



FINANCE NOTES & NEWS

Volume 2, Issue 2

October 2002

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PO Accrual FAQs

Q: What is a PO accrual?

A: A PO accrual is a journal entry that records an expense for items received in one fiscal year when the voucher for payment is processed in the next fiscal year. The purpose is to record the expense in the correct fiscal year on the University's financial statements.

Q: What determines if a PO expense is accrued?

A: The PO Receiver must indicate that the item was received prior to September 1 and the expense should be a significant dollar amount. PO accruals for UH are normally greater than \$1,000.

Q: How does a PO accrual work?

A: The PO expense is debited in period 998 and reversed the following fiscal year. A PO voucher is processed in the new year to pay the vendor, which also debits expense. The debit to expense on the voucher is offset by the credit to expense on the accrual reversal for a net zero affect on expenses in the new year. The expense is recorded in the prior year as an accrual.

PO Accrual Example

Description	Fiscal Year	Expense	Accrual Liability (20104)	AP Liability (20100)	Cash (Bank)
Accrue Expense (Period 998)	2002	1,000.00	(1,000.00)		
Reverse Accrual	2003	(1,000.00)	1,000.00		
Post Voucher	2003	1,000.00		(1,000.00)	
Issue Payment	2003			1,000.00	(1,000.00)
Total		1,000.00	0.00	0.00	(1,000.00)

Q: Do PO accruals affect PO encumbrances?

A: No. PO accruals are processed on a journal entry, which has no impact on the PO encumbrance. The encumbrance is reduced when the PO voucher is processed.

Q: Who prepares PO accruals?

A: Accounts Payable prepares PO accruals for period 998. The accrual reversal is automatically reversed in the next fiscal year. When the invoice is received, Accounts Payable prepares the PO voucher to pay the vendor. Contact your Accounts Payable department for additional information.

How to check on a journal entry

General Accounting (GA) has a goal of a one-day turn around for Journal Entry (JE) requests. That means those requests received today are in PS before we leave tomorrow. Of course bank deposits are processed in the Cashier's office before coming to GA and are usually received the day after being deposited in the bank.

Many journals entered into PS cannot post because of cost center *Edit* errors or *Budget* errors. But you can still see your journal in PS using your departmental reference number, if you know where to look.

The PS navigation is:

Go ~ Process Financial Information ~ Process Journals

Use ~ Journal Entry ~ Header ~ Update/Display

Unit	Journal	Date	Sex	Status	Budget Check	Ledger Gp	Source
Click on 'Use Query' button							

PUBLIC.SRCHQRY.UHS_JRNLDL_XREF.Journals by Excel filename

Click 'OK'

Checking on a journal entry (cont)

Enter the Business Unit (usually 00730) and your departmental reference. Click OK and PS will provide a list of those journals with this reference number, whether posted or not.

Unit	Ref No	Journal	Date	Seq	Status	Budget Check
00730	H0173047	0000539590	2002-09-30	1	V	N

The 'V' in Status indicates that this document has passed edit checking
 The 'N' in Budget Check indicates that this document has not budget checked
 An 'E' in either place would mean there are edit or budget errors
 A 'P' in the Status would indicate that the document has posted

If you do not see your journal in PS and it is not posted to your cost center, you can call General Accounting to see if it has been received.

If your journal is in PS, but it has either Edit or Budget error(s), you can find out who to contact about the journal to help resolve the issue.

Double click on the entry to view the journal. Look in the Long Description section in the Journal Entry Header panel. GA is now including the initials of the staff person who entered the journal at the end of the description, along with the date entered. Check out the “Who’s Who in General Accounting” on page 5 to see who to contact.

If you are looking for your journal, check PS before calling GA. If your journal is in PS but has errors, check the list of most frequently found errors on page 5 to determine what you need to do to complete the entry.

Remember, it’s your Journal Entry ... help us get it posted!

How to Choose the correct account

It is important to choose the correct account when making payments or purchases. Since some accounts are used to identify state-controlled or capitalized assets, which are assigned a Property Management tag number, failure to assign the correct account may result in items not being tagged that should be tagged or tagging items that should not be tagged. The list below groups many of these assets by category, and includes some related accounts that are not controlled or capitalized.

PS Account	Microcomputers, Computers, and Computer Equipment
54355	Microcomputers, Servers, and Printers costing between \$500-\$4,999.99 per unit and that have a useful life of 1 year or more.
54358	Computer Equipment that cost less than \$5,000. (EXCEPT for microcomputers/printers costing between \$500 - \$4,999.99 per unit which should be assigned to PeopleSoft Account 54355.)

Note: The most common misclassification occurs when PeopleSoft Account 54358 is used to record the purchase of a personal computer, server, or printer. These items should be recorded using PeopleSoft Account 54355.

PS Account	Computer Parts, Furnishings, and Equipment
54359	Computer Parts/Furnishings that cost between \$0 - \$4,999.99.
58602	Computer Equipment that cost \$5,000 or more per unit and that has a useful life of 1 year or more.

PS Account	Computer Software and Operating Systems
53914	Computer Software that cost between \$0 - \$4,999.99, or that has a useful life of less than 1 year.
58604	Software that cost \$5,000 or more per unit and that has a useful life of 1 year or more.
58610	Computer Operating Systems that cost \$5,000 or more per unit and that has a useful life of 1 year or more.
58611	Database Software that cost \$5,000 or more per unit and that has a useful life of 1 year or more.

PS Account	Firearms, TVs, Cameras, VCRs, Fax Machines, Telecopiers, Furniture, Equipment, Tools, Etc.
54354	Firearms (all), Televisions, Cameras, VCRs, certain scientific equipment, etc., that cost between \$500 - \$4,999.99 and that have a useful life of 1 year or more.
54356	Fax Machines and Telecopiers that cost between \$500 - \$4,999.99 and that have a useful life of 1 year or more.
58601	Furnishings/Equipment costing \$5,000 or more per unit and with a useful life of 1 year or more.
54361	Tools, Furnishings, and Equipment that cost between \$0 - \$4,999.99, or that have a useful life of less than 1 year.
58605	Fabricated Equipment (component parts, materials) that cost \$5,000 or more in total, and that have a useful life of 1 year or more.

PS Account	Telecommunications Equipment
54360	Telecommunications Equipment that cost between \$0 - \$4,999.99. (EXCEPT Fax Machines and Telecopiers that cost between \$500 - \$4,999.99 which should be assigned to PeopleSoft Account 54356.)
58603	Telecommunications Equipment that cost \$5,000 or more per unit and that has a useful life of 1 year or more.

PS Account	Sculpture, Paintings, and Other Fine Art
54364	Sculpture, Painting, Other Fine Art that cost between \$0-\$4,999.99, or that has a useful life of less than 1 year.
58606	Sculpture, Painting, Other Fine Art that cost \$5,000 or more per unit and that has a useful life of 1 year or more.

PS Account	Vehicles
58600	Motor Vehicles
58607	Boats/Marine Equipment that cost \$5,000 or more per unit and that have a useful life of 1 year or more.

PS Account	LIBRARY USE ONLY - Books, Journals, Publications, Publishing Expenses, Film, Microfilm
58900	Books permanently retained. (Library use only)
58901	Journals, Serials, and Other Periodicals permanently retained. (Library use only)
58902	Binding and Prep Cost for permanently retained publications. (Library use only)
58903	Film or Microfilm Library. (Library use only)
58904	Electronic Library. (Library use only)

Steps to Create new department id

Creating a new department? HR and Budget have established written procedures for the process. The procedures and form have been distributed to the College Business Administrators, here is a brief overview and the web address for the form on the PS Finance website.

- 1) Initiator completes the Request for Chartfield Action-Department Form, <http://www.uh.edu/fast/financial/docs/PSGL009revA.pdf> and obtains the necessary signatures. Include in the explanation: the College or Division the new department reports to and the mail code for the Department. Submit form to David Ellis in Financial Reporting (Mail Code 0901).
- 2) Financial Reporting will assign and create a new FRS Department Code and forward the form to Sara Chelette in Human Resources.
- 3) Human Resources completes the HRMS Department Code Update, and assigns a new Department ID
- 4) Copies of the form are sent to Martha Tamez in Budget, Catherine Chan in Financial Systems and Carla Ponzio in HRMS
- 5) Budget creates the new Department ID in PS Financial, adds the Department to the Financial Tree and will forward a copy of the completed form to the initiating department.

Common Journal Entry Error Fixes

Here are the most common errors that will stop Journal Entries from posting in PS. Remember, your journal must pass EDIT check before it will try to BUDGET verify.

Insufficient Organization Budget: *Submit BAR to Budget Office*

Insufficient Proj/Grant Bud: *Consider another appropriate cost center*

Invalid Cost Center: *Provide valid cost center information*

Invalid Project/Grant Date: *Obtain approval through OCG to post entry to project/grant*

Org Budget Data Not Found: *Submit BAR to Budget Office*

Outside Project/Grant Budget Date: *Obtain approval through OCG to post entry to project/grant*

Outside Project/Grant Date: *Obtain approval through OCG to post entry to project/grant*

Revenue Est Data Not Found: *Contact Budget Office to establish Zero budget*

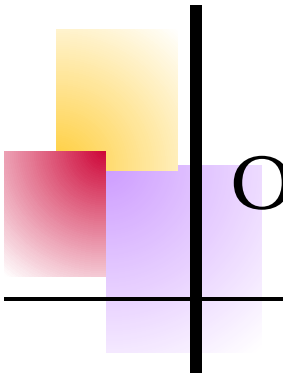
Who's Who in General Accounting

Creator Name	Extension
SA Shirley Apodaca	3-8739
JA Jared Aune	3-5626
DD Diep Do	3-8722
KG Kathryn Garcia	3-8734
DL Diane Lyons	3-8887
SM Sol Macias	3-8736
BR Beverly Ruffin	3-8859
MS Monica Scott	3-9024
JT Joaquin Trejo	3-8735

Journal Numbering System Update

General Accounting recommends that you continue your numbering system and **not** start over. Keeping those sequence numbers unique will make finding your journal in PS easier.

When you reach 999, start with an alpha character (A01, A02, A03 ...)



October 2002

Reminder: Please run your Fiscal Year suspense reports following every pay period to stay on top of them this year.

Mon	Tue	Wed	Thu	Fri
	1	2	3	4
7 9 a.m. F1031 001 Online Requisition Entry (UBP 2-224) 1:30 p.m. FDT12 0759 A/P FAST Start (UBP 2-224)	8 9 a.m. HR 1004 0247 HR View (UBP 2-224) 9 a.m. FS1000 0822 GL Orientation (UBP 3-241)	9 9 a.m. F1027 0227 Travel Requests & Vouchers -P1 (UBP 2-224)	10	11 1:30 p.m. F1033 0003 Travel Requests & Vouchers - Part 2 (UBP 2-224)
14 9 a.m. F1026 0120 Payables Advanced Vouchers—Part 1 (UBP2-224) 1 p.m. F1031 0002 Online Requisition Entry (UBP 2-224)	15 9 a.m. FS1001 0834 FS-Budget & Accounting (UBP 3-162) 9 a.m. F1029 0314 PO Vouchers & Encumbrances (UBP 2-224) 1 p.m. HR 1019 0002 Adv HR View Payroll/Reallocation (UBP 2-224) 1:30 p.m. F1035 0002 Travel Voucher Audit (UBP 3-162)	16 9 a.m. F1037 0228 Travel Requests & Vouchers-Part 1 (UBP 2-224)	17 1 p.m. F1031 0003 Online Requisition Entry (UBP 2-224)	18 9 a.m. TE1006 0101 Query/Crystal Basic (UBP 2-224)
21 9 a.m. F1025 0855 General Ledger Reporting (UBP 2-224) 1 p.m. F1031 0004 Online Requisition Entry (UBP 2 224) 1:30 p.m. FDT 12 0760 A/P Fast Start—P1 (UBP 3-162)	22 9 a.m. TE1006 0102 Query/Crystal Basic (UBP 2-224) 1:30 p.m. F1035 0003 Travel Voucher Audit (UBP 3-162)	23 1:30 p.m. F1027 0229 Travel Requests & Vouchers-P1 (UBP 2-224)	24 1 p.m. F1031 0005 Online Requisition Entry (UBP 2-224)	25 10 a.m. F1036 0001 Basic Financial Reports (MH 180)
28 1 p.m. F1031 0006 Online Requisition Entry (UBP 2-224)	29 9 a.m. F0129 0315 PO Vouchers & Encumbrances P1 (UBP 2-224) 1 p.m. HR 1004 0248 HR View (UBP 2-224) 1:30 p.m. F1035 0004 Travel Voucher Audit (UBP 3-162)	30 9 a.m. F1027 0230 Travel Requests & Vouchers Part 1 (UBP 2-224)	31 9 a.m. F1028 0114 Basic Financial Query (UBP 2-224) 1 p.m. F0131 0007 Online Requisition Entry (UBP 2-224)	