

HOW TO CREATE AN ENCUMBRANCE/RESERVATION

Description:

The Encumbrance/Reservation Maintenance Form (FGAENCB) allows you to establish and adjust Budget Reservation type encumbrances in Banner. Encumbrances are automatically generated within the Purchasing and Procurement module. Sometimes it is necessary to create an encumbrance or reservation that is unrelated to a purchase order. For example, a central stores department may distribute supplies or equipment. The University requires the department to commit funds for anticipated expenses over a certain dollar value.

It is important to remember that if you issue a purchase order after the encumbrance exists, it is necessary to liquidate the existing encumbrance to avoid overstating reserved funds.

Navigation:

Direct Access → **FGAENCB**

Enter Selection → Products Menu
Finance System Menu
General Ledger System Menu
General Accounting Transactions Forms Menu
Encumbrance/Reservations Maintenance Form

Step 1. Follow above Navigations process to FGAENCB.

Oracle Developer Forms Runtime - Web: Open > FGAENCB

File Edit Options Block Item Record Query Tools Help

General Encumbrance Maintenance FGAENCB 8.5M1

Encumbrance Number:

Encumbrance Header

Encumbrance Description:

Document Total:

Transaction Date:

Encumbrance Type: Encumbrance
 Labor
 Memo

Vendor ID:

Encumbrance Change:

Title:

Date Established:

Document Reference:

Distribution Open Status
 NSF Checking Document Text Exists
 Deferred Editing

Enter the New Document Number with E: See List for Existing Documents to Query.
Record: 1/1 | ... | <08C>

Step 2. Your cursor is inside the *Encumbrance number* field. Enter one of the following prefixes and a pre-determined 5digit sequential encumbrance number (XXXXX):

- ETAXXXXX – Travel Advance – Regular
- ETRXXXXX – Travel Advance – Research
- ETMXXXXX – Travel Advance – Marine Institute
- ETCXXXXX – Travel Advance – Corner Brook

Step 3. Enter *Ctrl/Page Down* or under *Block* on the menu bar select *Next* or use the *Next Block* icon on the toolbar.

Step 4. Under the *Encumbrance Header Area*:

- **Encumbrance Title:** Enter a description of the encumbrance (Required).
- **Document total:** Enter the total value of the encumbrance (Required).
- **Transaction Date:** Enter the date the transaction will take affect.
- **Open Status:** Check this box if the encumbrance is open. Uncheck if you have closed the encumbrance.
- **Encumbrance Type:** Click the radio button for one of the following values:
 - Encumbrance* – Standard encumbrance.
 - Labour* – Encumbrance related to payroll
 - Memo* – Memorandum posting
- **Vendor ID:** If possible, identify the vendor for whom you are encumbering or reserving funds.
- **Name:** Vendor name displays if Vendor ID specified.
- **Encumbrance Change:** Enter when/if processing a change to an existing encumbrance. This user defined number identifies and provides an audit trail of any changes made to an original document. The number is actually used as the document code to post the encumbrance change to the ledgers.
- **Title:** If/when processing a change to an existing encumbrance, enter a title or brief description of any change made.
- **Date Established:** The date the encumbrance was originally established.
- **Document Reference Number:** Enter and optional value used to provide additional identification for the encumbrance.
- **Document Text Exists:** Indicates whether text associated with the encumbrance exists.

Step 5: Enter *Ctrl/Page Down* or under *Block* on the menu bar select *Next*, or select the *Next Block* icon on the toolbar.

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File Edit Options Block Item Record Query Tools Help

Transaction Detail FGAENCB 8.SM1

Encumbrance Number: ETA12345 Encumbrance Title: Document Total: 5,000.00

Status: Sequence: Fiscal Year: Current Encumbrance Amount:

Journal Type: Project:

COA Index Fund Orgn Acct Prog Actv Locn Percent

NSF Override Commit Type: Uncommitted Amount:

Enter a sequence number or press N(X)TFLD and the system will generate one.

Record: 1/1

Step 6:

Under the Transaction Detail Area:

- **Sequence # :** The system will generate a sequence number or you may enter one manually.
- **Journal Type:** Enter a rule code to identify this transaction type.
- **Project code:** If the encumbrance code is related to a project or work order from cost accounting, enter the project code which can be obtained from the Project Code Form (FTMPROJ). If not leave blank.
- **Fiscal Year:** Enter the fiscal year if different from the current fiscal year.
- **Current Encumbrance Amount:** Display-only field to inform the user of the current amount of the encumbrance for the accounting sequence being displayed. The field shows no value when the encumbrance is entered. Once you enter the amount field following the FOAPAL and complete the encumbrance, this field will display the amount of the encumbrance.
- **COA:** Defaults to valid account code index letter.
- **Fund:** Enter Fund code.
- **Orgn:** Enter Organization code.
- **Acct:** Enter Account code.
- **Prog:** Enter Program code.
- **Actv.** Enter Activity code if applicable.

- **Locn:** Enter Location code if applicable.
- **Percent:** Percentage of the encumbrance/reservation to be charged to the accounting distribution in the appropriate fields.
- **NSF Override:** This indicator allows you to control Non Sufficient Fund (NSF) checking at entry time.
- **Amount:** Dollar amount of the accounting distribution to be charged.
- **Commit Type:** Determines how an encumbrance that is open at year end will be brought forward at year end.

Step 7: If all the records have been entered for this document, go to the *Options Menu* and select *Access Completion* or *Ctrl/page down* or under *Block* on the menu bar select *Next*.

Step 8. Click on Complete. You should receive a message that # records completed and forwarded to the posting process.