**CMU**

CENTRAL MICHIGAN
UNIVERSITY

# Accounting Services

# Training Manual

## Journal Entries

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# Journal Entries

Journal entries (JE's) (G/L Posting Document SA forms) are used to record revenue, expense and transfer activity into the proper cost center/WBS element and general ledger (G/L) account. Journal entries should be prepared by departmental staff and approved by the person responsible for the cost center/WBS element or their designee. The journal entry, along with supporting document(s), should then be submitted to Accounting Services for review and processing.

Below are guidelines and reference materials to assist you in preparing journal entries.

*GUIDELINES*:  To ensure prompt and accurate processing of your journal entry request, please follow the guidelines below:

1. **Send original with backup attached**.  Examples of valid documentation include:
    1. A copy of the actual invoice with SAP cost center and G/L noted.
    2. SAP Print Screen circling item to be moved.
    3. Letter or email with specific funding instructions.
    4. Other documentation supporting movement of funds.
2. Type or use black or blue ink ONLY. The JE's are scanned and other colors do not scan well.
3. When moving a <u>charge</u> from one cost center to another, please provide PO#s, Invoice#, or other reference numbers in the description line.

    **Note**:  Transactions must have previously been processed in SAP and appear in the cost center and G/L account being impacted by the journal entry request.  The JE will <u>not</u> be processed until the original charge being moved has been posted in SAP.  **Please include a SAP print screen showing that the item to be moved has been processed in SAP.**
4. Explanations must be **no more than 50 characters**.  If you want to repeat the explanation, you can use the + sign in the following explanation line.
5. Posting Key: must be either **40** (for debits) or **50** (for credits); do not use DR & CR.
6. Obtain signature of person responsible, or their `designee, for WBS/cost center to indicate approval of department.

*SUBMIT JEs TO:*  Accounting Services, Warriner 304 via fax (1209), campus mail or email to your Accounting Services contact.  Please refer to Cost Center Responsibility Data to determine the accountant responsible for your cost center.

*JOURNAL ENTRY FORM:*  Use the G/L Posting Document (SA) form for journal entries.  **If your journal entry is more than 2 pages, please contact Accounting Services for further guidance.**

*FIELD DESCRIPTIONS:*  A description of the fields contained on the G/L Posting Document (SA) form can be found at G/L Posting Document Procedures.

*JOURNAL ENTRY EXAMPLE:*     Sample of the G/L Posting Document

# G/L Posting Document Procedures

To prepare a journal entry, a G/L Posting Document (SA) form needs to be filled out.

The following are guidelines to filling out this form. You may also refer to a Sample of the G/L Posting Document.

Please send completed entries to Accounting Services, Warriner 304, for processing.

### Rules for Filling Out the G/L Posting Document (SA) Form

1. Document Date    Use the date that you prepare the journal entry request. Example: 07012009 (mmddyyyy).

2. Period    Use a number to represent the (fiscal) month in which the entry should be posted. Example: a Document Date of 07012009 would use a Period of 1.
July = 1 August = 2 September = 3
October = 4 November = 5 December = 6
January = 7 February = 8 March = 9
April = 10 May = 11 June = 12

3. Reference Doc    If this field is left blank, Accounting Services will assign a reference number.

4. P.K.    In this field, please specify a Debit or a Credit. Write a 40 to indicate a Debit (taking money away from an account), and write a 50 to indicate a Credit (giving money to an account).

5. Cost Center/    Cost Center is the departmental account number.  This is a 5 or 7-digit number.

   WBS Element    This 6-digit number is used in place of a cost center number for most grants created subsequent to 11/1/05. WBS elements ending with the digit "1" represent EXTERNAL funding (e.g., grant F60064 would have the WBS element 600641). WBS elements ending with the digit "2" represent INTERNAL or matching funds (e.g., grant F60064 would have the WBS element 600642).

6. Internal Order    Internal orders are created by departments to segregate expenses in a more detailed manner. The number can be 2 to 10 digits long. For more information on internal orders, contact Accounting Services. * For Global Campus, all journal entries must include an I/O number.

7. Business Area    Business Areas are overall funds that contain the Cost Centers. For example, the General Fund is 1xxx, the Designated Fund is 2xxx, etc. If you enter a Cost Center and a G/L Account Number (below), you do not need to fill in this field (the system will determine the Business Area). Refer to the list of Business Areas for determination.

8.  G/L Account No

G/L Account No is the General Ledger Account Number. The G/L account number that should be used depends on the costs centers affected. Refer to the G/L Account Listing.

9.  Amount

Enter the amount of the transaction, without a dollar sign. Always use positive numbers. For example, to process a $100.00 transaction, write 100 and then 00 after the separation line to indicate 100 dollars and 0 cents.

10.  Explanation

In this field you have up to 50 characters to explain the transaction. If your journal entry has several transactions and you want each entry to read the same, then after entering the text in the first line you can place a plus sign (+) in this field for the second and subsequent items. Note, however, that the text must read exactly the same as the previous line. So if entries vary even by date, you must enter new wording in the Explanation field.

(additional journal entry line items)

Repeat steps 4 through 9 as needed. Remember, each Debit must be accompanied by a Credit (and vice versa), and the Debit total must match the Credit total.

11.  Document No

Document numbers are generated automatically by the SAP system. Please leave this field blank. Accounting Services will note the document number once the journal entry has been entered into SAP.

12.  Total Debits

Add up all Debits (40-type transactions) and enter the total here.

13.  Total Credits

Add up all Credits (50-type transactions) and enter the total here. *Also, ensure the Total Debits equal Total Credits.

14.  Prepared By

Please print your name here. Also, include your telephone number behind your name so Accounting Services can contact you if there are questions about your entry.

15.  Date

Enter the date for the journal entry. Sometimes this date may vary from the date the form is actually filled out.

16.  Backup Attached?

Circle Yes and attach your supporting documentation (see documentation guidelines (1) ).

17.  Comments

Indicate any other helpful comments regarding this journal entry. For example: Backup located in department due to confidentiality.

18.  Department Approval

Obtain signature of person responsible, or their designee, for WBS/cost center to indicate approval of department.

19.  Keyed By

Currently Accounting Services is keying journal entries. Leave this field blank.

**CENTRAL MICHIGAN UNIVERSITY**
**CREATE A G/L POSTING DOCUMENT**

Via Menus: Accounting, Financial Accounting, General Ledger, Document entry, General Posting  Or   Via Transaction Code: F-02

Document Date: 3/10/2009    Doc. Type: S A    Posting Date: (Defaults to today's date)

Period: 9 (July=1, Aug=2, etc.)    Reference Doc: J B 6 9 0 3 0 0

*P K:
(40=DR, 50=CR)    Cost Center/WBS Element:    Internal Order Number:    Bus. Area    G/L Account No.    Amount

| PK | Cost Center/WBS Element | Internal Order Number | Bus. Area | G/L Account No. | Amount |
|----|-----|-----|-----|-----|-----|
| 4 0 | 2 6 4 3 0 | | | 7 5 0 5 0 0 | 97.00 |

Explanation: (50 characters)

9/30/08 Sub renew: Inside MS Excel 12 issues

| 4 0 | 2 6 4 3 0 | | | 7 5 0 5 0 0 | 156.00 |

12/31/08 Sub renew: GASB exp 1/2010

| 5 0 | 2 6 4 3 0 | | | 6 9 0 3 0 0 | 253.00 |

Move expenses to Proper G/L account

```
Doc.Type : SA ( G/L account document ) Normal document
Doc. Number    100597708    Company code    CMU    Fiscal year    2009
Doc. date      03/10/2009   Posting date    03/11/2009   Period    09
Calculate Tax  ☐
Ref.doc.       JB690300
Doc.currency   USD
```

| Itm | PK | BusA | Grant | WBS element | Cost Ctr | Int. Order | Account | Amount | Text |
|-----|----|------|-------|-------------|----------|-----------|---------|--------|------|
| 1 | 40 | 1000 | DEFAULTGRANT | | 26430 | | 750500 | 97.00 | 9/30/08 SUB RENEW: INSIDE MS EXCEL 12 ISSUES |
| 2 | 40 | 1000 | DEFAULTGRANT | | 26430 | | 750500 | 156.00 | 12/31/08 SUB RENEW: GASB EXP 1/2010 |
| 3 | 50 | 1000 | DEFAULTGRANT | | 26430 | | 690300 | 253.00- | MOVE EXP. TO PROPER G/L ACCT |

Document No: _____

Total Debits: $ 253.00
Total Credits: $ 253.00

Prepared by: J. Blake    Phone No: 2571
Date: 03/10/09    Page 1 of 1
Backup Attached?    Yes    No    (Circle one)
Comments: _____

*DR=Debit, which means you are taking money out of an acct.
 CR=Credit, which means you are giving money to an account

Dept. Approval: _____
Keyed by: _____    Date:

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