PURPOSE: Journal Entry (JE) Guidelines are intended to aid in the process of developing valid journal entries for the OHSU Financial Information System. The following document will provide information on:

I. Transaction types & when to use a journal entry form.
II. Journal Entry form & instructions
II. ADI upload instructions
VI. Returned journal entries

******For journal entries containing non-Hospital funds (funds other than Hospital funds 0111 and 0112) please consult the Central Financial Services website at: http://ozone.ohsu.edu/financial/accounting/pdf/JournalEntryGuidelines.pdf.

I. TRANSACTION TYPES & WHEN TO USE A JOURNAL ENTRY FORM

A. **IBS/Service Center** transaction adjustments require different treatment depending on the types of accounts that are involved. Adjustments/corrections sent to the service center identified within the same fiscal year and that have been posted to the general ledger will be eligible for correction. For a listing of Service Centers and the person responsible for adjustments go to http://ozone.ohsu.edu/financial/ibs/index.shtml Please see account types below for information on how to properly handle the adjustments.

1. **FOMOPPL account:** Adjustments between FOMOPPL accounts should be sent to the service center for correction, this is the preferred method. Corrections made by the service center can be tracked within the Internal Billing System and will appear on the IBS Account Activity and the General Ledger with IBS Detail reports including the corresponding transaction number. Under certain circumstances adjustments to service center transactions can be processed via the journal entry process, see below for these exceptions and rules. Please note that any IBS transaction adjusted via the journal entry process will no longer be traceable within the Internal Billing System and will not appear on the IBS Account Activity report.

   a. Adjustments involving the change of a fund number **must** be processed by the individual service centers. All transaction numbers to be adjusted should be listed on the journal entry form in the IBS Transaction number field. If the number of transactions being adjusted is of a significant volume that it would be inefficient for the service center to process, the department or service center can forward the adjustment onto the appropriate financial group for processing.
   b. Adjustments between unrestricted and restricted funds (5000-5599) are **prohibited** from being processed via journal entry and must be processed by the service center. There are no exceptions allowed to this guideline.
   c. The following adjustments types can be processed via a journal entry without prior service center approval. These include changes to:
      - Organization (org) codes
      - Object codes
      - Mission codes
      - Program, provider, and location codes

2. **Foundation account:** Adjustments containing a Foundation five digit fund must be sent to the individual service center for adjustment. Use of JE form is prohibited for these types of adjustments. Please go to http://ozone.ohsu.edu/ohsufoundation/forms.shtml for additional information on making these types of adjustments.

3. **OGA account:** Adjustments containing a POETA account must be sent to the individual service center for adjustment. Use of JE form is prohibited for these adjustment types. Please use the Adjustment form listed under Sponsored Projects Administration (post award) at http://www.ohsu.edu/research/rda/forms.shtml to make all POETA transaction adjustments.

B. **Payroll Adjustments** must be made via the Labor Distribution system. For information concerning this process go to http://ozone.ohsu.edu/financial/ld/index.shtml

1. **Travel reimbursements** are paid via payroll and must be corrected by the payroll department. For instructions go to http://ozone.ohsu.edu/financial/ld/docs/TravelReimbursementsPayrollSuspense.doc

C. **Fixed Asset Adjustments** may only be made via the Accounts Payable system with the use of an Adjustment form. Journal Entry form use is prohibited. All Fixed Asset adjustments must be submitted directly to CFS Fixed Asset department at mail code AD201 for approval. If the adjustment involves a grant the request will need to be submitted to the appropriate Sponsored Project Financial Analyst for approval prior to being routed to the Fixed Asset department.

1. OHSU adjustment form is located at http://ozone.ohsu.edu/ais/docs/adjustmentForm.xls All pertinent invoice information will need to be included on the left side of the form for the request to be processed. For Grant funded changes use the POETA tab of the file. For non-grant or mixed source of funds changes the Transfer Between tab of the file is to be used.

2. For reimbursement from the OHSU Foundation go to http://ozone.ohsu.edu/ohsufoundation/forms/Intercompany_JE_060406.xls Instructions are available at http://ozone.ohsu.edu/ohsufoundation/forms/reimbursement_form_instructions.pdf

3. For reimbursements involving the OHSU Foundation and Grant Funds go to http://www.ohsu.edu/research/rda/forms.shtml#fm . Click on the symbol for the form and the graphic for the instructions.

D. **Accounts Payable** invoice adjustments are made via a Journal Entry form or Adjustment form depending on the accounts involved. FOMOPPL account corrections can be submitted directly to Accounts Payable for correction using the "FOMOPPL Adj Form" tab of the Adjustment form or via a Journal Entry form. Adjustment forms are located at http://ozone.ohsu.edu/ais/docs/adjustmentForm.xls. Foundation adjustments are prohibited through the Accounts Payable department. For reimbursements request instructions go to http://ozone.ohsu.edu/ohsufoundation/forms.shtml.

E. **Sales Transactions** are revenue generating transactions that can be either from an external or internal source, both are described below. Revenue object codes are required to be used for all sales transactions. Sales and revenues transactions cannot be processed as a reduction of an expense; only revenue object codes are allowable for use. For a listing and description of various object codes available for use go to http://ozone.ohsu.edu/ais/docs/COAMasterReference.xls

1. **Internal Sales** are sales or revenue producing transactions that occur between unrestricted funds within the 0010 to 0899 and 1000 to 1499 range that do not involve an external entity (i.e. department to department sales transactions). Internal sale entries credit a 49xx object code and debit an expense object code (53xx-65xx). These sales transactions are eliminated and not reported in OHSU's consolidated financial statements. Please note transactions between unrestricted funds and restricted gift funds (5000-5599), Oregon Opportunity funds (0900-0999), Foundation, University Medical Group, and Sponsored Project accounts are external sales. Unrestricted gift funds (0112, 1500-1999) may not receive internal sales revenue, the only exception is revenue derived from conference registration fees. All funds may incur expenses associated with internal sales.

2. **External Sales** are sales or revenue transactions that occur between restricted funds, between restricted funds and unrestricted funds, or external entities not affiliated with OHSU. These transactions bring new resources and money into the institution. External sales revenue entries will credit a 46xx-48xx object code.

Internal Sales Examples --Supplies

Sales type	Fund selling	Fund buying	Accounting Example	Debit	Credit
Internal Sale Supplies	University	University	Expense **0151**-87213-88-5311-000-0000-000 Revenue 0151-65709-11-**4901**-000-0000-000	11.00	 11.00
Internal Sale Supplies	Hospital	University	Expense **0151**-87213-88-5311-000-0000-000 Revenue 0111-38941-31-**4901**-000-0000-000	12.00	 12.00
Internal Sale Supplies	University	Hospital	Expense **0111**-38941-31-5311-000-0000-000 Revenue 0151-65709-11-**4921**-000-0000-000	15.00	 15.00
Internal Sale Supplies	Hospital	Hospital	Expense **0111**-38941-31-5311-000-0000-000 Revenue 0111-38701-11-**4921**-000-0000-000	16.00	 16.00

Internal Sales Examples--Services

Sales type	Fund selling	Fund buying	Accounting Example	Debit	Credit
Internal Sale Services	University	University	Expense **0151**-87213-88-6369-000-0000-000 Revenue 0151-65709-11-**4902**-000-0000-000	11.00	 11.00
Internal Sale Services	Hospital	University	Expense **0151**-87213-88-6369-000-0000-000 Revenue 0111-38941-31-**4902**-000-0000-000	12.00	 12.00
Internal Sale Services	University	Hospital	Expense **0111**-38941-31-6369-000-0000-000 Revenue 0151-65709-11-**4922**-000-0000-000	15.00	 15.00
Internal Sale Services	Hospital	Hospital	Expense **0111**-38941-31-6369-000-0000-000 Revenue 0111-38701-11-**4922**-000-0000-000	16.00	 16.00

Sales Involving Restricted or Gift Funds

Sales type	Fund selling	Fund buying	Accounting Example	Debit	Credit
External Sale	Hospital or University	Restricted funds (0900-0999) (5000-5999)	Expense **5505**-87290-88-5311-000-0000-000 Revenue 0111-38701-11-**4602**-000-0000-000 Expense **5505**-87290-88-5311-000-0000-000 Revenue 0151-65709-11-**4602**-000-0000-000	18.00 10.00	 18.00 10.00
Internal Sale	Unrestricted Gift fund (0112, 1500-1999)	University or Hospital	**Revenue generating transactions prohibited**. Exception: internal revenue from conference registration fees.		

2. **Internal Arrangements** are formal agreements between the Hospital and specific University department's concerning support of a particular departmental function. Transactions for Internal Arrangements are internal sales resulting in the receipt of revenue by a University department and posting of an expense by the Hospital. University departments are allowed to transfer Internal Arrangement revenues between unrestricted University accounts within the original transaction revenue object code, i.e. debit and credit lines use the same object code. The following object codes are used for these arrangements:

   - 4575 – Internal Arrangement-Medical Directorship
   - 4576 – Internal Arrangement -Clinical Care
   - 4577 – Internal Arrangement -Recruitment Support
   - 4578 – Internal Arrangement -Mission Support
   - 4579 – Internal Arrangement –Other

F. **Corrections of revenue & expense** items in the current fiscal year must be corrected using the original account string of the transaction. Sufficient documentation should be provided with the journal entry so that origins of transaction can be clearly linked to Oracle Financial Information System. Prior year corrections require the approval of either Central Financial Services or Hospital Financial Services prior to processing depending on fund type. See Section II E below for details on which department to call for approval. Please note the following:

1. Cost of Goods object codes are expense objects codes that are limited to use by accounts that purchase goods for resale (i.e. Patient Food Service Department, Retail and Catering Service).

2. Revenue transactions cannot be processed as a reduction of an expense.

G. **Gift Transactions**

1. Restricted gift funds, (5000-5999), derive funding from donor resources outside of OHSU and are restricted for a donor specified purpose. Permissible transaction types are gifts from private sources, certain subsidies to Services Center operating funds, and transfers from other restricted gift funds. Prohibited transactions include transfers from unrestricted OHSU funds and grant/contract/clinical trial funds and internal sales activity. Restricted gift funds are interest bearing and should not have a fund balance of less than zero at any time. Funds with negative balances will be assessed an interest penalty.

2. Unrestricted gift funds, (0112, 1500-1999), derive funding from donor resources outside of OHSU and do not have donor specified restrictions associated with the money, revenue or donation. Permissible transactions include gifts from private sources, practice group contributions, transfers in from other unrestricted gift funds, transfers out to any unrestricted OHSU fund, and internal sales from conference activity. Prohibited transactions include transfers from existing OHSU fund and grant/contract/clinical trial funds and all internal sales other than conference income.

3. Additional resources concerning these transactions are listed on the Fund definitions document at http://ozone.ohsu.edu/financial/accounting/pdf/FundDefinitions.doc.

H. **University Medical Group**- Transactions involving OHSUMG accounts cannot be processed via a journal entry and transactions between OHSUMG and OHSU general ledger accounts are not permitted. Please contact OHSUMG Financial Services at 8-0291 with questions.

II. JOURNAL ENTRY FORM INSTRUCTIONS

A. Journal entry forms are located at http://ozone.ohsu.edu/financial/accounting/pdf/JE_Form.xls This form should be used for University and Hospital FOMOPPL transactions only. Contact OHSU Foundation, University Medical Group, or Sponsored Project Projects for instructions on making adjustments to transactions involving those account types.

B. All journal entries containing 15 lines or more are to be uploaded into Oracle via ADI. Preparer who has submitted a journal with 15 lines or more may be contacted and an electronic copy of the Journal Entry form will be requested. See ADI section below for instructions concerning preparation requirements for journals of that length.

C. The following information must be provided on the JE form:

1. Preparer's name, phone, department, mail code, and e-mail address.
2. Date, accounting period, and four-character department code (http://ozone.ohsu.edu/financial/accounting/pdf/DeptCodes.xls)
3. Fiscal authority's name and signature, original signature must be in place on all Journal Entry forms. The fiscal authority signature must be for all debiting lines of the journal. As a matter of policy, Central Financial Services and Hospital Financial Services routinely verify fiscal authority of persons signing Journal Entry forms for authority and dollar limit of debits to expense object codes. If the Journal fails the fiscal authority check, the journal entry will be returned to the journal preparer. Please contact the Oracle Helpdesk at 4-4524 for assistance in establishing whether or not fiscal authority is current. To obtain fiscal authority go to http://ozone.ohsu.edu/ais/aisAccessForms.shtml
4. A brief explanation adequately describing the reason for the Journal Entry.
5. All accounting fields must be entered. Correct accounting syntax, valid codes, and appropriate object codes in conjunction with transaction type. Use of complete account string or just the alias is permitted, both examples will produce the same result in the General Ledger.
   a. FOMOPPL account string: Fund-Org-Mission-Object-Program-Provider-Location
   b. Alias with object code.
6. Balanced and totaled debits and credits.
7. Line item descriptions, if different from explanation provided at top of form. This is the description that appears on the General Ledger reports.
8. If this is a FOMOPPL only IBS adjustment being sent to a Service Center for correction the internal billing transaction number must be included in the transaction number column for each line item being corrected.
9. Do not skip or delete lines on the Journal Entry form, line number sequence is entered into Oracle.

D. All Journal Entry forms must be submitted with supporting documentation. Documentation requirements vary with transaction type. Please refer to the following:

1. Transferring expense or income. Please attach a copy of one of the following reports Detail General Ledger, Account Analysis, Operational Status, or a print screen from the Oracle account inquiry screen which shows the posting to be corrected or transferred. For instructions on how to

run these Oracle reports go to: http://ozone.ohsu.edu/ais/faq/GL_infoReports.html and select "General Ledger Info and Report." Scroll down to locate the desire report instructions.

2. Internal Sale. Please attach a copy of invoice, registration form, agreement or correspondence that provides proof of transaction.

E. Please submit the Journal Entry to the appropriate department for processing. For journal entries to be posted into the proper or intended accounting period the documentation must be received by the appropriate date, which is the second working day of the month.

1. Journal entries in which all funds involved are Hospital Accounts (Fund 0111 or 0112) must be submitted to Hospital Financial Services mail code: FS, Attn: Accounting Specialist, Ext. 4-6164
2. Journal entries in which all funds involved are University accounts should be submitted to Central Financial Services, Finance & Accounting mail code AD 201, Attn: JE Desk, Ext. 4-1197.
3. Journals including both hospital and university funds can be submitted to either Central Financial Services or Hospital Financial Services for processing.
4. Journal entries for certain IBS & P-Card corrections must be submitted to the original Service Center that processed the transactions. Please see the IBS transaction section (I.A.) of this document for details. For a listing of service centers go to: http://ozone.ohsu.edu/financial/ibs/servctr.htm.

III. ADI UPLOAD INSTRUCTIONS

All journal entries containing 15 lines or more are to be uploaded into Oracle via ADI. Uploading a journal entry electronically via ADI is a more efficient and accurate to process than manual data entry. Documentation requirements described in Section II D apply to all journal entries, whether manual entry or upload occurs. The following instructions pertain to preparing and submitting a journal for system upload.

1. Use the standard journal entry form for the purposes of upload, additional lines may be added as needed.
2. Spreadsheet cells containing account strings must be formatted as text.
3. Debit and credit cells cannot contain formulas or zero amounts.
4. All descriptions must not exceed 50 characters.
5. Email the journal entry form to the appropriate financial department based on the routing criteria detailed in section II, E. For university accounts contact the JE Desk personnel ext. 4-1197 for email address and for hospital accounts contact the Account Specialist ext. 4-6164 for the email address.
6. Hardcopies of Journal Entry forms containing original fiscal authority signatures and all supporting documentation must be submitted in addition to the electronic files E-mailed to the appropriate financial department. Files will not be uploaded until receipt and review of original documentation.

VI. RETURNED JOURNAL ENTRY FORMS

Under certain circumstances a journal entry will be returned to the preparer for correction. It is the preparer's responsibility to follow up on needed items and to communicate with the JE desk personnel concerning matters of dispute. Journal Entries needing correction will be returned, accompanied by the following form.

Hospital Financial Services

Mail code FS
1400 S.W. Fifth Ave
Suite 650
Portland, OR 97201
tel 503 494-8548
fax 503 494-4243

_____
JE Desk
tel. 503 494-6164

MEMO from HFS Journal Entry Desk

To: OHSU Journal Entry Preparer: _____
Re: Attached Journal Entry: _____
Date: _____

The attached Journal Entry Form is being returned for the following reason(s):

- ❑ No supporting documentation - Transferring expense or income: Please attach a copy of your General Ledger, Account Analysis, Operational Status Report, or a JE printout from the inquiry screen which shows the posting to be corrected or transferred.
- ❑ No supporting documentation – Internal Sale: Please attach a copy of invoice, registration form, agreement or correspondence that provides proof of transaction.
- ❑ Corrections are for revenue or expenses posted in the previous fiscal year and not approved by the Hospital.
- ❑ Alias, Fund, Mission, Org and/or Object Code, Program, Provider or Location Segments are missing or incorrect.
- ❑ Signer does not possess proper fiscal authority for debited expense line item(s).
- ❑ Adjustments involving Grant Accounts (POETA account strings) must be submitted to Special Projects (Mail Code: AD 220) on an adjustment form.
- ❑ Payroll adjustments must be processed within the Labor Distribution system. For information go to http://www.ohsu.edu/xd/about/services/financial-services/payroll/index.cfm
- ❑ Wrong form – For JE forms go to http://ozone.ohsu.edu/financial/accounting/pdf/JE_Form.xls.
- ❑ Journal entries involving Foundation accounts must be submitted to OHSU Foundation and require the use of OHSU Foundation Reimbursement Form located at: http://ozone.ohsu.edu/ohsufoundation/forms/reimbursement_form052005.xls . Please consult the Foundation's website at http://ozone.ohsu.edu/ohsufoundation/ for more information, contact OHSUF at (503) 220-8303.
- ❑ This type of IBS & P-Card correction/change must be submitted to the original Service Center that processed the transaction. For a list of service centers go to http://ozone.ohsu.edu/financial/ibs/servctr.htm
- ❑ NO ACTION IS NECESSARY. JE has been entered into the Oracle system with changes as shown. Refer to attached for explanation, keep for your records.
- ❑ Other_____

Comments: _____

_____

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_____

Please contact _____
at the JE Desk for assistance. Ext. 4-__ __ __ __ - Email
_____@ohsu.edu - Mail Code FS - Fax 494-4243