



Administrative Procedure: Journal Entries

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1.0 Separation of Duties

- 1.1 The person responsible for the financial reporting function should not have the ability to post journal entries.
- 1.2 Journal Approvers will not approve any journals they have created.
- 1.3 Journal Approvers will not prepare the supporting documentation for a journal entry they approve. Supporting documentation for a journal entry will be prepared by the journal creator.

2.0 Supporting Documentation

- 2.1 The Journal Creator will create the supporting documentation for each journal and assist the Journal Approver in confirming that the entries are valid, complete, and reasonable.

- 2.2 The Journal Approver may not approve an entry until validity, completeness, and reasonableness are confirmed.
- 2.3 The Journal Creator will provide supporting documentation to the Journal Approver upon request.
- 2.4 The Journal Creator will retain supporting documentation in a form that can be retrieved at a future date for a period of 7 years in compliance with board retention rules.

3.0 Responsibilities

- 3.1 Journal Approvers will ensure the journals they approve:
 - 3.1.1 Are valid (necessary, appropriate, not fraudulent, etc.).
 - 3.1.2 Are complete (no missing lines or amounts, not broken into multiple entries).
 - 3.1.3 Achieve the intended financial reporting impacts.
- 3.2 Journal Approvers will also:
 - 3.2.1 Provide feedback to Journal Creators when a Journal is rejected.
- 3.3 Journal Creators will ensure their Journals:
 - 3.3.1 Are valid (necessary, appropriate, not fraudulent, etc.).
 - 3.3.2 Are compliant and eligible (ie. represent expenses and/ or revenue that are compliant with applicable granting agency restrictions).
 - 3.3.3 Are complete (no missing lines or amounts, not broken into multiple entries).

- 3.3.4 Are numbered sequentially.
- 3.3.5 Have correct dollar amounts in each journal line.
- 3.3.6 Are for the correct accounting period.
- 3.3.7 Have the correct chart account codes on each journal.
- 3.3.8 Have a complete and accurate journal description.
- 3.3.9 Have complete and self-explanatory supporting source documents that provide an accurate and thorough explanation of the transaction recorded in the journal.
- 3.3.10 Are marked as posted to avoid duplicate recording.
- 3.3.11 Comply with Superior North Catholic District School Board financial management policies and procedures.