

**City of Salem, Massachusetts,  
Finance Department Fiscal Policy**

**No. 2008-05**

**SUBJECT: JOURNAL ENTRY PROCESSING – EXPENSE &  
REVENUE TRANSFERS & ADJUSTMENTS**

**Effective Date: March 18, 2008 – Revised 6-15-2009**

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**POLICY**

All expense and revenue transfers and adjustments must have the proper backup as outlined below. All expenses, salaries and overtime should be charged **DIRECTLY** to the appropriate grant/special revenue account for audit purposes and to eliminate journal entries, especially at year end.

The school business manager must sign all revenue and expense journal entry forms related to the school budget and school grant/special revenue accounts. The Finance Director will sign all journal entry requests for both school and city. Journal entries will not be processed without the proper signatures.

The department heads signature on all forms certifies that the journal entry transfer is appropriate and within the scope of the expense/revenue line or special revenue/grant fund that it is being charged to.

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**PROCEDURES FOR DEPARTMENTS**

**Salary Adjustments**

1. The departments must provide the Finance Department with the MUNIS printout from the org/object that the expense was charged to with the amount circled.
2. The department must include, in detail, the employee name, # hours worked, and total amount per person to be adjusted. This backup can be on a spreadsheet, payroll report, or other document that includes this detailed information.
3. For grant/special revenue account, the department must include how the scope of work relates to the grant/special revenue account being charged.
4. The Department Heads signature on the salary transfer form certifies that the expense is appropriate and within the scope of the grant/special revenue account being charged.

## Expense Adjustments


5. The departments must provide the Finance Department with the MUNIS printout from the org/object that the expense was charged to with the amount circled.
6. The department must include a copy of the invoice charged incorrectly.
7. For grant/special revenue account, the department must include how the expense is within the scope of grant/special revenue account being charged.
8. The Department Heads signature on the expense transfer form certifies that the expense is appropriate and within the scope of the grant/special revenue account being charged.

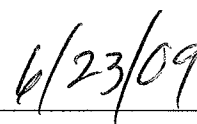
## Revenue Adjustments

9. The departments must provide the Finance Department with the MUNIS printout from the org/object that the revenue was posted to in error with the amount circled. A file inquiry report, Y-T-D Budget report, or Account Trial Balance report are all acceptable backup.
10. The department must include a copy of the award letter, 9/10 form, or other documentation showing the revenue amount and org/object that should be credited.
11. For grant/special revenue account, the department must include the award letter or other documentation for the grant/special revenue account being credited.
12. The Department Heads signature on the revenue transfer form certifies that the revenue is appropriate and within the scope of the grant/special revenue account being credited.

## PROCEDURES FOR FINANCE DEPARTMENT

1. The Finance Department will review all revenue and expense transfer request to ensure proper backup is attached.
2. The Finance Department will send back any requests that do not have proper backup or signatures.
3. The Finance Director will sign all journal entry request prior to their being posted.
4. Once the journal entry has been processed, the Assistant Finance Director will date, sign, and write in the journal entry number on the original request and send a completed copy back to the department as verification that it has been processed.

  
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Finance Director

  
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Date