



## ERSO Financial Journal Process

1. Is a Financial Journal the appropriate action for this non-payroll cost transfer? Financial Journals are for adjusting GL applications that were initially prepared as a financial journal including recharges.
2. Complete *Financial Journal Form*. Required sections for all financial journals are the Transaction Detail (including BFS comment), Justification (Questions #1 & #2), and Authorization Sections.

Question #3 is required for financial journals that are less than the original transactional amount being requested (for partial cost transfer).

Question #4 is required for transactions that are greater than 90-days\* from the end of the accounting month of original transaction date.

\*90-days begins at the end of the accounting month that the original transaction has posted in BAIRS. For example, if the original journal posted on February 12<sup>th</sup>, the accounting date would be February 28<sup>th</sup>. The cost transfer, to correct this journal, would need to be approved in BFS by the May close deadline to meet the 90 day requirement. Note: there are usually 5 working days after the end of the month to enter and approve FNJR before GL close (check BAI for schedule to confirm date). In the above scenario, June 7<sup>th</sup> (for 2007) would be the deadline to enter and approve FNJR that have a May date.

3. Attach backup documentation: BAIRS report with the respective transaction(s) and all source documentation of the original expense, this would include a copy of the purchase request with initial authorization, packing slip, etc.
4. Obtain PI authorization signature and date. If authorization is via email, the PI must concur with stated justification on Financial Journal Form.
5. Send completed form with appropriate backup to Team Lead for review and signature.
6. If transaction requires 90-day justification, route form and documentation to Assist. Dean of Research for review and signature.
7. After all appropriate signatures are received, enter information from Financial Journal Form into BFS. Use the ERSO GL Financial Journal ID naming convention:

10-character Journal ID be named as follows:

- a. Department identifier in the first 2 positions (for example, **EE**xxxxxxxx)
- b. Followed by 5-digit fund number to be debited (for example, **EE19933**xxx)

- c. Journal preparer's first and last initials; followed by the numeric order of the financial journals prepared by the preparer on any given date (for example, **EE19933CJ1**, **EE19933CJ2**.. etc.)
  - d. Journal ID plus the journal Date make the journal unique
8. Approve in BFS. **ONLY** approve when **ALL** required signatures are obtained. Print copy of the Journal and include with form and backup.
  9. ERSO Research is the office of record for Financial Journals; therefore, route a copy of the complete Financial Journal and backup to each respective RSO that has a credited or debited fund involved. RSO will keep document in the respective fund file for record retention.

**Resources:**

- UCB policy and procedures for Cost Transfers/Expenditure, Revenue and Balance Sheet Adjustments: <http://ga-fs.vcbf.berkeley.edu/costtransferpolicy.pdf>
- eTrain – *Managing Cost Transfers*: <http://dtsetrain.berkeley.edu/login/>