

GENERAL LEDGER JOURNAL PROCEDURES

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OVERVIEW

Accounting entry adjustments can be processed directly to the general ledger in the PeopleSoft Financial System by way of a general ledger journal entry. To ensure accuracy and appropriateness, journal entries require review and approval by a Journal Approver.

SCOPE

These procedures apply to all staff with authority to raise and approve journal entries; but do not apply to journal entries which are System-generated.

DEFINITIONS

Journal Approver: a person authorised by the relevant Faculty Finance and Planning Manager, Division Support Manager or the Deputy CFO, Associate Director, Finance Strategy, Analysis and Reporting to approve journal request forms.

Journal Requestor: a person who initiates a journal entry by completing the Journal Entry Request form.

System: the PeopleSoft Financial System.

PROCEDURE

1. Authorities

- a. Journal Requestors initiate journal entries by completing a [Journal Entry Request form](#).
- b. Only Journal Approvers may approve journal entry requests.
- c. Approved Journal Entry Requests are processed in the System by the Management Accounting & Reporting team.

Responsibility: Deputy CFO, Faculty Finance and Planning Manager or Division Support Manager and Manager, Management Accounting & Reporting

Timeline: as soon as possible after change occurs or is advised, or the need for the addition is apparent

- i. Notify Associate Director, Accounting Services, of removal of (e.g. through termination of employment) or additions to Journal Approvers

2. Initiating journal entries

Step 1:

Responsibility: Journal Requestor

Timeline: as soon as possible after need is apparent

- i. Download the [Journal Entry Request Form](#) from the Finance & Procurement Services website.
- ii. Complete the form with all required information ensuring the correct account codes are used (each journal source (type) has associated rules to assist users in entering the correct account codes).

Provide a brief summary of the reason for the journal in the Description field, and attach to the [Journal Entry Request Form](#) sufficient documentation, such as worksheets or email confirmations, to support the journal without further explanation.

Step 2:

Responsibility: Journal Approver

Timeline: by working day 3 before month end general ledger close

- i. Review entries on the Journal Entry Request form to ensure they are:
 - accurate, timely and entered only by Journal Processor,

- coded correctly,
 - compliant with applicable University policies and procedures and any sponsor/donor terms and conditions, such as budgets,
 - justified, with a clear reason included, and
 - supported by appropriate documentation.
- ii. If satisfied with journal entry, approve and submit the [Journal Entry Request form](#) to the Management Accounting & Reporting team for processing at finmar@adelaide.edu.au.
 - iii. If not satisfied, notify Journal Requestor for denial.

Step 3:

Responsibility: Management Accounting & Reporting team

Timeline: as soon as practical after receiving request

- i. Review the Journal Entry Request form to ensure all required information has been supplied to process the journal entry
- ii. If satisfied, prepare and post the journal entry in the System.
- iii. If not satisfied, notify Journal Approver of the reason for denial

3. Review and retention

3.1. General review

Financial Reporting staff regularly review the appropriateness of journal entries as part of their management reporting processes.

3.2. Monthly review of unapproved entries

After the reporting month end System close, any journals relevant to the reporting month not submitted as approved will remain unposted in the general ledger and will no longer appear on a worklist.

Responsibility: Faculty Finance and Planning Manager and Division Support Manager

Timeline: monthly

- i. Run a report providing all unapproved journals in the System prior to month end.
- ii. Review report, determine whether journals are relevant to the currently open general ledger period and, if so, review for approval and submit. Delete any invalid journals, or journals not to be approved and submitted.
- iii. Should journals exist with a journal date prior to the current reporting month, review the journals and arrange to delete any invalid journals, or journals not to be approved and submitted. If the journals are to be posted to the general ledger, a date relevant to the current reporting period must be applied to the journal and that journal re-entered in the System.

3.3. Review of Journal Requestors and Journal Approvers

Responsibility: Manager, Management Accounting and Reporting

Timeline: annually or as required

- i. Distribute list of journal requestors and journal approvers to Faculty Finance and Planning Managers and Division Support Manager for review.

Responsibility: Faculty Finance and Planning Managers and Division Support Manager

- ii. Review list and notify Associate Director, Accounting Services of any changes.