



Finance: Accounting Adjustment



Accounting Adjustment

Accounting Adjustments are used to reassign an ACTUAL EXPENSE, by changing the associated worktags, either within the same department or between two departments for an expense report line, supplier invoice or p-card purchase.

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Limitations

Note the following limitations of processing an Accounting Adjustment:

- The supplier’s invoice, p-card verification (purchase), or the expense report must be in a **PAID** status.
- While each line of a document can be adjusted, the amount of the line cannot be split. Contact General Accounting to split costs in a **PAID** status.
- Spend categories (current or proposed) marked for tracking (assets) cannot be included in an online adjustment. Contact General Accounting to adjust the supplier invoice. EXCEPTION – If the amount of the transaction is less than or equal to \$5,000 most likely an asset was not created. The accounting adjustment may be created by using the Accounting Adjustment Reason: **Trackable Spend Category =< \$5,000**. Change the reason and re-submit.

The Workday roles that can initiate this function are Cost Center Finance Specialist, Cost Center Requisitioner for supplier invoices and Employee as Self and Cost Center Finance Specialist for expense reports. Approvers may be Cost Center Manager, Gift Manager, Project Manager, or Grant Manager. The Cost Center Level Two Approver will need to review requests over \$100,000, if not for a gift or grant, or may be required to approve cost transfers for grants which exceed compliance regulations. All

accounting adjustments are routed to general accounting or Grants Accounting for final approval and posting.

Notes

- ✓ All accounting adjustments must be approved by the 5th business day of the next month, or the request will be deleted by the system, to allow for proper month end close processes. Should the request be deleted, it must be re-entered by the department.
- ✓ All accounting adjustments must be processed within 90 days of the date they were initially posted to the ledger. For the end of the fiscal year, the time period is shorter and year end communication regarding year-end close will provide dates.
- ✓ All accounting adjustments must be completed within the same fiscal year as the original transaction.

Accounting Adjustment

- 1) In the *Search* field enter **Find Expense Report Lines for Organization** or **Find Supplier Invoices for Organization** or My Procurement Card Transaction Verifications and select the appropriate action from the search results.

The image displays two examples of a search interface. Each example consists of a search bar with a magnifying glass icon and a search result below it. The search bar in the first example contains the text 'find expense report' and the result is 'R201 Find Expense Report Lines for Organization - Report'. The search bar in the second example contains the text 'find supplier invoice' and the result is 'R504 Find Supplier Invoices for Organization - Report'. Both search bars have a blue border and a blue 'W' logo to the left. The results are displayed in a white box with a blue border and a blue 'W' logo to the left.

- 2) For EXPENSE REPORTS - Click the **prompt** icon to search for and select the name of the person associated to the Expense Report Payment.

R201 Find Expense Report Lines for Organization

Organization		
Reporting Currency	* x USD ...	
Companies		
Expense Report Payee		
Expense Report Created By		
Report Date On or After	12 / 15 / 2019	
Report Date On or Before	01 / 15 / 2020	
Expense Report Status		

3) For SUPPLIER INVOICES – Enter the Cost Center number in the Organization field and enter the Supplier name, if appropriate, to view the invoices related to the selected filters.

R504 Find Supplier Invoices for Organization

Organization		
Supplier		
Invoice Date On or After	MM / DD / YYYY	
Invoice Date on or Before	MM / DD / YYYY	
Only Show Invoices that Failed Budget Check	☐	
Exclude Canceled Invoices	☒	

- 6) A change can be made to the Spend category, Budget date or the worktags associated with the transaction. Once a change has been made the **Change Reason** must be selected or there will be an error and the accounting adjustment cannot be submitted.

Document Information

Company: Montclair State University
 Document Date: 08/08/2019
 Transaction Currency: USD
 Total Transaction Amount: 1,200.00

Lines: Accounting Adjustment Attachments

Lines: 1 Item

Change Reason	Current Worktags	*Travel Classification	*Cost Center	Proposed Adjustment Worktags	*Division	*Additional Worktags
	CC10125 Dean's Office - College of Science and Mathematics (CSAM) D23 College of Science and Mathematics Employee/Non-Student Domestic Travel F10 Unrestricted Operating Fund N13 Academic Support	Employee/Non-Student Domestic Travel	CC10125 Dean's Office - College of Science and Mathematics (CSAM)		D23 College of Science and Mathematics	Fund: F10 Unrestricted Operating Fund Program: N13 Academic Support

Submit Save for Later Cancel

- 7) For any Grant related cost transfers please select the appropriate Change Reason – which is *Cost Transfers - Grants*. If an attachment is required select the **Accounting Adjustments Attachments** tab and upload any supporting documents. Attachments are not required for departmental requests, but can be included if requested by the approver.
- 8) Click the **Submit** button to save this request and send it to the approver for review and processing.

Review Budget Check

If the system finds an issue with the budget versus your request, a “Review Budget Check” action and Review button displays on the screen, once the request is submitted. An item will also be sent to your Inbox, Actions tab. **NOTE-This request will NOT be sent to the approver for review if there is an issue with the budget.**

You have submitted
 Supplier Invoice: SI-0000000063, LENOVO US INC on 11/10/2019 for \$5,000,000.00 [Actions](#)

Up Next

 Patricia Conte
 Review Budget Check
 Due Date 11/11/2019

[Review](#)

[Details and Process](#)

- 1) Click the **Review** button to drill into the request in order to find the issue.

In the upper right corner, the budget status displays.

2) Click the **View** button on the line to see the specific details of the request.

Review Budget Check
Check Budget (Financial) for Supplier Invoice [Actions](#)

Budget Check Status
Fail (Insufficient Budget)

Transaction exceeds available budget remaining in the budget pool. Correct any inaccurate worktags or create a Budget Amendment to transfer budget from another budget pool.

For Transaction Supplier Invoice: SH-0000000063, LENOVO US INC on 11/10/2019 for \$5,000,000.00

Request Override ☐

Budget With Exceptions Transactions

Budget With Exceptions 1 item

Company	Budget Structure	Year	Control Periods	Budget Check Option	Budget to Date	
Montclair State University	Control Budget Structure - Parent	FY 2020	Annual	Control	☒	View

[Submit](#) [Send Back](#) [Save for Later](#) [Cancel](#)

3) Review the columns of the report, and pay special attention to the Budget Amount versus the Current Transaction columns.

Budget Check Exceptions

Budget Structure Control Budget Structure - Parent

Budget FY20 Control Budget

Budget to Date Yes

Include Reserved Journal Lines Yes

Evaluation Date Option Accounting Date

Transaction: Parent Event Supplier Invoice: SH-0000000063, LENOVO US INC on 11/10/2019 for \$5,000,000.00

1 item

Company	Ledger Account/Summary	Dimensions on Journal Lines	Budget Structure Dimensions Subject to Budget Check	Budget Amount	Spend	Current Transaction	Available Budget	Line-Level Status
Montclair State University	60525:Membership & Subscriptions	CC10293 University Controller D53 Finance and Treasury F10 Unrestricted Operating Fund LENOVO US INC N15 Institutional Support SC0123 Memberships/Dues	CC10293 University Controller D53 Finance and Treasury F10 Unrestricted Operating Fund N15 Institutional Support	52,900.00	2,067.20	5,000,000.00	(4,949,167.20)	Fail (Insufficient Budget)

4) Based on the information provided, decide if a Budget amendment needs to be completed, or if the request should be edited to adjust the Worktags.

Approval Process

For accounting adjustments containing a gift, grant or project worktag the process routes to the Gift Manager, Grant Manager or Project Manager. If there is no gift, grant or project worktag, it routes to both Cost Center Managers, and if the transaction is a P-Card adjustment, routing includes the P-Card Approver. If the amount of the transaction is equal to, or greater than \$100K, the Level 2 Approver will be required to approve.

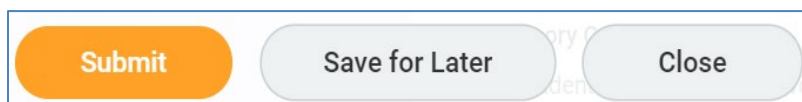
NOTE: For accounting adjustments involving a grant worktag, and the Accounting Adjustment Reason is **Cost Transfer – Grants**, the Grant Manager or PI of the Grant will be required to complete a questionnaire providing justification for the transfer. If the timing of the transfer of cost is greater than 90 days then the process routes to the Dean (Level 2 Approver) for additional approval.

All Accounting Adjustments will route finally to General Accounting or Grant Accounting as appropriate, for review and approval.

At any step the approver may **Approve**, **Send Back** the request to the Initiator with a comment on any changes to be made, or may **Deny** the adjustment which terminates the request.

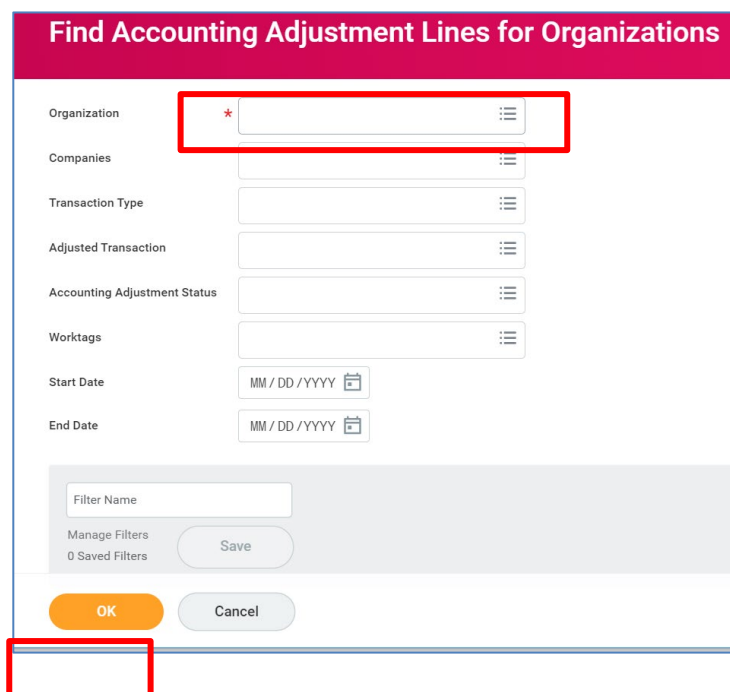
Save for Later

- 1) Click the **Save for Later** button to save your request and return to it later.

A horizontal row of three buttons. The first button is orange and labeled 'Submit'. The second button is light gray and labeled 'Save for Later'. The third button is light gray and labeled 'Close'.

Find an Accounting Adjustment

- 1) In the *Search* field enter **Find Accounting Adjustment** and select the **Find Accounting Adjustment Lines for Organization** report from the search results.
- 2) Click in the Organization field to select the appropriate driver worktag – Cost Center, Gift, grant, Project.
- 3) Further filter the search results by completing additional fields, and when completed click the **OK** button.

A screenshot of a web form titled 'Find Accounting Adjustment Lines for Organizations'. The form has a pink header bar with the title. Below the header, there are several input fields: 'Organization' (with a red asterisk and a red box around it), 'Companies', 'Transaction Type', 'Adjusted Transaction', 'Accounting Adjustment Status', 'Worktags', 'Start Date' (with a date picker), and 'End Date' (with a date picker). At the bottom, there is a 'Filter Name' field, a 'Manage Filters' button, a 'Save' button, and a '0 Saved Filters' indicator. At the very bottom, there are 'OK' and 'Cancel' buttons. A red box is also around the 'OK' button.

The report displays and lists the Accounting Adjustment transactions for the selected organization.