

# Financial Processing Auxiliary Voucher (AV)

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## Overview

The Auxiliary Voucher (AV) document is used to record adjusting, accrual, or recode entries to the proper posting period of the transaction for preparation of accurate and timely financial reports.

Postings are allowed to the current period, future open periods, and the previous period if the document is posted/approved by the designated cutoff date. The standard cutoff date is the 10th of the following month. In certain months, the cutoff date may be moved to accommodate year-end, weekends and holidays. Please refer to the [Controller's Office Calendar](#) for actual cutoff dates for each month.

The AV document consists of three separate document types:

- **Adjustment:** The Adjustment type (AVAD) is used to post adjusting entries. The offset to these entries is to AV Generated Offset (9897) if the entry affects more than one account. If the entry affects only one account, then there is no offset. A reversal date is not allowed for this document type.
  - **Accrual:** Accrual entries are made to recognize revenues in the period in which they are earned, and expenses in the period they are incurred. The Accrual type (AVAE) is used to post accrual entries to the General Ledger that must be reversed in a designated month following the posting period. A reversal date is required for this type of AV, which is normally during the next fiscal period, although it may be later. The offset to these entries are to the AV Generated Offset (9897) object code if the entry affects more than one account. If the entry affects only one account, then there is no offset. An accrual entry is always used to correct an accrual entry.
  - **Recode:** The Recode type (AVRC) is used to properly reclassify account balances posted to the prior period. The recode entry creates an accrual in the fiscal period specified on the document and is automatically reversed in the current fiscal period. The reversal date defaults to the creation date of the document and cannot be changed. However, the actual reversal occurs on the date the document reaches full approval. In addition, a recode generates a Distribution of Income or Expense (DI) entry with Cash as the offset transaction, and posts in the current period.
- Note:** A recode AV for transactions in the previous period must be submitted within 20 days of the end of the previous period.

Fiscal Officers and support staff, department, responsibility center, and campus administration staff are users of the AV.



## Document Layout

The AV document has its own unique tab called “Auxiliary Voucher Details” in addition to the standard financial transaction tabs with one additional field called “Total Amount” in the “Document Overview” tab.

For more information about the standard tabs, see “Standard Tabs” in the *IU KFS Overview and Introduction*.

**Auxiliary Voucher** ?

<b>Doc Nbr:</b>	66235843	<b>Status:</b>	INITIATED
<b>Initiator:</b>	bbrckalo	<b>Created:</b>	10:45 AM 03/26/2014

expand all collapse all  
\* required field

▼ hide

**Document Overview**

<b>* Description:</b> <input type="text"/>	<b>Explanation:</b> <input style="width: 95%;" type="text"/>
<b>Organization Document Number:</b> <input type="text"/>	

**Financial Document Detail**

<b>Total Amount:</b> <input type="text"/>
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▼ hide

**Auxiliary Voucher Details**

<b>* Accounting Period:</b> <input type="text" value="MAR. 2014"/>
<b>* Auxiliary Voucher Type:</b> <input checked="" type="radio"/> Adjustment <input type="radio"/> Accrual <input type="radio"/> Recode

▼ hide

**Accounting Lines** ? hide detail

	* Chart Code	Sub-Fund	Org	* Account Number	Sub-Account Code	* Object Code	Sub-Object Code	Project Code	Organization Reference Id	Debit	Credit	Actions
add:	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	0.00	0.00	add

import lines

General Ledger Pending Entries ▶ show

Notes and Attachments (0) ▶ show

Ad Hoc Recipients ▶ show

Route Log ▶ show

submit save close cancel copy

## Auxiliary Voucher Details Tab

The “Auxiliary Voucher Details” tab is used to indicate the type of Auxiliary Voucher document being created (Adjustment, accrual or recode) and the accounting period to which the transaction should be posted. The “Reversal Date” field appears only when the **Accrual** or **Recode** type is selected (note the second and third examples below).

▼ hide

**Auxiliary Voucher Details**

<b>* Accounting Period:</b> <input type="text" value="MAR. 2014"/>
<b>* Auxiliary Voucher Type:</b> <input checked="" type="radio"/> Adjustment <input type="radio"/> Accrual <input type="radio"/> Recode

*Auxiliary Voucher Details tab for Adjustment type*



Auxiliary Voucher Details hide

**Auxiliary Voucher Details**

\* Accounting Period: MAR. 2014

\* Auxiliary Voucher Type:  Adjustment  Accrual  Recode

Reversal Date: 04/15/2014

Auxiliary Voucher Details tab for Accrual type

Auxiliary Voucher Details hide

**Auxiliary Voucher Details**

\* Accounting Period: MAR. 2014

\* Auxiliary Voucher Type:  Adjustment  Accrual  Recode

Reversal Date: Mar 26, 2014

Auxiliary Voucher Details tab for Recode type

**Auxiliary Voucher Details tab definitions:**

Title	Description
Accounting Period	<b>Required.</b> Select the period the transaction should be applied to from the Accounting Period list.
Auxiliary Voucher Type	<b>Required.</b> Select the option for the type of Auxiliary Voucher document you wish to process
Reversal Date	Appears only for the AV type of accrual or recode. Requirement varies depending on the selected auxiliary voucher type: <ul style="list-style-type: none"> <li>• Accrual: Required. Select the date when the transaction entries are to be reversed from the <b>calendar</b></li> <li>• Recode: Display-only. Defaults to today's date and cannot be changed.</li> </ul>

**Process Overview**

**Business Rules**



- The accounting period chosen must be open.
- Auxiliary vouchers for an open period must be approved by the designated cutoff date. The standard cutoff date is the 10th of the following month. In certain months, the cutoff date may be moved to accommodate year-end, weekends and holidays. Please refer to the [Auxiliary Calendar \(https://fms.iu.edu/auxiliary-accounting/calendar/\)](https://fms.iu.edu/auxiliary-accounting/calendar/) for actual cutoff dates for each month.
- If the AV type is Accrual Voucher, a reversal date is required. An accrual entry may have a reversal date that reverses in the future, even the next fiscal year.
- There must be at least two accounting lines in the document.
- All accounts must belong to the same chart and sub-fund.
- On an accounting line, you must enter a credit or debit amount, but not both.
- Negative amounts are not allowed.
- Debits must equal credits.
- Certain object code sub-types may be restricted from being used on the Auxiliary Voucher.
- The fiscal officer for each account must approve.
- Additional approvals may be established within the review hierarchy.

**Routing**

Fiscal Officer for all credit and debit accounts must approve the AV document. Additional approvals may be established within the institution's review hierarchy or are designated through Ad Hoc routing. The document status becomes 'FINAL' when the required approvals are obtained and the transaction is posted to the G/L during the next G/L batch process.



## Initiating an AV Document

1. Click **Create**  **Auxiliary Voucher** from the “Financial Processing” module.
2. Log into the KFS as necessary.
  - A blank AV document with a new document ID appears.
3. Select the type of AV you wish to create on the “Auxiliary Voucher Details” tab.
  - Select the posting period and reversal date if needed.
4. Complete the remaining tabs as necessary.
5. Click **submit** .
6. Review the “General Ledger Pending Entries” tab.
  - This document generates offsetting entries, depending on the AV type selected. For accrual and adjustment entries that affect more than one account, the offsetting entry is to a defined fund balance object code. If the entry affects only one account, then there is no offset.
  - For a recode entry, the offsetting entry is to a defined fund balance object code. In addition, a recode automatically generates a Distribution of Income or Expense (DI) entry with an offset to cash in the current period.
7. Review the “Route Log” tab.
  - For more information about the “Route Log,” see “Route Log” in the *IU KFS Overview and Introduction*.
8. Appropriate fiscal officers and organization reviewers approve the document.
  - For more information about how to approve a document, see “Workflow Action Buttons” in the *IU KFS Overview and Introduction*

### Example: Auxiliary Voucher Accrual

Parts inventory purchases were received in September of 2014 but the actual invoice was not recorded in the accounts payable system until October of 2014. After selecting the **Accrual (AVAE)** option, a reversal date is entered to indicate when this accrual entry should be automatically reversed. In this example the entries are reversed on October 15th, 2014. The invoice payment is recorded in the appropriate object code (8303 Inventories-Service Parts is used in this example) and an accounts payable liability (9000 Accounts Payable) is recorded as well.



**Auxiliary Voucher** Doc Nbr: 30884299    Status: ENROUTE  
Initiator: bbrckalq    Created: 10:38 AM 09/23/2014

Document was successfully submitted. expand all    collapse all  
\* required field

**Document Overview** hide

**Document Overview**

\* Description: Accrued payable parts    Explanation: Accrue for parts inventory ordered for Hernderson parking garage

Organization Document Number:    Financial Document Detail

Total Amount: 1,500.00

**Auxiliary Voucher Details** hide

**Auxiliary Voucher Details**

\* Accounting Period: SEPT. 2014  
\* Auxiliary Voucher Type: Accrual (AVAE)  
Reversal Date: Oct 15, 2014

**Accounting Lines** hide

**Accounting Lines** hide detail

	* Chart Code	Sub-Fund	Org	* Account Number	Sub-Account Code	* Object Code	Sub-Object Code	Project Code	Organization Reference Id	Debit	Credit	Actions
1	BA BLOOMINGTON AUX	PFRI	PARK	9120100 CRB 2008 HERNDERSON ATWATER		8303 INVENTORIES- SERVICE PARTS				1,500.00	0.00	
2	BA BLOOMINGTON AUX	PFRI	PARK	9120100 CRB 2008 HERNDERSON ATWATER		9000 ACCOUNTS PAYABLE				0.00	1,500.00	
<b>Debit Total: 1,500.00    Credit Total: 1,500.00</b>												

**General Ledger Pending Entries** hide

**General Ledger Pending Entries**

Seq #	Fiscal Year	Chart	Account	Sub-Account	Object	Sub-Object	Project	Doc Type	Balance Type	Obj. Type	Amount	D/C
1	2015	BA	9120100	----	8303	---	-----	AVAE	AC	AS	1,500.00	D
2	2015	BA	9120100	----	9000	---	-----	AVAE	AC	LI	1,500.00	C

Notes and Attachments (0) show

Ad Hoc Recipients show

Route Log show

send ad hoc request    reload    close    copy

## Example: Auxiliary Voucher Recode

Parking operations received miscellaneous cash receipts in July of 2009, but these funds were mistakenly deposited into the wrong account (6044906). In August, the department realized that these funds should have been deposited into account 6044900.

After selecting the **Recode (AVRC)** option the system automatically fills in the reversal date of today's date. This field cannot be edited by the initiator. The correct posting period is selected and the "Accounting Lines" tab is completed.

The resulting pending ledger entries show an accrual entry for July of 2009 (the Accounting Period selected on the document) that is reversed in the current period. The document also automatically generates a behind-the-scenes Distribution of Income and Expense document (DI) with an offset to the cash object code (8000 in this example) that posts to the current period. Note that the AVRC entries are reversed after the document becomes fully approved.

**Auxiliary Voucher** Doc Nbr: 3274    Status: SAVED  
Initiator: khuntley    Created: 02:43 PM 08/09/2009

Document was successfully saved. expand all    collapse all  
\* required field

**Document Overview** hide

**Document Overview**

\* Description: Move income to correct account      Explanation: Income from cash receipts for August was incorrectly deposited to account 6044906. Should have been 6044900.

Org. Doc. #:

**Financial Document Detail** Total Amount: 100.00

**Auxiliary Voucher Details** hide

**Auxiliary Voucher Details**

\* Accounting Period: JULY 2009

\* Auxiliary Voucher Type:  Adjustment  Accrual  Recode

Reversal Date: Aug 9, 2009

**Accounting Lines** hide

**Accounting Lines** hide detail    import lines

	* Chart Code	* Account Number	Sub-Account Code	* Object Code	Sub-Object Code	Project Code	Organization Reference Id	Debit	Credit	Actions
add:		<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>		0.00	0.00	add
1	BA BLOOMINGTON AUX	6044906 PARKING OPERATION ENFORCE	<input type="text"/>	1800 OTHER INCOME	<input type="text"/>	<input type="text"/>		100.00	0.00	bal inquiry delete
2	BA BLOOMINGTON AUX	6044900 PARKING OPERATION	<input type="text"/>	1800 OTHER INCOME	<input type="text"/>	<input type="text"/>		0.00	100.00	bal inquiry delete
								<b>Debit Total: 100.00</b>	<b>Credit Total: 100.00</b>	

**General Ledger Pending Entries** hide

**General Ledger Pending Entries**

Seq #	Fiscal Year	Chart	Account Number	Sub-Account	Object	Sub-Object	Project	Doc Type	Balance Type	Obj. Type	Amount	D/C
1	2010	BA	6044906	----	1800	---	-----	AVRC	AC	IC	100.00	D
2	2010	BA	6044906	----	8000	---	-----	DI	AC	AS	100.00	C
3	2010	BA	6044906	----	1800	---	-----	DI	AC	IN	100.00	D
4	2010	BA	6044900	----	1800	---	-----	AVRC	AC	IC	100.00	C
5	2010	BA	6044900	----	8000	---	-----	DI	AC	AS	100.00	D
6	2010	BA	6044900	----	1800	---	-----	DI	AC	IN	100.00	C

Notes and Attachments (0) show

Ad Hoc Recipients show

Route Log show

submit    save    reload    blanket approve    close    cancel    copy

## Example: Auxiliary Voucher Adjustment

Parking Services needs to recognize income previously deferred and reduce the associated deferred income liability. The income was recorded as a liability in object code 9400 (Deferred Income) and is recognized in object code 1464 (Parking Fees)

The period the income is recognized is used as the posting period, which is September, 2014 in this example. The **Adjustment (AVAD)** option is selected and there is no reversal date because it is an adjustment. The **Accounting Lines** section is completed to debit the liability and credit the income object code.

The resulting pending ledger entries show this debit to the liability object code and a credit to the income object code.



**Auxiliary Voucher** Doc Nbr: 30884305    Status: ENROUTE  
Initiator: bbrckalg    Created: 10:46 AM 09/23/2014

Document was successfully submitted.

[expand all](#)   [collapse all](#)  
\* required field

**Document Overview** ▼ hide

<b>Document Overview</b>	
* <b>Description:</b> Recognize parking income	<b>Explanation:</b> Recognize parking income previously recorded as a liability in the object code 9400.
<b>Organization Document Number:</b>	
<b>Financial Document Detail</b>	
<b>Total Amount:</b> 80,000.00	

**Auxiliary Voucher Details** ▼ hide

<b>Auxiliary Voucher Details</b>	
* <b>Accounting Period:</b> SEPT. 2014	
* <b>Auxiliary Voucher Type:</b> Adjustment (AVAD)	

**Accounting Lines** ▼ hide

<b>Accounting Lines</b> <span style="float: right;">hide detail</span>												
	* Chart Code	Sub-Fund	Org	* Account Number	Sub-Account Code	* Object Code	Sub-Object Code	Project Code	Organization Reference Id	Debit	Credit	Actions
1	BA BLOOMINGTON AUX	AUXENT	PARK	6044900 PARKING OPERATION		9400 DEFERRED INCOME				80,000.00	0.00	
2	BA BLOOMINGTON AUX	AUXENT	PARK	6044900 PARKING OPERATION		1464 PARKING FEES				0.00	80,000.00	
<b>Debit Total: 80,000.00</b>										<b>Credit Total: 80,000.00</b>		

**General Ledger Pending Entries** ▼ hide

<b>General Ledger Pending Entries</b>												
Seq #	Fiscal Year	Chart	Account	Sub-Account	Object	Sub-Object	Project	Doc Type	Balance Type	Obj. Type	Amount	D/C
1	2015	BA	6044900	-----	9400	---	-----	AVAD	AC	LI	80,000.00	D
2	2015	BA	6044900	-----	1464	---	-----	AVAD	AC	IC	80,000.00	C

**Notes and Attachments (0)** ▶ show

**Ad Hoc Recipients** ▶ show

**Route Log** ▶ show

send ad hoc request
reload
close
copy

**Important Note!** For an accrual, if enter a reversal date in the future when submitted it changes it to the default.

