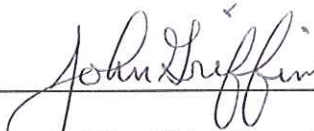




The University Corporation
Research, Investments and Commercial Services
California State University, Northridge

Procedure Number: AC018

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John Griffin, Chief Financial Officer

Processing of Journal Entries

Format

There are two possible formats for journal entries and both can be found on the shared drive in the folder labeled PeopleSoft Forms.

Uploaded Journal Entries (Single column for debits & credits)
Manually prepared Journal Entries (Two columns for debits & credits)

The only difference between these forms is one has a single column for debits and credits and the other has separate columns for debits and credits.

Backup

Backup documentation is required for all journal entries. The backup should consist of at least one of the following;

- A copy of a sub-ledger or detail
- Correspondence requesting corrections or changes
- A copy of any relevant supporting documents
- A copy of the portion of General Ledger being corrected.

If the backup is insufficient, there will be a request for additional supporting information.

Approval – General Accounting

The Associate Director of Accounting must approve all Journal Entries prepared by the general accounting area.

After creation of the journal entry, place the journal with the supporting backup stapled to it, in the in-box on the Associate Director of Accounting's desk for approval. Once approved, it will be returned, entered into PeopleSoft and posted. Only the CFO, Accountant and Associate Director of Accounting can post entries in the general accounting dept.

Approval – Sponsored Programs

All Sponsored Programs staff have the ability to post journal entries. The Sponsored Programs Director must approve all journal entries posted by Sponsored Programs staff.

Journal entries can be prepared, uploaded and posted into PeopleSoft prior to approval, provided that immediately after posting, journal entries with back up documentation are placed in the designated binder for approval. The Sponsored Programs Director will review and approve the journal entries monthly or more often as required.

Approval of Journal Entries initiated by CFO or Sponsored Programs Director

All journal entries initiated by the Chief Financial Officer or the Sponsored Programs Director must be approved by the Executive Director or the Associate Executive Director.

Location of records

All journal entries, with the backup stapled to it, will be controlled via the Journal Entry log and put in a binder for the period for which it applies. There will be one for each month. Each month's binder will include **ALL** journal entries regardless of whom or what department prepared them. If anyone needs to keep copies at another location, they will need to make a copy for that purpose.

The binders for the current and previous months will be in the Accountant's office area.