



## General Ledger Journal Procedure

### 1. Purpose

All accounting journal entries will be entered into EIA's accounting system - MYOB by way of a general ledger journal entry. In order to ensure accuracy, any entries created must be reviewed and approved by an authorised approver.

This policy complies with the Higher Education Standards Framework (Threshold Standards) HES 2015 in the Tertiary Education Quality and Standards Agency Act 2011 by the Commonwealth of Australia, specifically to Section 6.2.

### 2. Scope

This policy applies to all staff that is authorised to create, review or approve journal entries.

### 3. Responsibility

The Finance Manager/Executive Manager of Operations is responsible for implementing this procedure.

### 4. Definitions

**Approver:** a person who has delegated authority by the Finance Manager to review and approve journal entries.

**Accounting system:** MYOB

**Creator:** a person authorised by the Financial Manager to create and input journal entries into the accounting system.

### 5. Procedure

- 5.1 Only the approver(s) can approve journal entries.
- 5.2 Only the creator(s) can create and input journal entries.
- 5.3 A person can be both a creator and approver, but is not permitted to approve a journal entry that they have themselves created under any circumstances.
- 5.4 The Finance Manager has the authority to remove or add a person as a creator or an approver.
- 5.5 Any person(s) who suspects a creator or approver as to not abiding to this policy and procedure must inform the Finance Manager immediately.
- 5.6 It is the responsibility for all staff involved to abide by the Australian accounting standards.
- 5.7 Creating and inputting a journal entry: The creator must ensure the appropriate accounting codes and equations are used according to the type of journal entries. A description and supporting documents must accompany the entry.

5.8 Approving a journal entry: The approver must review the entry and ensure the following before approving:

- The entries are created and inputted by an authorised creator
- The entries are corrected and entered in timely
- The codes and equations are appropriate for the entry type
- Each entry is accompanied by a summary and all supporting documents
- Compliant with EIA policies and procedures

If the entry does not satisfy the above, the approver must enter a reason and deny the entry.

5.9 Review and retention: The Finance Manager must:

- Review on a regular basis the appropriateness of the journal entries as part of the monitoring and management process.
- Run a report on a monthly basis on all unapproved journal entries
- Review the report monthly and ensure the entries are relevant for the currently open general ledger period, approve and submit those that are relevant and remove any invalid journal entries.

Review the list of creator(s), approver(s) and any other finance staff yearly and notify and update any changes.

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