Manual Journal Entries

Section Objectives

At the end of this section, you should be able to:

- Create manual journal entries
- Review existing journal entries
- Modify existing journal entries
- Handle unusual journal entry situations
Journal Components

**Journal Entry Batch**
- Batch Name
- Batch Period
- Batch Control Total

**Journal Entry Header**
- Journal Name
- Journal Category
- Journal Description
- Journal Control Total

**Journal Entry Lines**
- Line Number
- Account
- Debit Lines
- Credit Lines

<table>
<thead>
<tr>
<th>GL_JE_BATCHES</th>
<th>GL_JE_HEADERS</th>
<th>GL_JE_LINES</th>
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Journal Batches

All manual journal entries are entered into the PRISM system by means of batches.

Journal Batches

- The use of journal batches is required.

- Batches can contain an unlimited number of journal entries.

- All journal entries in a batch must share the same period and the same category.

Batch Name

- Each batch within an accounting period must have a unique name that conforms to the established batch naming conventions.

Batch Period

- The batch period field defaults to the latest open period.

- A batch can be created for any open or future-enterable period.

- An existing batch can also be updated for any open or future-enterable period as long as the batch is not posted.

- All journals in a batch must be within the same period.
**Journal Batches**

**Batch Control Total**

- University policy requires that the *Batch Control Total* be entered.

- The *Batch Control Total* equals all debits for a batch.

- Oracle General Ledger verifies that the *Control Total* equals the entered debit total and that the debit total equals the credit total.

- If there is a discrepancy, Oracle General Ledger displays a warning message before saving.

- Use of the *Control Total* will prevent posting of a journal entry until debits and credits equal the *Control Total* or while a journal is in progress.

- A *Control Total* = 1 can be used as a flag to indicate the batch is not to be posted.

**Modification/Deletion**

- Batches, journals, and journal entry lines can be modified or deleted if the batch has not been posted.
Manual Journal Entries

Batch Names

- Non-Salary Cost Transfer
  NSCT Department # Initials Date Tracking #

- IDC's
  IDC Department # Initials Date Tracking #

- Cash Reports - Direct Deposit Areas
  DDBank_ID Department # Initials Date Tracking #
  For Cash Reports Only, Date = Deposit Date

- Cash Reports - Cashier's Office
  CRX Bank_Reconciliation # Initials Date Tracking #
  For Cash Reports Only, Date = Deposit Date

Examples of Batch Names:

Type Dept Initials Date Tracking#
- NSCT 13203 KLP 1018 01
- IDC 49201 MCM 1017 001

The Tracking # is a letter or number used as needed to uniquely identify the batch
Journal Entries by Central Accounting Areas, and Regional Campuses, replace a department number with an alphabetic Area/Department abbreviation.

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Accounting Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUX</td>
<td>Auxiliary Administration</td>
</tr>
<tr>
<td>ADMIN</td>
<td>Central Administration</td>
</tr>
<tr>
<td>BFR</td>
<td>Budget and Financial Reporting</td>
</tr>
<tr>
<td>BR</td>
<td>Bradford</td>
</tr>
<tr>
<td>FIA</td>
<td>Financial Information Administration</td>
</tr>
<tr>
<td>FIS</td>
<td>Financial Information Systems</td>
</tr>
<tr>
<td>FRS</td>
<td>Financial Records Services</td>
</tr>
<tr>
<td>GA</td>
<td>General Accounting</td>
</tr>
<tr>
<td>GR</td>
<td>Greensburg</td>
</tr>
<tr>
<td>JO</td>
<td>Johnstown</td>
</tr>
<tr>
<td>OF</td>
<td>Office of Finance</td>
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<tr>
<td>OPA</td>
<td>Office of Planning and Analysis</td>
</tr>
<tr>
<td>PCI</td>
<td>Pittsburgh Cancer Institute</td>
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<tr>
<td>PP</td>
<td>Payment Processing (formerly AP, Accounts Payable)</td>
</tr>
<tr>
<td>PY</td>
<td>Payroll</td>
</tr>
<tr>
<td>RCA</td>
<td>Research and Cost Accounting</td>
</tr>
<tr>
<td>RM</td>
<td>Risk Management</td>
</tr>
<tr>
<td>SFA</td>
<td>Student Financial Svcs Administration</td>
</tr>
<tr>
<td>SAB</td>
<td>Student Accounting and Billing</td>
</tr>
<tr>
<td>SOMD</td>
<td>Senior Vice Chancellor, Health Sciences/School of Medicine</td>
</tr>
<tr>
<td>SPC</td>
<td>Student Payment Center</td>
</tr>
<tr>
<td>TI</td>
<td>Titusville</td>
</tr>
<tr>
<td>TX</td>
<td>Taxation</td>
</tr>
<tr>
<td>UCO</td>
<td>University Collections Office</td>
</tr>
<tr>
<td>UPMCD</td>
<td>University of Pittsburgh Medical Center Division</td>
</tr>
<tr>
<td>WPIC</td>
<td>Western Psychiatric Institute and Clinic</td>
</tr>
</tbody>
</table>
Manual Journal Entries

The Dean’s office for the School of Dental Medicine needs to create a journal entry to charge dental departments for the use of the Dean’s copier machine. You will be entering an IDC (Interdepartmental Charge) journal entry.

1. Navigate to the Find Journals window

Oracle General Ledger  
N → Enter Journals  
Find Journals

The Find Journals form enables a user to:

- Find an existing journal entry
- Enter a new journal entry

To find an existing journal entry so you can modify it:

- Enter the search criteria
- Click on the Find button
**Batch Information**

*To create a new journal entry, you must start at the Batch level!*

2. Click on *New Batch* to initiate a new journal batch

3. Enter a unique name in the *Batch* field, following GL batch naming conventions
   - IDC 49010 XXX MMDD #  
     (Use all uppercase letters)
   - XXX represents user initials; MMDD is the date
   - # is an optional tracking number that is used when a user produces more than one batch per day.

4. Enter *Period* or accept current period name by pressing the *Tab* key
   - MMM-YY

5. Enter Batch *Control Total*
   - 1

   The use of the Batch *Control Total* will prevent posting of a journal entry until debits and credits equal the Batch *Control Total* or while a journal is in progress. A Batch *Control Total* = 1 can be used as a flag to indicate the batch is not to be posted.

6. Click on the *Journals* button
Journal Header Information

7. Enter Journal name
   - Dent Dean Copier Chg
   The Journal name should describe the purpose of the journal entry.

8. Enter (Journal) Description
   - Copier Chg MMM-YY
   This description becomes the default value in the Description field for each entry in the Line region

9. Tab through Ledger field to accept default University of Pittsburgh

10. The Period defaults from the period entered at the Batch level.

11. Accept the default Category
    - Journal

12. The Effective Date defaults to the current date
    - Enter an Effective Date or press the Tab key to accept system date

13. Tab through Clearing Company field
Journal Entry Lines

14. Enter (Journal) Control Total
   - 45.67

   Oracle General Ledger verifies that the control total equals the running debit total. If there is a discrepancy, Oracle General Ledger displays a warning message before saving.

15. Click in the small flexfield found to the right of the Control Total field.

16. Enter Prepared By name
   - Your first name and last name

17. Enter Preparer’s Phone number
   - Your phone number

18. Enter Authorized By name
   - Your supervisor’s first name and last name

19. Enter Authorizer’s Phone number
   - Your supervisor’s phone number

20. Click OK

21. Acknowledge the warning message by clicking OK or pressing Enter.
Journal Entry Lines

22. Click on Other Information tab

23. Enter the Reference information
   - X4 Dent Dean

   The Reference field provides additional information about the transaction.
   - For IDC’s, the Reference field contains an IDC authorization number and name/function of the issuing department.
   - For NSCT transactions, the Reference field is optional. It can contain the batch name of the original journal entry from which the charge originated.

24. Click on Lines tab

25. Enter a unique Line number
   - 10

   Use of the number ‘10’ as the first line number causes the system to enter the next line numbers automatically in increments of 10. This makes it easier to add lines between existing lines if necessary.

26. Enter Account
   - 02.49201.6891.00000.000000.00000.00000

   If you enter the first two digits of the account entity and press [Tab], the system will automatically bring up the PITT_PRODUCTION COA window with zeros in the Reference and Unspecified fields.
Journal Entry Lines

27. Click **OK** after all segments are complete

28. Enter **Debit (USD)** amount
   
   - 18.55

29. Move to the next row by pressing the **Down Arrow** on your keyboard

30. Enter the following values in the same manner as Steps 20-23

<table>
<thead>
<tr>
<th>Line</th>
<th>Account</th>
<th>Amount</th>
<th>Debit/Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>02.49202.6891.00000.00000.00000.00000.00000</td>
<td>14.75</td>
<td>Debit</td>
</tr>
<tr>
<td>30</td>
<td>05.49201.6891.00000.002692.00000.00000</td>
<td>1.35</td>
<td>Debit</td>
</tr>
<tr>
<td>40</td>
<td>05.49203.6891.00000.002693.00000.00000</td>
<td>11.02</td>
<td>Debit</td>
</tr>
<tr>
<td>50</td>
<td>02.49010.6891.00000.00000.00000.00000.00000</td>
<td>45.67</td>
<td>Credit</td>
</tr>
</tbody>
</table>

Note: Any of the line descriptions can be modified to add more descriptive information.
Journal Entry Lines

31. Modify the (Line) Description for the last line with the credit
   - Recovery, copier charges, MMM-YR

32. Click the Save icon

33. The following Decision box will appear, because the Control Total in the Batch window is still entered as “1”.

34. Click Yes to continue saving
Journal Entries

35. Return to the Batch window

![Batch window image]

36. Change the Batch Control Total to 45.67

37. Click the Save icon

38. Your journal entry is complete and is ready to be posted.
Lab 1: Entering a Non-Salary Cost Transfer

Charges for a printing job from CopyCat were charged, via an IDC, to an operating account. You determine that the charges should be moved to your principal investigator’s (Dr. Lu’s) grant account. Create a non-salary cost transfer to redistribute the charges from the operating account to the grant account.

Origination of Charge: Printing of Dr. Lu’s report by CopyCat. Charged via an IDC.

Original Batch Name: IDC 02053 KJM 0103

Original Account: 02.49010.6894.00000.000000.00000.00000

Correct Account: 05.49010.6894.00000.002691.00000.00000

Amount: $145.50
Lab 1 Solutions: Entering a Non-Salary Cost Transfer

Batch Information

Journal Entry Header Information

OPTIONAL: The Reference field can contain the batch name for the journal entry from which the charge originated.
Lab 1 Solutions: Entering a Non-Salary Cost Transfer

Prepared By/Authorized By flexfield contains the name and phone number of the Preparer and Authorizer

Journal Entry Header and Lines
Lab 2: Entering a Multi-Entity Journal Entry

Your director, Dr. Gray, traveled out-of-town to give a lecture. Two expense transactions related to this trip were erroneously charged to the Dean’s Office operating account and need to be transferred to the Dean’s discretionary account.

Dean’s Office Operating: 02.49010.ssss.00000.000000.00000.00000

Discretionary Account: 04.49010.ssss.22950.000000.00000.00000

Charges/Subcodes/Amounts:

- Professional Services – 6400 $1575.00
- Domestic travel – 6300 2555.50
- Total $4130.50

1. Create a journal entry to transfer these charges.

2. What is unusual about this set of entries?
Lab 2 Solutions: Entering a Multi-Entity Journal

**Batch Information**

**Journal Header and Lines – Before Posting**
Lab 2 Solutions: Entering a Multi-Entity Journal

- Since the transactions involve more than one entity, the system will automatically create “Intracompany balancing line” transactions to bring the entities into balance.
- You do not see the Intracompany lines the system adds because they do not hit departmental accounts, but notice that the Control Total has doubled.
- No actions should be taken by the user to modify these transactions.

Journal Header & Lines after Posting – Dept. View
Lab 2 Solutions: Entering a Multi-Entity Journal

Journal Header & Lines after Posting – Central Admin. View
Lab 3: Entering a Multi-Department Journal

The Dental Medicine Dean’s Office and the Environmental Health Department (GSPH) wish to set up an education booth at a local community fair to distribute information about environmental health and its effects on dental health.

The costs include

- Advertising $150.00
- Printing 600.00
- Equipment rental 150.00
- Production video 750.00
- Other costs 175.00
- Total $1825.00

Both departments have agreed to split the costs in equal portions. The Dean’s Office will incur the full costs and then generate a journal entry to transfer half the costs to Environmental Health.

Dental Dean: 02.49010.ssss.00000.000000.00010.00000

Environmental Health: 02.34204.ssss.00000.000000.00010.00000

Subcodes to be used:

- Advertising 6410
- Printing, Copy Cat 6891
- Equipment rental 6200
- Photography, external 6815
- Inter-department, Other Printing 6894

How should the Dental Dean’s Office handle this journal entry?
Lab 3 Solutions: Entering a Multi-Department Journal

Online Entry of Non-Salary Cost Transfers that Cross Departments or Responsibility Centers Outside of Current PRISM Access Restrictions

This method can only be used if all of the following conditions are met:

- Both the Originating and Target Departments agree to the transaction
- Both Departments involved in the entry have PRISM online General Ledger entry access
- The transaction is NOT part of an IDC or Cash Report
- The transaction does not affect an account number designated for central or general University use

If all of the conditions noted above are met and you are entering a transaction that affects a departmental* account you do not have access to, the entry may be done online by adhering to the following procedure:

Originating Department (Department whose account contains the amount/s to be corrected or redistributed)

1) Create an NSCT batch in PRISM General Ledger using the standard batch naming convention placing a 1.00 in the BATCH total

2) Enter the portion of the transaction affecting the Originating Department's account using line numbers between 1 and 49,

3) Enter the Preparer and Approver information of the Originating Department.

4) Save the batch.

5) Notify the Target Department of the need for completion of the entry and provide them the batch name that was created and any additional information as requested.

6) Upon notification of completion by the Target Department, change the batch control total to the proper amount for posting purposes. **NOTE: It is the sole responsibility of the Originating Department to ensure that the batch is properly completed and the batch control total is changed to the proper amount by the monthly cutoff date and time for the appropriate GL period.**

7) It is also the responsibility of the Originating Department to maintain all supporting documentation related to the full transaction according to record retention guidelines and to supply copies of this documentation to the Target Department if requested.
Lab 3 Solutions: Entering a Multi-Department Journal

**Target Department** (Department who will be the recipient of the transaction.)

1) Open the entry in PRISM according to the batch name provided by the Originating Department.

2) Enter the portion of the transaction affecting Target Department’s account using line numbers between 50 and 99 on the SAME journal page within the batch.

3) Save the batch.

4) Notify the Originating Department upon completion of the entry. Note: The Target Department may request copies of supporting documentation from the Originating Department if needed.
Modifying/Deleting Journal Entries – Inserting a Record

Unposted journal entries can be modified or deleted. Posted batches cannot be modified or deleted. Correcting a journal entry for a posted batch requires the creation of another journal entry.

Modify the IDC batch you entered by inserting a new record (line).

1. Navigate to the Find Journals window

   Oracle General Ledger
   N → Enter Journals
   Find Journals

2. Enter selection criteria, such as Batch name and Period
   - IDC 49010 XXX% (where XXX are your initials)
3. Click Find
Modifying/Deleting Journal Entries – Inserting a Record

4. Note that the Batch Status is Unposted

5. Click Review Journal to view journal header/line information
Modifying/Deleting Journal Entries – Inserting a Record

6. Insert a new record between lines 40 & 50

- Position the cursor on line 40
  
  Note: General Ledger will insert a new line directly below the line on which the cursor is located

- Click the Insert Record button on the Toolbar
7. Enter new data in appropriate fields of line 41
   - **Account:** 04.49010.6891.22950.000000.000000.00000
   - **Debit:** 20.00

8. Update the following fields to 65.67
   - **Credit**
   - **Journal Control Total**
   - **Batch Control Total**

9. Save your work
Modifying/Deleting Journal Entries – Changing a Batch Period

Change the batch Period for the Non-Salary Cost Transfer you created.

Transactions can be posted to any period if the period is open.

- Changing a period on an unposted batch becomes necessary if a previous period is still open (first three working days of each month) and a transaction must be applied to the previous period.
- If you change the period for an unposted batch, General Ledger updates the posting date for each journal entry.

1. Navigate to the Find Journals window

   Oracle General Ledger
   N → Enter Journals
   Find Journals

2. Enter selection criteria: Batch name, Period, Posting Status
   - Use the % as a wildcard symbol in the Batch name field
Modifying/Deleting Journal Entries—Changing a Batch Period

3. Click Find

4. Click Review Batch

5. Click Change Period
7. Enter the new batch *Period* in the “*To*” field

   General Ledger assigns either the first or last day of the new period as the new *Effective Date*, depending on which date is closer to the creation date.

8. Click *OK* to save the revised batch

9. The Period fields at the batch and journal level will be updated.
Deleting a Batch

Delete the IDC batch that you created.

1. Navigate to the Find Journals window from an Entry responsibility, not Inquiry

2. Enter selection criteria: Batch name, Period
   - Use the % as a wildcard symbol in the Batch name field

3. Click Find
Deleting a Batch

4. Position your cursor on the batch to be deleted and click Review Batch

5. Select Edit, Delete Record from the Menu Bar, or click the Delete Record icon on the Tool Bar

6. The message “Are you sure you want to delete this batch?” appears

7. Click Yes

8. Perform a Save

9. The batch is deleted from the PRISM system
Reversing a Journal Entry

Capabilities of the Automated Reversing Process

- This process will automatically create a reversing journal entry of the original entry. You cannot select specific entries on a journal page for reversal. All entries on a journal page will be reversed.

- You can choose to reverse a single journal page or all journal pages of a batch.

- You can reverse the journal page to any open period or future entry period.

- You can automatically reverse a journal page only once.

- You can reverse a reversing journal by the same method.

Note: The system will create a batch beginning with “Reverse” followed by the journal name of the original journal page in quotes.

Reasons for Reversing a Journal Page

- You have entered a journal page within a batch. The journal batch which contains the journal page/s has been Posted. You decide a particular journal page/s in its entirety should not have been entered or has been entered incorrectly.

- A particular journal page has been duplicated and both the original and duplicate have been Posted.
Reversing a Journal Entry

Procedures for Creating an Automated Reversing Journal Entry

1. Query the posted batch by using Enter Journals on your Navigation menu.

2. Click on Review Journals.

3. If there are multiple journal pages within the batch, select the journal page you want to reverse by moving your cursor to the top of that page.

4. In the Reverse window, enter the period in which you want the journal page to be reversed.

5. Save your changes.

Warning:

- Only the preparer of the posted journal or an authorized individual from the preparer’s Department can initiate/authorize an automated reversal of the journal.

- Enter the period in the Reverse window only if you want the journal page to be reversed.

- Once you have marked a journal page to be reversed, it will be generated and posted within the period you have selected, without any additional verification.