

Posting Manual Encumbrances in Banner Finance



(For Campus Distribution)

Procedure Number	Accounting- 100.014cd
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Department	Business Services –Accounting
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Related Institutional Policy # (s)	N/A
Authored By	Business Services - Accounting
Unit Manager	Business Services Accounting Manager
Approved By	Director of Business Services
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Date Posted to Business Services Website	02/28/2013 dj

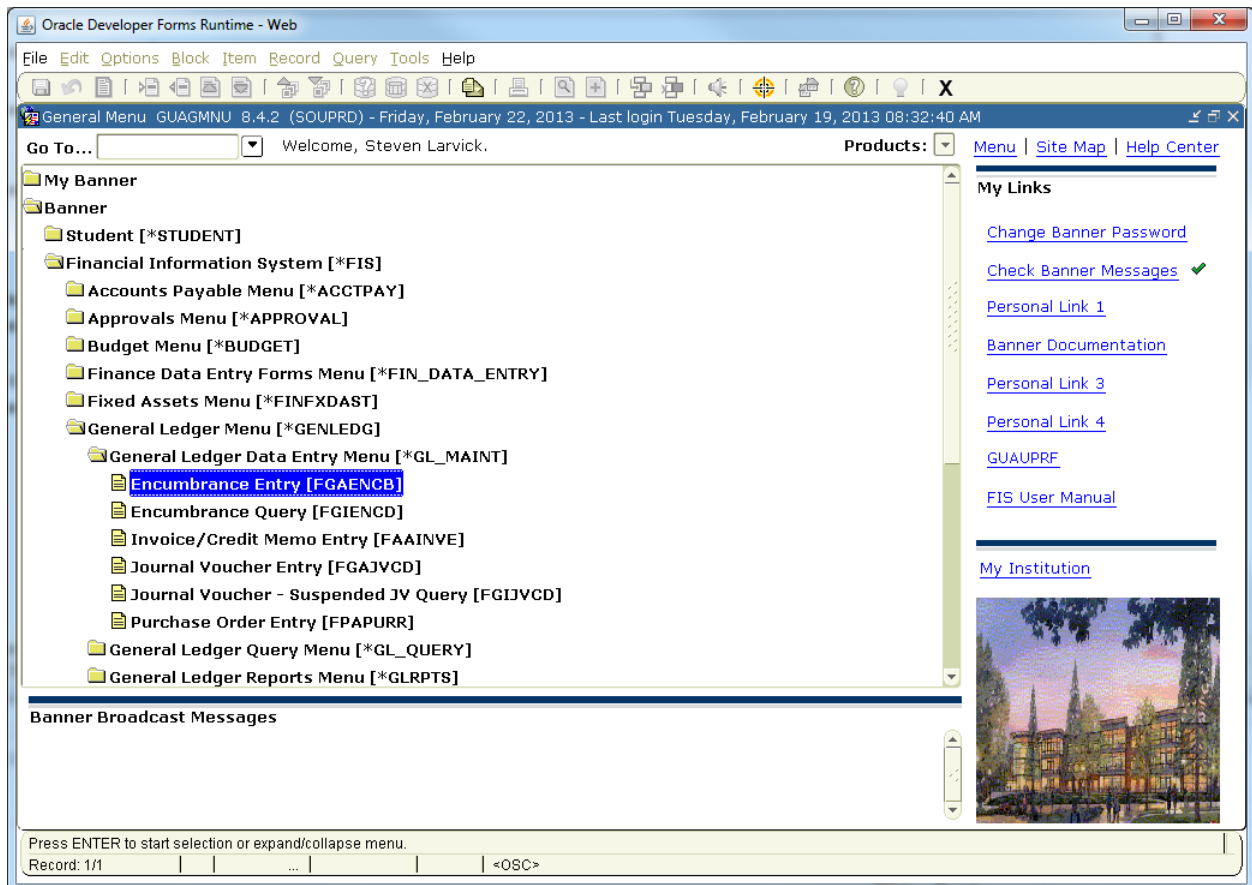
Purpose	Describes the process for creating, and liquidating, manual encumbrances in order to reflect commitments in Banner Finance, prior to the point where a Purchase Order can be created to generate a system encumbrance.
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Creating and Liquidating a Manual Encumbrance in Banner-Finance

Benefit: Provides a means to post commitments directly to Banner Finance, prior to the point where the system will create an automatic encumbrance (ie., when a Purchase Order is entered into Banner).

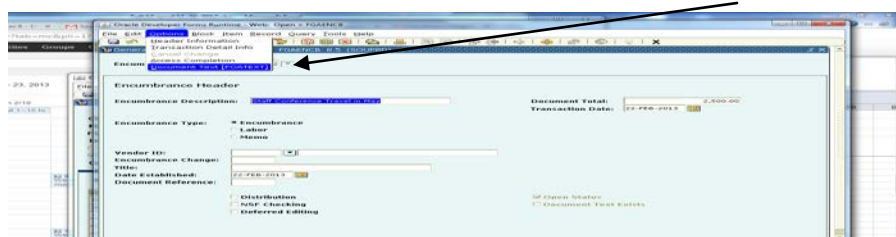
Advantage: Allows department to better use the Banner system to allow the ability to track commitments without having to separately track activity. Example: In September it's know that the department will be sending staff to a conference to be held in May, at a cost of \$2,500. It's too early to enter a PO to create a system encumbrance, but the department can enter a manual encumbrance to have the \$2,500 commitment reflected on their index. This will allow the department to identify the uncommitted balances remaining in their budgets as the year progresses.

Location of Encumbrance Entry Form:



Creating and Liquidating a Manual Encumbrance in Banner-Finance

- **Encumbrance Desc:** Manually defined to describe the encumbrance. Can use this to further identify the department creating the encumbrance ("Bus Serv: Conference Travel in May"). Because Digits 2 & 3 of the encumbrance number help identify the department to aid in locating the department's activity when doing a query, you can leave off the reference to the department name in the Title if additional space is needed to describe the activity. **You can also describe the activity more by adding "TEXT" to the transaction by clicking on "OPTIONS" and then "DOCUMENT TEXT".**



- **Document Total :** Total encumbrance to appear in the ledgers
- **Trans Date:** Defines the date when the transaction should appear in the operating ledger (ex: a transaction date of 2-1-20XX will be posted to February). Should always typically use the current system date which will default initially into this field.
- **Encumbrance Type:** Will set to default for "encumbrance".
- **Vendor ID:** Optional. Can be included if known.
- **Encumbrance Change:** Only used when making changes to an original manual encumbrance that has been posted to FIS.
- **Title:** Title of the "Change" action.
- **Date Established:** Will default to the transaction date.
- **Document Reference:** Optional. Can be used as cross reference to other related documents.

Page down to enter the second page, in order to enter the accounting information.

Creating and Liquidating a Manual Encumbrance in Banner-Finance

Accounting Information (page 2 of encumbrance):

Oracle Developer Forms Runtime - Web: Open > FGAENCB

File Edit Options Block Item Record Query Tools Help

Transaction Detail FGAENCB 8.5 (SOUPRD)

Encumbrance Number: EBS00003 Encumbrance Title: Staff Conference in May Document Total: 2,500.00

Status: ☐ Sequence: 1 Journal Type: 2ENC Original Encumbrance Project: ☐

Fiscal Year: 13 Current Encumbrance Amount:

COA: F Index: BSGENL Fund: 001000 Orgn: 451000 Acct: 39516 Prog: 61030 Actv: Locn: Percent:

☐ NSF Override Commit Type: Uncommitted Amount: 2,500.00

- **Sequence#:** System default. Hit the enter key to move to the next field, and the system will default the number.
- **Fiscal Year:** System default: based on the transaction date.
- **Journal Type:** Enter "2ENC" = "Original Encumbrance"
- **Project Code:** Leave blank unless working on an index code that's connected to a Grant or Construction project.
- **COA:** Will default to "F" =SOU. Do not change this setting.
- **Accounting:** Enter the index and account code information.
- **Amount:** Enter the amount for the line item (sum of all line items should balance to the Document Total)

Note: You can spread the encumbrance to more than one index by entering multiple sequences. The total of all sequences must match the document total at the top of the page.

To complete the transaction to post the encumbrance, hit "page down", or "Record" "Next": Click on the "Complete" button:

Encumbrance Number: EBS00003 Encumbrance Title: Staff Conference in May Document Total: 2,500.00

Status: P Sequence: 1 Journal Type: 2ENC Original Encumbrance Project: ☐

Fiscal Year: 13 Current Encumbrance Amount:

COA: F Index: BSGENL Fund: 001000 Orgn: 451000 Acct: 39516 Prog: 61030 Actv: Locn: Percent:

☐ NSF Override Commit Type: Uncommitted Amount: 2,500.00

Completion FGAENCB 8.5 (SOUPRD)

Complete: ☒ In Process: ☐ Net Amount: 2,500.00

Creating and Liquidating a Manual Encumbrance in Banner-Finance

Once posted the encumbered value will appear in the “commitments” column for the Operating Ledger

Note: Once you click “complete, it may take about 5 minutes for the transaction to post and appear on the ledgers. Currently these transactions are not routing though approval queues, so they do not require further action by the department, unless a department wishes to include the transactions in their approval routing processes.

Oracle Developer Forms Runtime - Web: Open > FWIBDST

File Edit Options Block Item Record Query Tools Help

Organization Budget Status Form FWIBDST 8.0.0.1.B (SOUPRD)

Chart: F
Fiscal Year: 13
Fiscal Period:
Index: BSGENL

☐ Query Specific Account
☒ Include Revenue Accounts
Commit Type: Both

Organization: 451000 Director of Business Services
Fund: 001000 General Fund Operations
Program: 61030 General Institution Management
Account:
Account Type:
Activity:
Location:

Account	Type	Title	Adjusted Budget	YTD Activity	Commitments	Available Balance
20000	E	Services & Supplies Expens	8,912.00	0.00	0.00	8,912.00
39415	E	In-St Empl Program Travel	1,000.00	455.27	0.00	544.73
39516	E	Out-St Empl Training Trave	3,000.00	0.00	2,500.00	500.00
Net Total:			-12,912.00	-455.27	2,500.00	-9,956.73

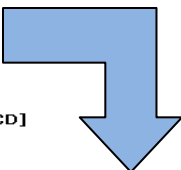
Dup Item for Detail, Count Query for Orgn. Summary, Dup Rec for Encum. List
Record: 3/3 | | ... | | <OSC>

Creating and Liquidating a Manual Encumbrance in Banner-Finance

Details of the encumbrance can also be viewed by querying down to the transaction detail, or you can see more information by going through the Encumbrance Query Menu:

my Banner

- Banner**
 - Student [*STUDENT]
 - Financial Information System [*FIS]
 - Accounts Payable Menu [*ACCTPAY]
 - Approvals Menu [*APPROVAL]
 - Budget Menu [*BUDGET]
 - Finance Data Entry Forms Menu [*FIN_DATA_ENTRY]
 - Fixed Assets Menu [*FINFXDAST]
 - General Ledger Menu [*GENLEDG]
 - General Ledger Data Entry Menu [*GL_MAINT]
 - Encumbrance Entry [FGAENCB]
 - Encumbrance Query [FGIENCD]**
 - Invoice/Credit Memo Entry [FAAINVE]
 - Journal Voucher Entry [FGAJVCD]
 - Journal Voucher - Suspended JV Query [FGDJVCD]
 - Purchase Order Entry [FGBUPST]



My Links

- [Change Banner Password](#)
- [Check Banner Messages](#) ✓
- [Personal Link 1](#)
- [Banner Documentation](#)
- [Personal Link 3](#)
- [Personal Link 4](#)
- [GUAUPRF](#)
- [FIS User Manual](#)

[My Institution](#)

View of encumbrance details:

Oracle Developer Forms Runtime - Web: Open > FGIENCD

File Edit Options Block Item Record Query Tools Help

Detail Encumbrance Activity FGIENCD 8.3.A (SOUPRD)

Encumbrance: Encumbrance Period:

Description: Status: ☐ Type:

Date Established: Balance: Vendor:

Item: Document Accounting Distribution

Sequence: Fiscal Year: Status: ☐ Commit Indicator:

COA Index Fund Orgn Acct Prog Actv Locn Proj

Encumbrance: Liquidation: Balance:

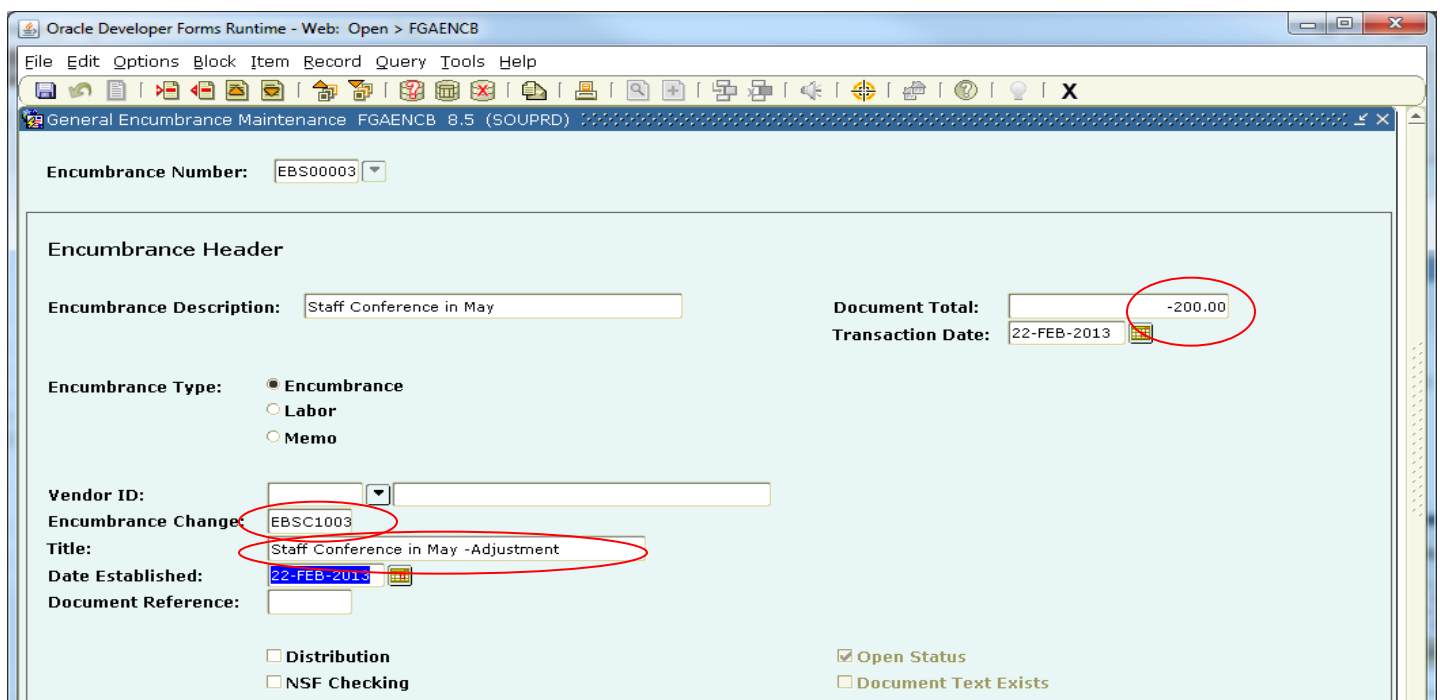
Transaction Date	Type	Document Code	Action	Transaction Amount	Remaining Balance
22-FEB-2013	2ENC	EBS00001	T	2,500.00	2,500.00

Creating and Liquidating a Manual Encumbrance in Banner-Finance

Making a Change to an Existing Manual Encumbrance:

Go to the Encumbrance Entry Form (FGAENCB)

- Enter the original number and page down.
- Document Total will default to the current “open” amount associated with the encumbrance (\$2,500 in the above example). Re-enter the document total for the amount to be changed (ex: we will decrease it by \$200enter “-200” in the Document Total field).



- Enter a number in the “Encumbrance Change” field. To make it easier to find all transactions associated with an encumbrance, use the same number of the original encumbrance, but modify digits 4 & 5 to identify the “change”. For example “C1”, to identify “change #1”.
- Title will default to the Description above. You can change it if you wish to add an explanation for the change. Whatever is entered here will appear in the ledgers when viewing transactions.
- The “Date Established” will default to the system date (current date). It represents the date the transaction is to be posted to the system.
- Proceed to the second page (“page down”)

Creating and Liquidating a Manual Encumbrance in Banner-Finance

- Change the “Journal Type” code to “E020” = “Encumbrance Adjustment”
- Reenter the amount of the change (Document total = (\$200), but Banner knows this may be spread over multiple index code in separate sequence lines. This gives the opportunity to identify how much should be changed with each index/account code combination. In this example, we just have one index associated with the encumbrance, so we will just confirm the document total adjustment. The total amount of change on all sequences of the entry need to balance with the Document Total associated with the change taking place:

Oracle Developer Forms Runtime - Web: Open > FGAENCB

File Edit Options Block Item Record Query Tools Help

Transaction Detail FGAENCB 8.5 (SOU PRD)

Encumbrance Number: EBS00003 Encumbrance Title: Staff Conference in May Document Total: -200.00

Status: P Fiscal Year: 13
Sequence: 1 Current Encumbrance Amount: 2,500.00
Journal Type: E020 Encumbrance Adjustment
Project:

COA Index Fund Orgn Acct Prog Actv Locn Percent
F BSGENL 001000 451000 39516 61030
☐ NSF Override Commit Type: Uncommitted Amount: -200.00

Completion FGAENCB 8.5 (SOU PRD)

Complete: ☒ In Process: ☐ Net Amount: -200.00

Confirms current outstanding encumbrance prior to pending change to be made

- “Page Down” a second time, and click on the “Complete” button. The change will be routed for posting.

Creating and Liquidating a Manual Encumbrance in Banner-Finance

All the activity associated with the original encumbrance can be viewed in the Encumbrance Query Form (FGIENCD):

Oracle Developer Forms Runtime - Web: Open > FGIENCD

File Edit Options Block Item Record Query Tools Help

Detail Encumbrance Activity FGIENCD 8.3.A (SOUPRD)

Encumbrance: EBS00003 Encumbrance Period: All

Description: Staff Conference in May Status: ☐ Type: E

Date Established: 22-FEB-2013 Balance: 2,300.00 Vendor:

Item: 0 Document Accounting Distribution

Sequence: Fiscal Year: 13 Status: ☐ Commit Indicator: U

COA Index Fund Orgn Acct Prog Actv Locn Proj

F BSGENL 001000 451000 39516 61030

Encumbrance: 2,300.00 Liquidation: 0.00 Balance: 2,300.00

Transaction Date	Type	Document Code	Action	Transaction Amount	Remaining Balance
22-FEB-2013	2ENC	EBS00003	T	2,500.00	2,500.00
22-FEB-2013	E020	EBSC1003	T	-200.00	2,300.00

Original Encumbrance

Encumbrance Change

Current Remaining Balance

Press Next Record or Previous Record to scroll accounting/transaction details

Record: 1/1 <OSC>

Creating and Liquidating a Manual Encumbrance in Banner-Finance

To view the status of all departmental encumbrances:

Go to Encumbrance Query (FGIENCD) and perform a query on the encumbrance number, by clicking on the [down arrow] box next to the field.

Next, enter a query to isolate your departmental encumbrances.

- First click on [query][enter] to clear the field
- Enter the distinct numbers associate with your department in the Encumbrance Number field, using the “%” as a wild card character.
- Execute the query

Encumbrance Number	Type	Description	Current Balance	FY	*	Status	Establish Date	Last Activity Date
EBS%								

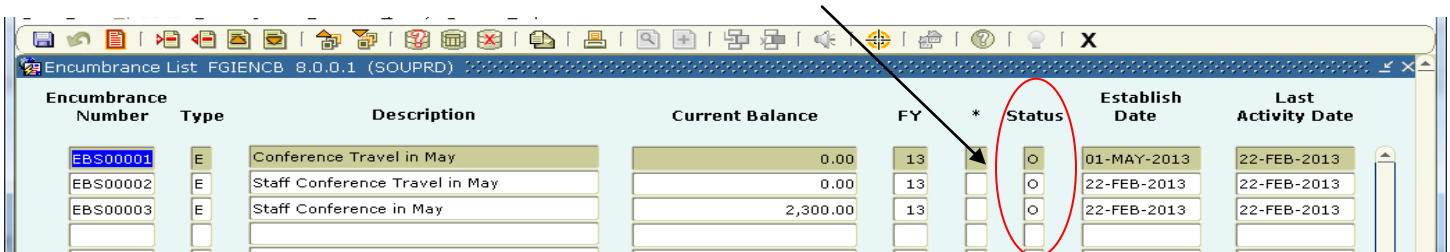
Results:

Encumbrance Number	Type	Description	Current Balance	FY	*	Status	Establish Date	Last Activity Date
EBS00001	E	Conference Travel in May	0.00	13		O	01-MAY-2013	22-FEB-2013
EBS00002	E	Staff Conference Travel in May	0.00	13		O	22-FEB-2013	22-FEB-2013
EBS00003	E	Staff Conference in May	2,300.00	13		O	22-FEB-2013	22-FEB-2013

Creating and Liquidating a Manual Encumbrance in Banner-Finance

Closing an Encumbrance

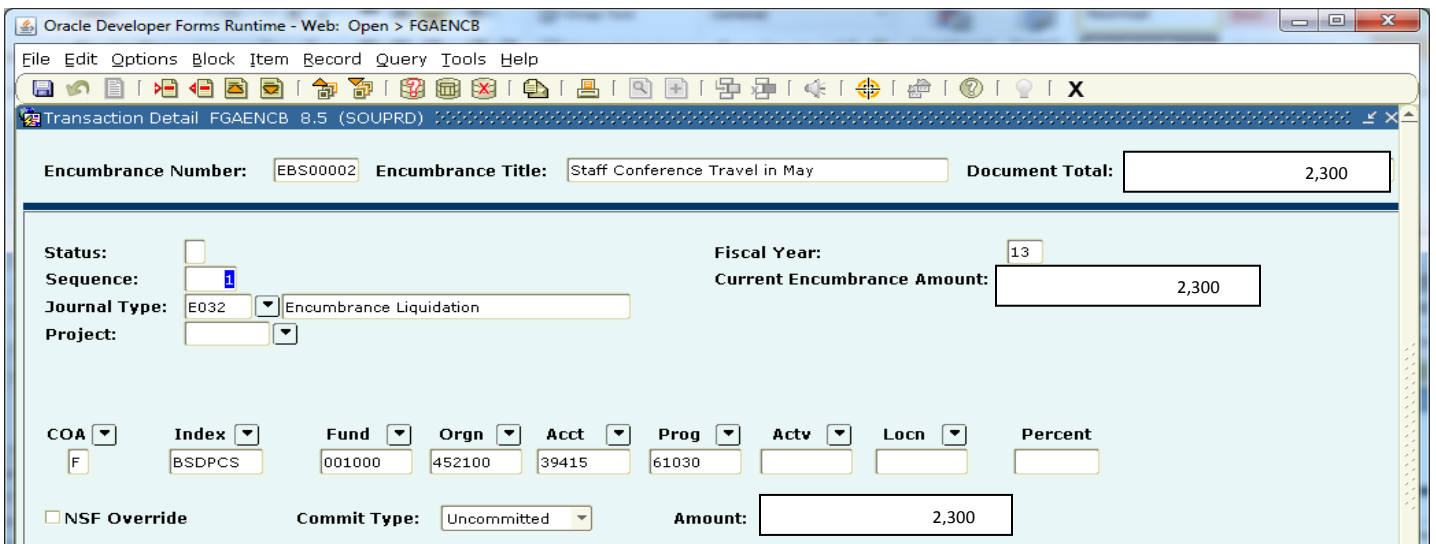
Note: All of these documents reflect an “O” (Open) status. To limit the result that are returned, departments should also change the Status to “Closed” if they no longer intend to use a particular encumbrance.



Encumbrance Number	Type	Description	Current Balance	FY	Status	Establish Date	Last Activity Date
EBS00001	E	Conference Travel in May	0.00	13	O	01-MAY-2013	22-FEB-2013
EBS00002	E	Staff Conference Travel in May	0.00	13	O	22-FEB-2013	22-FEB-2013
EBS00003	E	Staff Conference in May	2,300.00	13	O	22-FEB-2013	22-FEB-2013

To “close” an encumbrance, creating a final “Encumbrance Change” to \$0.00 out the encumbrance amount, use the “Journal Type” code of “E032” (“Encumbrance Liquidation”).

Note: When “Liquidating” an encumbrance, the “Amount” should be entered as a **“positive”** number. The use of the “E032” Journal Type code is telling the system to “reduce” the amount by virtue of the fact that it is liquidating that amount.



Oracle Developer Forms Runtime - Web: Open > FGAENCB

File Edit Options Block Item Record Query Tools Help

Transaction Detail FGAENCB 8.5 (SOUPRD)

Encumbrance Number: EBS00002 Encumbrance Title: Staff Conference Travel in May Document Total: 2,300

Status: ☐ ☒ Fiscal Year: 13

Sequence: Current Encumbrance Amount: 2,300

Journal Type: E032 Encumbrance Liquidation

Project:

COA Index Fund Orgn Acct Prog Actv Locn Percent

F BSDPCS 001000 452100 39415 61030

☐ NSF Override Commit Type: Uncommitted Amount: 2,300

Creating and Liquidating a Manual Encumbrance in Banner-Finance

Results when transaction is posted:

Encumbrance Number	Type	Description	Current Balance	FY	*	Status	Establish Date	Last Activity Date
EBS00001	E	Conference Travel in May	0.00	13		O	01-MAY-2013	22-FEB-2013
EBS00002	E	Staff Conference Travel in May	0.00	13		C	22-FEB-2013	22-FEB-2013
EBS00003	E	Staff Conference in May	2,300.00	13		O	22-FEB-2013	22-FEB-2013

Subsequent queries on departmental outstanding encumbrances can be isolated by performing the query using the “O” Status indicator:

Encumbrance Number	Type	Description	Current Balance	FY	*	Status	Establish Date	Last Activity Date
EBS%						O		

Results:

Encumbrance Number	Type	Description	Current Balance	FY	*	Status	Establish Date	Last Activity Date
EBS00001	E	Conference Travel in May	0.00	13		O	01-MAY-2013	22-FEB-2013
EBS00003	E	Staff Conference in May	2,300.00	13		O	22-FEB-2013	22-FEB-2013

Creating and Liquidating a Manual Encumbrance in Banner-Finance

Fiscal Year End:

Encumbrances will not be “Rolled Over” to the following fiscal year. As a result, all encumbrances should be zeroed out by the end of June (Period 12). Two ways of doing this:

- 1) If the encumbrance is no longer valid, and is not intended to be used in the future, zero it out using the Journal Type “E032” to fully liquidate and close the encumbrance (Note: to reduce the encumbrance using this code, enter the amount as a “positive” number). The E032 Journal Type will “close” the encumbrance.
- 2) If the department would like to continue to use the encumbrance in future years, the department should still zero the amount out at year, but you can do that using the “E020” Encumbrance Adjustment Journal Type code. (Note: a reduction here would have to be entered as a “negative” number [since adjustments can be made to both increase and decrease the amount of the encumbrance]). Departments can then reestablish the encumbrance in the new fiscal year using the same encumbrance number, and continue on as normal.

For Questions, or Need Assistance:

Contact Business Services – Accounting. See: http://www.sou.edu/bus_serv/staff.html