

CHAPTER D

MONTH 13 - YEAR-END CLOSING

D.1. Overview of Month 13

Month 13 is the last period of the fiscal year in R*STARS. Agencies use this additional accounting period to record year-end accruals and other financial statement adjustments. Because Month 13 is an extension of the fiscal year, it allows agencies to post information that was not readily available at the close of Month 12 (June). Month 13 transactions must be recorded with an *effective date* of 06/31/XX, regardless of the document date.

To ensure that revenues and expenditures are not duplicated, year-end accruals recorded in both Month 12 and Month 13 auto-reverse in R*STARS in Month 1 (July) of the next fiscal year. When the actual payment is made or income is received, the related transaction will be offset by the reversing entry. If the actual event posts after July, the reversal will cause a negative amount in July's records. Transaction codes (T-codes) that generate an auto-reversing entry are listed in the *Reference Guide for Month 13 Transactions* (Section D.10.b.).

What Can Be Recorded in Month 13?

- Funding adjustments based on program usage estimates
- Reconciliation adjustments
- Corrections not already made by Month 12 closing
- Adjustments to balance transfers between agencies
- Accruals of revenue or expenditures (these will automatically reverse)
- Material audit adjustments
- Reclassifications for financial statement purposes
- Investment fair value adjustments
- Securities lending adjustments
- Pension-related debt adjustments
- Net pension liability adjustments

What Should Not Be Recorded in Month 13?

Because Month 13 transactions must be recorded with an effective date of June 31, certain T-codes cannot be used in Month 13. For example, ADPICS does not recognize June 31 as a valid calendar date; therefore, ADPICS T-codes cannot be used in Month 13.

T-codes that post to GL account 0065, *Unreconciled Deposit*, should be posted using the date the cash was received. A June 31 date is appropriate only for adjustments to deposits and **ONLY** if **all** of the following conditions are true: (1) the adjustment affects D23 funds within the same agency, (2) the affected D23 funds roll up to the same GAAP fund, and (3) the affected D23 funds are tied to the same Treasury Fund. These same conditions apply when using other T-codes that interface with Treasury. For a list of ADPICS T-codes and deposit reconciliation T-codes, as well as a list of T-codes that interface with Treasury, Refer to Section D.2.

Agencies are not allowed to backdate interagency Balanced Transactions (BTs) processed after June 30. Interagency transfers impact cash at Treasury, so backdating current transactions can cause reconciling problems for the receiving agency and result in audit comments. **Agencies should use the current system date as the effective date for both sides of this transaction**

type. Agencies that are unable to complete their interagency BTs before June 30, must record accrual entries during Month 13 to reflect fiscal year activity accurately.

Recording Transactions

Refer to the *Reference Guide for Month 13 Transactions* (Section D.10.b.) for a list of recommended T-codes. Other helpful resources include DAFQ A010 - *Statewide T-Code Listing by G/L Account* report and DAFQ 28C0 - *Transaction Code Reference Listing*. For general guidance related to T-code selection, refer to OAM 05.35.00.

When selecting a T-code to record an adjusting entry, analyze what the T-code does, when it can be used, and what comptroller objects are available. Also, determine whether the T-code generates an auto-reversing entry and if it must be used with another T-code as a balanced entry. If you need assistance selecting T-codes, contact your SFMS analyst.

During the second year of the biennium (the odd numbered years), please remember that after June 30 the appropriation year (AY) defaults to the new AY, not the AY that should be used in Month 13. Make sure you change the AY to reflect the correct biennium when recording Month 13 entries.

D.2. List of T-codes not to be used in Month 13

<u>T-Code</u>	<u>Description</u>
137	COLLECTION A/R CASH EXP REFUND BILLED
140	RECEIPT OF INVESTMENT-OR MASS TRANSIT
142	NOTE/MTG/CONT/TX/OTHR RECV-NC/PROP/FID
143	COLL-NOTE/MTG/CONT/OTH/TAX RECV NC-GOVTL
145	RECORD COLLECTION-NC LOAN RECV-ALL FUNDS
146	COLL OF INTEREST REC-OTHER UNBILLED
147	COLLECTION OF INTEREST REC-OTHER BILLED
148	COLLECTION OF INTEREST REC'V DESIGNATED
149	CASH RECEIPTS/SALE OF FIXED ASSET-PROP/FID
150	CASH RECPT F/RETURN OF UNREIMBURSED ADV
151	RECORD UNIDENTIFIED RECEIPT
159	RECOG OUTG ACH/WIRE TFR/TRES FEE -G38
160	COLLECTION A/R BILLED-DEP LIABILITY
162	RECORD RECEIPT OF DEP LIAB NO DOC SUPP
164	RECEIPT OF UNEARNED REVENUE - NO DOC SUP
165	RECORD RECEIPT OF DEPOSIT LIABILITY
166	COLLECTION A/R UNBILLED TRANSFER
167	RECOGNITION OF OUTGOING ACH/WIRE TRANSFER/TRES FEE
168	ADJUST RECEIPT OF DEPOSIT LIABILITY
170	RECEIPT OF UNEARNED REVENUE-DOC SUPP
172	REFUND OF EXPENDITURE
173	COLLECTION A/R BILLED-TRANSFER IN
175	COLLECT INTERGOV REC (FEDERAL) UNBILLED
176	COLLECTION A/R-OTHER BILLED
177	COLLECTION A/R OTHER-UNBILLED/MASS TRANS REC
178	COLLECTION INTERGOV REC (FEDERAL) BILLED
179	COLLECTION INTERGOV REC LOCAL-BILLED
182	RECOGNIZE INTEREST DIST. FROM TREASURY
183	RECOGNIZE ACCRUED INTEREST PURCH REC'D
185	RECORD WIRE TF/ACH TRANSFER OUT
187	RECORD TRANSFER IN
189	PAY LOSS ON BONDS/COP CALL EXP
190	RECEIPT OF REVENUE NOT ACCRUED

<u>T-Code</u>	<u>Description</u>
191	RECEIPT FOR MISCELLANEOUS LIABILITY
332	RECORD CASH FOR RECONCILED DEPOSITS
6XX	ALL 600 series T-Codes
790	REMIT BACKUP WITHHOLDING TO IRS
819	ISSUE AFS DIRECT DEPOSIT (DHS only)
950	ADPICS - ESTABLISH A PRE-ENCUMBRANCE
951	ADPICS - INCREASE PRE-ENCUMBRANCE
952	ADPICS - CANCEL PRE-ENCUMBRANCE
953	ADPICS-ENCUMBRANCE (PRE-ENC & NOT P-ENC)
954	ADPICS-INCREASE ENCUMBRANCE
955	ADPICS- CANCEL ENCUMBRANCE
956	ADPICS-DECREASE A PRE-ENCUMBRANCE
957	ADPICS-DECREASE ENCUMBRANCE
959	ADPICS DIRECT VOUCHER - NOT ENCUMBERED
960	ADPICS DIRECT VOUCHER ENCUMBERED

The following T-Codes interface with Treasury. As noted in the previous section, an adjustment affecting cash is acceptable in Month 13 **ONLY** if *all* of the following conditions are true: (1) the adjustment affects D23 funds within the same agency, (2) the affected D23 funds roll up to the same GAAP fund, and (3) the affected D23 funds are tied to the same Treasury Fund.

<u>T-Code</u>	<u>Description</u>
291	EXPENDITURE TF PAID TO LGIP (NO WARRANT)
292	REVENUE TRANSFER OUT TO LGIP(NO WARRANT)
293	RECORD LGIP DEPOSIT FOR EXPEND TRANSFER
294	RECORD LGIP DEPOSIT FOR REVENUE TRANSFER
298	EXPENDITURE TF PAID TO LPIG-LOAN REC/PAY
299	RECORD LGIP DEPOSIT FOR EXPEND TRANSFER
301	ALLOCATION OF INDIRECT COSTS-CHARGE
302	ALLOCATION OF INDIRECT COSTS-RECOVERY
314	ALLOCATION OF INDIRECT REVENUES - CHARGE
315	ALLOCATION OF INDIRECT REVENUES-RECOVERY
398	RECLASS DEP LIAB-DOC SUPP TO REVENUE
399	RECLASS DEP LIAB--DOC SUPP TO REVENUE
400	OPERATING REVENUE-TRNSFR OUT(WITHIN AGY)
401	OPERATING REVENUE-TRANSF IN (WITHIN AGY)
402	DIST TO FUNDS WITHIN AGY-GF/OTHR TRANSFR
403	TRANSFER IN FROM GF/OTHR FUND WITHIN AGY
404	REIMBURS SUSPENSE ACCT FROM RECPTD ACCT
405	RECORD SUSP ACCT REIMB FROM RECPTD ACCT
407	MOVE REVENUE AND CASH OUT OF A FUND
408	MOVE REVENUE AND CASH INTO A FUND
409	RECORD EXP/DECREASE CASH (WITHIN AGENCY)
410	RECORD REVENUE/INCREASE CASH (WITHIN AG)
413	REIMB SUSPENSE ACCT FROM DEP LIAB-RECPTD
414	RECORD SUSP ACCT REIMB FROM RECPTD ACCT
415	MOVE EXPEND IN AND CASH OUT OF A FUND
416	MOVE EXPEND OUT AND CASH INTO A FUND
417	RECORD REVENUE REFUND-RECEIPTED ACCOUNT
418	REIMBURSE SUSP ACCT FROM RECPTD ACCT
419	RECORD TRANSFER OUT TO SUSPENSE ACCOUNT
420	RECORD SUSP ACCT RECEIPT FROM RECPTD ACCT

<u>T-Code</u>	<u>Description</u>
421	MOVE DEP LIAB OUT AND CASH OUT (NON-DOC)
422	MOVE REVENUE IN AND CASH IN (NON-DOC)
423	REFUND OPERATING REV-TFR IN (WITHIN AGY)
424	OPERATING REVENUE-TRANSF IN (WITHIN AGY)
425	OPERATING REVENUE-TRNSFR OUT(WITHIN AGY)
426	OPER REV-REDUCTION OF TFR OUT/WITHIN AGY
427	RECORD DUE FROM OTHER FUNDS WITHIN AGCY
428	RECORD DUE TO OTHER FUNDS-WITHIN AGENCY
430	MOVE DEP LIAB OUT AND CASH OUT (DOC SUP)
431	MOVE DEP LIAB IN AND CASH IN (DOC SUP)
432	MOVE DEP LIAB OUT AND CASH OUT (NON-DOC)
433	MOVE DEP LIAB IN AND CASH IN (NON-DOC)
434	RECLASS UNREIMBURSED ADVANCE BTWN FUNDS
435	RECLASS UNREIMBURSED ADV F/ANOTHER FUND
438	REIMB SUSP ACCT FROM RECP'T/PREV ENCUMB.
439	RECORD SUSP ACCT REIMB FROM RECPTD ACCT
443	MOVE UNEARNED REVENUE OUT AND CASH OUT
444	MOVE UNEARNED REVENUE IN AND CASH IN
450	MOVE REVENUE OUT AND CASH OUT, ADJ A/R
451	MOVE REVENUE IN AND CASH IN, ADJ A/R
464	MOVE REVENUE OUT AND CASH OUT, ADJ A/R
465	MOVE REVENUE IN AND CASH IN, ADJ A/R
496	MOVE UNIDENTIFIED RECEIPT OUT OF A FUND
497	MOVE UNIDENTIFIED RECEIPT INTO A FUND
692	PAY SUSP AC FRM RECP AC BTWN AGN/PRE ENC
693	RECPT OF PMT TO SUSP AC/BTW AGYS/PRE ENC
694	REV REF TO SUSP FROM RECT'D ACCT/BTW AGY
695	RECEIPT OF PMT TO A SUSP ACCT/BETW AGY'S
696	REIMBURS SUSP ACCT FROM RECPTED ACCT G38
697	REC SUSP ACCT REIMB FR RECPTD ACCT G38
698	RECORD PREPAYMENT LEGAL FEES-GOVT
699	RECORD RECEIPT OF PREPAID LEGAL FEES
700	QUASI-EXTERNAL UNIDENTIFIED RECEIPT
701	QUASI-EXTERNAL EXP - NO A/R
704	QUASI-EXTERNAL EXPEND (A/R)
705	QUASI-EXTERNAL REDUCTION OF EXP (A/R)
708	EXPENDITURE TRANSFER OUT (BETWEEN AGCYS)
709	EXPEND TFR IN AS REVENUE (BETW AGYS)-A/R
710	REVENUE-TRFR OUT(BETW AGY)A/R-NO INVOICE
711	QUASI-EXTERNAL TRANSFER IN(BETW AGY) A/R
712	QUASI-EXTERNAL REVENUE REFUND- NO A/R
713	QUASI-EXTERNAL UNIDENTIFIED/LIABILITY
714	PMT TO SUSP FROM RECPTED ACCT/BETW AGY'S
715	RECEIPT OF PMT TO A SUSP ACCT/BETW AGY'S
716	QUASI-EXTERNAL REVENUE REFUND - A/R
717	QUASI-EXTERNAL REVENUE - A/R
718	QUASI-EXTERNAL EXP/ENCUMBERED-A/R
719	QUASI-EXTERNAL REVENUE (A/R)
720	REVENUE-TRANSFR OUT(BETWN AGY)NO INVOICE
721	REVENUE-TRANSFR IN(BETWN AGY)NO INVOICE

<u>T-Code</u>	<u>Description</u>
722	QUASI-EXTERNAL EXP-NO A/R
723	QUASI-EXTERNAL REVENUE - NO A/R
724	QUASI-EXTERNAL EXP/ENCUMBERED-NO A/R
725	QUASI-EXTERNAL REVENUE - NO A/R
726	EXPENDITURE TRANSFER OUT (BETWEEN AGCYS)
727	EXPEND TFR IN AS REVENUE (BETWEEN AGCYS)
730	QUASI-EXTERNAL EXPEND (A/R)
731	QUASI-EXTERNAL REVENUE (A/R)
732	MOVE UNIDENT RECEIPT BETWEEN SFMS AGENCY
733	MOVE UNIDENT RECEIPT BETWEEN SFMS AGENCY
734	QUASI-EXTERNAL REVENUE REFUND- NO A/R
735	QUASI-EXTERNAL REVENUE - NO A/R
736	QUASI-EXTERNAL EXP-NO A/R
737	QUASI-EXTERNAL DEPOSIT LIABILITY
738	QUASI-EXTERNAL EXP-NO A/R
739	QUASI-EXTERNAL DEPOSIT LIABILITY-DOC SUP
740	QUASI-EXTERNAL EXP-NO A/R
741	QUASI-EXTERNAL REDUCTION OF EXP - NO A/R
754	REDUCE REVENUE TRANSFER IN
755	RECORD CASH RECEIVED-SUSPENSE ACCOUNT
760	QUASI-EXTERNAL EXP (A/R-BILLED DEP LIAB)
761	QUASI-EXT A/R-BILLED RE: DEP LIAB
762	MOVE DEP LIAB/CASH OUT OF AGY(NON-DOC)
763	RECEIPT OF CASH TO A SUSP ACCT/BETW AGYS
764	REVRT G/F PRIOR BI \$/TSFR EXPIRED \$
765	REVRT G/F PRIOR BI \$/TSFR EXPIRED \$
779	EXPENDITURE/PREPAID LEGAL FEES-PROP
780	REVENUE/PREPAID LEGAL FEES-PROP
783	QUASI-EXTERNAL EXP/SUBGRANTEE - A/R
784	QUASI-EXTERNAL REVENUE (A/R)
785	QUASI-EXTERNAL EXP/SUBGRANTEE-NO A/R
786	QUASI-EXTERNAL REVENUE - NO (A/R)
787	QUASI-EXTERNAL EXP/SUBGRANTEE - G38
788	EXPEND TRANSF IN (BTWN AGYS) -G38

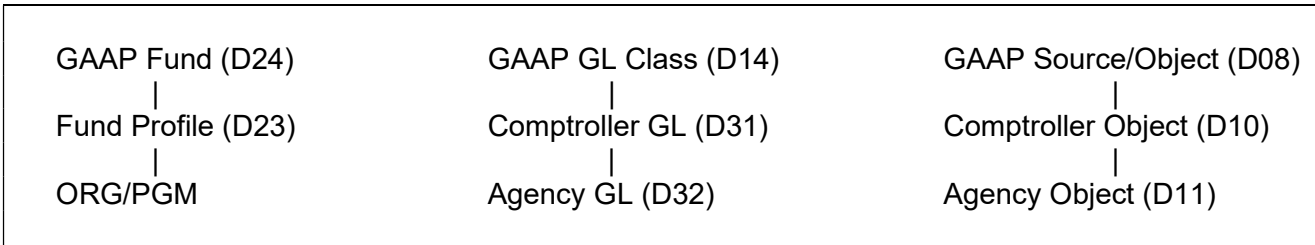
D.3. R*STARS Reports

Various R*STARS reports are available for reviewing year-end closing information. You may request these reports once a week during July and twice a week during August. The R*STARS report guide is available at: <http://www.oregon.gov/das/Financial/AcctgSys/Pages/reportguide.aspx>.

The report guide provides examples of the various reports, source tables, formulas, and other information that may be helpful when requesting specific reports. Use the R*STARS 91 screen, *Report Request Profile*, to order reports.

Please note that the ACFR is reported at the GAAP fund level (D24 screen in R*STARS) using GAAP GL classes (D14 screen) and GAAP sources/objects (D08 screen). Agencies, however, enter their transactions at the D23 fund level, using comptroller GLs (D31 screen) or agency GLs (D32 screen), and comptroller objects (D10 screen) or agency objects (D11 screen). Since agency transactions are entered at lower levels than reported in the ACFR, agencies may need to request year-end reports at multiple levels.

Example D3-1 - Reporting Levels



Please contact your SFMS analyst for more information and assistance in requesting the R*STARS reports.

D.4. Datamart Repository Reports

Agency Balance Sheet and Operating Statement

SARS has developed various statewide reports that are accessible through the Datamart Repository, including reports similar to the DAFR 6620 - *Agency Balance Sheet* and the DAFR 6610 - *Agency Operating Statement*.

Throughout the year, the Datamart updates each Friday evening. Cumulative Month 13 queries (DAFR 6610 - Period 13 and DAFR 6620 - Period 13) and queries for the current month (DAFR 6610 - Month and DAFR 6620 - Month) are available year-round. These queries provide comparative data from the prior fiscal year.

During year-end closing only, additional queries for the Balance Sheet and Operating Statement are available using the Year-End Tables. The Year-End Tables update on Tuesdays, Thursdays, and Saturdays during Month 13. To access these updates, use queries DAFR 6610 - YE Period 13 and DAFR 6620 - YE Period 13. The DAFR 6620 - YE Period 13 (Balance Sheet) data displays period 13 data for the current fiscal year and the closed balances of the prior fiscal year. DAFR 6610 - YE Period 13 (Operating Statement) is for the current period only and does not provide comparative data. In addition, the *YE Active Acct Event* table will allow you to view transactional detail for Month 13 only, and it updates on Tuesday night for viewing Wednesday and Thursday night for viewing Friday.

GAAP Offset Report

A GAAP offset report is also available on the Datamart Repository. For more information on GAAP offsets, refer to *Review GAAP Offset Accounts* in Section C.4.b.

SEFA Reports

Agencies that record their transactions directly in R*STARS must use specific grant profiles to account for and report federal grants (refer to OAM 15.42.00). Use of the grant profiles ensures consistent data and facilitates compilation of the statewide Schedule of Expenditures of Federal Awards (SEFA) required by Uniform Guidance (2 CFR Part 200). Agencies should use the standard OBIEE query that is available on the Datamart Repository for SEFA reporting. Agencies that interface transactions to R*STARS are encouraged, but not required, to use specific grant profiles. Agencies are responsible for reviewing the data to ensure accuracy and completeness of the SEFA.

Other Repository Reports

Agencies have created a number of “shared” reports that are also available on the Datamart Repository. These reports display the following dialog in the description field of the report: *This is a Shared Repository Report. Your agency may need to make modifications to this report for accurate reporting.*

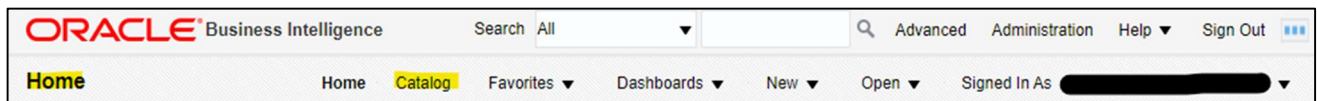
Accessing the Repository

The following instructions describe how to access the Repository reports in OBIEE. Additional resources are available on the Datamart website:

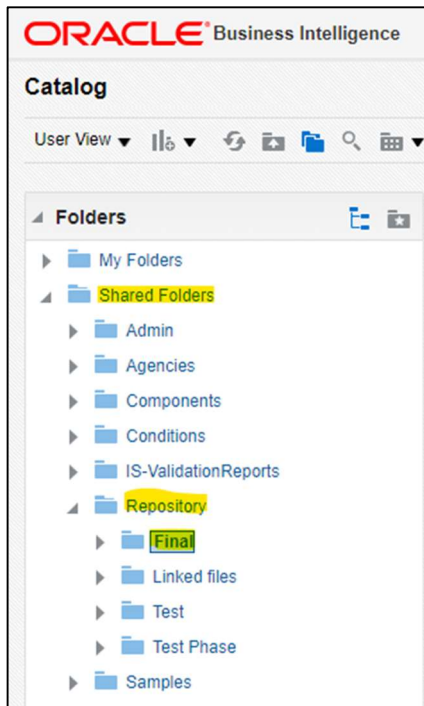
<https://www.oregon.gov/das/Financial/AcctgSys/Pages/datamart.aspx>.

OBIEE Login: <https://obi.das.oregon.gov:9503/bi-security-login/login.jsp>


From the OBIEE *Home* page, select *Catalog*.



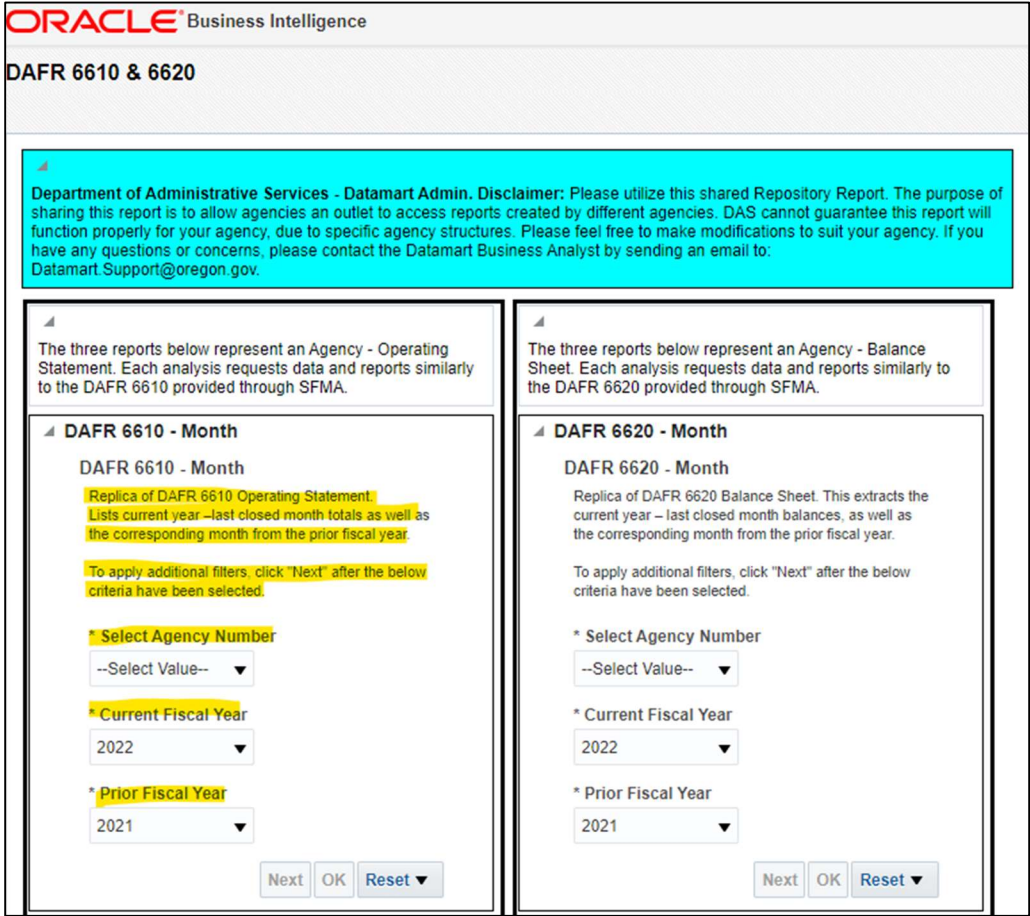
From the *Folders* section on the left, select *Shared Folders*, then *Repository*, then *Final*.



From the *Final* folder, a list of files/dashboards will appear. Each includes a brief description of the file and how to use it. The following are dashboard examples. Click “Open” to access the dashboard.

	DAFR 6610 & 6620 Last Modified 3/28/2022 8:34:54 AM Owner BI Service Administrator This contains reports which replicate the SFMA DAFR 6610 and DAFR 6620. Click "OPEN" to access the dashboard. Expand Open Edit More ▼
	SEFA Reports Last Modified 3/28/2022 9:02:58 AM Owner BI Service Administrator Analysis to view SEFA data from SFMA. Click "OPEN" to access each analysis. Expand Open Edit More ▼

Once open, additional information is available for each query as shown below:



ORACLE Business Intelligence

DAFR 6610 & 6620

Department of Administrative Services - Datamart Admin. Disclaimer: Please utilize this shared Repository Report. The purpose of sharing this report is to allow agencies an outlet to access reports created by different agencies. DAS cannot guarantee this report will function properly for your agency, due to specific agency structures. Please feel free to make modifications to suit your agency. If you have any questions or concerns, please contact the Datamart Business Analyst by sending an email to: Datamart.Support@oregon.gov.

The three reports below represent an Agency - Operating Statement. Each analysis requests data and reports similarly to the DAFR 6610 provided through SFMA.

DAFR 6610 - Month

DAFR 6610 - Month

Replica of DAFR 6610 Operating Statement.
Lists current year -last closed month totals as well as the corresponding month from the prior fiscal year.

To apply additional filters, click "Next" after the below criteria have been selected.

* Select Agency Number
--Select Value-- ▼

* Current Fiscal Year
2022 ▼

* Prior Fiscal Year
2021 ▼

Next OK Reset ▼

The three reports below represent an Agency - Balance Sheet. Each analysis requests data and reports similarly to the DAFR 6620 provided through SFMA.

DAFR 6620 - Month

DAFR 6620 - Month

Replica of DAFR 6620 Balance Sheet. This extracts the current year - last closed month balances, as well as the corresponding month from the prior fiscal year.

To apply additional filters, click "Next" after the below criteria have been selected.

* Select Agency Number
--Select Value-- ▼

* Current Fiscal Year
2022 ▼

* Prior Fiscal Year
2021 ▼

Next OK Reset ▼

General guidance:

- When using Repository reports, be sure to update the query limits for agency number and fiscal year(s) as needed.
- Select *Results*.
- Select the applicable *Compound View* tab to view the results.

D.5. Statewide Balancing Report

SARS produces a web-based set of statewide balancing reports to facilitate statewide balancing of transfers and other interagency transactions.

The reports include:

- Advances To/From Other Funds, sorted by GL account 0950
- Advances To/From Other Funds, sorted by GL account 1800
- Due To/From Other Funds, sorted by GL account 0586
- Due To/From Other Funds, sorted by GL account 1532
- Indirect Transfers
- Interagency Transfers sorted by Transfers In
- Interagency Transfers sorted by Transfers Out
- Operating Transfers

Two reports are available for each type of interagency transaction. The first report displays all agency balances, while the second report shows only the out-of-balance items (exceptions).

Access the reports using this URL:

<http://www.oregon.gov/das/Financial/Acctng/Pages/Balancing.aspx>. The agency number is near the upper left-hand corner of the report. Scroll through the pages or hit CTRL+F and enter your agency number to find your agency's information.

During year-end closing, SARS updates the *Statewide Balancing Reports* on the same schedule as the Datamart (refer to Section D.4 above). The Web page menu title and the footer in each report indicate the date of update.

D.6. Accounting Estimates for Year-end Accruals

To give a fair and accurate presentation of the financial status of the State, report revenues and related expenditures/expenses in the period giving rise to their economic substance. Due to the short timeframe to make year-end adjustments, agencies must make informed predictions and estimates about transactions, account balances, and future events.

In governmental funds, the modified accrual basis of accounting is used. If revenue is measurable and available (meaning, it is expected to be collected in time to pay liabilities existing at the end of the period), it should be reported in the current year governmental fund financial statements. Likewise, expenditures should be included that are expected to be paid out of revenues of the current period.

For this purpose, the state considers revenues to be available if they are collected within 90 days of the end of the current fiscal year (by September 30). For example, record a current receivable for any revenue owed to your agency as of June 30 that your agency expects to collect by September 30. Record the amount at the net realizable value (the net amount expected to be received in cash).

Proprietary, fiduciary, and activities recorded in the Government-wide Reporting Fund are accounted for under the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time related liabilities are incurred. *All* assets and liabilities associated with these funds are listed on the balance sheet.

Historical data is a good place to start when developing estimates for year-end accruals. Evaluate each account on a case-by-case basis, looking at past experience, age of accounts, and then

adjusting for current trends or economic conditions. Estimates always involve uncertainties; however, a straightforward process that includes comparing actual figures to the estimates after the fact will keep misstatements to a minimum.

Things to consider:

Materiality: Do not spend time making complicated estimates for accounts that are not material in amount; remember, however, that materiality is relative to the reporting level.

Complexity: The more complicated the calculations, the greater the possibility of a material error.

Practicality: It may not be practical or cost effective to use current data. Instead, it may be more reasonable to use knowledge of the agency and prior year actual data to develop reasonable accruals.

Consistency: Once a reasonable method of estimating accruals has been developed, **use the same method each year**. This approach reduces the likelihood of errors and decreases the time and effort required to calculate the estimates. However, it is important to update accrual methodologies when new and relevant information becomes available.

Documentation: For audit purposes, be sure to document your methodology.

When auditors review year-end accruals, they generally consider the following issues:

- Have all material accruals been made?
- Do the estimated accruals appear reasonable with respect to the financial statements as a whole?
- Are the estimates in accordance with GAAP?

Auditors normally perform analytical procedures to compare accruals from year-to-year and may follow-up on large and/or unusual changes. For the most part, a reasonable, well-documented method should be acceptable. The auditors' main objective is to evaluate the reasonableness of an agency's estimates.

A worksheet to assist in developing your accounting estimates can be found in the Chapter I - Forms, Section 4.

D.7. GAAP Offset Accounting

GAAP offset accounting is designed to recognize expenditures/expenses for cash flow and budgetary purposes, while presenting the financial statements on a GAAP basis. GAAP offsets are simply a mechanism used to report the same information using different bases of accounting.

For example, a proprietary fund purchases a vehicle. For GAAP basis, the transaction represents an exchange of one asset (cash) for another asset (vehicle). However, for budgetary accounting, the expenditure for the vehicle is treated as a capital outlay expense. The GAAP Expenditure offset GL account used in T-code 545 to capitalize the vehicle offsets the expenditure for financial reporting purposes. The expenditure will still be reported as an expense for budgetary purposes since GAAP offset GL accounts are not included in budgetary reports.

DR	Capital Outlay	5,000	
	CR Cash		5,000
	<i>Purchase of motor vehicle</i>		
DR	Motor Vehicles	5,000	
	CR GAAP Offset (capital outlay comp object)		5,000
	<i>Capitalization of motor vehicle with T-code 545</i>		

In governmental funds, the capital outlay expenditure is recorded as in the example above. However, T-code 545 is used in the Government-wide Reporting Fund to record the asset and offset the capital outlay for government-wide reporting only. In proprietary and fiduciary funds, GAAP offset accounting serves the same purpose, except the offsetting occurs within the same fund.

For more detail on T-codes that use GAAP offsets, refer to Chapter E. If you are uncertain about which T-code to use, check your prior year entries or contact your SFMS analyst.

D.8. Agency Certification of Accuracy and Completeness

The year-end closing culminates in the compilation of statewide financial statements and completion of the financial statement audit. **The accuracy and completeness of financial statements depends on the accuracy and completeness of the financial information prepared by individual state agencies.**

Similar to an audit representation letter, the purpose of the *Agency Certification of Accuracy and Completeness* is to certify that (1) the transmitted information reflects the agency's financial activities and agrees with the ending balances in the agency's financial accounting records and (2) the accounting records are in conformity with generally accepted accounting principles and legal requirements.

Chapter I, Section 2, *Transmittal of ACFR Disclosures and Agency Certification*, must be signed by the agency ACFR Accountant and either the agency's Chief Financial Officer or Director. Use this form to transmit the General and Long-term Debt Disclosures.

Chapter I, Section 3, *Transmittal of SEFA Disclosures and Agency Certification*, must be signed by the agency SEFA contact and either the agency's Chief Financial Officer or Director. Use this form to transmit SEFA information and SEFA disclosures.

D.9. Preparing for Year-end Closing

Prior to the close of Month 12, agencies should develop a detailed plan to guide their Month 13 activities. The plan should include a schedule of required accounting adjustments, the data needed for each adjustment and the source, the person responsible for each adjustment, and the due dates.

D.9.a. Revisit/Complete Pre-closing Review Procedures

- Clear balance in GL account 2951
- Review GAAP offset accounts
- Reconcile changes in fund equity
- Review interfund and interagency accounts and correct out-of-balance transactions
- Review appropriations and update for E-Board changes
- Review last year's closing adjustments
- Clear reconciling items on deposit/cash reconciliations
- Review comprehensive pre-closing review checklist in Chapter C

D.9.b. Verify Expenditure Budgets in R*STARS by June Close

To receive the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting, the state must demonstrate budgetary compliance. SARS prepares the Budgetary Statement of Legal Compliance (BSLC) for this purpose. Expenditures in excess of legal authority must be explained in the notes to the financial statements.

In R*STARS, cash expenditures plus encumbrances cannot exceed the legal budget for each appropriation. Since the BSLC is prepared to demonstrate legal compliance, it is prepared on a cash basis, plus encumbrances. Month 13 accruals do not affect the appropriation table (R*STARS 62 screen) and, therefore, are not reflected in the BSLC.

SARS reconciles the R*STARS appropriation data to information provided by the Statewide Audit and Budget Reporting Section (SABRS), which is within the Chief Financial Office at DAS. Agency appropriation adjustments not entered on the R*STARS 62 screen by the close of June result in reconciling items. These differences may be the result of:

- E-board actions not entered in R*STARS (i.e., April and June E-boards), or
- Appropriations approved but not properly set up on the 62 screen (i.e., missing appropriation number, new D23 fund needs to be created, need more information on appropriation restrictions/limitations).

Agencies should make every effort to ensure R*STARS appropriation amounts have been updated by the close of June. To verify expenditure budgets, use R*STARS report DAFR 6120 - *Status of Appropriations and Expenditures*.

D.10. Year-end Closing Procedures

D.10.a. Year-end Closing Review

1. OUT-OF-BALANCE CONDITIONS

Governmental accounting follows established rules often referred to as double-entry accounting; therefore, each fund must be in balance. Are your funds in balance? If they are not, contact your SFMS analyst as soon as possible. This may indicate a system problem.

2. CASH AND INVESTMENTS

Cash and cash equivalents are normally current assets that are generally available to meet the cost of operations or to pay current liabilities. Some cash and cash equivalents are noncurrent assets that are restricted for certain purposes. All cash must be reported for financial reporting purposes. Cash accounts in R*STARS consist of:

- 0065 Unreconciled Deposit
- 0070 Cash on Deposit with Treasurer
- 0072 Cash on Hand
- 0075 Cash on Deposit – Suspense Account at Treasury
- 0077 Cash in Bank
- 0080 Cash with Fiscal Agents – Restricted Current
- 0081 Cash with Fiscal Agents - Unrestricted
- 0085 Cash Equivalent
- 0928 Cash and Cash Equivalents - Restricted

If *Cash with Fiscal Agents* is held at the State Treasury in the *Bond and Coupon Account*, it should be recorded in comptroller GL account 0080; it is insured by the FDIC up to \$250,000 per

bondholder. For moneys held at institutions other than the State Treasury, verify the collateralization agreement annually. Review whether the cash held at institutions is under the Oregon Treasury Public Funds Collateralization Program. Those institutions in the program insure amounts held over the \$250,000 FDIC limit.

- a. Have you recorded all cash amounts in R*STARS, including revolving or suspense accounts that may be posted to R*STARS only at year-end?
- b. Is your cash properly classified? Please take care to classify cash held with the State Treasury and cash held with other depositories properly.
- c. Have you reclassified all cash equivalents as of June 30 to GL account 0085, *Cash Equivalents*, in accordance with OAM 15.10.00?
- d. Have restricted cash and cash equivalents outside Treasury been reclassified to GL account 0928, *Cash and Cash Equivalents - Restricted*? (Restricted cash and cash equivalents include customer deposits and/or reserves or other amounts set aside as part of long-term debt agreements.)
- e. Have you reimbursed all of your expenditures from revolving funds by June 30, or made accruals to show amounts expended?
- f. Have your agency's investments been marked to their June 30 fair value in accordance with OAM 15.15.00?
- g. Have investments held outside State Treasury that meet the definition of restricted been reclassified to GL account 0290, *Investments-Restricted Current*, or GL account 0940, *Investments-Restricted*? (Generally, restricted investments include customer deposits and/or current and future debt service.) Refer to OAM 15.15.00.
- h. Do the following balances agree to Treasury's records for designated investments or to the Trustee or other independent third party records for investments held outside Treasury as of June 30?

Investments in the Oregon Intermediate Term Pool

Cost of Investments = GL account 0230, *Designated Investments*

Fair Value Adjustment = GL account 0235 *Valuation-Designated*

Fair Value of Investments = GL account 0230 +/- GL account 0235

Designated Investments:

Cost of Investments = GL account 0240, *Designated Investments*

Fair Value Adjustment = GL account 0245 *Valuation-Designated*

Fair Value of Investments = GL account 0240 +/- GL account 0245

Investments - Other:

Par Value = GL account 0250 *Investments - Other*

Fair Value Adjustment = GL account 0255 *Investment Valuation - Other*

Fair Value of Investments = GL account 0250 +/- GL account 0255

3. RESTRICTED ASSETS

Restricted assets are defined as resources, the use of which is restricted by legal or contractual requirements (e.g., bond indentures). In contrast to restricted *net* position, restricted *assets* result when specific assets are set aside to satisfy restrictions as opposed to the restriction of a revenue source.

Does your agency have restricted assets at fiscal year-end? Agencies should reclassify restricted balances not held at Treasury to GL account 0928, *Cash and Cash Equivalents -*

Restricted, and/or GL account 0290, *Investments - Restricted Current*, and/or GL account 0940, *Investments – Restricted*.

For restricted cash and investments held at Treasury, agencies should fill out *General Disclosure 2, Restricted Cash and Investments*. SARS will use this information to make an entry for financial reporting purposes outside of R*STARS.

4. INTRA-AGENCY AND INTER-AGENCY RECEIVABLES AND PAYABLES RECORDED WITH TRANSFER COMPTROLLER OBJECTS

Due to/due from other funds/agencies represents short-term amounts owed by one fund to another fund within the same agency or amounts owed by one state agency to another. Another example is revenue collected by one fund/agency and transferred to another fund/agency. In R*STARS, *Due from Other Funds/Agencies* are recorded in GL account 0586, while *Due to Other Funds/Agencies* are recorded in GL account 1532. Report amounts due from component units (described in Chapter B, Section B.6) in GL account 0587 *Due from Component Units*, and amounts *Due to Component Units* are reported in GL 1533. Refer to OAM 15.51.00 for guidance on accounting and reporting related outstanding balances with component units.

Due to/due from transactions require the use of an eight-digit Agency GL (AGL) number. The first three digits designate the other agency involved in the transaction. The next four digits designate the other agency's D23 fund. The final digit is zero. The *Statewide Balancing Report* (refer to Section D.5) uses the AGL number to match accruals between agencies and funds. Agencies can use this report to identify out-of-balance transactions. Balances outstanding with component units, as described in the preceding paragraph, do not require AGLs.

Reclassify accounts receivable recorded with transfer comptroller objects using T-code 927 and recorded as a *Due from Other Agencies* with T-code 920. The other agency involved in the transaction records a *Due to Other Agencies* with T-code 919.

- a. Does GL account 0586, *Due from Other Funds/Agencies*, equal GL account 1532, *Due to Other Funds/Agencies*? (Use the *Statewide Balancing Report* to review.) Are the balances correct?
- b. Are the other agency and fund properly identified by the AGL number? (Example transactions are provided in Chapter C.)
- c. If there are any discrepancies, have you contacted the other agency to resolve?
- d. Have you confirmed any amounts in GL 0587 *Due From Component Units* or GL1533 *Due To Component Units* with the associated component unit? Have you resolved any differences? Are amounts, in aggregate, less than \$100,000 (unless an exception applies) reported as accounts receivable or payable?

5. ADVANCES

Advances to and from other funds/agencies are long-term amounts owed by one fund to another fund within an agency or by one state agency to another. Record advances in the fund(s) involved and not in the Government-wide Reporting Fund. In R*STARS, record advances to other funds/agencies in GL account 0950, advances to component units in GL account 0951, advances from other funds/agencies in GL account 1800, and advances from component units in GL 1805. Component units are identified in Chapter B, Section B.6.

Advance to/advances from transactions also require the use of an eight-digit AGL number. The first three digits designate the other agency involved in the transaction. The next four digits designate the other agency's D23 fund. The final digit is zero. The *Statewide Balancing Report*

(Section D.5) uses the AGL number to match accruals between agencies and funds. Agencies can use this report to identify out-of-balance transactions.

- a. Does GL account 0950, *Advance to Other Funds/Agencies*, equal GL account 1800, *Advance from Other Funds/Agencies* based on the *Statewide Balancing Report*? Are the balances correct?
- b. In the GAAP General Fund, is there a balance in GL 0950, *Advances to Other Funds/Agencies*? If yes and the proceeds from collection are not restricted, committed, or assigned to a specific purpose, record the related fund balance in GL 3035, *Nonspendable Fund Balance-Advances to Other Funds/Agencies*.
- c. Does the AGL number properly identify the other agency and fund? (Example transactions are provided in Chapter C.)
- d. For GL 0951 *Advances to Component Units*, and GL 1805 *Advances From Component Units*, have you confirmed the amounts with the appropriate entity?
- e. If there are any discrepancies, have you contacted the other agency to resolve?
- e. Have you properly recorded advances in the fund that received the loan (advance), and not in the Government-wide Reporting Fund (GAAP fund 8500)?

6. INVENTORIES

Inventories generally represent the cost of supplies on hand for use in agency operations. Inventories also include the value of goods held for resale. Take a physical count of expendable inventories at least annually.

- a. For each fund, is the balance in GL account 0600, *Inventories-Materials and Supplies*, and GL account 0601, *Inventories-Stores for Resale*, correct?
- b. In governmental funds only, is the balance in GL 0600, *Inventories-Materials and Supplies* offset by GL 3031, *Nonspendable Fund Balance-Inventory*?
- c. In governmental funds only, is the balance in GL 0601, *Stores for Resale*, offset by GL 3031 *Nonspendable Fund Balance-Inventory*? If not, the proceeds from the sales must be restricted, committed, or assigned to a specific purpose.

7. PREPAID ITEMS

Record expenditures made for goods or services that will benefit future periods in GL account 0602, *Prepaid Expenses*.

- a. Have all prepaid items been reported in GL accounts 0602?
- b. In governmental funds only, does the balance in GL account 0602, *Prepaid Expenses*, equal the balance in GL account 3032, *Nonspendable Fund Balance-Prepays*?

8. CURRENT RECEIVABLES

In governmental funds, record current receivables for any revenues owed to your agency as of June 30 and expected to be collected by September 30. Report current receivables at full face amount and offset in the appropriate contra-account to reflect estimated uncollectible accounts. Do not record receivables in a receivable GL account at a net amount.

Current receivable GL accounts include: 0410, 0501-0504, 0506, 0507, 0510, 0535, 0542, 0543, 0547, 0572-0576, and 0580.

Use T-code 127 to record the estimated uncollectible accounts for current receivables in GL account 0502, *Allowance for Uncollectible Accounts – Current*.

Use T-code 126 to record the estimated uncollectible accounts for current taxes receivables in GL account 0411, *Allowance for Uncollectible Taxes – Current*.

Note: An agency may have current receivables that meet the definition of liquidated and delinquent (refer to OAM 35.30.30). The receivable balance and corresponding allowance associated with current liquidated and delinquent accounts receivable must also be included in the annual report to the Legislative Fiscal Office under ORS 293.229.

- a. Are all current receivables accounted for in R*STARS and reported at full face amounts with an allowance for doubtful accounts recorded, if applicable?
- b. Interest earned, but not yet received as of June 30, should also be recorded, using the following GL accounts:
 - 0574 Interest Receivable-Other-Billed
 - 0575 Interest Receivable-Other-Unbilled
 - 0576 Interest Receivable-Designated Investments

Is all interest earned as of June 30 included in interest receivable? Are the balances correct?

- c. Have accounts receivable pertaining to interagency transfers-in been properly reclassified in R*STARS from accounts receivable to *Due from Other Agencies*? (T-code 927.)
- d. Have accounts receivable pertaining to noncurrent receivables been reclassified for financial statement reporting purposes? (Refer to D.10.b. for T-codes related to Receivables Transactions.)

9. LONG-TERM NOTES, CONTRACTS, MORTGAGES, AND OTHER RECEIVABLES

Valid long-term receivable GL accounts include the following:

- 0420 Taxes Receivable - Noncurrent
- 0930 Notes Receivable - Noncurrent
- 0932 Contracts Receivable
- 0933 Mortgage Receivable
- 0934 Allowance for Uncollectible-NC Recv, Contracts, Mortgages, Notes, Other
- 0935 Other Receivables - Noncurrent
- 0937 Allowance for Uncollectible-Taxes Noncurrent
- 0941 Lease Receivables – Noncurrent
- 0942 Allowance for Doubtful Lease Receivables - Noncurrent

The offsetting fund balance classification in governmental funds for GL accounts 0420, 0930, 0932-0935, and 0937 is GL account 3037, *Nonspendable Fund Balance – Other NC Receivables*. GL accounts 0941 and 0942 are offset by GL account 1861, *Deferred Inflows – Lease Receivables*. If doubtful accounts are involved, record the receivables at full face value, with the estimated uncollectible amount recorded in the appropriate contra-account.

- a. Are all long-term receivables recorded at full face value?

- b. For governmental funds only, does the sum of GL accounts 0420, 0930, 0932, 0933, 0934, 0935, and 0937 equal GL account 3037 within each fund?
- c. For GL accounts 0941 and 0942, is a related balance reported in GL account 1861? (Refer to OAM 15.60.30)

Note: An agency may have noncurrent receivables that meet the definition of liquidated and delinquent (refer to OAM 35.30.30). The receivable balance and corresponding allowance associated with noncurrent liquidated and delinquent accounts receivable must also be included in the annual report to the Legislative Fiscal Office under ORS 293.229.

10. LOANS RECEIVABLE

GL accounts 0431 *Loan Receivable - Current*, 0436 *Allowance for Uncollectible Loan Receivable - Current*, 0931, *Long-term Loans Receivable*, and 0936 *Allowance for Uncollectible Accounts - Noncurrent Loans Receivable*, may be offset by GL account 3034, *Nonspendable Fund Balance - LT Loans Receivable*.

- a. Are all loans receivable recorded at full face value using T-code 458?
- b. Were all loan repayments recorded with T-code 145?
- c. Is there a balance in GL 0431, 0436, 0931, and 0936 in the GAAP General Fund? If, yes, and the proceeds from collection are not restricted, committed, or assigned to a specific purpose, record the related fund balance in GL 3034, *Nonspendable Fund Balance - LT Loans Receivable*.
- d. Have you reclassified the current portion of loans receivable to GL 0431, and any related uncollectible amount to GL 0436 using T-code 474R/474?

Note: An agency may have current or noncurrent loans receivable that meet the definition of liquidated and delinquent (refer to OAM 35.30.30). The receivable balance and corresponding allowance associated with current and noncurrent liquidated and delinquent loans receivable must also be included in the report to the Legislative Fiscal Office under ORS 293.229.

11. COMPONENT UNIT BALANCES

When the aggregated outstanding balance with an individual component unit exceeds \$100,000, agencies must record those balances in the following GLs:

- 0587 – Due from Component Units (current asset)
- 1533 – Due to Component Units (current liability)
- 0951 – Advances to Component Units (noncurrent asset)
- 1805 – Advances From Component Units (noncurrent liability)

The \$100,000 floor does not apply to the following types of outstanding balances, therefore, even if the balances are below the \$100,000 threshold, agencies need to report the balances using the GL accounts listed above:

- Undistributed bond/COP proceeds owed to a component unit
- Amounts receivable from or to a component unit pursuant to a loan agreement

The following types of balances are exempt from identification as balances of a component unit, regardless of dollar value:

- Retirement plan contributions

- OPEB contributions
- Payroll tax related liabilities such as state income tax withholding and unemployment assessments.

It is critical that agencies confirm all balances recorded in the GL accounts reporting outstanding balances with component units. Agencies document that the balance has been confirmed in *General Disclosure 30*. The amounts on the disclosure must match agency accounting records at the close of month 13. More information on accounting and reporting of outstanding balances with component units is found in OAM 15.51.00.

12. LEASED AND CAPITAL ASSETS

Capital assets are major tangible or intangible assets costing \$5,000 or more that benefit an agency for more than a single fiscal year. Record capital assets at historical cost when purchased. The cost of a capital asset should include ancillary charges necessary to place the asset in use. Record donated property at the estimated acquisition cost at the date of gift with T-code 537R and comptroller object 2550, *Capital Contributions*. Agencies should classify capital assets, including infrastructure, in the applicable GL account based on the nature of the asset. (Refer to OAM 15.60.10 for guidance.)

Leased assets include assets in which the government has a contract that conveys control of the right to use another entity's nonfinancial assets for a period of time in an exchange or exchange-like transaction. Recognize the intangible right to use leased assets when the discounted present value of the minimum future lease payments exceed \$5,000. Short-term leases are not subject to the right to use leased asset recognition requirement. (Refer to OAM 16.60.30 for guidance.)

- Within each proprietary fund and GAAP fund 8500, Government-wide Reporting Fund, does the sum of all capital asset GL accounts and all accumulated depreciation GL accounts equal GL account 3018, *Invested in Capital Assets*?

<u>Asset Accounts</u>		<u>Accumulated Depreciation Accounts</u>	
0811	Works of Art and Hist Treas - No Depr		
0812	Works of Art and Hist Treas - Depr	0876	Accum Depr - Works of Art/Hist
0815	Equipment and Machinery	0869	Accum Depr - Equip and Mach
0816	Motor Vehicles	0872	Accum Depr - Motor Vehicles
0817	Data Processing Software	0868	Accum Amort - Data Proc SW
0818	Data Processing Hardware	0873	Accum Depr - Data Proc HW
0820	Other Intangible Assets - Amort	0866	Accum Depr - Oth Intgble Assts
0821	Leased Equipment and Machinery	0886	Accum Amort - Leased Equip and Machinery
0822	Leased Motor Vehicles	0887	Accum Amort - Leased Motor Vehicles
0823	Leased Data Processing Hardware	0888	Accum Amort - Leased DP HW
0824	Leased Tunnels and Bridges	0889	Accum Amort - Leased Tunnels and Bridges
0825	Leased Airports	0890	Accum Amort - Leased Airports
0826	Leased Docks, Dikes, and Dams	0891	Accum Amort - Leased Docks, Dikes, and Dams
0827	Leased Land	0892	Accum Amort - Leased Land
0828	Leased Buildings	0893	Accum Amort - Leased Bldgs
0829	Leased Other Assets	0894	Accum Amort - Leased Other Assets
0839	Other Intangible Assets - Not Amort		
0840	State Highways	0880	Accum Depr - State Highways

<u>Asset Accounts</u>		<u>Accumulated Depreciation Accounts</u>	
0841	Other Roads	0885	Accum Depr - Other Roads
0842	Tunnels and Bridges	0881	Accum Depr - Tunnls & Bridges
0843	Airports	0882	Accum Depr - Airports
0844	Utility Systems	0883	Accum Depr - Utility Systems
0845	Docks, Dikes, and Dams	0884	Accum Depr - Docks, Dikes...
0848	Land Use Rights - Not Amort		
0849	Land Use Rights - Amort	0865	Accum Depr - Land Use Rights
0850	Land		
0852	Buildings & Building Improv	0875	Accum Depr- Bldgs & Bldg Imp
0856	Land Improvements	0867	Accum Depr - Land Imp
0860	Const. in Progress - Highway System		
0861	Construction in Progress		
0862	Leasehold Improvements	0870	Accum Amort - Leasehld Imp

- b. Do the agency's capital asset GL accounts include all assets acquired during the year (including infrastructure)?
- c. Have the assets acquired by capital outlay expenditures included in accounts payable been included either in the Government-wide Reporting Fund or in the capital asset accounts of a proprietary or fiduciary fund?
- d. In proprietary funds and fiduciary funds, have capital outlay expenses been eliminated using GAAP Offsets? Have capital outlay expenditures in governmental funds been offset in the Government-wide Reporting Fund? (T-code 545)
- e. Do the negative capital outlay expenditures in the Government-wide Reporting Fund (GAAP Object 5050) offset the total capital outlay expenditures (GAAP Object 5000) in all governmental funds?
- f. Has depreciation expense been recorded for all depreciable capital assets and leased assets?
- g. Have disposed assets and associated depreciation been removed from the accounting records?
- h. Do the agency's leased asset GL accounts include all leases that commenced during the year?

13. LEASE OBLIGATIONS

Leases are contracts that convey control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Leases include contracts that, although not explicitly identified as leases, meet the definition of a lease. This definition excludes contracts for services except those contracts that contain both a lease component and a service component. (Refer to OAM 15.60.30 for guidance.)

Report the long-term portion of the liability for leases in GL accounts 1716, *Lease Obligations – Noncurrent*. Record leases at the discounted present value of the minimum lease payments. At year-end, agencies should make an entry to reclassify the current portion of the lease to GL account 1281, *Lease Obligations – Current*.

- a. Have all contracts meeting the criteria for leases been recorded as such? (Refer to OAM 15.60.30 for further guidance.)

- b. Have leases been recorded at the discounted present value of minimum lease payments?
- c. For all new leases, have you recorded the leased assets and long-term liability using T-codes 908R, 909R, 462, and 545? (For governmental funds originating a lease liability, record the asset and liability in the Government-wide Reporting Fund.)
- d. In proprietary funds and fiduciary funds, have lease proceeds (Cobj 1700) and lease acquisitions (Cobj 5770) been offset? Have lease proceeds (Cobj 1700) and lease acquisitions (Cobj 5770) in governmental funds been offset in the Government-wide Reporting Fund? (Refer to OAM 15.60.30 Exhibit C)
- e. For governmental funds, were payments (expenditures) made to reduce the liability recorded in the governmental fund that originated the liability rather than a debt service fund?
- f. Have lease payments been recorded in the accounting records using Cobjs 7000-7008 for the principal portion and Cobj 7401 for the interest portion?
- g. If principal payments were made on a lease, was the related liability reduced in the proprietary, fiduciary, or the Government-wide Reporting fund? (T-code 459.)
- h. In proprietary and fiduciary funds and the Government-wide Reporting Fund, has depreciation expense for the capitalized leased assets been recorded? (T-code 542.)
- i. In proprietary and fiduciary funds and the Government-wide Reporting Fund, has the current portion of the lease liability at year-end been appropriately classified? (T-codes 475/475R.)
- j. Have lease terminations been reported using Cobj 2331, *Gain (Loss) on Leased Assets* and the corresponding leased asset and accumulated amortization balances been removed from the accounting records?

14. CONSTRUCTION CONTRACT COMMITMENTS

Capital projects funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds, fiduciary funds, or general fund appropriations). Budgetary accounting requires all capital projects to be accounted for in a Capital Projects Appropriated Fund in R*STARS. Capitalize capital projects financed in a proprietary or fiduciary fund directly in the proprietary or fiduciary fund. Capitalize capital construction financed from governmental fund resources in the Government-wide Reporting Fund.

- a. Does your agency have any capital projects financed by proprietary or fiduciary funds? If yes, are the assets properly classified in those funds as construction in progress or if the project is complete, in the appropriate asset GL account?
- b. Does your agency have any partially completed capital construction projects as of June 30? If yes, report them in GL account 0861, *Construction in Progress* or GL account 0860, *Construction in Progress Highway System*, as appropriate.
- c. Have capital construction projects completed prior to June 30 been reclassified from the *Construction-in-Progress* GL account to the appropriate capital asset GL account(s)?
- d. Does your Capital Projects Fund include enough revenues or transfers-in to cover expenditures to date? If not, record the necessary revenue or transfer-in.

15. ACCOUNTS PAYABLE

An account payable is incurred when goods or services are received prior to fiscal year-end, but not paid for until after that date. The portion of GL account 3011, *Reserved for Encumbrances*, that represents goods or services actually received on or before June 30 and will be paid for by December 31, must be reclassified to accounts payable. (Section D.10.c.)

- a. Are all goods or services received prior to June 30 that will be paid for by December 31, reported in GL account 1215, *Accounts Payable*?
- b. Have amounts in GL account 1215, *Accounts Payable*, pertaining to interagency transfers out been properly reclassified on R*STARS from *Accounts Payable* to GL account 1532, **Due to Other Funds/Agencies**?

16. COMPENSATED ABSENCES

In July (after the second June payroll run), SARS sends the *Vacation Leave Report* to agency ACFR accountants. This report provides the year-end balances for unpaid vacation and other compensatory leave for accrual purposes.

In governmental funds, compensated absences become due and payable *only* upon termination of employment. As a result, the liability on June 30 is deemed immaterial for financial reporting purposes. Do not report a liability for compensated absences in the governmental funds.

For proprietary, fiduciary, and Government-wide Reporting funds, SARS determines the percentages for allocating the liability between current and noncurrent. To ensure accurate financial reporting, agencies must make multiple entries to record compensated absences leave accrued (earned) during the fiscal year, taken (used) during the fiscal year, and the portion of leave associated with current and noncurrent.

- a. In proprietary, fiduciary, and Government wide Reporting funds, was T-code 442 used to record the amount accrued (earned) during the fiscal year in GL account 1718, *Vacation Payable - Noncurrent*?
- b. Was T-code 442R used to record the decrease in the overall ending compensated absences balance in GL account 1718, *Vacation Payable-Noncurrent*? (This decrease represents the amount taken (used) during the fiscal year.)
- c. Was T-code 440 and 442, both of which are reversible, used to record entries to agree to the current and noncurrent portions of the compensated absences liability in GL accounts 1605, *Vacation Payable – Current* and 1718, *Vacation Payable – Noncurrent*?
- d. Do the balances in GL accounts 1605 and 1718 agree to the *Vacation Leave Report*?

17. LONG-TERM LIABILITIES

For governmental funds, where the focus is on the flow of current financial resources, long-term liabilities represent obligations that are not expected to require the use of current available resources. These obligations, including the current portion (payable within one year of the balance sheet date), are reported in the Government-wide Reporting Fund.

- a. Are balances for the following liabilities recorded in the Government-wide Reporting Fund rather than governmental funds?
 - 1617 Claims and Judgments Payable – Current
 - 1619 Arbitrage Rebate Payable – Current
 - 1621 Mortgage Payable – Current

1622 Contracts Payable-Retainage – Current
 1625 Legal Reserves – Current
 1626 Reported Claims-Risk Mgmt – Current
 1635 Loans Payable – Current
 1640 Notes Payable - Current
 1650 Pension-Related Debt - Current
 1680 Pollution Remediation Obligation – Current
 1702 Discount on COPS Sold
 1703 Premium on COPS Sold
 1704 COPS Payable – Noncurrent
 1709 Accreted Interest Payable
 1712 Discount on Bonds Sold
 1713 Premium on Bonds Sold
 1714 Bonds Payable – Noncurrent
 1716 Lease Obligations – Noncurrent
 1717 Claims and Judgments Payable
 1719 Arbitrage Rebate Payable
 1720 Accounts Payable – Noncurrent
 1721 Mortgage Payable
 1722 Contracts Payable – Retainage
 1725 Legal Reserves
 1726 Reported Claims Risk Management
 1727 Legal IBNR
 1730 Original/Acquisition Loan Fees
 1732 Disc on Bonds Sold – Direct Place/Borrow
 1733 Prem on Bonds Sold – Direct Place/Borrow
 1734 Bonds Pay-Noncurr – Direct Place/Borrow
 1735 Loans Payable
 1740 IBNR Reserves Risk Management
 1750 Notes Payable – Noncurrent
 1755 Pension-Related Debt – Noncurrent
 1760 Net Pension Liability (Asset)
 1775 Net OPEB Liability
 1776 Total OPEB Liability
 1780 Pollution Remediation Obligation – Noncurrent

- b. Report long-term liabilities of governmental funds, with the exception of Advances from Other Funds/Agencies and Advances from Component Units in the Government-wide Reporting Fund (GWRF). Have all long-term liabilities, with the exception of advances, been properly recorded in the GWRF and not in the governmental fund itself?
- c. Is the increase in *Bonds/COPS Payable* supported by bond/COP proceeds and the decrease in Bonds/COPS Payable supported by principal payments made during the fiscal year?
- d. For governmental funds, were new bond proceeds recorded in the governmental fund (T-code 567) and eliminated with GAAP offsets in the GWRF (T-code 504)?
- e. For governmental funds, was the discount or premium on new bond/COP issues recorded in the governmental fund and eliminated with GAAP offsets in the GWRF?
- f. In governmental funds, were expenditures related to bond or COP insurance recorded in the governmental fund and eliminated with GAAP offsets in the GWRF (T-code 514)?
- g. In all funds, were all expenditures related to issuance costs of bonds or COPs, other than insurance, expensed?

- h. In proprietary and fiduciary funds, have bond and COP proceeds (revenues) been eliminated using GAAP offsets?
- i. In proprietary and fiduciary funds, have loan proceeds (revenues) been eliminated using GAAP offsets?
- j. For debt service and other governmental funds, were debt service principal payments recorded as expenditures in the governmental fund and eliminated with GAAP offsets in the GWRF (T-code 528)?
- k. In proprietary and fiduciary funds, have debt service principal payments (expenses) been eliminated?
- l. For governmental funds, were other revenue and expenditure items related to long-term accounts eliminated with GAAP offsets in the GWRF?
- m. In proprietary and fiduciary funds, do other revenue and expense items related to long-term accounts equal \$0?
- n. In proprietary and fiduciary funds and in the GWRF, has an interest accrual been made for interest payable equal to the interest accrued through June 30 (T-code 437)?
- o. In proprietary and fiduciary funds and in the GWRF, have entries been made to amortize bond/COP premiums, discounts, and related deferred inflows and outflows of resources?
- p. In proprietary funds and in the GWRF, has the principal payment for *Bonds/COPS Payable* due within one year been reclassified and reported separately at year-end (GL accounts 1276, 1277, and 1279)?
- q. If your agency has *Claims and Judgments Payable*, has the amount to be paid within one year been reclassified to a current liability in the GWRF or proprietary fund, as applicable? (GL accounts are 1617, 1625 and 1626.)
- r. If your agency has *Contracts, Mortgages and Notes Payable*, has the amount that will be paid within one year been reclassified to a current liability in the GWRF or proprietary fund, as applicable? (GL accounts are 1621, 1622, 1635 1640, and 1650.)
- s. If your agency has GL account 1719, *Arbitrage Rebate Payable - Noncurrent*, has the amount that will be paid within one year been reclassified to a current liability within the proprietary fund or GWRF as applicable?

18. UNEARNED REVENUE

Under the full accrual basis of accounting, unearned revenue represents resources received but not earned as of the end of the fiscal year, which will be reported in a subsequent period as revenue.

Report unearned revenue in GL accounts 1603, *Unearned Revenue–Non Document Supported*, and 1604, *Unearned Revenue–Document Supported*. Use T-Codes 164 and 170 to record unearned revenue in GL accounts 1603 and 1604 respectively. Use T-Codes 492 and 493 to record unearned revenue as earned.

Have amounts for unearned revenue been recorded as of year-end?

Nonexchange transactions are transactions in which one party gives value or benefit to another party without directly receiving equal value in exchange. As a recipient, does your agency have any outstanding advances related to government-mandated or voluntary nonexchange transactions as of June 30? If you do, you will need to fill out General Disclosure Form G. SARS will prepare any entries needed for these transactions as ACFR adjustments.

19. TRANSFERS

Interfund transfers are flows of assets between funds or agencies without equivalent flows of assets in return and without a requirement for repayment. Payments (expenditures/expenses) for goods or services provided by one agency to another are not transfers. Interfund transfer transactions require the use of an eight-digit G38 Code. The first three digits designate the other agency involved in the transaction. The next four digits designate the other agency's D23 fund. The final digit is zero.

Please answer the questions below to ensure that transfer accounts balance as required within your agency and that the amounts for each account are correct. The comptroller objects involved are: 1277 through 1400, *Transfer from Other Funds*; 1401-1403, 1430, 1456 and 1801 through 1916, *Transfer to Other Funds*, and 6080 through 6200, *Special Payments to State Agencies*, excluding 6093. Use the *Statewide Balancing Report* to help balance these accounts.

- a. For interagency transfers, are the other agency and fund properly identified by the G38 code? (Refer to Chapter C for examples.) Are the amounts correct?
- b. If there are any discrepancies, have you contacted the other agency to resolve?
- c. Within your agency, does comptroller object 1301, *Transfer in from Other Fund*, agree with comptroller object 1401, *Transfer out to Other Fund*? Do the GASB 38 codes reference your agency number and the correct D23 fund? Are the balances correct?
- d. Does comptroller object 1356, *Transfer in from Indirect Cost Center*, equal comptroller object 1456, *Transfer Out to Indirect Cost Center*? Do the GASB 38 codes reference your agency number and the correct D23 fund? Are the balances correct?
- e. Does comptroller object 1303, *Transfer in from General Fund*, equal comptroller object 6200, *Intra-agency General Fund Transfer*? Do the GASB 38 codes reference your agency number and the correct D23 fund? Are the balances correct?

20. BUDGETS

The agency budget, as approved by the legislature, determines an agency's expenditure level for the biennium. An agency may not spend more than authorized.

- a. Have all Emergency Board actions been recorded in R*STARS?
- b. For each appropriation number, are expenditures less than or equal to the biennial budget? Use R*STARS 62 screen or the DAFR 6120, *Status of Appropriations and Expenditures*, to review budgets.

21. CHANGES IN FUND EQUITY

Did your agency's fund equity account(s) change due to transactions other than closing revenue and expenditure accounts or recording budgets? Use the DAFR 6620 report to compare the current year amount to the prior year amount for the following GL accounts:

- 3004 Net Position Held in Trust – Postemployment Healthcare
- 3008 Net Position Held in Trust for Pension Benefits
- 3023 Net Position Held for Individuals, Organizations, and Other Governments
- 3025 Net Position
- 3026 Net Position—State Only
- 3041 Restricted Fund Balance – Federal
- 3042 Restricted Fund Balance – OR Constitution

- 3043 Restricted Fund Balance – Enabling Legislation
- 3044 Restricted Fund Balance – Debt Covenant
- 3045 Restricted Fund Balance – Donor/Other External Party
- 3051 Committed Fund Balance
- 3052 Assigned Fund Balance
- 3053 Unassigned Fund Balance

If more than one GASB 54 fund balance classification applies to a governmental fund, a reclassification of fund balance will be required at fiscal year-end (GL 3041 through GL 3053).

22. PERMANENT FUNDS

For permanent funds (GAAP fund 7505), has the fund balance been properly allocated between GL account 3033, *Nonspendable Fund Balance - Permanent Fund Principal*, and GL account 304X, *Restricted Fund Balance*. The amount in *Nonspendable Fund Balance – Permanent Fund Principal* should represent the amount required to be held in perpetuity.

23. PRIOR PERIOD ADJUSTMENTS

A prior period adjustment is required when a material error is discovered in the reporting of a prior year revenue or expenditure/expense. Use T-codes 113, 114, 119, 124 and 125 with GL account 3060, *Prior Period Adjustment*, to record prior period adjustments in all fund types.

- a. Have prior period adjustments been recorded for all material prior year errors?

24. FEDERAL FUND REVENUE

When a federal grant is reimbursable, federal revenues should equal federal expenditures. Since federal D23 funds do not roll to a summary GAAP level fund, analysis by appropriated fund is required.

- a. For reimbursable grants, do federal revenues equal reimbursable expenditures and do those expenditures reconcile to the amount of expenditures you will report on your *Schedule of Expenditures of Federal Awards*?
- b. Did your agency receive any nonreimbursable (fee for service) federal funds for the year? If yes, federal revenues may not equal expenditures.

D.10.b. Reference Guide for Month 13 Transaction Codes

Listed below are examples of Month 13 T-Codes, including available comptroller GL accounts. The last two columns indicate the basis of accounting for which the T-Code can be used (modified accrual or accrual).

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
Capital Asset Transactions							
540			To move completed construction in progress to permanent asset account in a proprietary, fiduciary, or government-wide reporting fund.				X
	0811		WORKS OF ART AND HISTORICAL TREAS - NO DEPRECIATION				
	0812		WORKS OF ART AND HISTORICAL TREAS - DEPRECIATION				
	0815		EQUIPMENT AND MACHINERY				
	0816		MOTOR VEHICLES				
	0817		DATA PROCESSING SOFTWARE				
	0818		DATA PROCESSING HARDWARE				
	0820		OTHER INTANGIBLE ASSETS (AMORTIZABLE)				
	0821		LEASED EQUIPMENT AND MACHINERY				

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
	0822		LEASED MOTOR VEHICLES				
	0823		LEASED DATA PROCESSING HARDWARE				
	0824		LEASED TUNNELS AND BRIDGES				
	0825		LEASED AIRPORTS				
	0826		LEASED DOCKS, DIKES, AND DAMS				
	0827		LEASED LAND				
	0828		LEASED BUILDINGS				
	0829		LEASED OTHER ASSETS				
	0839		OTHER INTANGIBLE ASSETS (NOT AMORTIZABLE)				
	0840		STATE HIGHWAYS				
	0841		OTHER ROADS				
	0842		TUNNELS AND BRIDGES				
	0843		AIRPORTS				
	0844		UTILITY SYSTEMS				
	0845		DOCKS, DIKES, AND DAMS				
	0850		LAND				
	0852		BUILDINGS AND BUILDING IMPROVEMENTS				
	0856		LAND IMPROVEMENTS				
	0862		LEASEHOLD IMPROVEMENTS				
		0860/	CONSTRUCTION IN PROGRESS HIGHWAY SYSTEM				
		0861	CONSTRUCTION IN PROGRESS				
542	To record depreciation or amortization of capital assets in a proprietary, fiduciary or government-wide reporting fund. This entry also records an offset to accumulated depreciation or amortization.						X
			Refer to GAAP Offset Transactions in Chapter E				
545	To record the purchase, increase, or adjustment of an asset in a proprietary, fiduciary, or government-wide reporting fund.						X
			Refer to GAAP Offset Transactions in Chapter E				
Receivables Transactions							
127	To record allowance for receivables related to revenues deemed uncollectible.					X	X
	3101		REVENUE CONTROL - ACCRUED				
		0502	ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS - CURRENT				
436	To establish a receivable/investment that will not be billed and to accrue the revenue for financial statement purposes.			981		X	X
	0060		UNDISTRIBUTED CASH RECEIPT				
	0250		INVESTMENTS - OTHER				
	0410		TAXES RECEIVABLE - CURRENT				
	0411		ALLOWANCE FOR UNCOLLECTIBLE TAXES - CURRENT				
	0503		ACCOUNTS RECEIVABLE - OTHER - UNBILLED				
	0504		ACCOUNTS RECEIVABLE - SUSPENSE ACCOUNTS				
	0542		ACCOUNTS RECEIVABLE - FEDERAL - UNBILLED				
	0572		NOTES RECEIVABLE - CURRENT				
	0575		INTEREST RECEIVABLE - OTHER - UNBILLED				
	0576		INTEREST RECEIVABLE - DESIGNATED INVESTMENTS				
	0587		DUE FROM COMPONENT UNIT				
	0930		NOTES RECEIVABLE - NONCURRENT				
	0931		LOANS RECEIVABLE				
	0932		CONTRACTS RECEIVABLE				
	0933		MORTGAGE RECEIVABLE				
	1575		TRUST FUNDS PAYABLE				
		3105	REVENUE CONTROL - FINANCIAL STATEMENT ACCRUAL				
461	To establish/adjust noncurrent receivables for proprietary, fiduciary, and government-wide fund types.						X
			Refer to GAAP Offset Transactions in Chapter E				
498	To establish/adjust noncurrent lease receivable.					X	X
	0941		LEASE RECEIVABLES - NONCURRENT				
	0942		ALLOW FOR UNCOLLECTIBLE - NONCURRENT LEASE RECEIVABLES				

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
		1861	DEFERRED INFLOWS – LEASE RECEIVABLES				
945	To reclassify document-supported current receivables to noncurrent receivables in Governmental funds , for financial reporting purposes. (Use T-code 474/474R to reclassify document-supported current receivables to noncurrent receivables in Proprietary funds .)			946		X	
	3105		REVENUE CONTROL – FINANCIAL STATEMENT ACCRUAL				
	0935		OTHER RECEIVABLES – NONCURRENT				
		0503	ACCOUNTS RECEIVABLE – OTHER – UNBILLED				
		3037	NONSPENDABLE FB – OTHER NC RECEIVABLES				
Liabilities Transactions (No Bond or COP)							
457	To record other noncurrent liabilities that create an expenditure for repayment in a proprietary, fiduciary, or government-wide fund.						X
	Refer to GAAP Offset Transactions in Chapter E						
Bond and COP Transactions							
520	To record the amortization of prepaid insurance, deferred outflows of resources for loss on refunding, original issue discount, for bonds/COPs in a proprietary, fiduciary, or government-wide reporting fund.						X
	Refer to GAAP Offset Transactions in Chapter E						
523	To record the amortization of the original premium and deferred inflows of resources for gain on refunding for bonds/COPs in a proprietary, fiduciary, or government-wide reporting fund.						X
	Refer to GAAP Offset Transactions in Chapter E						
524	To establish or adjust accreted interest payable for bonds/COPs in a proprietary, fiduciary, or government-wide reporting fund.						X
	Refer to GAAP Offset Transactions in Chapter E						
526	To establish or adjust the liability for arbitrage rebate payable in a proprietary, fiduciary, or government-wide reporting fund.						X
	Refer to GAAP Offset Transactions in Chapter E						
Other Miscellaneous Transactions							
440	To record change in current vacation payable.						X
	Refer to GAAP Offset Transactions in Chapter E						
442	To record change in noncurrent vacation payable.						X
	Refer to GAAP Offset Transactions in Chapter E						
500	To record prepaid items or inventory balances. Applies to all fund types for inventory held for resale. For materials and supplies inventory and prepaid items, this Tcode only applies to proprietary and fiduciary funds.					X	X
	Refer to GAAP Offset Transactions in Chapter E						
502	To record or adjust inventory in a governmental fund.					X	
	Refer to GAAP Offset Transactions in Chapter E						
Unearned Revenue Transactions							
443	To correct unearned revenue balance with a reduction of cash. Unearned revenue originally recorded with TC 170.				444	X	X
	Refer to GAAP Offset Transactions in Chapter E						
444	To correct unearned revenue balance with an increase to cash. Unearned revenue originally recorded with TC 170.				443	X	X
	Refer to GAAP Offset Transactions in Chapter E						
Financial Statement Transactions							
437	To establish an estimated expenditure or to accrue an expenditure for financial statement purposes.			983		X	X
	3505		EXPENDITURE CONTROL - FINANCIAL STATEMENT ACCRUAL				
		0060	UNDISTRIBUTED CASH RECEIPT				
		1215	ACCOUNTS PAYABLE				
		1230	INTEREST PAYABLE - CURRENT				
		1512	DUE TO OTHER GOVERNMENTS				
		1533	DUE TO COMPONENT UNITS				

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
453	To reclass GASB 54 Fund Balance Category.				454	X	
	2951		SYSTEM CLEARING GENERAL LEDGER LEVEL				
		3033	NONSPENDABLE FB – PERMANENT FUND PRINCIPAL				
		3034	NONSPENDABLE FB – LT LOAN RECEIVABLE				
		3041	RESTRICTED FUND BALANCE – FEDERAL				
		3042	RESTRICTED FUND BALANCE – OR CONSTITUTION				
		3043	RESTRICTED FUND BAL-ENABLING LEGISLATION				
		3044	RESTRICTED FUND BALANCE-DEBT COVENANTS				
		3045	RESTRICTED FB-DONOR/OTHER EXTERNAL PARTY				
		3051	COMMITTED FUND BALANCE				
		3052	ASSIGNED FUND BALANCE				
		3053	UNASSIGNED FUND BALANCE				
454	To reclass GASB 54 Fund Balance Category.				453	X	
	3033		NONSPENDABLE FB – PERMANENT FUND PRINCIPAL				
	3034		NONSPENDABLE FB – LT LOAN RECEIVABLE				
	3041		RESTRICTED FUND BALANCE – FEDERAL				
	3042		RESTRICTED FUND BALANCE – OR CONSTITUTION				
	3043		RESTRICTED FUND BAL-ENABLING LEGISLATION				
	3044		RESTRICTED FUND BALANCE-DEBT COVENANTS				
	3045		RESTRICTED FB-DONOR/OTHER EXTERNAL PARTY				
	3051		COMMITTED FUND BALANCE				
	3052		ASSIGNED FUND BALANCE				
	3053		UNASSIGNED FUND BALANCE				
		2951	SYSTEM CLEARING GENERAL LEDGER LEVEL				
904	To establish an unrecorded receivable that will not be billed and accrue a reduction of expenditure.			982		X	X
	0410		TAXES RECEIVABLE - CURRENT				
	0420		TAXES RECEIVABLE - NONCURRENT				
	0503		ACCOUNTS RECEIVABLE - OTHER - UNBILLED				
	0542		ACCOUNTS RECEIVABLE - FEDERAL - UNBILLED				
	0572		NOTES RECEIVABLE - CURRENT				
	0575		INTEREST RECEIVABLE - OTHER - UNBILLED				
	0930		NOTES RECEIVABLE - NONCURRENT				
	0931		LOANS RECEIVABLE				
	0932		CONTRACTS RECEIVABLE				
	0933		MORTGAGE RECEIVABLE				
		3505	EXPENDITURE CONTROL - FINANCIAL STATEMENT ACCRUAL				
905	To reclass investments that qualify as cash equivalents (such as money market investments) to cash equivalents.			966		X	X
	0085		CASH EQUIVALENT				
		0250	INVESTMENTS - OTHER				
906	To establish or adjust an estimated accounts payable/revenue amount.			986		X	X
			Refer to GAAP Offset Transactions in Chapter E				
907	To establish an estimated revenue refund amount.			979		X	X
	3105		REVENUE CONTROL - FINANCIAL STATEMENT ACCRUAL				
		1215	ACCOUNTS PAYABLE				
908	To reclassify revenue to deposit liability or to gross up securities lending revenue.					X	X
			Refer to GAAP Offset Transactions in Chapter E				
909	To reclassify expenditure to deposit liability or to record securities lending expense.					X	X
			Refer to GAAP Offset Transactions in Chapter E				
910	To reclass financial statement accrued revenue to unearned revenue.			973		X	X
	3105		REVENUE CONTROL - FINANCIAL STATEMENT ACCRUAL				
		1603	UNEARNED REVENUE - NON DOCUMENT SUPPORTED				

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
911			To establish or decrease an estimated revenue, due to other funds or agencies.	969		X	X
	3105		REVENUE CONTROL - FINANCIAL STATEMENT ACCRUAL				
		1532	DUE TO OTHER FUNDS/AGENCIES				
912			To establish or increase an estimated revenue, due from other funds or agencies.	980		X	X
	0586		DUE FROM OTHER FUNDS/AGENCIES				
		3105	REVENUE CONTROL - FINANCIAL STATEMENT ACCRUAL				
915			To record a due from other funds within an agency.		916	X	X
			Refer to GAAP Offset Transactions in Chapter E				
916			To record a due to other funds and a trust funds payable within an agency.		915		X
	1575		TRUST FUNDS PAYABLE				
		1532	DUE TO OTHER FUNDS/AGENCIES				
917			To record due from other funds within agency.			X	X
	0586		DUE FROM OTHER FUNDS/AGENCIES				
		0072	CASH ON HAND				
		0240	INVESTMENTS-DESIGNATED				
919			To establish or increase an estimated operating transfer out amount with a due from other funds or agencies. Can also be used to adjust due to or due from other funds or agencies.	971		X	X
	3550		OPERATING TRANSFERS OUT CONTROL				
		1532	DUE TO OTHER FUNDS/AGENCIES				
920			To establish or increase an estimated operating transfer in amount with a due from other funds or agencies.	970		X	X
	0586		DUE FROM OTHER FUNDS/AGENCIES				
		3150	OPERATING TRANSFERS IN CONTROL				
921			To establish or increase estimated financial statement expenditure transfer amount. Generally used for distribution to another agency.	984		X	X
	3505		EXPENDITURE CONTROL - FINANCIAL STATEMENT ACCRUAL				
		1532	DUE TO OTHER FUNDS/AGENCIES				
922			To establish or decrease estimated financial statement expenditure transfer amount. Generally used for distribution from another agency.	985		X	X
	0586		DUE FROM OTHER FUNDS/AGENCIES				
		3505	EXPENDITURE CONTROL - FINANCIAL STATEMENT ACCRUAL				
924			To establish a reduction to a transfer in amount.	978		X	X
	3150		OPERATING TRANSFERS IN CONTROL				
		1532	DUE TO OTHER FUNDS/AGENCIES				
925			To establish or increase estimated financial statement expenditure amount. Generally used to move expenditures between funds within agency.	987		X	X
	3505		EXPENDITURE CONTROL - FINANCIAL STATEMENT ACCRUAL				
		1532	DUE TO OTHER FUNDS/AGENCIES				
926			To establish or decrease estimated financial statement expenditure amount. Generally used to move expenditures between funds within agency.	988		X	X
	0586		DUE FROM OTHER FUNDS/AGENCIES				
		3505	EXPENDITURE CONTROL - FINANCIAL STATEMENT ACCRUAL				
927			To reclassify transfer in between agencies for financial statement purposes.	991		X	X
	3150		OPERATING TRANSFERS IN CONTROL				
		0503	ACCOUNTS RECEIVABLE - OTHER UNBILLED				
928			To establish or increase security lending cash collateral and obligations.	989		X	X
	0350		SECURITIES LENDING CASH COLLATERAL				
		1600	OBLIGATIONS UNDER SECURITY LENDING				
929			To record due from other funds within agency.	990		X	X

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
	0586		DUE FROM OTHER FUNDS/AGENCIES				
		0060	UNDISTRIBUTED CASH RECEIPT				
		0072	CASH ON HAND				
		0075	CASH ON DEPOSIT – SUSPENSE ACCOUNT AT TREASURY				
		1575	TRUST FUNDS PAYABLE				
930	To establish or decrease an estimated revenue amount.			962		X	X
	3105		REVENUE CONTROL – FINANCIAL STATEMENT ACCRUAL				
		1512	DUE TO OTHER GOVERNMENTS				
931	To establish or adjust an estimated encumbrance amount.			963		X	X
	2734		ENCUMBRANCE CONTROL – NON – DOCUMENT SUPPORTED				
		3011	FUND BALANCE RESERVED FOR ENCUMBRANCES				
932	To record due to other funds within agency.			992		X	X
	0060		UNDISTRIBUTED CASH RECEIPT				
	0072		CASH ON HAND				
	0075		CASH ON DEPOSIT – SUSPENSE ACCT AT TREAS				
	1575		TRUST FUNDS PAYABLE				
		1532	DUE TO OTHER FUNDS/AGENCIES				
936	To establish an unrecorded receivable that will not be billed and accrue a reduction of expense.			961		X	X
	0410		TAXES RECEIVABLE - CURRENT				
	0420		TAXES RECEIVABLE - NONCURRENT				
	0503		ACCOUNTS RECEIVABLE – OTHER UNBILLED				
	0542		ACCOUNTS RECEIVABLE – FEDERAL - UNBILLED				
	0572		NOTES RECEIVABLE - CURRENT				
	0575		INTEREST RECEIVABLE – OTHER - UNBILLED				
	0930		NOTES RECEIVABLE - NONCURRENT				
	0931		LOANS RECEIVABLE				
	0932		CONTRACTS RECEIVABLE				
	0933		MORTGAGE RECEIVABLE				
		3505	EXPENDITURE CONTROL – FINANCIAL STATEMENT ACCRUAL				
937	To establish or decrease estimated financial statement expenditure amount.			947		X	X
	0586		DUE FROM OTHER FUNDS/AGENCIES				
		3505	EXPENDITURE CONTROL – FINANCIAL STATEMENT ACCRUAL				
938	To reclass expenditure to deposit liability.					X	X
			Refer to GAAP Offset Transactions in Chapter E				
939	To remove the change in capital assets and investment in capital assets – fiduciary funds only.						X
	3074		CHANGE IN CAPITAL ASSETS				
		3018	INVESTED IN CAPITAL ASSETS				
Reclassification Transactions							
474	To record reclassification between two general ledger accounts within the same fund.				475	X	X
	0072		CASH ON HAND				
	0075		CASH ON DEPOSIT - SUSPENSE ACCOUNT AT TREASURY				
	0077		CASH IN BANK				
	0080		CASH WITH FISCAL AGENTS – RESTRICTED CURRENT				
	0081		CASH WITH FISCAL AGENTS - UNRESTRICTED				
	0085		CASH EQUIVALENT				
	0230		INVESTMENTS – OITP				
	0235		INVESTMENT VALUATION ACCOUNT - OITP				
	0240		INVESTMENTS - DESIGNATED				
	0245		INVESTMENT VALUATION ACCOUNT - DESIGNATED				
	0250		INVESTMENTS - OTHER				
	0255		INVESTMENT VALUATION ACCOUNT - OTHER				
	0261		PREMIUM ON INVESTMENTS				
	0281		DISCOUNT ON INVESTMENTS				

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
	0290		INVESTMENTS – RESTRICTED CURRENT				
	0330		SECURITIES HELD IN TRUST				
	0335		SAVINGS AND TCD IN TRUST				
	0350		SECURITIES LENDING CASH COLLATERAL				
	0410		TAXES RECEIVABLE - CURRENT				
	0411		ALLOWANCE FOR UNCOLLECTIBLE TAXES - CURRENT				
	0420		TAXES RECEIVABLE - NONCURRENT				
	0431		LOANS RECEIVABLE – CURRENT				
	0436		ALLOWANCE FOR UNCOLLECTIBLE LOANS RECEIVABLE - CURRENT				
	0502		ALLOWANCE FOR UNCOLLECTIBLE ACCOUNTS - CURRENT				
	0503		ACCOUNTS RECEIVABLE - OTHER UNBILLED				
	0504		ACCOUNTS RECEIVABLE - SUSPENSE ACCOUNT				
	0506		LEASE RECEIVABLE – CURRENT - UNBILLED				
	0507		PAYROLL ACCOUNTS RECEIVABLE				
	0508		ALLOW FOR UNCOLLECTIBLE LEASE RECEIVABLE - CURRENT				
	0510		TARGETED CASE MANAGEMENT EXPENDITURE RECOUPMENT				
	0535		ADVANCES NON - DOCUMENT SUPPORTED				
	0542		ACCOUNTS RECEIVABLE - FEDERAL - UNBILLED				
	0576		INTEREST RECEIVABLE-DESIGNATED INVESTMNT				
	0587		DUE FROM COMPONENT UNITS				
	0602		PREPAID EXPENSES				
	0811		WORKS OF ART AND HISTORICAL TREASURES - NO DEPRECIATION				
	0812		WORKS OF ART AND HISTORICAL TREASURES - DEPRECIATION				
	0815		EQUIPMENT AND MACHINERY				
	0816		MOTOR VEHICLES				
	0817		DATA PROCESSING SOFTWARE				
	0818		DATA PROCESSING HARDWARE				
	0820		OTHER INTANGIBLE ASSETS (AMORTIZABLE)				
	0821		LEASED EQUIPMENT AND MACHINERY				
	0822		LEASED MOTOR VEHICLES				
	0823		LEASED DATA PROCESSING HARDWARE				
	0824		LEASED TUNNELS AND BRIDGES				
	0825		LEASED AIRPORTS				
	0826		LEASED DOCKS, DIKES, AND DAMS				
	0827		LEASED LAND				
	0828		LEASED BUILDINGS				
	0829		LEASED OTHER ASSETS				
	0839		OTHER INTANGIBLE ASSETS (NOT AMORT)				
	0840		STATE HIGHWAYS				
	0841		OTHER ROADS				
	0842		TUNNELS AND BRIDGES				
	0843		AIRPORTS				
	0844		UTILITY SYSTEMS				
	0845		DOCKS, DIKES, AND DAMS				
	0848		LAND USE RIGHTS (NOT AMORT)				
	0849		LAND USE RIGHTS (AMORTIZED)				
	0850		LAND				
	0852		BUILDINGS AND BUILDING IMPROVEMENTS				
	0856		LAND IMPROVEMENTS				
	0860		CONSTRUCTION IN PROGRESS HIGHWAY SYSTEM				
	0861		CONSTRUCTION IN PROGRESS				
	0862		LEASEHOLD IMPROVEMENTS				
	0865		LAND USE RIGHTS (AMORTIZED)				
	0866		ACCUM AMORT-OTHER INTANGIBLE ASSETS				
	0867		ACCUMULATED DEPRECIATION - LAND IMPROVEMENTS				
	0868		ACCUMULATED AMORTIZATION - DATA PROC SOFTWARE				
	0869		ACCUMULATED DEPRECIATION - EQUIPMENT AND MACHINERY				
	0870		ACCUMULATED DEPRECIATION - LEASEHOLD IMPROVEMENT				
	0872		ACCUMULATED DEPRECIATION - MOTOR VEHICLES				
	0873		ACCUMULATED DEPRECIATION - DP HARDWARE				
	0875		ACCUMULATED DEPRECIATION - BUILDINGS AND BUILDING IMPROVEMENTS				
	0876		ACCUMULATED DEPR - WORKS OF ART AND HISTORICAL TREASURES				

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
	0880		ACCUMULATED DEPRECIATION - STATE HIGHWAYS				
	0881		ACCUMULATED DEPRECIATION - TUNNELS AND BRIDGES				
	0882		ACCUMULATED DEPRECIATION - AIRPORTS				
	0883		ACCUMULATED DEPRECIATION - UTILITY SYSTEMS				
	0884		ACCUMULATED DEPRECIATION - DOCKS, DIKES AND DAMS				
	0885		ACCUMULATED DEPRECIATION - OTHER ROADS				
	0886		ACCUMULATED AMORTIZED OF LEASED EQUIPMENT AND MACHINERY				
	0887		ACCUMULATED AMORTIZED OF LEASED MOTOR VEHICLES				
	0888		ACCUMULATED AMORTIZED OF LEASED DATA PROCESSING HARDWARE				
	0889		ACCUMULATED AMORTIZED OF LEASED TUNNELS AND BRIDGES				
	0890		ACCUMULATED AMORTIZED OF LEASED AIRPORTS				
	0891		ACCUMULATED AMORTIZED OF LEASED DOCKS, DIKES, AND DAMS				
	0892		ACCUMULATED AMORTIZED OF LEASED LAND				
	0893		ACCUMULATED AMORTIZED OF LEASED BUILDINGS				
	0894		ACCUMULATED AMORTIZED OF LEASED OTHER ASSETS				
	0927		INVESTMENT IN STATE OWNED PROPERTY				
	0928		CASH AND CASH EQUIVALENTS-RESTRICTED				
	0929		INVESTMENTS-NONCURRENT				
	0930		NOTES RECEIVABLE - NONCURRENT				
	0931		LOANS RECEIVABLE				
	0932		CONTRACTS RECEIVABLE				
	0933		MORTGAGE RECEIVABLE				
	0935		OTHER RECEIVABLES - NONCURRENT				
	0940		INVESTMENTS - RESTRICTED				
	0941		LEASE RECEIVABLES - NONCURRENT				
	0942		ALLOW FOR UNCOLLECTIBLE - NONCURRENT LEASE RECEIVABLES				
	0945		CONSERVATORSHIP AND CUSTODIAL ASSETS				
	0951		ADVANCES TO COMPONENT UNITS				
	0990		RECEIVERSHIP ASSETS				
	0998		DERIVATIVE INSTRUMENT - ASSET				
	0999		DEFERRED OUTFLOWS - HEDGING DERIVATIVES				
	1000		DEFERRED OUTFLOWS - LOSS ON DEBT REFUNDING				
	1001		DEFERRED OUTFLOWS - DIFFERENCE IN ECONOMIC EXPERIENCE				
	1002		DEFERRED OUTFLOWS - DIFF BTWN PROJ AND ACTUAL INVESTMENT EARNINGS				
	1003		DEFERRED OUTFLOWS - CHANGE IN ASSUMPTIONS				
	1004		DEFERRED OUTFLOWS - CHG IN EMPLOYER CONTIB & PROPORTIONATE SHARE				
	1005		DEFERRED OUTFLOWS - CONTRIB AFTER THE MEASUREMENT DATE				
	2951		SYSTEM CLEARING GENERAL LEDGER LEVEL ONLY				
475	To record reclassification between two general ledger accounts within the same fund.				474	X	X
	2951		SYSTEM CLEARING GENERAL LEDGER LEVEL ONLY				
	0060		UNDISTRIBUTED CASH RECEIPT				
	1215		ACCOUNTS PAYABLE				
	1225		ACCRUED INTEREST ON BONDS SOLD				
	1230		INTEREST PAYABLE - CURRENT				
	1235		ACCRUED INTEREST ON COPS SOLD				
	1276		BONDS PAYABLE - CURRENT				
	1277		BONDS PAY-CURRENT - DIRECT PLACE/BORROW				
	1279		COP PAYABLE - CURRENT				
	1281		LEASE OBLIGATIONS - CURRENT				
	1290		ACCRUED TAXES PAYABLE				
	1367		DEFERRED COMPENSATION PAYABLE				
	1512		DUE TO OTHER GOVERNMENTS				
	1533		DUE TO COMPONENT UNITS				
	1535		MATURED BONDS/COPS AND COUPONS PAYABLE				
	1551		DEPOSIT LIABILITY-WITHOUT DF SUPPORT				
	1575		TRUST FUNDS PAYABLE				
	1576		CONTROLLED DEPOSIT LIABILITY				
	1577		TRUST FUNDS PAYABLE - NONCURRENT				
	1578		RES SECURITIES IN TRUST				
	1600		OBLIGATIONS UNDER SECURITY LENDING				
	1603		UNEARNED REVENUE - NON DOC				

T Code	DR GL	CR GL	Description	Auto Reverse T-Code	Balancing T-Code	Modified Accrual	Full Accrual
		1605	VACATION PAYABLE - CURRENT				
		1617	CLAIMS AND JUDGEMENTS PAYABLE-CURRENT				
		1619	ARBITRAGE REBATE PAYABLE-CURRENT				
		1621	MORTGAGE PAYABLE-CURRENT				
		1622	CONTRACTS PAYABLE-RETAINAGE-CURRENT				
		1625	LEGAL RESERVES-CURRENT				
		1626	REPORTED CLAIMS-RISK MANAGEMENT-CURRENT				
		1635	LOANS PAYABLE-CURRENT				
		1640	NOTES PAYABLE-CURRENT				
		1645	LOTTERY PRIZE AWARDS PAYABLE-CURRENT				
		1650	PENSION-RELATED DEBT – CURRENT				
		1680	POLLUTION REMEDIATION OBLIGATION – CURRENT				
		1704	COPS PAYABLE - NONCURRENT				
		1709	ACCRETED INTEREST PAYABLE				
		1712	DISCOUNT ON BONDS SOLD				
		1713	PREMIUM ON BONDS SOLD				
		1714	BONDS PAYABLE - NONCURRENT				
		1716	LEASE OBLIGATIONS - NONCURRENT				
		1717	CLAIMS AND JUDGEMENTS PAYABLE				
		1718	VACATION PAYABLE - NONCURRENT				
		1719	ARBITRAGE REBATE PAYABLE				
		1720	ACCOUNTS PAYABLE - NONCURRENT				
		1721	MORTGAGE PAYABLE				
		1722	CONTRACTS PAYABLE - RETAINAGE				
		1725	LEGAL RESERVES				
		1726	REPORTED CLAIMS - RISK MANAGEMENT				
		1727	LEGAL IBNR				
		1730	ORIGINAL/ ACQUISITION LOAN FEES				
		1732	DISC ON BONDS SOLD – DIRECT PLACE/BORROW				
		1733	PREM ON BONDS SOLD – DIRECT PLACE/BORROW				
		1734	BONDS PAY-NONCURR – DIRECT PLACE/BORROW				
		1735	LOANS PAYABLE				
		1740	IBNR RESERVES – RISK MANAGEMENT				
		1745	LOTTERY PRIZE AWARDS PAYABLE				
		1750	NOTES PAYABLE-NONCURRENT				
		1755	PENSION-RELATED DEBT – NONCURRENT				
		1760	NET PENSION LIABILITY (ASSET)				
		1770	NET OPEB OBLIGATION				
		1780	POLLUTION REMEDIATION OBLIGATION				
		1785	DERIVATIVE INSTRUMENT - LIABILITY				
		1850	DEFERRED INFLOWS – HEDGING DERIVATIVES				
		1851	DEFERRED INFLOWS – GAIN ON DEBT REEFUNDING				
		1852	DEFERRED INFLOWS – LOAN ORIGATION				
		1853	DEFERRED INFLOWS – DIFFERENCE IN ECONOMIC EXPERIENCE				
		1854	DEFERRED INFLOWS – DIFF BTWN PROJ AND ACTUAL INVESTMENT EARN				
		1855	DEFERRED INFLOWS – CHANGE IN ASSUMPTIONS				
		1856	DEFERRED INFLOWS – CHG IN EMPLOYER CONTIB & PROPORTION SHARE				
		1857	DEFERRED INFLOWS – OPEB DIFFERENCE IN ECONOMIC EXPERIENCE				
		1858	DEFERRED INFLOWS – OPEB DIFF PROJECTED AND ACTUAL EARNED				
		1859	DEFERRED INFLOWS – OPEB CHANGE IN ASSUMPTIONS				
		1860	DEFERRED INFLOWS – OPEB CHANGE IN EMP CONT AND PROP				
		1861	DEFERRED INFLOWS – LEASE RECEIVABLES				

D.10.c. Recording Encumbrances

When encumbrance accounting is used, an encumbrance is recorded at the time a purchase order is issued or a contract is signed for the purchase of goods or services. At fiscal year-end, encumbrances represent the estimated amount of expenditures that will result if unperformed spending obligations are completed.

Agencies need the following reports to analyze encumbrances:

- ADPICS Purchase Order Aging Report - #250
- R*STARS DAFR 7810, Outstanding Encumbrance Aging Report
- R*STARS DAFR 7820, Encumbrance Status Report

The ADPICS report is distributed by SFMS following the month-end close. The R*STARS reports should be ordered on the last working day of the accounting month.

At the end of the year, use the above reports to determine which encumbrances are established in ADPICS and which are established in R*STARS. Next, determine whether any encumbrances need to be: (1) canceled because they are no longer valid or (2) canceled and accrued as year-end payables because the goods or services were received by June 30. Encumbrances which are still valid should remain on the books. However, if at the end of a biennium goods or services for an encumbered spending commitment have not been received by June 30, the encumbrance (or balance of the encumbrance for partially fulfilled contracts) must be canceled and re-established in the new biennium.

ADPICS Encumbrances

Check with your agency's ADPICS coordinator to cancel invalid items. Those encumbrances that represent payables (goods or services received by June 30) must be temporarily canceled with T Code 931R and should be accrued as accounts payable at year-end. Refer to below for more information.

R*STARS Encumbrances

If an invoice has been received, voucher the payment in Month 13, using a **T-code 225** to liquidate the encumbrance.

DR	3501	Expenditure Control – Accrued	5,000	
	CR	1211 Vouchers Payable		5,000
DR	3011	Fund Balance Reserved for Encumbrance	5,000	
	CR	2735 Encumbrance Control		5,000

If you have received the goods or services by June 30 but have not received an invoice, use T-code 437 to accrue the accounts payable and T-code 931R to cancel the encumbrance for year-end reporting purposes.

T-code 437:

DR	3505	Expenditure Control - Financial Statement Accrual	5,000	
	CR	1215 Accounts Payable		5,000

T-code 931R:

DR	3011	Fund Balance - Reserved for Encumbrance	5,000	
	CR	2734 Encumbrance Control/Non-Doc Supported		5,000

Since both T-codes 437 and 931R auto-reverse and do not affect the appropriation table in R*STARS, the document-supported encumbrance will remain on the books in the next fiscal year for budget purposes.

If you have not received the goods or services by June 30 at the end of a biennium, cancel the encumbrance for financial reporting purposes with T-code 931R.

Encumbrances will be liquidated in R*STARS as paid. If not paid by December 31 following the end of a biennium, they will be automatically canceled. If appropriate, agencies should re-establish the encumbrances in the new biennium after December 31.

D.10.d. Recording Securities Lending Transactions

In accordance with State investment policies, the State Treasury participates in securities lending in order to earn investment income on idle securities.

During the year, costs of securities lending transactions, such as borrower rebates (interest costs) and agent fees are netted with income from the investment of cash collateral (interest revenue) or income from lender fees through an automated process at the State Treasury. However, at fiscal year-end, the Treasury provides SARS with the amount of revenue earned and costs incurred during the year so that GAAP adjustments can be made to record the expenditures (or expenses) and increase net interest revenue to gross interest revenue for reporting in the ACFR.

Adjustments will be needed to record securities lending transactions as of June 30. Securities lending transactions related to designated investments are handled differently than those related to the Oregon Short-Term Fund and the Oregon Intermediate Term Pool.

Oregon Intermediate Term Pool: At fiscal year-end, the State Treasury provides reports to SARS that indicate which agencies have moneys on deposit with the Treasury that were also invested in the Oregon Intermediate Term Pool (OITP). Based on earnings information provided by Treasury, SARS allocates the revenue and costs pertaining to securities lending transactions within funds in the OITP. SARS notifies each agency that prepares audited financial statements of its pro rata share. For agencies that do not prepare audited financial statements, SARS makes year-end adjustments in the appropriate GAAP funds at the statewide level to record expenditures (or expenses) and increase net interest revenue to gross interest revenue.

Designated Investments: At year-end, the State Treasury provides reports to SARS that indicate which agencies with designated investments generated securities lending income during the fiscal year. Treasury notifies these agencies of the securities lending revenue and costs pertaining to their designated investments. Agencies record a transaction in R*STARS for the expenditures (or expenses) and increase interest revenue by the same amount in the applicable GAAP fund. These entries should be completed before the close of month 13.

Oregon Short-Term Fund. At fiscal year-end, the State Treasury provides reports to SARS that indicate which agencies have moneys on deposit with the Treasury that were also invested in the Oregon Short-Term Fund (OSTF). Based on earnings information provided by Treasury, SARS allocates the revenue and costs pertaining to securities lending transactions within funds in the OSTF. SARS notifies each agency that prepares audited financial statements of its pro rata share. For agencies that do not prepare audited financial statements, SARS makes year-end adjustments in the appropriate GAAP funds at the statewide level to record expenditures (or expenses) and increase net interest revenue to gross interest revenue.

The transaction to record expenditures (or expenses) and increase the interest revenue by the same amount is as follows:

- Use T-code 908R (comptroller object 0800) to credit interest on investments
- Use T-code 909R (comptroller object 4740) to debit investment expense (or another comptroller object chosen at agency discretion)

Oregon Intermediate Term Pool. At fiscal year-end, the State Treasury provides reports to SARS that indicate which agencies have moneys in the OITP. SARS allocates to applicable agencies the cash received as collateral on securities lending transactions related to OITP and investments made with that cash. SARS notifies each agency that prepares audited financial statements of the assets pertaining to its pro rata share. For agencies that do not prepare audited statements, SARS makes the year-end adjustments at a statewide level to record assets for cash collateral received (and invested) and liabilities for cash collateral due to be returned to the borrower.

T-code 928 is used to record a financial statement adjustment for the assets, as well as corresponding liabilities to return the cash to the borrower

Designated Investments: At fiscal year-end, the State Treasury provides reports to SARS that indicate the agencies that have designated investments on loan. Treasury will notify these agencies of the cash received as collateral on securities lending transactions related to designated investments and investments made with that cash.

Oregon Short-Term Fund. At fiscal year-end, the State Treasury provides reports to SARS that indicate which agencies have moneys in the OSTF. SARS allocates to applicable agencies the cash received as collateral on securities lending transactions related to OSTF and investments made with that cash. SARS notifies each agency that prepares audited financial statements of the assets pertaining to its pro rata share. For agencies that do not prepare audited statements, SARS makes the year-end adjustments at a statewide level to record assets for cash collateral received (and invested) and liabilities for cash collateral due to be returned to the borrower.

T-code 928 is used to record a financial statement adjustment for the assets, as well as corresponding liabilities to return the cash to the borrower.

D.10.e Recording Net Pension Liability Transactions

GASB 68 requires the recording of net pension liability, associated deferred inflows and outflows of resources, and a pension expense in proprietary funds and in the Government-wide Reporting fund. GASB 68 requires governments to report their share of the pension plan's liability rather than report the government's contributions to the plan as an expense. PERS provides information to SARS for all State agencies. SARS uses this information and allocates the amounts to all appropriate funds and agencies.

After SARS makes the allocation, agencies receive an email with information about the net pension liability, the associated deferred inflows and outflows of resources (excluding contributions subsequent to the measurement date) and the pension expense. This information will include the proper T-codes, amounts, and for agencies that with external financial reporting, additional required disclosure information. This information is intended to be available to agencies in April or May.

Information on contributions subsequent to the measurement date is determined by agencies using SFMA. After the agency records its pension-related debt entries (Refer to D.10.g below), agencies shall use T-code 457R to reclassify the entire amount remaining in comptroller object 3210 to GL account 1005.

D.10.f Recording Net and Total OPEB Liability Transactions

GASB 75 requires the recording of net OPEB liability, associated deferred inflows and outflows of resources, and an OPEB expense in proprietary funds and in the Government-wide Reporting fund. GASB 75 requires governments to report their share of the OPEB plan's liability rather than report the government's contributions to the plan as an expense.

The State currently administers three OPEB plans. PERS administers two defined benefit OPEB plans: the Retirement Health Insurance Account (RHIA) and the Retiree Health Insurance Premium Account (RHIPA). PERS provides information to SARS for all State agencies for the two plans. SARS uses this information and allocates the amounts to all appropriate funds and agencies.

After SARS makes the allocation agencies receive an email with information about the net OPEB liability, the associated deferred inflows and outflows of resources (excluding contributions subsequent to the measurement date) and the OPEB expense. This information will include the proper T-codes, amounts, and for agencies that with external financial reporting, additional required disclosure information. This information is intended to be available to agencies in April or May.

Information on contributions subsequent to the measurement date is determined by agencies using SFMA. After the agency the second payroll run in July, agencies shall use T-code 457R to reclassify the entire amount remaining in comptroller objects 3215 and 3216 to GL account 1010.

The State also participates in a defined benefit OPEB plan administered by the Public Employee Benefit Board (PEBB). PEBB provides the actuarial report for the plan to SARS. Using information from an actuarial report commissioned by PEBB, SARS allocates the Total OPEB liability to the applicable GAAP Funds. During Month 13, SARS provides agencies with information to make the entries for the total OPEB obligation. In addition, required disclosure information is provided for those agencies that have external financial reporting.

D.10.g Recording Pension-related Debt

Prior to the formation of the PERS State and Local Government Rate Pool (SLGRP), the State and community colleges were pooled together in the State and Community College Pool (SCCP), while local government employers participated in the Local Government Rate Pool (LGRP). These two pools combined to form the SLGRP effective January 1, 2002. The unfunded actuarial liability (UAL) attributable to the SCCP at the time the SLGRP was formed is maintained separately from the SLGRP and is reduced by contributions and increased for interest charges at the assumed interest rate. The pre-SLGRP liability is essentially a debt owed to the SLGRP by the SCCP employers. The balance of the pre-SLGRP pooled liability attributable to the State is being amortized over the period ending December 31, 2027. At PERS, which records the receivable offsetting this liability, this is referred to as a “transitional liability” while GASB literature refers to this as a “separately financed specific liability.”

During period 13, SARS provides agencies with a schedule of changes in the pension-related debt to properly record the principal and interest payments for the year in proprietary funds (no portion is allocated to fiduciary funds per GASB guidance). Currently, principal and interest are budgeted as pension contributions, and a reclassification of the payments must be made to principal and interest for GAAP purposes.