Approving GL Journals and Budget Journals

UGA Financial Management System

OneSource

OneSource
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Objectives

1. Describe how GL journals and budget journals move through the workflow process
2. Review GL journal transactions and make appropriate approval decisions
3. Review budget journal transactions and make appropriate approval decisions
4. Review commonly reported issues for the approval process

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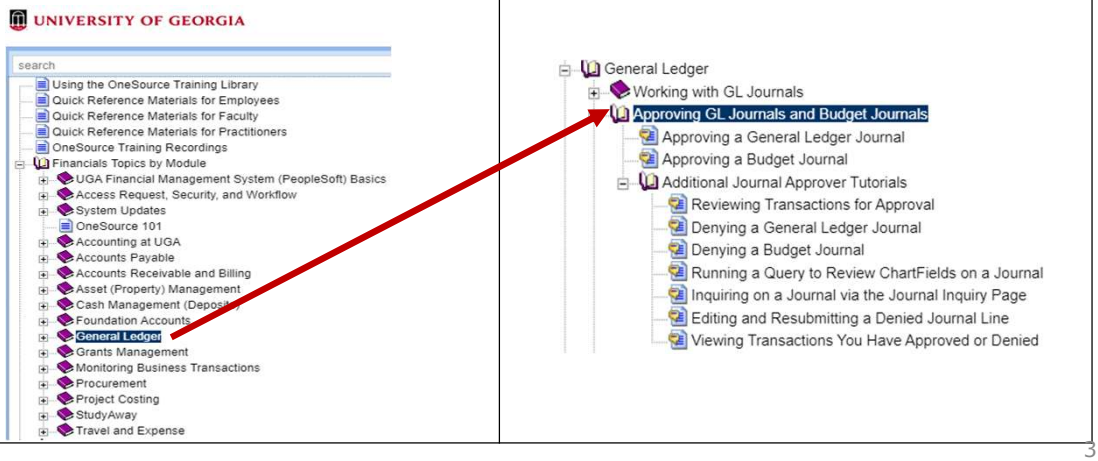
OneSource Training Library

Financials Topics by Module > General Ledger >	Approving GL Journals and Budget Journals



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The Approver Role

Approving GL Journals and Budget Journals

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Journal Types That Need Approval

- **GL Journals**
  - Adjusting Journals for accounting transactions
  - New Journals for internal-to-UGA customer transactions (formerly, eTicket)
- **Budget Journals**
  - Increasing and decreasing budgets (ex: Creating new budgets for Department Sales and Services)
  - Moving budgets from one set of chartstrings to another

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Budget Terminology

Previous Recommendation

Budget Journal

Fluid
(via *General Ledger* tile)

- Increasing Budget
- Decreasing Budget

Budget Transfer

Classic
(via *Classic Home* tile)

- Moving Budget

Current Recommendation

Budget Journal

Fluid ****BEST PRACTICE**

- Increasing Budget
- Decreasing Budget
- Moving Budget

***Note:** *Classic Budget Transfer Pages* are still available for Moving Budget.

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The Journal Approver Role

- **UGA Journal Approver** role in the UGA Financial Management System
  - Assigned by a CFO/CBO
  - Allows you the ability to approve both GL Journals and Budget Journals
  - Gives access to appropriate screens and transaction types
- Approvers are associated with specific departments or other system data.
  - To route transactions appropriately ensuring they only see "their" transactions

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Pooled Approvals

- Journal approvers are "pooled."
  - Consists of 2-6 approvers per level of approval
  - Allow for flexibility in internal processes
  - Allows for backup in the event an approver is out of the office
- Three levels of pools are available for departments with complex business needs.
- Smaller units can assign the same sets of individuals to all three pools.

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The Journal Approval Role

You are responsible for:

- ❑ **Timely approvals**: Check transactions that need your approval frequently
- ❑ **Thoroughly reviewing** the transaction, not just rubberstamping
  - Identifying errors prior to approving is critical. Otherwise, the transaction will be returned to your business office for resolution and this creates re-work and processing delays.
- ❑ **Delegating** your approvals when needed if you are out on leave
  - ❑ Be sure to figure out who is in your pool to see if they can approve.

Note: As an approver, you are certifying that, to the best of your knowledge, the transaction is appropriate, accurately classified with correct ChartFields, and contains all needed documentation.

Temporary Approvers Quick Start

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Need for Timely Approvals

- **Timely**
  - Means staying on top of the journals requiring so you don't get behind and so you keep workflow moving
- Approvers should review the transactions periodically.
  - Best practice is to **review at least once a week.**
    - Depends on the number of journal activity
- Waiting until the last week of the month to get transactions through workflow could cause several issues:
  - It puts pressure on Central Accounting because they can't change the transaction, and
  - The transactions may need to be denied and returned for edits, and
  - The transactions will be deleted if they are incomplete at any level before Central Accounting by month end deadlines.

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Month End: General Guidance

JOURNALS CREATED IN A MONTH MUST PROCESSED IN THAT SAME MONTH.

- Each month is an "accounting period."
  - Must be closed by the university within 10 days of the end of the month so transactions must be completed by the end of the month in which it was created.
- Initiators and Approvers are responsible for frequently monitoring transactions to determine where, in the workflow, transactions are.
  - The last week of each month, daily monitoring may be needed.
  - Can use the queries available in the Business Management WorkCenter to monitor transactions in various statuses.

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Closing Schedule for FY20

Last day of the month

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Last day of the accounting period

Month	Last Day of Month	Monthend Close Process Begins*	Monthend Close Process Ends**	Reports Available***
July	31	Aug 2	Aug 6	Aug 7
August	31	Sep 4	Sep 9	Sep 10
September	30	Oct 2	Oct 7	Oct 8
October	31	Nov 4	Nov 7	Nov 8
November	30	Dec 3	Dec 6	Dec 9
December	31	Jan 3	Jan 8	Jan 9
January	31	Feb 4	Feb 7	Feb 10
February	29	Mar 3	Mar 6	Mar 9
March	31	Apr 2	Apr 7	Apr 8
April	30	May 4	May 7	May 8
May	31	Jun 2	Jun 5	Jun 8
June	30	Jul 17	Jul 23	Jul 24

Financial Closing Schedule 2019-2020

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General Guidance

Approving GL Journals and Budget Journals

General Approver Guidance

1. **Does the transaction comply with applicable policies?**
   - For example, consult the UGA Expenditure Matrix to ensure transactions are allowable by UGA or Foundation funds.
   - See the Finance & Administration Policy Library for additional guidance.
2. **Are attachments included, readable, and do they support the transaction?**
   - Compare attachments with lines to make sure everything matches.
3. **Are there comments from others that need to be considered?**
4. **Is there anything unique about the transaction that needs review or assistance with review?**

Financial Review and Analysis Guide

General Approver Guidance

5. Are the lines/accounting details reasonable?

- Are the amounts reasonable?
- Are the ChartFields correct, including Bud Ref and Account Code?
  - If the transaction is related to a Is the correct PC Bus Unit, Project ID, and Activity Code included (only if the transaction is related to a project or grant)?
  - Should any ChartField1 value or Operating Unit value be included or excluded?
- Is the *combination* of the ChartFields correct?
- Is this really where you want the money to go/come from (department, program, etc.)?

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Understanding the Chart of Accounts

- Review the Chart of Accounts Code Structure document, which illustrates the ChartField combinations for fund, class, program, department, and account.

Chart of Accounts Code Structure

Chart of Accounts: Code Structure Training

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General Approver Guidelines

6. Are the transaction signs correct?

	Revenue		Expenditure	
Approval of GL Journals	-	Increase	+	Increase
	+	Decrease	-	Decrease
Approval of Budget Journals (Classic & Fluid)	+	Increase	+	Increase
	-	Decrease	-	Decrease

Transaction Signs Quick Reference Guide

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General Approver Guidance

7. Is funding available from the source(s) on the accounting line(s)?

- Did the GL Journal pass Budget Check?
- Did the Budget Journal pass Budget Pre-Check?

} *Not visible* from approval screen

Some possible reporting resources:

- In Financials:
  - **UGA_GL_TRIAL_BALANCE** to make sure money is there.
    - Pulls from ACTUALS ledger
  - **UGA_KK_DEPT_EXP_REV_BALS** shows both rev and exp budgets.
    - Pulls from Commitment Control (BUDGET)
- In Budget Management:
  - Chartstring Budget Detail Report
  - Quarterly Amendment Report
- In Data Warehouse:
  - Budget Status Reports

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Approving GL Journals

Approving GL Journals and Budget Journals

Checklist Before Approving GL Journals

❑ **Is it a correct and appropriate use of funds?**

- GL Journals for an intra-university payment should include appropriate Expense debited (increased) to Revenue credited (increased) accounts.
- GL Journals for Intra-University charges also need an invoice number from the other department.

❑ **Does it have the correct attachments?**

- For the transactions, attach a query for the department.
- If you need to move a transaction, you can run a broad report just for their department and find the transactions by filtering, etc., showing the chartstring and source.
  - It is always best to use a GL query to make sure the correct chartstring is used.

GL Approver Guidance

Checklist Before Approving GL Journals

- ❑ Be sure the **Fund** and **Class** are correct.
  - If the Account Code is 471100 on the revenue side of the entry, this indicates an intra-university charge.
  - GL Journals for Intra-University charges may cross funds.
    - Ex: The Entomology Department uses general funds from Fund 10500 to pay the Georgia Center for an activity that creates Departmental Sales revenue in Georgia Center's Fund 14100.
  - If funds are crossed, additional lines are automatically added to the journal to balance the fund amounts.

Approving a General Ledger Journal

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Approving Budget Journals

Approving GL Journals and Budget Journals

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Checklist Before Approving Budget Journals

- ❑ **Moving Budgets**
  - ❑ **Will net to zero (0)** because no additional funding is coming in.
  - ❑ Can be entered through the Budget Transfer pages (Classic Home) or the Budget Journal pages (Fluid).
- ❑ **Increasing Budgets**
  - **Will not net to zero (0)** because you are increasing the budget.
- ❑ **Decreasing Budgets**
  - **Will not net to zero (0)** because you are decreasing the budget.

Note: Best practice is to use the Budget Journal pages exclusively, as Budget Journals are more accessible and budget journals can be found more easily if there is one standard point of entry.

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Checklist Before Approving Budget Journals

- ❑ **Amounts on Revenue Budget and Expenditure Budget transactions must equal when creating budgets**
  - Ex. Funds 14xxx and 20400, Lab and Course Fees in Fund 10600
- ❑ **Budgets cannot be moved between funds, and most cannot be moved between classes.**
  - Only DSS Funds 14xxxx can be moved between classes.
- ❑ **Budget journals must be in whole dollars.**

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Approving Budget Journals

❑ Are all required journals submitted?

- Depending on the fund and whether or not prior year budget funds are involved, a budget journal could require:

Scenario 1	An Expenditure Budget Journal
Scenario 2	An Expenditure Budget Journal AND a Revenue Budget Journal • If both are required, Commitment Management will not approve either until **both are error-free and both are in Commitment Management's approval queue**.
Scenario 3	An Expenditure Budget Journal, a Revenue Budget Journal, AND a GL Journal moving Actual Revenue • GL Journals should be done when required for moving actual revenues in these cases. • Central Accounting does **not** confirm that GL Journals are done.


Budgeting Revenues and Expenditures – Guidelines by Fund


Approving a Budget Journal

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Workflow

Approving GL Journals and Budget Journals

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Approval Actions Available

- **Approve** – certifies that the journal is appropriate, accurately classified with correct ChartFields, and contains all needed documentation; moves the transaction in workflow
- **Deny** – stops the transaction and returns it to the initiator of the journal; used when a journal is incorrect or missing necessary information; can be edited and resubmitted by the initiator so detailed comments on the denial decision are required
  - Each line can be evaluated separately – can approve and deny on same journal, but any denied lines must be remedied before being posted
- **Hold** – removes the journal from workflow; used by approvers when they need to obtain additional information before a decision can be made

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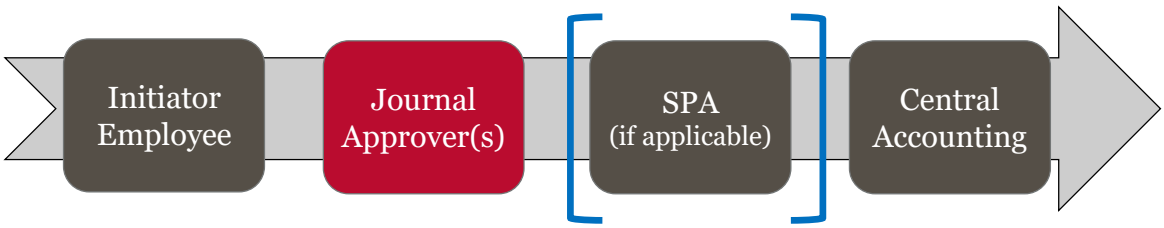
Approving GL Journals



Journal Approvers are the first approvers.

Sponsored Projects Administration approves if the journal contains Project Costing Business Units (PCBU) 18003 (Sponsored Project UGA Grant) or 18400 (UGA Research Foundation Grant).

Central Accounting handles final approval and posting.

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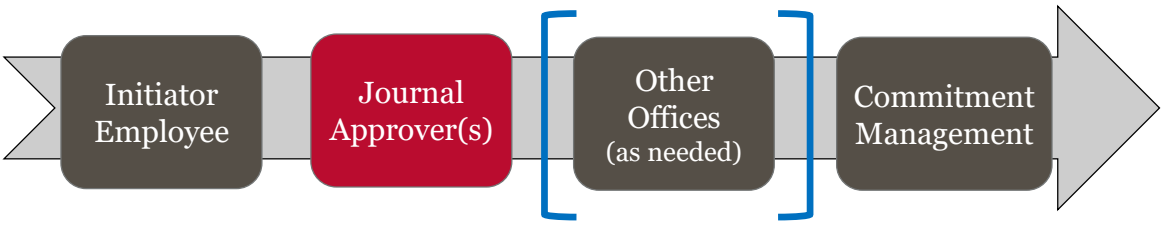
Approving Budget Journals



Journal Approvers are the first approvers.

Other central offices approve as needed.

Ex: Research Foundation or Endowment Offices approve if the budget journal contains Funds 20300 or 20500.

Commitment Management handles final approval and posting.

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Approvals from Multiple Departments

- Multiple Journal Approver approvals can happen at the same time.
- Transactions are final only when all approvals are complete.

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Questions?

Wrap Up

Approving GL Journals and Budget Journals

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Today, you have learned to

1. Describe how GL journals and budget journals move through the workflow process
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4. Review commonly reported issues for the approval process

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Resources

- Course materials and links to tutorials mentioned today can be found in the **Training Library** as follows:
  Financials Topics by Module > General Ledger >
  Approving GL Journals and Budget Journals
- Useful documents and links can be found on the Quick Reference Materials for Practitioners page in the Library.
- For additional assistance, please contact **OneSource Service Desk** at onesource@uga.edu or at 706-542-0202 (option 2).

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Thanks for your attendance!

Course Evaluation:

http://bit.ly/JournalApprovers

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