**Journal Entry Explanation Examples**

**1. Why was the cost originally charged to the FAO from which it is now being transferred?**

*Original Explanation Provided:*
Journal Entry #1: Is a transfer of lab supplies charged to the FAO in error.

*Why this explanation is an Issue:*
This explanation does not adequately explain why the wrong FAO was charged and why/how the charge is appropriate to the account being debited, nor does it describe how the error occurred. The explanation should be expanded to better describe the reason the account being charged is appropriate and how the amount being transferred was determined.

*Appropriate Explanation:*
Journal Entry #1: The lab supplies being transferred were purchased via PCard. The PCard transactions were not reviewed by the deadline, which caused the transactions to post to the default PCard FAO, which is our departmental account. Going forward, the administrative assistant will review all PCard purchases and assign the correct FAO, if applicable, to be charged before the deadline.

**2. Why is this cost allowable and allocable to the proposed receiving FAO?**

*Original Explanation Provided:*
Journal Entry #1: These costs belong on this FAO.

*Why this explanation is an Issue:*
This explanation does not adequately explain why the wrong FAO was charged and why/how the charge is appropriate to the FAO being debited, nor does it describe how the error occurred. The explanation should be expanded to better describe the reason the FAO being charged is appropriate and how the amount being transferred was determined.

*Appropriate Explanation:*
Journal Entry #1: These lab supplies were ordered and used for John Smith’s lab. These are directly related to his work on the Proteomics Award.

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