

Kuali Journal Vouchers – Examples

Office of the Comptroller

Transferring funding from one restricted account to another

Scenario:

The “Friends” endowment fund has granted funding for a new project, a “Memorial” fund. You need to transfer funds to create the new project, which will also be a restricted fund.

Each object code, when viewed on the one account where it was used, tells the story of the source or the destination of the funds in that transaction. The account receiving the funds can see that it came from endowment income (not principal) and the endowment account can see where the income was sent.

JV entries:

Debit the Friends endowment income fund balance account, starting with 97-, using object code 90401 “to/from restricted” because you are transferring **to** a restricted fund.

Credit the new “memorial” project account, starting with 92-, using object code 90406, “to/from endowment income” because you are taking money **from** the endowment income.

Correcting where the income was posted in the general ledger

Scenario:

Debit the fund balance account for the restricted account that was used in error. The income should have gone to the endowment fund, so the object code you will use is **90406**.

Credit the fund balance income account for the endowment fund. This is where the income should have been posted in the prior year. You need to show the source by using object code **90401**, because the transfer is coming from a restricted account.

JV entries:

Debit: 92- account, Object code 90406 (this is the wrong account where the income went in error)

Credit: 97- account, Object code 90401 (this is the right account, an endowment income account).

(Note that you do not credit the endowment principal account but rather the income account.)

Non-mandatory transfer to move a sum of expenses from an unrestricted account to a plant fund account

Scenario:

Start-up charges for construction were posted to an unrestricted budget and now need to be allocated to a specific construction project.

Because we are transferring a total of expenditures rather than individual expenses we need to process this as a non-mandatory transfer instead of an expense transfer.

The unrestricted account 1X- is in the current funds group and the construction account 69- is in the plant funds group.

Notice that the two object codes have the last same three digits, and that the object code starting with the 1 is used for the unrestricted account.

JV entries:

Debit 1X-XXXX-XXXX, object code 15590

Credit 69-XXXX-XXXX, object code 90590

Expense transfer to cover overdraft

Scenario:

Like a correction, i.e. you will credit the account originally charged and debit the new account you want to charge.

Use the same object code for the correction as used in the original transaction, just do the opposite, debit for credit and credit for debit.

Note this is not a non-mandatory transfer because we are transferring individual transactions rather than aggregates.

Expense transfers look like an exact reversal or opposite of the original transaction.

Original transaction was a payment on a purchase order.

Original transaction: PO payment

Account charged 12-1234-5678, object code 15120, \$10,000.00

JV entries:

Credit 12-1234-5678, object code 15120, \$10,000.00.

Debit 12-1234-1123, object code 15120, \$10,000.00

Attach a copy of the ASR transaction detail section with the original charge as backup.

Expense transfer from a prior fiscal year restricted account – Non-mandatory transfer

Scenario:

A restricted expense account starting with 22- was charged incorrectly, but the charge occurred in a previous fiscal year. To correct that charge the fund balance account associated with that fund must be charged, not the 22- accounts. 22- accounts represent only transactions happening in the current fiscal year.

Original transaction: PO pmt

Account charged 22-1234-5678, object code 15120, \$10,000.00, *prior fiscal year*

JV entries:

Credit 92-1234-5678, object code 90401, \$10,000.00.

Debit 92-1234-1123, object code 90401, \$10,000.00

Attach a copy of the ASR transaction detail section with the original charge as backup.