

# SOP: Processing and Data Entry into Financial System

This SOP details the procedures for **processing and data entry into the financial system**, covering accurate data verification, timely input of financial transactions, adherence to internal controls, and maintaining data integrity. It ensures consistent handling of invoices, payments, and reconciliations to support reliable financial reporting and compliance with organizational policies.

## 1. Purpose

To outline the standard procedures for processing and entering financial data into the financial system, ensuring accuracy, consistency, and compliance with internal controls.

## 2. Scope

This SOP applies to all personnel responsible for handling financial data entry, including invoices, payments, and account reconciliations within the organization.

## 3. Responsibilities

Role	Responsibility
Finance Staff	Data collection, verification, and entry into the system.
Finance Manager	Review and approval of data entered; oversight of adherence to this SOP.
Internal Audit	Periodic review of processes to ensure compliance and data integrity.

## 4. Procedure

- Data Collection and Verification:**
  - Gather all relevant source documents (e.g., invoices, receipts, payment vouchers).
  - Verify the completeness and accuracy of each document.
  - Seek clarification for any discrepancies before continuing.
- Data Entry:**
  - Log in to the financial system using assigned credentials.
  - Navigate to appropriate module (e.g., Accounts Payable, Receivable, General Ledger).
  - Enter transaction data exactly as per source documents.
  - Attach or reference corresponding documentation digitally where possible.
- Review and Approval:**
  - Review entries for accuracy and completeness.
  - Submit data for review/approval by a manager or designated approver.
  - Make corrections if issues are identified.
- Internal Controls:**
  - Segregation of duties must be maintained (e.g., preparer vs. reviewer/approver).
  - Access rights must be reviewed and updated regularly.
- Data Integrity and Backup:**
  - All records must be backed up regularly as per IT policy.
  - Ensure secure storage and confidentiality of financial data.
- Reconciliation:**
  - Perform regular reconciliations (e.g., bank, vendor) to ensure alignment of records.
  - Investigate and resolve any variances or anomalies promptly.

## 5. Documentation

- Invoice copies
- Payment records
- Reconciliation reports
- Approval logs
- Audit trails from the financial system

## 6. Compliance

All activities must comply with applicable laws, regulations, and internal policies. Regular training should be provided to staff on any updates to processes or controls.

## 7. Review & Revision History

Date	Version	Description	Prepared by
2024-06-15	1.0	Initial draft	Finance Department