b.) PO Adjustment Encumbrances

Finally closed purchase orders for which a purchasing encumbrance remains require a PO adjustment manual encumbrance journal entry to relieve remaining encumbrances.

In Journal Entry- General Responsibility:

Select Journals > Encumbrance.

- In the Category field, select “Accounting” from the List of Values - do NOT select “09 Accounting”.
- In the Encumbrance Type field, select “PO Adjustment Encumbrance”.
- After entering the account information, the offsetting debit or credit, and a description, tab to the “Context” box. Select “PO Adjustment Encumbrance” from the list of values then enter the purchase order number. This new encumbrance type links the encumbrance entry to the associated purchase order.
- Reserve funds.
- Send an email to the Comptroller’s Office at benadmin@lists.upenn.edu and request that your encumbrance journal be posted. The email should include the batch name of the new PO Adjustment Encumbrance journal entry just created.
- When the batch has been posted, you will be notified by email.

The 163.Open Encumbrances report has been modified to match PO Adjustment Encumbrance entries with the associated Purchase Order. With this process, neither the PO Encumbrance nor the PO Adjustment journal that offset the encumbrance will appear on the report.

A column called “Adjustment Amount” appears on the 163.Open Encumbrances report. This column will reflect any adjustments made to the encumbrance amount if the entire purchase order does not net to zero. Otherwise, this column will be blank.