

FINANCIAL JOURNAL PROCEDURES 2020

Issued by: Chief Financial Officer
Dated: 17 July 2020
Last amended: 22 February 2024 (administrative amendments)
Signature:
Name: Wayne Andrews

1 Purpose and application

- (1) These procedures apply to:
- (a) the creation, processing and authorisation of journals in the finance system general ledger; and
 - (b) all University staff and affiliates.

2 Commencement

These procedures commence on 17 July 2020.

3 Interpretation

account code means a finance system code with three mandatory elements:

- a classification code;
- a responsibility centre code; and
- a project or grant code.

ad hoc approver means a journal approver selected by the first approver.

affiliate has the meaning given in the [Staff and Affiliates Code of Conduct 2021](#), which at the date of this policy is:

means a person appointed or engaged by the University to perform duties or functions on its behalf, including but not limited to:

- an honorary title holder engaged under the Honorary Titles Policy 2013;
- a consultant or contractor to the University; and
- an office holder in a University entity, a member of any University committee, board or foundation.

An affiliate is not an employee of the University.

automated journal	means journals that are generated from other financial applications or interfaces, including but not limited to accounts payable, accounts receivable, procurement and payroll systems. The processing of these journals is scheduled and controlled by ICT.
BOA	means business operations area.
first approver	means a journal approver listed as first BOA journal approver in PeopleSoft.
general ledger	means the master ledger in the finance system.
GST indicator	means the value added tax transaction types and codes specified in the Tax GST Guide under Accounting for the GST in the University's Finance System: General Ledger System.
ICT	means the University's Information and Communications Technology professional services unit.
journal	means an internal financial transaction used to make a transfer or adjustment in the general ledger.
manual journal	means a journal that is requested by a department or unit and entered manually into the finance system general ledger.
PeopleSoft	means the University's financial management system.
reviewer	means a journal reviewer selected by the journal approver to receive information about the journal. The reviewer does not approve the journal.
second approver	means a journal approver listed as a BOA approver in PeopleSoft, other than a first approver.
spreadsheet journal	means a journal that is requested by a department or unit and uploaded by spreadsheet application to the finance system general ledger.

4 General information

- (1) There are three types of journals:
 - (a) manual journals;
 - (b) spreadsheet journals; and
 - (c) automated journals.
- (2) BOAs in the general ledger are used to identify the source of journal entries. Manual journals use journal source T01, T02, T03 or T04.

Note: Further information is available in the user guides on the [finance staff intranet](#).

5 Manual and spread sheet journals – responsibilities of journal preparers

- (1) The person preparing the journal should enter the journal directly into PeopleSoft general ledger either manually or through the spread sheet application.

Note: Instructions for data entry into journals of the general ledger are available at [PeopleSoft eLearning modules](#). The spread sheet application is available at [PeopleSoft journal entry spread sheet](#).

- (2) Each online journal entry must contain the following information.

- (a) Description: the generic description of the journal entry.
- (b) Business unit: 'UNSYD' (by default).
- (c) Journal source: a three-character code used to identify workflow approval of the journal.

Note: Refer to [Journal Source Code Usage](#).

- (d) Journal class: the reason for the journal.

Note: Refer to [Journal Class Codes Guidelines and Usage](#).

- (e) Journal ID: a system-generated, ten-character number displayed after the journal is entered.
- (f) Journal date: the system-generated date of the journal, which determines the accounting period.
- (g) Accounting period: the period or month of the year that the journal will be posted, which is system-generated based on the journal date.

- (h) Ledger group:

- (i) 'ACTUALS' for financial transactions that affect the general ledger;
- (ii) 'ADJUST' for revenue accounting transactions that affect the general ledger;
- (iii) 'AWARD' to define internal and external grants to the project, where applicable;
- (iv) 'COMM' for future commitment transactions;
- (v) 'LIMIT' for spending limit transactions by class and project code; or
- (vi) 'UNTREG' for investment and unitisation transactions.

- (i) Attachment(s) for manual journals: all documents supporting the journal which must clearly explain the reason for the journal and the basis of the journal entry.

Note: To take advantage of all functionalities of PeopleSoft, use Google Chrome browser. Attachments can be pdf, jpg, word, excel, or email.

- (j) Journal entry page: transaction details of the journal including the account code and financial details. When completing this page:

- (i) amounts must be in Australian dollars and cents;
- (ii) there must be an indication that the line amount is debit or credit;
- (iii) the journal must balance (i.e. debits must equal credits);
- (iv) there must be a line item description (up to 30 characters including spaces); and



- (v) there must be a GST indicator.

Note: Account code details must be active, and combinations must be valid. Internal transfer transactions must use the correct matching classifications. Please refer to the University's [Chart of Accounts web page](#).

- (3) Where relevant, a journal entry must also contain the following:
 - (a) adjusting entry: a field to be ticked if the journal relates to a year-end adjustment. Financial Control and Treasury unit must approve all year-end adjustments;
 - (b) journal reference number (optional): an eight-character code entered by the journal preparer;
 - (c) reversal: an option to be ticked for accrual journals that need to be reversed in a future period.
- (4) Before submitting a journal entry for processing, the journal preparer must be satisfied that:
 - (a) all supporting documents are attached;
 - (b) the long description accurately reflects the reason and purpose of the journal;
 - (c) the correct journal source code and journal source description are selected;
 - (d) the journal entries and journal line descriptions are correct;
 - (e) the journal is edit checked;
 - (f) the journal status and budget status indicators show "V" (valid); and
 - (g) the correct BOA is selected on the approver page.
- (5) The journal preparer should only submit manual journals for approval when all conditions specified in subclause 5(4) are met.
 - (a) The journal preparer is also responsible for reviewing and amending the journal transactions if the approver does not approve the journal.
 - (b) The journal preparer must follow up the approver if a journal has not been approved within three working days.

6 Manual and spread sheet journals – responsibilities of journal approvers

- (1) All manual journals submitted are automatically routed to the relevant approver(s) for authorisation, based on the BOA of the journal preparer and the journal source.
- (2) The first approver is responsible for:
 - (a) reviewing the journal entry and supporting documentation to ensure the appropriateness of the transaction;
 - (b) approving or rejecting the journal within three working days;
 - (c) adding a second approver if the journal source is T03 or T04; and
 - (d) adding an ad-hoc approver or reviewer if required, irrespective of the journal source.



- (3) A second or ad-hoc approver is responsible for:
 - (a) reviewing the journal entry and supporting documentation to ensure the appropriateness of the transactions;
 - (b) approving or rejecting the journal within five working days of receiving the notification; and
 - (c) adding another ad-hoc approver or reviewer if required, irrespective of the journal source.
- (4) Before approving a journal, an approver must be satisfied that:
 - (a) the supporting documentation is appropriate and sufficient; and
 - (b) the journal has the correct:
 - (i) accounting period;
 - (ii) long description and line description;
 - (iii) journal class; and
 - (iv) BOA.
- (5) Where a first approver has referred a journal to a second or ad-hoc approver, it is the responsibility of the first approver to inform the second or ad hoc approver that the journal must be approved within five working days and follow up if it is not approved.

7 Automated journals - responsibilities

- (1) ICT is responsible for:
 - (a) scheduling the processing of the automated journals including:
 - (i) loading the data;
 - (ii) generating the journals; and
 - (iii) editing and posting transactions into PeopleSoft.
 - (b) monitoring and notifying Financial Control and Treasury of any processing errors.
- (2) Financial Control and Treasury is responsible for:
 - (a) taking action on processing errors notified by ICT;
 - (b) investigating any exceptions; and
 - (c) working with ICT to improve journal posting processes.

8 Month-end responsibilities

- (1) Journal preparers in each BOA are responsible for running PeopleSoft queries to identify any journals that have not been posted and taking action to resolve such issues prior to the month end close.
- (2) Financial Control and Treasury are responsible for:
 - (a) reviewing unapproved journals and following up first and second approvers;
 - (b) running PeopleSoft queries to identify any journals that have not been posted and taking action taken to resolve issues prior to the month end close.

- (c) deleting unapproved journals in consultation with the journal preparers;
 - (d) ensuring approved journals are posted in the finance system in a timely manner;
- and
- (e) providing assistance to staff in the preparation and approval of journals.

9 Rescissions and replacements

This document replaces the Financial Journal Procedures 2015 which commenced on 3 June 2015, and which are rescinded as from the date of commencement of this document:

NOTES

Financial Journal Procedures 2020

Date adopted: 17 July 2020

Date commenced: 17 July 2020

Date amended: 22 February 2024 (administrative amendments)

Administrator: Director, Financial Control and Treasury

Review date: 17 July 2025

Rescinded documents: Financial Journal Procedures 2015

Related documents:

[Tax GST Guide](#)

[PeopleSoft eLearning modules](#)

[PeopleSoft journal entry spreadsheet](#)

[Journal Source Code - Types, Criteria and Usage Guide](#)

AMENDMENT HISTORY

Provision	Amendment	Commencing
6	Amended definition for 'affiliate'	22 February 2024
6	Replaced 'Code of Conduct – Staff and Affiliates' with 'Staff and Affiliates Code of Conduct 2021'	22 February 2024