Financial Transaction SOP: Financial Processing, General Ledger Transfer
SOP Owner: Financial Processing Manager
Version Number, Date Revised: 1, 07/21/21
Date Implemented:
Approval(s):

Updates

<table>
<thead>
<tr>
<th>Date</th>
<th>Section</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

Standard Operating Procedure

1. **Purpose**

   The GLT requires that users select transactions from the General Ledger. The transactions that can be selected are limited by balance type, object type, document type, object level and object consolidation. Additionally, once an entry has been selected for transfer, it cannot be transferred again. If a user adds information to the base accounting line and does not add a cost share sub-account, the GLT will only route to the Fiscal Officer. If a cost share sub-account is added, the transfer will route appropriately. The GLT does not have a year-end version, instead it uses the accounting period drop down functionality and permissions to post year end transactions.

   The GLT e-docs makes it easier to move transactions by being able to search for the transaction data. It also helps to avoid duplicate corrections by tagging the original transaction as “already adjusted”. It maintains a better audit trail by automatically cross referencing the transaction. The GLT e-doc reduces the amount of manual input required to make changes to: accounts, transactions, or accounting lines by pre-populating existing information.

   The GLT is used to adjust or correct transactions that have posted to the general ledger. Pending transactions cannot be selected. The GLT prevents transactions from being transferred multiple times. It also prevents partial transfers and transfers for more than the original transaction. Users can transfer entries that are eligible to be corrected based on origin code, document type and balance type.

2. **Scope**

   - Business Service Centers
   - Anyone with a financial role at the university
   - Department / Unit finance managers
   - Department administrators
   - Financial specialists
   - Central finance (accounting / budget) staff
   - Fiscal Officers (FO) / delegates (primary / secondary)
3. **Prerequisites (Forms / Tools)**

- Basic knowledge / training on KFS
- Basic understanding of Financial Processing transactions (requires a “Financial Processing, Overview” SOP and tutorial: will also cover scanning / attaching and transaction descriptions / line-item descriptions)
- Understand when to use the GLT e-doc
- Understand which object sub-types are prohibited on the transaction
- Understand when not to use a GLT e-doc because a different e-doc should be used

4. **University Policy**

   Current:
   - 3.14 Business Expenses
   - 4.2 Transaction Authority and Payment Approval
   - 4.7 Retention of University Records

5. **Responsibilities**

- Requestor: a proposed, additional, optional step whereby a request for a GLT is sent to a KFS user who has the authority / ability to initiate the e-doc (“Initiator”). Requestor is not a KFS-user role—it is locally delegated authority. Requestor role is being defined as an individual within local units who has been identified by the organization as having the authority to request a GLT.

- Initiator: Initiator is responsible for preparing a GLT and must understand the institutional need for a GLT financial transaction. (This individual may or may not be the same as the Requestor.) An Initiator will have a financial role at the university.

Before initiating a GLT transaction on behalf of the university, it is the responsibility of the Initiator to assess whether the proposed transaction is in support of the university’s mission.

- Other roles:
A. Within unit
   o FO is responsible for approving the GLT and understanding applicable policies, inherent business rules, and KFS.

B. Central only
   o C&G processor (specific to C&G accounts). This review step will be required if the transaction includes a C&G account.

The following guidelines must be adhered to:

- In cases where the Initiator and Requestor are not the same person, the Initiator ensures that the Requestor has the authority to request a GLT transaction.
- Any necessary prior approvals have been acquired.
- The correction is Cornell-allowable.
- The correction is,
  o in furtherance of the university missions,
  o ordinary and reasonable,
  o within planned budgetary constraints,
  o in compliance with any funding designations and/or guidelines,
  o in compliance with appropriate university policies and procedures, and
  o in compliance with operating unit guidelines.
- There is appropriate documentation. Best Practice recommendation: Attach back-up / relevant documentation whenever possible; in situations where documentation is not attached, clearly indicate where back-up documentation is located. More information on scanning / attaching will be included in the “Financial Processing, Overview” SOP.
- Restrictions are in place to control what can and cannot be processed on a GLT, some examples follow:
  o Only AC balances allowed
  o Salary, Wage and Fringe transactions are disallowed
  o Transfer Object Codes are disallowed
  o Indirect Cost object codes are disallowed
  o Auxiliary Voucher Accrual Type entries are disallowed (a reversal date has already been designated)

6. Procedure

The most common use-cases for the General Ledger Transfer follow a simple three-step process:

1. Pull transactions into the GLT that need to be transferred
2. Enter new accounting information such as chart, account, object code, and amount
3. Submit for approval
General Ledger Transfer e-doc procedure:

Accounting

Activities
- Advance Deposit
- Auxiliary Voucher
- Budget Adjustment
- Disbursement Voucher
- Distribution Of Income And Expense
- General Ledger Transfer
- Indirect Cost Adjustment
- Internal Billing
- Pre-Encumbrance
- Transfer Of Funds
- Year End Budget Adjustment
- Year End Distribution Of Income And Expense
- Year End General Error Correction
- Year End Transfer Of Funds

General Ledger Transfer is located in Accounting under Activities

**Figure 1** – KFS Financial Processing, Transactions

**Figure 2** – General Ledger Transfer e-doc
Step 1: Pull transactions into the GLT

**Figure 3**– General Ledger Transfer e-doc, Document Overview Tab

**Figure 4**– General Ledger Transfer e-doc, Accounting Lines Lookup Tab

**Excluded Object**

<table>
<thead>
<tr>
<th>Object Level</th>
<th>Object Sub-Level</th>
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<tbody>
<tr>
<td>DEPX</td>
<td>Depreciation</td>
</tr>
<tr>
<td></td>
<td>Budget Only Object Code</td>
</tr>
<tr>
<td></td>
<td>Fringe Benefits</td>
</tr>
<tr>
<td></td>
<td>Salary and Wages</td>
</tr>
<tr>
<td></td>
<td>Fixed Assets</td>
</tr>
<tr>
<td>Object Type</td>
<td>Description</td>
</tr>
<tr>
<td>-------------</td>
<td>------------------------------</td>
</tr>
<tr>
<td>TN</td>
<td>Transfers-Nonmandatory</td>
</tr>
<tr>
<td>TF</td>
<td>Transfers- Cost Share Only</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Object Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>FB</td>
<td>Fund Balance</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Chart Code</th>
<th>Chart Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CS</td>
<td>Consolidated Subs</td>
</tr>
<tr>
<td>CU</td>
<td>CU Consolidated Financial Report</td>
</tr>
<tr>
<td>EL</td>
<td>Eliminations</td>
</tr>
<tr>
<td>EO</td>
<td>External Organizations</td>
</tr>
<tr>
<td>FS</td>
<td>Financial Statements</td>
</tr>
<tr>
<td>FX</td>
<td>External Financial Statements</td>
</tr>
<tr>
<td>IT</td>
<td>Ithaca Campus</td>
</tr>
<tr>
<td>MC</td>
<td>Weill Medical College</td>
</tr>
</tbody>
</table>
When you have found the transactions you want to transfer, select and return them to the GLT, where they will show up in the **Accounting Lines FROM** section of the document.

![Figure 5 - General Ledger Transfer e-doc, Accounting Lines Tab](image)

*Note:* Amounts will be positive in the FROM section regardless of the debit/credit indicator. When General Ledger Pending Entries are created, the debit/credit will be the opposite of the current transaction debit/credit in order to reverse it.

See [Detailed Instructions for Accounting Lines Import](#) in this article for more details about finding existing transactions and pulling them into the GLT.

### Step 2: Enter new accounting information

Use the COPY ALL button in the **FROM** section to pre-fill information in the TO section of the Accounting Lines. Then you can start filling in values for chart, account, object code, amount, etc.

![Figure 6 - General Ledger Transfer e-doc, Accounting Lines Tab](image)
You can use features like *Split* and *Copy Down* to facilitate this step.

- *Split* turns one accounting line into two and copies all the information from the original.
- *Copy Down* lets you choose a field and copy the value in that field to all the lines below it.

**Make sure** the transaction amounts for each origin code and reference document number on the FROM side equal the amounts for each origin code and reference document number on the TO side.

**Note:** *All amounts on the TO side must be positive. The debit/credit indicator will be the opposite of that on the FROM side.*

**Step 3: Submit for approval**

After you submit the document, the following approvals may be required:

- Fiscal Officer
- Organization Review
- Sub-Fund
- Contracts & Grant

As with all documents in Kuali Financials, you can use ad hoc routing to involve specific individuals that may not be included in the approval workflow.

*Figure 7– General Ledger Transfer e-doc, Ad Hoc Recipients Tab*
Detailed Instructions for Accounting Lines Search and Return

This section offers more detailed instructions on finding existing transactions and adding them into the General Ledger Transfer.

1. Find Existing Transactions

The most common way to start searching for transactions to transfer is the Accounting Lines Lookup section of the GLT. To use this lookup, enter either a chart and account or a document number. You can use all three. You can also use object code to narrow your search even more.

When you press 'Search' from the Accounting Lines Lookup in the GLT, you will be directed to the General Ledger Entry Lookup where you can see transactions in the Search Results section of the page.

Some transactions, such as salary transactions and offsets, cannot be transferred by a General Ledger Transfer. These transactions will not be displayed in the Search Results. For the transactions that are displayed, those that are available for transfer with the GLT will have a checkbox. There may be some transactions without a checkbox. This indicates that they have already been transferred. The Search Results will show the document number that was used to transfer these transactions.
2. Select Transactions & Add Them to the GLT

There are a few options for selecting transactions to transfer. The most basic is to individually select transactions by clicking the checkbox on the line. To select transactions in bulk, you can use the 'Select All from This Page' or 'Select All from All Pages' controls.

![Figure 10](image)

Once you have selected the transactions you would like to transfer, press the 'Return Selected' control. You will then be put back in GLT. The Accounting Lines FROM section of the GLT will be filled in with the transactions that you selected. The information in the FROM section is not editable.

GLT Special Cases

The following sections provide information for special cases related to the General Ledger Transfer.

Error Correction

The GLT cannot be error corrected or copied. If a transaction is error corrected using the Error Correction button on another document, neither the transaction that was error corrected or the error correction entries will be available for transfer.

If any accounting line on a document has been transferred using the GLT, the document can no longer be error corrected and the remaining entries will need to be corrected using the GLT.

The GLT cannot be copied because transactions must be selected from a lookup screen to ensure that a transaction is not transferred twice.
Partial Transfers

The amount on the FROM side cannot be changed. If you need to move part of a transaction, select the transaction, copy it down and then use the split icon <screenshot> to split the transaction. The amount will be split 50/50. You can split a transaction as many times as you like. You can then change the accounting information on the amount to be moved and update the amounts. Moving the entire expense helps with visibility
- you can see the transaction come in, go out, and a new partial amount coming in.

Expired Accounts

If you are transferring from an expired account, the transaction will be added to the FROM side and the expired account checkbox will be checked. It cannot be changed. If you are transferring TO an expired account, you will receive a warning letting you know that the account is expired. You will be asked if you would like to override the account expiration, or if you would like to use the continuation account. If you would like to override the expired account warning, check the box, if not, change the account logic.

Adding Additional Information to Accounting Lines

There will be times when you might need to add additional details to an accounting line, such as, sub-account, sub-object code, project code or organization reference ID. The primary accounting line data (chart, account, object code and amount) are not changing.

If you add additional details and do not change the primary accounting line data, the GLT will route only to the Fiscal Officer for approval. All other route nodes will be skipped. The exception to this rule is when you add a cost share sub-account. If you use a sub-account where the sub-account type code is CS, normal routing will occur.

Capital Asset Transactions

GLT can be used to modify and create capital assets, similar to other Financial Processing documents. If there are capital asset object codes on either the FROM or TO side, the Accounting Lines Capitalization tab will open and a Generate button will display. When you click this button, the FROM and TO accounting lines with capital object codes will become read only and you will
have the option to Create or Modify Assets. Click Delete to make the FROM and TO lines editable.

Refer to the article Accounting Lines Capitalization. Create and Modify Assets tabs for details.

Late and Prior Year Transfers

If a transaction is over a specified number of days, then you may be required to complete the Late Adjustment Certification tab. Exceptions to the default can be established by sub-fund.

If any field in this tab is completed, all fields must be completed.

The Fiscal Officer or delegate will be prompted to acknowledge the following attestation when they approve the document:

I hereby certify that these transactions were incurred for the goals, objectives, and benefit of the grant/contract, and that the expenditure transfer is correct and proper. In the event of a subsequent audit disallowance of this expense transfer for any reason, the Principal Investigator, Fiscal Officer and Department Head agree to be jointly responsible for handling this expense in a manner which is consistent with the institution's policy.

Default Number of Days Late Adjustment Tab Required:

The Late Adjustment tab will be required when the transaction being transferred exceeds the number of days specified (365 days).

Late Adjustment Default Override by Sub-Fund:

If the account used includes Sub-Funds specified in this parameter the number of days associated with the Sub-Fund should be used instead of the default to determine whether or not the Late Adjustment tab is required (90 days). Examples of Sub-Funds included are:

APFEDL (Federal Appropriations)
ARRAFD (ARRA: Federal)
ARRANG (ARRA: Non-Governmental)
CGFEDL (Federal)
CGGIFT (Sponsored Gifts)
CGNGOV (Non-governmental)
Year End

The GLT will be using the Accounting Period drop down functionality to process transactions in the 13th period as part of closing the year. To post an adjustment to the 13th period, select "Closing <FY>" from the Accounting Period drop down.

Total Amount:

- JULY 2021
- JULY 2021
- CLOSING 21
Best Practice recommendation: Process a GLT as soon as an error is discovered. Waiting to make multiple corrections—as opposed to processing a GLT in a timely manner when an error is first discovered—will increase the likelihood of duplication. When processing a GLT to correct multiple accounting lines, use the “line description” feature to differentiate accounting-line-specific information.

**Workflow**

**General Ledger Transfer (GLT)**

<table>
<thead>
<tr>
<th>Requestor</th>
<th>Initiator</th>
<th>Fiscal Officer</th>
<th>C&amp;G Processor</th>
<th>KFS Process</th>
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<tr>
<td>Request a document</td>
<td>Initiate a document</td>
<td>Approve a document</td>
<td>No</td>
<td>Pending Entries Posted</td>
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<td></td>
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<td>Yes</td>
<td>Scrubber / Poster</td>
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<tr>
<td></td>
<td></td>
<td></td>
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<td>G/L Balances Updated</td>
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**Figure 11 – General Ledger Transfer workflow**
Definitions

a. KFS at CU: Chart of Accounts
b. KFS at Cornell Glossary
c. Old World / New World, Definitions, Helpful Information

References

KFS “Basics” tutorials
KFS “FP: General Ledger Transfer” tutorial