

SAM—STANDARD ENTRIES (Cont.d)

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SAM—STANDARD ENTRIES (Cont.d)

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CHAPTER 10600 INDEX (Cont. 1)

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SAM—STANDARD ENTRIES (Cont.d)

**ENTRY NO. A-1, GENERAL CASH IS ADJUSTED FOR
UNDEPOSITED RECEIPTS**

10600

(Revised 6/14)

Nature of Transaction:

The General Cash account is adjusted for undeposited receipts as of June 30 so the actual amount of general cash will be shown in the department's centralized State Treasury (CTS) account with the [State Treasurer](#). (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

Credit:

1110 General Cash

Source Document:

Analysis of General Cash Receipts Register at June 30.

Explanation:

During the fiscal year Account No. 1110, General Cash, shows all cash receipts deposited and to be deposited in the General Cash account. This adjusting entry is made in the General Ledger as of June 30 each year to reduce, for year-end financial report purposes, the balance of the General Cash account to the cash (including deposits in transit) in the department's CTS account with the State Treasurer.

The General Cash Receipts Register will be analyzed to determine the amount of general cash received by June 30 but not deposited as of that date.

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.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-3
(Revised 2/99)

10602

Nature of Transaction:

Accounts receivable abatements, reimbursements, and revenue are recorded for the fiscal year just ended. This entry is dated and posted as of June 30.

Journal Entry for General Ledger Accounts:

Debit:

1311	Accounts Receivable—Abatements	a/
1312	Accounts Receivable—Reimbursements	b/
1313	Accounts Receivable—Revenue	c/
1410	Due From Other Funds	d/
1420	Due From Other Appropriations	e/
1510	Due From Federal Government	f/
1540	Due From School Districts	g/
1590	Due From Other Governmental Entities	h/

Credit:

1600	Provision for Deferred Receivables*	i/
8100	Reimbursements	j/
9000	Appropriation Expenditures	k/

*NOTE: Those revenue receivables accrued in this entry and deemed to be collectable during the ensuing fiscal year will be included in the A-9, revenue accrual, entry. See SAM Section 10610.

- a/ Amount of abatement receivables due from private entities at June 30 that were not billed or recorded prior to July 1 that are deemed to be collectable during the ensuing fiscal year.
- b/ Amount of reimbursement receivables due from private entities at June 30 that were not billed or recorded prior to July 1 that are deemed to be collectable during the ensuing fiscal year.
- c/ Amount of revenue receivables due from private entities at June 30 that were not billed or recorded prior to July 1.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-3

10602 (Cont. 1)

(Revised 2/99)

- d/ Amount of abatement, reimbursement, and revenue receivables due from other funds at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- e/ Amount of abatement, reimbursement, and revenue receivables due from other appropriations within the same fund at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- f/ Amount of abatement and revenue receivables due from the federal government at June 30 that were not billed or recorded prior to July 1. The abatement receivables are deemed to be collectable during the ensuing fiscal year.
- g/ Amount of abatement, reimbursement, and revenue receivables due from school districts at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- h/ Amount of abatement, reimbursement, and revenue receivables due from other governmental entities at June 30 that were not billed or recorded prior to July 1. The abatement and reimbursement receivables are deemed to be collectable during the ensuing fiscal year.
- i/ Total amount of revenue receivables in a through h.
- j/ Total amount of reimbursement receivables in a through h, excluding f.
- k/ Total amount of abatement receivables in a through h.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-3

(Revised 2/99)

10602 (Cont. 2)

Source:

Detail list of all abatement, reimbursement and revenue receivables at June 30 as estimated or not billed prior to actually closing the books. The list should contain name and address, invoice or encumbrance number, or other reference, date, and amount.

Explanation:

This entry is made to accrue the receivables that had not been otherwise recorded on June 30. The list supporting this entry will contain adequate references and will be retained by the agency for audit purposes.

The abatement and reimbursement amounts accrued in this entry will be posted to the applicable Allotment-Expenditure Ledger accounts.

Also see SAM Section [10506](#).

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-4
(Revised 4/2015)

10603

Nature of Transaction:

Accounts receivable and certain collections are adjusted for the following when an appropriation reverts:

1. Abatements and reimbursements not collected before reversion, and
2. Amounts collected before reversion but credited by the State Treasury after reversion.

(This entry is recorded as of the date on the Controller's Journal Entry reverting the appropriation.)

Journal Entry for General Ledger Account:

Debit:

1319	Accounts Receivable—Other	a/
9893	Prior Year Appropriation Adjustments	b/

Credit:

1311	Accounts Receivable—Abatements	c/
1312	Accounts Receivable—Reimbursements	d/
1600	Provision for Deferred Receivables	e/
9891	Refunds to Reverted Appropriations	f/

a/ c + d

b/ e + f

c/ Amount of abatements not collected before reversion. (Includes both accrued and reserved receivables.)

d/ Amount of reimbursements not collected before reversion. (Includes both accrued and reserved receivables.)

e/ The amount of accrued abatements or reimbursements not collected before reversion.

f/ Amount collected prior to reversion but not credited into the State Treasury until after reversion.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-4
(Revised 4/2015)

10603 (Cont. 1)

Source:

Analysis of accounts receivable and recent collections applicable to reverted appropriations.

Explanation:

Abatement and reimbursement receivables are no longer such after the appropriation reverts. Therefore, at the time the appropriation reverts (usually as of June 30) the department must reclassify the receivables.

Abatement and reimbursement collections credited into the State Treasury after the appropriation reverts will be credited to a Refunds to Reverted Appropriations account by the [State Controller's Office](#).

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-5
(Renumbered 5/95)

10604

Nature of Transaction:

Accounts receivable for interest earnings on investments are accrued as of June 30 with appropriate adjustment of accrued interest purchased, premium, and discount accounts. This entry is dated and posted as of June 30.

Journal Entry for General Ledger Account:

Debit:

1313	Accounts Receivable—Revenue	a/
2014	Discount on Securities	b/

Credit:

1320	Accrued Interest Receivable	c/
2013	Premium on Securities	d/
8000	Revenue	e/

- a/ Amount of interest accrued since the last interest date.
- b/ Amount of discount accumulation since the last interest date.
- c/ Amount of accrued interest not yet collected.
- d/ Amount of premium amortization since the last interest date.
- e/ Amount of interest earned.

Source:

Document—Controller's Journal Entry.

Explanation:

The [State Controller's Office](#) will accrue interest earned but not yet received at June 30 and will send the agency a copy of its Journal Entry showing all amounts to be included in this entry.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-6
(Revised 6/04)

10605

Nature of Transaction:

Receivables due from the Surplus Money Investment Fund and the Condemnation Deposits Fund are accrued for interest earnings as of June 30.

Journal Entry for General Ledger Account:

Debit:

1410.0681 Due from Surplus Money Investment Fund
1410.0910 Due from Condemnation Deposits Fund

Credit:

8000 Revenue

Source:

The [SCO's](#) View Direct on-line system allows agencies to view the interest earned as of June 30 and transferred in July.

Document—Controller's Notice of Transfer issued in July.

Explanation:

The quarterly transfer of interest earned on money in the Surplus Money Investment Fund and the Condemnation Deposits Fund must be recorded as an accrual as of June 3.

SAM—STANDARD ENTRIES (Cont.d)

**ENTRY NO. A-7 CAPITAL ASSET ACCOUNTS ARE ADJUSTED FOR
UNSOLD SURVEYED EQUIPMENT**

10606

(Revised 06/14)

Nature of Transaction:

Capital asset accounts are adjusted for unsold surveyed equipment and its estimated sales value is recorded to give effect to such uncompleted equipment transactions in final year-end statements and reports of funds where receipts of such transactions are abated to an appropriation specific in amount. This entry is made as of June 30 and is semi-reversed as of July 1. (See Entry No. A-7R.)

Journal Entry for General Ledger Account:

Debit:

2740	Inventory of Surveyed Equipment	a/
5200	Investment in Capital Assets	b/

Credit:

2310	Land	b/
2321	Buildings	b/
2331	Improvements Other than Buildings	b/
2333	Utility Plant in Service	b/
2341	Equipment	b/
2361	Infrastructure-Non-depreciable	b/
2362	Infrastructure-Depreciable	b/
2411	Computer Software—Amortizable	b/
2412	Land Use Rights—Amortizable	b/
2413	Patents, Copyrights, Trademarks—Amortizable	b/
2414	Other Intangible Assets—Amortizable	b/
2422	Land Use Rights—Non-Amortizable	b/
2423	Patents, Copyrights, Trademarks—Non-Amortizable	b/
2424	Other Intangible Assets—Non-Amortizable	b/
9000	Appropriation Expenditures	a/

a/ Estimated amount to be received from sale of surveyed capital asset that was budgeted to be traded-in.

b/ Book value of above capital asset.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-7 CAPITAL ASSET ACCOUNTS ARE ADJUSTED FOR UNSOLD SURVEYED EQUIPMENT

10606 (Cont. 1)

(Revised 06/14)

Source Document:

Detailed list of items supporting this entry. This list will be retained by the agency as an accounting document for audit purposes.

Explanation:

This entry is made only for those capital assets that were budgeted to be traded-in during the fiscal year and have been surveyed but are still on hand pending sale in lieu of trade-in. The purpose of this entry is to accrue the estimated sales value of surveyed capital assets as an abatement to the appropriation expenditure account of the fiscal year just ended and to write-off from the capital asset accounts.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-7R
(Renumbered 5/95)

10607

Nature of Transaction:

Entry No. A-7 is semi-reversed as of July 1.

Journal Entry for General Ledger Account:

Debit:

2341	Equipment	a/
9893	Prior Year Appropriation Adjustments	b/

Credit:

2740	Inventory of Surveyed Equipment	b/
5200	Investment in General Fixed Assets	a/

a/ Book value of surveyed equipment.

b/ Estimated amount to be received from sale of surveyed equipment.

Source:

Entry No. A-7.

Explanation:

Entry No. A-7 is semi-reversed as of July 1, in the accounts of the new fiscal year, so that when the transaction is completed in the new fiscal year it may be processed normally.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-8, ACCOUNTS PAYABLE ARE ACCRUED
(Revised 6/14)

10608

Nature of Transaction:

The A-8 entry accrues expenditures for valid encumbrances (commitments) and obligations for the fiscal year just ended. This entry is dated and posted as of June 30.

Journal Entry for General Ledger Account:

Debit:

5350	Reserve for Encumbrances	a/
9000	Appropriation Expenditures	b/
9893	Prior Year Appropriations Adjustments	c/

Credit:

3010	Accounts Payable	d/
3114	Due to Other Funds	e/
3115	Due to Other Appropriations, Within the Same Fund	f/
3210	Due to Federal Government	g/
3220	Due to Local Government	h/
3290	Due to Other Governmental Entities	i/
6150	Encumbrances	a/

-
- a/ Balance of Accounts No. 5350 and 6150 as of June 30.
 - b/ Amount of valid encumbrances and obligations as of June 30 payable from appropriations available for encumbrance during the fiscal year just ended.
 - c/ Amount of valid encumbrances and obligations as of June 30 payable from prior year appropriations not available for encumbrance during the fiscal year just ended.
 - d/ Amount of obligations in b and c due to private entities and the total encumbrances in b and c.
 - e/ Amount of obligations in b and c due to other funds.
 - f/ Amount of obligations in b and c due to other appropriations, within the same fund
 - g/ Amount of obligations in b and c due to the federal government.
 - h/ Amount of obligations in b and c due to local governments.
 - i/ Amount of obligations in b and c due to other governmental entities.

In addition, if any encumbrances will be funded by a reimbursement, the reimbursement may be accrued in one asset account, Accounts Receivable – Reimbursements, General Ledger Account 1312. See SAM section [7952](#).

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-8, ACCOUNTS PAYABLE ARE ACCRUED
(Revised 6/14)

10608 (Cont. 1)

Source Document:

Encumbrance documents (e.g., contracts, purchase orders, purchase estimates, Public Works Project Authorization and Transfer Requests, etc.)

Explanation:

This entry is made to accrue the amounts for (1) valid encumbrances (goods/services not received/performed as of June 30), and (2) obligations (goods/services received/performed as of June 30 but not yet scheduled for payment).

To determine the amounts for valid encumbrances and obligations, all unliquidated encumbrances are reviewed to identify whether they are valid encumbrances or obligations of the year just ended, as defined by the Victim Compensation and [Government Claims Board](#) Rule 610 and described in SAM section [8340](#).

Contracts and purchase orders will be analyzed to determine that the amounts approximate the actual expenditures that will be incurred. Amounts will be adjusted at this time if appropriate, e.g., purchase estimates adjusted to amounts of related purchase orders, contract balances liquidated when final payment has been made on a contract, etc.

For multi-year agreements, departments must determine by June 30 the amount to encumber against the first fiscal year, in accordance with the budget plan when the agreement was issued. Any amounts not encumbered and not accrued to an appropriation during the period of encumbrance availability shall be paid from an appropriation that is available for encumbrance.

Many support and local assistance encumbrances remaining at year-end should be liquidated within a few months of the new fiscal year. Capital outlay encumbrances generally require more time to liquidate. Departments are instructed to closely monitor encumbrances to effect prompt delivery of requested goods or services and to ensure timely disencumbrances in instances where it is determined the goods or services will not be received/performed or will cost less than originally estimated.

Even though the unencumbered balance is not formally reverted in the appropriation accounts of the State Controller's Office, the remaining two years prior to actual reversion are strictly for the liquidation of encumbrances accrued as of the last date the appropriation was available for encumbrance and the payment of obligations, which are chargeable only to a prior year appropriation.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-8, ACCOUNTS PAYABLE ARE ACCRUED

10608 (Cont. 2)

(Revised 6/14)

Any obligations that were not previously encumbered will be accrued. Any obligations of prior fiscal year appropriations that have not yet reverted will be accrued to the applicable fiscal year. In addition, any obligations of reverted appropriations will be accrued to a like appropriation of the fiscal year just ended. These procedures permit all valid obligations of state funds to be reflected in year-end financial reports.

Once the encumbrances and obligations have been determined, these amounts are recorded as (1) expenditures in the applicable appropriation accounts and (2) liabilities in the accounts which identify to whom the amount is due. See above detailed journal entry.

Accrual entry amounts will, at a minimum, be supported by the following: vendor name, document number or other reference (contract number, purchase order number, etc.), and entry date. Departments must retain supporting documentation and reports for audit purposes.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-8R

10609

(Revised 10/99)

Nature of Transaction:

Entry No. A-8 is semi-reversed as of July 1.

Journal Entry for General Ledger Accounts:

Debit:

3010	Accounts Payable	a/
6150	Encumbrances	b/

Credit:

5350	Reserve for Encumbrances	b/
9000	Appropriation Expenditures	c/
9893	Prior Year Appropriation Adjustments	d/

- a/ Amount credited to Accounts Payable in entry A-8.
- b/ Amount of expenditures accrued in Entry A-8 applicable to continuing appropriations still available for encumbrance in the new fiscal year, plus the adjustment amount of any other encumbrances applicable to those appropriations that were liquidated in Entry A-8 but are valid encumbrances of the new fiscal year.
- c/ Amount of expenditures accrued in Entry A-8 applicable to continuing appropriations still available for encumbrance in the new fiscal year.
- d/ Amount of expenditures accrued in Entry A-8 applicable to appropriations no longer available for encumbrance in the new fiscal year but not yet reverted.

Source:

List of valid obligations supporting Entry A-8.

Explanation:

This entry reverses the accounts payable accrued in Entry A-8 so that: (1) expenditures from continuing appropriations may be recorded in the same manner as other current expenditures; and (2) expenditures from appropriations no longer available for encumbrance may be posted to the Prior-Year Appropriation Adjustments accounts on a claims filed basis without adjusting for each transaction wherein the amount paid differs from the amount accrued at June 30.

The amounts recorded in this entry also will be posted to the applicable Allotment-Expenditure Ledger accounts or Prior Year Appropriation Adjustments Ledger accounts.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-9
(Revised 10/99)

10610

Nature of Transaction:

Revenue earned as of June 30 but not received is accrued.

Journal Entry for General Ledger Account:

Debit:

1600 Provision for Deferred Receivables a/

Credit:

3110 Due to Other Funds or Appropriations c/

8000 Revenue b/

a/ Amount required to adjust this account balance for the amount of revenue earned but not received as of June 30 for fully deferred receivables that are estimated to be collectible within the ensuing fiscal year.

b/ The amount of adjustment in "a" applicable to Revenue.

c/ The amount of adjustment in "a" applicable to Due to Other Funds or Appropriations.

Source:

Documents—Worksheet showing computations of amounts of accounts receivable that probably will **not** be collected during the ensuing fiscal year. See Explanation.

Explanation:

Throughout the fiscal year, some accounts have been maintained on a fully deferred basis. On June 30, revenue related to these accounts is accrued by adjusting the Provision for Deferred Receivables in the manner stated in "a". Revenue earned in this fiscal year is assumed to be collectible within the ensuing fiscal year unless information exists to the contrary. Therefore, a worksheet showing the computations of amounts of accounts receivable that probably will **not** be collected during the ensuing fiscal year will be prepared. This uncollectible amount will not be accrued as revenue. All other revenue earned in this fiscal year will be included in this entry.

This accrual entry is partially reversed as of July 1 (see Entry No. A-9R).

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-9R
(Revised 2/99)

10611

Nature of Transaction:

As of July 1 the previous fiscal year's revenue accruals are partially reversed.

Journal Entry for General Ledger Account:

Debit:

9892 Prior Year Revenue Adjustments a/

Credit:

1600 Provision for Deferred Receivables a/

a/ b + c in Entry A-9.

Source:

Same as Entry No. A-9.

Explanation:

Entry A-9 is partially reversed as of July 1 by this entry so that accounts receivable collections (except those related to abatements, non-deferred appropriation reimbursements, and certain deferred appropriation reimbursements) can be credited to a nominal account when received. (Nominal accounts will not be credited for collections of certain deferred appropriation reimbursements until they are ordered into the State Treasury.)

The Prior Year Revenue Adjustment Account is used to permit a comparison of revenue collected during the fiscal year following the date of Entry No. A-9 with amounts accrued in Entry A-9.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-10
(Renumbered 5/95)

10612

Nature of Transaction:

Revenue accounts are adjusted for dishonored checks outstanding at June 30. (Except that revenue accounts are not adjusted for dishonored checks estimated to be collectible in the coming fiscal year.)

This entry is required as of June 30 only for those agencies that do not adjust their revenue accounts as dishonored checks are redeemed from banks. This entry is made as of June 30 and is not reversed as of July 1.

Journal Entry for General Ledger Accounts:

Debit:

3110	Due to Other Funds or Appropriations	a/
3410	Revenue Collected in Advance	b/
3420	Reimbursements Collected in Advance	c/
3730	Uncleared Collections	d/
8000	Revenue	e/
8100	Reimbursements	f/
9000	Appropriation Expenditures	g/
9891	Refunds to Reverted Appropriations	h/
9892	Prior Year Revenue Adjustments	i/
9893	Prior Year Appropriation Adjustments	j/

Credit:

1600	Provision for Deferred Receivables	k/
------	------------------------------------	----

- a/ Amount of dishonored checks held by feeder funds on revenue items collected for other funds or appropriations where the items were not identified as being earned as of the preceding June 30.
- b/ Amount of dishonored checks on revenue collected in advance.
- c/ Amount of dishonored checks on reimbursements collected in advance.
- d/ Amount of dishonored checks on deferred reimbursement items that are still credited to uncleared collections pending their being ordered into the treasury.
- e/ Amount of dishonored checks on revenue items not identified as being earned as of the preceding June 30.
- f/ Amount of dishonored checks on deferred reimbursement items that have already been credited as reimbursements.
- g/ Amount of dishonored checks on current year abatements.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-10
(Renumbered 5/95)

10612 (Cont. 1)

- h/ Amount of dishonored checks on refunds to reverted appropriations.
- i/ Amount of dishonored checks applicable to revenue (except reimbursements) which was identified as being earned as of the preceding June 30.
- j/ Amount of dishonored checks on deferred reimbursement items of prior fiscal year appropriations.
- k/ $a + b + c + d + e + f + g + h + i + j$

Source:

Analysis of dishonored checks purchased during the year which have not cleared as of June 30.

Explanation:

Dishonored checks usually are honored upon later presentation to a bank or they are substituted by other checks or legal tender within a short period of time. Therefore, the procedure of debiting the dishonored checks account at the time an agency buys back a dishonored check from a bank is a method whereby the agency does not have to adjust its accounts for each transaction of this type. Under such procedure, however, an adjustment is required at the close of the fiscal year. It is also necessary to make appropriate adjustments to the remittance of June receipts to the State Treasury. The latter adjustment is for the amounts remitted previously which remain outstanding as dishonored checks in agency accounts on June 30.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-11
(Renumbered 5/95)

10613

Nature of Transaction:

Revenue accounts are adjusted for cash shortages outstanding at June 30. This entry is made as of June 30 and is semi-reversed as of July 1. In the semi-reversal all accounts debited in Entry No. A-2 are credited and all accounts credited in Entry No. A-2 are debited except where footnotes show otherwise.

Journal Entry for General Ledger Accounts:

Debit:

3110	Due to Other Funds or Appropriations	a/	1/
3410	Revenue Collected in Advance	b/	2/
3420	Reimbursements Collected in Advance	c/	3/
3730	Uncleared Collections	d/	
8000	Revenue *	e/	1/
8100	Reimbursements	f/	4/
9000	Appropriation Expenditures	g/	4/
9892	Prior Year Revenue Adjustments	h/	
9893	Prior Year Appropriation Adjustments	i/	5/

*NOTE: Account No. 8000, Revenue will be debited for all cash shortages that cannot clearly be attributed to abatement, reimbursement, or other identifiable revenue items.

Credit:

1600 Provision for Deferred Receivables j/

- a/ Amount of cash shortages on revenue items collected for other funds or appropriations where the items were not identified as being earned as of the preceding June 30.
- b/ Amount of cash shortages on revenue collected in advance.
- c/ Amount of cash shortages on reimbursements collected in advance.
- d/ Amount of cash shortages on deferred reimbursement items that are still credited to uncleared collections pending their being ordered into the treasury.
- e/ Amount of cash shortages on revenue items not identified as being earned as of the preceding June 30.
- f/ Amount of cash shortages on current-year reimbursement items that have already been credited to reimbursements.

(Continued)

SAM—STANDARD ENTRIES (Cont.d)

(Continued)

ENTRY NO. A-11
(Renumbered 5/95)

10613 (Cont. 1)

- g/ Amount of cash shortages on abatements to current-year expenditure items.
- h/ Amount of cash shortages applicable to revenue (except appropriation reimbursements) which was identified as being earned as of the preceding June 30.
- i/ Amount of cash shortages on abatements and reimbursements of prior fiscal year appropriations.
- j/ Total amount of cash shortages outstanding at June 30. (Balance of Account No. 1316)

Source:

Analysis of accounts receivable for cash shortages as of June 30.

Explanation:

Agencies must adjust their revenue accounts for all cash shortages outstanding as of June 30, at the same time setting up a temporary reserve for these items. It is also necessary to make appropriate adjustments to the remittance of June receipts to the State Treasury. The latter adjustment is for the amounts remitted previously which remain outstanding as cash shortages in agency accounts on June 30.

Footnotes:

- 1/ Credit Prior-Year Revenue Adjustments in semi-reversal if the cashier's shortages relate to revenue identifiable on collection to the fiscal year in which it was earned.
- 2/ Credit Revenue or Due to Other Funds on Appropriations in semi-reversal.
- 3/ Credit Reimbursements in semi-reversal for amount applicable to current year appropriation.
- 4/ Credit Prior-Year Appropriation Adjustments in semi-reversal for amount applicable to appropriations no longer available for encumbrance.
- 5/ Credit Prior-Year Revenue Adjustments in semi-reversal for amount related to appropriation that reverted as of the June 30 date that Entry No. A-11 was made.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-12
(Renumbered 5/95)

10614

Nature of Transaction:

Appropriation expenditure and reimbursement accounts are adjusted for billed abatement, reimbursement, and those non-revenue receivables, which had not been deferred to the amount that is estimated will be collectible during the ensuing fiscal year.

Journal Entry for General Ledger Account:

Debit:

8100	Reimbursements	a/
9000	Appropriation Expenditures	b/
9891	Refunds to Reverted Appropriations	c/
9893	Prior Year Appropriation Adjustments	d/

Credit:

1600	Provision for Deferred Receivables	e/
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- a/ Amount of billed Accounts Receivable—Reimbursement which will not be collectible within the ensuing fiscal year.
- b/ Amount of billed Accounts Receivable—Abatements which will not be collectible within the ensuing fiscal year.
- c/ Amount of billed Accounts Receivable credited to Account No. 9891, Refunds to Reverted Appropriations which will not be collectible within the ensuing fiscal year.
- d/ Amount of billed Accounts Receivable credited to Account No. 9893, Prior Year Appropriation Adjustments which will not be collectible within the ensuing fiscal year.
- e/ Total Accounts Receivable deferred (a + b + c + d).

Source:

Worksheet showing computation of amounts of billed accounts receivable that probably will not be collected during the ensuing fiscal year.

Explanation:

During the fiscal year, billed accounts receivable for abatements, reimbursements, and some non-revenue items have been generally credited back to an appropriation. At June 30, the amount credited will be adjusted for those accounts receivable that are deemed not collectible during the ensuing fiscal year.

These receivables will remain deferred and, upon their eventual collection, will be handled in the same manner as any other deferred receivable. See SAM Section [10507](#).

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. A-13
(Revised 2/2015)

10615

Nature of Transaction:

When a fund is shared by multiple departments, the Cash in State Treasury Account No. 1140 balance is transferred to the Fund Balance—Clearing Account to facilitate the closing of nominal accounts at June 30.

Journal Entry for General Ledger Accounts:

Debit:

1140 Cash in State Treasury

Credit:

5570 Fund Balance—Clearing Account

Source:

Department's Account No. 1140 balance at June 30. (Normally Account No. 1140 for shared funds will have a credit balance. Should a department's Account No. 1140 have a debit balance, the above entry would be reversed.)

Explanation:

For shared funds, Account No. 1140, Cash in State Treasury, only shows the net cash balance in the State Treasury for the fund. By having the department transfer their balance of Account No. 1140, in addition to the closing entries C-1 and C-2 to the Account No. 5570, Fund Balance—Clearing Account, each department will show their equity (net assets or liabilities) of the shared fund, and SCO's records will show the net activity for the fund as a whole.

Prior to the closing of nominal accounts to Fund Balance—Clearing Account and to ensure the accuracy of the department's financial reports, departments will perform a monthly fund reconciliation to their general ledger account balances. To reconcile the activity in Account No. 1140 for all fund users to SCO's records as required in SAM section 7921, Reconciliation of Department's Account Balances with SCO Balances, the fund administrator of a shared fund will obtain the necessary reports from all fund users.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. C-1
(Renumbered 5/95)

10650

Nature of Transaction:

Revenue and reimbursements accounts of the fiscal year just ended are closed.

Journal Entry for General Ledger Accounts:

Debit:

8000 Revenue
8100 Reimbursements
9891 Refunds to Reverted Appropriations

Credit:

5530 Fund Balance—Unappropriated (For funds accounted entirely by
one agency)

(or)

5570 Fund Balance—Clearing Account (For funds not accounted entirely
by one agency)

9892 Prior Year Income Adjustments (Assuming a debit balance in the
account)

Source:

Final June 30 balances of revenue and reimbursements accounts.

Explanation:

Revenue and reimbursements accounts are closed in determining either the fund balance available for appropriation for funds accounted entirely by one agency or each agency's shared equity (net assets or liabilities) of particular funds in the State Treasury not accounted entirely by one agency.

SAM—STANDARD ENTRIES (Cont.d)

ENTRY NO. C-2
(Renumbered 5/95)

10651

Nature of Transaction:

Appropriation expenditures accounts of the fiscal year just ended are closed.

Journal Entry For General Ledger Account:

Debit:

5530 Fund Balance—Unappropriated (For funds accounted entirely by one agency)

(or)

5570 Fund Balance—Clearing Account (For funds not accounted entirely by one agency)

Credit:

9000 Appropriation Expenditures

9893 Prior Year Appropriation Adjustments (Assuming a debit balance in the account)

Source:

Final June 30 balances of appropriation expenditures accounts.

Explanation:

Appropriation expenditures accounts are closed in determining either the fund balance available for appropriation for funds accounted entirely by one agency or each agency's shared equity (net assets or liabilities) of particular funds in the [State Treasury](#) not accounted entirely by one agency.