

Instructions on Completing the Department Acquisition Card  
Accounts Payment Summary Sheet

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**General**

Upon receipt of monthly credit statement from BMO MasterCard, review and match all receipts. Ensure all transactions are accurate and in compliance with University policy.

In order to complete the reconciliation process, access to Oracle Journal Entries is required.

The cardholder or their delegate will reconcile the statement with Accounts Payable by the 21<sup>st</sup> of each month. **DO NOT PAY BMO MASTERCARD DIRECTLY.**

**Credits/Returns**

If an item purchased using the Acquisition Card is returned, the merchant must credit the card account. It is the cardholder's responsibility to follow up with suppliers to ensure credits are received.

**Receiving**

If the receipt/packing slip does not include a description of the purchase or date receipts, add a handwritten description on the front of the receipt/packing slip. If the equipment or service was purchased through the internet or other electronic means, please note on the packing slip or invoice the date the goods were received or services completed.

**Penalties**

Failure to reconcile your Acquisition Card purchases will result in a penalty fee of \$25.00 per month for each month the charges remain outstanding. The outstanding balance and penalty fee will be charged to the default account you provided upon application.

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**STEP 2: Complete an Oracle Journal Entry to charge the appropriate account numbers**

(See Screen Shot below)

- Enter the current month
- Enter your name as “Completer”
- Enter the Oracle I.D. of the “Next Approver”. If you are a signing authority on the account(s) being charged, enter your own I.D.
  - If the account being charged is research, the journal entry will route electronically
- Type an explanation. For example: Acquisition Card Summary for October 2010 expenses relating to J. Smith
- Enter the account number and sub code to be charged (debited)
- Under “Description” type: MC [Cardholder’s name][month of statement]. For example: MC Smith January
- Enter the applicable HST rebate account (0-11212-2195) and the amount of the rebate indicated on the summary sheet
- Use account number **0-11200-2108** as the offsetting **credit**.
- The journal entry will route electronically to Accounts Payable as the final approval.

Tip: If all or several expenses are being charged to the same account number enter the sum of those expenses on one line of the journal entry. As the Account Summary Sheet provides itemization of the expenses it is not necessary to duplicate this on the journal entry unless you want to see a reference to each expense on your monthly account statement.

Oracle Developer Forms Runtime - Web

Window

JJE0100 - Process Journal Entry

Session id: 115

Financial Accounting System  
Journal Entry Voucher

Month / Year: 11 2010  
Prepared by: WETTON  
Date prepared: 03-DEC-2010  
Dept: WETTON  
Approver: E 29146  
Journal #: E 29146

Explanation: Acquisition Card Summary relating to October 2010 statement for J. Smith

Explanation for rejection:

Copy Complete Exit Voucher totals: 113.00 113.00

Acct.	Sub code	Ref. #	Description	Debit	P/F	Credit	ID #	AR JE #
D 250008	L 6005		MC SMITH OCT/10	103.41				L
D 011212	L 2195		MC SMITH OCT/10	9.59				L
D 011200	L 2108		MC SMITH OCT/10		C	113.00		L
								L
								L
								L
								L
								L
								L
								L

Record is updated and saved

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**STEP 3: Submit Receipts**

Forward the journal entry, statement, account summary sheet and all supporting documentation\* to:

- a. Appropriate Research Finance Office if the account being charged is research (ledger 5 or 8)
- b. Accounts Payable, DTC-401, Attention: Becky Lavigne, if the account being charged in NOT research.

\*Supporting documentation comprises all invoices, receipt, and packing slips.

## Reconciling Credits

**Example 1: Statement with credit balance**

Goods purchased on the previous statement are returned leaving your current statement with a credit balance.

Last month your journal entry charged the purchase to your department or research account and credited the University's Accounts Payable Account.

	<u>Debit</u>	<u>Credit</u>
2-5XXXX-6006	258.52	
0-11212-2195 (HST Rebate)	23.98	
0-11200-2108		285.50

In order to reconcile the current month, a reversal of last month's entry must take place and current charges must be reconciled.

**STEP 1: Monthly Statement from BMO MasterCard**

Review transactions ensuring accuracy and compliance with University policy.

BMO Financial Group

**Your Purchasing Card Statement**

James Smith	McMaster University
→ Stmt. Date: May 28, 2011	→ Acct. balance: \$-232.24

Details of your transactions						Your account,
Item No.	Trans date	Posting date	Description	Amount		
TRANSACTIONS FOR ACCOUNT NUMBER 5550 0000 00XX XXXX						5550 0000 00XX XXXX
						Previous balance \$282.50
						<u>Payments \$282.50CR</u>
						Purchases \$-232.24
1	May 4	May 4	Automatic Payment Received	282.50 CR	<u>New Balance \$-232.24</u>	
2	May 10	May 10	Future Shop	282.50CR		
3	May 12	May 12	Staples	9.60		
4	May 18	May 18	Fedex	40.66		

Pre-Authorized Debit in Effect as Requested from Your Designated Payment Account.

**STEP 2: Accounts Payment Summary Sheet**

The Accounts Summary Sheet will reflect the information contained on the credit card statement. The summary sheet does **NOT** accurately reflect the information that must be contained in the journal entry. In order to accurately account for the credit balance on the journal entry, you must **DEBIT** the University Account number: **0-11200-2108**. Please see STEP 3: Journal Entry, below.

**Departmental Acquisition Card - Accounts Payment Summary Sheet**

Attach this report to the BMO MasterCard statement and supporting documentation. Forward to Accounts Payable, DTC-401 or applicable Research Finance Office. The Acquisition Card Summary Sheet must be received in Accounts Payable (DTC-401) by the **21st of each month**. Failure to do so will result in a penalty fee of \$25 per month and all monthly charges, including taxes, charged to your departmental default account.

Card #: XXXX-XXXX-XXXX- 1234 <small>(Enter last 4 digits of card number)</small>	Statement Date: 28-May-11	EJE #: 47082
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Date (MM-DD-YYYY)	Description/Business Purpose	Purchaser's Name (if different from cardholder)	Account Number	Total Amount Paid (denote a credit using a minus sign '-')	HST	Amount Charged to Account	HST Rebate 0-11212-2195 73.77% Debit
5/10/2011	Returned Printer - Future Shop		2-50010-8006	-282.50	-32.50	-258.52	-23.98
5/12/2011	Staples		2-50010-8005	9.80	1.10	8.79	0.81
5/18/2011	Fedex		2-50010-8004	40.88	4.87	37.21	3.45
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
						0.00	0.00
<b>Totals</b>				<b>-232.24</b>	<b>-26.73</b>	<b>-212.52</b>	<b>-19.72</b>

\*Transfer the information contained in blue to an electronic journal entry.

Declaration by Cardholder: I have read the University's published regulations on reimbursement of goods and services and confirm that I am in compliance. Furthermore, I confirm that I am in receipt of the goods/services purchased using the Acquisition Card.	Credit University Acct. #: 0-11200-2108	-232.24
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Signature of Cardholder**	J. Smith Printed Name	12345 Phone	smithjms E-mail
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Signature of Authorized Approving Officer (if applicable)	Printed Name	Phone	E-mail
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Research Finance Approval (for all research accounts)	Date	Accounts Payable Approval	Date
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\*\*If purchaser is different from cardholder, purchaser's signature required on supporting documentation (e.g. receipt, invoice, packing slip).

### STEP 3: Journal Entry

Complete an Oracle Journal Entry to charge and credit the appropriate accounts. Note: The University Account **0-11200-2108** MUST appear in the **Debit** column in order to accurately reconcile the credit statement.

Oracle Developer Forms Runtime - Web

Window

JE0100 - Process Journal Entry

Session id: [ ]

Financial Accounting System  
Journal Entry Voucher

Journal #: 47082

Month / Year: 06 2011  
to be entered

Prepared by: WETTON  
Date prepared: 17-JUN-2011  
Dept. Approver: WETTON

Explanation: To reconcile May 2011 BMO MasterCard for J. Smith

Explanation for rejection:

Copy Complete Exit

Voucher totals: 278.24 278.24

	Acct.	Sub code	Ref. #	Description	Debit	P/F	Credit	ID #	AR JE #
D	250010	L 6006	SMITH	FUTURE SHOP RETURN		C	258.52		L
D	250010	L 6005	SMITH	STAPLES - TAPE	8.79				L
D	250010	L 6005	SMITH	FEDEX	37.21				L
D	011212	L 2195	HST	MC - SMITH - MAY/11		C	19.72		L
D	011200	L 2108		MC - SMITH - MAY/11	232.24				L
D		L							L
D		L							L
D		L							L
D		L							L
D		L							L

Record is applied and saved

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## **Example 2: Credits within the Statement**

In this scenario goods were purchased using the BMO MasterCard. A few days later a portion of the purchase was returned. The supplier posted a credit on the account. The credit therefore appears within the same month as the purchase.

### **STEP 1: Monthly Statement from BMO MasterCard**

Review transactions ensuring accuracy and compliance with University policy.

BMO Financial Group						
Your Purchasing Card Statement						
James Smith			McMaster University			
→ Stmt. Date: May 28, 2011			→ Acct. balance: \$276.20			
Details of your transactions					Your account,	
Item No.	Trans date	Posting date	Description	Amount	5550 0000 00XX XXXX	
TRANSACTIONS FOR ACCOUNT NUMBER 5550 0000 00XX XXXX					Previous balance \$282.50	
					<u>Payments</u> \$282.50CR	
					Purchases \$276.20	
					<u>New Balance</u> \$276.20	
1	May 4	May 4	Automatic Payment Received	282.50 CR		
2	May 10	May 10	Future Shop	254.13		
3	May 12	May 12	Staples	9.60		
4	May 12	May 12	Future Shop	28.19CR		
5	May 18	May 18	Fedex	40.66		
Pre-Authorized Debit in Effect as Requested from Your Designated Payment Account.						

### **STEP 2: Accounts Payment Summary Sheet**

The Accounts Summary Sheet will reflect the information contained on the credit card statement. The summary sheet reflects the information that must be contained in the journal entry in order to reconcile the statement to the University Account 0-11200-2108. Please see below.



**STEP 3: Journal Entry**

The following is the corresponding journal entry.

Oracle Developer Forms Runtime - Web

Window

JJE0100 - Process Journal Entry

Financial Accounting System  
Journal Entry Voucher

Session id: [ ] Journal #: 47082

Month / Year to be entered: 06 2011 Prepared by: WETTON Date prepared: 17-JUN-2011 Dept. Approver: WETTON

Explanation: To reconcile May 2011 BMO MasterCard for J. Smith

Explanation for rejection: [ ]

Copy Complete Exit Voucher totals 302.00 302.00

Acct.	Sub code	Ref. #	Description	Debit	P/F	Credit	ID #	AR JE #
D 250010	L 6006	SMITH	PRINTER AND TONER	232.57			L	
D 250010	L 6005	SMITH	STAPLES - TAPE	8.79			L	
D 250010	L 6006	SMITH	TONER - RETURNED		C	25.80	L	
D 250010	L 6004	SMITH	FEDEX	37.21			L	
D 011212	L 2195	HST	MC - SMITH - MAY/11	23.43			L	
D 011200	L 2108		MC - SMITH - MAY/11		C	276.20	L	
D	L						L	
D	L						L	
D	L						L	
D	L						L	

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Updated: September 29, 2011