



Year-End Adjusting Journal Entry Processes

Script Description

A year-end adjusting journal entry is needed.

Process Assumptions

The Adjustments Year is set up on the "Ledgers for a Unit" panel for this Business Unit and Ledger.

Understanding The Process

If you post adjusting entries in a "normal" accounting period, these entries might distort period-to-period or year-to-year results for certain reports.

PeopleSoft provides the following periods:

Period 0	Contains the "balance forward" amounts-the balance at the beginning of each year. This represents the opening balance for balance sheet accounts. The Closing process is the only part of PeopleSoft General Ledger that updates this period.
Periods 01-12	Contains the journal entry activity for each of those periods. The Journal Entry processes update these periods.
Period 900	Contains the inception to date (ITD) totals for the ChartFields you specify in the Revenue/Expenditure Roll Forward Options panel in your Closing Rule. The Closing process is the only part of PeopleSoft General Ledger that updates this period.
Period 998	Contains adjusting entries you have entered. You indicate an adjusting entry when you enter journals by checking the adjustment check box on the Journal Entry Header panel.
Period 999	Contains the results of Year End Closing. The year end closing entry to book the current year net income to fund equity is posted here. The Closing process is the only part of PeopleSoft General Ledger that updates this period.

The normal journal entries will post to Periods 01-12. Adjusting Journal Entries will post to Period 998. Periods 0, 900, 999 are posted via the year-end closing process only. You cannot manually post anything to these periods.

You can post year-end adjustments to a special adjustments period (998) that is separate from the last accounting period of the year. You typically want your adjustments year to match the fiscal year, but you can post adjustments to any year's adjustment period.

Setup of the Adjustments Year

1. Establish the Year that Adjustments are to be made in for the Business Unit and Ledger that needs the adjusting entry.
2. Access the Ledgers for a Unit Panel as follows:

GO	Define Business Rules
	Establish Business Units
USE A-M	Ledgers for a Unit
	Definition

Click the button

The farthest right hand scroll bar allows you to scroll to other Ledgers.

- a. Enter the Adjustments Year (Fiscal Year) for posting any adjustments.
- b. If you do not specify an adjustment year, adjusting journals will error out during the Edit process because the fiscal year is not specified.

Note: The Journal Date does not control the period and year to which adjustment journals are posted. Adjustments are always posted to Period 998 in the Adjustment Year specified on the Ledgers For A Unit Definition panel.

Year End Adjusting Journal Entry Process Flow Steps

1. You need to enter a year-end adjusting entry for the current fiscal year. One of the team members will enter the information directly into the Journal Entry panels.
2. Access the Journal Entry Panels as follows:

GO	Process Financial Information
	Process Journals
USE	Journal Entry
	Header
	Add

3. Use [GL_01_ Journal Processes](#) for Journal Entry Processes, Steps 1-6. For Step 7 substitute the following:

Select the Adjusting Entry Check Box on the Journal Header Panel, and it will show the following:

Notice that it changed the Fiscal Year and the Period to 2000 and 998, based on what you have entered on the Ledgers for a Business Unit panel.

4. Return to [GL_01_ Journal Processes](#) - Step 8, to finish the Journal Entry Process as you would for any other journal entry.