

JOURNAL TRAINING

Welcome to part 3 of journal training

The types of journals at UND

The first category is Interdepartmental Billings, these journals are initiated when one department charges another department. This includes charges from recharge centers or other misc. charges from departments

1) Regardless of what these transactions are called,

- a. The credit side or revenue side must always be an account chartfield that begins with 479xxx.

This is an example of a journal that is charging another department
SAMPLE #2 sample code 479xxx

- b. The backup documentation may be an
 - i. An order form from the department charging
 - ii. An invoice from the department charging
 - iii. Either an order or invoice form may also act as the signature authorization
 - 1. This is an example of an order form
- c. The total of the attachments must equal the total(s) on the front of the invoice
 - i. In this case, 5 order forms are attached for \$60 each totaling \$300
- d. The debit account chartfield is an expense account code; expense account codes begin with 5xxxxx, or 6xxxxx.
- e. These journals have been approved for minimal audit by Payment Services which requires increased responsibility of the department
- f. An EXCEPTION to this category is a fund that begins with “8”, in this case the revenue account chartfield 462110 or other similar revenue account must be used. This is because funds that begin with an 8 are not UND funds.

The second category of journals is when one department is transferring cash from one fund to another fund

~~2) Cash transfers (722010/490004 or 722005/490002)~~

SAMPLE #2 sample code 722010 490002

- a. **Account code 722010 should be the account debited and 490004** should be the account credited. These account codes must net to zero, neither of these account chartfields are revenue or expense to UND.

- b. The documentation should include

- i. why the department is transferring the cash and
 - ii. Explain how the amount was derived.
- c. Cash transfers are not considered revenue or expense in any financial calculation such as financial statements or MIRA model statements.
- d. Think of a cash transfer as moving money from your personal savings account to your personal checking account, you did not get any more money, it is just in a different bucket. This would also be the case if you were moving money from your personal account to your child's, it feels like an expense but you are only transferring money from one bucket to another, the family bucket did not increase.
- e. Two EXCEPTIONS exist when transfer account codes cannot be used
 - i. The first is a fund that begins with "8", because "8" funds are not UND funds and revenue and expense must be recognized AND
 - ii. Transfer account codes should not be used with appropriated funds, funds that begin with a "3". If needed to be used, see the Assistant Controller or Budget Manager for assistance and approval.

3) The third category is One-sided entries

- a. All one-sided entries must be audited by the Assistant Controller or Director of Treasury, these are few and far and most departments will never make a one-sided entry.

4) The fourth category is correcting a previously posted journal

- a. A j/e can only correct a j/e, correcting transactions from other modules should not be done with a j/e, the correction needs to be made in the sub-systems that initially posted the amount such as a student charge in campus connection
- b. Corrections should be reviewed carefully, these are the journals returned most often because of errors
- c. Before processing, consider the cost benefit, is correcting \$2.00 worth of telephone charges worth the cost of processing that correction
- d. Departments such as mailing, telecom, catering, and duplicating all allow corrections before the charge is submitted for posting.
 - i. Mailing
 - ii. Telecom
 - iii. Catering
 - iv. duplicating
- e. Use the same reference or journal ID number on the correcting journal

SAMPLE JE sample correcting entry_2

The first example is moving a transportation charge for gas,

Backup documentation includes the correcting reference number and

proof the initial transaction was posted and also backup indicating the amount to be corrected if it is not the same amount of the original post.

The second example is correcting a departmental deposit, the receipt is referenced along with the actual journal posted to the ledger as well as the submission deposit form

5) The fifth category is "other" journal entries

- a. These journals are few and are prepared by only a few individuals
 - i. All these entries must be audited and/or approved by the Payment Services Manager, Assistant Controller, Student Account Services Accountant, Business Service Center, Asset Management or Controller. If one of these individuals prepares the document, another should approve.

6) The last category is Journals that post to a balance sheet accounts (xxxxx, or xxxxxx)

- a. The individual journal is not approved by the Assistant Controller or Director of Treasury but the balancing tracking process for the balance sheet account must be approved by one of these two individuals.