

TIPS FOR MAKING JOURNAL ENTRIES IN THE 998 ADJUSTMENT PERIOD

The 998 adjustment period allows for the entry of accrual, adjusting and correcting journal entries which were not entered in the applicable module before close of the month of June. When making adjusting journal entries follow the tips and guidelines listed below to ensure that these entries have the impact on your financial records that you intended.

Journal Date for Adjusting Entries

The Journal Date is defined on the initial journal entry set up page and dictates the accounting period the journal is posted. For Journals entered in the 998 Adjustment Period the journal date should be **06/30/xxxx**. **This will insure that your journal impacts the current fiscal year and current budget year (as this date will default in for budget date on the lines). If you wish to affect a prior budget year refer to the Budget Date write up below.**

The screenshot shows the 'Create Journal Entry' page from the State Accounting Office (SAO) system. The page title is 'FSVOLTST'. There are navigation links for 'Home', 'Add to Favorites', and 'Sign out'. Below the title, there are two tabs: 'Find an Existing Value' and 'Add a New Value'. The 'Add a New Value' tab is selected. The form contains the following fields: 'Business Unit' with the value '40000', 'Journal ID' (empty), and 'Journal Date' with the value '06/30/2008'. A red box highlights the 'Journal Date' field. A callout box with a black border and white background points to the 'Journal Date' field, containing the text: 'The system defaults the Journal Date to the current date. Change to 06/30/xxxx to insure that the monetary effect of your journal impacts the current year's budget.' There is an 'Add' button at the bottom left of the form.

Designating Journal Entry as An Adjusting Entry

A journal entry is designated as an adjusting entry by selecting that option on the Journal Header page. When entering the journal criteria on the initial entry page, enter a journal date of 06/30/xxxx. Because the journal date determines the accounting period the journal will post, the Journal Header page displays with a 12 in the period field. Once you select Adjusting Entry the period is systematically recalculated and the field is populated with the adjustment period 998.

SAO STATE ACCOUNTING OFFICE FSVOLTST

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Header Lines Totals Errors Approval

Unit: 40000 Journal ID: NEXT Date: 06/30/2008

Long Description: [Text Box]

*Ledger Group: ACTUALS [Search] Auto Generate Lines

Ledger: [Text Box] [Search] Adjusting Entry: Non-Adjusting Entry [Dropdown]

*Source: MAN [Search] Fiscal Year: 2008

Reference Number: [Text Box] Period: 12 [Search]

SJE Type: [Dropdown] ADB Date: 06/30/2008

Journal Class: [Text Box] [Search] Save Journal Incomplete Status

Transaction Code: DEFAULT

The Journal Header page displays with Period 12 because the journal date is 06/30/xxxx.

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Header Lines Totals Errors Approval

Unit: 40000 Journal ID: NEXT Date: 06/30/2008

Long Description: [Text Box]

*Ledger Group: ACTUALS [Search] Auto Generate Lines

Ledger: [Text Box] [Search] Adjusting Entry: Adjusting Entry [Dropdown]

*Source: MAN [Search] Fiscal Year: 2008

Reference Number: [Text Box] Period: 998 [Search]

SJE Type: [Dropdown] ADB Date: 06/30/2008

Journal Class: [Text Box] [Search] Save Journal Incomplete Status

Transaction Code: DEFAULT

The period is recalculated once Adjusting Entry is selected.

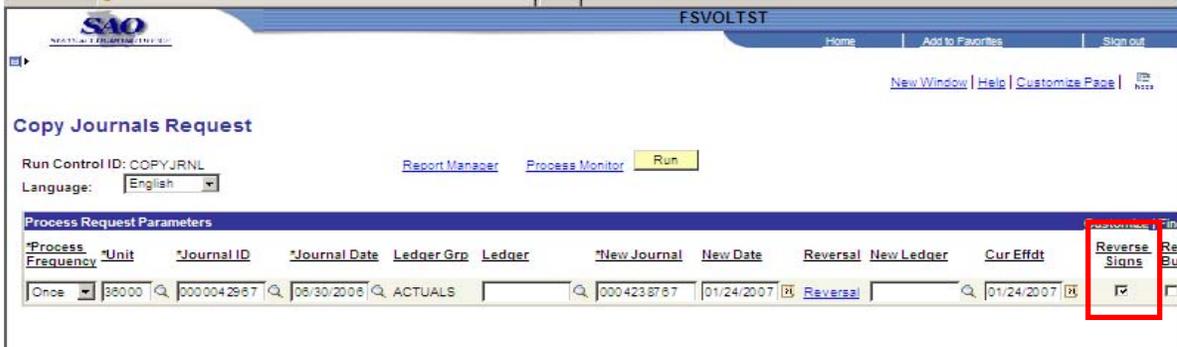
Budget Date

The Budget Date defines the Budget Period the entry impacts. When entering a journal the Journal date defaults in the Budget Date field on the Journal Lines page. If you need to affect a prior year's budget, you **must** change the **budget date** to a date within the year you want to affect. (i.e. to impact Budget Year 2007 in Fiscal Year 2008, enter 06/30/2007 in the budget date field on the journal lines page).

Accrual entries posted in the 998 adjustment period typically will be reversed in the subsequent Fiscal year and the transaction entered in the applicable module using the prior year budget date. The system provides the two methods listed below that can be used to accomplish this.

Copy Journal with Reverse Signs

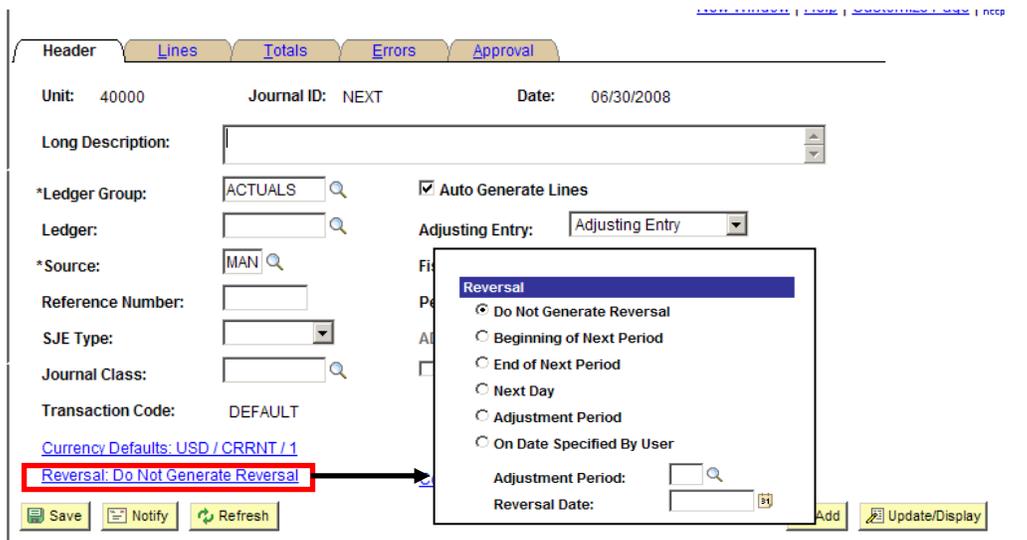
Copy journal function copies the original journal under a new Journal Id and Journal Date specified by the user. It further allows you to reverse the original journal by selecting the **Reverse Sign** check box on the copy journal set up parameters page.



Select the Reverse Signs Checkbox to reverse an accrual entry in the subsequent Fiscal year.

Reversal Journal Entries

To create a Reversing Journal Entry click the Reversal Link on the Journal Header page and select your preferred option. The Reversal Journal will be systematically created as an exact replica of the original entry with a Valid Budget and Journal Status; **therefore it cannot be altered by the user.**



Click the link; then select the reversal option.

During the 998 adjustment period, due care should be given to the Reversal option selected. The below table lists the implications associated with the most applicable reversal options during the Adjustment Period 998.

Reversal Option	
Beginning of Next Period	<p>This option creates a reversing entry dated the first day of the next accounting period.</p> <p>In order to allow adequate time for all transactions applicable to a Fiscal/Budget Year to be recorded in the subsidiary module, the June accounting period is extended two (2) weeks into the month of July; therefore the adjustment period is not open until period 12 is closed. When entering an adjusting journal in period 998, if you select the Beginning of Next Period reversal option, the reversal journal will be dated July 1st.</p> <p>If this option is used care should be given when ordering the Program Budget Comparison Report to check the Match Fiscal Year checkbox to ensure that entries for the next Fiscal Year are excluded. This will exclude the reversal journals.</p>
End of Next Period	<p>Creates a reversing entry dated the last business day of the next accounting period.</p> <p>When entering an adjusting journal in period 998, if you select the End of Next Period reversal option, the reversal journal will be dated July 31st.</p> <p>If this option is used care should be given when ordering the Program Budget Comparison Report to check the Match Fiscal Year checkbox to ensure that entries for the next Fiscal Year are excluded. This will exclude the reversal journals.</p>
On Date Specified by User	<p>This option creates a reversing journal with a journal date you select.</p> <p>If this option is selected you can specify a date that is after the Fiscal Year Close. The Match Fiscal Year checkbox should still be used when ordering the Program Budget Comparison Report.</p>

Encumbrance Journal Entries

Effective Fiscal Year 2008, Encumbrance Journal Entries should no longer be created. (Do not click the Commitment Control Link and select Encumbrance)



Instead Accrual entries for Purchase Orders should be made as a regular journal entry with the offset account of 200011 (Accounts Payable-Encumbrance Payable).