

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-2

10601

(Revised 5/95)

Nature of Transaction:

The Revolving Fund Cash account is adjusted as of June 30 for unreimbursed expenditures therefrom and undeposited receipts and undeposited warrants for reimbursement of the revolving fund, so that the agency accounts will show the actual amount of revolving fund cash in agency accounts with the State Treasurer at that date. (This entry is made as of June 30 and reversed as of July 1.)

Journal Entry for General Ledger Accounts:

Debit:

1190	Cash on Hand	a/
1319	Accounts Receivable—Other	b/
1710	Expense Advances	c/
2600	Other Deferred Charges	d/
3010	Accounts Payable	e/
3020	Claims Filed	f/

Credit:

1130	Revolving Fund Cash	g/
3010	Accounts Payable	h/

a/ Amount of cash in subrevolving funds, undeposited cash receipts, and undeposited warrants for reimbursement of revolving fund. Undeposited warrants include warrants dated on or before June 30 but not received or deposited until July.

b/ Amount advanced to other funds by revolving fund.

c/ Amount advanced to employees for travel and salary expenses.

d/ Revolving fund expenditures not scheduled for reimbursement by June 30 resulting from payment of deferred charges chargeable to the new fiscal year. Payments made for deferred charges should only be made after the Budget Act for the subsequent fiscal year is enacted.

e/ Revolving fund expenditures not scheduled for reimbursement by June 30 but applicable to an appropriation then current.

f/ Claims filed on or before June 30 to reimburse the revolving fund but not paid by that date.

g/ Amount required to reduce the revolving fund account to the cash it contains.

h/ Amount payable to other funds for revolving funds advanced.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-2
(Revised 5/95)

10601 (Cont. 1)

Source:

Analysis and Reconciliation of Revolving Fund Accountability as of June 30. For preparation instructions see SAM Section [7965](#).

Explanation:

During the fiscal year Account No. 1130, Revolving Fund Cash, is accounted on an imprest basis. To the extent that such revolving fund accounts consist of items other than cash, the procedure has the effect of overstating cash in the agency's statements. Adjusting entries must therefore be made in the General Ledger as of June 30 each year to the accounts of each fund affected to reduce, for year-end statement purposes, the balance of the Revolving Fund Cash account to the cash in the agency account with the State Treasurer.