

Journal Entry Debit Credit Convention ^[1]

Effective Date: 1/23/2009

Purpose

The University of Colorado utilizes a double-entry accounting system. This means that entries of equal and opposite amounts are made to the Finance System for each transaction. As a matter of accounting convention, these equal and opposite entries are referred to as debit (Dr) and credit (Cr) entries. For every debit recorded, there must be an equal amount (or sum of amounts) entered as a credit. For example, if debit entries total \$100, then credit entries must total (\$100).

Note: The number of debit entries does not need to be the same as the number of credit entries. Rather, the total dollar amount of the debit entries must equal the total dollar amount of the credit entries. So we might have two debit entries totaling \$100 and three credit entries totaling (\$100). By ensuring that the debit amounts always equal the credit amounts, we ensure that the Finance System remains in balance.

Download the Journal Entry Debit Credit Convention Step-by-Step below

Files:



[journal-entry-debit-credit-conventionsbs.pdf](#) ^[2]

Source URL: <https://www.cu.edu/controller/policies/journal-entry-debit-credit-convention>

Links

[1] <https://www.cu.edu/controller/policies/journal-entry-debit-credit-convention>

[2] <https://www.cu.edu/sites/default/files/policies/40996-journal-entry-debit-credit-convention/files/journal-entry-debit-credit-conventionsbs.pdf>