CM-30 Reversing a Journal Entry

Purpose

The purpose of this Quick Reference Guide (**QRG**) is to provide General Ledger (GL) Journal Entry users with step-by-step instructions on how to reverse a journal entry in the North Carolina Financial System (**NCFS**).

Overview and Introduction

Journal Entry users may need to update a transaction or remove a transaction all together once a transaction has been approved and posted. In this case, the user needs to reverse a journal entry. Reversing a journal entry updates the GL account balances and can be accessed via the General Accounting Module.

Key Terms

Key Terms	Description
Journal Entry	A tool to record financial transactions to the system's general ledger. Journal creation, posting, and editing work together in the recording process to produce accurate financial records.
Journal Batches	A Journal Batch is a single or group of journal entries processed under a combined header.
Journal Category	Journal categories are used to differentiate journal entries by purpose or type, such as accruals, payments, or receipts.

Key Terms	Description
Ledger	Ledger is the main record-keeping ledger. It records transactional balances by using a chart of accounts with a consistent calendar and currency, and accounting rules implemented in an accounting method.
Reversal	A reversing entry is a journal entry to undo a posted entry.

Information needed to complete this Process

- Journal Batch Name
- Journal Number

Output of this Process

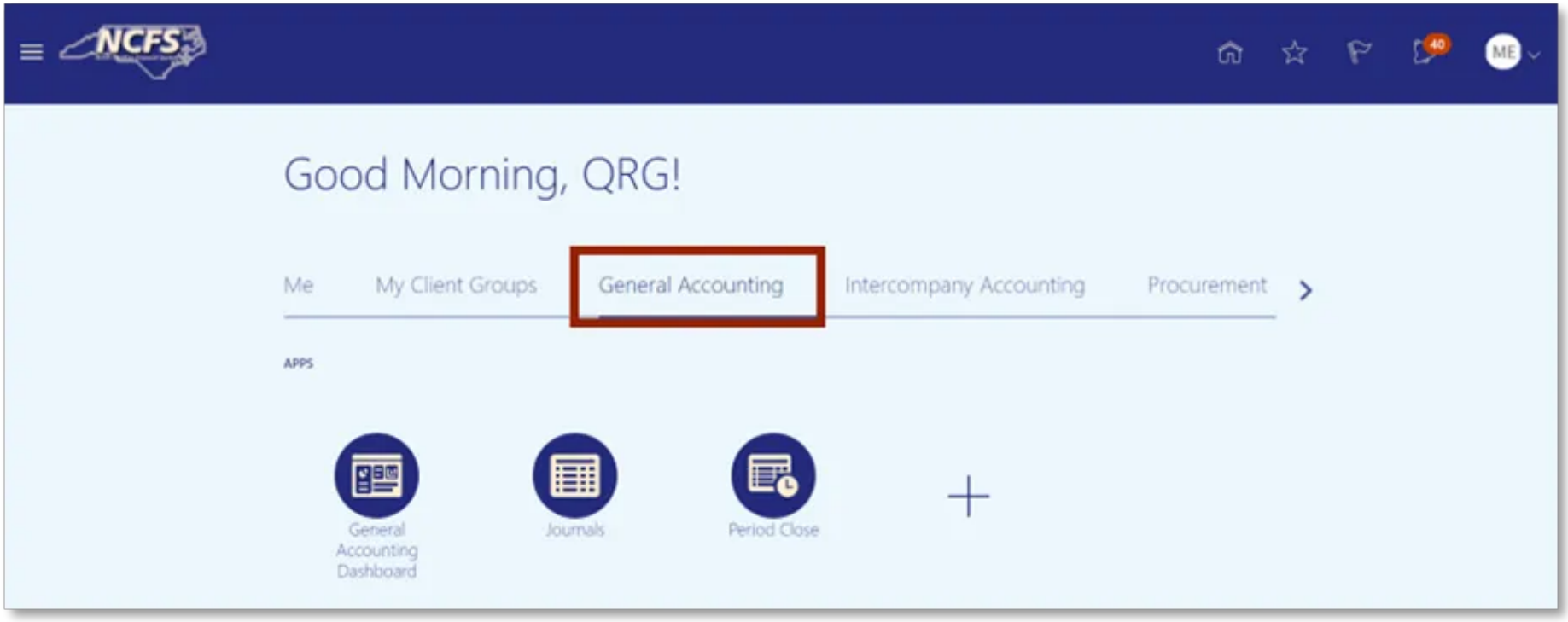
- Reversed Journal

Reversing a Journal Entry

To reverse a journal entry, please follow the steps below. There are 15 steps to complete this process.

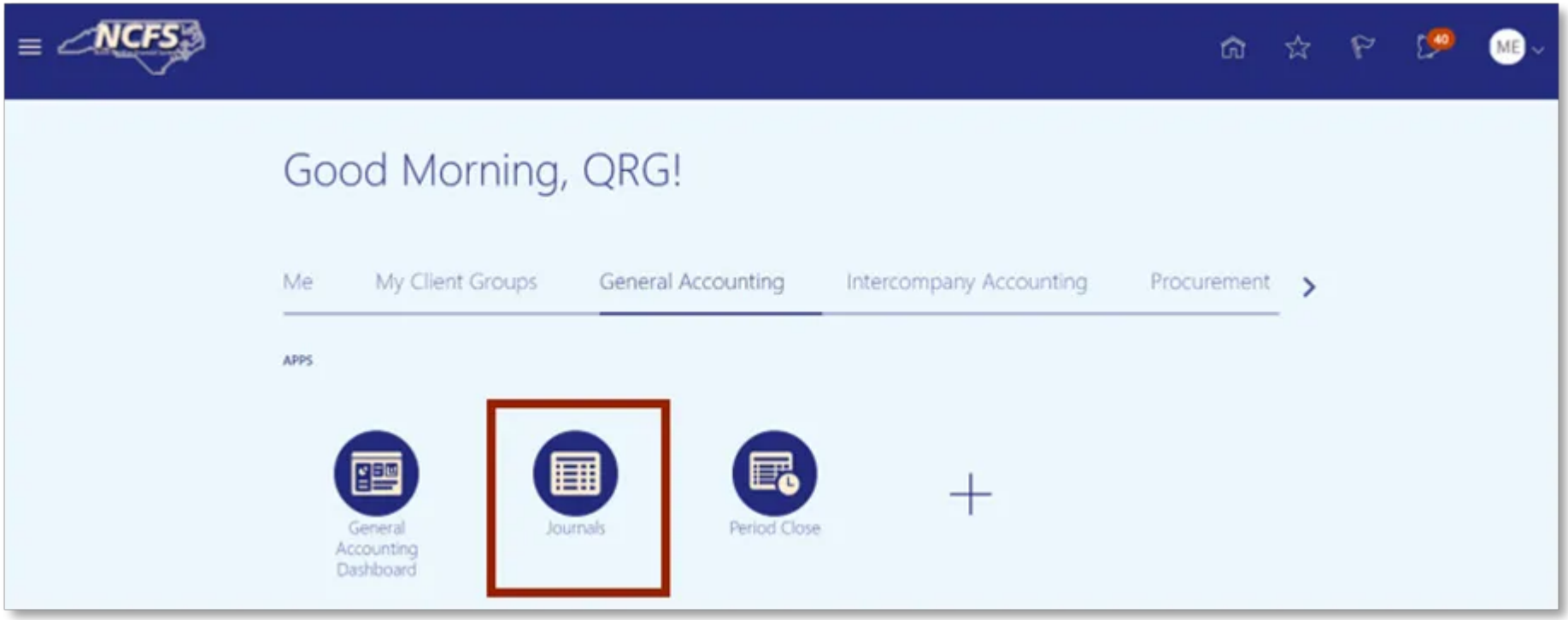
Step 1. Access the **Home** page and click the **General Accounting** icon.

Image



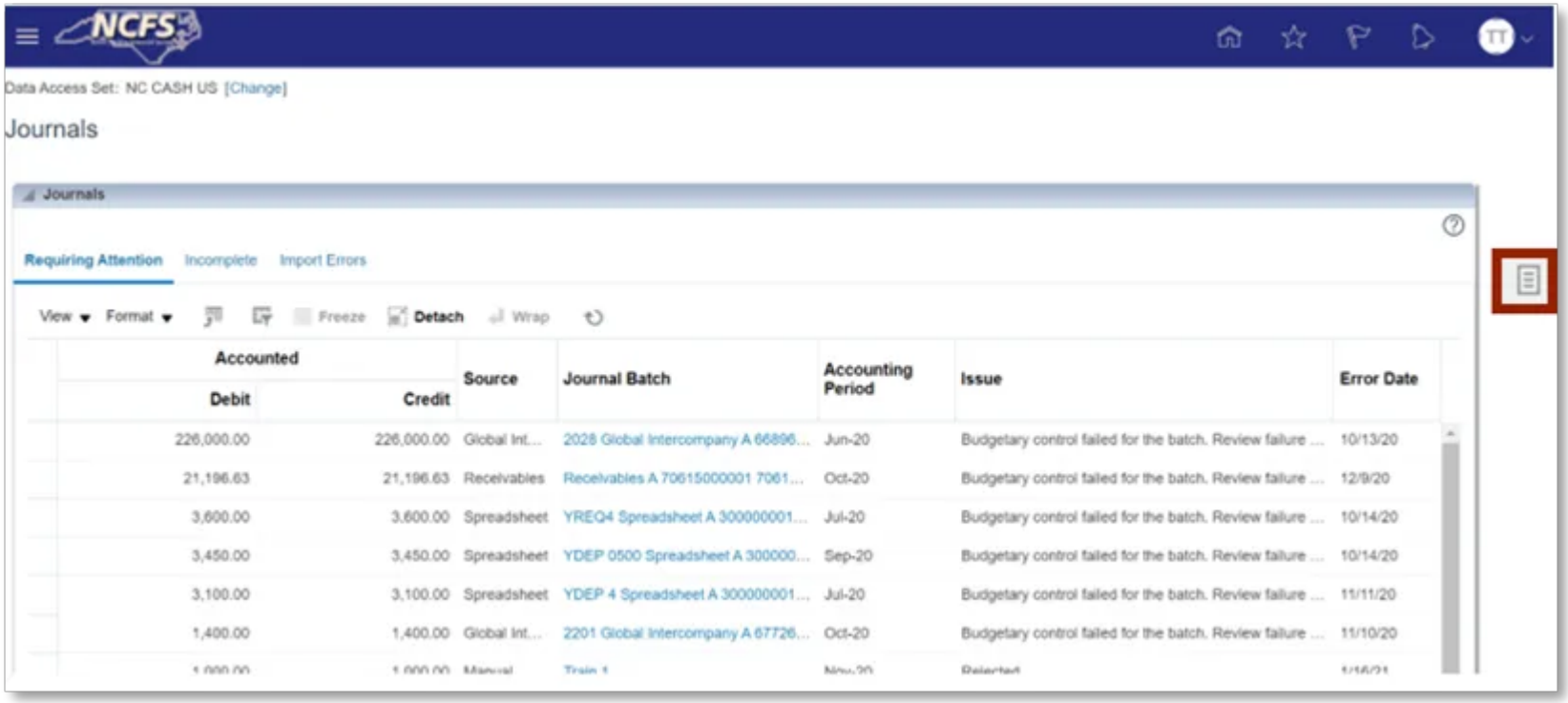
Step 2. Click the **Journals** app.

Image



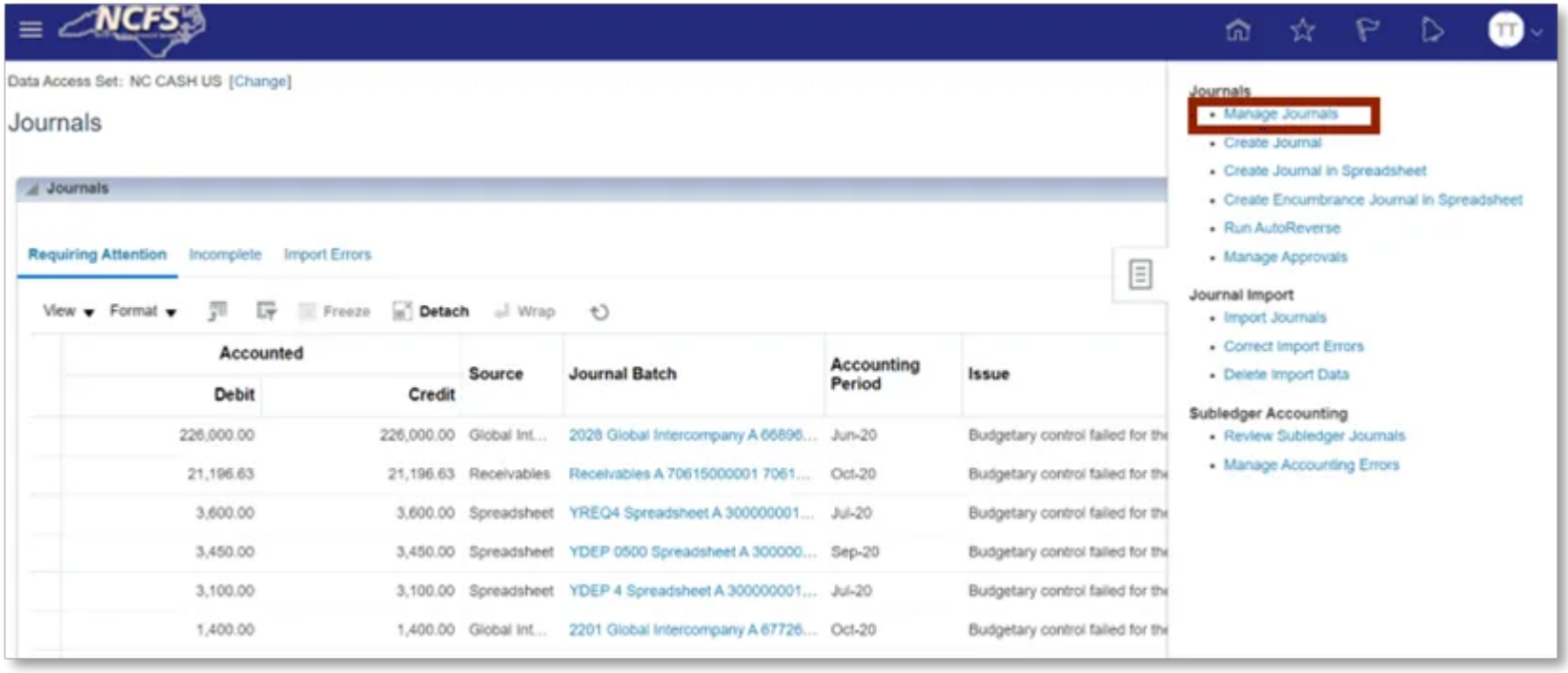
Step 3. Click the **Task List** to open the task list.

Image



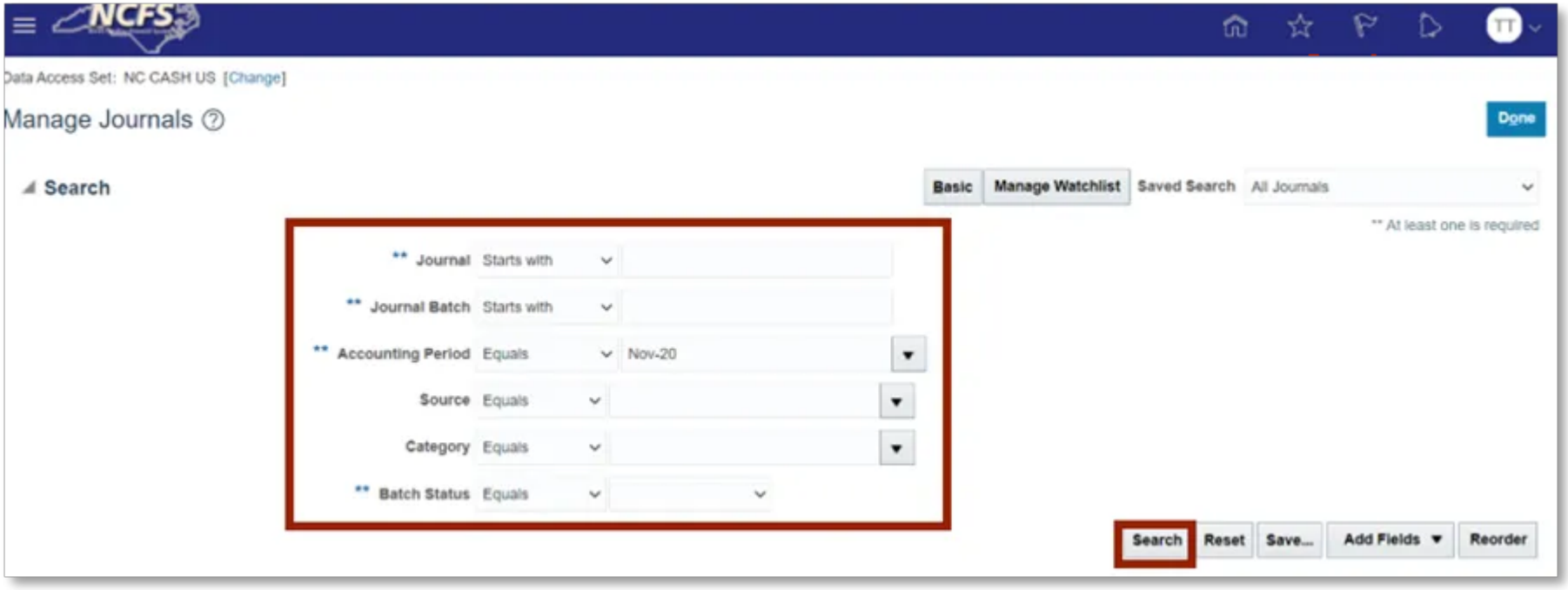
Step 4. From the task list, click **Manage Journals** under the **Journal** section.

Image



Step 5. Enter the desired search criteria and select **Search**.

Image

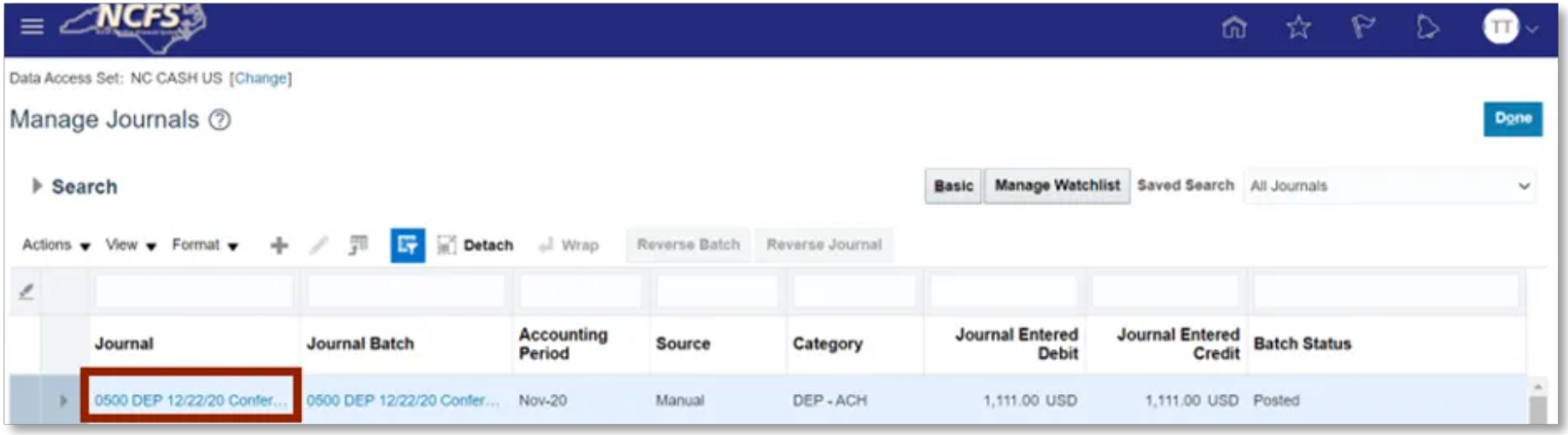


User Tip

Users can only reverse a journal entry that has been posted so be sure to include this in the journal search.

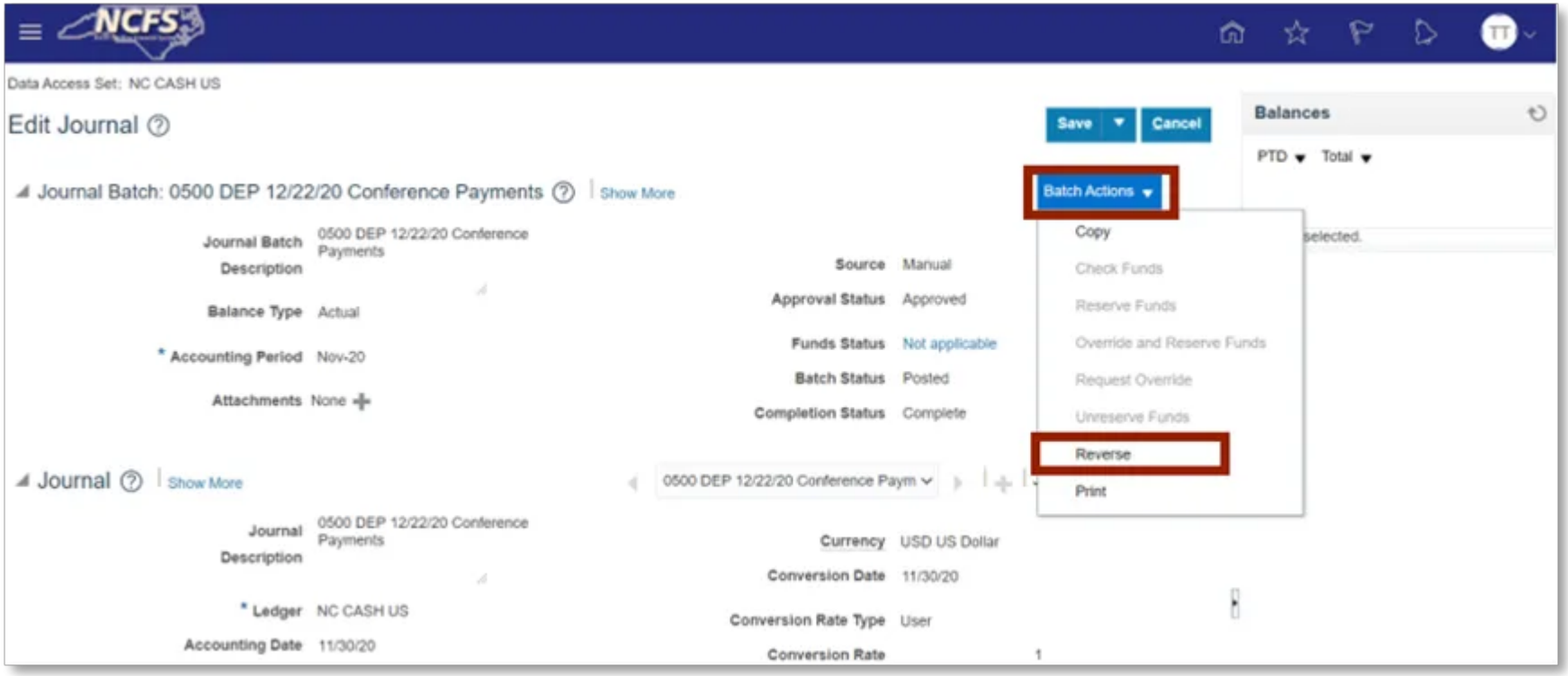
Step 6. Select the journal by clicking the **Journal Hyperlink**.

Image



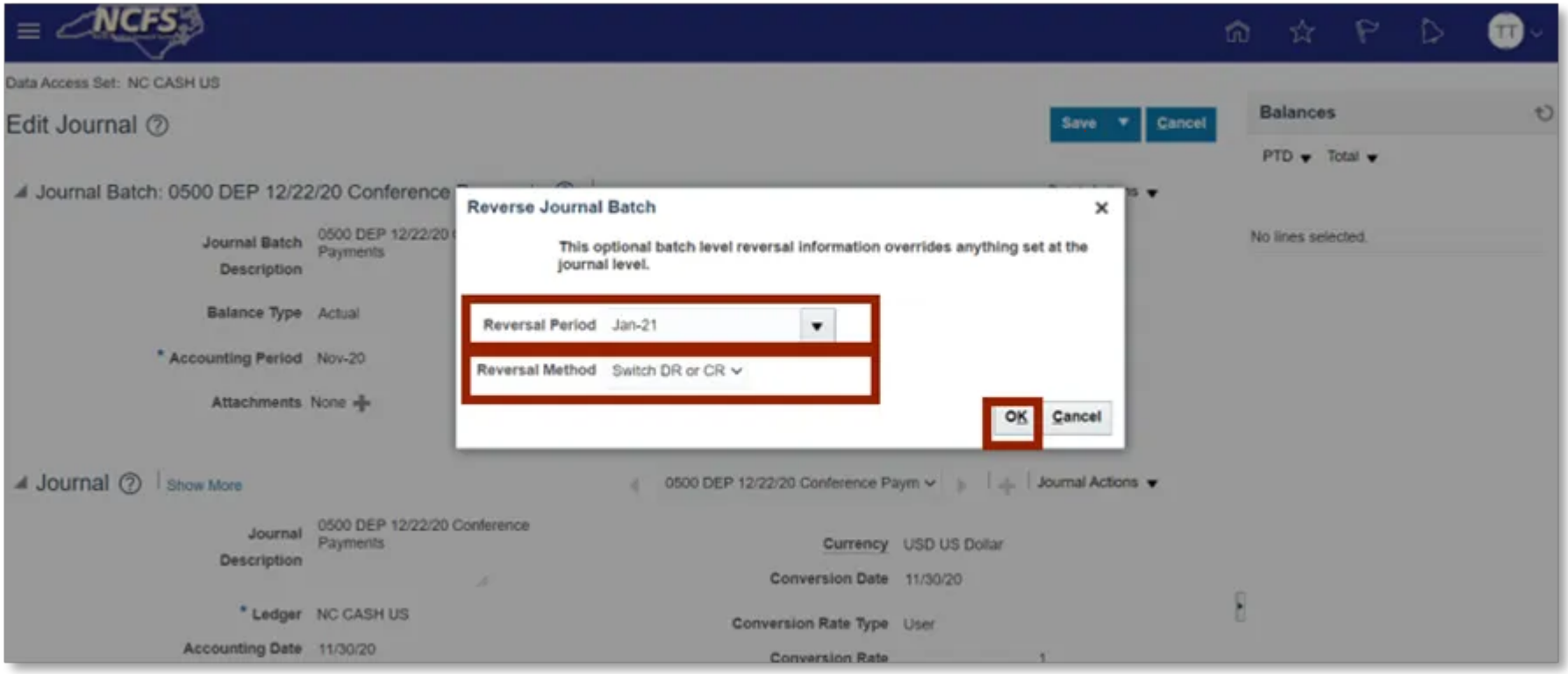
Step 7. Click **Batch Actions**. Select **Reverse** from the drop-down.

Image



Step 8. Enter the **Reversal Period** and **Reversal Method**. Click **OK**.

Image

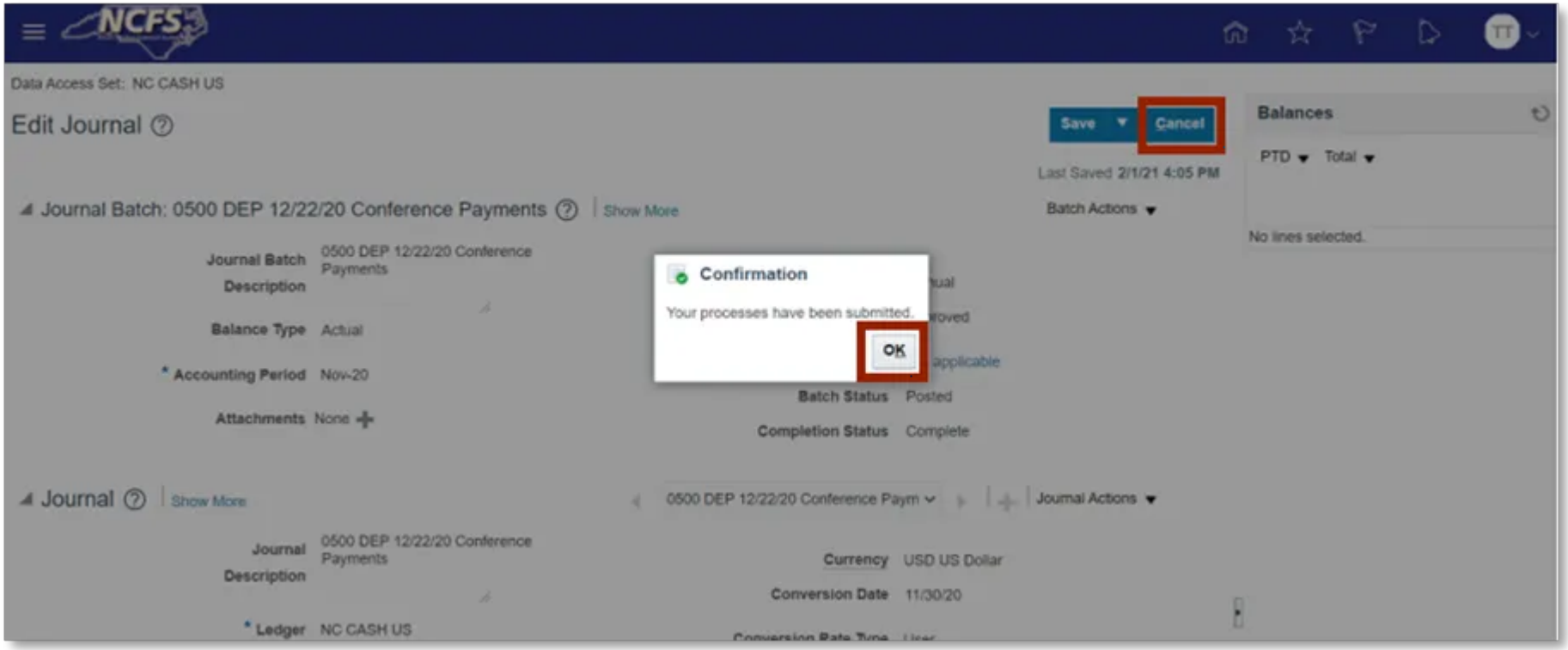


User Tip

The OSC preferred Reversal Method is "Switch DR or CR".

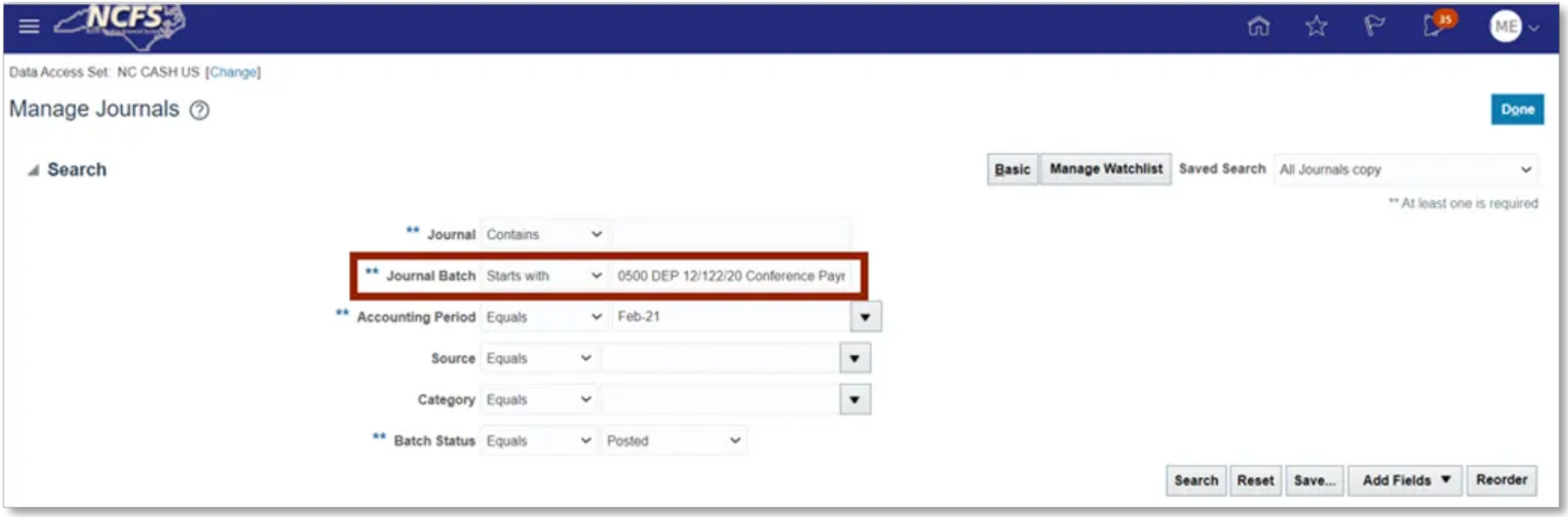
Step 9. A pop-up appears that confirms the process has been submitted. Click **OK**. Then click **Cancel**.

Image



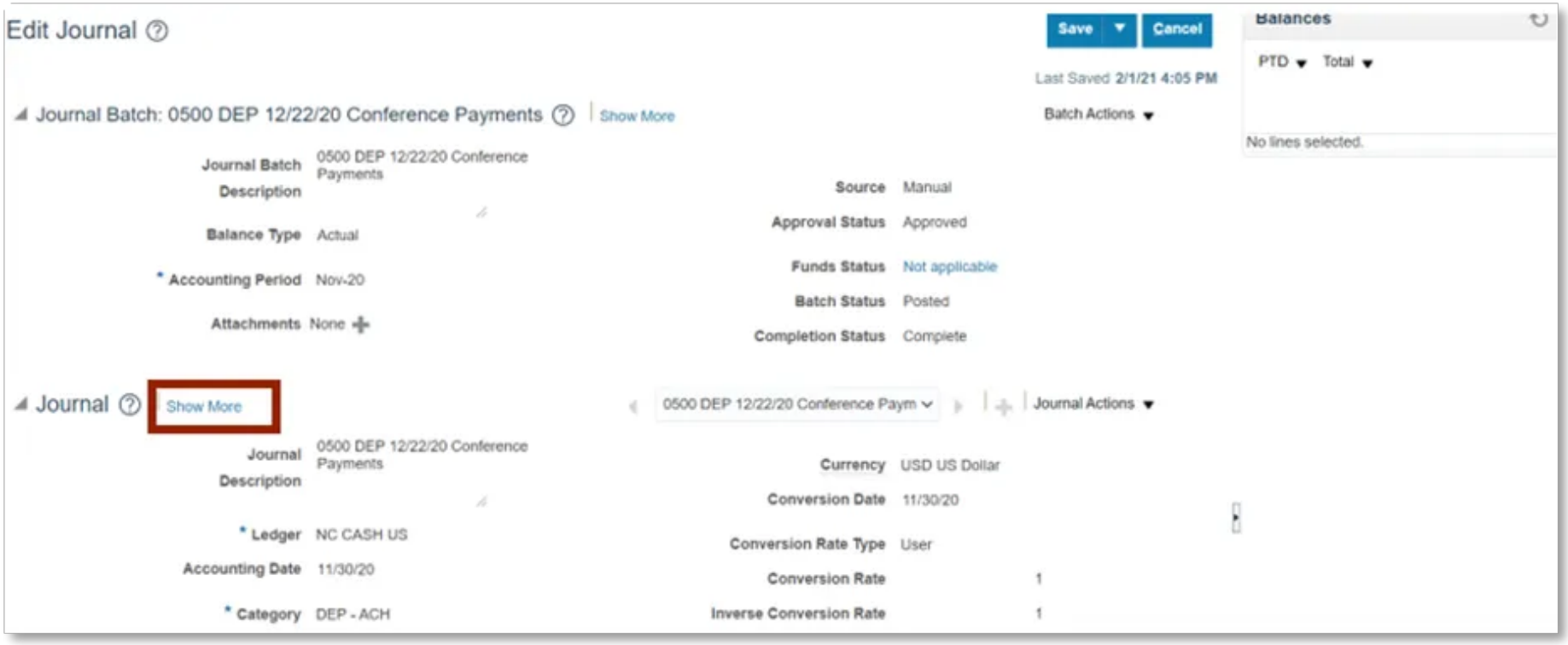
Step 10. Enter the **Journal Batch Name** and then click **Search**.

Image



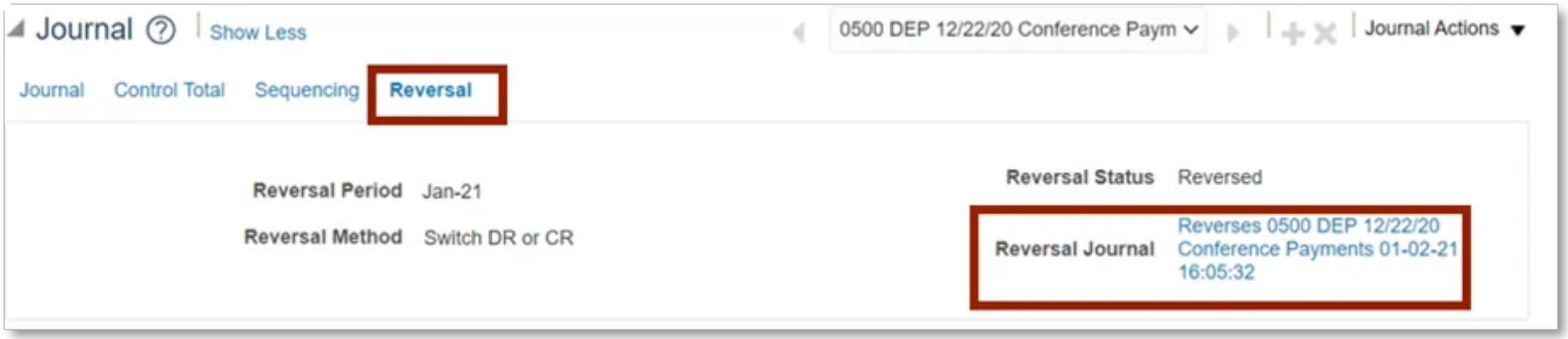
Step 11. Click **Show More** in the **Journal Section**.

Image



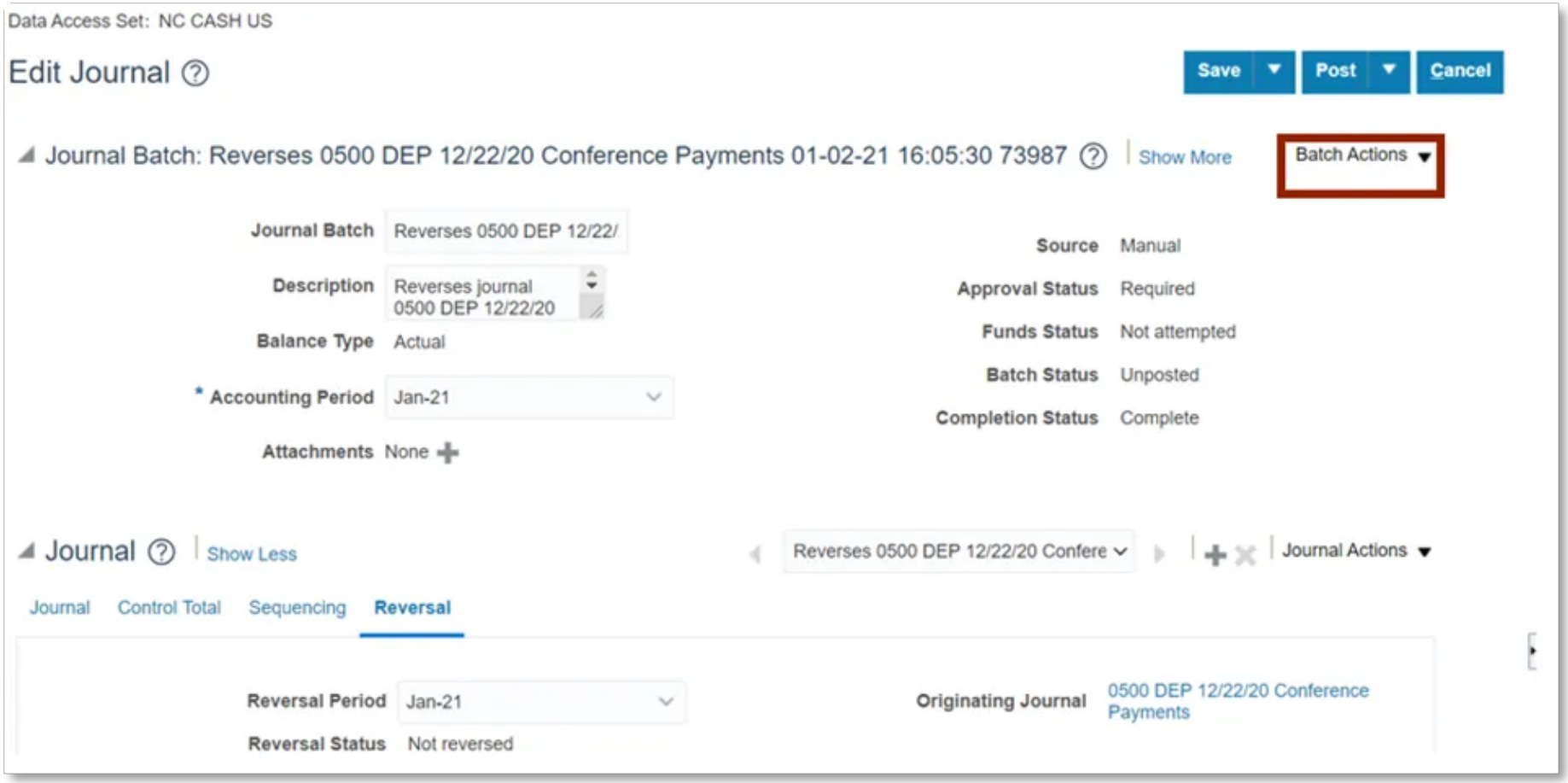
Step 12. Click the **Reversal** tab and click the **Reverse Journal Hyperlink**.

Image



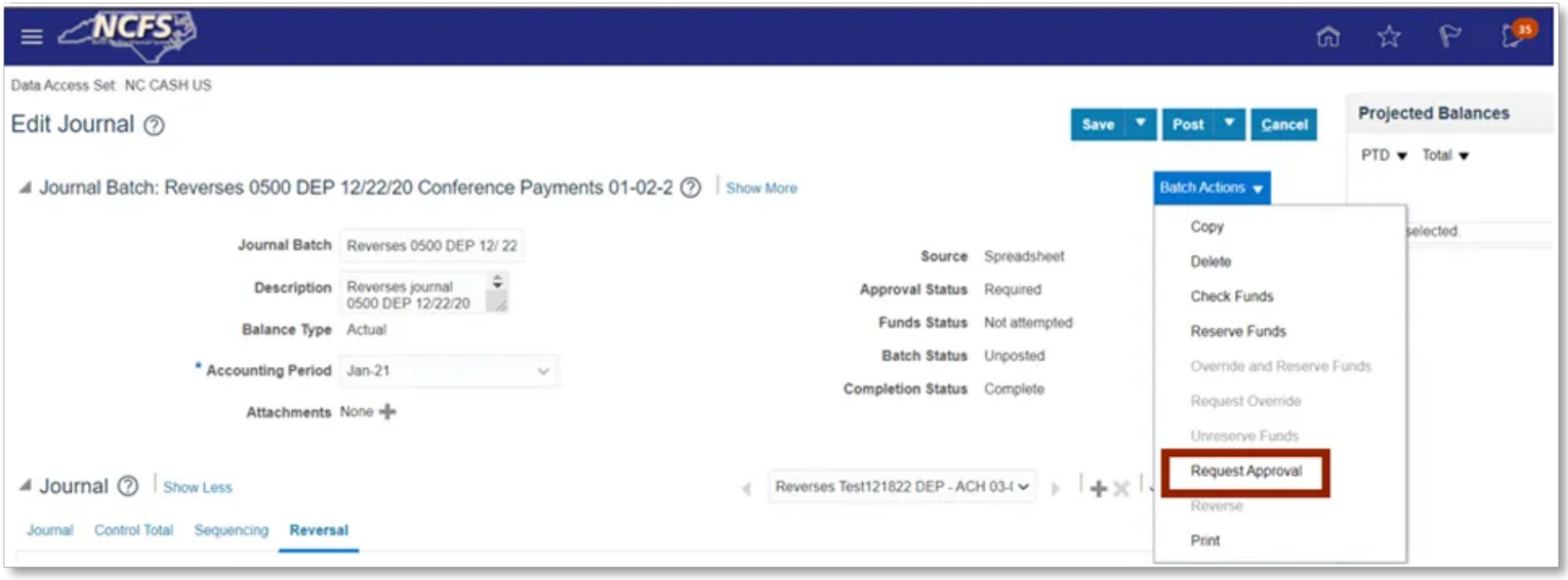
Step 13. Scroll up and click **Batch Actions**.

Image



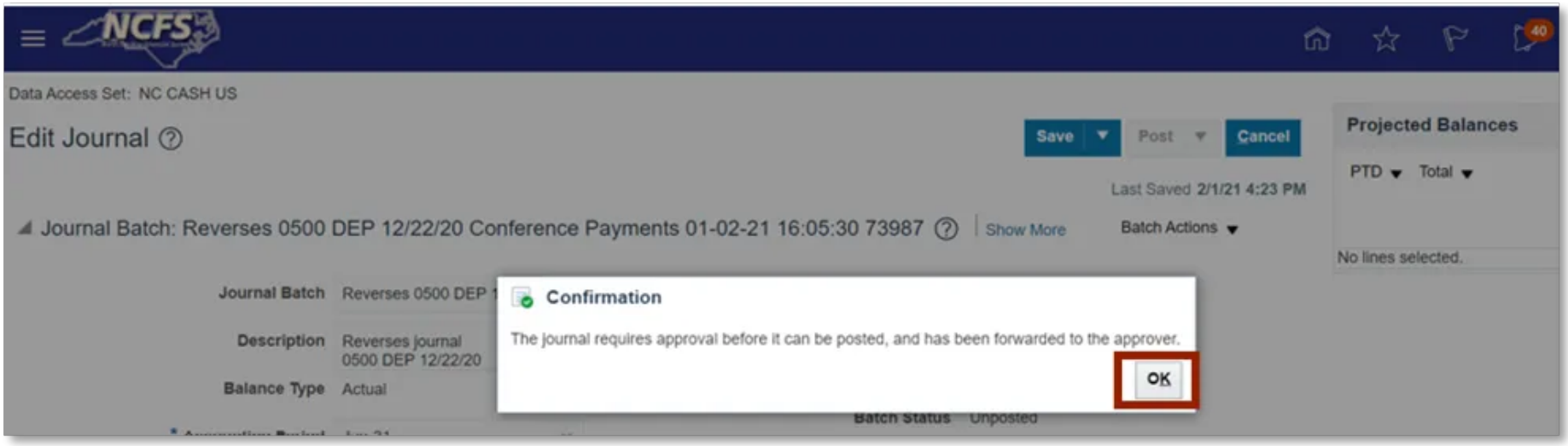
Step 14. Click **Request Approval**.

Image



Step 15. A pop-up appears. Click **OK**. Then click **Cancel** to return to the home screen.

Image



Wrap Up

A user can reverse a posted journal by following the steps above. Once a reversal journal entry is submitted for approval and approved, it is posted in the next AutoPost run. Once this transaction is posted, the GL balances will be updated.

Additional Resources

- Instructor Led Training (ILT)
  - GL100c: Journal Entry

First Published

Thu, 04/01/2021

Last Updated

Thu, 09/25/2025

Printable PDF