



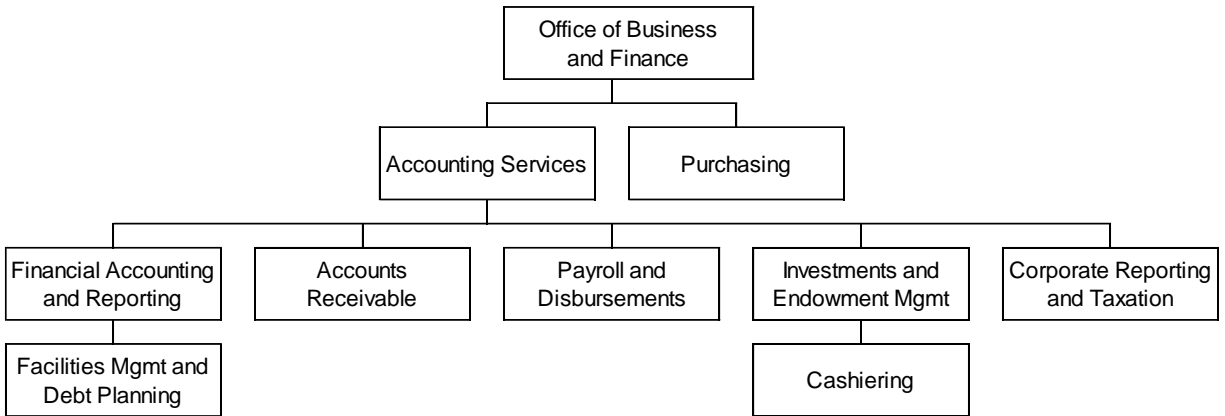
***WESTERN
MICHIGAN
UNIVERSITY***

Accounting Manual

Table of Contents

	Page
Accounting Functions Org Chart	3
What is accounting and why should you care?	3
Financial Statements	4
Accounting Terms	4-6
Accounting Functions at the University	6-7
Fiscal Year vs. Calendar Year	7
Accounting Periods	8
Accounting Structure	8
Funds	8-9
Accounts	9
Fund Balance	10
Journal Entries	10-12
Example #1: Correcting a voucher	
Example #2: Correcting a procard	
Example #3: Correcting payroll	
Example #4: Transferring support	
Journal Entries to Payroll Accounts	12-13
Journal Entries to Grants	13
Accounting Transactions	13-14
Example #5: Making a deposit	
Example #6: Paying an invoice	
Transfer Accounts (4995 & 8995)	15-16
Example #7: Paying a registration fee	
Example #8: Contributing toward a cost	
Example #9: Correcting an error	
Charging Another Department for a Good or Service (8997)	16
Example #10: Postage	
Example #11: Catering	
Example #12: Parking passes	
Guidelines for WMU Designated Funds 23 & 24	17
Facilities Management and Debt Planning	18
Year-end Close and Rollforward	18-19

Accounting Functions Org Chart



The University has a decentralized accounting system, which means Accounting Services relies on Administrative Assistants, Budget Analysts, Business Managers, etc. throughout the University to perform detailed accounting functions, such as paying invoices, making deposits, and making journal entries.

What is accounting and why should you care?

Accounting is the process of recording, classifying, and summarizing financial transactions.

Accounting includes summarizing and reporting economic information in a way that is meant to drive decision making within an organization.

Accounting information must be reliable, verifiable, relevant, comparable, and consistent.

The University has an external audit performed each year. The audited financial statements are submitted to several agencies, including the State of Michigan.

The University's leadership also uses accounting information to make decisions.

Like any language, accounting has its own terms and rules.

Financial Statements

Accounting Services supplies information to people both inside and outside the University by issuing formal reports called financial statements.

A set of rules, called Generally Accepted Accounting Principles (GAAP), govern the preparation of the financial statements. GAAP has been defined as a set of objectives, conventions, and principles to govern the preparation and presentation of financial statements.

The University also follows accounting standards set by the Governmental Accounting Standards Board (GASB), which is the independent, private-sector organization that establishes accounting and financial reporting standards for U.S. state and local governments that follow GAAP.

The University is considered a governmental unit because it receives public funding from the State of Michigan.



When you perform your daily activities of paying invoices, making deposits, and making journal entries, you contribute to the preparation of the University's financial statements.

The University has three basic financial statements:

1. Statement of Net Position (Balance Sheet)
2. Statement of Revenue, Expenses, and Changes in Net Position (Income Statement)
3. Statement of Cash Flows

You can view the University's audited financial statement on Accounting Services' website:
<https://wmich.edu/accounting-services/accounting>

Accounting Terms

1. Accounting Equations:
 - $\text{Assets} - \text{Liabilities} = \text{Net Position}$ ("Summary Balance" in GLOW)
 - $\text{Revenue} - \text{Expenses} = \text{Net Revenue}$ ("Net Revenue/Expenses Subtotal" in GLOW)
2. General ledger – an electronic record-keeping system where all financial transactions and account balances are stored (GLOW)
3. Debit – the part of a transaction denoted as a positive number
 - Assets and expenses are usually debited
 - A debit to an asset or expense increases the asset or expense
 - A debit to a liability or revenue decreases the liability or revenue
4. Credit – the part of a transaction denoted as a negative number
 - Liabilities and revenues are usually credited
 - A credit to a liability or revenue increases the liability or revenue
 - A credit to an asset or expense decreases the asset or expense

5. Double Entry System – there are at least two sides to every transaction: a debit and a credit. The debits (positive numbers) and credits (negative numbers) must net to zero to be “in balance.” For example, when you pay an invoice for supplies, the net transaction looks like this in the general ledger:

Debit:	Supplies Expense	\$1,000.00
Credit:	Cash	-\$1,000.00

6. To Book/To Record/To Post – the process of making a journal entry to get a transaction into the general ledger. Generally, you will be able to view the transaction the next day in GLOW.
7. Journal Entry (JES) – the method by which transactions are entered into the general ledger. Every journal entry contains debits and credits which must net to zero to be “in balance.” For example, if you need to correct an invoice for memberships and subscriptions paid out of your printing account:

Debit:	Membership Expense	\$ 750.00
Debit:	Subscription Expense	\$ 250.00
Credit:	Printing Expense	-\$1,000.00

8. Asset – a resource with economic value that the University owns and controls with the expectation that it will provide future benefit. For example:
- Cash (money at the bank)
 - Accounts receivable (money students owe us for tuition)
 - Prepaid expenses (money paid for next year’s memberships, rent, etc.)
 - Fixed assets (land, buildings, equipment)

9. Liability – an obligation to pay for services or items received in the course of business operations. For example:
- Accounts payable (money we owe others for services received or items purchased)
 - Accrued payroll (payroll we owe employees for time they have already worked)
 - Deferred revenue (money students paid in advance for next semester’s tuition).
 - This is considered a liability because the University would have an obligation to issue a refund to a student if it does not provide the service for which it was paid in advance.
 - Long-term debt (bonds we have to pay back)
 - Net pension liability (money we owe MPSERS for retirees as their future income)

10. Net Position/Fund Balance (“Summary Balance” in GLOW) – net position equals assets minus liabilities. In GLOW, the current “Summary Balance” is “Fund Balance July 1” plus this year’s Net Revenue/Expense. If the “Summary Balance” is a debit (positive number), then expenses exceed revenues. If the “Summary Balance” is a credit (negative number), then revenues exceed expenses.

11. Revenue/Income – earnings from the sales (inflow of cash) of services or goods. For example:
- Tuition and fees
 - Housing
 - Dining operations
 - Grants

12. Expense – costs (outflow of cash) necessary to perform and conduct programs and other operations. For example:
 - Compensation
 - Supplies
 - Bad debt (a student's tuition or fee that the University was unable to collect)
13. Fund – a set of departments represented by a two-digit number that have a common purpose or restriction. For example, the general fund (11), scholarship fund (21), designated fund (23), designated gift fund (24), etc.
14. Department/Cost Center – a unit represented by a seven-digit number within a fund that tracks revenues and expenses that have a common purpose.
15. Account/Object Code – a four-digit number assigned to each asset, liability, net position, revenue, and expense. For example, cash (1011), accounts payable (6010), net position (9200), miscellaneous revenue (8980), and supplies expense (4570).
16. Accounting Period – a time frame (usually one month).
17. Fiscal Year – the twelve accounting periods that an organization uses for its financial reporting. For example, the University's fiscal year ends June 30.
18. Accrual Basis of Accounting – the process of recording revenue when it is *earned* (rather than when cash is received) and recording expense when it is *incurred* (rather than when cash is paid). GASB requires the University to use the accrual basis of accounting. This is why some departments see journal entries for accounts receivable, prepaid expenses, accounts payable, accrued payroll, and deferred revenue at June 30 each year.

Accounting Functions at the University

1. Corporate Reporting and Taxation
 - Prepares the University's and Foundation's tax returns and other corporate reports
 - Provides advice to University departments in complying with current tax laws
2. Investments and Endowment Management
 - Liaison to banks and financial institutions
 - Manages cash and investments at the University and the WMU Foundation
 - Manages endowments at the WMU Foundation
3. Accounts Receivable
 - Responsible for University billing and collections
 - Administers the University's student payment plan and Perkins Loan program
4. Payroll and Disbursements
 - Responsible to pay faculty, staff, and student payroll
 - Issues annual W-2s and other payroll forms and reports
 - Manages the University's purchases and the processing of payments via invoices, procurement cards, and vouchers
 - Oversees the travel process

5. Purchasing
 - Establishes and manages supplier relationships
 - Assists the University's departments in procuring goods and services over \$5,000
 - Ensures the University complies with laws, regulations, policies, and procedures
6. Facilities Management and Debt Planning
 - Responsible for managing capital projects
 - Responsible for recording and inventorying capital assets
 - Manages the University's debt
7. Cashiering
 - Manages the University's centralized cashiering systems
 - Oversees the e-commerce system for departmental stores and sales
8. Financial Accounting and Reporting
 - Ensures the University's financial transactions are reported accurately, completely, and in a timely manner
 - Responsible for the financial reporting for the University as a whole
 - Provides monthly, quarterly, and annual financial reports
 - Responsible for the University's financial reporting systems: PeopleSoft, GLOW, and the online journal entry system (JES)
 - Ensures compliance with federal, state, and all other accounting and audit principles and standards, as well as establishes policies and procedures for the University to adhere to those standards
 - Responsible for the University's annual external audit and the published audited financial statements
 - Provides reporting for the State of Michigan and various other organizations
 - Provides accounting training and support to University departments

Fiscal Year vs. Calendar Year

Some organizations use the calendar year for financial reporting (January 1 - December 31).

Most Michigan universities and school districts use a fiscal year ending June 30 for their financial reporting (July 1 - June 30). The University's fiscal year ends June 30.

The State of Michigan uses a fiscal year ending September 30 for its financial reporting (October 1 - September 30).

Accounting Periods

An accounting period at the University refers to one month in the fiscal year. Accounting detail in GLOW should be reviewed on a monthly basis.

Period 1	July
Period 2	August
Period 3	September
Period 4	October
Period 5	November
Period 6	December
Period 7	January
Period 8	February
Period 9	March
Period 10	April
Period 11	May
Period 12	June
Period 998	Period 998 – Year-end adjusting entries for Accounting Services' use only
Period 000	Period 000 – Carry-forward totals from one year to the next

Accounting Structure

All transactions are made to a fund, department, and account. For example, 11-6411200-4570 is the supplies expense account in the accounting department in the general fund.

Funds

#	Description	Explanation
11	General Fund	The University's operating fund. Revenues are state appropriations and tuition; expenses are salaries, supplies, utilities, equipment, etc.
21	Scholarships	Holds scholarship funds for Financial Aid to disburse.
23	Designated Funds	Departmental self-supporting activity. Funding source must be departmental activities, not general fund or grants.
24	Designated Gifts	Donations are transferred from the WMU Foundation.
25-30	Grants	Revenue is obtained through grants and contracts for a specific purpose. Restrictions are placed on the use of funding.
25	Federal Restricted	
26	State Restricted	
27	Local Restricted	
28	Foundation Restricted	
29	Other Restricted	
30	Grants Cost Share	

#	Description	Explanation
31	Student Loan Fund	Revenue originates from various places and once established, acts as a revolving loan fund for short-term student loans.
32	Annuity and Life Income Fund	Irrevocable planned gifts from donors where the income from the gifted asset is delayed until after the donor's death.
41-46	Auxiliary Activities	Revenue-producing, substantially self-supporting University activities that perform a service but are not themselves educational activities (athletics, health center, West Hills, student housing, etc.).
41	Student Affairs (Housing & Dining)	
42	Athletics	
43	Auxiliary Other	
45	Miller Auditorium	
46	Physical Plant – Internal Service	
51-52	Agency and Trust	Funds held by the University on behalf of organizations associated with the University.
51	Agency and Trust – Other	
52	Agency and Trust – Student Orgs	
54	WMU Foundation	
55	Insurance and Benefits	Employee insurance and benefits.
56	Paper Technology Foundation	
61-65	Physical Plant Funds	The University's physical properties and related indebtedness.
61	Plant Fund – General	
63	Construction in Progress	
64	Self-Liquidating Projects	
65	Auxiliary Debt Service	

Accounts

The University has the following numbering convention for accounts.

- 1xxx Asset
- 2xxx Asset (Construction in Progress)
- 3xxx Payroll expense
- 4xxx Expenses other than payroll
- 6xxx Liabilities
- 7xxx Long-term liabilities
- 8xxx Revenues (income)
- 9xxx Fund balance
 - Fund balance carry-forward account is 9200
 - Journals should never be posted against 9200

A complete list of accounts can be found in GLOW under “list accounts” on the main menu.

Fund Balance

Always be aware of the fund balance in your department. This can be found in the “Summary Information” screen in GLOW. After entering your fund and department, scroll all the way down to “Summary Balance” for the fiscal year actuals.

Summary Info

Q								
1-11 of 11								
	Account		Booked Budget	Adjusted Budget	Actuals	Commitments	Dept Encumb	Closing Balance
	9200	Fund Balance July 1	0.00	0.00	-1,444.27	0.00	0.00	1,444.27
	*****	SUMMARY BALANCE	0.00	0.00	18.78	0.00	0.00	-18.78

If your “Summary Balance” in GLOW is a debit (positive number) as in the above example, then expenses are greater than revenues, and the department is in deficit. Deficits in funds 21, 23, 24, and 43 must be funded by June 30.



It is your responsibility to monitor your “Summary Balance” and to draw from an endowment or transfer other support by June 30 to avoid ending the year in a deficit.

Journal Entries

Journal entries at the University are made using the JES system within PeopleSoft Financials which is accessed through GoWMU. Written and video instructions on how to log-in and use JES are on Accounting Services’ website: <https://wmich.edu/accounting-services/accounting>

The first two business days of the month are reserved for making journal entries for the prior month. For example, you have until 5:00pm on April 1-2 to make journal entries for March. Simply click the “post to prior period” button on the JES screen.

Journal entries (JES) are made for various reasons.

Administrative Assistants, Budget Analysts, and Business Managers might make journal entries to correct vouchers paid out of an incorrect account, to correct procards paid out of an incorrect account, to transfer payroll from one department to another, or to transfer support from one department to another, to name a few.

Accounting Services makes most of its journal entries at June 30 for the annual audited financial statements. These journal entries include recording accounts receivable, prepaid expenses, accumulated depreciation, accounts payable, deferred revenue, net pension liability, bad debt expense, depreciation expense, and pension expense, to name a few.

A journal entry will go through a scrubbing process overnight to verify certain information. If there is an error in it, the journal entry will not post to the general ledger (GLOW), and Accounting Services will contact you the next morning.

When making a journal entry, think about what you are trying to accomplish. Always check GLOW the next day to make sure the journal entry did what you intended it to do.

Example #1:

There is a voucher for supplies in department 11-0055000 that should have been charged to department 11-1100000. How do I correct this?

The expense is showing up in 23-0055000-4570:

08/23/2018	V01499668	144703426CENTURYLINK	31.26
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To move the expense, the following entry is needed:

Debit: 11-1100000-4570 \$31.26

Credit: 11-0055000-4570 -\$31.26

Example #2:

I forgot to allocate the expenses on my procard to the correct expense accounts before signing off on it. Now I have membership fees (4331) in supplies expense (4570). How do I correct this?

The expense is showing up in 11-0055000-4570:

07/31/2018	PROCARD	DILLON PAUL B	275.00
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To move the expense, the following entry is needed:

Debit: 11-0055000-4331 \$275.00

Credit: 11-0055000-4570 -\$275.00

Example #3:

I share a student employee with another department (11-1100000). Her hours vary from week to week, so her entire paycheck comes out of my department, and the other department reimburses me for the time she actually worked for them. How do I move 25% of the Z36 payroll to the other department (11-1100000)?

The expense is showing up in 11-0055000-3511:

01/08/2019	PAYROLL	Z26 X ACCOUNTS RECEIV	84.42
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To move 25% of the expense, the following entry is needed:

Debit: 11-1100000-3511 \$21.11

Credit: 11-0055000-3511 -\$21.11

Please see "Journal Entries to Payroll Accounts" below for specific information on how to format the journal entry.

Example #4:

I am putting on a business managers meeting and need to pay for a room at the Fetzer Center and snacks for attendees. Another department (23-1100000) agreed to pitch in \$100.00 toward the cost of the meeting, which is not for any specific expenses.

The actual expense is showing up in 23-0055000-4364 and 23-0055000-4370.

For the other department to contribute \$100.00, the following entry is needed:

Debit: 23-1100000-4995 \$100.00

Credit: 23-0055000-8995 -\$100.00

Please see “Transfer/Support Accounts” below for more information on this type of journal entry.

Journal Entries to Payroll Accounts

Journal entries to payroll accounts must be formatted in a specific way for grant time and effort reporting purposes, even if the journal entry is not made to a grant fund.

The “Glow Description” entered in JES must contain the Employee ID, the pay period #, the employee’s last name, and any additional comments (not to exceed a total of 30 characters). Note that there are **no spaces** between the criteria.

*Account	*Fund	*Department	*Amount	*Glow Description
3311	23	2807610	550.00	23456,BW2102,Bronco,Buster
3311	23	2905520	-550.00	23456,BW2102,Bronco,Buster
3211	26	7025670	275.00	356789,SM2102,Montgomery,NSF
3211	11	11230500	-275.00	356789,SM2102,Montgomery,NSF

Please keep in mind:

- There should be **no spaces** in the “Glow Description” entered in JES.
- Each line of the journal entry is one pay period for one employee. If you are moving multiple pay periods for multiple employees, each pay period for each employee needs its own line. The system will automatically calculate the fringe benefits.
- Wait until the pay period is posted to GLOW before attempting to make a journal entry to move the payroll. For example, if BW2102 ends 1/10/21, it won’t be posted to GLOW until 1/19/21. Wait until 1/20/21 to make the journal entry.
- You can only move payroll out of the account to which the original payroll was posted. For example, if Buster Bronco’s payroll posted to 3311, you cannot try to move it out of any other account besides 3311.

- You can only move the amount of payroll that actually posted or less. For example, if Buster Bronco was paid \$550.00 for Y50, you cannot move \$551.00. You can move less than what the employee was paid, but you cannot move more.

Alternatives to having to follow these rules:

- Use a transfer/support code (4995 and 8995) instead of a compensation code. You will have to manually calculate and include the amount of fringe benefits in your transfer.
- Change or correct the cost center to which the employee is charged. This will involve contacting Human Resources and Payroll.
- Transfer your budget by making a BES instead of transferring actual expenses with a JES.

Journal Entries to Grants

All journal entries made to grant funds (25-30) go to Grants and Contracts to review and approve before they are posted to the general ledger. Please make sure that your documentation for the journal entry is in order *before* making the journal entry in order to expedite the review by Grants and Contracts.

Even if only one line of your journal entry is made to a department in a grant fund (25-30), the entire journal entry goes to Grants and Contracts for review.

To expedite posting of your journal entries, you can keep your grant journal entries separate from your non-grant journal entries.

Accounting Transactions

A list of descriptions and reference codes found in GLOW is below.

Code	Location	Explanation
IPAY	7th character of line description	Deposit posted by cashiering (generally only occurs in revenue accounts)
PP	End of line description	Physical Plant billings for projects
B	Ref# column	Budget Entry posted by anyone with access to BES
E	Ref# column	Encumbrance entry posted by anyone with access to DME
FM	Ref# column	Facilities Management billings
I or J	Ref# column	Journal Entry posted by anyone with access to JES
P	Ref# column	Purchase Order posted by Accounts Payable

Code	Location	Explanation
V	Ref# column	Voucher posted by Accounts Payable
PAYROLL	Ref# column	Payroll posted by the Payroll Department (will always have the pay period in the line description)
PROCARD	Ref# column	Procard transactions for one month posted by Accounts Payable
TRAVEL	Ref# column	Travel transactions for one month posted by Accounts Payable
ENDGTD	Ref# column	Endowment distributions for one month posted by Investments
000000	Ref# column	Revenue posted by Accounts Receivable (will include the student's WIN, last name, and fee detail code in the line description)
000000	Ref# column	OFFSET OFFSETTING ENTRY 03 (the total of all Banner transactions/adjustments for a specific day)



You are responsible for reconciling (reviewing) all transactions posted to your department in GLOW on a monthly basis. Always be aware of the transactions posted to your departments.

Example #5:

I am putting on a conference and received a check for \$355.00 for an attendee's registration fee, so I sent the check to cashiering for deposit.

Cashiering posts the deposit to your department's miscellaneous revenue (23-0055000-8980) as indicated on your deposit slip. The deposit will show as a credit to your revenue account and will include "IPAY" in the line description in GLOW. The debit will be to the University's cash account.

Debit: 23-0000000-1011 \$355.00
Credit: 23-0055000-8980 -\$355.00

Example #6:

I bought sandwiches from a sandwich shop for my conference totaling \$1,049.00. I filled out a voucher and sent it to Accounts Payable for payment.

Accounts Payable posts the voucher to your department's meals and entertainment expense (23-0055000-4364) as indicated on your voucher. The voucher will show as a debit to your meals and entertainment expense and will include the voucher number (V12345678) in the Ref# column in GLOW. The credit will be to the University's accounts payable account.

Debit: 23-0055000-4364 \$1,049.00
Credit: 23-0000000-6010 -\$1,049.00

Transfer Accounts (4995 and 8995)

4995 and 8995 are for moving funds between different departments. This is necessary in order for the University to be in compliance with accounting standards that do not allow us to include *internally* generated revenue and expense on our university-wide financial statements.

- 4995 can only be used in a journal entry with 8995.
- There is not necessarily a *specific* expense involved.
- A department decides to contribute funds toward the expenses of another department, perhaps for a special project or to eliminate a deficit.

In the case of an actual expense being reimbursed or the correction of an error, move the entire expense amount and use the *original* account code.

Example #7:

I was awarded a grant from the Office of Research and Innovation (ORI). ORI helped me set up a WRAP account and is going move the initial funding into it. The debit goes to ORI's department (11-0055000) and the credit goes to my department (23-1100000).

Debit: 11-0055000-4995 \$3,000.00
Credit: 23-1100000-8995 -\$3,000.00

Example #8:

I paid for a new workspace to accommodate an employee per Title I. I put my department's expense account (11-0055000) on the voucher. The credit goes to the University's accounts payable.

Debit: 11-0055000-4481 \$2,300.00
Credit: 11-0000000-6010 -\$2,300.00

Human Resources (11-0000980) covered half of the cost to accommodate the employee's workspace and transferred funds to my department (11-0055000).

Debit: 11-0000980-4995 \$1,150.00
Credit: 11-0055000-8995 -\$1,150.00

Now I have \$1,150.00 in support revenue and \$2,300.00 in expense. Can I move the revenue into the expense account? No, since Human Resources was contributing toward the cost physically incurred by my department, the revenue must stay in 8995 and the expense must stay in 4481.

However, I may make a budget entry (BES) to move budgeted dollars from my revenue account to my expense account so that I am not over budget in my expense account.

Example #9:

While reviewing my department's (11-0055000) activity for the month, I noticed printing costs in 4482 that did not belong there. Upon further investigation, I found out the printing costs belonged to Internal Audit (11-1100000).

In this case, since I am correcting an error, I would make a journal entry to move the entire amount out of my printing expense and into Internal Audit's printing expense. The debit would be to Internal Audit, and the credit would be to my department.

Debit: 11-1100000-4482 \$269.00
Credit: 11-0055000-4482 -\$269.00

Charging Another Department for a Good or Service (8997)

Sometimes departments charge each other for goods and/or services. Some examples are printing, postage, parking passes, catering, rent, and FM billing. When charging another department within the University for a good or service, the department receiving the funds uses 8997 as the revenue account code, and the department sending the funds uses an appropriate expense account code. This is necessary in order for the University to be in compliance with accounting standards that do not allow us to include *internally* generated revenue and expense on our university-wide financial statements.

In the case of an actual expense being reimbursed or the correction of an error, move the entire expense amount and use the *original* account code.

Example #10:

I mailed some letters through the University's mail services. Logistical Services (43-0000880) charges my department (11-0055000) for the postage.

Debit: 11-0055000-4340 \$2.32
Credit: 43-0000880-8997 -\$2.32

Example #11:

I am putting on a business managers meeting and need to pay for a room at the Fetzer Center and snacks for attendees. The Fetzer Center (43-1100000) charges my department (23-0055000) for the room and snacks.

Debit: 23-0055000-4364 \$200.00
Debit: 23-0055000-4370 \$200.00
Credit: 43-1100000-8997 -\$400.00

Example #12:

I have auditors coming and need guest parking permits for them. Parking Services (43-0220000) charges my department (11-0055000) for the parking permits.

Debit: 23-0055000-4880 \$20.00
Credit: 43-0220000-8997 -\$20.00

Guidelines for WMU Designated Funds 23 & 24

1. Fund 23:

- For designated dollars in fund 23 to be used for a specific purpose, expenses related to those activities should be paid directly out of the fund 23 department. Specific examples might be conference expenses or training where the funds were designated for some specific purpose.
- If there are remaining dollars in the fund 23 department after the specific purpose has been met, the department may transfer the remaining dollars to a new department by making a journal entry (JES) using 4995 and 8995 account codes.

2. Fund 24:

- All expenses related to gifts (fund 24) must be paid directly from the corresponding fund 24 department. If an expense is mistakenly paid from an operating department, it must be moved to the appropriate fund 24 department using a journal entry. The correcting entry must offset the expense in the operating department and re-record it in Fund 24. An example entry format can be found below (XXXX being the expense account). Specific examples might be guest lecturers or travel abroad where the funds were restricted for some specific purpose by the donor.
 - Debit: 24-XXXXXXXX-XXXX
 - Credit: 11-XXXXXXXX-XXXX
- If the expense being transferred is a payroll-related expense (i.e., any account within the 3xxx series), the entry description must follow the approved payroll adjustment format. Detailed instructions for completing this type of adjustment can be found here: [JES PAYROLL FORMAT](#)

3. Transfers:

- Transfers (4995/8995) from the General Fund (fund 11) to the Designated Funds (funds 23 and 24) are not allowed unless otherwise approved by Accounting Services or the University Budget Office on an exception basis.
- Transfers (4795/8795) to the Designated Gift Fund (fund 24) should only be from the WMU Foundation (fund 54) unless otherwise approved by Accounting Services on an exception basis.

4. Common questions:

- May I transfer money from fund 11 to fund 23?
 - Only in rare circumstances.
 - Generally, fund 11 money has to be spent on fund 11 expenses, and you wouldn't transfer money to other funds for other purposes.
 - You may make a correcting journal entry if you determine that a specific expense has been charged to the wrong department, at which point the expense can be moved to the correct department using the *original* account code rather than 4995 and 8995.
- When may I deposit money into fund 24?
 - Fund 24 is for designated gifts to the University. Only gifts from the WMU Foundation can go into a department in fund 24.
 - All gifts (cash and in-kind) should always go through the WMU Foundation. The Foundation transfers gifts to the departments in fund 24 in August and February.
 - In-kind gifts are gifts other than cash, such as goods or services.
 - The donor designates the University department.

- Gifts to the University generally have a specific purpose and can only be used for that purpose.

Facilities Management and Debt Planning

When you purchase equipment equal to or greater than \$5,000 or when you purchase computer software, Facilities Management and Debt Planning needs to know so that they can properly account for those items as well as tag and track them.

You alert Facilities Management and Debt Planning that you have purchased equipment equal to or greater than \$5,000 by paying for it on a voucher or purchase order out of account 4850 or by paying for computer software out of account 4452.

Please make sure to use the following equipment accounts:

#	Description	Explanation
4452	Software	All software should be charged to this account regardless of cost.
4481	Office Supplies	Equipment costing less than \$5,000.
4826	Fabricated Equipment	Grant fund (funds 25-30) purchases of component pieces that will combine to form equipment with a final cost of at least \$5,000.
4850	Equipment > \$5,000	Tangible equipment costing at least \$5,000 per unit with a useful life of at least two years.
4865	Technical Initiatives	Computers and related hardware costing less than \$5,000 and that are not purchased with a procard or through Technology Purchases website.
8980	Miscellaneous Income	Proceeds received from the sale of equipment.

Year-end Close and Rollforward

The University's fiscal year ends on June 30. Accounting Services posts a newsletter to its website to explain the timeline of events to wrap up the fiscal year's activity. The first couple of weeks in July are spent making journal entries to prepare for the annual audit.

The University hires independent, external auditors to come in and audit the University's financial statements. Once the audit is complete (late August or early September), the end "Summary Balance" in GLOW is rolled forward to the new fiscal year and becomes the "Fund Balance July 1" in GLOW.

Some departments keep their “Summary Balance” from one year to the next:

- Scholarships (21), Designated Funds (23-24), Grants and Contracts (25-30), Student Loan Funds (31), Annuity and Life Income (32), some Auxiliary (41-47), Agency and Trust (51-52), Foundations (54 & 56), Insurance & Benefits (55), and Plant Funds (61-65)

Summary Compare Info

Q			1-13 of 13		
	Account		Actuals 2022	Actuals 2021	Actuals 2020
	9200	Fund Balance July 1	-194.58	-10,808.65	-19,430.01
	*****	SUMMARY BALANCE	-2,979.58	-194.58	-10,808.65

For other departments, the “Summary Balance” gets swept clean and they begin the year with a “Fund Balance July 1” of \$0 (which does not appear in GLOW).

- General Fund (11) and some Auxiliary (41-47)

Summary Compare Info

Q			1-52 of 52		
	Account		Actuals 2022	Actuals 2021	Actuals 2020
	*****	Net Revenue/Expenses Subtotal	536,983.54	609,965.79	865,699.96
	*****	SUMMARY BALANCE	536,983.54	609,965.79	865,699.96