

Maricopa County Policy Policy for Journal Vouchers		Number: A2514 Revision:
Category:		Issued: 2/22/12
Initiated by: Department of Finance	Approved by: Maricopa County Board of Supervisors & Special Districts	Revised:

A. Purpose

The purpose of the Maricopa County Journal Voucher Policy is to establish standard guidelines for County Departments and County District(s) including the Flood Control District, Library District, and Stadium District, for processing and approving journal vouchers into the County's financial (accounting) system. Journal vouchers should comply with applicable accounting requirements for Federal and state grants, Arizona Revised Statutes (ARS), and other regulatory agencies, and Generally Accepted Accounting Principles (GAAP). The Journal Voucher Policy will require that transactions are pre-approved which will reduce errors and ensure compliance with other county policies; i.e., Non-Departmental Policy B1008.

This policy defines journal voucher entries. It also details the overall responsibilities and processes to be followed by departments when utilizing journal vouchers. This policy also offers specific information and detailed procedures to be followed.

Department directors and administrators are responsible for ensuring all personnel are aware and comply with the requirements of this policy.

B. Definitions

Comprehensive Annual Financial Report (CAFR) journal voucher entry – An adjusting journal voucher processed after the final June (12th period) year-end close to correct an amount previously recorded, to record an accrual, or make other adjustments to the general ledger accounts for proper reporting of financial activity.

Department – Refers to the department, office, or agency under budgetary responsibility and oversight of the Maricopa County Board of Supervisors and the Maricopa County District(s) Board of Director(s). The County Districts include the Flood Control District, Library District, and Stadium District.

Fund – A fiscal and accounting entity with a self-balancing set of accounts segregated for the purpose of carrying out specific activities or obtaining certain objectives in accordance with regulations, restrictions, or limitations.

General Fund – County's primary operating fund.

Governmental Funds – County General Fund, special revenue funds, debt service funds, and capital projects funds.

Journal Voucher – A document that provides written authorization for a financial transaction. Journal vouchers are used to correct transactions or to reclassify charges/transactions from one area to another or record accounting events that cannot be recorded on any other document. Journal vouchers can be used to, move money, adjust balances, or to record adjustments to previously entered transactions.

Non-Departmental – Non-Departmental is a Department or Agency used to track certain expenditure activity that is not provided for in Departmental budgets. For FY2010-11, Non-Departmental activity is reported in Department or Agency number 47X; however, this is for reference only as the Department or Agency number may periodically change.

Proprietary funds – Include enterprise funds and internal service funds. Enterprise funds report activity for which a fee is charged to external users for goods or services. At FY 2010-11, the County did not report any enterprise funds. Internal service funds operate on a cost reimbursement basis and generally provide services to only other County departments.

Types of Journal Vouchers:

Hard copy Journal Voucher – These journal vouchers are prepared by the initiating department and submitted to the Department of Finance for financial review, input, and final approval on-line. It is recommended that all departments prepare and input their respective journal vouchers to ensure accuracy and to automate the approval process.

On-line Journal Voucher – These journal vouchers are input by the initiating department into the County's financial (accounting) system. All approvals are completed on-line.

Recurring Journal Voucher – These journal vouchers are prepared and approved by the initiating department and submitted to the Department of Finance for input at the beginning of the fiscal year. The third Thursday of every month, all recurring journal vouchers are posted on the suspense table on the County's financial (accounting) system. The initiating department will approve the recurring journal voucher on-line and the Department of Finance will provide final on-line approval in the County's financial (accounting) system.

C. Guidelines

Most Maricopa County departments currently enter their own journal vouchers on-line. It is recommended that all departments prepare and input their respective journal vouchers to ensure accuracy and to automate the approval process. The training materials associated with on-line journal voucher processing can be obtained by contacting the Department of Finance.

The following are general guidelines for journal voucher preparation and for internal control purposes:

- The journal voucher form will contain sufficient supporting explanations, attachments, or references and documentary evidence supporting the transaction, signature or initials of the preparer, and a county official authorized to approve the journal voucher. The journal voucher must be approved by someone other than the preparer.
- The name and phone number of the preparer along with the approval (authorized signature) must be included on all journal vouchers to demonstrate compliance with:
 - 1) The Journal Voucher Policy, and
 - 2) Applicable accounting requirements for Federal and state grants, Arizona Revised Statutes (ARS), and other regulatory agencies, and
 - 3) The transaction is in compliance with Generally Accepted Accounting Principles (GAAP).
- Journal vouchers will be processed in the accounting period when the adjusting transaction occurred or immediately when determined an adjustment is necessary.
- Journal vouchers will be processed timely in order to properly account for financial activity.
- Journal vouchers will be sequentially numbered for each department.
- Entries to Balance Sheet Accounts (BSA) require only fund number and BSA number. Most Balance Sheet Accounts are not utilized by departments with the exception of Cash (BSA 0001).
- Entries between funds in most cases require the transfer of cash between the funds. This entry to BSA 0001 (Cash) allows the entry to balance within each fund.
- If "Transfers In" or "Allocations In" is used for Operating Transfers between funds, then the only offsetting Expense Object allowed is "Transfers Out" or "Allocations Out". (i.e., 0680/0880, 0795/0796, 0805/0806, 0872/0873, 0955/0956).
- The date and Accounting Period (APRD) should be input on-line. If no date or APRD is entered, the system default will be the current date/APRD.

- Journal vouchers on the suspense table in the County's financial (accounting) system are to be cleared off by the inputting department (posted or deleted) within 60 days.
- Journal voucher entries will balance in total within the fund.
- Departments preparing journal vouchers affecting grants that are processed after the grant end date may need to backdate the journal voucher transaction date in the County's financial (accounting) system in order to post. This will not affect the accounting period the journal voucher is posting but identifies that the transaction occurred before the end date of the grant. The journal voucher transactions being corrected must have occurred before the actual grant end date and must be documented in the supporting documentation. Please consult the Department of Finance if a journal voucher must be backdated.

Non-Departmental Journal Vouchers

Journal vouchers that affect Non-Departmental must be approved by the Office of Management and Budget (OMB) before posting in the general ledger in accordance with the County's Non-Departmental Policy (B1008). In order to facilitate the approval process, the following procedures will be used:

- Journal vouchers that affect Non-Departmental will be processed using the County's workflow process. The initiating department will prepare the journal voucher and supporting documentation that will be imaged into the County's document imaging and workflow management system and routed to OMB for approval.
- The initiating department will enter the journal voucher into the County's financial (accounting) system. The initiating department will use their department (agency) number (i.e., Department of Finance - Department or Agency number 180) as the document ID in the County's financial (accounting) system. The journal voucher will then be numbered using the Non-Departmental journal voucher sequence (i.e., 12470xxxxxx where the first two numbers represent the fiscal year and 470 represents Non-Departmental. Departments can obtain a journal voucher number from the County's financial (accounting) system by keying a # after the fiscal year and agency (12470#) to get the next journal voucher number available) (see example on page 7 of policy). The initiating department will provide level 1 and 2 approvals in the County's financial (accounting) system.
- OMB will review the workflow journal voucher documentation and will provide level 3 approval in the County's financial (accounting) system.
- The Department of Finance will provide the final approval after the initiating department has provided level 1 and 2 approvals and OMB has provided level 3 approval in the County's financial (accounting) system.

- The Non-Departmental journal voucher documentation will be retained in the County's document imaging and workflow management system in accordance with record retention policies and are subject to public records requests.

Non-Recurring Journal Vouchers Between Other Departments

Journal vouchers that are between other County departments will be approved by the receiving department before posting in the general ledger except for CAFR journal vouchers and other adjusting journal vouchers made by the Department of Finance. In order to facilitate the approval process, the following procedures will be used:

- The initiating department will obtain authorization (i.e., email, work orders, Inter Departmental Agreements (IDA), Service Level Agreement (SLA), etc.) from the receiving department prior to posting the journal voucher in the County's financial (accounting) system. The authorization from the receiving department should be included in the supporting documentation for the journal voucher or by referencing the applicable agreement on file.
- The initiating department will prepare and enter the journal voucher into the County's financial (accounting) system and provide level 1 and 2 approvals.
- The Department of Finance will provide the final approval after the initiating department has provided level 1 and 2 approval in the County's financial (accounting) system.
- It is encouraged that County departments image all journal vouchers and supporting documentation into the County's document imaging and workflow management system.
- The journal voucher and supporting documentation will be retained in the County's document imaging and workflow management system or hardcopy documentation retained on file by the department in accordance with record retention policies and are subject to public records requests.

Recurring Journal Vouchers Between Other Departments

Recurring journal vouchers that are between other County departments (i.e., ISF charges, Central Service Cost Allocation, etc.) will be approved by the receiving department at the beginning of the fiscal year. In order to facilitate the approval process, the following procedures should be used:

- Annually, the initiating department will contact each receiving department to request verification regarding the accounting strings that will be charged each time the recurring journal voucher is processed as well as agreed upon amounts of the recurring journal voucher.

- Annually, the receiving departments will advise the proper accounting string information and provide pre-approval of agreed upon charges. The authorization from the receiving department should be included in the supporting documentation for the journal voucher or a memo from the initiating department should be included that certifies all departments have been contacted regarding the respective charges.
- The initiating department will prepare and submit the preapproved recurring journal voucher to the Department of Finance to be entered into the County's financial (accounting) system based on the accounting string data provided by the receiving department.
- The Department of Finance will provide the final approval after the initiating department has provided level 1 and 2 approvals in the County's financial (accounting) system.
- The journal voucher and supporting documentation will be retained in the County's document imaging and workflow management system or hardcopy documentation retained on file by the department in accordance with record retention policies.

All Departments are responsible for complying with the Journal Voucher Policy. No charges will be processed for Non-Departmental unless this policy has been followed.

D. Procedures

Reviewer Responsibilities

Departmental Review - Level 1 and 2 Approval Responsibilities

The level 1 and level 2 reviews are performed by individuals at the preparing department. These reviews will determine that:

- The entry was input as intended (comparison to hand written documentation).
- The activity is being moved from the accounting string where the original charges were recorded.
- The accounting strings being affected are valid and budgeted. This can be determined by referencing the current Fiscal Year Chart of Accounts.
- The entry is in compliance with all governing laws and statutes.
- The entry is in compliance with generally accepted accounting principles.
- All entries that affect other Departments including Non-Departmental must be approved by the department being affected.
- The initiating department has the ultimate responsibility for material misstatements of actual balances.

- It is encouraged that County departments image all journal vouchers and supporting documentation into the County's document imaging and workflow management system.
- The journal voucher and supporting documentation will be retained in the County's document imaging and workflow management system or hardcopy documentation retained on file by the department in accordance with record retention policies.

Department of Finance Responsibilities

The Department of Finance - Level 3 and Level 4 (as needed or required) Approval Responsibility

This review is performed by individuals in the Department of Finance. This review will determine that:

- The entry appears to be logical.
- The balance sheet accounts, object codes, and agencies used are logical.
- Transfers/Allocations-in equal transfers/Allocations-out, if applicable.
- Entry balances in total and within each fund.
- All entries that post to Non-Departmental have received level 3 approval in the County's financial (accounting) system by OMB and are correctly numbered with a Non-Departmental journal voucher number.

E. Related Documents

- Non-Departmental Policy (B1008)

Example of Journal Voucher - the following example for charges to Non-Departmental is for reference only and not considered part of the Journal Voucher Policy. As such, the example may be periodically updated without Board approval.

JOURNAL VOUCHER

LGFS FORM

JOURNAL VOUCHER NUMBER
1247000092

SHADED FIELD HEADINGS DESIGNATE MINIMUM INFORMATION REQUIRED

PREP AGENCY	JV DATE (MM/DD/YY)	BUD. FY.	REVERSAL DATE	DESCRIPTION	DEBIT DOCUMENT TOTAL	CREDIT DOCUMENT TOTAL
180	11/7/2011	12		Audit Costs to Non-Departmental	264,365.00	264,365.00

LINE #	ACCT. TYPE	FUND	AGENCY	ORGANIZATION	ACTIVITY	OBJECT	SUB OBJ/RV	B/S ACCT	REPT CATG	FUNC CODE	DEBIT AMOUNT	CREDIT AMOUNT
01	22	100	180	1823	FINR	812	00			0000		
02	22	100	470	4712	AUDT	812	00		CSAD	0000	264,365.00	264,365.00
03												
04												
05												
06												
07												
08												
09												
10												
11												
12												
13												
14												
15												
16												
17												
18												

EXPLANATION OF ENTRY: Audit Costs to Non-Departmental

PREPARED BY: _____ PH NO. _____ PREPARING DEPT: Finance
(PLEASE PRINT NAME)

APPROVED BY: _____ FINANCIAL REVIEW: _____
(AUTHORIZED SIGNATURE)

14 5-95 (0109303)

MLGA-001-1 05/02/95

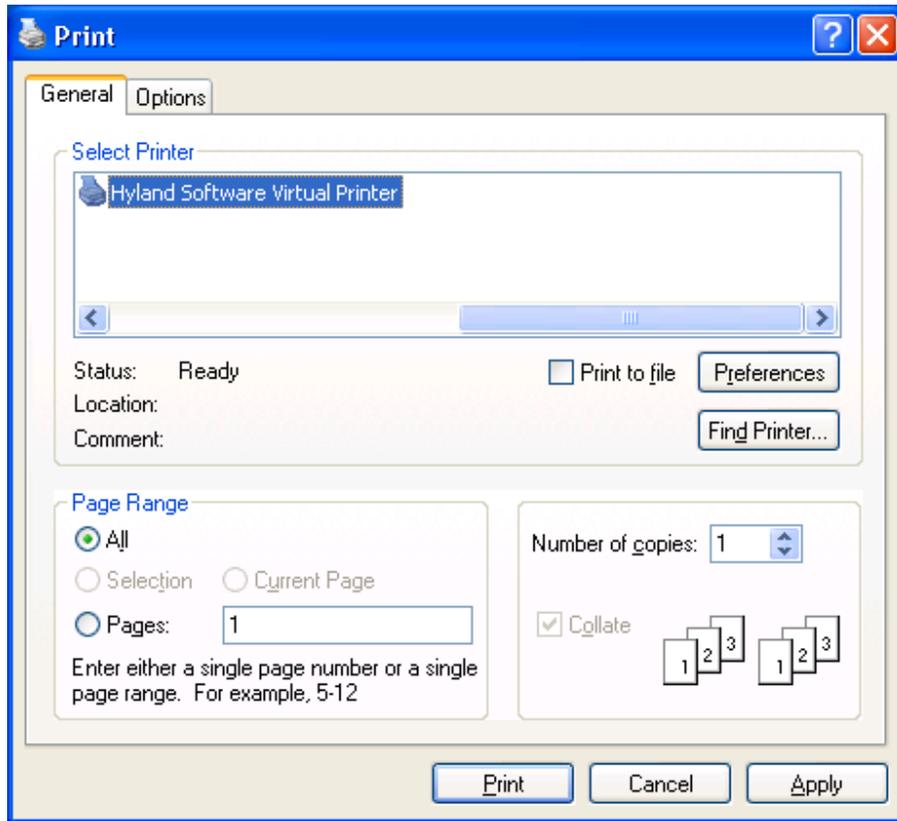
Example of importing a Non-Departmental journal voucher into OnBase - the following example for importing a Non-Departmental journal voucher into OnBase (the County’s document imaging and workflow management system) is for reference only and not considered part of the Journal Voucher Policy. As such, the example may be periodically updated without Board approval.

Importing a Non-Departmental Journal Voucher (JV) into OnBase

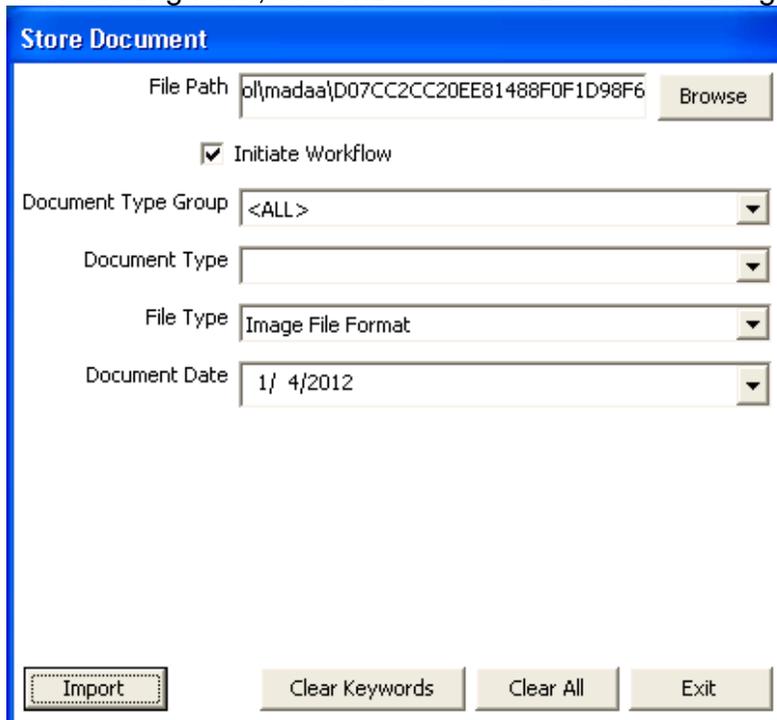
Please use the following steps to import “Non-Departmental” Journal Voucher supporting documentation into OnBase.

1. With your scanner or multi-function device, scan your JV document and supporting documentation.
 - a. Most departments use a multi-function copier/scanner such as a BizHub, Digital Sender or similar device to either scan documents to a network folder or e-mail scanned documents to a selected recipient.
 - b. Most devices scan documents in PDF format, but any image or document format is sufficient.

2. From within your application (usually Adobe Acrobat), choose the File>Print option from the menu or click the Print icon . After clicking either Print menu or icon, a print dialog box similar to the one below should appear.
 - a. Choose “Hyland Software Virtual Printer” as the Printer and click Print.



3. After clicking Print, the OnBase Store Document dialog box will appear.



4. Choose the “FIN – FS – Journal Voucher (JV)” Document Type.

The screenshot shows the 'Store Document' form with the following fields and values:

- File Path: pol\madaa\31C6ED298977094B9A3686553f
- Initiate Workflow:
- Document Type Group: <ALL>
- Document Type: FIN - FS - Journal Voucher (JV)
- File Type: Image File Format
- Document Date: 1/ 1/2012
- Journal Voucher Number: (empty)
- Date: / /
- Amount: (empty)
- Transaction JV No.: (empty)
- Purchase Order Number: (empty)
- Department: (empty)

Buttons at the bottom: Import, Clear Keywords, Clear All, Exit.

5. Enter the Journal Voucher Number.
a. **NOTE: All Non-Departmental Journal Vouchers should have a “470” Journal Voucher Number.**

The screenshot shows the 'Store Document' form with the following fields and values:

- File Path: ol\madaa\D07CC2CC20EE81488F0F1D98F6
- Initiate Workflow:
- Document Type Group: <ALL>
- Document Type: FIN - FS - Journal Voucher (JV)
- File Type: Image File Format
- Document Date: 1/ 1/2012
- Journal Voucher Number: 12470090001
- Date: / /
- Amount: (empty)
- Transaction JV No.: (empty)
- Purchase Order Number: (empty)
- Department: (empty)

Buttons at the bottom: Import, Clear Keywords, Clear All, Exit.

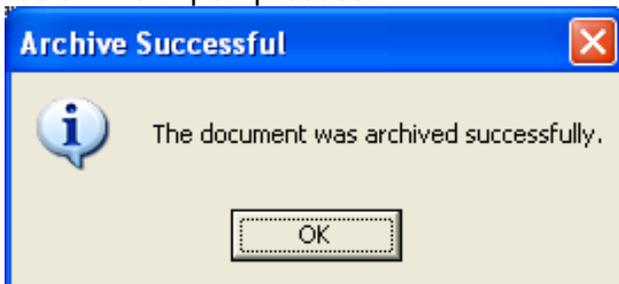
6. Select “NON-DEPARTMENTAL” from the Department drop-down list.
 - a. *****You MUST select “NON-DEPARTMENTAL” as the Department.*****
 - b. **DO NOT select any other Department.**

The screenshot shows a 'Store Document' dialog box with the following fields and values:

- File Path: ol\madaa\D07CC2CC20EE81488F0F1D98F6
- Initiate Workflow:
- Document Type Group: <ALL>
- Document Type: FIN - FS - Journal Voucher (JV)
- File Type: Image File Format
- Document Date: 1/ 1/2012
- Journal Voucher Number: 12470090001
- Date: / /
- Amount:
- Transaction JV No.:
- Purchase Order Number:
- Department: NON-DEPARTMENTAL

Buttons at the bottom: Import, Clear Keywords, Clear All, Exit.

7. Enter any other keywords that apply to your document (i.e. Date, Amount, etc.) and click “Import”.
8. After Clicking “Import” in the Store Document dialog box, the “Archive Successful” confirmation should appear. Click Ok to close the dialog box and complete the process. You will have successfully imported a JV document into OnBase. If you do not see the message below, please go back to Step 1 and restart the import process.



Agenda Numbers: C-18-12-028-6-00; C-18-12-029-6-00; C-18-12-030-6-00;
C-18-12-031-6-00