 Acct 706752 Fund Type 01 Last Updated : Mar-18-2008

FORM: ACT_DETAIL

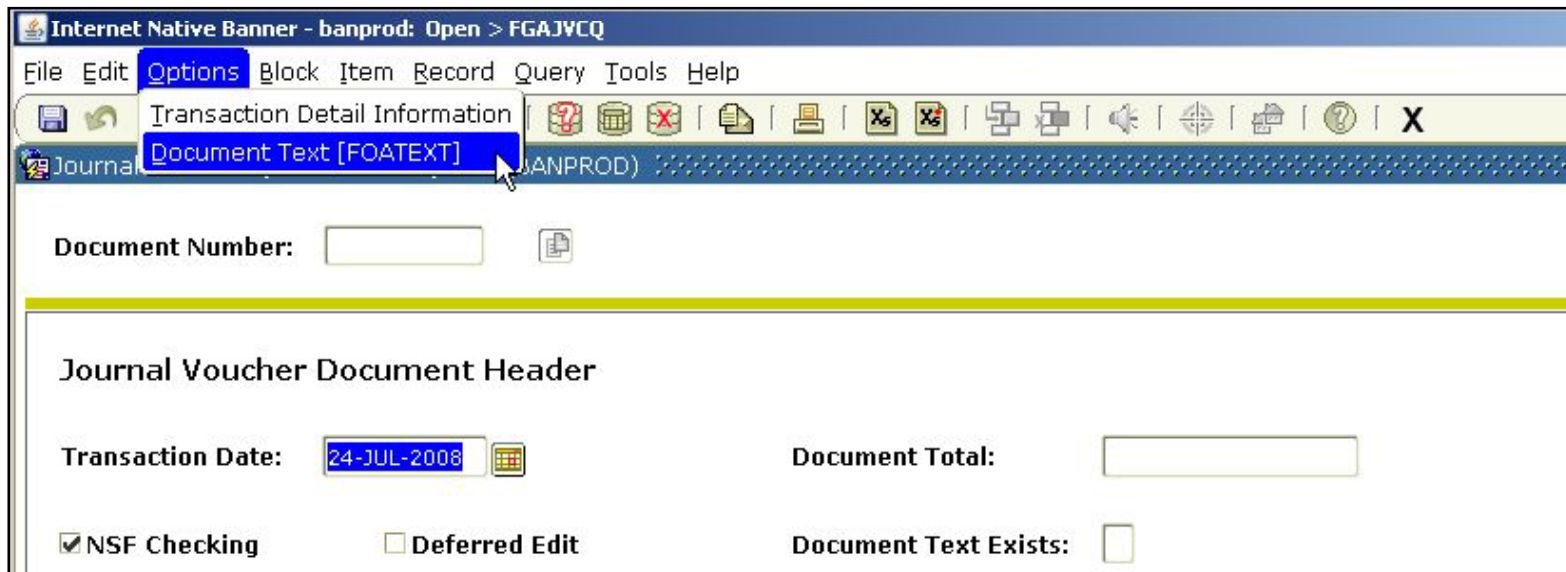
Acct	Actv	Locn	Date	Doc. #	Description	Amount	Banner PD #	Invoice / Ref. #	Cheque #
706752	----	----	2007/07/13	J0050336	To correct program codes	102.13			
706752	----	----	2007/07/13	J0050336	To correct program codes	-102.13			
706752	----	----	2007/06/12	I0187223	Nicolson, Colin Douglas.	105.49		T8287	I0012303
706752	----	----	2007/06/12	I0187223	GST for 5/105 Calculation	-3.36		T8287	I0012303
706752	----	----	2007/04/25	SF002479	COMPTROLLERS OFFICE	95.59		41710-53	
TOTAL						197.72			



Journal Entries

Back-Up Documentation cont'd...

A detailed description of the reason for the entry should be included in **Document Text (FOATEXT)**. This can be accessed through the Options menu BANNER JV Screens



The screenshot displays the 'Internet Native Banner' application window. The title bar reads 'Internet Native Banner - banprod: Open > FGAJVCQ'. The menu bar includes 'File', 'Edit', 'Options', 'Block', 'Item', 'Record', 'Query', 'Tools', and 'Help'. The 'Options' menu is open, showing 'Transaction Detail Information' and 'Document Text [FOATEXT]'. The 'Document Text [FOATEXT]' option is highlighted with a mouse cursor. Below the menu, the 'Document Number:' field is empty. A horizontal yellow line separates the header from the main content area. The main content area is titled 'Journal Voucher Document Header' and contains the following fields: 'Transaction Date:' with the value '24-JUL-2008' and a calendar icon; 'Document Total:' with an empty text box; 'NSF Checking' with a checked checkbox; 'Deferred Edit' with an unchecked checkbox; and 'Document Text Exists:' with an empty checkbox.



Journal Entries

Back-Up Documentation cont'd...

The description should be a brief description of why the entry is being processed.

Examples:

1. To transfer travel expenses related to Dr. John Doe's trip to Timbuktu to the correct Org. An incorrect Org was used on the TA.
2. To reallocate photocopy expenses to units based on actual usage.
3. To correct a program code error.

NOTE: Account codes should be changed only in rare instances.



Journal Entries

Back-Up Documentation cont'd...

Intra-Fund and Inter-Fund with a *common Organization code* and a *Research or Special Purpose fund*.

- The same requirements for description, document reference and text as previous type.
- A printout of the entry from FAST should be sent to the Grant Accountant to be attached along with authorization from the Grantee or designated alternate signing authority.

NOTE: These documents need to be received by the Accountant to ensure the expense is eligible, within the time period of the grant and properly authorized.



Journal Entries

Back-Up Documentation cont'd...

Intra-Fund and Inter-Fund with *different Organization codes.*

- These entries must be processed by Financial Services. Provide Financial Services with all of the information required to complete the entry, generally a printout of the FAST screen showing the entry being adjusted and authorization from a signing authority for the FOAP being debited (charged).



Budget Adjustments

Definition

An accounting transaction used to establish or modify an existing budget.

Purpose

To establish “spending power” in a FOP or transfer the “spending power” from one FOP to another.



Budget Adjustments

Types and Backup Documentation

- There are various types of BAs that exist. For a reference on who enter BAs when and which ones are allowed, download the reference sheet available at:

http://umanitoba.ca/computing/renewal/fm/media/Budget_Adjustment_Reference.pdf

AURORA Finance		Budget Adjustment Reference Sheet			
Adjustment	Prepared By	Description	Accounting	Backup	Posting Target
Intra Faculty	Units	Within Fund 110000 and within the Faculty Organization	Both the Increase and the Decrease must be to expenditure Accounts and appropriate Program within fund 110000	Backup should include the reason for the transfer and the appropriate authorization. This back up may be retained by the faculty, but it is advised that a copy of the backup be sent to B & G for central filing.	1 week from completion
Intra Faculty Intra Fund	Units	Within the Faculty Organization but from Fund 110000 into Funds with predecessors of 1240 (12400,12500,12600,12650) and 1270 (12700)	An Expenditure Account in Fund 110000 will be decreased and an expenditure Account in the corresponding unrestricted fund will be increased. Both entries will use the appropriate Program for the Unit.	Backup must be sent to your Budget Accountant prior to posting and should indicate the reason for the transfer and appropriate authorization for the transfer. Amounts transferred to these funds must be for the purposes as defined by the funds (Research Start-up.	1 week from receipt of backup



Budget Adjustments

Types & Back-Up Documentation cont'd...

Intra-Unit within *Fund 110000* and within the *Unit Organization*.

- Both the Increase and the Decrease must be to expenditure Accounts and the appropriate Program for Fund 110000.
- Backup should include the reason for the transfer and the appropriate authorization. This back up may be retained by the faculty, but it is advised that a copy of the backup be sent to Budgets & Grants for central filing.



Budget Adjustments

Types & Back-Up Documentation cont'd...

Intra-Unit and Inter-Fund within the *Unit Organization* but from *Fund 110000* into *1240 Individual Project Allocation fund predecessors* (12400 Start-up Research; 12500 Overhead; 12600 Other Allocations & Projects; 12650 VP Academic Project Allocations) OR *1270 Pooled and Individual Travel fund predecessors* (12700)

- An Expenditure Account in Fund 110000 will be decreased and an expenditure Account in the corresponding unrestricted fund will be increased. Both entries will use the appropriate Program Code for the Unit



Budget Adjustments

Types & Back-Up Documentation cont'd...

- Backup must be sent to your Budget Accountant prior to posting and should indicate the reason for the transfer and appropriate authorization for the transfer.
- Amounts transferred to these funds must be for the purposes as defined by the funds (Research Start-up, Overhead, Other Allocations and Pooled & Individual Travel). Other allocations will be assessed on an individual basis.



Budget Adjustments

Types & Back-Up Documentation cont'd...

Inter-Unit within *Fund 110000* but *between Faculties or Units*.

- Both the Increase and the Decrease must be to fund 110000 and an appropriate expense Account with the Unit Program – the transferring Organization will be decreased and the receiving Organization will be increased.
- The request along with backup explaining the reason for the transfer and appropriate authorization for the transfer must be sent to the Budget Accountant by the unit transferring the funds



Budget Adjustments

Types & Back-Up Documentation cont'd...

Income (Revenue) within Funds with *1220 Income Funded fund predecessors*.

- Entries will increase or decrease both the expenditure Account (7XXXXX) and the revenue Account (5XXXXX) in the same fund. Program 0000 must be used for the revenue, the expenditure side will use the appropriate Unit Program.



Budget Adjustments

Types & Back-Up Documentation cont'd...

- Backup must be sent to your Budget Accountant prior to posting and must indicate the source of the revenue (Who paid the money to the University) and the reason for the payment (What good or service was provided for the payment)

