GT Accounting Basics

Journal Entries Examples
Journal Entry Problem 1: Correcting Account Codes

Here's a note we've found stuck to our monitor:

Hey,

I charged $130 on the P-card back in February I think around the 11th. I think it was on project 1801215. That really should be charged to other miscellaneous expenses. Can you do the journal entry ASAP to move this for me?

Thanks —

The Boss

Step 1: Verify the information. To verify, you would need to run an expense ledger for Project 1801215. We know the P-Card account is 714150. Verify the charge is on the ledger.

Step 2: We have verified the charge is on the ledger, charged to 714150. The Boss wants us to move the amount to Miscellaneous Expense. We can look up the account by the description that we reviewed earlier in the manual.

Step 3: Now let's prepare the journal entry.
RE: Attached Complete Supporting Documentation

<table>
<thead>
<tr>
<th>BUDGET PERIOD</th>
<th>PSOFT PROJECT #</th>
<th>ACCOUNT NUMBER</th>
<th>CAMPUS REF</th>
<th>VOUCHER/OTHER REF</th>
<th>VENDOR ID</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Totals

Prepared by: ___________________________  Approved By: ___________________________
Title: ______________________________  Title: ______________________________
School or Department: ___________________________  School or Department: ___________________________
GT Accounting Basics

Journal Entry Example 1 Answer
Charges originally on P-Card Account 714150. Need to reclassify as Other Miscellaneous Expense:

RE: Attached Complete Supporting Documentation

<table>
<thead>
<tr>
<th>BUDGET PERIOD</th>
<th>P-Soft PROJECT #</th>
<th>ACCOUNT NUMBER</th>
<th>CAMPUS REF</th>
<th>VOUCHER/OTHER REF</th>
<th>VENDOR ID</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>1801215</td>
<td>714150</td>
<td>1804000877</td>
<td></td>
<td></td>
<td>-130.00</td>
</tr>
<tr>
<td>2004</td>
<td>1801215</td>
<td>727900</td>
<td>1804000877</td>
<td></td>
<td></td>
<td>130.00</td>
</tr>
</tbody>
</table>

Totals

Prepared by: ____________________________  Approved By: ____________________________

Title: ____________________________  Title: ____________________________

School or Department: ____________________________  School or Department: ____________________________
JOURNAL ENTRY PROBLEM 2: Correcting Account Codes

We get back to our desk to find the following:

\[
\text{Oops! GT REF 7670000044 was charged to the wrong account code. It should have been put in the small value equipment group. Could you make the change?}
\]

Thanks!

The Boss

All we have been supplied with is the GT Campus Reference. There are a couple of ways to track down where this charge posted.

1. You could go through all your copies of invoices searching for that Ref.
2. You could look up the Campus Ref on the AP look up page.
3. You could look up the Campus Ref on Ad-Hoc Query

We can’t go over option 1 – filing invoices and PO’s is unique for each department. But we can see how to electronically look up this information in class – you may find that it is more efficient to do it this way!
Looking Up Campus Ref's on the AP web Page:
1. Navigate to the GTASC web page.

2. Under the Financial Admin tab, click on Reports

3. Select the first report, "Invoice Payment Inquiry"
4. From the options, enter the Ref in the Campus Ref Id field

5. Select the Campus Ref by clicking on the number
6. Sometimes, a Campus Ref will have multiple Vouchers. In this case, we have only one. Click on the voucher number.

7. This screen will give you the accounting, requesting and Vendor info.

The accounting information is in the bottom section. Here’s where we will find the Project and Account number charged.
We can also look up the information on the Ad-Hoc Reporting Tool.

1. Scroll down the Ad-Hoc Query Page to the Campus Ref field. Input the Campus Reference number. Submit the query.

2. The query shows us that the campus reference was charged to 7671127 and account 818300. However, this query (since we are pulling from the Database) shows us that there is some activity to 714100 for this Ref. We need to run an Expense to verify that the charge.

Run the Expense Ledger with Selection Criteria Report for project 7671127 and account code ranges 700000 through 890100.

A journal entry has already been made to move this amount. Since this amount has been removed from the 818300 account, WE CAN NOT do a journal entry to this account. If we did, there would be a deficit balance to this account.

Flip to 714100 account section to see where the amount was moved.

Accounting Services has moved this charge to supplies. Reviewing the Invoice and the amounts, we can see that this equipment meets the requirements for supplies and NOT equipment or small value equipment items.

What we have learned: DO NOT move a charge before reviewing it on the ledger. You do not know if another unit has corrected it!!!
Journal Entry Problem 3: Billing other GT Units

Here's an email we got at 4:59:

Hi! I know it's late, but I need to make sure we bill for the use of our conference room. Accounting Services used our room in March for their annual staff party – we need to charge them $120 for the use of the room.

Let me know if I need to sign anything.

Thanks! Oh, and I'd like it done yesterday.

The Boss

This is an example of an Internal Departmental Sale. At Georgia Tech, we can bill and post revenue internally. To do this, there are a couple of things we need to understand: First, we do NOT bill Georgia Tech Departments through Accounts Payable. We also need to make sure that we have a Departmental Sales and Service (DSS) Project established and revenue account. If we need a DSS project, we can request it through the Budget Office. In this scenario, we will say our DSS project is 10046779.

Once we have our DSS project established, we can bill the internal unit. Here are the steps:

1. Send the unit you are billing an email/campus mail invoice. This does not have to be fancy; just enough information to remind them of the charge and that it will be expensed on their ledger.
2. You will also need to request a Project number and account code from the unit being billed to charge the expense. The unit must give you a valid PeopleSoft project number and expense account code. You can check both on the online lookup.
3. Determine your DSS Revenue Account. For this example, use 459000.

Let's say that Accounting Service replied to our email and told us to charge project 7631123 and account 719400 (room rentals).

Prepare the journal entry.
### Journal Entry Form

**Description:**

(17 Characters Max)

---

**For Business Office Use Only**

- Entered By:
- Effective Date:
- Journal Entry No.:

---

**RE:** Attached Complete Supporting Documentation

<table>
<thead>
<tr>
<th>BUDGET PERIOD</th>
<th>PSOFT PROJECT #</th>
<th>ACCOUNT NUMBER</th>
<th>CAMPUS REF</th>
<th>VOUCHER/OTHER REF</th>
<th>VENDOR ID</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Totals**

0.00

---

**Prepared by:**

**Title:**

**School or Department:**

---

**Approved By:**

**Title:**

**School or Department:**