



SECTION: Financial Services
AREA: Controller

I. POLICY

- A. When a Lamar University (LU) department reimburses another University department for goods or services, the transaction must be recorded through the use of a journal entry. The journal entry will credit the provider's cost center and will charge the procuring department's cost center. When a University department needs to correct an expenditure that has posted against a cost center improperly, the appropriate process to make this correction depends on the type of transaction (payroll or non-payroll) and the type of funds involved (all state, all local, or state and local).
- B. The matrix below indicates the appropriate process to use for each type of expenditure correction:

Type of Expenditure Correction	Type of Funds	Process/Document	Submit Form To
Non-payroll	Local to local	Journal Entry	General Accounting
	State to state	Journal Entry	General Accounting
	State to local	Voucher payable to Comptroller	Accounts Payable
	Local to state	Voucher payable to LU	Accounts Payable
Payroll	All	Payroll Reallocation	General Accounting

- C. Non-payroll reallocations must include adequate documentation to indicate when and where the expense originally posted.
- D. Expenditure corrections must conform to this policy; those not meeting the standards described will not be processed.

II. PURPOSE AND SCOPE

- A. This policy defines the allowable and appropriate method for University departments to use to reimburse another department for goods or services or to correct an expenditure that has posted to the incorrect cost center.

Prior fiscal year payroll and non-payroll reallocations that also involve noncontract/grant expenditures w7o23f11.009t03/vaialgts-94 (n)1.3 (s)TJ0 Tc 0 Tw 5.216 0 2

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V. APPROVAL

Jeremy C. Alltop	07/28/2021
Vice President for Finance and Operations	Date
Dr. Jaime R. Taylor	07/29/2021
President	Date

REVISION LOG

Revision Number	Date	Description of Changes
1	10/08/2020 06/17/2021	Version created (10/08/2020). Revised by subject matter experts in Financial Services to reflect current practices (06/17/2021).
	07/29/2021	Version approved by President.