Exercise 2	Process an **Internal Revenues/Expense Recoveries** transaction
Objective	Recover expenses from internal departments
Scenario	Your department pays all the expenses related to the photocopier located on your floor. It is also used by two other departments. There is an agreement in place that states that the depts. will equally share all the costs of the photocopier. You need to recover, as revenue, 2/3rds of the total costs. The total cost for the period is $12,975 (after tax rebates).

Account numbers to be used in this transaction:

Your Dept: CC **11042** / FC **119820**

Dept 1:   CC **11040** / FC **119818**

Dept 2:   CC **11041** / FC **119819**

1. **Review the form** marked **Demo/Exercise 2** (**BEFORE** you start to enter the transaction) to show the proper entries needed to recover the expenses.

2. Process the transaction in FIS and record the document number on the form.

HINTS
QRG: Internal Revenues / Expense Recoveries

Demo/Exercise 2: Internal Revenue/Expense Recovery

University
of Toronto

Journal Entry

TO BE USED FOR CORRECTIONS TO ACCOUNT ASSIGNMENT OR TO THE NET AMOUNT OF A FINANCIAL TRANSACTION

DATE: 17-Aug-17
REF. NO.: Copier Exp.Recovery
DOC. NO.:
ORIGINATING DEPT.: Fin Services - FAST

TO: Faculty of Learning
215 Huron Street

Quantity	Description	Unit Price	Total
2	**Recovery of cost of purchasing photocopier**	$ 4,325.00	$ 8,650.00
	Total Costs for the period = $12,975 divided by 3 = $4,325 per department		
	Total		$ 8,650.00

Department Contact:

Authorized Approval:

Casey Fistrain   946-0000   M. Thompson   Finance Officer
Name   Telephone   Signature   Title

COMPANY CODE	POSTING KEY: DEBIT (40) CREDIT (50)	GENERAL LEDGER ACCOUNT (G/L)	TAX CODE* j9 OR s9	AMOUNT	BUSINESS AREA **	COST CENTER (OR)	INTERNAL ORDER	FUNDS CENTER	FUND	COMMITMENT ITEM ***	ASSIGNMENT	LINE ITEM TEXT (MAX. 19 CHARACTERS)	EARMARKED FUNDS DOCUMENT NUMBER	LINE ITEM
UofT	**DEBIT**	**837200**	**j9**	**4,325.00**		11040		119818				**Copier Expense Recovery**		
UofT	**DEBIT**	**837200**	**j9**	**4,325.00**		11041		119819				**Copier Expense Recovery**		
UofT	**CREDIT**	**798258**	**s9**	**8,650.00**		11042		119820				**Copier Expense Recovery**		

TOTAL: $ -   **Copies:**   Customer (1)   Originating Department (1)

Notes:
*   The tax code for internal expense reallocations is J9. The tax code for internal revenue reallocations is s9. **Tax codes default on IntRev/ExpRec screen**

**   Will default from cost center master record; only needs to be input if no cost center or internal order entered.

***   Will default from general ledger master record and should not be changed; exception: if spending budget is loaded onto different commitment item ie. UTFA, SPECIAL1, etc.