UNIVERSITY OF HAWAII

Distribution of Income and Expense

User Guide

Fiscal Services Office

June 2019
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Distribution of Income and Expense

The Distribution of Income and Expense (DI) document allows you to distribute income or expenses from a holding account to one or more accounts when one account has incurred expenses or received income on behalf of one or more other accounts. It can also be used to move income, expenses, assets or liabilities to other sub-accounts, object codes, or sub-object codes.

The DI should not be used for the following transactions:

<table>
<thead>
<tr>
<th>Transaction Description</th>
<th>Use Doc Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>To bill a department for interdepartmental goods or services provided. *SB eDoc is restricted to specified users and only authorized income accounts may be entered.</td>
<td>IB/Internal Billing or SB-Service Billing*</td>
</tr>
<tr>
<td>To correct errors for previously posted non-labor actual (Balance Type AC) transactions.</td>
<td>GEC-General Error Correction</td>
</tr>
<tr>
<td>To transfer funds (cash) between accounts as mandated by contractual agreements or to allocate unrestricted cash as authorized by the Hawaii State Legislature or other governing agency.</td>
<td>TF-Transfer of Funds</td>
</tr>
<tr>
<td>To correct or transfer salary and fringe benefit expenses from one account to one or more accounts.</td>
<td>ST-Salary Transfer</td>
</tr>
</tbody>
</table>

Distribution of Income and Expense Workflow

The DI eDoc may be initiated by any Kuali Financial System (KFS) user, but the document will route to the Account Fiscal Administrator or Account Delegate for approval. Further approval may be required by an Organization Reviewer if established. The following diagram illustrates the general workflow of the DI document, including applicable KFS roles in the routing cycle and processing requirements of each.
Creating a Distribution of Income and Expense

To create a DI document, go to the Main Menu tab, Transactions menu group, Financial Processing sub-group and select Distribution of Income and Expense.

The DI eDoc contains the standard document header, 9 tabs, and 5 action buttons.
For more information about the standard document header, tabs, and workflow action buttons, please refer to the Standard KFS eDoc Layout User Guide.

## Accounting Lines Tab

The accounting information for the Distribution of Income and Expense is entered in the Accounting Lines tab. There are two sections in this tab: **From** and **To**.

### From Section

Accounting lines entered in the **From** section of the document represents a decrease in income (revenue), expense, asset or liability.

- **Chart** – *(Required)* Select the Chart code from the Chart List. Default chart code is based on the initiator’s primary department chart code.
- **Account** – *(Required)* Enter the account number or search for it from the Account lookup.
- **Sub-Account** – *(Optional)* Enter the sub-account number or search for it from the Sub-Account lookup.
- **Object** – *(Required)* Enter the object code or search for it from the Object Code lookup.
  - Cash, Fund Balance, Labor (Salary, Hourly Wages, and Fringe Benefits), Transfer (Mandatory and Non-Mandatory), Budget, Assessment, and a few other object types and object sub-types are not allowed on this document.
- **Sub-Object** – *(Optional)* Enter the sub-object code or search for it from the Sub-Object Code lookup.
- **Project** – *(Optional)* Enter the project code or search for it from the Project Code lookup.
- **Org Ref Id** – *(Optional)* Enter reference data to further identify the transaction. (Limited to 8 characters).
- **Amount** – *(Required)* Enter the amount of this accounting line.
  - Negative amounts are not allowed.
- **Line Description** – *(Optional)* Enter Line Description data to further identify the transaction. (Limited to 40 characters).
  - The accounting line description data will be displayed in the GL inquiry instead of the Document Overview tab Description.
- **Actions** – *(Required)* Click the ‘add’ button to add the accounting line information.
To Section

Accounting lines entered in the To section of the document represents an **increase** in income (revenue), expense, asset or liability.

- **Chart** – *(Required)* Select the Chart code from the Chart List. Default chart code is based on the initiator’s primary department chart code.
- **Account** – *(Required)* Enter the account number or search for it from the Account lookup.
- **Sub-Account** – *(Optional)* Enter the sub-account number or search for it from the Sub-Account lookup.
- **Object** – *(Required)* Enter the object code or search for it from the Object Code lookup.
  - Cash, Fund Balance, Labor (Salary, Hourly Wages, and Fringe Benefits), Transfer (Mandatory and Non-Mandatory), Budget, Assessment, and a few other object types and sub-types are **not allowed** on this document.
- **Sub-Object** – *(Optional)* Enter the sub-object code or search for it from the Sub-Object Code lookup.
- **Project** – *(Optional)* Enter the project code or search for it from the Project Code lookup.
- **Org Ref Id** – *(Optional)* Enter reference data to further identify the transaction. (Limited to 8 characters).
- **Amount** – *(Required)* Enter the amount of this accounting line.
  - Negative amounts are **not allowed**.
- **Line Description** – *(Optional)* Enter Line Description data to further identify the transaction. (Limited to 40 characters).
  - The accounting line description data will be displayed in the GL inquiry instead of the Document Overview tab Description.
- **Actions** – *(Required)* Click the ‘add’ button to add the accounting line information.

**Important Note:** For eDocs with Accounting Lines in the From and To format, accounting information can either be entered in both the From and To sections, or only in the From section or only in the To section, depending on the object codes used.

The following matrix displays the effects of using the From or To sections to increase or decrease an object type balance and the respective debit or credit code assigned to the accounting entries posted in the General Ledger.

<table>
<thead>
<tr>
<th>Object Type Code</th>
<th>Object Type Name</th>
<th>Increase Debit or Credit?</th>
<th>Accounting Line</th>
<th>Decrease Debit or Credit?</th>
<th>Accounting Line</th>
</tr>
</thead>
<tbody>
<tr>
<td>AS</td>
<td>ASSET</td>
<td>Debit</td>
<td>TO</td>
<td>Credit</td>
<td>FROM</td>
</tr>
<tr>
<td>LI</td>
<td>LIABILITY</td>
<td>Credit</td>
<td>TO</td>
<td>Debit</td>
<td>FROM</td>
</tr>
<tr>
<td>IN</td>
<td>INCOME-CASH</td>
<td>Credit</td>
<td>TO</td>
<td>Debit</td>
<td>FROM</td>
</tr>
<tr>
<td>EE</td>
<td>EXPENDITURE NOT EXPENSE</td>
<td>Debit</td>
<td>TO</td>
<td>Credit</td>
<td>FROM</td>
</tr>
<tr>
<td>EX</td>
<td>EXPENSE EXPENDITURE</td>
<td>Debit</td>
<td>TO</td>
<td>Credit</td>
<td>FROM</td>
</tr>
</tbody>
</table>

For example, to record a reallocation (decrease) of Student Housing security deposit (Object Type=LI-Liability) to reimburse (decrease) a repair expense (Object Type=EX-Expense Expenditure), both accounting lines would be entered in the From section to decrease both the security deposit liability and the repair expense. The General Ledger entries would show a Debit code (D) assigned to the accounting line with the Liability object code and a Credit code (C) assigned to the accounting line with the Expense object code.

Refer to the Distribution of Income and Expense Examples and Scenarios section for additional information.
Capital Asset Related Tabs

When a capital asset object code is used in the Accounting Lines tab, the Accounting Lines for Capitalization, Create Capital Assets and Modify Capital Assets tabs are required to be completed. The tabs are used to create and/or modify single or multiple asset records related to the financial transaction.

For more information, please refer to the Capital Asset Management Financial Processing eDoc at:

General Ledger Pending Entries Tab

After the DI eDoc is saved or submitted, the General Ledger Pending Entries tab displays the transactions that are to be posted to the General Ledger (GL) when the document is fully approved and the GL batch process has run.

In addition to the entries created by the user, the General Ledger Pending Entries tab includes system-generated offset transactions to the Cash Object Code 8100.

After the batch process has been run, the general ledger pending entries are removed from this tab.
Distribution of Income and Expense Examples and Scenarios

Example 1 – Reallocate Security Deposit to Reimburse Expense

DI eDoc number 3241055 was processed to reallocate $100.00 of security deposit to offset repairs for room damage.

Document Header
- **Doc Nbr**: 3241055-KFS generated document number.
- **Status**: FINAL-eDoc is fully approved, no pending approval or acknowledgement requests.
- **Initiator**: caquino8-UH username of person initiating eDoc.
- **Created**: 08:51 AM 01/24/2019-Time and Date eDoc was initiated.

Document Overview tab
- **Description**: Starts with the 3 digit Fiscal Office Code of 023 followed by a brief description of the transaction.
- **Explanation**: Includes more detailed description of the transaction.
- **Total Amount**: $200.00 is the same as the total amount of the accounting lines.

Accounting Lines tab
- **From** section was completed with the required fields Chart, Account, Object and Amount for both transactions. The optional fields including the Line Description were left blank.
  - Both transactions were entered in the **From** section to record a **decrease** in the Deposits Payable liability and Repairs and Maintenance expense.
- **To** section does not contain any transactions, Total: 0.00.
- **The Accounting Lines From Total** of $200.00 is the same as the Total Amount in the Document Overview tab.
Capital Asset Related tabs were not completed since capital asset object codes were not used in the transactions.

General Ledger Pending Entries tab

- **Sequence #1** displays the From accounting line 1 Chart=MA, Account=2262962, Object Code=9230, Amount=$100.00 and additional fields:
  - Fiscal Year=2019-Current Fiscal Year.
  - Doc Type=DI-Distribution of Income and Expense.
  - Balance Type=AC-Actual.
  - Object Type=LI-Liability.
  - Debit/Credit Code=D-Debit [Debit to a Liability Object Code records a decrease in the liability balance*].

- **Sequence #2** displays the system generated offset entry with the same information as Sequence #1 except for:
  - Object Code=8100 Cash (Claim on Cash).
  - Object Type=AS-Asset.
  - Debit/Credit Code=C-Credit [Credit to an Asset Object Code records a decrease in the asset balance*].

- **Sequence #3** displays the From accounting line 2 Chart=MA, Account=2289252, Object Code=5800, Amount=$100.00 and additional fields:
  - Fiscal Year=2019-Current Fiscal Year.
  - Doc Type=DI-Distribution of Income and Expense.
  - Balance Type=AC-Actual.
  - Object Type=EX-Expense Expenditure.
  - Debit/Credit Code=C-Credit [Credit to an Expense Object Code records a decrease in the expense balance*].

- **Sequence #4** displays the system generated offset entry with the same information as Sequence #3 except for:
  - Object Code=8100 Cash (Claim on Cash).
  - Object Type=AS-Asset.
  - Debit/Credit Code=D-Debit [Debit to an Asset Object Code records an increase in the asset balance*].

*Refer to the matrix on page 6 that displays the effects of using the From or To sections to increase or decrease an object type balance and the respective debit or credit code assigned to the accounting entries posted in the General Ledger.
Route Log tab

- **ID: 3241055** - KFS generated DI document number
  - Route Status: FINAL - Financial documents in Final status affect the General Ledger.
  - Finalized: 09:12 AM 01/24/2019 - Time and Date eDoc reached FINAL status.
- **Actions Taken**
  - **COMPLETED**: Taken By Aquino, Carolyn (Fiscal Officer/Administrator for MA 2262962 and MA 2289252), Time/Date 09:06 AM 01/24/2019 - Time and Date Initiator submitted the DI.
  - **APPROVED**: Taken By Kozai, Aileen (Secondary Account Delegate for MA 2262962 and MA 2289252), For Delegator Aquino, Carolyn (Fiscal Officer/Administrator for MA 2262962 and MA 2289252), Time/Date 09:12 AM 01/24/2019 - Time and Date Secondary Account Delegate approved the DI.
  
  **Note**: Because the Initiator is also the Fiscal Officer/Administrator for the accounts, the Fiscal Officer approval was done by the account delegate to ensure separation of duties.

For more information about the standard document header, tabs, and workflow action buttons, please refer to the Standard KFS eDoc Layout User Guide.
The **General Ledger Entry Lookup** for Document Number 3241055 returned 4 items for DI 3241055 finalized on 01/24/19. The 4 records returned are the entries displayed in the General Ledger Pending Entries tab that have posted to the General Ledger.

For more information about the General Ledger Entry Lookup, please refer to the General Ledger Balance Inquiries User Guide.
Example 2 – Distribute Monthly Postage Charges

DI eDoc number 3241056 was processed to distribute the monthly postage charges from the Auxiliary Mailroom to the Human Resources Department for items processed by the mailroom during the month of December 2018.

Document Header
- **Doc Nbr:** 3241056-KFS generated document number.
- **Status:** FINAL-eDoc is fully approved, no pending approval or acknowledgement requests.
- **Initiator:** echun-UH username of person initiating eDoc.
- **Created:** 09:15 AM 01/24/2019-Time and Date eDoc was initiated.

Document Overview tab
- **Description:** Starts with the 3 digit Fiscal Office Code of 018 followed by a brief description of the transaction.
- **Explanation:** Includes more detailed description of the transaction.
- **Total Amount:** $10.00 is the same as the accounting lines From and To Totals.

Accounting Lines tab
- **From** section was completed with the required accounting information for the postage expense to be distributed from Auxiliary Mailroom. The optional fields including the Line Description were left blank.
- **To** section was completed with the required accounting information for the postage expense to be distributed to Human Resources. The optional fields including the Line Description were left blank.
General Ledger Pending Entries tab

- **Sequence #1** displays the From accounting line 1 Chart=MA, Account=2258992, Object Code=3700, Amount=$10.00 and additional fields:
  - Fiscal Year=2019-Current Fiscal Year.
  - Doc Type=DI-Distribution of Income and Expense.
  - Balance Type=AC-Actual.
  - Object Type=EX-Expense Expenditure.
  - Debit/Credit Code=C-Credit [Credit to an Expense Object Code records a decrease in the expense balance*].

- **Sequence #2** displays the system generated offset entry with the same information as Sequence #1 except for:
  - Object Code=8100 Cash (Claim on Cash).
  - Object Type=AS-Asset.
  - Debit/Credit Code=D-Debit [Debit to an Asset Object Code records an increase in the asset balance*].

- **Sequence #3** displays the To accounting line 1 Chart=MA, Account=2254672, Object Code=3700, Amount=$10.00 and additional fields:
  - Fiscal Year=2019-Current Fiscal Year.
  - Doc Type=DI-Distribution of Income and Expense.
  - Balance Type=AC-Actual.
  - Object Type=EX-Expense Expenditure.
  - Debit/Credit Code=D-Debit [Debit to an Expense Object Code records an increase in the expense balance*].

- **Sequence #4** displays the system generated offset entry with the same information as Sequence #3 except for:
  - Object Code=8100 Cash (Claim on Cash).
  - Object Type=AS-Asset.
  - Debit/Credit Code=C-Credit [Credit to an Asset Object Code records a decrease in the asset balance*].

*Refer to the matrix on page 6 that displays the effects of using the From or To sections to increase or decrease an object type balance and the respective debit or credit code assigned to the accounting entries posted in the General Ledger.

For more information about the standard document header, tabs, and workflow action buttons, please refer to the Standard KFS eDoc Layout User Guide.
The **General Ledger Entry Lookup** for Document Number 3241056 returned 4 items for DI 3241056 finalized on 01/24/19. The 4 records returned are the entries displayed in the General Ledger Pending Entries tab that have posted to the General Ledger.

For more information about the General Ledger Entry Lookup, please refer to the General Ledger Balance Inquiries User Guide.