

## **Kuali Financial System (KFS) Credit Card Clearing (Object Code 6684)**

Each area that charges internal/external customers via use of a merchant account is required to review/reconcile their credit card clearing object code.

Merchant payments (credit/debit card payments) are distributed on a daily basis and will be reflected in KFS in object code 6684.

A merchant account is required in order to accept credit and debit card payments as a form of payment. To establish a merchant account, or make changes to an existing merchant account, the first step is to contact Banking Services within the Business and Financial Services department (BFS). (Banking Services contact information can be found on the Business and Financial Services website). Object code 6684 (credit card clearing) is a clearing object code and is required to be adjusted monthly.

The following process applies:

1. A credit/debit purchase is made using a terminal. A terminal is a stand-alone piece of electronic equipment that allows a merchant to swipe or key-enter a credit/debit card's information as well as additional information required to process a credit card transaction.
2. At the close of each business day, the terminal is closed by the terminal user designated within the department. (For instructions on closing a terminal, please contact Banking Services). Closing of the terminal allows that day's payment card transaction information to be electronically sent to the bank.
3. The bank processes the payment card transactions.
4. The merchant payments are then distributed to Banking Services on a daily basis. See the ACH timeframe table below\* (information obtained from FPI 6-3):

<b>Day of transaction</b>	<b>Bank processing</b>	<b>Deposit into KFS account</b>
Monday	Tuesday	Wednesday
Tuesday	Wednesday	Thursday
Wednesday	Thursday	Friday
Thursday	Friday	Monday
Friday	Saturday	Monday
Saturday	Monday	Tuesday
Sunday	Monday	Tuesday

\*Federal holidays will delay payments

5. Banking Services reviews the merchant payments and *credits* the appropriate KFS account (provided by the department on the merchant form) using expense object code 6684, Credit Card Clearing. This is done using an Advance Deposit document, also known as an AD. (See below)

General Ledger Entry Lookup ?																
9 items retrieved, displaying all items.																
Fiscal Year	Chart Code	Account Number	Sub-Account Number	Object Code	Sub-Object Code	Balance Type Code	Object Type Code	Fiscal Period	Document Type	Origin Code	Document Number	Transaction Ledger Entry Description	Transaction Ledger Entry Amount	Debit Credit Code	Transaction Date	Organization Document Number
2013	CO	1322020	-----	6684	---	AC	EX	09	AD	01	2294908	APPLIED HUMAN SCI WEB	2,070.00	C	03/01/2013	DRAFT
2013	CO	1322020	-----	6684	---	AC	EX	09	AD	01	2296779	APPLIED HUMAN SCI WEB	1,265.00	C	03/04/2013	DRAFT

6. Once the funds have been received in the department account, as a *credit* to expense object code 6684, it is the responsibility of the department to reconcile the account and move the funds to revenue. Object code 6684, Credit Card Clearing, should balance to \$0 at each month end.

Due to timing, accounts that have activity during the last few days of the month may not balance to \$0 at month end. In this case, the account should be cleared to \$0 by the 10<sup>th</sup> of the following month.

### Clearing object code 6684

To clear an amount in object code 6684, Credit Card Clearing, use either a Distribution of Income and Expense document (DI) or a General Error Correction document (GEC). These documents can be found in the Main Menu tab of KFS, under the menu group 'Transactions', and the sub-menu group 'Financial Processing'

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financial systems®

Main Menu Maintenance

action list doc search

**Transactions**

**Budget Construction**

- [Budget Construction Selection](#)

**Financial Processing**

- [Advance Deposit](#)
- [Adjustment/Accrual Voucher](#)
- [Budget Adjustment](#)
- [Cash Receipt](#)
- [Disbursement Voucher](#)
- [Distribution of Income and Expense](#)
- [General Error Correction](#)
- [Indirect Cost Adjustment](#)
- [Internal Billing](#)
- [Internal Order](#)
- [Pre-Encumbrance](#)
- [Single Sided Budget Adjustment](#)
- [Transfer of Funds](#)
- [Work Order Authorization](#)

❖ **Distribution of Income and Expense (DI)**

Once you have the document open, start by filling out the ‘Document Overview’ tab by entering in the document Description, Explanation (optional) and Organization Document Number (optional). The Total Amount will auto populate as you fill in other tabs of the document. The Accounting Period will default to the current accounting period. (See below)

<b>Distribution Of Income And Expense</b> ?		<b>Doc Nbr:</b> 2294630	<b>Status:</b> FINAL
		<b>Initiator:</b> jgarvey	<b>Created:</b> 08:21 AM 03/01/2013

\* required field

**Document Overview** ▼ hide

<b>Document Overview</b>	
<b>* Description:</b> cahs cc receipts	<b>Explanation:</b> business date 2-28-13
<b>Organization Document Number:</b> 222828787	

**Financial Document Detail**

<b>* Accounting Period:</b> MAR 2013	<b>Total Amount:</b> 2,530.00
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The next step is to fill out the ‘Accounting Lines’ tab. This is the step that will *debit* object code 6684 - clearing it to \$0, and credit revenue – recognizing the revenue in the proper account. In order to get the journal entries to balance, both accounting lines will go in the ‘To’ section. You can choose to put the revenue to the same account, or move it to another appropriate account. In the below example, the department is allocating the revenue to a different account (from 1322020 to 2292200), and using revenue object code 4380 (Other Sales+Services-Auxiliary/Self-Fund). (See below)

Accounting Lines

▼ hide

Accounting Lines ? hide detail

From

Total: 0.00

To

	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
1	<u>CO</u> Colorado State University	<u>1322020</u> Dean Of Applied Human Sciences		<u>6684</u> Credit Card Clearing				1,265.00	
2	<u>CO</u> Colorado State University	<u>2292200</u> Hes Youth Sports Camps		<u>4380</u> Other Sales+Services-Auxiliary/Self-Fund				1,265.00	
								<b>Total: 2,530.00</b>	

The remaining tab is the 'Notes and Attachments' tab. This tab is optional, however support of the payment card transactions should be provided. Below is an example of a settlement report and a batch detail report that is attached for support.

Notes and Attachments (2)

▼ hide

Notes and Attachments					
	Posted Timestamp	Author	* Note Text	Attached File	Actions
add:			<input type="text"/>	<input type="text"/> <input type="button" value="Browse..."/>	<input type="button" value="add"/>
1	03/01/2013 08:23 AM	Garvey, Jennifer S	authorize.net settlement	2-28-13-settlement.pdf (74 KB, application/pdf)	
2	03/01/2013 08:24 AM	Garvey, Jennifer S	fmb batch detail	2-28-13-batch.pdf (19 KB, application/pdf)	

❖ **General Error Correction (GEC)**

Once you have the document open, start by filling out the ‘Document Overview’ tab by entering in the document Description, Explanation (optional) and Organization Document Number (optional). The Total Amount will auto populate as you fill in other tabs of the document. The Accounting Period will default to the current accounting period.

General Error Correction ?	Doc Nbr:	2290957	Status:	FINAL	Copied from Document Id:	2269628
	Initiator:	baileybr	Created:	01:50 PM 02/27/2013		

\* required field

Document Overview ▼ hide

<b>Document Overview</b>	
* <b>Description:</b>	GEC-Camp reallocation 02/13-02/26/13
<b>Organization Document Number:</b>	
<b>Explanation:</b>	GEC - Camp Reallocation-02/13-02/26/13
<b>Financial Document Detail</b>	
	<b>Total Amount:</b> 20,440.00
* <b>Accounting Period:</b>	FEB 2013

The next step is to fill out the ‘Accounting Lines’ tab. This is the step that will *debit* object code 6684 - clearing it to \$0, and credit revenue – recognizing the revenue in the proper account. In order to get the journal entries to balance, both accounting lines will go in the ‘To’ section.

You can choose to put the revenue to the same account, or move it to another appropriate account or accounts. In the below example, the department is allocating the revenue to different accounts (from 2600340 to 2601330 & 2600870), using revenue object code 4380 (Other Sales+Services-Auxiliary/Self-Fund), and Sub-Object code 09. (See below)

Accounting Lines <span style="float: right;">▼ hide</span>									
Accounting Lines <span style="float: right;">hide detail</span>									
From									
Total: 0.00									
To									
	* Chart	* Account Number	Sub-Account	* Object	Sub-Object	Project	Org Ref Id	* Amount	Actions
1	CO Colorado State University	2600340 Misc		6684 Credit Card Clearing				10,220.00	
	<b>* Reference Origin Code</b>	<b>* Reference Number</b>	<b>Line Description</b>						
	01	CAMPBAL6684	Camp reallocation 02/13-02/26/13						
3	CO Colorado State University	2601330 Volleyball Offense Camp Ii		4380 Other Sales+Services-Auxiliary/Self-Fund	09 Camp Revenue			3,495.00	
	<b>* Reference Origin Code</b>	<b>* Reference Number</b>	<b>Line Description</b>						
	01	CAMPBAL6684	Vball Camp Camp rev 02/13-02/26/13						
10	CO Colorado State University	2600870 Swimming Camp I		4380 Other Sales+Services-Auxiliary/Self-Fund	09 Camp Revenue			6,725.00	
	<b>* Reference Origin Code</b>	<b>* Reference Number</b>	<b>Line Description</b>						
	01	CAMPBAL6684	Swim Camp rev 02/13-02/26/13						
								<b>Total: 20,440.00</b>	

The remaining tab is the 'Notes and Attachments' tab. This tab is optional, however support of the payment card transactions should be provided (i.e. settlement reports, batch detail, and/or credit/debit receipts). See the above DI document for an example of the 'Notes and Attachments' tab.