ILLINOIS INSTITUTE OF TECHNOLOGY	GA-502
	Journal Entries Policy
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	Effective Date: 06/01/2010

Purpose

To ensure the Controller's Office can manage the stewardship of the university's funds, produce financial statements per Generally Accepted Accounting Principles (GAAP) and Financial Accounting Standards (FASB) and federal and non-federal funding agency regulations.

Policy

The creation and approval of the general ledger journal entries is the responsibility of Controller's Office. Journal entries are created either manually or are system generated. Departments can create certain journal entries that must be sent to the Controller's Office for approval and processing. Manual journal entries are entered either directly into Banner General Ledger (GL) or electronically uploaded into the general ledger utilizing a Banner upload process (FUPLOAD).

Definitions

FUPLOAD – Standard journal entry that automatically posts to the general ledger with no necessary approvals.

FURFEED – Process to post system generated journal entries into Banner Finance.

Procedures

Controller's Office management approves manual journal entries prior to posting into the general ledger. System generated journal entries automatically post to the general ledger and no approval is necessary.

Guidelines

The following is a listing of the types of journal entries processed in the general ledger.

A. **System Generated Journal Entries** – Created automatically at regularly scheduled time intervals determined by the Controller's Office to post the subsidiary ledger transactions (Accounts Payable, Fixed Assets, Student Receivables and Payroll) or recurring journal entries to the appropriate general ledger accounts.

B. **Manual Journal Entries** – Entered directly into the Banner GL or through an electronic interface (such as scholarships or IDC rebates) into the Banner GL. These transactions are input by Controller's Office staff and reviewed and approved by Controller's Office management for the purpose of posting accounting transactions or adjusting previously recorded general ledger transactions.

   i. **Standard Journal Entries** – Journal entries created at regularly scheduled time intervals that utilize a unique transaction identifier to categorize the transaction. These pre-approved numbered journal entries are utilized to upload departmental allocations. Departments allocating costs or revenues on a monthly, quarterly or annual basis are required to receive approval from the Controller's Office before allocating the costs. Controller's Office will provide the department an Excel template to record the Standard

transactions. The Excel template is required to be sent to Controller' Office staff.

ii. **Expense Transfers** – Requests to move revenues or expenses between FOAPs to appropriately allocate the items. These requests are submitted by IIT departments with supporting documentation and are reviewed, created and approved by the Controller's Office.
   1. Departments are required to send all grant transfer requests to Grant and Contract Accounting for approval. Departments are required to follow the University's cost transfer policy.
   2. All other requests are sent to the Controller's Office.

iii. **Correcting Journal Entries** – Journal entries created and submitted by Controller's Office staff to adjust balances in revenue, expense, assets or liability accounts based upon a review of the transactions charged to the account. Correcting journal entries are approved by Controller's Office management before posting into the Banner GL.

References

Intentionally left blank.

Responsibilities

If IIT Departments find incorrect postings they should notify the appropriate office so correcting entries can be created.

Required Forms

http://www.iit.edu/policy_procedures/forms/ga_journal_entry_form.xls