Documentation and Internal Control Standards

ADI Spreadsheet Journal Entries

Overview

ADI spreadsheet entries are used campus-wide to enter data into FRS. System controls exist to ensure the use of valid account fields, and that only valid account code combinations are used (ie. Fund 110 requires a valid project).

ADI spreadsheet entries can be subject to error or inappropriate use. Consequently, they are heavily scrutinized by outside auditors to ensure they are well explained and can be traced back to source documents. Internal controls are in place to minimize spreadsheet errors and inappropriate use.

Spreadsheet journal entries are used for a variety of reasons, including:

- recording transactions to revenue, expense, or balance sheet accounts;
- allocating or transferring amounts from one functional area to another;
- making corrections to improperly coded invoices, receipts, or other spreadsheet entries;
therefore, we have developed a minimum standards document.

It is important to note that each external organization that provides funding to the University will have its own documentation and internal control standards which must be adhered to when making ADI spreadsheet entries.

ADI Spreadsheet Entry Standards

The following standards apply to all ADI spreadsheet entries. If spreadsheet entries do not have ample description, supporting documentation, and authorization, the user will be notified to correct the problem so it can be posted.

Authorization

- Authorization must be obtained at the appropriate level for all spreadsheet entries
- Affected units must be aware of the entry and have given their authorization for it to happen

Description & Supporting Documentation

- The Journal description and line descriptions must clearly explain to the reader what the entry is doing. Avoid leaving vague descriptions like “To Correct” or “Adjust Balance”.
- All allocation methods and calculations used for the entry must be clearly explained
- Supporting documentation for the entry must be available with the journal entry creator
- If additional space is needed beyond that available in the description fields, an Oracle Attachment (click for details) should be attached to the entry using Oracle functionality. This could be text, or an attached Word, Excel, or jpeg file.
**Standard Spreadsheet Header Format**

The header of a journal entry should be completed as follows:

Note that the first four fields, Category, Source, Currency, and Accounting Date are already filled out on the template.

<table>
<thead>
<tr>
<th>Category</th>
<th>UofG_Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Source</td>
<td>Spreadsheet</td>
</tr>
<tr>
<td>Currency</td>
<td>CAD</td>
</tr>
<tr>
<td>Accounting Date</td>
<td>11/15/2006</td>
</tr>
<tr>
<td>Group ID</td>
<td>45</td>
</tr>
<tr>
<td>Batch Name</td>
<td>CHEM 0001XX</td>
</tr>
<tr>
<td>Journal Name</td>
<td>JSMITH</td>
</tr>
<tr>
<td>Journal Description</td>
<td>Revenue transfer from OVC to MTCU for veterinary operations per 2006/2007 budget approved by T. Jones on 06/09/06 c.c. J. Doe, R. McMichael, D. Granger</td>
</tr>
<tr>
<td>Journal Reference</td>
<td></td>
</tr>
</tbody>
</table>

A clear, relevant description that describes the purpose of the entry. If more room is needed, an Oracle Attachment can be used to add text or attach a file.

Additional information on how to create a journal entry is available at: [http://www.fin.uoguelph.ca/HTMLFiles/ADI/Web%20ADI%20User%20Guide.doc](http://www.fin.uoguelph.ca/HTMLFiles/ADI/Web%20ADI%20User%20Guide.doc)

**Specific Types of ADI Spreadsheet Entries**

In addition to the general standards above, specific documentation is required for spreadsheet entries. Below are examples of different types of ADI spreadsheet entries and the documentation requirements for each.

Click on a link below to see specific requirements for that type of entry:

1. **Shared Invoices (Reallocated to multiple account codes)**
2. **Interfund Transfers**
3. **Payroll Transactions**
4. **Revenue Transactions**
5. **Internal Cost Charge & Recovery**
1. **Spreadsheet Entries for Shared Invoices**

When to use:
- Purchases are sometimes made by one functional area (i.e., a unit) on behalf of other functional areas within the University. A spreadsheet entry can be used to allocate, or share, the costs from the unit that incurred the cost, to other units.

**Standards:**
- The same object code used on the original purchase should be used on both sides of the entry.
- The details of the cost sharing arrangement must be included in the entry.

**Example:**

The CBS Dean’s Office purchased $2,000 in office supplies to be shared equally between itself and three other departments. The entire invoice has been charged to CBS Dean’s Office, so ¼ will need to be recovered from the three other departments.

Note: Oracle allows 240 characters in both the Journal Description and the Line Descriptions.

If more space is needed aside from the Journal and Line Descriptions to clearly support the entry, the Oracle Attachment (click for details) feature provides additional text space or allows you to attach a file.

For example, the text could further describe the entry, or a scanned invoice could be attached showing the calculation $2,000/4 for each of the above department’s $500 share of the total invoice.

**Documentation Standards:** invoice details (invoice#, vendor, total), cost sharing agreement
2. **Interfund Transfer ADI Spreadsheet Entries**

**When to use:**
- When funding is received in one fund, and later moved to another fund, for example: to support operations, special projects, or research activities
- To move revenue or expense between funds without directly affecting revenue or expense categories

**Standards:**
- Both debit and credit sides of the entry must use valid Interfund Transfer object codes
- Different interfund object codes have been created for specific purposes. To see a listing of all objects, click **Interfund Transfer Codes**

**Example:**

Funding is received in Fund 102 that needs to be transferred to Fund 100.

<table>
<thead>
<tr>
<th>Debit</th>
<th>Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>$300,000.00</td>
<td>$300,000.00</td>
</tr>
</tbody>
</table>

Transfer veterinary operations revenue to Fund 100 per 06/07 OVC approved budget (T. Jones)

Tip: This is not the end of the Template. Unprotect the sheet and insert as many rows as needed.

**Note:** Oracle allows 240 characters in both the Journal Description and the Line Descriptions.

If more space is needed aside from the journal and line descriptions to clearly support the entry, the **Oracle Attachment** (click for details) feature provides additional text space or allows you to attach a file.

For example, the text could describe the funding arrangement, or a scanned copy of the OVC budget section that indicates details of the arrangement could be attached.

**Documentation Standards:** 2006/07 Approved Budget
3. **Spreadsheet Entries Using Payroll Codes**

Though most entries to payroll codes occur through the payroll system, spreadsheet entries can also use salary codes if payroll costs need to be reallocated.

**When to Use:**
- Whenever payroll costs need to be reallocated, such as when an employee changes functional areas (department, grant, project) during a pay period, or when work is performed by an employee in another functional area

**Standards:**
- The employee’s name must appear in the Journal Description and on each Journal Line Description along with the corresponding salary period
- A separate benefit line must be included for each unit in the entry, calculated using the current benefit rate for that particular salary code
- Both debit and credit sides of the entry *must* use valid salary object codes. *i.e.* a salary object cannot be offset with an operating expense object

See the following website for a listing of current salary codes and benefit rates: [http://www.fin.uoguelph.ca/services/index.cfm?fuseAction=drilldown&itemid=44&categoryID=83](http://www.fin.uoguelph.ca/services/index.cfm?fuseAction=drilldown&itemid=44&categoryID=83)

**Example**

H. Jones switched departments in the middle of a pay-period and the full pay was recorded to her old department. A spreadsheet entry will move the payroll costs from the old to the new department on the effective date of her move.

<table>
<thead>
<tr>
<th>View context</th>
<th>View header</th>
</tr>
</thead>
<tbody>
<tr>
<td>Category</td>
<td>* List - Text</td>
</tr>
<tr>
<td>Source</td>
<td>* List - Text</td>
</tr>
<tr>
<td>Currency</td>
<td>* List - Text</td>
</tr>
<tr>
<td>Accounting Date</td>
<td>* List - Date</td>
</tr>
<tr>
<td>Group ID</td>
<td>* Number</td>
</tr>
<tr>
<td>Batch Name</td>
<td>Text</td>
</tr>
<tr>
<td>Journal Name</td>
<td>Text</td>
</tr>
<tr>
<td>Journal Description</td>
<td>Text</td>
</tr>
<tr>
<td>Journal Reference</td>
<td>Text</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Upl Fund Unit</th>
<th>Grant</th>
<th>Project Object TBA</th>
<th>Debit</th>
<th>Credit</th>
<th>Line Description</th>
<th>Messages</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100</td>
<td>000020 000000 000000 61103 0000000000 100</td>
<td>000020 000000 000000 62306 0000000000</td>
<td>1,000.00</td>
<td>move s&amp;b costs for H. Jones from department 000100, Nov 1-6/2006</td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>000020 000000 000000 62306 0000000000</td>
<td>000020 000000 000000 62306 0000000000</td>
<td>257.50</td>
<td>move s&amp;b costs for H. Jones from department 000100, Nov 1-6/2006</td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>000010 000000 000000 61103 0000000000</td>
<td>000010 000000 000000 61103 0000000000</td>
<td>1,000.00</td>
<td>move s&amp;b costs for H. Jones to department 000200, Nov 1-6/2006</td>
<td></td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>000010 000000 000000 61103 0000000000</td>
<td>000010 000000 000000 61103 0000000000</td>
<td>257.50</td>
<td>move s&amp;b costs for H. Jones to department 000200, Nov 1-6/2006</td>
<td></td>
</tr>
</tbody>
</table>

**Totals:** $1,257.50 $1,257.50

*Tip:* This is not the end of the Template. Unprotect the sheet and insert as many rows as needed.

**Note:** Oracle allows 240 characters in both the Journal Description and the Line Descriptions.

If more space is needed aside from the journal and line descriptions to clearly support the entry, the **Oracle Attachment** (click for details) feature provides additional text space or allows you to attach a file.
**Documentation Standards:** the dataform will support the entry

### 4. Spreadsheet Entries Using Revenue Codes

Spreadsheet entries to revenue codes will *not* involve the receipt of cash, but can be used for a variety of reasons.

#### When to Use:
- To reallocate revenue received in one functional area of the university to another
- To correct coding used on a processed RRV (Revenue Remittance Voucher)

#### Standards:
- The RRV number must be included in the line descriptions so that the spreadsheet entry is traceable back to the cash deposit
- Any other information aside from the RRV number that enables the reader to get back to the source document must be included in the entry

#### Example:
OMAFRA revenue was received in project 005500 that should have been coded to project 005510. A spreadsheet entry will then reallocate the revenue.

#### Note:
Oracle allows 240 characters in both the Journal Description and the Line Descriptions.

If more space is needed aside from the journal and line descriptions to clearly support the entry, the **Oracle Attachment** (click for details) feature provides additional text space or allows you to attach a file.

**Documentation Standards:** the RRV details (RRV#, date, amount)

### 5. Internal Cost Charge & Recovery
When to Use:

- When one functional area performs a service for another, and needs to recover some portion of its costs from the other area(s)

Standards:

- Entries should use internal allocation object codes beginning with 64 and 65
- The debit side of the entry should use a 64XXX internal charge object code
- The credit side of the entry should use a 65XXX internal recovery object code
- Journal lines using internal allocation object codes should only be offset with other lines using internal allocation object codes

Example

Veterinary Teaching Hospital (VTH) department 0487XX needed lab tests done, and sent several case submissions to Animal Health Labs (AHL) department 0482XX during November, 2006. AHL then conducted the requested tests and charged VTH at the end of the month.

<table>
<thead>
<tr>
<th>Debit</th>
<th>Credit</th>
<th>Line Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>50,625.59</td>
<td>39,887.63</td>
<td>Nov06 internal charge from AHL for lab tests</td>
</tr>
<tr>
<td>2,265.46</td>
<td>7,572.36</td>
<td>Nov06 internal recovery from VTH case#79 for lab costs</td>
</tr>
<tr>
<td>900.14</td>
<td>Nov06 internal recovery from VTH case#86 for lab costs</td>
<td></td>
</tr>
</tbody>
</table>

Totals: $50,625.59 $50,625.59

Objects beginning with 64/65 must only be offset with each other. For example, it would be incorrect to record a recovery in object 65251, and charge an operating expense like 63258 Supplies – Misc Laboratory.

Note: Oracle allows 240 characters in both the Journal Description and the Line Descriptions.

If more space is needed aside from the journal and line descriptions to clearly support the entry, the Oracle Attachment (click for details) feature provides additional text space or allows you to attach a file.

Documentation Standards: case submission forms with unique case number
If additional information is needed to support the entry, the Oracle attachment feature allows you to do two things:

1 - Add Additional Text

The text window below provides a lot more space to support an entry than the journal or line descriptions do.

2 - Attach a File

If additional information is required to support the entry beyond the text box above, like a scan of an invoice or an excel spreadsheet showing calculations used for the entry, a file can be attached to the journal entry.

See the following website for information on how to add an attachment:
http://www.fin.uoguelph.ca/HTMLFiles/ADI/Web%20ADI%20User%20Guide.doc
Interfund Transfer Object Codes:

Fund Transfer – Revenue

51551 Revenue Transfer
51552 Trust Transfer – Benefactions
51553 Unspent Grant Allocations
51554 Administrative Recovery
51555 Interfund Transfer
51556 Transfer from Operating (Phy Res)
51557 Transfer from Ancillary (Phy Res)
51558 Transfer from Campaign (Phy Res)
51559 Transfer from Other Trust (Phy Res)
51560 Transfer from Fund 102 & 110 (Phy Res)
51561 G-H Revenue Transfer

Fund Transfers – Expense

66102 Instructional Devl. Grant Tsf
66105 Project Authorizations
66107 Revenue Transfers
66108 Special Projects Contribution
66113 Transfers
66116 Expense Transfer Guelph Humber

Institutional Charges

66051 Faculty Pay Component
66052 Institutional Charge
66053 Institutional Recovery
66054 Program Revenue Transfer