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

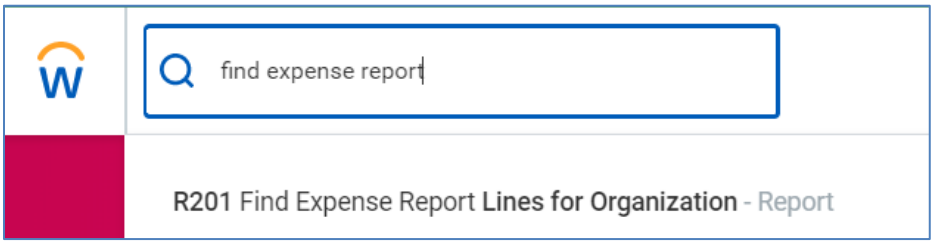
accounting adjustments are routed to general accounting or Grants Accounting for final approval and posting.

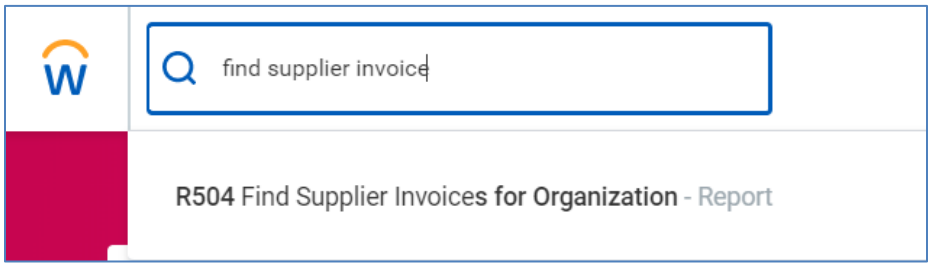
Notes

- ✓ 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.

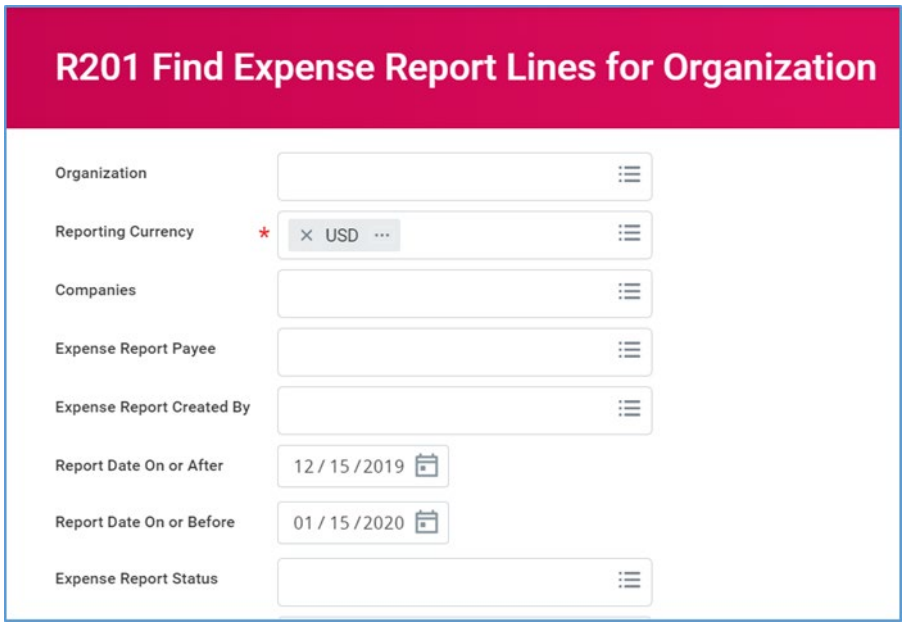
Accounting Adjustment

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.

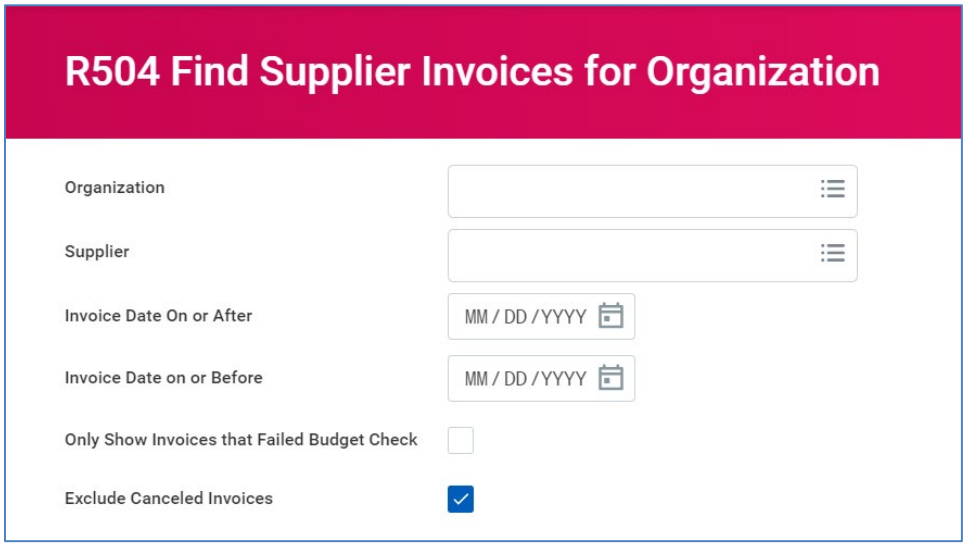




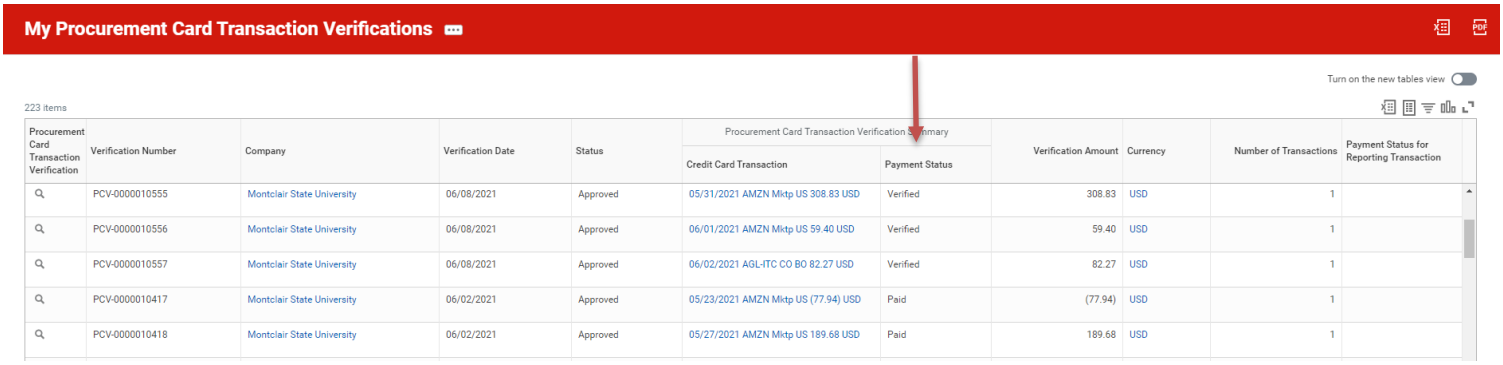
2) For EXPENSE REPORTS - Click the **prompt** icon to search for and select the name of the person associated to the Expense Report Payment.



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.



4) For Procurement Card Transaction Verification – The report will show the P-Card information necessary to make an accounting adjustment as it indicates the Payment status:



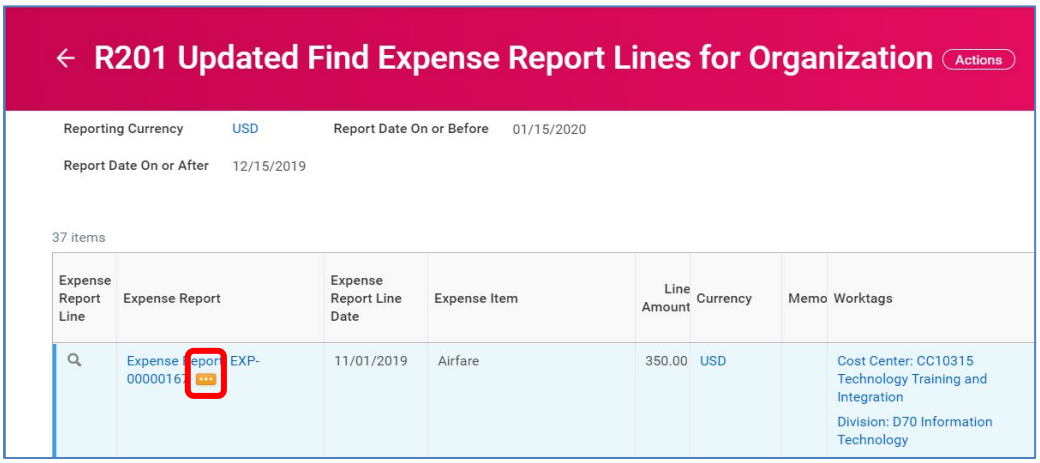
My Procurement Card Transaction Verifications

Turn on the new tables view

223 items

Procurement Card Transaction Verification	Verification Number	Company	Verification Date	Status	Procurement Card Transaction Verification Summary		Verification Amount	Currency	Number of Transactions	Payment Status for Reporting Transaction
					Credit Card Transaction	Payment Status				
	PCV-0000010555	Montclair State University	06/08/2021	Approved	05/31/2021 AMZN Mktp US 308.83 USD	Verified	308.83	USD	1	
	PCV-0000010556	Montclair State University	06/08/2021	Approved	06/01/2021 AMZN Mktp US 59.40 USD	Verified	59.40	USD	1	
	PCV-0000010557	Montclair State University	06/08/2021	Approved	06/02/2021 AGL-ITC CO BO 82.27 USD	Verified	82.27	USD	1	
	PCV-0000010417	Montclair State University	06/02/2021	Approved	05/23/2021 AMZN Mktp US (77.94) USD	Paid	(77.94)	USD	1	
	PCV-0000010418	Montclair State University	06/02/2021	Approved	05/27/2021 AMZN Mktp US 189.68 USD	Paid	189.68	USD	1	

For all named documents, use the related Actions to select Adjust Accounting. Example below is for Expense Report transaction:



R201 Updated Find Expense Report Lines for Organization Actions

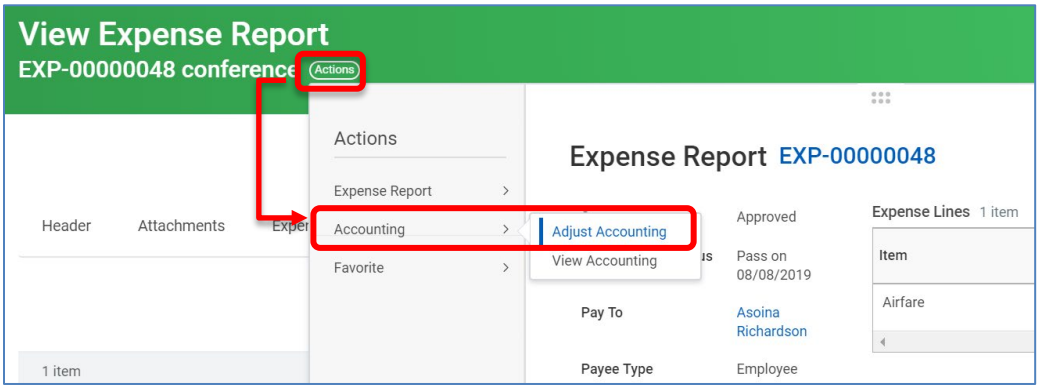
Reporting Currency USD Report Date On or Before 01/15/2020

Report Date On or After 12/15/2019

37 items

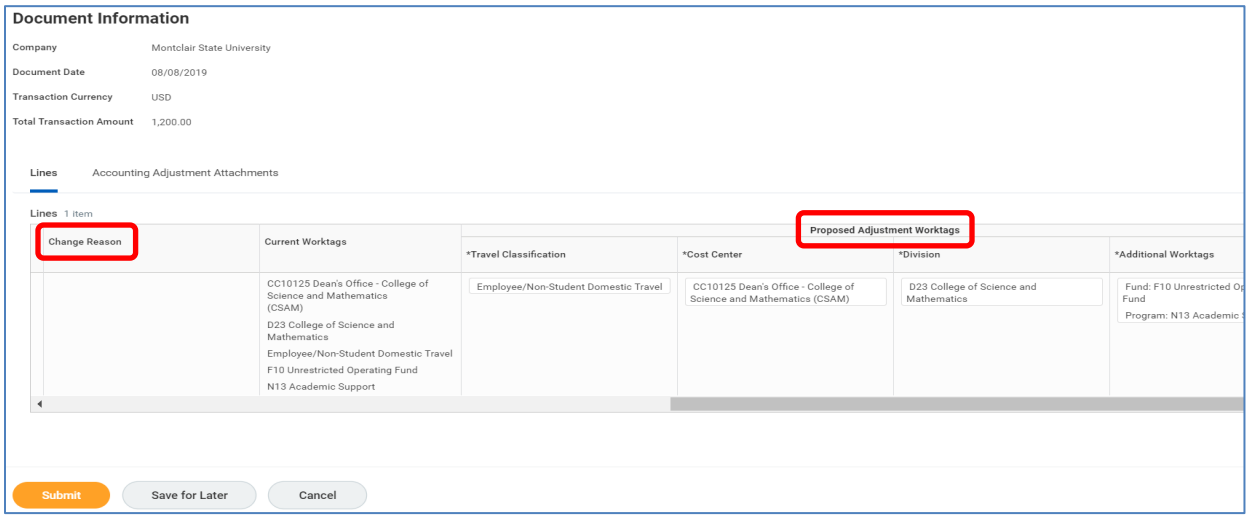
Expense Report Line	Expense Report	Expense Report Line Date	Expense Item	Line Amount	Currency	Memo	Worktags
	Expense Report EXP-00000167	11/01/2019	Airfare	350.00	USD		Cost Center: CC10315 Technology Training and Integration Division: D70 Information Technology

4) In the banner of the screen, click the **Actions** button to select **Accounting > Adjust Accounting**.



5) On the *Adjust Accounting* screen, scroll to the right and adjust the **worktags** of the Expense Report, Supplier Invoice or P-Card transaction.

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.

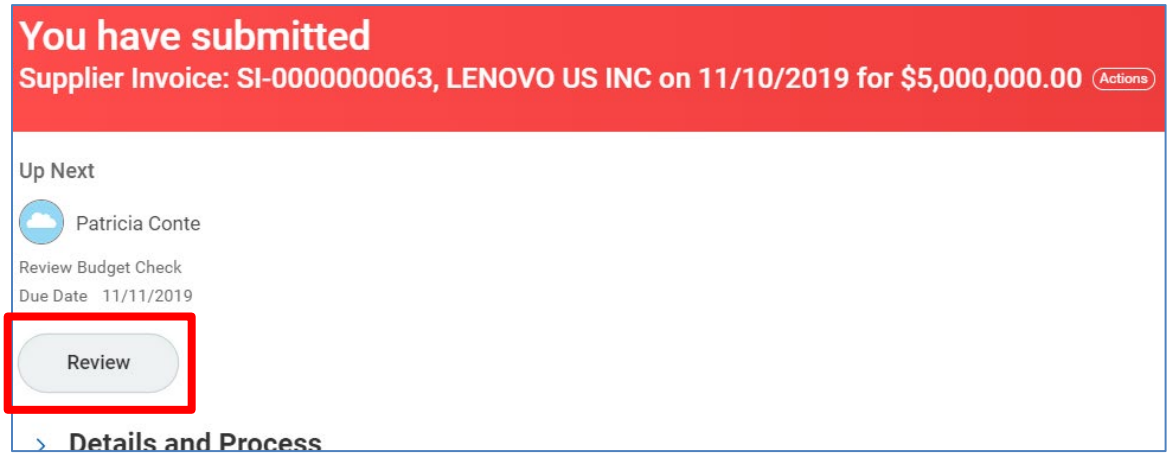


7) For any Grant related cost transfers please select the appropriate Change Reason – which is *Cost Transfers - Grants* If an attachment is required select the **Accounting Adjustments Attachments** tab and upload any supporting documents. Attachments are not required for departmental requests, but 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

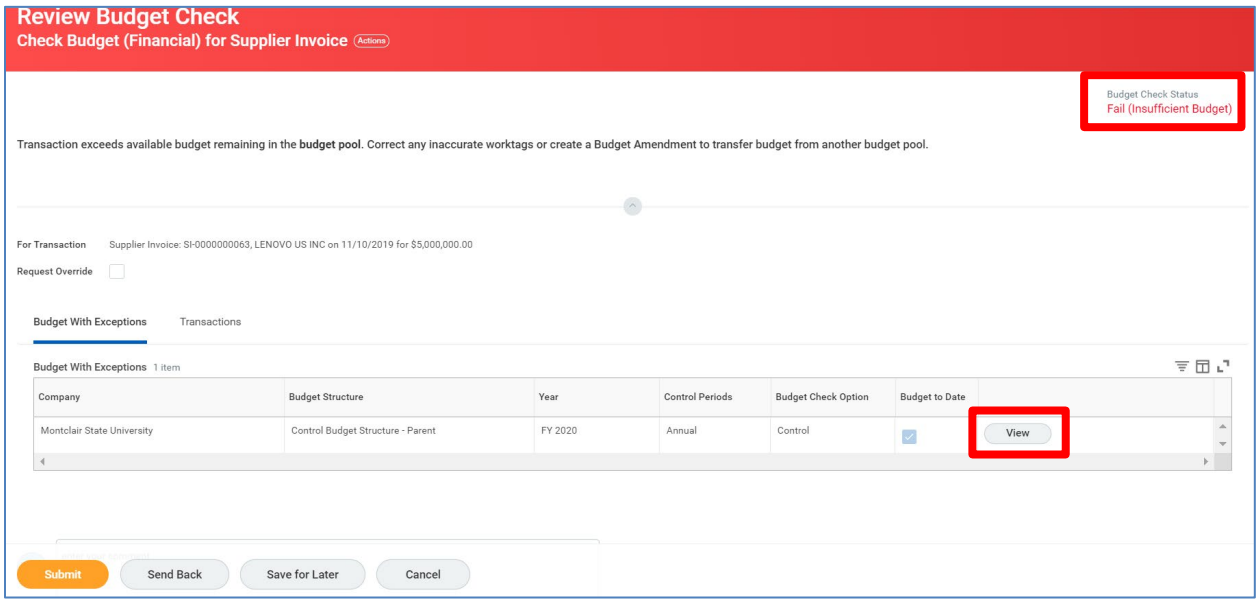
If the system finds an issue with the budget versus your request, a "Review Budget Check" action and Review button displays on the screen, once the request is submitted. An item will also be sent to your Inbox, Actions tab. **NOTE-This request will NOT be sent to the approver for review if there is an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



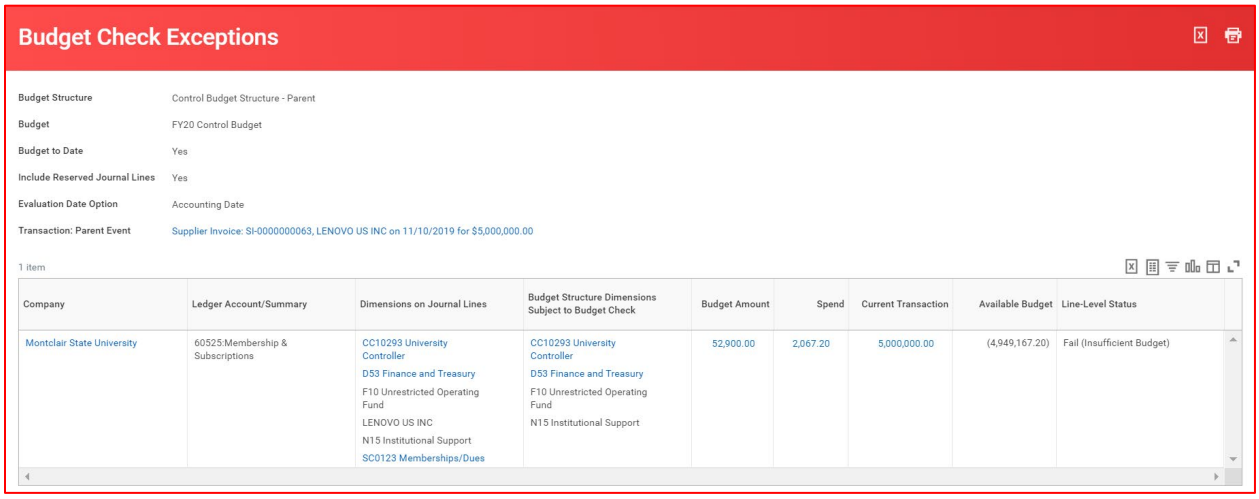
1) Click the **Review** button to drill into the request in order to find the issue.

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.



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



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.

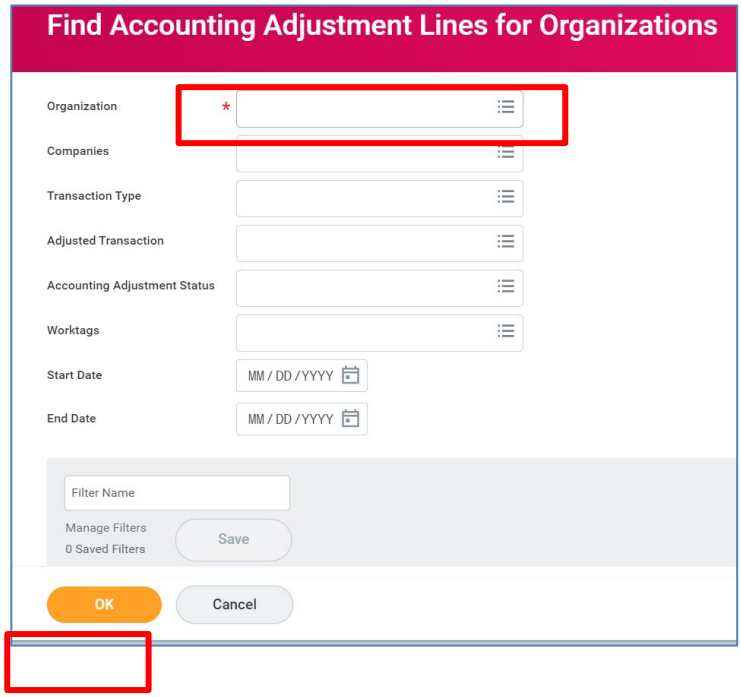
At any step the approver may **Approve**, **Send Back** the request to the Initiator with a comment on any changes to be made, or may **Deny** the adjustment which terminates the request.

Save for Later

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

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.



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