

GL.020.004 - ENTERING ENCUMBRANCE JOURNALS

Purpose	<ul style="list-style-type: none"> • To identify the purposes for entering an encumbrance journal. • To identify where users can specify the Commitment Control amount type for a journal entry. • To describe how encumbrance journals can be edited, budget checked and posted. • To enter an encumbrance journal.
Description	<p>GeorgiaFIRST uses Encumbrance, Pre-Encumbrance and Actuals, Recognized and Collected types. This type of transaction updates the encumbered/pre-encumbered amounts in the Commitment Control ledgers. Encumbrance transactions entered via journals must be manually relieved by entering a reversing transaction. Users complete these transactions directly in the Commitment Control ledgers rather than through Purchasing.</p> <p>Generally, users enter encumbrance journals to reserve funds or to liquidate an encumbrance. Through the Header page of a journal entry, users can specify the Commitment Control Amount type. The different types include:</p> <ul style="list-style-type: none"> • Actuals and Recognized • Encumbrance • Pre-Encumbrance • Collected Revenue • Actuals, Recognized and Collected • Planned
Security Role	BOR_GL_JOURNAL_ENTRY
Dependencies/ Constraints	<ul style="list-style-type: none"> • Appropriate budgets must exist for transactions. • The offset encumbrance account (381100) cannot be used in encumbrance journals. However, the offset account is created in the Detail ledger.

Additional Information	<ul style="list-style-type: none"> Encumbrance journals can be edited and budget checked in batch. However, to post encumbrance journals, refer to business process KK.020.021 - Marking Commitment Control Journals to Post. Encumbrance journal debits and credits may not equal. These journals post to Commitment Control, and therefore, do not need to be balanced.
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Procedure

Below are step-by-step instructions on how to add an encumbrance journal to correct a previously recorded encumbrance

Step	Action
1.	Click the NavBar icon.
2.	Click the Menu icon.
3.	Click the General Ledger link.
4.	Click the Journals link.
5.	Click the Journal Entry link.
6.	Click the Create/Update Journal Entries link.
7.	Verify the system defaults the Business Unit based on the user preferences. The Journal Date defaults to the current date and should be within the current fiscal year. In most instances, users let the system assign the next available Journal ID . <i>Note: Users can modify Journal ID and Journal Date fields, if needed.</i>
8.	Click the Add button. The system navigates to the Create/Update Journal Entries page.
9.	Enter a Description in the Long Description field.
10.	Enter a Ledger Group in the Ledger Group field.
11.	Enter a Source in the Source field.
12.	Click the Commitment Control link. The system generates the Commitment Control popup window.
13.	Under the Commitment Control Amount Type, click the Encumbrance option. <i>Note: GeorgiaFIRST only uses the Encumbrance, Pre-Encumbrance and Actuals, Recognize and Collected types.</i>

Step	Action
14.	Click the OK button.
15.	Click the Lines tab. The Lines page records transactions that comprise a journal. The account numbers entered here classify the nature of a transaction.
16.	Enter an Account number in the Account field.
17.	Enter a Fund number in the Fund field.
18.	Enter a Department number in the Department field.
19.	Enter a Program number in the Program field.
20.	Enter a Class number in the Class field.
21.	Enter a Budget Ref in the Bud Ref field.
22.	Enter a Project ID in the Project field, if applicable.
23.	Enter an Amount in the Amount field.
24.	Click the Insert Lines button Plus icon to insert lines. When lines are added, the fields specified in the journal line copy down feature in the journal entry template populate automatically.
25.	Enter an Account number in the Account field. The Amount field for the second row defaults to the amount to balance the journal. <i>Note: Encumbrance journal debits and credits may not be equal.</i>
26.	Click the horizontal scrollbar to verify the journal entry is correct.
27.	Click the Save button.
28.	Choose Edit Journal from the Process drop down menu and click the Process button. The Edit Journal process option initiates the journal edit and budget checking processes, if security allows.
29.	The Edit Journal process should complete with a V (Valid) edit and budget check. Users can only post a journal with a valid journal status that also passes budget checking. Users can edit and budget check encumbrance journals in batch. However, to post encumbrance journals please refer to business process KK.020.021 - Mark KK Journals to Post.