Journal Entries
Requirements / Best Practices
Updated 6/21/12

1. <u>WebADI Template</u>:

(a) <u>Batch Name</u> (required): Must contain the first initial and full last name of the person creating the entry, followed by a unique abbreviated description as to what the entry is going to accomplish. Initials are not sufficient. If there is a question about an entry, or it needs to be rejected, the reviewer knows who should be contacted. Example: S Munroe Pcard Corr Aug or S Munroe for J Day PCard Corr Aug.

(b) <u>Journal Name</u> (required): Can be the same as Batch Name or different. If different, there are no specific recommendations as to what the name should contain.

(c) <u>Date</u> (required): For most journals, use the current date. During the month-end close (usually the first three business days of the subsequent month) there will be two open periods. During the close you must decide which period to record the journal in. For example, if you are uploading an entry on October 2 and you want the transaction recorded in September you must enter a September date. If you want the transaction recorded in October, enter the current date.

(d) <u>Upload Flag</u>: This upload symbol cannot appear on any row that will not be uploaded. All rows must either contain the flag or all rows must not contain the flag in order for **all** rows to upload successfully. Verify that all rows were successfully uploaded by either noting the number of rows before uploading and matching with the number of rows given in the successful upload message or check that each row contains a green smiley face after uploading.

(e) <u>Chart String</u>: When it is appropriate to move a transaction to another chart string via a journal entry (see #2 below), check the GL Transactions report or Fastlook to verify that the transaction being moved has been posted. Make sure the report you are using includes the complete 25 digit chart string.

(f) <u>Debit / Credit</u>: Should not be blank, zero, or negative. Debiting and crediting the same chart string is not allowed. Journal entries can either contain one debit for every credit or be a compound journal entry (many debits and one credit or many credits and one debit).

(g) <u>Journal Description</u> (required): Use this field to explain the reason a journal entry is needed; what it will accomplish. If this is not filled in, the system will insert "Journal Import 123456". This description is not meaningful and doesn't help the reviewer understand the purpose of the entry. Examples: Correct Pcard Chgs April, Write off uncollectible receivable, Refund Apr08 overcharge, Support for Pride Week, Resubmit Travel Funding Transfer.

(h) <u>Journal Line Description</u> (required): Use this field to fully describe each line. For corrections, the description must include enough information for the reviewer to locate the charge being corrected - date posted to the GL (effective date on IRA reports) and vendor, traveler, guest, or what service was provided (EXAMPLE: Pcard Staples 8-8-10). This information must also appear on the new chart string in case the transaction is chosen for audit. For other than correction this description can be unique or the same for each line. If transactions are combined, list the individual charges in the line description field after the date (example: $15.20 / $25.30 / $5.15). If correcting part of a transaction, include total amount in the line description field (example: total chg $125.53). This field should not be used to describe why the entry is needed (FOR EXAMPLE: correct natural class) since this does not provide meaningful information to readers of reports. If this line is not filled in, the system will insert "Journal Import Created". This description does not add any meaningful information. Key information for the reviewer must appear in the first 40-50 characters, as this is as much as the reviewer can easily see.

(i) <u>Additional Line Info</u> (optional): Use this field to add more information about each line. One option is to use this field for the offsetting chart string (where the opposite side of the entry was posted – example 13.001.125512.325146.0000.4521). This makes it easy to find the original transaction in order to get additional transaction information or see what other chart string was impacted by the journal entry. **Do not put information here that is critical for the journal reviewer as this field is not easy to access during the review process.**

Note: For Corrections Source Name and GL Date must be included in one of these fields; Batch Name, Journal Name, Journal Description or Line Description.

2. <u>Allowed and Un-allowed Journal Entries</u>:

   All transactions entering the general ledger (GL) include a **Source** that indicates where the transaction originated from (ie Payables, Inventory, Manual). Some transactions posted to incorrect chart strings can be corrected with a manual journal entry and some cannot depending on the source of the original transaction.

   Journal entries **cannot** be used to correct transactions posted to the GL from the following sources: Accounts Receivable, Accounts Payable, Advance, Banner, Benesoft, Cashiering, Computer Store, Cost Management, The Daily Dartmouth, FAMIS, Inventory, OGA ("Projects"), Oracle Labor Distribution ("OLD"), Payroll, Telephone Services (Pinnacle), Utilities Billing System, and Yardi.
   (See Correcting Transactions by Source available on the Controller's Website
   http://www.dartmouth.edu/~control/journal/index.html/)

   Journal entries **can** be used to correct transactions from the following sources: Hanover Inn, Manual, PCard, CBORD, Resource25, and Travel_DC. Journal entries can also be used to correct transactions from a service center (the Source name will always begin with "SRVCTR…") but the natural class must remain in the Service Center range (4811-4844, 7811-7844). Service Center transactions can also be corrected by the Service Center. Make sure the report you are using to locate the incorrect transaction includes the complete 25 digit chart string.

3. <u>Inter Department Transactions: (Entity Values < or = to 42)</u>

   (a) Inter department service or sales: Transactions using inter department revenue and inter department expense natural classes must net to $0. For most departments, these natural classes are in the 4851-4881 and 7851-7882 ranges (descriptions start with INT DEPT). Service or recharge centers use values in the 4811-4844 and 7811-7844; they must also net to $0. (If you are not sure if you are a service or recharge center you should talk to your fiscal officer.) When correcting an inter dept transactions the transaction must remain in the inter dept revenue/expense natural class range.
    (See Internal Revenue and Expense Natural Class List available on the Controller's Website
    http://www.dartmouth.edu/~control/journal/index.html/or
    http://www.dartmouth.edu/~control/journal/int_rev_exp.html/)

   (b) To **share costs** with other departments, split requisition or invoice into multiple chart strings. Sharing costs by uploading a journal which credits an expense natural class is generally not allowed.

   (c) Departments **providing funding** to other departments would record a transfer using transfer natural classes. Only those approved to upload transfer entries can do so using their Transfer JE Responsibility. The full dotted offset chart string is required in the add'l line info field to show where the funding wwas transferred to/from. (See the Transfer Natural Class Chart (Transfer Matrix) for choosing the correct transfer natural class available on the Controller's Website
    http://www.dartmouth.edu/~control/journal/index.html/or
    http://www.dartmouth.edu/~control/journal/transfers.html/)

(d) Correcting Uploaded or Posted Journal Entries

If you discover an error in a journal entry that has been uploaded: please call or e-mail your journal reviewer to change, delete, or reverse the entry. If the journal entry **has not been posted**, the journal can be corrected or deleted by the journal reviewer. If the journal entry has been posted, the journal reviewer can create and post a reversing journal. Once reversed, the original journal can be corrected and then re-uploaded.