

Journal Entries

ROWAN UNIVERSITY POLICY

Title: *Journal Entries*

Subject: *Accounting Services*

Policy No: *FIN: 2014:02*

Applies: *University-Wide*

Issuing Authority: *President*

Responsible Officer: *Senior Vice President for Finance and CFO*

Adopted: *07/01/2014*

Last Revision: *04/06/2022*

Last Reviewed: *11/30/2022*

I. PURPOSE

The purpose of this policy is to provide guidance to ensure journal entries are entered properly and accurately reflect transactions resulting in data for financial statements which comply with generally accepted accounting principles (GAAP), the government accounting standards board (GASB), and the financial accounting standards board (FASB).

II. ACCOUNTABILITY

Under the direction of the Senior Vice President for Finance and CFO, the Assistant Vice President and Controller shall implement this policy. Each department, including the Accounting Services Office, Grant Contract Accounting (GCA), Bursar's Office, Payroll Office, and the Budget Office that prepare, post, approve and file entries will ensure compliance with this policy.

III. APPLICABILITY

This policy applies to all employees of the University who are involved in any financial activity on behalf of the University.

IV. DEFINITIONS

1. *Journal Entries:* Journal entries for the purpose of this policy include all journals generated using Banner Finance Rule Classes JE15 (General Journal Entry Intra-Fund), JE16 (General Journal Entry Inter-Fund), and JEZG (Grant Office Journal Entry). JDCA (General Journal Entry DCA only), CR05 (Cash Receipt Entry), CDZ1 (Cash Disbursement), DCSR (Direct Cash Receipt)

V. REFERENCES

1. [State of New Jersey Records Manual](#)

VI. POLICY

1. The Assistant Vice President for Finance and Controller has the responsibility for overseeing the operation and maintenance of the accounting system. The accountable departments listed above have responsibility for processing transactions via automated upload or by manual journal entries..
2. Journal entries are recorded to ensure financial activity within Rowan University is reflected in the general ledger accounts that comprise the University's financial records in accordance with GAAP and GASB.

3. Journal entries can be entered into the Banner Finance system through automated upload or by manual process completed by an individual.
4. Journal entries must contain sufficient supporting documentation and follow the review/approval process described below.
 - a. Supporting Documentation
 - i. Journal entries will be supported by accurate and appropriate documentation that supports the complexity of the transaction.
 - ii. A journal entry based on confidential information includes supporting documentation that indicates the confidential nature of the information and the name of the person responsible for maintaining the information.
 - iii. Supporting documentation is auditable, well-justified, and maintained by the approving department.
 - iv. Journal entries prepared and posted should be approved by the respective authorized supervisor prior to filing and submitting to the Controller's unit.
 - b. Reviewing/Approving Managers will determine if Journal Entry support is appropriate in quality and quantity, and request additional information if needed. If the reviewing and/or approval officer discovers an issue with a Journal Entry, a reversing or correcting entry will be processed using the same approval process stated above.
 - c. Maintenance of Journal Entries
 - i. Journal Entries documents with appropriate support will be maintained by the Accounting Services Office for Journal Entries prepared or posted by both the Budget Office and the Accounting Services Office Staff.
 - ii. Journal Entries prepared in the Bursar's Office will be maintained by the Bursar's Office.
 - iii. Journal Entries prepared and posted by the GCA Office will be maintained by the GCA Office.
5. Access and authority to post journal entries to the Banner system is governed by security access granted through the Banner Finance Security Profile. To access the Banner Finance System to perform job duties, the department head should email a request for approval to finsecurity@rowan.edu. The e-mail should state:
 - a. The name of the person who is requesting access:
 - b. The title of that person:
 - c. The reason access is necessary:
 - d. The type of access needed:
 - i. Query or read only
 - ii. Posting (Requisition and Budget Transfer entry)
 - iii. Both
6. As a public university, Rowan follows the State of New Jersey Records Retention Policy, which includes journal entry documentation.