

SAM—FISCAL AFFAIRS
ALLOTMENT-EXPENDITURE ACCOUNTING

ALLOTMENT-EXPENDITURE LEDGER
(Revised 3/87)

8302

All agencies that maintain the Allotment-Expenditure Ledger by hand will use Form 535. Columns are arranged and lettered on Form 535 as follows:

- A. Date
- B. Reference)
- C. Allotment) To Record Transactions
- D. Estimate)
- E. Expenditure) To Record Balances
- F. Allotment)
- G. Expenditures)
- H. Unliquidated Encumbrances
- I. Unencumbered Balance

*** These are allotments.

*** Estimated Reimbursements may be scheduled in the Budget Act into one or more types, not necessarily to the same degree of detail as in the Governor's Budget.

(A) Balance of allotment column is a "plus".

(B) Balance of allotment column is a "minus".

(C) Balance of allotment column is "zero" until it is revised by Budget Revision to a "minus".

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Typical entries, while explained in subsequent sections, are shown in summary form below:

Type of Transaction	Recorded Entry and Effect on Balances		
	Transaction Columns	Balance Columns	
Budget	+C	+F	+I
Transfer of Budget Allotment or Budget Revision			
If Increase	+C	+F	+I
If Decrease	-C	-F	-I
Encumbrance (Estimate)	+D	+H	-I
Estimate Adjustment			
If Increase	+D	+H	-I
If Decrease	-D	-H	+I
Expenditure			
Previously Encumbered	-D	+E	+G
Direct deduction from unencumbered balance	+E	+G	-I
Expenditure Abatement	-E	-G	+I
Reimbursement	-E	-G	+I

The following points are summarized as a partial check-list to be considered in balancing Allotment-Expenditure Ledger accounts:

1. The balance columns for Expenditures and Unliquidated Encumbrances must balance in total to control accounts in the General Ledger. The balance column for Unencumbered Balance must, together with Unliquidated Encumbrances, reconcile in total to appropriation and executive order account balances per the State Controller's Office records.
2. A summary card (not General Ledger card) will be maintained over the subsidiary Allotment-Expenditure Ledger. Entries should be made to the summary card by batch totals summarizing detail entries to individual cards. The detail cards will balance with the summary card. The expenditure balances shown on the summary card for all appropriations to an agency from a fund will balance with the related expenditure accounts for that fund in the General Ledger. The unliquidated encumbrances balances shown on the summary cards for all appropriations to an agency from a fund will agree with Account No. 6150, Encumbrances, for that fund. The unencumbered balance plus the unliquidated encumbrances balance shown on the summary card for each appropriation will be reconciled to the balance of the related appropriation account in the Controller's records.
3. Agencies that hand-post their Allotment-Expenditure Ledger will prove their postings by using an adding machine after each group of postings to a ledger card. The allotment balance always must equal the sum of the other three balances.

Agencies will prove at the end of each month that the open estimates, including amounts encumbered for the lag, equal the amount shown by the Allotment-Expenditure Ledger as unliquidated encumbrances and the Encumbrances account in the General Ledger.