

General Ledger (G/L) Account Postings

Part 1 – Basic Data Entry

Course 4 in Standard Curriculum

Learning Objectives

- Understand when to process Journal Entries vs. Internal Revenues/Internal Expense Recoveries
- Process Journal Entries to correct entry errors
- Process Internal Revenues/Internal Expense Recoveries
- Display posted FIS documents
- Understand the policies and business processes for Cash Receipts
- Process Cash Receipts



[Link to Course Material](#)

Housekeeping – All FIS Courses and Workshops

Expectations for FIS Courses:

- Must be able to complete all assigned exercises in the SAP-QT1[HANA] training application.
 - If you are having technical issues, and cannot complete the exercises in class, you have 1 week to complete them. If extensions are necessary, please contact me.
 - The instructor will review all exercises.
- Must attend most of the class. If you miss 20 minutes or more of class you will not be eligible for course credit.



All FIS courses are recorded and will receive a copy of the recording for their record.

Journal Entries & Internal Revenues/Recoveries

Journal entries and internal revenues and recoveries are both transactions that reallocate funds internally between UofT accounts.



All G/L transactions require forms to be completed and signed.

Locate the forms on the [Financial Services – Forms page](#).

What are Journal Entries & Internal Revenues/Recoveries?

Definitions:

- 1. Journal Entries:** Processed to correct posted FIS transactions where one of the following is missing or incorrect
 - G/L Account
 - Funds Center/Fund
 - Commitment Item
 - Cost Centers/Internal Orders
 - Tax Codes
 - Earmarked Funds
- 2. Internal Revenues:** Departments (centrally or at the divisional/departmental level) provide specialized services to other departments **within the University** for which they charge a fee, **but cash is not generated.**
- 3. Internal Expense Recoveries:** Recovery of expenses already paid and then shared/reallocated between departments.



Fields such as the Line Item Text, Header Text, Reference and Assignment field can be corrected using the **FB02 - Document Change** function.

The Business Process – Journal Entries & Internal Revenues/Recoveries

Step 1: Determine the transaction to process:

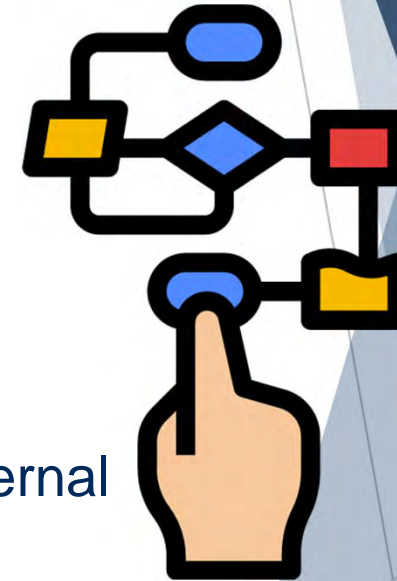
- a) If a correction of a previously posted document: **Journal Entry**
- b) If posting revenue or recovering expenses from an **internal** department: **Internal Revenue/Expense Recovery**

Step 2: Obtain and document the necessary information to process the transaction (e.g., authorization, account numbers).

Step 3: Process the transaction in FIS.

Step 4: Note the system generated document number on the source document. If necessary, send a copy of the Journal Entry or Internal Revenue/Expense Recovery form to the relevant departments.

Step 5: File document(s) in accordance with **U of T File Plan**



Journal Entries and Internal Revenues/Internal Expense Recoveries have previously been known as Debit Memos.

Processing Journal Entries in FIS



Displaying Documents

Prior to processing a Journal Entry to correct accounts, it is best practice to display the original document/transaction (e.g. invoice, reimbursement) in order to:

- to verify details such as the after-tax-rebate amount, who posted it and original currency
- to print and sign a hard copy of the posted document



Link to [Reference Guide](#)



If you print, sign, describe the correction, and file the hard copy, you are not required to complete the [Journal Entry form](#).

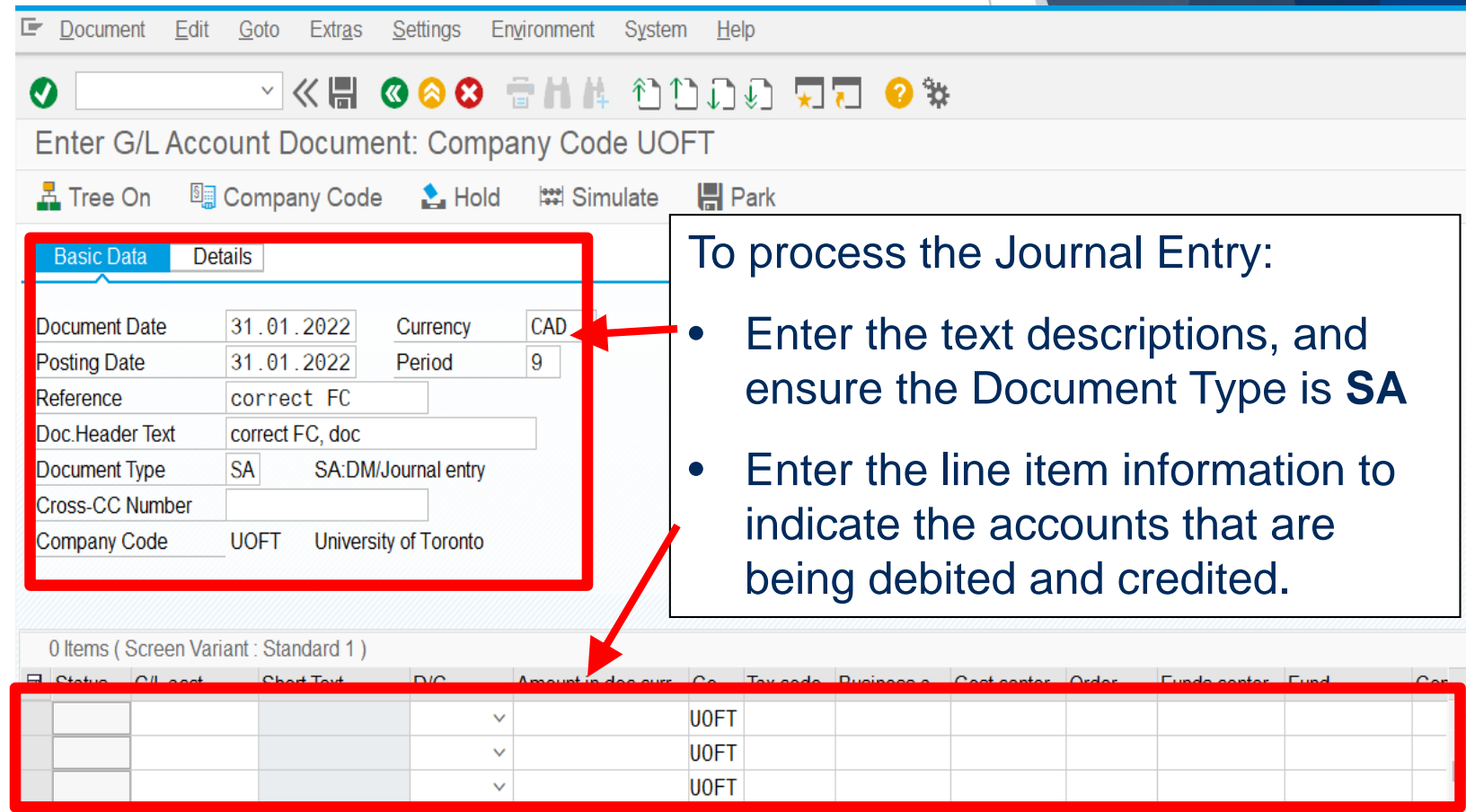
Using the FB50 – G/L Account Postings screen to Journal Entries

The FB50 – G/L Account Posting screen is used to process:

- Journal Entries
- Cash Receipts
- Refundable Deposits

REMINDER: FIS uses **Document Type** codes to identify different FIS transactions.

[Click here](#) to learn more about Document Types and numbering ranges.

Document Date 31.01.2022 Currency CAD
 Posting Date 31.01.2022 Period 9
 Reference correct FC
 Doc. Header Text correct FC, doc
 Document Type SA SA:DM/Journal entry
 Cross-CC Number
 Company Code UOFT University of Toronto

Status	G/L acct	Short Text	D/C	Amount in doc cur	Co	Tax code	Business	Cost center	Order	Funds center	Fund	Cor
			▼		UOFT							
			▼		UOFT							
			▼		UOFT							

To process the Journal Entry:

- Enter the text descriptions, and ensure the Document Type is **SA**
- Enter the line item information to indicate the accounts that are being debited and credited.



Link to [Reference Guide](#) page.

Exercise 1 – Process a Journal Entry

Instructions (approx. 10 - 15 minutes)

Process a Journal Entry to reallocate the cost of furniture to the correct Funds Center and Cost Center.



Reference Guide for the exercise

Processing Internal Revenues and Internal Expense Recoveries in FIS



Internal Revenues/Internal Expense Recoveries

Internal revenues enable departments to re-coup fees charged to other departments for goods/services rendered.

Examples:

- Photocopy services
- Lab services

Internal expense recoveries enable departments to recover, some or all expenses already paid that are then shared/reallocated between departments.

Examples:

- Equipment purchases
- Salary and benefits for cross-appointed staff
- Photocopy charges
- Conference/lecture contributions



[Link to Reference guide](#)

Internal Revenues/Recoveries vs. Invoice Payments

U of T departments do **NOT** bill each other via invoice as they would **external** customers. Instead, they recover the cost or share expenses using FIS accounts.

If a department receives a U of T cheque as payment for an internal charge, the cheque is **NOT** treated as "cash receipts".

What do you do if you receive a cheque from another University department?

The department that receives the cheque should:

1. Return U of T cheque to originating department.
2. Supply originating department with your FIS accounts to process the charge using the **Internal Revenues/Expense Recoveries** transaction

The originating department will need to:

1. Put a "stop payment" on the U of T cheque
2. Return the cheque to **Accounts Payable** in the Financial Services Department.



Exercise 2 – Process an Internal Revenues & Internal Expense Recoveries

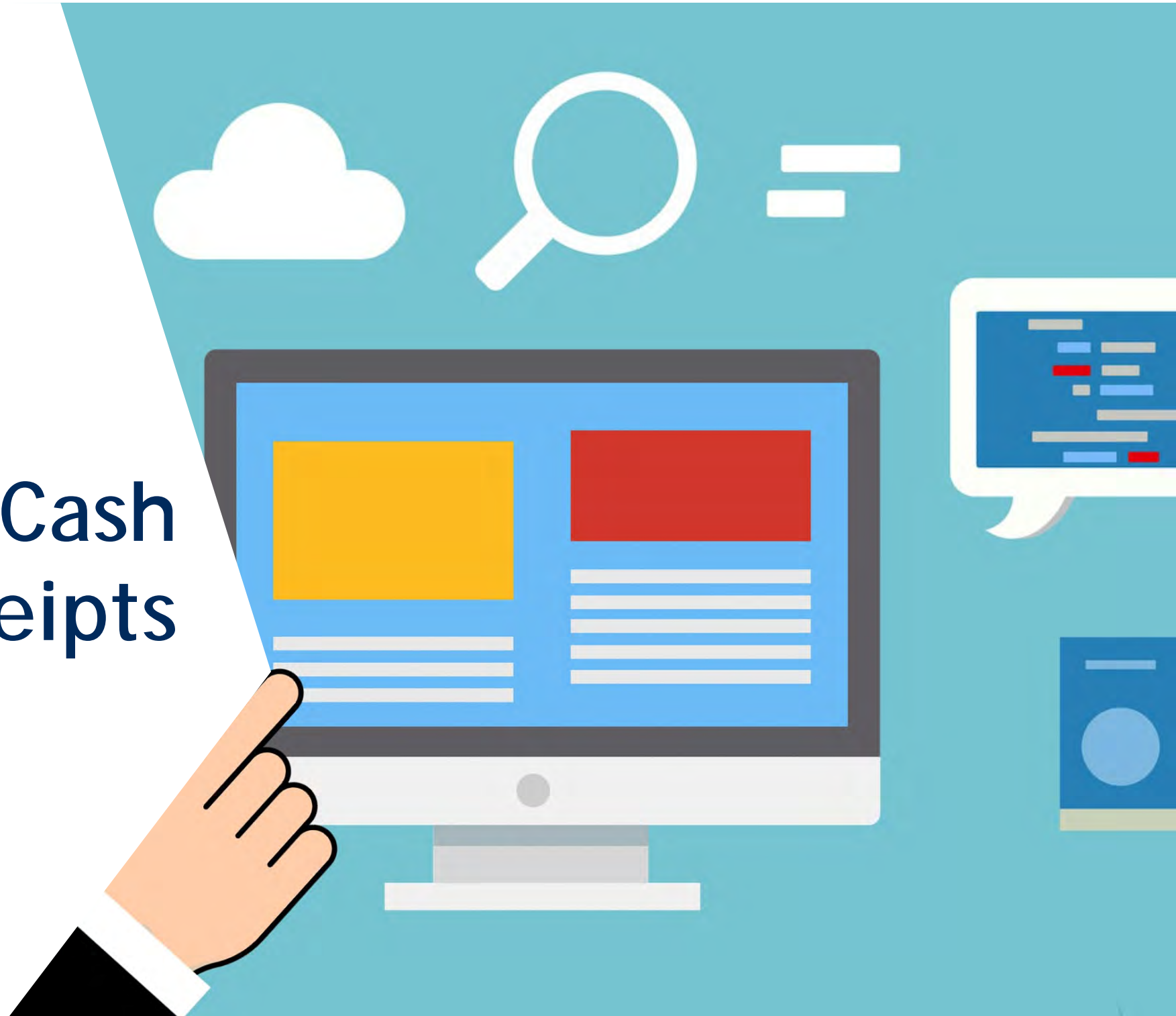
Instructions (approx. 10 - 15 minutes)

Process a Internal Expense Recovery to recuperate a portion of the cost of a piece of equipment from two other departments.



Reference Guide for the exercise

Processing Cash Receipts



What are Cash Receipts?

Policy Definition – Monies

All cash, cheques, credit card receipts, wire transfers received by the University.



What are the most common forms of cash receipts at the University?

- Government grants (e.g., Operating, Capital, Research)
- Payments on account for **U of T A/R invoices**
- Donations
- Miscellaneous:
 - Point of Sale (POS) receipts (e.g., parking, food)
 - Conference fees
 - Other (e.g., application/exam fees)



[Link to GTFM Policy – Cash,
Other Receipts and Banking](#)

Who Records What?

In many cases, departments forward the cash receipts to a central department.

Type of Receipt	Processing Department	What should be done with receipts:
Government operating and capital grant installments	Planning & Budget Dept (P&B)	Forward with all related documentation.*
Payment of U of T invoices	Accounts Receivable Financial Services (FSD – A/R)	Forward with copy of invoice.*
Donations	Division of University Advancement (DUA)	Forward with all related documentation.*
Research grants or contract installments	Research Accounting (RIS)	Forward with all related documentation.*
Miscellaneous cash receipts	Various departments	Recipient department processes the Cash Receipt.**



Link to [**GTFM Policy – The Cashier Function – Departmental Responsibilities for Processing Cash Receipts**](#)

Do you have a Subordinate Bank Account?

Departments who have regular requirements to deposit money may have their own unique corporate bank account linked to the University's central CIBC bank account. This makes the banking process more convenient for departments.

Departments who do not have a subordinate bank continue to deposit money at their campus' cashier's office.



Visit the GTFM Policy site to learn about:

- the advantages of a subordinate bank account
- How to open a subordinate bank account
- What your responsibilities are
- Who to contact for more information



The Business Process – Cash Receipts

The business process for Cash Receipts depends on whether your department has a subordinate bank account.

Step 1: Prepare the deposit to be sent to the Cashier's Office or the bank (refer to GTFM guidelines for each process).

Step 2: Complete the appropriate FIS deposit form.

Step 3: Process the deposit in FIS and note the system generated document number on the deposit form.

Step 4: Deliver **backup documents**, to the Cashier's Office, 215 Huron Street.

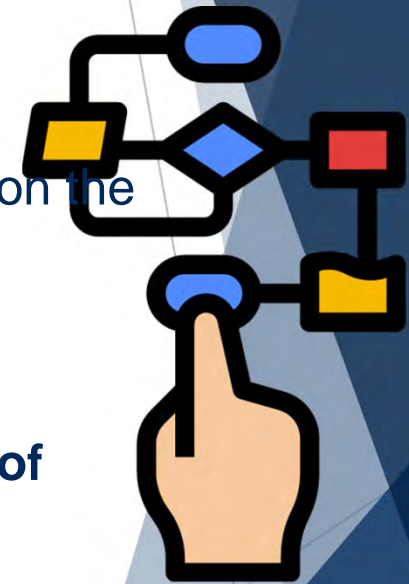
Backup Documents:

- **Internal Cash Deposits** - include a **return envelope** with **two copies of Internal Cash Receipts Deposit Form**.
- **Direct Deposits – Bank Deposit Slip** with **bank stamp** and a copy of the **Direct Deposit Form**

Step 5: File copies of deposit forms in accordance with the **U of T File Plan**



Only CDN and USD currency and cheques are accepted at the Cashier's Office. **Foreign coins and bills must be converted to CDN dollars** at any bank, before a deposit is made to the Cashier's Office.



Cash Receipts Business Process for Foreign Cheques

When you receive foreign cheques:

- 1) complete a separate **Internal Cash Receipts Deposit Form**, leaving the amount fields blank **(DO NOT PROCESS in FIS)**
- 2) attach the foreign cheques to the completed **Internal Cash Receipts Deposit Form**, along with 2 copies and a return envelope
- 3) Forward to:

Banking Clerk

Financial Services Department
215 Huron Street, 2nd Floor
Telephone: 416-978-2146



These cheques are sent to the bank for collection (for a fee). **Once the cheques clear collections, the Banking Clerk will process the entry in FIS** using the accounts provided by the department.

Exercise 3 – Process an Internal Cash Receipt

Instructions (approx. 10 minutes)

Process an internal cash receipt in FIS to deposit revenue from a coin operated photocopier.

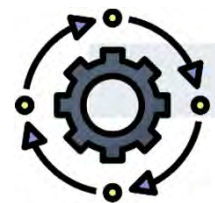


[Reference Guide](#)

Exercise 4 – Process a Direct Deposit Cash Receipt

Instructions (approx. 10 minutes)

Process a direct deposit cash receipt for transcript revenue being deposited into a department's subordinate bank account.



[Reference Guide](#)

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[Link to Course Material](#)

Contact Information & Additional Resources



- **FAST General Mailbox** – fast.help@utoronto.ca
- [Faculty FAST Team Representatives List](#)

- [Knowledge Centre](#)
- [Documentation & Support](#)
- [Financial Forms](#)



We are always looking for ways to improve.
[Click here](#) and take a moment to complete our course evaluation.