

City of Saratoga Springs

X. JOURNAL ENTRIES

Office of Finance

**Adopted June 20, 2006
Amended November 20, 2007
Amended July 21, 2009
Updated August 7, 2012
Updated June 18, 2013**

X. JOURNAL ENTRY POLICY AND PROCEDURE

Journal Entries Requested from Various Personnel

Various personnel, upon review of their department's general ledger accounts, occasionally note the need for correction. For instance a journal request may be required to correct an expense that was inadvertently charged on the warrant to the wrong account. A journal entry will move the actual expense or revenue from one general ledger account to another. A journal to correct an error can be requested on the "Journal Entry Request Form" (Sample Form J-1).

1. Complete the "Journal Entry Request" Form by filling in name, date, account numbers, amounts and an explanation for the request.
2. Attach any documentation needed to support the request.
3. Obtain an approval for the request by having the Department Head sign and date the request.
4. Remit the original request to the Director of Finance, who will stamp it received.
5. The Director of Finance will access the MUNIS financial module, General ledger, Journal Entry/History Menu and General Journal Entry/Proof.
6. General Journal Entry/Proof requires a new journal to be created. The system will automatically assign a journal number based on the year and period to be posted. The Director of Finance will identify criteria such as year, period, effective date, journal description, the general ledger account numbers, debit or credit and the dollar amount.
7. After the appropriate data has been entered, the Director of Finance will select out post to create a journal entry proof and click yes to post.
8. The Director of Finance shall retain the journal entry proof, along with the request and any pertinent documentation, for audit and inspection for the appropriate retention period.

Journal Entries Originated by the Director of Finance

Journal entries originated by the Director of Finance (Director) shall require the review and approval of the Deputy Commissioner of Finance (Deputy) prior to posting. Journals shall not be proposed and posted by one individual.

1. The Director identifies a journal, which needs to be originated. Journal origination could be for items such as corrections of error, reconciliation differences, monthly and/or year-end closing entries, etc. Documentation to support the origination could be a copy of the reconciliation, a monthly statement, monthly and/or year-end calculations, etc.

2. The Director accesses the MUNIS financial module, General ledger, Journal Entry/History Menu and General Journal Entry/Proof.
3. General Journal Entry/Proof requires a new journal to be created. The system will automatically assign a journal number based on the year and period to be posted. The Director will identify criteria such as year, period, effective date, journal description, the general ledger account numbers, debit or credit and the dollar amount.
4. After the appropriate data has been entered, the Director will select out post to create a journal entry proof and click no to post.
5. The Director shall provide the proof to the Deputy, along with any necessary documentation.
6. The Deputy shall stamp the journal received, review, inquire and indicate approval by signing and dating the proof. Any response to an inquiry deemed not satisfactory shall be brought the attention of the Commissioner of Finance.
7. The Deputy shall return the approved proof and documentation to the Director.
8. The Director shall stamp the proof received and post the journal by selecting the journal through browse at General Journal Entry/Proof, click select output post and yes to post.
9. The Director shall retain the approved proof and any necessary documentation for audit and inspection for the appropriate retention period.

Journals Originated for Other Reasons

Journals being processed for recurring items, which have been generated under circumstances other than those above, shall not require the review and approval of the Deputy. Some examples are wire transfers in for grants, wire transfers out for bond payments, import of data from BAS or Complus, summary journals from Tax and Utility Billing modules, etc. Approval for these types of transactions was obtained previously or originated by someone other than the Director of Finance and the journal is just the mechanism to record the receipt or disbursement.

The transactions shall be processed through either General Journal Entry/Proof, Import JE, or Recurring Journal Entry/Generate by the Director of Finance in a timely manner. The journal and all documentation will be retained for audit and inspection for the appropriate retention period.

No journals, other than audit adjustments, shall be posted after the fiscal year end process has been run in MUNIS.

Sample Form J-1

JOURNAL ENTRY REQUEST FORM

To: Director of Finance

From:

Date:

Re: Journal Entry Request

I request a journal entry to correct the following:

1. Org/Object/Project of Original Expense/Revenue Amount Original Date

2. Org/Object/Project Expense/Revenue Should Be Amount

3. Explanation for entry request:

Please attach any supporting documentation such as a voucher copy.

Approval Signature: Department Head

Date