

Guidelines for Moving Revenue and Expenses within UI General Ledger

Below are basic guidelines regarding which system to use when moving revenues and expenses within the UI General Ledger. Accounting and Financial Reporting (AFR) will randomly audit transactions to determine systems are used appropriately. Please refer to these guidelines when making entries and contact [Accounting and Financial Reporting \(AFR\)](#) with questions you may have.

Moving Budgets

- University budgets are established in the University's Budget & Planning system, IPlan. Starting in FY2021, General Education Fund (050) and Other Appropriated Fund WhoKeys are funded in the General Ledger at the beginning of the fiscal year based on revenue budgets that are established in IPlan. The revenue budgets will appear within the "Revenue" column of the GLDSS Summary Reports. See **Moving Revenue/Cash** below for information on how to make funding adjustments.

Moving Revenue/Cash (Free Balance)

- **General Education Fund (GEF) 050 and Other Appropriated Funds** - All entries to move funding (revenue) within the GEF or Other Appropriated Funds during the fiscal year should be done using the GL Journal Entry (GLJE) – Appropriated Transfer Recurring/Non-Recurring (ATR/ATN) Entry Types. Recurring Journal Entry Type (ATR) should be used for transfers that will result in a permanent transfer of funding for the current and future budget years. Non-Recurring Journal Entry Type (ATN) should be used for a one-time transfer of funds. These transfers must always be within the same fund.
 - Additional Guidelines:
 - Transfer journals (IACT 35xx/75xx) should not be made within the GEF or between GEF and other funds using GLJE Transfer. The General Ledger Journal Entry (GLJE) application does NOT allow for transfer entries in Fund 050.
 - Departments should not process a GLJE standard entry with an expense IACT (6xxx) in an effort to "move" funds outside the GEF.
 - Examples:
 - If you have a free balance of \$50,000 within a GEF MFK, you shouldn't process a GLJE with an expense IACT to essentially "move" this balance outside of GEF. In this case, it may be more appropriate to process a WebCV to bring actual expenses into the GEF to spend down your balance. Departments should always keep in mind the principle of matching revenue earned with related expenses. It is not appropriate to move expenses from one account into another simply to spend down the balance if the expenses do not relate to that budget/allocation activity.
 - If you are providing GEF support to fund an activity in another area – it is not appropriate to transfer GEF money outside of the GEF. In this case, it would be more appropriate to move actual expenses to your funding source.

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- These guidelines are important because GEF funds are to be used within the current fiscal year, therefore, funding should be provided when the expense is incurred. Noncompliance occurs when funding is provided before expense is incurred, i.e., building balances outside of GEF with GEF funds.
- **Additional Guidelines:**
 - No transfers GLJE's should be processed within the GEF (050). An exception is allowed for the University Billing Office staff to post the movement of moneys between the GEF and the Loan Fund (530), using IACT's 7530/3530, per prior agreement.
 - No transfers should be processed between a University Fund and a Fiduciary Fund. AFR monitors the activity from transfer IACTS at the fund level, then follows up on amounts in/out of [GEF](#), other [appropriated](#), and [Fiduciary](#) funds.
 - Generally, gift funds (Fund 520/525) should not be transferred into another fund and other funds should not be transferred into gift funds. Transfers within gift funds are allowed as long as donor intent is maintained. For example, a collegiate unit might use discretionary gift funds to support a departmental initiative and transfer the funds from the collegiate gift account to the unique departmental gift account. Consult Grant Accounting before initiating transfers that impact fund 520/525.
 - Departments are not allowed to move revenue within grant funds (Fund 500/510). If you suspect an error, contact [Grant Accounting](#).

Moving Expenses

- To move **payroll expenses** (IACT 5xxx):
 - The **preferred** method is to process a Change of Status (COS) form online thru the HR Transaction System. This is preferred so HR history reports align with what is reflected in the General Ledger and Cumulative Compensation (CumComp) for that individual.
 - A **second option** is to process a payroll change voucher via the PayCV system. This should be used in **limited occasions** when a COS is not possible. For example, if the change involves a period that is shorter than one month and needs to be an exact dollar figure.
 - Things to remember:
 - For “monthly appointments”, processing a COS via the HR system will automatically trigger a Pay CV to be completed by Central HR.
 - For “bi-weekly appointments”, processing a COS via the HR system will **not** automatically trigger the Pay CV by Central HR. Pay CV's for these type of appointments needs to be generated by/requested by the department.
- To move **non-payroll, expenses** (IACT's 6xxx):
 - **Non-Student Aid Expenses:**
 - The preferred method to move expenses from one MFK to another is by using the WebCV application. By doing so, the original transaction journal information is maintained for audit purposes.
 - **Student Aid Expenses** (IACT 63xx):

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- The **preferred** method to move student aid expenses is via the MAUI system. This is considered best practice to ensure that the subsidiary system aligns with the general ledger for that student. Questions related to moving student aid expenses should be directed to the UI Billing Office.
- The second option to move expenses is by using the WebCV application.
 - Things to remember:
 - Student Aid expenses must be moved on a per student basis and will require the student’s University ID to be entered.
 - Reports generated via MAUI will not reflect the changes made thru WebCV.
 - Another method available is the GLJE “standard” journal entry. ***This is meant to be kept to a minimum and should not be used for transactions impacting sponsored projects (funds 500 & 510).*** If this method is selected to move expenses, the initiator should maintain sufficient documentation that would enable an auditor to tie the total journal back to actual individual expenses. The reason for this is to ensure the amounts moved were tied to actual expenses rather than an attempt to shift “free balances”. This is especially critical in ensuring that our GEF state appropriated funding was used in the year it was allocated for appropriate purposes.

Additional Guidelines

- When transferring costs, units must keep in mind the UI [Cost Transfer Policies and Guidelines](#).
- Processing interdepartmental revenue via GLJE standard entries – Units charging other units for services should **always** use the “interdepartmental revenue” institutional accounts. AFR removes interdepartmental revenue when preparing the UI Financial Report. Therefore, to ensure that UI revenues are not overstated, units should always process interdepartmental sales & service revenues on “interdepartmental” IACTS.