Introduction to Journal Vouchers (JVs)

What is a Journal Voucher?
A procedure for transferring revenue or expenditures between FOAP(AL) elements

Journal Vouchers are used for:
• Journal Entries - corrections/adjustments to FOAP(AL)
• Interdepartmental Charges - sale of goods or services from one dept. to another

When to use a Journal Entry (JE)
A Journal Entry should be done whenever a correction/adjustment is required on your FOAP(AL):
E.g. An expenditure was coded to the wrong Account
E.g. Revenue/Expenditure was coded to an incorrect Fund

When to use an Interdepartmental Charge (ID Charge)
An Interdepartmental Charge is done whenever you need to charge another unit within the University for goods or services that is credited to your unit.

ID Charges are used only for internal revenue. It is not possible to use an ID charge for external sales and service revenue.

External sales are defined as transactions with non-U of M organizations and generally have tax implications for PST, GST or both. To ensure that taxes are handled appropriately on these types of transactions and to ensure compliance with CRA invoice requirements, they must be processed as invoices in the EITS system.

To learn how to issue invoices, register for the course Accounts Receivable Invoicing (Billings). For assistance with issuing an invoice, contact Revenue, Capital and General Accounting at 474-8362.