

SECTION 9: JOURNAL ENTRIES

Clear Payroll Exceptions Posted to Suspense

INTRODUCTION

Clear Payroll Exceptions Posted to Suspense provides a general overview to and procedures for processing agency journal entry transactions to clear payroll charges and canceled payroll warrants posted to agency payroll suspense collocation codes.

Payroll Suspense Collocation Codes

Each agency is assigned a payroll exception suspense collocation code to record personal services expenditures processed in AKPAY with invalid financial coding. These collocation codes are formatted as 65xx0000, where xx = department number. Agency suspense collocation codes point to agency appropriations, generally in the commissioner's office or administrative services component. Payroll charges posted to suspense collocation codes are recorded to expenditure account 71965 (Payroll Exceptions) and affect the available balance of the appropriation.

Payroll charges are posted to agency payroll suspense collocation codes in two situations:

- **Payroll Interface:** When payroll financial data is passed to AKSAS with invalid or missing financial coding, the associated payroll charges are posted to the appropriate agency payroll suspense collocation code.
- **Payroll Warrant Reversal Interface:** Each month, warrant reversals (cancels) processed in AKPAY are interfaced with AKSAS and the original financial coding credited to reduce payroll expenditures by amounts associated with the canceled warrant. If the original financial coding is no longer valid in AKSAS, the associated canceled warrant amounts are credited to the issuing agency's payroll suspense collocation code.

Clear Payroll Suspense

After each payroll interface, the "Payroll Posted to Suspense Account Report" and the "Labor Distribution Errors Report" are produced and distributed by the Division of Finance to assist agencies in identifying payroll charges posted to payroll suspense collocation codes. Agencies are responsible for processing journal entry transactions to clear their suspense collocation code and record suspense amounts to the correct financial coding. Transaction code 430-16: Payroll Suspense Agency Journal Entry has been established specifically for this purpose. All items posted to agency payroll suspense for the prior fiscal year must be cleared and recorded to the correct financial coding by August 31. Refer to *Alaska Administrative Manual (AAM) 230.200 - Agency Payroll Exceptions*.

Debit and Credit Financial Lines

Agency journal entries must be balanced journal entries with equal debit and credit amounts. In a 430-16: Payroll Suspense Agency Journal Entry transaction, debit financial lines record payroll exceptions to the correct agency collocation codes and appropriate payroll expenditure account codes. Debit financial lines also reverse warrant reversal or other negative amounts posted to suspense. Credit financial lines clear payroll exceptions posted to agency payroll suspense collocation codes. Credit financial lines also post warrant reversal or other negative amounts to the correct agency financial coding.

AKSAS TRANSACTIONS

430-16: Payroll Suspense Agency Journal Entry

PROCEDURES

I. **Compile source documentation for payroll exceptions posted to suspense.**

- A. The Payroll Posted to Suspense Accounts report is produced and distributed by the Division of Finance for each payroll interfaced in AKSAS to identify payroll exceptions posted to suspense. This report identifies the employee and financial coding input in the original AKPAY transaction and indicates the amount, set-up year, agency payroll suspense collocation code, and account for each item posted to suspense in AKSAS.
1. Use this report and AKPAY records to determine the correct financial coding for each payroll exception posted to suspense. Refer to the *Payroll Procedures Manual, Section 15: AKPAY Reports, Payroll Processing Reports* for details on using this report.
 2. Negative amounts listed on the Payroll Posted to Suspense Accounts report may be warrant reversal amounts that could not be credited back to the original financial coding. The Canceled Warrant Labor Distribution report and the Reversal of CR Employer Charges report distributed by the Division of Finance after each Warrant Reversal interface (generally about the end of each month) provides additional information to assist in determining the correct financial coding for these items.
- B. The Labor Distribution Error report is produced and distributed by the Division of Finance for each payroll interfaced in AKSAS to identify possible additional payroll exceptions posted to suspense. One copy is distributed to agency finance staff and one copy is distributed to agency human resources staff. This report identifies errors in the AKPAY employee set-up. The report identifies the department, the employee, the labor distribution information, and the error.

Only one error on this report has a financial effect. Review the report to identify amounts that erred with the message WNG EMP ACCT DFLTED FQA DETAIL DR REC. Sum the Labor Distribution amounts that correspond to this error.

Other errors on this report are non-financial.

- C. Use RM - Management Reporting to display an online management report to verify the balance of expenditure account 71965 (Payroll Exceptions) for your agency payroll suspense collocation code. If payroll suspense is cleared monthly, the inception-to-date account balance should be equal to the total of the errors on the payroll suspense report and the WNG EMP ACCT DFLTED FQA DETAIL DR REC error on the labor distribution error report.

II. **Record a 430-16: Payroll Suspense Agency Journal Entry transaction.**

For more information on entering this transaction, refer to the *430-16: Payroll Suspense Agency Journal Entry Screen and Field Entry Table* following this procedure.

- A. From the AKSAS Main Menu, start (or restart) a financial batch. On the Financial Data Entry Menu:
1. Enter **AJ** (Agency Journal Entry) in the **SELECTION** field.
 2. If your agency uses an easytran shell for clearing payroll suspense, tab to the **EASYTRAN NUM** field and enter the easytran number for the transaction.

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3. Press <Enter> to display the 430-xx: Agency Journal Entry transaction screen.
- B. Enter data in the following fields. For more detailed information on data entry fields, refer to *Section 4: Financial Transactions & Batch Processing*.
1. **TRANS CODE MINOR** - Enter **16** (Agency JE P/R Suspense).
 2. **ADDITIONAL AUTH RD** - If this transaction requires additional authorization, enter the RD code of the person who will authorize this transaction.
 3. **DOCUMENT NUMBER** - Defaults to the batch and sequence number assigned by AKSAS. No entry necessary.
 4. **SOURCE RD CODE** - Defaults to the AKSAS input (sign-on) RD code. If the default RD code is not authorized to record this journal entry transaction, enter a SOURCE RD CODE as authorized according to department procedures.
 5. **TOTAL DEBIT AMOUNT** - Enter the total amount being cleared from the agency payroll suspense collocation code with this transaction.
 6. Enter detailed descriptive information, up to 120 characters, for the transaction. For example, “**Clear PP [pay period #] payroll exceptions posted to payroll suspense.**” The first 20 characters of the first line are used for reporting purposes.
 7. **FISCAL PERIOD CODE** - Defaults to **C** (current fiscal year). If the transaction is not for the current year, enter the FISCAL PERIOD CODE as defined in the *AKSAS Handy Guide*.
- C. Enter **debit** information in the **FINANCIAL** line fields. Debit financial lines record payroll exceptions to the appropriate agency-specific collocation codes and payroll expenditure account codes. Refer to *Section 4: Financial Transactions & Batch Processing* for more information about financial fields.

***NOTE:** Debit financial lines also clear warrant reversal amounts (or other negative amounts) posted to agency payroll suspense collocation codes. Data entry requirements for clearing negative amounts are noted as necessary.*

1. **AMOUNT** - Enter the dollar amount associated with this financial line as a positive amount.
2. **SY** - Defaults to the fiscal year associated with the FISCAL PERIOD CODE if no entry is made. If the default value is not correct, enter the two-digit set-up year associated with the collocation code.

***NOTE:** If this debit financial line reverses a canceled warrant or other credit (negative) amount posted to your agency payroll suspense collocation code, enter the two-digit set-up year from the “Posted to Suspense” SY column of the Payroll Posted to Suspense Account report.*

3. **CC** - Enter the eight-digit agency collocation code to which this payroll charge should be recorded.

***NOTE:** If this debit financial line clears a canceled warrant or other credit (negative) amount posted to your agency payroll suspense collocation code, enter **65xx0000**, where xx = department number.*

4. **PGM** - Enter a five-digit program code if required by your agency for this payroll charge.

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5. **LC** - Enter an eight-digit ledger code if required by your agency for this payroll charge.
6. **ACCT** - Enter the five-digit payroll expenditure account code (71000 and LLs) appropriate for this payroll charge.

***NOTE:** If this debit financial line reverses a canceled warrant or other credit (negative) amount posted to your agency payroll suspense collocation code, enter **71965**.*

7. **FY** - Defaults to the current federal fiscal year if no entry is made. If a federal fiscal year is required by your agency and the default value is not correct, enter a two-digit federal fiscal year.
8. Leave the **OPEN ITEM** fields blank. These fields are not used for this transaction.
9. **IEAX LINE** (Interentity Account Cross-Reference) - Leave blank. This field is not used for this transaction.
10. **LINE DESC** - If necessary, enter additional descriptive information for the financial line.
11. Repeat Steps 1 - 10 for each debit financial line necessary for this transaction.

- D. Enter **credit** information in the **FINANCIAL** line fields. Credit financial lines clear your agency payroll suspense collocation code. Refer to *Section 4: Financial Transactions & Batch Processing* for more information about financial fields.

***NOTE:** Credit financial lines also record warrant reversal amounts or other negative amounts posted to agency payroll suspense collocation codes to the correct agency financial coding. Data entry requirements for recording negative amounts to the correct agency financial coding are noted as necessary.*

1. **AMOUNT** - Enter the total dollar amount of this financial line with a leading minus (-) sign.
2. **SY** - Enter the two-digit set-up year from the "Posted to Suspense" SY column of the Payroll Posted to Suspense Account report.

***NOTE:** If this credit financial line records a canceled warrant or other credit (negative) amount to the correct agency financial coding, enter the two-digit set-up year associated with the agency collocation code.*

3. **CC** - Enter your agency payroll suspense collocation code formatted as **65xx0000**, where xx = department number.

***NOTE:** If this credit financial line records a canceled warrant or other credit (negative) amount to the correct agency financial coding, enter the appropriate eight-digit agency collocation code.*

4. **PGM** - Leave blank. This field is not used for this financial line.
5. **LC** - Leave blank. This field is not used for this financial line.
6. **ACCT** - Enter **71965** (Payroll Exceptions).

***NOTE:** If this credit financial line records a canceled warrant or other credit (negative) amount to the correct agency financial coding, enter the appropriate five-digit payroll expenditure*

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account (71000 and LLs). For canceled warrants issued in the prior year and cleared after the end of the reappropriation period (July-August), enter 66190 (PY Reimburse Recovery).

7. **FY** - Defaults to the current federal fiscal year. No entry necessary.
 8. Leave the **OPEN ITEM** fields blank. These fields are not used for this transaction.
 9. **IEAX LINE** (Interentity Account Cross-Reference) - Leave blank. This field is not used for this transaction.
 10. **LINE DESC** - If necessary, enter additional descriptive information for the financial line.
 11. Repeat Steps 1 -10 for each credit financial line necessary for this transaction.
- E. Press <Enter> to display online errors. Correct errors until the message NO ONLINE ERRORS TO DISPLAY is received. Press <Enter> again to submit the transaction for certification and processing. Refer to the *Appendix* for a list of online errors, warning messages, and corrective actions.

NOTE: Review any **WARNING** messages displayed. If these messages do not require correction, press <PF3> to override.

III. Submit the transaction for certification.

Agency journal entry transactions require certification. Submit the transaction and associated backup to the appropriate individual in your agency for certification according to department procedures. Refer to *Section 2: AKSAS Security & Authorities, Certifying Officer Authority* for more information.

IV. Verify the transaction processed.

For more information regarding batch maintenance, refer to *Section 4: Financial Transactions & Batch Processing*.

- A. The next morning, check DM - Maintain Batches to determine if the agency journal entry transaction processed successfully. If the transaction did not process, view the transaction and determine the corrective action. If necessary, resubmit the corrected transaction for certification and processing. Refer to the *Appendix* for a list of error messages and corrective actions.
- B. Once the transaction has processed successfully, review the Financial Transaction (FTP) Register to verify all processed information for the transaction is correct. If the results of the processed transaction are not as intended, correct the error with another agency journal entry transaction. If necessary, refer to *Correcting Agency Journal Entry* in this Section.
- C. Use RM - Management Reporting to display an online management report of the balance of expenditure account 71965 (Payroll Exceptions) for your agency payroll suspense collocation code. Verify the balance of the account was correctly reduced by this transaction.

V. Archive/file processed transactions.

Maintain copies of the processed transactions and related backup according to department procedures.

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ACCOUNTING ENTRIES

The following table shows the actual accounting entries recorded in AKSAS as a result of processing a 430-16: Agency Journal Entry transaction to clear agency payroll suspense collocation codes. The accounting entries with a financial source code of UD (user-defined) are entered in the transaction by the user. The financial effect of each entry is indicated in parentheses () after the debit and credit indicators in the first column.

An agency journal entry is a balanced transaction with equal debit and credit amounts. Unlike other transactions, both debit and credit financial lines are entered by the user. In a 430-16 journal entry transaction, debit financial lines increase expenditures in the appropriation/fund associated with collocation code entered. Credit financial lines decrease expenditures in the appropriation/fund associated with the agency payroll suspense collocation code.

430-16: Agency Journal Entry (Clear Payroll Suspense)

	Collocation Code	Account	Posting Type	Financial Source
Clear Payroll Exceptions Posted to Payroll Suspense				
Debit (increase)	Entered by user - Agency collocation code	Expenditure (71000 & LLs)	01	UD
Credit (decrease)	Entered by user - 65xx0000, where xx = department	71965 (Payroll Exceptions)	01	UD
Clear Warrant Reversals or other Credit Amounts Posted to Payroll Suspense				
Debit (increase)	Entered by user - 65xx0000, where xx=department	71965 (Payroll Exceptions)	01	UD
Credit (decrease)	Entered by user - Agency collocation code	Expenditure (71000 & LLs)	01	UD
Or				
Credit (increase)	Entered by user - Agency collocation code	66190 (PY Reimburse Recovery)	01	UD

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430-16: Payroll Suspense Agency Journal Entry Screen																			
FDE 430-XX: AGENCY JOURNAL ENTRY										B 1298819 S 0001									
TRANS CODE MINOR				____										ADDITIONAL AUTH RD				_____	
DOCUMENT NUMBER				_____															
SOURCE RD CODE				_____															
TOTAL DEBIT AMOUNT				_____															
DESCRIPTION LONG				_____															

FISCAL PERIOD CODE				C															
										MORE FINS N									
										-----OPEN ITEM-----				IEAX					
FIN	AMOUNT	SY	CC	PGM	LC	ACCT	FY	TYPE	NUM	LINE	FLI	LINE							
1	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____							
	LINE DESC	_____																	
2	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____							
	LINE DESC	_____																	
3	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____							
	LINE DESC	_____																	
4	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____	_____							
	LINE DESC	_____																	
Enter-PF1---PF2---PF3---PF4---PF5---PF6---PF7---PF8---PF9---PF10---PF11---PF12---																			
UPDAT QUIT				SUBMT ERRS BASE FINS				PFKYS				HELP							

SCREEN ACCESS

Use the 430-xx: Agency Journal Entry transaction screen to clear charges posted to agency payroll suspense collocation codes.

1. At the AKSAS Main Menu, enter **DS** (Start/Restart Batch) in the **SELECTION** field. Press <Enter> to display the Start/Restart Batch - Selection screen.
2. At the Start/Restart Batch - Selection screen, enter **F** (Financial) in the **BATCH TYPE** field. Press <Enter> to display the Financial Data Entry Menu.
3. At the Financial Data Entry Menu, enter **AJ** (Agency Journal Entry) in the **SELECTION** field. Press <Enter> to display the 430-xx: Agency Journal Entry transaction screen.

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430-16: Payroll Suspense Agency Journal Entry Field Entry Table		
Field Name	Field Value	Comments
FDE	DISPLAY ONLY	Displays the financial data entry transaction code for this journal entry.
B	SYSTEM-ASSIGNED	System-assigned batch number.
S	SYSTEM-ASSIGNED	System-assigned sequence number for this batch.
TRANS CODE MINOR	REQUIRED 16 Agency JE P/R Suspense	Identifies the specific type of journal entry.
ADDITIONAL AUTH RD	REQUIRED If this transaction requires additional authorization, enter the RD code of the person who will authorize this transaction.	Identifies an approval authority associated with this agency journal entry transaction.
DOCUMENT NUMBER	REQUIRED, defaults to batch and sequence number assigned by AKSAS if left blank. An agency-assigned processed document identifier, up to 13 alphanumeric characters, may be entered.	Processed document identifier.
SOURCE RD CODE	REQUIRED, defaults to the AKSAS input (sign-on) RD code. If the default RD code is not authorized to record this journal entry transaction, enter a SOURCE RD CODE as authorized according to department procedures.	Identifies the person authorized to record this transaction.
TOTAL DEBIT AMOUNT	REQUIRED Enter the sum of the debit financial lines. Up to 13 digits (11 to the left of the decimal, 2 to the right).	This field must equal the sum of all debit financial lines.
DESCRIPTION LONG	REQUIRED Enter detailed descriptive information, up to 120 characters, for the transaction. For example, “Clear PP [pay period #] payroll exceptions posted to payroll suspense.” The first 20 characters are used on reports.	A description of the transaction as it should appear on reports.
FISCAL PERIOD CODE	REQUIRED, defaults to C. C Current fiscal year P Prior fiscal year If the default value is not correct for this transaction, refer to the <i>AKSAS Handy Guide</i> to determine the code.	Identifies the state fiscal year (chart of accounts year) associated with this transaction.
DEBIT FINANCIAL line fields - In this transaction, debit financial lines record the payroll charges to the appropriate agency collocation code. Debit financial lines also clear warrant reversal amounts or other negative amounts posted to agency payroll suspense. For additional information about financial fields, refer to Section 4: Financial Transactions & Batch Processing.		
FIN	DISPLAY ONLY	Financial line number.

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430-16: Payroll Suspense Agency Journal Entry Field Entry Table		
Field Name	Field Value	Comments
AMOUNT	<p>REQUIRED</p> <p>Enter the amount of this debit financial line as a positive number. Up to 11 digits (9 to the left of the decimal, 2 to the right).</p>	<p>The dollar amount associated with this financial line. The total of the debit financial line AMOUNTs must sum to the TOTAL DEBIT AMOUNT field.</p>
SY	<p>REQUIRED, defaults to the fiscal year associated with the FISCAL PERIOD CODE if no entry is made.</p> <p>Enter the 2-digit set-up year associated with the collocation code for this financial line.</p> <p><i>NOTE: To clear a warrant reversal amount or other negative amount, enter the set-up year associated with your agency payroll suspense collocation code.</i></p>	<p>Identifies the set-up year associated with the collocation code. The set-up year must be valid for the FISCAL PERIOD CODE entered.</p>
CC	<p>REQUIRED</p> <p>Enter the 8-digit collocation code for this financial line.</p> <p><i>NOTE: To clear a warrant reversal or other negative amount, enter 65xx0000, where xx = department number.</i></p>	<p>With the set-up year, identifies the accounting structure (fund, appropriation, organization, internal program) for this financial line.</p>
PGM	<p>OPTIONAL</p> <p>Enter a 5-digit program code if required by your department for this financial line.</p>	<p>Identifies the external program for this financial line.</p>
LC	<p>REQUIRED</p> <p>Enter an 8-digit ledger code if required by your department for this financial line.</p>	<p>Identifies a combination of project, contract, and/or grant for this financial line.</p>
ACCT	<p>REQUIRED</p> <p>Enter a 5-digit payroll expenditure account (71000 & LLs).</p> <p><i>NOTE: To clear a warrant reversal or other negative amount, enter 71965 (Payroll Exceptions).</i></p>	<p>Identifies the account for this financial line.</p>
FY	<p>REQUIRED, defaults to the current federal fiscal year if no entry is made.</p> <p>If the federal fiscal year is required by your agency and the default value is not correct, enter the 2-digit federal fiscal year.</p>	<p>Identifies the federal fiscal year if a federal program is associated with this financial line.</p>
<p>Leave the OPEN ITEM TYPE, NUM, LINE, and FLI fields blank. 430-16 agency journal entry transactions cannot liquidate open items.</p>		
IEAX LINE	<p>NOT USED FOR THIS TRANSACTION</p>	<p>Interentity Account Cross-Reference. The line number of the offsetting financial line in an interagency transfer journal entry.</p>

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430-16: Payroll Suspense Agency Journal Entry Field Entry Table		
Field Name	Field Value	Comments
LINE DESC	OPTIONAL Enter additional descriptive information, up to 40 characters, for the financial line.	Additional descriptive information for the financial line.
CREDIT FINANCIAL line fields - In this transaction, credit financial lines clear the agency payroll suspense collocation code and decrease payroll expenditure in account 71965. Credit financial lines also record warrant reversal amounts or other negative amounts to the correct agency financial coding. For additional information about financial fields, refer to Section 4: Financial Transactions & Batch Processing.		
FIN	DISPLAY ONLY	Financial line number.
AMOUNT	REQUIRED Enter the amount with a leading minus (-) sign. Up to 11 digits (9 to the left of the decimal, 2 to the right).	The dollar amount associated with this financial line.
SY	REQUIRED, defaults to the fiscal year associated with the FISCAL PERIOD CODE if no entry is made. Enter the 2-digit set-up year associated with your agency payroll suspense collocation code. <i>NOTE: To record a warrant reversal or other negative amount to the correct financial coding, enter the set-up year associated with the collocation code.</i>	Identifies the set-up year associated with the collocation code. The set-up year must be valid for the FISCAL PERIOD CODE entered.
CC	REQUIRED Enter 65xx0000 , where xx = department number. <i>NOTE: To record a warrant reversal or other negative amount to the correct financial coding, enter the appropriate 8-digit collocation code.</i>	With the set-up year, identifies the accounting structure (fund, appropriation, organization, internal program) for this financial line.
PGM	OPTIONAL Leave blank. Program codes are not used with this financial line.	Identifies the external program for this financial line.
LC	REQUIRED Leave blank. Ledger codes are not used with this financial line.	Identifies a combination of project, contract, and/or grant for this financial line.
ACCT	REQUIRED Enter 71965 (Payroll Exceptions). <i>NOTE: To record a warrant reversal or other negative amount to the correct financial coding, enter the appropriate 5-digit payroll expenditure account.</i>	Identifies the account for this financial line.

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430-16: Payroll Suspense Agency Journal Entry Field Entry Table		
Field Name	Field Value	Comments
FY	REQUIRED, defaults to the current federal fiscal year if no entry is made. If the federal fiscal year is required by your agency and the default value is not correct, enter a 2-digit federal fiscal year.	Identifies the federal fiscal year if a federal program is associated with this financial line.
Leave the OPEN ITEM TYPE, NUM, LINE, and FLI fields blank. 430-16 agency journal entry transactions cannot liquidate open items.		
IEAX LINE	NOT USED FOR THIS TRANSACTION	Interentity Account Cross-Reference. The line number of the offsetting financial line in an interagency transfer journal entry.
LINE DESC	OPTIONAL Enter additional descriptive information, up to 40 characters, for the financial line.	Additional descriptive information for the financial line.