FINANCIAL MANAGEMENT GUIDELINES

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SIGNATURE LIST

f   The Master Signature List allows authorized personnel the ability to charge against their budget code(s) at University service areas, including travel.

  f   Must be a University employee in order to be authorized on the list.

  f   Users can be restricted to certain areas, for example: restricted to Bookstore purchases only.

  f   Form to add authorized signers located on the Office of Finance web site at the following link:

  f   http://www.odu.edu/content/dam/odu/offices/finance-

SUBACCOUNT CODING

f   Subaccount codes can be found in Banner on FTVACCT. There are also listings of revenue and expenses with brief descriptions of each code listed on the Budget Office's web site at the following URL: http://www.odu.edu/facultystaff/university-business/budget/resources

f   Please note that our chart follows the same structure and coding as the Commonwealth of Virginia's listing of approved accounts. Users will need to choose the subaccount that **best matches** each transaction. Miscellaneous or skilled services codes should be used if no other exact match exists.

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BUDGET ADJUSTMENTS

- Budget Adjustments:
  - Budget adjustments are used to   increase, decrease or transfer budgeted funding among line-items and/or budget pools within a single budget code or between one or more budget codes.

  - Budget adjustments can move funds   to another budget in order to support conferences, special events, etc.

  - Budget Adjustment forms can be found on the Budget Office web site at the following link:

    http://www.odu.edu/content/dam/odu/offices/budget-office/docs/RequestforNewBudgetUnitrev9-27-11.pdf

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INTERDEPARTMENTAL TRANSFER REQUESTS

Interdepartmental Transfer Requests (IDTs) – standard accounting entry form to record debit and credit transactions (transfers/corrections)to Banner

- Interdepartmental Transfers move year-to-date funds between budget codes in order to record charges incurred, correct posted charges or to reimburse another budget.

- All coding for debit and credit sides must be complete – organization (budget) code, subaccount code, amount

- Subaccount Pool accounts are **NEVER** used on an IDT – these are for budget adjustments only (examples: 4999, 6999, 7999, 9899)

- All support must be present – explains reason for doing the transfer/correction and MUST include proper Banner support for any unusual balances (see section on Unusual Balances)

- Explanation must be complete and should include any Banner document code referenced when correcting/adjusting a previously posted transaction

- IDT forms can be found on the Office of Finance website at the following link:

    http://www.odu.edu/content/dam/odu/offices/finance-office/docs/idt-form.pdf

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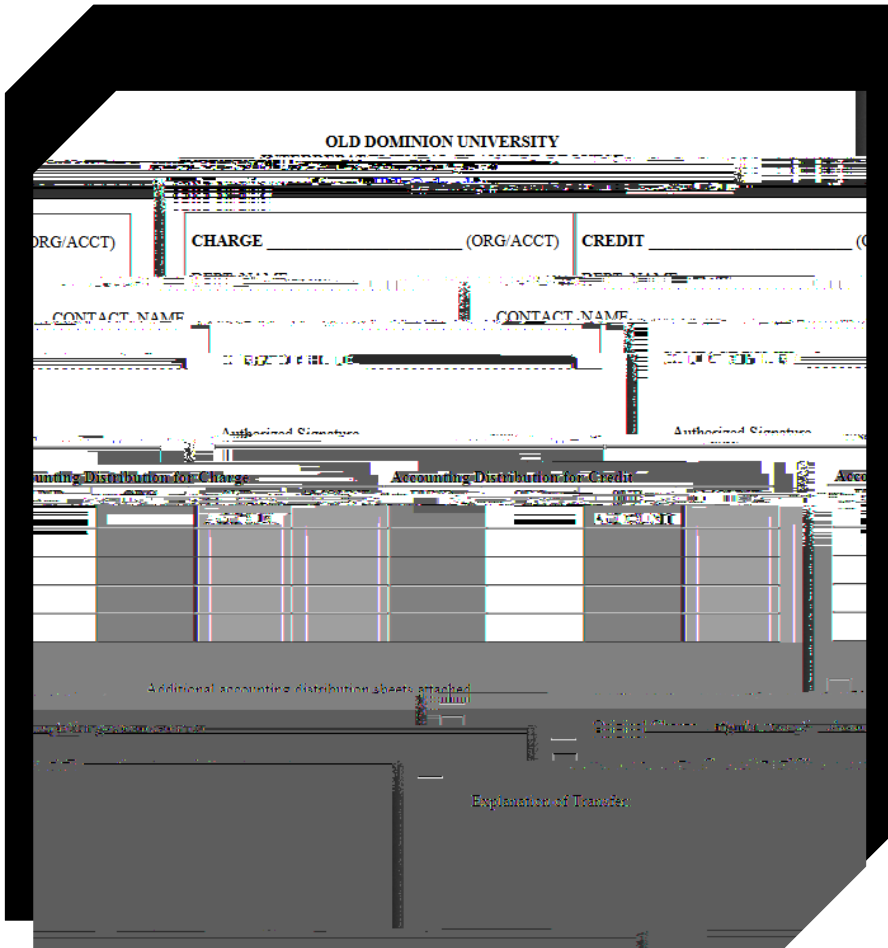
UNUSUAL BALANCES

f   Unusual balances in Banner are caused by transactions that post using an opposite sign for the account type

f   Credits to expenses and debits to revenues are examples of unusual balance transactions

f
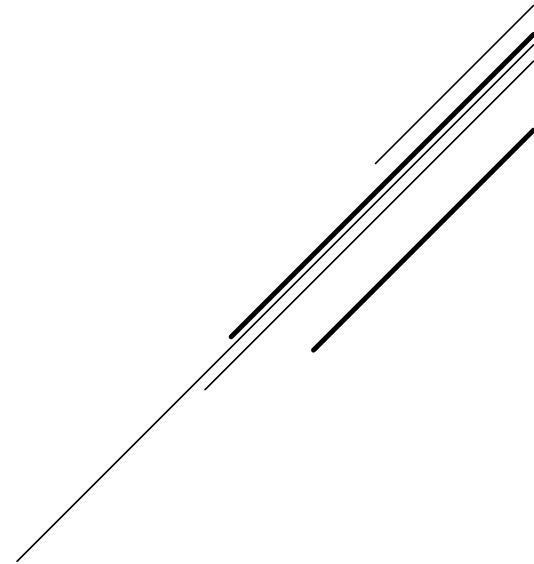
C54m 0 0 mo6ECTIONS/RESEARCH
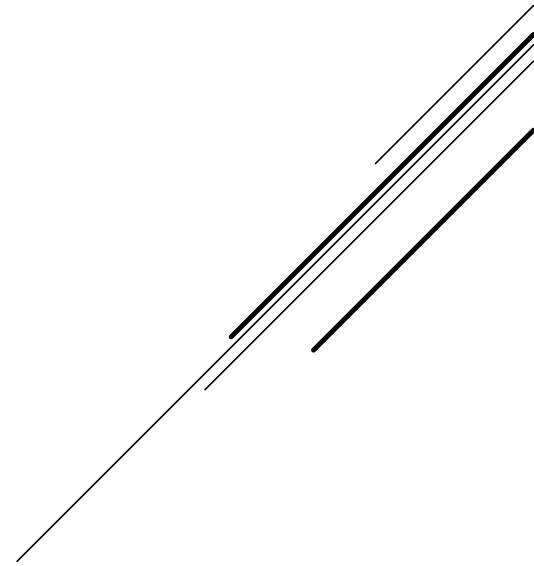
CORRECTIONS/RESEARCH (CONT'D)

IDTs

- Can be prepared for
    - Accounting entries
    - Transaction corrections
    - Transferring charges (reimbursing)
- All fields for accounting distribution must be completed
    - Charge and Credit information (funon c.5TjeC.527 -5requamcoutD)

ACCRUAL ENTRY ACCOUNTING

Accrual accounting

f   Revenues are recorded when they are earned

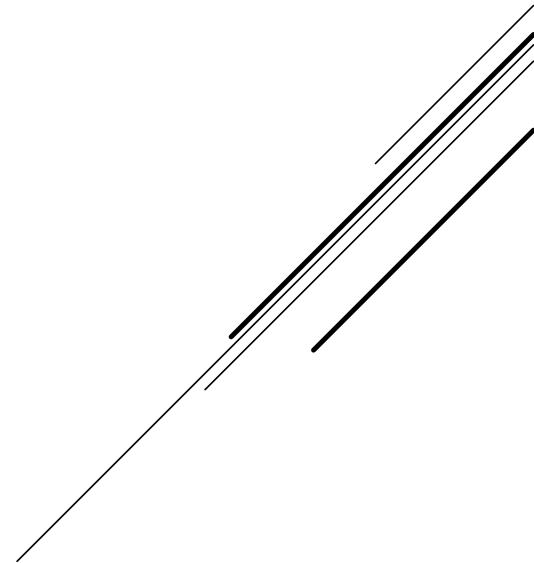f   Expenses are recorded when they are incurred

f   The date that goods/services are received determines FY

   f   Items received on or before June 30 – current FY

   f   Items received on or after July 1 – new FY

f   Accrual entries are processed AFTER cash is closed on 6/30 and are reversed in the new year, which net with the actual charge or deposit

f   Departments must review budgets daily in Banner

   f   Ensure you request corrections by deadline on FY closing calendar

   f   Pay attention to plus/minus transaction signs on FGITRND

f   Office of Finance must begin preparing financial statements as required by the State

ACCRUAL ENTRY ACCOUNTING (CONT'D)

f   Example 1 - shows a PCARD (SPCC) purchase card or RGH purchase that took place on 6/28/17. Charges do not appear on bank report until 7/06/17. Accounts Payable processes entry during accrual period as follows (assumes 1CL00 budget purchased against 6002 supplies for $250 – paid to 1GA10). **AP paid invoice in June**.

   f   FY17

   f   Debit   **1CL00 – 6002** $250

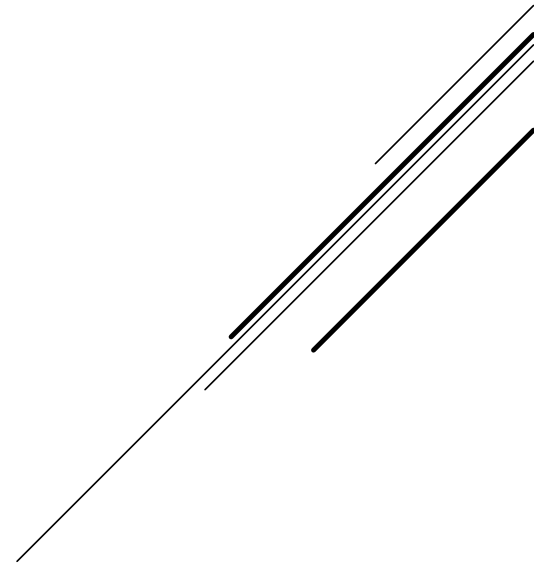   f   Credit   011001 – 1701 $250   "Due to" accrual

   f   Credit   1GA10 – 6101 $250

   f   Debit   011001 - 0901 $250   "Due from" accrual

   f   Document processed with "IV" document number

   f   f

ACCRUAL ENTRY ACCOUNTING (CONT'D)

f Example 2 – shows a PCARD purchase that took place on 6/28/17. Charges do not appear on bank report until July. Accounts Payable processes entry during accrual period as follows (assumes 1CL00 budget purchased against 6001 supplies for $500 – paid to 1GA10). AP paid invoice in July new fiscal year.

- f Debit   **1CL00 - 6001** $500
- f Credit   011001 - 1004 $500   Payable
- f Document processed with "IV" document number
- f FY18
- f Debit   011001 - 1004 $500   Payable reversal
- f Credit   **1CL00 - 6001** $500
- f Document processed again with "J" document number to reverse the prior year entry
- f FY18
- f Debit   **1CL00 – 6001** $500
- f Credit   1GA10 – 6101 $500
- f Document processed with "IV" document number to **net budgets to zero** and process the cash entry

ACCRUAL ENTRY ACCOUNTING (CONT'D)

f **MANUAL ACCRUAL LISTS**

f Middle to late July – manual accruals are posted to Banner

   f Batches represent charges or deposits not processed by June 30 or by the AP, AR or PR keying deadlines

   f Transactions are necessary to hit the proper budgets for ending fiscal year

   f Accrued to the budgets for the correct fiscal year earned or incurred

   f Accounts Payable, Accounts Receivable and Payroll all process transactions for these manual accrual lists

      f Posted to Banner on journal entries and have a **"J##" document** identifier

   f Monitor daily to review and reconcile these transactions

ACCRUAL ENTRY ACCOUNTING (CONT'D)

f Example: Manual AP Invoice Charge Accrual

    f Charge to 6CL06-5301 for $85.00; invoice received in AP after keying cutoff but charge applies to FY17

        f FY17 Entry

        f Debit   **6CL06 - 5301** $85.00

        f Credit   047101 - 1004 $85.00   Payable

        f FY18 Entries

        f Debit   047101 - 1004 $85.00   Rev. Payable

        f Credit   **6CL06 - 5301** $85.00

        f Debit   **6CL06 - 5301** $85.00   Invoice Payment

        f Note that the net effect on the budget in FY18 is zero. The accrual reversal nets with the actual payment so that only prior year is charged. The payable entries also net to zero in new year so that only cash is changed.

ACCRUAL ENTRY ACCOUNTING (CONT'D)

f   Example: Manual AR Library Fines Deposit

    f   Funds for library fines are not received until after June 30; **revenue applies to June**

        f   FY17 Entry

        f   Debit   011001 - 0261 $50.00   Receivable

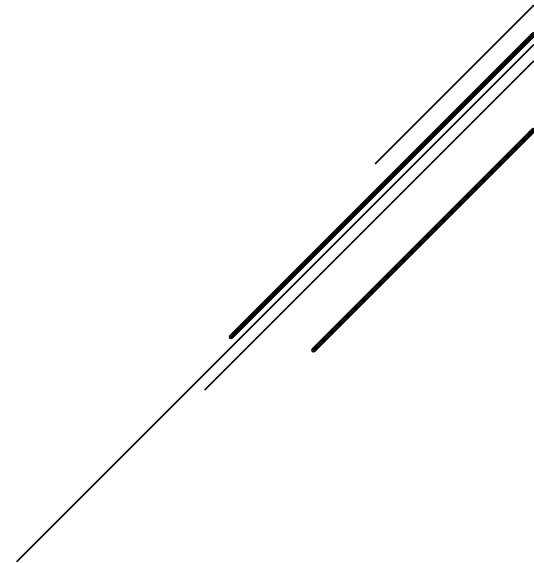   f   Credit   **1RV01 - 3745** $50.00

        f   FY18 Entry

        f   Debit   **1RV01 - 3745** $50.00

        f   Credit   011001 - 0261 $50.00   Receivable

        f   Credit   **1RV01 - 3745** $50.00   Deposit

        f   Note that the net effect on the budget in FY18 is zero. The accrual reversal nets with the actual deposit so that only prior year is credited. The receivable entries also net to zero in new year so that only cash is changed.
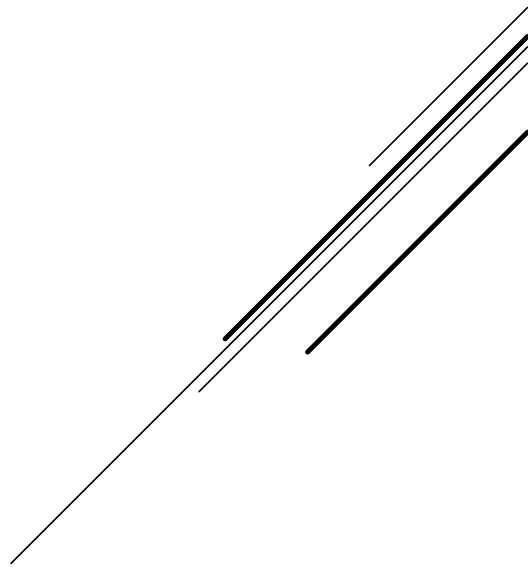
REPORTING TOOLS (CONT'D)

ƒ E-Print

ƒ Year-End -run once monthly except for June reports

    ƒ July 1 – initial run showing all transactions posted through June 30

        ƒ Posting continues in early July until internal keying cut-off

        ƒ Departments need to adhere to all FY Closing deadlines

    ƒ

REPORTING TOOLS (CONT'D)

Insight Budget Reporting

ƒ Refreshed daily between midnight and 6am

- ƒ Picks up changes from last refresh
- ƒ Reports reflect **yesterday's** transactions

ƒ Must have **FIN_EVERYONE** access to all budgets you wish to access

ƒ Point of Contact – University Budget Officer

ƒ Reports can be saved in PDF or Excel

ƒ Reports can be scheduled to run on specific dates/times

ƒ Reports can be e-mailed for easy distribution

INTERNAL CONTROLS/FRAUD

University Policy 3003

f Upon discovery of information or circumstances suggesting fraud or misuse of University property or funds, the individual should contact either the State Employee Fraud, Waste, and Abuse Hotline or the Internal Audit Department. The individual may also contact the Department of Human Resources, the Old Dominion University Department of Public Safety, Office of Finance and University Counsel. When fraud, or circumstances suggesting fraud, is reported to any of these offices, the other offices should be contacted in a timely manner to inform them of the situation if warranted.

University Policy 3010

f Department management is responsible for monitoring internal controls to ensure that they exist and are operating effectively.

RESOURCES

f Banner Hotline – bannerhotline@odu.edu

f Linda Meyers, Finance Systems Manager
   Office of Finance
   757-683-3279, lmeyers@odu.edu

f Terria McNeil, Data Control Fiscal Technician
   Office of Finance
   757-683-3257, tmcneil@odu.edu