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North Carolina A&T State University
Internal Procedures - Journal Entry Guidelines

Purpose/Scope

This document is to provide guidance for processing journal entries.

Journal entries are primarily used in the following offices: Accounting, Contracts & Grants, Budget, Payroll, Treasurer's Office and Auxiliary Services. Journal entries are used for multiple purposes. They are used to record, correct or reclassify expenditures, and revenues, allocations, transfers and adjustments. They may also be used for interdepartmental charges. Journal entries are processed using rule codes. These codes define the nature of the transaction. They denote disbursements or receipts which may be a cash transaction, transfer, one-sided or two-sided entry, budget entry or an allotment entry.

Rule codes with four characters are those that were delivered by the Banner system at implementation. Those with three characters are those modified by NCA&T. Modification may be to the title only (to aid in the transition process from FRS to Banner), or processes. Journal entries may be processed using form FGAJVCQ (the quick form), FGAJVCD (the more detailed form) or the FGAJVCM (for multiple entries). If there are an excessive number of entries, a FUPLOAD form is utilized to post the entries. After journal entries are posted, they may be reviewed on the FGIDOCR form.

IMPORTANT:

It is imperative that you do not use accounts ending in '00'. For example DO NOT USE accounts 73900 or 73200 or 73100. Accounts ending in '00' are pool accounts and should be used by the Budget Office ONLY.

Journal entries and transfer of funds between banks using bank fund (991000) are to be used only by the Cash Management Staff and Reporting.

Commonly used rule codes

The following grid denotes some of the commonly used rule codes:

B01	Original Budget	One-sided entry*	Plus/Minus	Plus = Increase
B02	Revised Original Budget	One-sided entry*	Plus/Minus	Plus = Increase
BDT	Budget Transfer	Two-sided entry**	DR/CR	Sign of Account Type = Increase

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B2Y	Budget Allotment	Two-sided entry**	DR/CR	
B2N	Budget Allotment Reversions	Two-sided entry**	DR/CR	
BCI	CI Budget Code for Allotment	Two-sided entry**	Plus/Minus	Sign of Account Type = Increase
CCI	Cash Allotment for CI	One-sided entry*	Plus/Minus	Sign of Account Type = Increase
OCR	Other Cash Receipts	One-sided entry*	DR/CR	Sign of Account Type = Increase
OCD	Other Cash Disbursement	One-sided entry*	DR/CR	Sign of Account Type = Increase
OCV	Cash Reversion	One-sided entry*	DR/CR	Sign of Account Type = Increase
TFD	Transfers Disbursements	One-sided entry*	DR/CR	Sign of Account Type = Increase
TFR	Transfers Receipts	One-sided entry*	DR/CR	Sign of Account Type = Increase
TFE	Transfers Disbursement w/encumb.	One-sided entry*	DR/CR	Sign of Account Type = Increase
REC	Cash Receipt	One-sided entry*	DR/CR	Sign of Account Type = Increase
TNR	Cash Receipt	One-sided entry*	DR/CR	Sign of Account Type = Increase
CR05	Cash Receipt	One-sided entry*	Plus/Minus	Plus = Increase
BXF	Bank Transfer	Two-sided entry*	DR/CR	Sign of Account Type = Increase
JE15	Intrafund Journal Voucher	Single fund Two-sided entry**	DR/CR	Sign of Account Type = Increase
JE 16	Interfund Journal Voucher	Two or more funds Two-sided entry**	DR/CR	Sign of Account Type = Increase

* Requires single entry
** Requires a DR/CR or PLUS/MINUS entry
***System generated

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Uses of Journal Entries

Journal entries must be made by personnel knowledgeable of journal entry guidelines, the chart of accounts, the University spending guidelines and trust fund guidelines. The person initiating the entry must forward the entry to a departmental approver.

It is important that the line description provides a clear explanation of the purpose of the entry for both the credit and debit side of the transaction. This will enable an accurate analysis of accounting and reporting.

Entries should never be made to accounts ending in "00". These are referred to as budget pool accounts. Also, entries must be limited to account numbers starting with 5xxxx (revenue accounts) and 7xxxx (expense accounts) only, unless permission is obtained from the Accounting Office.

Negative balances

Journal entries must be reviewed so as not to develop negative balances for non-Contract & Grant funds and trust funds. On a quarterly basis, a webfocus report will be reviewed to ensure that there are no Trust funds with negative balances. A follow up email will be sent to fund managers if funds are in the deficit. Chronic negative balances (those lasting a year or longer), will be escalated to the Vice-Chancellor.

Reclassifications:

Reclassifications are made to move transactions recorded in a fund/account to a different fund and or account. Reclassifications are generally done using a JE16 (Interfund) rule code for transactions between two or more funds or JE15 (Intrafund) to correct accounts within a fund.

Allocations:

Allocations are usually made by the Accounting office to record the distribution of revenue costs. Some examples are pcard charges, interest income revenue, telephone and utilities charges.

Corrections:

Correction entries are made to correct errors detected in transactions posted to an incorrect fund/account or for an incorrect amount. Supporting documentation for a correction entry would include the original entry journal entry number or copies of the transaction in error and an explanation of the mistake.

Interdepartmental Charges:

Departments may also use journal entries to charge other departments for services provided. These journal entries may be JE16 if within the same budget codes (i.e. from state fund to state fund), otherwise, a TFR or TFD rule codes would be used (from state to non-state and vice versa). It is important that the line description provides a clear explanation of the purpose of the entry for both the credit and debit side of the transaction. This will enable an accurate analysis of accounts and reporting.

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Interdepartmental charges usually originate from charges for utilities (these are usually by special account codes 50350 and 50390) and also from Motor Fleet which are usually identified by special document numbers.

Bank Transfers
Journal entries for bank transfers are done using rule codes TFR (receipts) and TFD (disbursements). A corresponding entry should be done on the Cash Management Control System (CMCS) to move the cash. These entries are normally done to move monies from one budget code to the other (i.e. from State to Non-State and vice versa). Occasionally the rule code BXF is used to transfer funds between bank accounts using bank fund 991000 with account code 1111B, 1117R and 1117D. This is normally done to correct memo bank information and should be used by Cash Management personnel only. A corresponding entry must be done in CMCS.

Cash Management and Manual Receipts/Disbursements
The Treasurer's office processes most cash receipts which are then fed into the Banner Finance system. The TouchNet cashiering system is used to process receipts, which in turn interfaces with Banner Finance. A rule code of TNR is automatically associated with all entries processed via the TouchNet system. For manual receipts (i.e. those not processed through TouchNet, a one sided entry using rule code "REC" should be used. This rule code is a duplicate of the CR05 rule code delivered with the Banner system. The fund receiving monies should be credited (CR) and the system will post the debit to the cash account. To process a receipt to a FOAP, use a **"CR"** to indicate a credit side of the cash management. The OCR rule code is also used to record manual receipts for which the State Treasurer has already received the cash and the transaction needs to be recorded in the Banner ledger.

For manual disbursements, the OCD rule code is used and the fund charged should be entered with a debit (DR) and the system will automatically post the credit side to the cash account. To process a disbursement from a FOAP, use a **"DR"** to indicate the debit side of the cash management. OCD is also used to record manual disbursements for which cash has left the State Treasurer through wire transfer (i.e. no check was cut) and therefore an entry should be made to record the disbursement into the ledger (Banner Finance). Manual receipts and disbursements only require a one-sided entry.

Budget Entries
Budget entries are to be used only by personnel from the Budget Office, Contracts & Grants or other designated personnel. Journal entries with rule code B01 are for original budgets. Those with B02 are for revised budgets. They are both one sided entries. BDT is used for budget transfers. These are two-sided entries (i.e. a debit and credit).

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Allotment Entries

These are specific journal entries that are used to record allotments and reversions for both the General Fund and Capital Improvement. These journal entries record the University's appropriation funds and use the following rule codes – B2N, B2Y, BCI, OCV and CCI. These codes are solely for allotments and should be used by the Accounting Office personnel only.

Inter-Agency Transfers

Inter-agency transfers are transfers from the University to another state agency or vice versa. A journal entry with either rule code TFR (for receipts) or TFD (for disbursements) or TFE (disbursements for which there is an encumbrance) is used. A corresponding entry is also made in the Cash Management Control System (CMCS) to transfer the cash.

Supporting Documentation

Explanations for journal entries and supporting documentation should be clear, relevant, and concise.

Explanations entered on the "line description" of a journal voucher (limited to 35 characters) should provide a clear description of the purpose for the entry. Once entered into Banner Finance, this description is the only identifying information in the system regarding the transaction's purpose. Thus, descriptions should be as informative as possible within the space available to enhance analysis of accounts and transactions. A long explanation that more completely describes the need for the transaction should be included on all journal vouchers in the space above the signature blocks.

Supporting documentation should provide enough information for an independent person to be able to understand the reason for the transaction and verify the accuracy of the related entry. If multiple funds are involved, supporting documentation should be included that shows approval from all departments involved.

Note: If the entry involves sensitive information, please contact General Accounting for guidelines on securing the sensitive documentation.

Supporting documentation for reclassifications and correcting entries should include the Banner document number from the original transaction. This document number should be included in the "Description" portion of the JV form. Preferably, capture a screen print from Banner Form FGITRND and highlight the applicable transactions.

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Document Retention

Departments should retain copies of journal entry documentation until the entry has been posted and checked for accuracy.

The University policy dictates that records should be held till three years after an audit for State funds and five years for non-state funds. Please contact Contracts & Grants for information for their guidelines as they have different requirements.

Reviewing Transactional Activity

A department fund manager must review fund activity detail at least monthly to ensure the reasonableness and accuracy of the posted transactions.

Additionally, at fiscal year-end – that is in June, it is necessary to review transaction activity at least weekly to ensure that inaccuracies are corrected before the year-end cutoff date.

The following forms may also be used to review funds/accounts:

FGIBAVL - This form allows users to determine at a glance, if there are any negative Available Budget Balances at the budget pool level. It also shows the positive balances within that same fund from which budgets can be transferred in order to eliminate the negative balances.

FGIBDST – can be used to review revenues and expenditures that have been posted to the fund.

FGIBDSR – Executive Summary: Similar to FGIBDST except can query by Organization, Program, Account, and/or Account Type without populating a specific Fund. If query is entered by Fund, this form essentially functions the same as FGIBDST.

Document queries:
FGIDOCR – Document Retrieval Inquiry: Displays posting detail for a specific document number.
FOIDOCH – Document History: Identifies and provides status of all documents in the processing path of a specified document.

Encumbrances:
FGROPNE – Open Encumbrances Report: Displays header information and remaining encumbered or reserved balance amounts for open purchase orders, requisitions, and general encumbrances.

Grants:
FRRGITD – Grant Inception to Date: Displays grant account activity information for each account by Grant number.

FRRGRNT – Deferred Grant Process: The Deferred Grant Process performs indirect cost (F & A), cost share, and revenue recognition calculations. The report displays the transactions that were posted to the ledgers each day.

FGIOENC - Query on this Banner form by Organization or Fund number to return a list of open PO Encumbrances. Click on a specific encumbrance and use F3 to drill down to form FGIENCD (Detail Encumbrance Activity) for detailed information, including any invoices that have been applied against the encumbrance, and the remaining balance.

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Creating Journal Vouchers

1. Go to FGAJVCM or FGAJVCQ or FGAJVCD
2. Perform a "Next Block" function (ctrl and page down)
3. Enter current date or date the entry should be posted to (entering the letter "T" will populate today's day after you tab).
4. Enter the "hash total or absolute value" of the total entry.
5. If necessary, enter detailed reason for journal on FOATEXT. Do this by going to Options, FOATEXT.
6. If you are on FGAJVCM, you may enter the rule code, description, bank code, etc. and those parameters will default to each line of the JE without your having to retype it.
7. Perform "Next Block" function.
8. Tab through the Sequence block and go to the "Index" block.
9. Enter the Fund number and the Organization (Org) and Program (Prog) will default in.
10. Enter the account number
11. Tab to amount and enter dollar amount.
12. Tab to Debit/Credit indicator and enter a "D" for debit or "C" for credit. Use the down arrow to get to the next line and complete this step until all entries are entered.
13. Print the JE at this point to attach your documentation.
14. Click on Options, Select "Print Journal Voucher".
15. Perform "Next Block" function.
16. If "Printer" field in blank, type in "database".
17. Perform "Next Block" function.
18. Tab over to "Values" column, type in your Journal Voucher Number.
19. Entry your Journal Voucher Number on the "From Document Number and To Document Number".
20. Perform "Next Block" function.
21. F10 to save.
22. Click on Options, select "Review Output".
23. F9 in the file name.
24. Click "ok"
    .
25. Click on Options, select "Show Document"
26. Click "yes" to open document in a new browser.
27. Print Document.
28. Exit out twice to get back to your Journal Entry.
29. Perform "Next Block" function.
30. Select "Complete" to have JE go to the "Approval Process".
31. Attach supporting documentation to JE and make sure it is approved prior to entry. Supporting documentation should include deposit proof, disbursement

proof, check requests, email documentation from departments, and a rational explanation.

32. All JEs and supporting documentation must be filed after entered into the system.

Step-by-step process of creating a journal entry:

1. Access the Journal Voucher Mass Entry form **(FGAJVCM)**.

2. Perform a **Next Block.** 　 **(Ctrl + Page Down)**

3. The Transaction date will automatically populate in.

4. **Tab**

5. Enter the **Total** amount of the Journal in the **Document Total** block.

6. **Tab**

7. Select options to enter your document text

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8. This takes you to the **General Text Entry Form (FOATEXT)** type the text you wish to enter and click save when you have completed your text an exit the form

9. Perform a **Next Block**. **(Ctrl + Page Down)**

10. This takes you to the **Default Value portion of the Journal Form**

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NOTE: **This would be a good time to write the <u>Document number</u> on your banner journal entry form if you have not done so already.**

11. **Enter** your **Journal Type (ex: JE16)** in the **Journal Type** block.

12. **Enter** the **Description** for this journal

13. Perform a **Next Block**. **(Ctrl + Page Down)**

14. This takes you to the **Journal Voucher Detail**

15. **Tab** through the **Sequence Number** block and this will generate your **First** sequence number.

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16. **Journal Type (ex: JE16)** will populate in the **Journal Type** block.

17. **Tab** to **Index** block and type in the index number. **The Fund, Organization,** and **Program** will populate for you**.**

18. **Tab**

19. **Enter** the **Amount** associated with the **Account number**.

20. **Tab**

21. **Enter** D(debit) or C (credit) if you are entering a **Journal Type of OCR** you will enter C (credit) if you are entering a **Journal Type OCD** you will enter D(debit)

22. **Tab**

23. **Enter** the **Description** for this line of data.

24. **Tab**

25. Bank Code will populate

26. **Tab**

27. **Use arrow key pointing down or Press F6**.

28. This takes you back to the **Sequence Number** block.

29. **Tab** and then repeat the same steps above.

30. Once all the **Journal Voucher** information has been entered, click on Options, Select "Print Journal Voucher".

31. Perform a **Next Block**. **(Ctrl + Page Down)**

32. If "Printer" field in blank, type in "database".
33. Perform "Next Block" function
34. Tab over to "Values" column, type in your Journal Voucher Number.
35. Enter your Journal Voucher Number on the "From Document Number and To Document Number".
36. Perform "Next Block" function.
37. F10 to save.
38. Click on Options, select "Review Output".

File Edit Options Block Item Record Query Tools Help

Process Submission Controls GJAPCTL 8.3 (TEST8)

Process: FGRJVLR ▼ Journal Voucher Listing   Parameter Set: ▼

Printer Control

Printer: DATABASE ▼   Special Print: Lines: 55   Submit Time:

Parameter Values

Number	Parameters ▼	Values ▼
01	From Document Number	J0005491
02	To Document Number	J0005491
03	From Transaction Date	
04	To Transaction Date	
05	Journal Type	
06	User ID	
07	Document Status	
08	Sequence Status	

LENGTH: 11 TYPE: Date O/R: Optional M/S: Single

Enter beginning transaction date.

Submission

☐ Save Parameter Set as   Name: Description: ○ Hold   ● Submit

Parameter Number; press SEARCH for valid parameters.
Record: 3/10   ...   <OSC>

Start

4:53 PM

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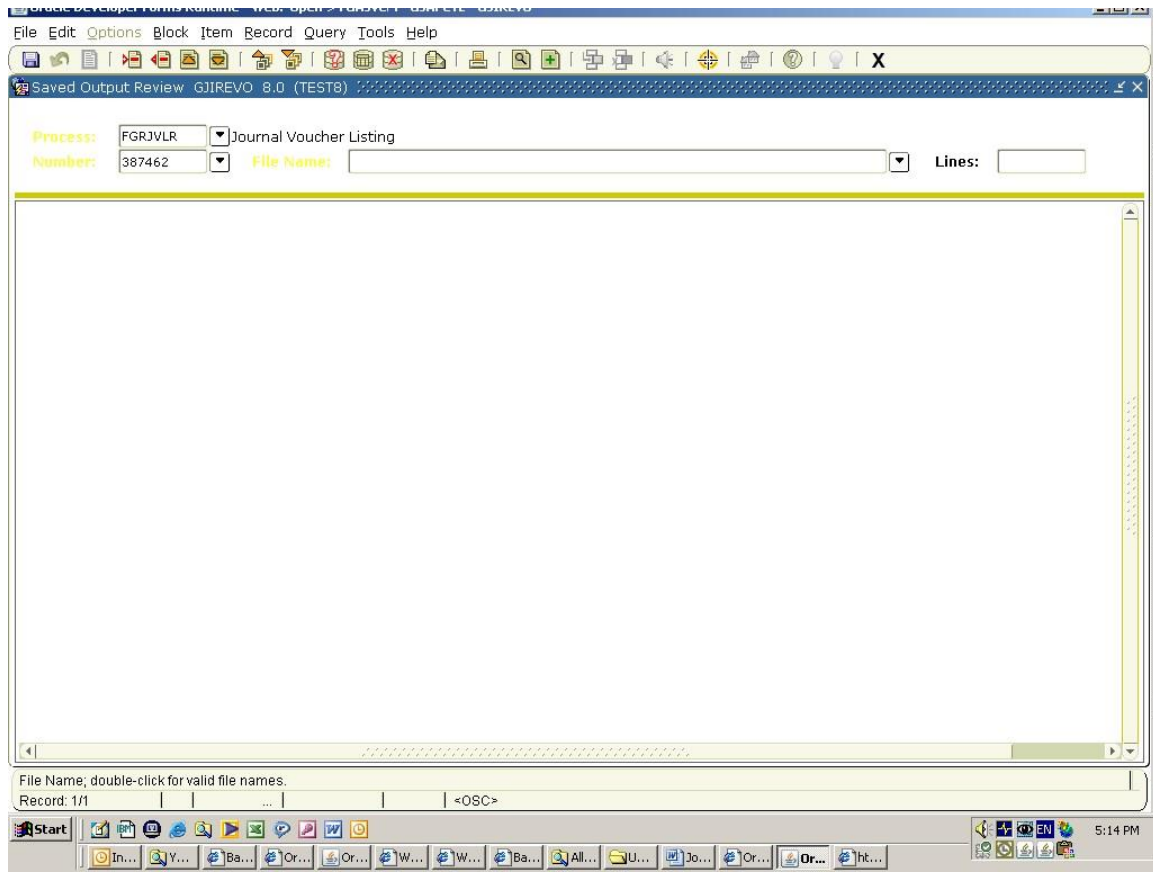
39. F9 in the file name.

40. Click "ok".

41. Click on Options, select "Show Document".

42. Select "yes" to open document in a new browser.
43. Print document.
44. Exit out twice to get back to your Journal Entry.

45. Perform a **Next Block**. **(Ctrl + Page Down)**

46. This window displays summary information. If the **Net Amount** balances with the **Document Total**, complete the **Journal Voucher** by clicking **Complete** or **In Process** for posting.

47. Last chance to write the **Journal Voucher Number** down!!

How to Log Out (exit) Banner

1. From the Banner Main Menu click the Exit icon on the tool Bar.

2. To Exit Banner, click **Yes** at the dialog box that asks, **Are you sure you want to exit this SCT   Banner Session?**
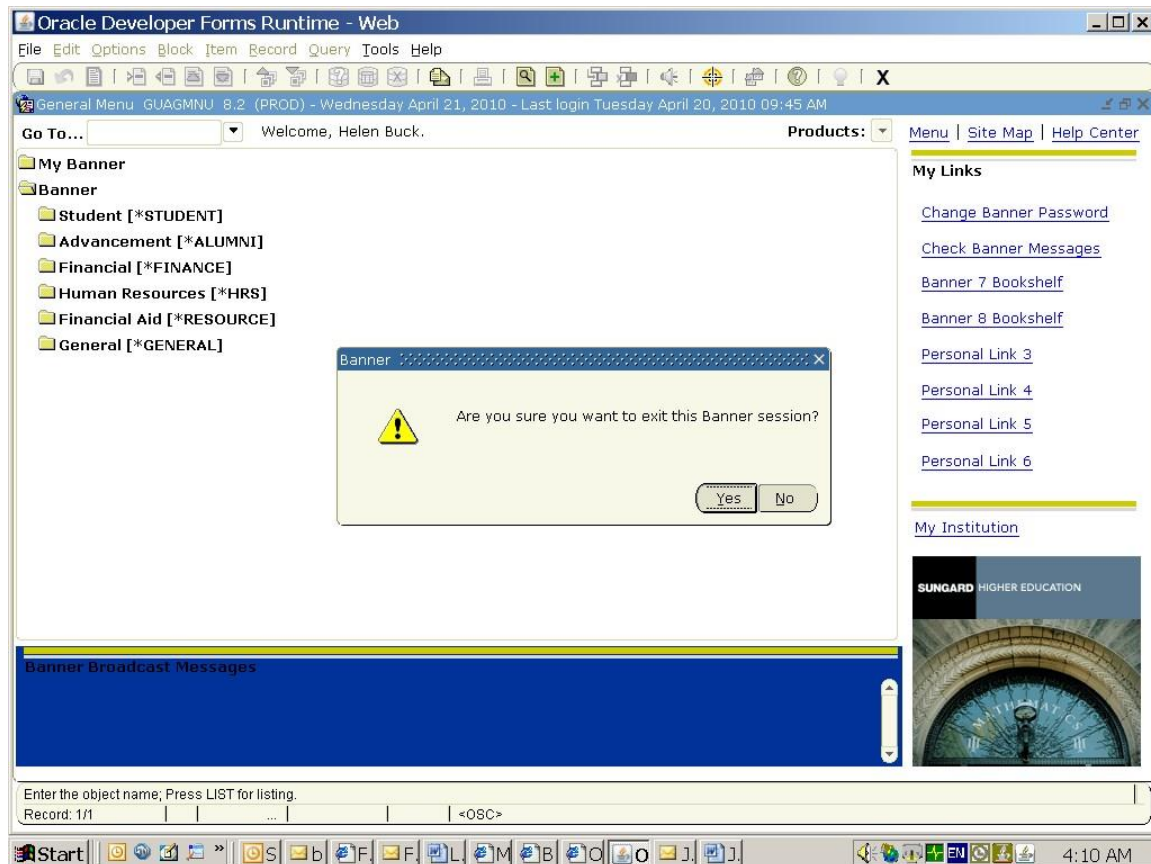
Using the Toolbar

Toolbars are one of the easiest ways to navigate and perform common Banner functions. When the mouse pointer is moved to one of the graphical buttons, a yellow square appears with text that describes its function.

SAVE - Saves all the changes entered since the last time you saved. **Keyboard [F10]**

ROLLBACK – Clears all information and returns you to the first enterable field in the key block. **Keyboard Shift [F7]**

SELECT – Returns you to the previous form enters the selected value into the field that called the form. **Keyboard Shift [F3]**

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INSERT RECORD – Inserts a new blank record into the list of existing records

DELETE RECORD – Removes all information for the current record. When you **save**, the removed information is deleted. **Keyboard Shift [F6]**

ENTER QUERY – Puts the form into query mode, criteria can be entered to search information already in the database. **Keyboard [F7]**

EXECUTE QUERY – Searches the database and displays the first set of records that matches search criteria. **Keyboard [F-8]**

CANCEL QUERY – Cancels the query and takes the form out of query mode. **Keyboard [Ctrl] [Q]**

PREVIOUS RECORD – Moves the cursor to the first enterable field in the previous record and triggers previous record logic coded into the form. **Keyboard [up arrow]**

NEXT RECORD – Moves the cursor to the first enterable field in the next record of the current block and triggers next record logic coded into the form. If the cursor is in the last record a new record is created. **Keyboard [down arrow]**

PREVIOUS BLOCK – Moves the cursor to the previous block that has at least one enterable field. If the previous block is in another window, that window is opened. **Keyboard [Ctrl Page Up]**

NEXT BLOCK – Moves the cursor to the next block that has at least one enterable field. If the next block is in another window, that window is opened. **Keyboard [Ctrl Page Down]**

VIEW / SEND MESSAGE – Calls the General Message Form (GUAMESG) to view or send messages.

PRINT – Prints form

SHOW KEYS – Displays the Keys list, which lists the functions and their equivalent keystrokes available for the current form, window, and field. **Keyboard [Ctrl] [F1]**

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BOOKSHELF – Displays Banner documentation.

ON LINE HELP – Displays on line help if available for the form

EXIT – Closes out the menu, form or window you are currently accessing. From the Main Menu screen, it exits the Banner system. In Query mode, it cancels the query and takes the form out of query mode. **Keyboard [Ctrl] [Q]**

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