## Business Process Flowchart

## General Ledger

### Packet Description

The General Ledger Packet describes how to record and maintain financial documents in the general ledger, which are the basis for internal and external financial reporting.

### MAGIC Roles

The MAGIC Roles used in these flows are:

- ➤ GL - General Ledger Agency Accountant
- ➤ GL - General Ledger Agency Manager – Approver
- ➤ AR - Accounts Receivable Invoice Entry
- ➤ AR - Accounts Receivable Corrections
- ➤ AR - Accounts Receivable Invoice Approver

A description of each role can be found on the MMRS Website.

### MAGIC Flows

The individual MAGIC flows that are included in this packet are:

- ➤ GL1-Cash Receipts for Non-Invoiced Items
- ➤ GL2- Process changed and added to AR packet (AR3)
- ➤ GL3-Revenue Distribution Transfer
- ➤ GL4-Transfer of Funds - Intra-Agency
- ➤ GL5-Adjustment for Incorrect GL Revenue Posting
- ➤ GL6-Agency Reclassification Posting
- ➤ GL7-Adjustment for Incorrect GL Revenue Posting Non-Invoiced Receipts

### Help or Questions

Click here to learn how to read a MAGIC Business Flowchart.

If you have a question, please use the MAGIC Feedback webpage to submit your question.

# Business Process Flowchart

## General Ledger

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## Significant Changes

➢ MAGIC will use Agency transfers without approvals being required.
➢ Several document types will be used to transfer money between or within agencies. One of which will replace the use of balance sheet accounts 36100.
➢ Separation of funds by funding source.
➢ Collapse of some general ledger account numbers.

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## High Level Process Description

➢ General Ledger (GL):
  ➢ Represents total of all GL accounts in the chart of accounts (CoA)
  ➢ Tracks corresponding debit and credit balances
  ➢ Defines and produces:
    ➢ Balance sheets
    ➢ Other accounting statements
➢ Postings made to the GL usually occur automatically due to activity in other modules
  ➢ The GL has to be updated manually for:
  ➢ Non-invoiced Cash Receipts
  ➢ Adjustments/Reclassifications
  ➢ Miscellaneous GL documents
➢ Creation of a general ledger posting document is necessary for period-end closing or day-to-day functions.

# Cash Receipts for Non-Invoiced Items

**GL - General Ledger Agency Accountant**

Agency Receives Monies → Enter Cash Receipt as a YC document **FV50** → Submit/Complete YC Document **FV50**

Cash deposited in bank and available for posting in MAGIC

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

**GL - General Ledger Agency Manager - Approver**

Workflow Approval YC document **SBWP**
— Reject →
— Approve →
Agency fills out Cash Receipt form and sends Cash Receipt form and monies to DFA-OFM

**DFA-OFM**

Workflow Approval YC document **SBWP**
— Reject →
— Approve → YC document posts to G/L in FI & updated Fund cash balance in MAGIC → DFA-OFM reconciles/balances, fills out transmittal sheet and sends transmittal sheet and checks to Treasury

**Treasury**

YC document sent to Treasury via interface and Treasury/QED Fund cash balance is updated

Treasury deposits monies into Commercial bank account

# Revenue Distribution Transfer

**M★GIC**
Mississippi's Accountability System for Government Information and Collaboration

## GL – General Ledger Agency Accountant

Agency receives revenue and needs to distribute

Deposit Monies Using Business Process "Cash Receipts for Non-Invoiced Items"

**NOTE OF PROCEDURE CHANGE:** All monies not going to State General Fund must first be deposited prior to transfer.

Is Revenue for another agency or for the State General Fund?

State General Fund

Another agency

Agency enters YU document in MAGIC to transfer revenue to another agency **FV50**

Submit/Complete YU document **FV50**

NOTE: Review documents, and Approve or Reject at all Agency Approval Levels *NO DFA /OFM Approval.

Revenue distribution transfer completed

## GL – General Ledger Agency Manager - Approver

Reject

Workflow Agency Approval YU document **SBWP**

Approve

YU document posts to G/L in FI & updates Fund cash balance in MAGIC

## Treasury

YU document sent to Treasury via interface and Treasury/QED Fund cash balance is updated

# Transfer of Funds – Intra-Agency

**GL - General Ledger Agency Accountant**

Agency needs to transfer money from one Fund to another Fund

Agency enters ZT document for Fund to Fund Transfer
**FV50**

Submit/Complete ZT Document
**FV50**

Cash has been transferred from Agency Fund A to Agency Fund B and is available for posting in MAGIC

**GL - General Ledger Agency Manager - Approver**

Workflow Approval ZT document
**SBWP**

Reject

Approve

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

**DFA-OFM**

Workflow Approval ZT document
**SBWP**

Reject

Approve

ZT document posts to G/L in FI & updated Fund cash balance in MAGIC

**Treasury**

ZT document sent to Treasury via interface and Treasury/QED Fund cash balance is updated

# Adjustment for Incorrect GL Revenue Posting

## AR Invoice Entry

Customer Invoice entry with FV70 (YX) or (DR); debit to customer and credit to revenue but incorrect revenue posting

Is the customer a state agency

No

**NOTE:**
See process steps for **Agency Reclassification Posting**

Correction made to General Ledger

Invoice entry for Customer Invoice Doc Code -XY

**FV70**

Entry role needs to verify correct material code is entered to derive the correct GL code.

## AR - Corrections

Yes

Reverse document

**FB08**

# Adjustments for Incorrect GL Revenue Posting (Non-Invoiced Receipts)

**GL - General Ledger Agency Accountant**

Agency identifies incorrectly posted YC receipt document (wrong coding block info or GL accounts)

Agency enters ZE document type to correct the YC posting
**FV50**

Submit/Complete ZE Document
**FV50**

Agency GL Posting has been adjusted

**GL - General Ledger Agency Manager - Approver**

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

Workflow Approval ZE document?
**SBWP**

Reject

Approve

ZE document posts to G/L in FI & updated Fund cash balance (if applicable) in MAGIC

**Treasury**

**Treasury interface** ZE document sent to Treasury and Treasury/QED Fund cash balance is updated

# Agency Reclassification Posting

**GL - General Ledger Agency Accountant**

Agency needs to reclassify/adjust a GL posting

Agency enters reclassification using a ZE document
**FV50**

Submit/Complete ZE document
**FV50**

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

Agency reclassification posting is completed

**GL - General Ledger Agency Manager - Approver**

Workflow

Agency Approval ZE document

**SBWP**

Reject

Approve

ZE document posts to G/L in FI & updated Fund cash balance (if cash-relevant)

**Treasury**

**Treasury Interface**
ZE document sent to Treasury and Treasury/QED Fund cash balance is updated

# Cash Receipts for Non-Invoiced Items

**MAGIC** — Mississippi's Accountability System for Government Information and Collaboration

## GL - General Ledger Agency Accountant

Agency Receives Monies → Enter Cash Receipt as a YC document **FV50** → Submit/Complete YC Document **FV50**

Cash deposited in bank and available for posting in MAGIC

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

## GL - General Ledger Agency Manager - Approver

Workflow Approval YC document **SBWP**

Reject

Approve → Agency fills out Cash Receipt form and sends Cash Receipt form and monies to DFA-OFM

## DFA-OFM

Workflow Approval YC document **SBWP**

Reject

Approve → YC document posts to G/L in FI & updated Fund cash balance in MAGIC → DFA-OFM reconciles/balances, fills out transmittal sheet and sends transmittal sheet and checks to Treasury

## Treasury

YC document sent to Treasury via interface and Treasury/QED Fund cash balance is updated

Treasury deposits monies into Commercial bank account

# Revenue Distribution Transfer



**GL – General Ledger Agency Accountant**

Agency receives revenue and needs to distribute

Deposit Monies Using Business Process "Cash Receipts for Non-Invoiced Items"

**NOTE OF PROCEDURE CHANGE:** All monies not going to State General Fund must first be deposited prior to transfer.

Is Revenue for another agency or for the State General Fund?

State General Fund

Another agency

Agency enters YU document in MAGIC to transfer revenue to another agency **FV50**

Submit/Complete YU document **FV50**

NOTE: Review documents, and Approve or Reject at all Agency Approval Levels *NO DFA /OFM Approval.

Revenue distribution transfer completed

**GL – General Ledger Agency Manager - Approver**

Workflow Agency Approval YU document **SBWP**

Reject

Approve

YU document posts to G/L in FI & updates Fund cash balance in MAGIC

**Treasury**

YU document sent to Treasury via interface and Treasury/QED Fund cash balance is updated

# Transfer of Funds – Intra-Agency

**GL - General Ledger Agency Accountant**

Agency needs to transfer money from one Fund to another Fund

→

Agency enters ZT document for Fund to Fund Transfer
**FV50**

→

Submit/Complete ZT Document
**FV50**

Cash has been transferred from Agency Fund A to Agency Fund B and is available for posting in MAGIC

**GL - General Ledger Agency Manager - Approver**

Workflow Approval ZT document
**SBWP**

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

Reject

Approve

**DFA-OFM**

Workflow Approval ZT document
**SBWP**

Reject

Approve

ZT document posts to G/L in FI & updated Fund cash balance in MAGIC

**Treasury**

ZT document sent to Treasury via interface and Treasury/QED Fund cash balance is updated

# GL5-Adjustment for Incorrect GL Revenue Posting

## AR Invoice Entry

Customer Invoice entry with FV70 (YX) or (DR); debit to customer and credit to revenue but incorrect revenue posting

Has the money been received

Yes → Reclassification of the posting → Enter a G/L account document – (ZE)  **FV50**

Correction made to General Ledger

Note: See process steps for GL7-Agency Reclassification Posting

Reissue the invoice with correct coding

## DFA/OFM

No

Reverse document  **FB08**

# Agency Reclassification Posting

**GL - General Ledger Agency Accountant**

Agency needs to reclassify/adjust a GL posting

Agency enters reclassification using a ZE document
**FV50**

Submit/Complete ZE document
**FV50**

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

Agency reclassification posting is completed

**GL - General Ledger Agency Manager - Approver**

Workflow

Agency Approval ZE document
**SBWP**

Reject

Approve

ZE document posts to G/L in FI & updated Fund cash balance (if cash-relevant)

**Treasury**

**Treasury Interface**
ZE document sent to Treasury and Treasury/QED Fund cash balance is updated

# Adjustments for Incorrect GL Revenue Posting (Non-Invoiced Receipts)

**GL - General Ledger Agency Accountant**

Agency identifies incorrectly posted YC receipt document (wrong coding block info or GL accounts)

Agency enters ZE document type to correct the YC posting
**FV50**

Submit/Complete ZE Document
**FV50**

Agency GL Posting has been adjusted

**GL - General Ledger Agency Manager - Approver**

NOTE: Review necessary documents, and Approve or Reject at all Agency Approval Levels

Workflow Approval ZE document?
**SBWP**

Reject

Approve

ZE document posts to G/L in FI & updated Fund cash balance (if applicable) in MAGIC

**Treasury**

**Treasury interface** ZE document sent to Treasury and Treasury/QED Fund cash balance is updated