Overview

The General Ledger Journal Entry (GLJE), Journal Correction/Transfer, and Inter Departmental Billing (IDB) Journal request forms are used for processing accounting entries directly to the PeopleSoft General Ledger (GL). Journal entries are a significant component of the University’s financial records and processing them accurately and in a timely manner is essential to ensuring the financial reports prepared for internal and external users are correct and reflect the most current financial position of the University.

Journal entries require appropriate controls and are therefore processed through finance instead of individual faculty/units.

Purpose

To outline requirements for General Ledger journal entries and promote consistent accounting treatment across the University.

Journal Entry (JE) Type and Definitions

1. Regular JE:
to record the first instance of a transaction that does not/cannot post to the GL via a submodule entry from the PeopleSoft system (such as Accounts Receiving Billing, Direct Journals, Accounts Payable, Asset Management, PeopleSoft Student Financials, Project Costing, Human Capital Management (HCM), etc.)

used to record transactions such as:
- month end revenue/expense accruals and deferrals
- month end revenue/expense recognition
- endowment interest allocations
- depreciation
- recording of bank transactions
- benefit allocation
- institutional adjustment entries
- recording of holdbacks/holdback releases, etc

- Regular JE send to: FINANCIAL REPORTING at frglje@ucalgary.ca

2. Journal Correction/Transfer Entry:
- A correction is a redistribution or change of a posted transaction that originated from a prior regular JE or a PeopleSoft submodule posting.
- A transfer is a transaction to move funds that are not associated with a specific journal entry or a PeopleSoft submodule posting.
- See journal correction/transfer guidelines for more details

- Journal Correction/Transfer Entry send to U SERVICE at finance@ucalgary.ca

3. Inter Departmental Billings (IDBs) (goods & services) JE
- See IDB process guidelines for more details

- IDBs JE send to: U SERVICE at finance@ucalgary.ca

Documentation

1. General Ledger Journal Entry Request Form
- this form must accompany all Regular Journal Entry templates
  - the Purpose must include a clear description of the events that give rise to the journal entry
  - the Summary Purpose forms the journal header description field
  - form to be authorized, dated, and attached to appropriate documentation

2. Journal entry line requirements:
- description field must contain all relevant details
▪ complete chartfield string: Business Unit, Fund, Dept ID, Account, Internal & Program (optional), Project, Activity
  ○ Analysis Type and Project Costing Business Unit (PCBU) field required for lines with a Project/Activity

▪ NOTE:
  ○ where appropriate, journals should be marked as Confidential (i.e.) Salary corrections
  ○ must not include personal, identifying notes (i.e.) employee names, etc. (FOIP)
  ○ journal lines/entries must NOT be split into multiple entries to avoid approval at the appropriate monetary level
  ○ all line items must share a common purpose and intent

3. Supporting Documentation:
   ▪ Includes: Notice of Agreement, agreements, contracts, donor communications, emails, purchase orders, shipping documents, packing slips, PS Query, eFIN, or Cognos, etc.
     ○ query or reporting tool and reporting parameters must be identified
     ○ Third party documentation is preferable

All documentation must be provided in an electronic format attached to the completed journal entry template and/or request form.

4. Retention:
   ▪ Financial records and supporting documentation must be retained for a period of 7 years (6 previous years plus the current year) for audit verification and review per federal and provincial retention legislation

Authorization/Approval

▪ Exceptions whereby budget owner/delegate approvals are not required:
  ○ Journal lines < $250 for non-project transactions
  ○ Benefits allocation journals – prepared by Financial Reporting to allocate benefit costs for non-project and operating project salary charges as authorization and approvals are obtained at the point of hire and are the responsibility of the HCM source system budget owner.
  ○ GLJE’s created for the purpose of university level financial reporting institutional entries. These journals are approved by Financial Reporting.
  ○ GLJE’s to create asset management depreciation charges and capital adjustments. These journals are approved by Financial Reporting.
GLJE’s created to distribute grant and other revenues, overheads, spend allocations from endowments, etc. where such entries are already supported by grant agreements, notice of awards, policy, contracts, etc.

Roles and Responsibilities:

1. Requestor:
   - Any person who is responsible for preparing and submitting journal entries. They are confirming that the journal is correct, complete, valid, appropriate, etc. This applies even if someone else has asked the requestor to complete the request process on their behalf. Therefore, the Requestor must fully understand the transactions and is responsible to prepare and submit all supporting documentation.
   - Regular Journal Entry - completes Journal Entry Request Form and template, and compiles all relevant supporting documentation
   - Ensure that appropriate Dept ID or Project Approvers/delegates have provided their approval
     - Approvals may be in the form of an email or signed documents (approving the accounting chartfields and amounts of the journal entry).
   - Forwards signed Journal entry template and/or Request form along with supporting documentation to frglje@ucalgary.ca.

2. Initiator (Research Accounting & Financial Reporting):
   - The initiator receives the General Ledger journal entries from requestors and has a PeopleSoft security role permitting them to create, edit and submit journal entries for approval & posting.
   - The initiator will review the journal entry and supporting documentation for appropriate accounting, back-up documentation, validation that the entry is balanced, transaction eligibility per agreements (if required) and that appropriate authorizations have been provided.
   - Once the initiator is satisfied that the Journal Entry is complete with all the appropriate approvals and should be processed, the journal entry should be submitted in PeopleSoft for combo edit and budget checks. If successful, submitted for review and posting. Journal entries which do not pass either the combo edit will be sent back to the requestor for to identify the correct solution:
     - Chartfield Errors – this means a chartfield is either inactive or does not exist in PeopleSoft. If inactive, the requestor must determine if the chartfield can be/should be reactivated and ensure this has been done prior to re-submitting...
their request. If the chartfield does not exist, the requestor must correct their request.

- Combo Edit Error – The initiator must correct their request or provide an explanation as to why the invalid combo edit must be allowed for this particular transaction. Combo Edit rules can be found on the Finance internal website.

3. Financial Reporting: Review and Posting:
   - Reviews, approves and posts all journal entry requests in accordance with University policies, procedures and guidelines

   ➢ The requester and reviewer/poster cannot be the same individual.

4. Budget owner (Dept ID owner/Project holder):
   - An employee identified as a budget owner due to holding an operating or ancillary (fund 10/15) department (Dept ID) or a project (fund 5/11-19/50/60/70) in the financial system and therefore has signing authority to approve expenditures within the amounts and scope of his/her budget and within maximum limits.

5. Delegate:
   - An employee/contingent worker who has been assigned to act on the budget owner’s behalf/acting capacity during a temporary absence (i.e. vacation)

**Processing timelines:**

<table>
<thead>
<tr>
<th>Processing Period</th>
<th>Timelines</th>
</tr>
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<tbody>
<tr>
<td>Monthly – Regular Journal Request</td>
<td>See month end timelines on the Finance website</td>
</tr>
<tr>
<td>Year-end – Regular Journal Request</td>
<td>See year end deadlines on the Finance website</td>
</tr>
</tbody>
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**Contact**

<table>
<thead>
<tr>
<th>Name</th>
<th>Email</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>U Service</td>
<td><a href="mailto:finance@ucalgary.ca">finance@ucalgary.ca</a></td>
<td>(403)210-9300</td>
</tr>
</tbody>
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**Fund Definitions and Transfer Rules**