JOURNAL VOUCHER PROCESSING

COURSE SLIDES
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WELCOME TO JOURNAL VOUCHER PROCESSING CERTIFICATION COURSE

Journal Voucher Processing Certification Course

Course Navigation

Navigating the course is easy. After you have finished reading the content on each page, click the NEXT button to continue.

The navigation menu in the lower right corner of most pages throughout the course may be used to go back to the previous page, forward to the next page, return to the first page, and to exit the course.

You can find definitions for bolded words and terms in the Glossary which is located in the Resources section in the upper-right corner.

The Resources section also contains the Participant Guide, job aids, and other helpful training material to assist you with processing journal vouchers.

Course Introduction

This course will provide an overview of the procedures, policies, and processes that individuals and units must follow when processing journal vouchers in Banner.

You will learn how to properly prepare, process, and review journal vouchers.

You will also gain an understanding of best practices to follow when processing a journal voucher and where to find resources related to journal voucher transactions.
LESSON 1: COMPLIANCE

Lesson Introduction

This lesson will explain the importance of accurately and efficiently processing journal vouchers to ensure the integrity of the U of I System's financial statements.

Lesson Objectives

After you have completed this lesson, you should be able to:

- Recognize how journal vouchers impact the University of Illinois System financial information.
- List potential consequences of processing inaccurate or incomplete journal vouchers.
- Identify common internal transactions U of I System units may process with a journal voucher in Banner.
- Prepare the information needed to accurately process a journal voucher.
- Process a journal voucher in accordance with U of I System policies and procedures.
- Use Banner pages to review and edit journal vouchers.
- Apply best practices and strategies to increase accuracy and efficiency of journal voucher processing.

U of I System Accounting Environment

The activities at the U of I System are very complex. This complexity is in the result of various factors, such as the size, scope, and diversity of the U of I System as well as the various external regulations, policies, and procedures that we must abide by.

Because of these complexities, it is very important that journal vouchers are accurately processed.

NEXT
**U of I System Accounting Environment**

Financial functions at the U of I System are part of a decentralized accounting environment. This means that units have been delegated the responsibility for their financial information which is critical to the integrity of the U of I System's financial statements.

Given the nature of this decentralized accounting environment, it is essential for units to process their journal vouchers accurately in Banner.

Once a journal voucher is posted in Banner, it becomes a permanent financial record. These records are critical in maintaining and ensuring the integrity of the U of I System's financial statements.

Additionally, unit heads and administrators rely on the financial information reported in Banner to make short-term and long-term financial decisions, so it is important that journal vouchers are efficiently and accurately processed. This ensures that financial information and records are current.

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**Policies and Procedures**

As a steward of U of I System assets and resources, it is important for each area of the applicable policies and procedures to follow when conducting U of I System business and financial activities to help ensure accurate financial reporting.

Please reference the Internal Transactions (Journal Voucher) portion of Policies U of I System Business and Internal Transactions to ensure compliance with the U of I System's Policies and Procedures manual for additional information and guidance on processing journal vouchers.

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**Consequences of Noncompliance**

The consequences of processing journal vouchers with inaccurate or incomplete information can result in potential consequences for your department, your unit, and ultimately the U of I System.

Potential consequences include:

- Inaccurate financial decisions resulting from incorrect or incomplete financial information.
- Errors in the U of I System's financial statements, which could lead to potential audit findings.
- Additional time and effort spent to address issues arising from potential audit findings.
- Reduction of trust in future funding, for example, state appropriations, or grant funding, which may result from audit findings or errors in financial statements.

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**Lesson Summary**

Now that you have completed this lesson, you should be able to:

- Recognize how journal vouchers impact the U of I System's financial information.
- List potential consequences of processing journal vouchers with inaccurate or incomplete information.

Click on the KNOWLEDGE CHECK button to assess what you have learned.
LESSON 2: OVERVIEW

Lesson Introduction

Now that you know how journal vouchers impact the U of I's System's financial information, and understand the consequences of processing inaccurate journal vouchers, you will now learn when an internal transaction should be processed with a journal voucher in Banner.

Lesson Objectives

After you have completed this lesson, you should be able to:

- Discuss overarching concepts and good business practices that should be applied to all journal vouchers
- Identify common scenarios when a journal voucher should be processed in Banner
- Recognize scenarios when a journal voucher should NOT be processed in Banner

Overview of Key Concepts and Good Business Practices

Before we get into further details regarding when and when not to process a journal voucher, let's first get an overview of some overarching concepts and good business practices that would be helpful to apply to all of your journal vouchers and internal transactions.

Record Journal Vouchers and Other Internal Transactions in the Correct Fiscal Year and Accounting Period

To ensure accuracy and completeness of financial data within Banner, it is important to record journal vouchers within the correct fiscal year and accounting period.

For example, if an expense is incurred in May 2020, the journal voucher to record that transaction should post to May 2020.

Process a Separate Journal Voucher for Each Unique Accounting Transaction

To help ensure a clear audit trail, it is beneficial to use a separate journal voucher for each unique accounting transaction. Do not combine separate activities or transactions into one journal voucher.

For example, if Unit A purchased office supplies from Unit B, but Unit A also sold services to Unit B, these transactions should be recorded separately and should not be combined into one journal voucher.
Complete a Separate Journal Voucher to Correct Errors from Prior Journal Vouchers

If you realize that a journal voucher posted to Banner incorrectly, it is strongly recommended that you complete a new journal voucher to completely reverse the erroneous transaction. That way, you can clearly show that the erroneous journal voucher was completely reversed in case of an audit.

Then, once the erroneous entry has been reversed, you can process a new journal voucher to post the entry correctly.

Provide Clear Documentation for Journal Vouchers and Other Internal Transactions

It is very important for journal vouchers and other internal transactions to contain proper documentation which clearly explains the purpose of the accounting transaction.

For example, it is essential for the General Fund (FUNDS) and the Description Line of the journal voucher to be fully completed with detailed and accurate information to clearly describe the transaction.

We will go into further details on this topic within Lessons 3 and 4.

When to Process a Journal Voucher

Now that we have an overview of some interesting good business practices to follow when completing a journal voucher, let’s review some common scenarios in which a journal voucher is necessary.

Journal vouchers are used to process various types of internal transactions in Banner including:
- Expense or Revenue Resclassifications
- Fund Transfers
- Internal Sales
- Budget Revisions on Self-Supporting Funds
- Capital, Adjusting, or Liquidating General Fund balances

Click on each box to learn more about the transaction type.

When NOT to Process a Journal Voucher

A journal voucher should NOT be used to:
- Process budget adjustments on any type of fund other than self-supporting funds.
- Perform labor redistributions to transfer payroll expenses from one C-109025 line to another.

Click on each box to learn how to process these transactions.
Lesson Summary
Now that you have completed this lesson, you should be able to:
- Identify common scenarios when a journal voucher should be processed in Banner.
- Recognize scenarios when a journal voucher should NOT be processed in Banner.
Click on the KNOWLEDGE CHECK button to assess what you have learned.

LESSON 3: PREPARING TO PROCESS A JOURNAL VOUCHER

Lesson Introduction
This lesson will explain what information you should have before you start processing a journal voucher in Banner.

Lesson Objectives
After you have completed this lesson, you should be able to:
- Prepare the information needed to accurately process a journal voucher.

Preparing a Journal Voucher
Before you process a journal voucher in Banner, it is important to:
- Determine the type of journal voucher that needs to be processed.
- Prepare the General Text Entry (GEA/GEBUY).
- Identify the proper C/F/PA modules to use on each sequence and determine if there are any constraints or limitations in place on any of the C/F/PA modules involved in the transaction.
- Calculate debit and credits to determine the absolute value of the journal voucher which will be entered in the Document Total field.
- Determine the correct Rule code to use for each sequence.
- Prepare a description that will be entered in the Description Line fields of each sequence.

Preparing this information will help ensure accurate financial information is entered in Banner when the journal voucher is processed.
Determine Type of Transaction

You learned in the previous lesson that a journal voucher can be used to process internal transactions in Banner such as:
- Expense and Revenue Reclassifications
- Fund Transfers
- Internal Sales
- Budget Revisions on Self-Supporting Funds
- Adjustments or Liquidations of General Encumbrances

Before you begin processing a journal voucher, it is helpful to first identify what type of transaction that you will be processing. This will help you prepare the correct information to enter in Banner when you process the journal voucher.

Complete the General Text Entry (FOATEXT)

The General Text Entry (FOATEXT) is an essential part of the journal voucher. It should tell the complete story and explain the purpose for why the journal voucher is being processed. FOATEXT should include:
- A detailed description of the accounting transaction being made on the journal voucher.
- Your contact information (i.e., your name, e-mail address, unit, and 10-digit phone number).
- Any other relevant information which may be helpful in creating a proper audit trail, such as the Banner document number of any applicable transaction that your journal voucher may be adjusting or reclassifying.

NOTE: The FOATEXT on a journal voucher may be edited even after the journal voucher has posted to Banner. If you notice that the FOATEXT on the journal voucher with missing or insufficient FOATEXT, remember that you can always go back into Banner and edit the FOATEXT.

Click on each image to see examples of acceptable and unacceptable FOATEXT.

Identify Proper C-FOAPAL Segments

Before processing a journal voucher in Banner, it is important to:
- Identify the proper C-FOAPAL segments to use on each sequence of the journal voucher.
- Determine if there are any restrictions or limitations in place on any of the C-FOAPAL segments involved in the transaction.

Click on each box to learn more about each C-FOAPAL segment.

Debits and Credits

Debits and credits are common accounting terms used on accounting transactions. These debits and credits are used to either increase or decrease C-FOAPAL balances used in a journal voucher.

A debit is an accounting entry that either increases a balance in an asset or expense account code, or decreases a balance in a liability or revenue account code.

Conversely, a credit is an accounting entry that either increases a balance in a liability or revenue account code, or decreases a balance in an asset or expense account code.

NOTE: When referring to debits and credits, you may hear it referred to as the “rig" or “tag" that is used to balance transactions in any entry. For example, “what tag was used on each sequence of the journal voucher – a debit or a credit?" This may be helpful terminology to become familiar with given that it is common accounting terminology.

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Debits and Credits in Banner

When completing a journal voucher in Banner, you will need to be careful when selecting the debit/credit sign as the Banner drop-down menu has four options to choose from (see below):

You will need to select either + Plus for a debit, or - Minus for a credit from the drop-down menu. Avoid using the Debit or Credit options.

NOTE: The Debit and Credit options should only be used for a limited subset of transactions which are processed by a limited subset of UI System employees.

Examples of Debits and Credits

Here are examples of how debits and credits might be used when processing a journal voucher.

Expense Reclassifications

If you want to reclassify an expense from one F-POAPL to another, you should:

- Credit ( ) the F-POAPL that you are removing the expense from.
- Debit ( ) the F-POAPL that you are transferring the expense to.

Click CONTINUE to see the next example.

Document Total

Once the total debits and credits of the journal voucher have been calculated, you will be able to determine the document total for the journal voucher.

To calculate the document total, add the total sum of the debits to the total sum of the credits. This amount will be entered in the Document Total field. You’ll learn more about this field in the next lesson.

For example, if a journal voucher is being processed to reclassify a $500.00 expense from a $500.00 expense card to a $300.00 expense card, then the document total would be $1,300.00 based on this calculation:

- Total credits = $500.00
- Total debits = $500.00
- Total amount = $300.00
- Document total = total debits + total credits = $700.00 + $500.00 = $1,300.00

Determine Rule Codes

The Rule code (also the Account Type field in Banner) is an important part of a journal voucher as it helps determine the accounting entries that will take place in Banner once a journal voucher has been completed.

Only certain types of Rule codes are allowed to be used with certain types of fund and certain types of transactions. Banner requires the correct type of Rule code to be assigned to each sequence of a journal voucher before it will allow the journal voucher to post.

Before you can determine the correct Rule codes needed for a journal voucher, it is important to determine the type of transaction and identify the correct fund codes involved in the transaction.
LESSON 4: PROCESSING A JOURNAL VOUCHER

Lesson Introduction
This lesson will explain the three journal voucher entry pages in Banner. You will also see a demonstration of how a journal voucher should be processed in Banner with one of the entry pages.

Lesson Objectives
After you have completed this lesson, you should be able to:

- Process a journal voucher in Banner using Journal Voucher Entry Page (JSA/AVC3);
- Identify benefits of processing a journal voucher in Banner using Journal Voucher Mass Entry Page (JSA/AVM) and Journal Voucher Quick Entry Page (JSA/AVQ3).

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Journal Voucher Entry Pages

There are three journal voucher pages in Banner that may be used to process a journal voucher:
- Journal Voucher Entry Page (FGA/JVCD)
- Journal Voucher Mass Entry Page (FGA/JVCM)
- Journal Voucher Quick Entry Page (FGA/JVCO)

Click each link to learn more about each entry page.

Processing a Journal Voucher Using FGA/JVCD

You will now see a demonstration of how a journal voucher is processed using FGA/JVCD. Assume the following facts for this demonstration:
- On 11/21/18, you are reviewing your financial data on one of your C-POAPAL checks (33-21256-228836-181555) and notice that a recent P-Card transaction (P-04325364) in the amount of $75.95 posted to an incurred expense Account code 102505.
- This expense was for the purchase of office supplies. However, the related P-card charge incorrectly posted to expense Account code 102505 (Office Supplies). It should have posted to expense Account code 101508 (Office Supplies).
- In order to correct this transaction, you will need to process a journal voucher to reclassify this expense to the proper Account code.

Click NEXT to see how this journal voucher would be processed using Banner page FGA/JVCD.

Verifying the Status of a Journal Voucher

Once you complete a journal voucher, it’s important to verify that it posted properly to Banner. That way, you can quickly confirm that any journal voucher associated with a particular invoice or charge has not failed to post (e.g., due to failing one of the various required approval steps).

Typically, most journal vouchers post to Banner within a few minutes after you complete the journal voucher, unless the journal voucher hits one of the approval queues. This will be covered more in Lesson 5.

Click the link to learn more about how to verify the status of a journal voucher.

Lesson Summary

Now that you have completed this lesson, you should be able to:
- Process a journal voucher in Banner using Journal Voucher Entry Page (FGA/JVCD)
- Identify the benefits of processing a journal voucher in Banner using Journal Voucher Mass Entry Page (FGA/JVCM) and Journal Voucher Quick Entry Page (FGA/JVCO)

Click the KNOWLEDGE CHECK button to assess what you have learned.
Processing a Journal Voucher Using FGAJVCD

Banner page FGAJVCD MUST be used when processing journal vouchers that:

- Requires or may benefit from information included in the Document Reference field, since this is the only page that contains the Document Reference field.
- Involves fixed asset transfers, since these types of transfers require the FTag (Financial Tag) field.
- Involves any data entry or affecting a general account.
- NOTE: Banner page FGAJVCD is used to create a general voucher, but PGAJVCD is used for adjusting or liquidating a general account.

To learn more, see the 'Creating a Journal Voucher with FGAJVCD and PGAJVCD'.
Before you begin the P4440/240 entity, note the journal voucher document number displayed at the page header. It is highly recommended to record this journal voucher number in case it is needed for future reference.

Type a complete description for the journal voucher and your contact information in the "Note" field.

NOTE: Each line of the "Note" field has a 50-character limitation. However, you can add up to one additional line by following provided complete description of the transaction along with your contact information.

Click on the icon to add additional text lines or press the DOWN ARROW on your keyboard.
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LESSON 5: REVIEWING JOURNAL VOUCHER DOCUMENTS

Lesson Introduction
This lesson will explain the journal voucher review and approval process. It will also summarize how to review and/or edit complete or incomplete journal vouchers in Banner.

Lesson Objectives
After you have completed this lesson, you should be able to:
- Explain the journal voucher review and approval process.
- Use Banner pages to review and edit journal vouchers.

Review and Approval Process
Some U of I System units have specific procedures and internal controls for approving journal vouchers. In addition to the OSFS policies and procedures applicable to processing journal vouchers, your unit may have their own internal approval process that should be followed.

For example, your supervisor may ask you to put a journal voucher In Process prior to completing it in order to allow them to review the journal voucher for accuracy prior to posting. Then, once they have reviewed and approved the entry, you could then complete the journal voucher to officially post it to Banner.

To determine if your unit has specific procedures related to journal voucher processing, please consult your supervisor.
Review and Approval Process (Cont.)

However, some journal vouchers require an additional level of approval prior to posting, such as journal vouchers which go into some types of fund transfers (as we will be covering on the next slide). In those cases, the individual who reviewed and approved the journal voucher would be listed as the approver.

To see who the Originator and/or Approver is for a particular journal voucher, enter the journal voucher document number at the Approval History Page (FOAPAL) in Banner.

NOTE: UAFR may contact the Originator and/or the Approver of the journal voucher if questions or problems with the journal voucher occur.

Journal Vouchers Requiring Additional Approval

Certain types of journal vouchers require an additional level of approval from other U of I System departments before posting to Banner. These types of journal vouchers will go to an additional level of review and approval before they can be posted.

- Journal vouchers which go to an approval queue for additional review and approval include:
  - Journal vouchers involving grant and contract funds.
  - Journal vouchers involving fund transfers.
  - Journal vouchers that have a document total exceeding $2,000,000.

Click on each box to learn more.

Grants and Contracts
Fund Transfers
High-Dollar

Cross-FOAPAL Validation Rules

The final level of review and approval that journal vouchers must pass before posting to Banner is a complex set of Rules called Cross-FOAPAL Validation.

These Cross-FOAPAL Validation Rules, or "Rules", as they are sometimes referred to, have been put in place to help enforce various types of accounting and technical guidelines that all journal vouchers must abide by.

If a journal voucher fails any of these various Cross-FOAPAL Validation Rules, the journal voucher will be blocked in an incomplete status and UAFR will contact the Originator and/or Approver of the journal voucher to notify them of the issue and to ask them to address it.

The Originator and/or Approver will then need to either correct the journal voucher or delete the journal voucher from Banner.

NEXT
Cross-FOAPAL Validation Rules

There are various Cross-FOAPAL Validation Rules that exist. See below for a few common examples of these rules that will cause a journal voucher to fail:

- Using an invalid combination of F-FOAPAL segments, such as:
  - Trying to use a revenue account code (I.e., an account code starting with a 1 or 2) on a gift or CER fund.
  - Trying to use a generic program code (i.e., a program code starting with a 9 or 19) with a State, 1C, self-supporting, or service plan fund.
  - Trying to use a payroll expense account code (i.e., an account code starting with a 2 or 3) on a journal voucher.
  - Trying to complete a journal voucher containing multiple debits and multiple credits without using the proper fund code (i.e., a 102 or 114).
- Trying to process a funds transfer using an incorrect transfer account code.

Incomplete Journal Vouchers

Lesson 4 explained how to verify the status of a journal voucher. When a journal voucher has an incomplete status, you may:

- Revise the journal voucher to correct any errors that caused the journal voucher to be rejected and then re-complete the contacted journal voucher.
- Delete the journal voucher if it is no longer needed.

Click on each box to learn more about how to revise or delete an incomplete journal voucher.

Complete Journal Vouchers

Sanner has a convenient option available that will allow you to copy or reverse a previously completed journal voucher. Using this feature saves time whenever you want to copy or reverse a previously posted journal voucher.

Click on each box to learn more about how to reverse or copy a completed journal voucher.

Lesson Summary

Now that you have completed this lesson, you should be able to:

- Explain the journal voucher review and approval process.
- Use Banner pages to review and edit journal vouchers.

Click on the KNOWLEDGE CHECK button to assess what you have learned.
COURSE SUMMARY

Course Summary
Congratulations on completing the Journal Voucher Processing Certification course!

You should now be able to:
- Recognize how journal vouchers impact the University of Illinois System financial information.
- List potential consequences of processing inaccurate or incomplete journal vouchers.
- Identify common internal transactions U of I System units may process with a journal voucher in Banner.
- Prepare the information needed to accurately process a journal voucher.
- Process a journal voucher in accordance with U of I System policies and procedures.
- Use Banner pages to review and edit journal vouchers.
- Apply best practices and strategies to increase accuracy and efficiency of journal voucher processing.

Next Steps
A few last reminders:
- Be sure to download and save the Course Participant Guide. It has additional content, scenarios, and resources that will be useful as you are processing internal transactions. You may also reference the guide when you have questions.
- Also, if you would like hands-on practice processing journal vouchers, be sure to attend an open lab session. For more information about these sessions, contact the OFPS Training Team at dpapersonal@illinois.edu.
- Finally, don’t forget to complete the course evaluation and final assessment. Once you have completed these requirements, you will receive your Journal Voucher Processing Certification and will be able to process journal vouchers for your department.

If you have questions or need assistance, please contact the OFPS Certification Program team at dpapersonal@illinois.edu.