

# SOUTHERN UNIVERSITY

## COMPTROLLER'S OFFICE

### **POLICIES AND PROCEDURES GOVERNING PREPARING THE JOURNAL VOUCHER FOR SYSTEM COST TRANSFERS**

#### **PURPOSE**

The purpose of this Operating Policy/Procedure (OP) is to establish the procedures and guidelines to ensure that a journal entry is prepared to record system cost transfers in the beginning of the fiscal year in a timely manner. This policy sets forth guidelines to insure that that a journal entry is prepared to record system cost transfers are monitored timely to ensure compliance with university regulations.

#### **OVERVIEW**

The Budget Management Section of the Comptrollers Office has the vested responsibility for the financial administration of preparing a journal entry to record system cost transfers within the Southern University System. Accordingly, the staff must keep abreast of constantly changing policies and procedures to ensure compliance with the policies and procedures of the Federal and State agencies and the University. The accountants in this office functions as the financial liaisons between the faculty, staff, and other campus administrative offices on financial matters related to preparing a journal entry to record system cost transfers.

#### **DEFINITION**

System Cost Transfers – The cost shared by all campuses within the Southern University System for the following types of transactions that are performed by the Baton Rouge campus; payroll, preparation of annual report, other external reports, grants, etc.

#### **AUTHORITY FOR WRITING, UPDATING AND INTERPRETATION**

The authority for writing, updating and interpreting the applicable policies and procedures is vested with the Office of the Vice Chancellor for Finance and Administration.

The authority for compliance with these requirements rest with the Office of the Comptroller, Division of Budget Management through the Director of Accounting Services, Associate Comptroller and the Associate Vice Chancellor for Financial Operations and Comptroller.

## **RESPONSIBILITY FOR NOTIFICATION OF CHANGES**

The responsibility for notification of changes in applicable regulations, policies and procedures is vested with the Office of the Comptroller: Division of Budget Management

## **DUTIES AND RESPONSIBILITIES**

The Budget Management Supervisor within the Comptroller's Office is responsible for the preparation and submission of correspondence requesting the expense-general fund budget projection on a monthly basis. The steps required for processing are outlined below.

## **PROCEDURES FOR PREPARING THE JOURNAL ENTRY TO RECORD THE SYSTEM COST TRANSFERS:**

1. Obtain the Schedule of Budget Projections prepared by the Associate Vice Chancellor for Financial Operations/Comptroller (Exhibit 1).
2. Obtain the Official Budget from James Cannon, Budget Director, for each of the campuses (Exhibit 2).
3. Prepare a journal entry transferring the amount as shown on the Schedule of Budget Projections and/or Official Budget for each campus as System Cost from the campus to the Baton Rouge Campus (Exhibit 3).
4. Submit to Functional Manager for review.
5. Submit Journal Entries to the Associate Comptroller for approval.
6. Submit the Journal Entries to the input clerk to input into the accounting system.

*Note: This is due at the beginning of each fiscal year.*

- Approved
- Disapproved

Mrs. Gwendolyn A. Bennett