

SAM—GENERAL OUTLINE OF PROCEDURES

LEDGER POSTINGS

7223.3

(Revised 5/85)

Sources of posting to subsidiary ledgers will vary because of such factors as:

1. Number of transactions,
2. Number of subsidiary accounts, and
3. Division of work among employees.

Common posting sources are:

1. Individual documents,
2. Summaries of batches of documents,
3. Register column totals, and
4. Analysis of entries in register columns.

Wherever two accounts are contra to each other, one account may partially or wholly offset the other account. The purpose of contra accounts is to preserve the identity of such accounts, as well as to accumulate periodic transfers to other accounts and/or funds. Departments must review carefully the general ledger account description/use/prohibitions contained in SAM Sections 7620–7680 to determine how each contra account should be shown on financial reports. EXAMPLES: 6150 Encumbrances and 5350 Reserve for Encumbrances; 1730.602 Prepayments to Architecture Revolving Fund, and 5330 Reserve for Prepaid Items.