

**CHAPTER E**  
**GAAP OFFSET TRANSACTIONS**

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# ***CAPITAL ASSET TRANSACTIONS***

**TC 537: Eliminate Excess Asset Value/Record Loss; Record Donated Assets in Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To remove asset value greater than accumulated depreciation (book value) against Gain/Loss revenue account. Use transaction codes (TC) 529-535, 538, 539, 543, 544, 546, 547, 551-553, or 557 to remove the asset balance equal to the accumulated depreciation. If the asset is sold, TC 537 and 149 (Cash Receipts on Sale of Asset) determine the net gain or loss on disposal. The GAAP Revenue Offset eliminates that portion of gain (loss) recorded with TC 149 that doesn't represent a true gain or loss.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

At the time the asset is disposed of (sold, scrapped or surplus)

**Transaction:**

DR 3018 Invested in Capital Assets  
DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
2330 Gain (Loss) on Disposition of Assets  
2400 Contributions to Permanent Funds  
2550 Capital Contributions  
CR 3074 Change in Capital Assets  
CR *General Ledger Account Required:*  
0811 Works of Art and Historical Treasures-No Depreciation  
0812 Works of Art and Historical Treasures-Depreciated  
0815 Equipment and Machinery  
0816 Motor Vehicles  
0817 Data Processing Software  
0818 Data Processing Hardware  
0820 Other Intangible Assets (Amortizable)  
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  
0848 Land Use Rights (Not Amortized)  
0849 Land Use Rights (Amortized)  
0850 Land  
0852 Buildings and Building Improvements  
0856 Land Improvements  
0861 Construction in Progress  
0862 Leasehold Improvements  
0863 Capital Leased Property

**Related Transactions:**

*TC 149:* Cash receipts from the sale of capital assets

*TC 529:* Fixed Asset Disposition/Adjustment - Motor Vehicles

*TC 530:* Fixed Asset Disposition/Adjustment - Buildings and Improvements

TC 531: Fixed Asset Disposition/Adjustment - Land Improvements  
 TC 532: Fixed Asset Disposition/Adjustment - Data Processing Software  
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 TC 552: Fixed Asset Disposition/Adjustment - Utility Systems  
 TC 553: Fixed Asset Disposition/Adjustment - Docks, Dikes, and Dams  
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**TC 542: Accumulated Depreciation/Amortization in Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record depreciation or amortization of capital assets in a proprietary, fiduciary or government-wide reporting fund. This entry records an expense for GAAP purposes with an offset to accumulated depreciation or amortization. This transaction does not affect budgetary expenses (does not appear on non-GAAP operating statements).

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Monthly, or at least once a year (Month13 is the most appropriate period to record this).

**Transaction:**

DR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object (see Credit for correct object - shown in italics)*  
 DR 3018 Invested in Capital Assets  
 CR 3074 Change in Capital Assets  
 CR *General Ledger Account Required:*  
 0865 Accum Amortization - Land Use Rights  
*(7474 Amortization Expense – Other)*  
 0866 Accum Amortization - Other Intangible Assets  
*(7474 Amortization Expense – Other)*  
 0867 Accum Depreciation - Land Improvements  
*(7476 Depreciation Expense)*  
 0868 Accum Amortization - Data Processing Software  
*(7478 Amortization Expense - Software)*  
 0869 Accum Depreciation - Equipment and Machinery  
*(7476 Depreciation Expense)*  
 0870 Accum Amortization - Leasehold Improvements  
*(7475 Amortization of Leasehold Improvements)*  
 0871 Accum Amortization - Capital Leased Property  
*(7477 Amortization of Leased Property)*

- 0872 Accum Depreciation - Motor Vehicles  
(7476 Depreciation Expense)
- 0873 Accum Depreciation - Data Processing Hardware  
(7476 Depreciation Expense)
- 0875 Accum Depreciation - Buildings and Bldg Improvements  
(7476 Depreciation Expense)
- 0876 Accum Depreciation - Art and Historical Treasures  
(7476 Depreciation Expense)
- 0880 Accum Depreciation - State Highways  
(7476 Depreciation Expense)
- 0881 Accum Depreciation - Tunnels and Bridges  
(7476 Depreciation Expense)
- 0882 Accum Depreciation – Airports  
(7476 Depreciation Expense)
- 0883 Accum Depreciation - Utility Systems  
(7476 Depreciation Expense)
- 0884 Accum Depreciation - Docks, Dikes, and Dams  
(7476 Depreciation Expense)
- 0885 Accum Depreciation - Other Roads  
(7476 Depreciation Expense)

**Related Transactions:**

TC 939: Fiduciary funds only – remove Invested in Capital Assets

**TC 545: Capital Asset Acquisition and Adjustment; Construction in Progress Adjustment; Capital Asset Impairment - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record the purchase, increase or adjustment of an asset in a proprietary, fiduciary or government-wide reporting fund. Also to capitalize or adjust the balance of Construction in Progress. (Do not use this TC to move capitalized Construction in Progress to the appropriate capital asset account; use TC 540.) The effect of this entry is to capitalize costs of capital assets or incomplete construction. For GAAP financial statement purposes, the GAAP Expenditure Offset eliminates the capital outlay expenditures or the expenses of capital construction paid during the fiscal year. Use TC 545R to record impairment loss.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Monthly, quarterly, or at least once a year. It is recommended that entries be made quarterly in keeping with the schedule of agency reconciliation of capital asset additions to capital outlay. If there is incomplete construction at the end of the year, there will certainly be an entry in month 13, as information for month 12 will not be available until after close.

**Transaction:**

- DR 3074 Change in Capital Assets
- DR *General Ledger Account Required:*
  - 0811 Works of Art and Historical Treasures - no depreciation  
*(5120/5125 Works of Art & Historical Treasures)*
  - 0812 Works of Art and Historical Treasures - depreciation  
*(5120/5125 Works of Art & Historical Treasures)*
  - 0815 Equipment and Machinery  
*(5100/5105 Office Furniture and Fixtures)*  
*(5150/5155 Equipment and Machinery)*  
*(5200-5205 Telecommunications)*  
*(5250/5255 Technical Equipment)*  
*(5400/5405 Household and Institutional Equipment)*  
*(5450/5455 Industrial and Heavy Equipment)*  
*(5500/5505 Aircraft)*  
*(5600/5605 Agricultural Equipment and Machinery)*  
*(5905 Other Capital Outlay)*
  - 0816 Motor Vehicles  
*(5170/5175 Motor Vehicles)*
  - 0817 Data Processing Software  
*(5300-5305 Data Processing Software)*
  - 0818 Data Processing Hardware  
*(5350-5355 Data Processing Hardware)*
  - 0820 Other Intangible Assets (Amortizable)  
*(5915 Other Intangible Assets)*
  - 0839 Other Intangible Assets (Not Amortizable)  
*(5915 Other Intangible Assets)*
  - 0840 State Highways  
*(5925 State Highways)*
  - 0841 Other Roads  
*(5935 Other Roads)*
  - 0842 Tunnels and Bridges  
*(5945 Tunnels and Bridges)*
  - 0843 Airports  
*(5955 Airports)*
  - 0844 Utility Systems  
*(5965 Utility Systems)*
  - 0845 Docks, Dikes, and Dams  
*(5975 Docks, Dikes, and Dams)*
  - 0848 Land Use Rights (Not Amortized)  
*(5725 Land Use Rights)*
  - 0849 Land Use Rights (Amortized)  
*(5725 Land Use Rights)*
  - 0850 Land  
*(5730 Land)*
  - 0852 Buildings and Building Improvements  
*(5805 Buildings and Improvements)*
  - 0856 Land Improvements  
*(5705 Land Improvement)*
  - 0861 Construction in Progress  
*(Because various expenditure objects may used for recording the costs of a state-built project, comptroller objects 3111-5999, 6201-7415, 7510 or 7511 may be used with this TC)*
  - 0862 Leasehold Improvements

(5755 Leasehold Improvements)  
0863 Capital Leased Property  
(5770/5775 Capital Leased Property)  
CR 3018 Invested in Capital Assets  
CR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object (See Debit for usual object - shown in italics)  
Because various expenditure objects may used for recording the costs of a  
state-built project, comptroller objects 3111-5999, 6201-7415, 7510 or 7511  
may be used with this TC. Comptroller object for Gain or Loss on Capital  
Asset Impairment is 7510.*

**Related Transactions:**

*TC 540:* Move Construction in Progress to capital asset account  
*TC 900/901:* Capital assets transferred between funds/agencies  
*TC 939:* Fiduciary funds only – remove Invested in Capital Assets

## ***RECEIVABLES TRANSACTIONS***

## **Governmental, Proprietary, and Fiduciary Funds – Loans and Advances Receivable**

### **TC 145: Collection of a Noncurrent Loan Receivable – Governmental, Proprietary, and Fiduciary Funds**

#### **Usage:**

To record a payment received on a noncurrent loan receivable that was established with TC 458 or TC 461. This transaction adjusts both the receivable and the reserve accounts. Loan repayment revenue is reported for budgetary purposes. For financial statement purposes, the GAAP Revenue Offset eliminates the revenue.

#### **Affects:**

Trial Balance, Budgetary and GAAP Operating Statements

#### **Record on R\*STARS:**

When loan repayment is received (this is the proper cash receipt TC for this type of transaction).

#### **Transaction:**

DR 0065 Unreconciled Deposit  
DR 3200 GAAP Revenue Offset  
CR 0931 Loans Receivable  
CR 3100 Revenue Control - Cash

#### *Requires Comptroller Object:*

1101 Housing Division Loan Repayments  
1102 Veterans' Loan Repayments  
1103 Senior Citizen Property Tax Repayments  
1104 Other Loan Repayments

#### **Related Transactions:**

*TC 458:* To Establish/Adjust Noncurrent Loan Receivable All funds.

*TC 473:* To Establish/Adjust Noncurrent Loan Receivable

*TC 143:* Collection of a Noncurrent Receivable - Other/Mortgage/Note/Contract/Tax established with TC 452 in a governmental fund.

*TC 455:* To write off an uncollectible noncurrent loan receivable. An allowance account has already been established.

*Note that TC 143 is for use in governmental funds **only**.*

### **TC 458: Establish/Adjust Noncurrent Loan Receivable – Governmental, Proprietary, and Fiduciary Funds**

#### **Usage:**

To record or adjust a noncurrent loan receivable in all fund types. For financial reporting purposes, the GAAP offset eliminates the expenditure that was recorded when the loan was originally disbursed. Use TC 458R and GL 0936 to record an allowance for uncollectible amounts.

#### **Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

The receivable should be recorded when the loan is issued. Allowance for uncollectibles should be recorded at least once a year. Month 13 would be an appropriate period for this.

**Transaction:**

DR    *General Ledger Account Required:*  
      0931    Loans Receivable  
      0936    Allowance for Uncollectible-Noncurrent-Loan Receivable  
CR    3600    GAAP Expenditure Offset  
*Requires Comptroller Object*  
*Comptroller objects 3111-5999 and 6201-7415 may be used; however, the object used when the loan was originally disbursed should be used here. Please consider using a "Loans Made" object to disburse the loan. Those comptroller objects are 6850, 6870, and 6875.*

**Related Transactions:**

*TC 145:* Collection on Noncurrent Loan Receivable  
*TC 455:* To Write Off Uncollectible Noncurrent Loan Receivable  
*TC 452:* Establish/Adjust a Noncurrent Receivable  
          Other/Mortgage/Note/Contract/Tax  
          *(Note that TC 452 is used in governmental funds **only**)*  
*TC 467:* To Write Off Uncollectible Noncurrent Receivable - Taxes

**TC 473:        Establish/Adjust Noncurrent Loan Receivable – Governmental, Proprietary, and Fiduciary Funds**

**Usage:**

To record or adjust a noncurrent loan receivable in governmental, proprietary and fiduciary fund types. For financial reporting purposes, the GAAP offset eliminates the revenue that was recorded when the loan was originally disbursed. Use TC 473R and GL 0936 to record an allowance for uncollectible amounts.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

The receivable should be recorded when the loan is issued. Allowance for uncollectibles should be recorded at least once a year. Month 13 would be an appropriate period for this.

**Transaction:**

DR    *General Ledger Account Required:*  
      0931    Loans Receivable  
      0936    Allowance for Uncollectible-Noncurrent-Loan Receivable  
CR    3200    GAAP Revenue Offset  
*Requires Comptroller Object*  
*A comptroller revenue object within the range of 0111-1107 or 1404-1408 may be used; however, the object used when the loan was originally disbursed should be used here.*

**Related Transactions:**

TC 145: Collection on Noncurrent Loan Receivable

TC 455: To Write Off Uncollectible Noncurrent Loan Receivable

TC 452: Establish/Adjust a Noncurrent Receivable  
Other/Mortgage/Note/Contract/Tax

(Note that TC 452 is used in governmental funds **only**)

TC 467: To Write Off Uncollectible Noncurrent Receivable - Taxes

**TC 446: Establish or Adjust Advance To Other Funds/Agencies – Governmental, Proprietary, and Fiduciary Funds**

**Usage:**

To establish or adjust an advance to another fund or agency for governmental, proprietary and fiduciary funds. Payment of the advance by the agency would be initiated using TC 722/723. The GAAP Expenditure Offset eliminates the expenditure (that was recorded with TC 722) for financial statement purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When advance payment is made using TC 722.

**Transaction:**

DR 0950 Advances To Other Funds/Agencies

*Agency General Ledger Account Required:*

*Format: 8 characters*

*XXX Agency **owing** on Advance*

*XXXX Fund in Agency **owing** on Advance*

*0 (zero) Filler*

CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

*5450 Industrial and Heavy Equipment*

*5455 1099 Reportable Services/Industrial & Heavy Equipment*

*6870 Loans Made to State Agencies*

*6875 Loans Made - Other*

**Related Transactions (for proprietary & fiduciary funds only):**

TC 447: Adjust Advance To Other Funds/Agencies for Repayment

TC 448: Establish or Adjust Advance From Other Funds/Agencies

TC 449: Adjust Advance From Other Funds/Agencies for Repayment

**TC 447: Adjust Advance To Other Funds/Agencies for Repayment – Governmental, Proprietary, and Fiduciary Funds**

**Usage:**

To record a payment received on an advance to another fund or agency in governmental, proprietary and fiduciary funds. Repayment of the advance by the other agency would be initiated using TC 722/723. The GAAP Revenue Offset eliminates the revenue (recorded with TC 723) for financial reporting purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When loan repayment is received via TC 723.

**Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
 1101 *Housing Division Loan Repayments*  
 1102 *Veterans' Loan Repayments*  
 1103 *Senior Citizen Property Tax Repayments*  
 1104 *Other Loan Repayments (most agencies will use this account)*  
 CR 0950 Advances To Other Funds/Agencies  
*Agency General Ledger Account Required:*  
*Format: 8 characters*  
 XXX Agency **owing** on Advance  
 XXXX Fund in Agency **owing** on Advance  
 0 (zero) Filler

**Related Transactions (all fund types):**

TC 446: Establish or Adjust Advance To Other Funds/Agencies

TC 448: Establish or Adjust Advance From Other Funds/Agencies

TC 449: Adjust Advance From Other Funds/Agencies for Repayment

**GAAP General Fund only – Advances Receivable****TC 486: Establish/Adjust Advance To Other Funds/Agencies - General Fund only****Usage:**

To establish or adjust a long-term advance receivable to another fund or agency in the General Fund. The nonspendable fund balance that this TC establishes is appropriate only in the GAAP General Fund and only if the proceeds from collections on the advance are not restricted, committed or assigned to a specific purpose. Otherwise, use TC 446. Payment of the advance by the agency would be initiated using TC 722/723. The GAAP Expenditure Offset eliminates the expenditure (that was recorded with TC 722) for financial statement purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When advance is issued via TC 722.

**Transaction:**

DR 0950 Advances To Other Funds/Agencies  
 DR 3075 Change in Reserves  
*Agency General Ledger Account Required:*  
*Format: 8 characters*  
 XXX Agency **owing** on Advance  
 XXXX Fund in Agency **owing** on Advance  
 0 (zero) Filler  
 CR 3035 Nonspendable FB Advances To Other Fund

CR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
6870 *Loans Made to State Agencies*  
6875 *Loans Made – Other*

**Related Transactions (for GAAP General Fund only):**

TC 472: Adjust for Repayment - Advance To Other Funds/Agency - General Fund

**TC 472: Adjust for Repayment - Advance To Other Funds/Agency - GAAP General Fund only**

**Usage:**

To adjust a long-term advance to another fund or agency in the General Fund to reflect a repayment received; original advance was recorded with TC 486. Repayment of advance by the other agency would be initiated using TC 722/723. For financial reporting purposes, the GAAP Revenue Offset eliminates revenue that was initially recorded with TC 723 when the payment was received.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When loan repayment is received via TC 723.

**Transaction:**

DR 3035 Nonspendable FB - Advance To Other Funds/Agencies  
DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
1100 *Other Program Loan Repayments*  
1101 *Housing Division Loan Repayments*  
1102 *Veterans' Loan Repayments*  
1103 *Senior Citizen Property Tax Repayments*  
1104 *Other Loan Repayments (most agencies will use this account)*  
CR 0950 Advances To Other Funds/Agencies  
CR 3075 Change in Reserves  
*Agency General Ledger Account Required:*  
*Format: 8 characters*  
*XXX Agency **owing** on Advance*  
*XXXX Fund in Agency **owing** on Advance*  
*0 (zero) Filler*

**Related Transactions (for General Fund only):**

TC 486: Establish or Adjust Advance To Other Funds/Agencies

## **Proprietary & Fiduciary Funds**

### **TC 142: Collection of Noncurrent Note/Mortgage/Contract/Tax Receivable - Proprietary and Fiduciary Funds**

#### **Usage:**

To record a payment received on a noncurrent receivable that was established with a TC 461 in a proprietary or fiduciary fund. This transaction records the receipt of cash and reduces the long-term receivable. For budgetary purposes this transaction records a credit to revenue (loan repayments). For financial statement purposes, the GAAP Revenue Offset eliminates the revenue.

#### **Affects:**

Trial Balance, Budgetary and GAAP Operating Statements

#### **Record on R\*STARS:**

When repayment is received (this is the proper cash receipt TC for this type of transaction).

#### **Transaction:**

DR 0065 Unreconciled Deposit  
DR 3200 GAAP Revenue Offset  
CR *General Ledger Account Required:*  
0420 Taxes Receivable-Noncurrent  
0927 Investment in State Owned Property  
0930 Notes Receivable-Noncurrent  
0932 Contracts Receivable  
0933 Mortgage Receivable  
0935 Other Receivables – Noncurrent  
CR 3100 Revenue Control - Cash  
*GL accounts 3100 and 3200 require a comptroller object:*  
1101 *Housing Division Loan Repayments*  
1102 *Veterans' Loan Repayments*  
1103 *Senior Citizen Property Tax Repayments*  
1104 *Other Loan Repayments*

#### **Related Transactions:**

*TC 461:* Establish or Adjust Note/Mortgages/Contracts/SOP/Taxes Rec-Noncurrent-proprietary and fiduciary funds

*TC 445:* Write off of Uncollectible Noncurrent Receivable-Other/Mtg/Note/Contract

*TC 467:* Write off of Uncollectible Noncurrent Receivable-Taxes

*TC 455:* Write off of Uncollectible Noncurrent Receivable-Loans

### **TC 289: Voucher Payable-Loan Receivable/Payable - Proprietary and Fiduciary Funds**

#### **Usage:**

To set up voucher payable and adjust loan receivable/payable that was not encumbered. Use TC 289R to reduce amount to vendor. Developed to combine several of the General Ledger and Comptroller Objects of TC 457 and TC 461. This TC creates a warrant.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When making a payment on a long term liability or issuing a payment that creates a long term receivable - **do not use** to reduce balance of Noncurrent receivable for repayments received.

**Transaction:**

DR    *General Ledger Account Required:*  
       0420 Taxes Receivable-Noncurrent  
       0927 Investment in State Owned Property  
       0930 Notes Receivable-Noncurrent  
       0931 Loans Receivable  
       0932 Contracts Receivable  
       0933 Mortgage Receivable  
       0935 Other Receivables – Noncurrent  
       1577 Trust Funds Payable - Noncurrent  
       1717 Claims and Judgments Payable  
       1720 Accounts Payable - Noncurrent  
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       1725 Legal Reserves  
       1726 Reported Claims - Risk Management  
       1727 Legal IBNR (Incurred But Not Reported)  
       1730 Original/Acquisition Loan Fees  
       1735 Loans Payable  
       1740 IBNR Reserves – Risk Management  
       1745 Lottery Prize Awards Payable  
       1750 Notes Payable – Noncurrent  
 DR    3501 Expenditure Control-Accrued  
 CR    3600 GAAP Expenditure Offset  
 CR    1211 Vouchers Payable  
       *GL accounts 3501 and 3600 require a comptroller object.*  
       *Comptroller objects 4000 – 5999, 6093, 6201-7415 or 3263 may be used.*

**Related Transactions:**

*TC 457: Adjust Noncurrent Liabilities in Proprietary, Fiduciary, Government-wide Reporting Funds*

**TC 298: Expenditure Transfer Paid to Local Government Investment Pool-Loan Receivable/Payable - Proprietary and Fiduciary Funds**

**Usage:**

To record the expenditure and adjust loans receivable/payable for a payment made to a local government through the Local Government Investment Pool (LGIP) without issuing a warrant. To be used if transfer to local government is budgeted. Developed to combine several of the General Ledger and Comptroller Objects of TC 457 and TC 461.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When making a payment on a long term liability or issuing a payment that creates a long term receivable - **do not use** to reduce balance of Noncurrent receivable for repayments received.

**Transaction:**

DR    *General Ledger Account Required:*  
       0420    Taxes Receivable-Noncurrent  
       0927    Investment in State Owned Property  
       0930    Notes Receivable-Noncurrent  
       0931    Loans Receivable  
       0932    Contracts Receivable  
       0933    Mortgage Receivable  
       0935    Other Receivables – Noncurrent  
       1577    Trust Funds Payable - Noncurrent  
       1717    Claims and Judgments Payable  
       1720    Accounts Payable - Noncurrent  
       1722    Contracts Payable – Retainage  
       1725    Legal Reserves  
       1726    Reported Claims - Risk Management  
       1727    Legal IBNR (Incurred But Not Reported)  
       1730    Original/Acquisition Loan Fees  
       1735    Loans Payable  
       1740    IBNR Reserves – Risk Management  
       1750    Notes Payable – Noncurrent  
 DR    3500    Expenditure Control-Cash  
 CR    0070    Cash on Deposit with Treasurer  
 CR    3600    GAAP Expenditure Offset  
       *GL accounts 3500 and 3600 require a comptroller object:  
       Comptroller objects 3111 – 5999, 6300-6725, 6727, 6800, 6805, or 6875 may  
       be used.*

**Related Transactions:**

*TC 457:* Adjust Noncurrent Liabilities in Proprietary, Fiduciary, Government-wide Reporting funds

**TC 461:            Establish or Adjust Noncurrent Notes/Mortgages/Contracts/State-owned Property/ Taxes Receivable – Proprietary and Fiduciary Funds**

**Usage:**

To establish or adjust long-term receivables in a proprietary, fiduciary or government-wide reporting fund. To establish an allowance for estimated uncollectible amounts, use a TC 461R (reversal). For financial reporting purposes, the GAAP Expenditure Offset eliminates the expenditure that was recorded when the receivable was originally created.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When the receivable is created (whether a sale, a contract or note given). Allowance for uncollectibles should be recorded at least once a year; month 13 would be an appropriate period for this.

**Transaction:**

DR    *General Ledger Account Required:*  
       0420 Taxes Receivable-Noncurrent  
       0927 Investment in State Owned Property  
       0930 Notes Receivable - Noncurrent  
       0932 Contracts Receivable  
       0933 Mortgage Receivable  
       0934 Allowance for Uncollectible Rec.-Noncurrent-Contract/Mtg/Note/Other  
       0935 Other Receivables - Noncurrent  
       0937 Allowance for Uncollectible Taxes - Noncurrent  
 CR    3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
*Comptroller objects 3111-5999, 6201-7415 or 7479 may be used. When recording the allowance for uncollectible accounts, use 7479 Bad Debt Expense if there is no revenue associated with the receivable. Use TC 462 to record allowance as a reduction to the associated revenue.*

**Related Transactions:**

*TC 445: Write Off Uncollectible Noncurrent Receivable - Other/Note/Mortgage/Contract*  
*TC 455: Write Off Uncollectible Noncurrent Receivable - Loans*  
*TC 467: Write Off Uncollectible Noncurrent Receivable - Taxes*

**TC 462:            Establish/Adjust Noncurrent Liability or Noncurrent Receivable - Proprietary and Fiduciary Funds**

**Usage:**

To adjust receivable amounts established with TC 461 in a proprietary, fiduciary or government-wide reporting fund (not to reduce them for payments received; use TC 142 for that). The GAAP Revenue Offset eliminates revenue for financial reporting purposes. This transaction is also used to adjust certain liabilities against revenue.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When adjustment is determined to be needed - **do not use** to reduce balance of Noncurrent receivable for repayments received. Review general ledger accounts below at least annually to determine need for adjustment.

**Transaction:**

DR    3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
*Comptroller objects 0111 - 2600 may be used. The object used to establish the original receivable should be used to adjust revenue.*

CR *General Ledger Account Required:*  
 0420 Taxes Receivable-Noncurrent  
 0927 Investment in State Owned Property  
 0930 Notes Receivable-Noncurrent  
 0932 Contracts Receivable  
 0933 Mortgage Receivable  
 0934 Allowance for Uncollectible Rec.-Noncurrent-Contract/Mtg/Note/Other  
 0935 Other Receivables – Noncurrent  
 0937 Allowance for Uncollectible Taxes - Noncurrent  
 1280 Lease Purchase Contracts Payable - Current  
 1281 Obligation Under Capital Lease – Current  
 1577 Trust Funds Payable - Noncurrent  
 1717 Claims and Judgments Payable  
 1720 Accounts Payable - Noncurrent  
 1722 Contracts Payable – Retainage  
 1725 Legal Reserves  
 1726 Reported Claims - Risk Management  
 1727 Legal IBNR (Incurred But Not Reported)  
 1730 Original/Acquisition Loan Fees  
 1735 Loans Payable  
 1740 IBNR Reserves – Risk Management  
 1745 Lottery Prize Awards Payable  
 1750 Notes Payable - Noncurrent

**Related Transactions:**

*TC 461:* Establish or Adjust Loan/Note/Mortgage/Contract Receivable - Noncurrent

*TC 457:* Adjust Noncurrent Liabilities in Proprietary, Fiduciary, Government-wide Reporting Funds

**TC 463: Charge Miscellaneous Revenue to a Noncurrent Receivable - Proprietary and Fiduciary Funds**

**Usage:**

To charge miscellaneous revenue to a noncurrent receivable-loan, mortgage, contract, note or other. In this transaction, the GAAP Revenue Offset reports additional revenue for financial statement purposes.

**Affects:** Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When adjustment is determined to be needed - **do not use** to reduce balance of noncurrent receivable for repayments received.

**Transaction:**

DR *General Ledger Account Required:*  
 0930 Notes Receivable-Noncurrent  
 0932 Contracts Receivable  
 0933 Mortgage Receivable  
 0934 Allowance for Uncollectible Rec.-Noncurrent-Contract/Mtg/Note/Other  
 0935 Other Receivables - Noncurrent  
 CR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
*Comptroller objects 0111 - 2600 may be used.*

**Related Transactions: NONE**

**TC 571: Revenue/Cash w/Bank – Establish/Adjust Noncurrent Liability & Noncurrent Receivable - Proprietary and Fiduciary Funds**

**Usage:**

To record the receipt of cash in bank and establish a loan payable for proceeds received. Use TC 457 to repay. To record receipt of cash in bank and adjust a noncurrent receivable. Use for Proprietary and Fiduciary Funds only. Developed to combine several of the General Ledger and Comptroller Objects of TC 567 and TC 462. This T Code records the receipt of cash in bank.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When payment is received for a long term receivable that is recorded in cash in bank or to set up a loan payable in cash in bank. For financial statement purposes, the GAAP revenue offset eliminates the revenue.

**Transaction:**

DR 3200 GAAP Revenue Offset  
DR 0077 Cash - in Bank  
CR *General Ledger Account Required:*  
0420 Taxes Receivable-Noncurrent  
0927 Investment in State Owned Property  
0930 Notes Receivable-Noncurrent  
0931 Loans Receivable  
0932 Contracts Receivable  
0933 Mortgage Receivable  
0935 Other Receivables - Noncurrent  
1280 Lease Purchase Contracts Payable-Current  
1281 Obligation Under Capital Lease-Current  
1577 Trust Funds Payable-Noncurrent  
1717 Claims and Judgments Payable  
1720 Accounts Payable-Noncurrent  
1722 Contracts Payable-Retainage  
1725 Legal Reserves  
1726 Reported Claims-Risk Management  
1727 Legal IBNR  
1730 Original/Acquisition Loan Fees  
1735 Loans Payable  
1740 IBNR Reserves-Risk Management  
1750 Notes Payable-Noncurrent  
CR 3100 Revenue Control - Cash  
*GL accounts 3100 and 3200 require a comptroller object.  
Comptroller objects 0111 - 2600 may be used.*

**Related Transactions:**

*TC 457: Adjust Noncurrent Liabilities in Proprietary, Fiduciary, Government-wide Reporting Funds*

***LIABILITIES TRANSACTIONS  
(NO BONDS/COPs)***

## **Governmental, Proprietary, and Fiduciary Funds - Advances**

### **TC 448: Establish or Adjust Advance From Other Fund/Agency – Governmental, Proprietary, and Fiduciary Funds**

#### **Usage:**

To record a long-term advance (loan) from another fund or agency. Receipt of the advance by the agency would be initiated by the advancing agency or fund using TC 722/723. The GAAP Revenue Offset eliminates the revenue (other revenue or loan proceeds recorded with TC 723) for financial statement purposes.

#### **Affects:**

Trial Balance and GAAP Operating Statements

#### **Record in R\*STARS:**

When loan proceeds are recorded with TC 723.

#### **Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
1105 Other Revenue  
1600 Loan Proceeds  
CR 1800 Advances From Other Funds/Agencies  
*Agency General Ledger Account Required:*  
*Format: 8 characters*  
*XXX Agency **owed** on Advance*  
*XXXX Fund in Agency **owed** on Advance*  
*0 (zero) Filler*

#### **Related Transactions ():**

*TC 449: Adjust Advance From Other Fund/Agency for Repayment*

*TC 446: Establish or Adjust Advance To Other Fund/Agency*

*TC 447: Adjust Advance To Other Fund/Agency for Repayment*

### **TC 449: Adjust Advance From Other Fund/Agency for Repayment – Governmental, Proprietary, and Fiduciary Funds**

#### **Usage:**

To reduce the outstanding balance of a long-term advance from another fund or agency as a result of a repayment. Repayment of advance by the agency would be initiated using TC 722/723. The GAAP Expenditure Offset eliminates the expense (loans repaid to state agencies or principal-loans recorded with TC 722) for financial statement purposes.

#### **Affects:**

Trial Balance and GAAP Operating Statements

#### **Record in R\*STARS:**

When loan repayment is initiated using TC 722.

**Transaction:**

- DR 1800 Advances From Other Funds/Agencies  
*Agency General Ledger Account Required:*  
*Format: 8 characters*  
*XXX Agency **owed** on Advance*  
*XXXX Fund in Agency **owed** on Advance*  
*0 (zero) Filler*
- CR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
6825 *Loans Repaid to State Agencies*  
7200 *Principal - Loans*

**Related Transactions:**

- TC 448: Establish or Adjust Advance From Other Fund/Agency  
TC 446: Establish or Adjust Advance To Other Fund/Agency  
TC 447: Adjust Advance To Other Fund/Agency for Repayment

**Proprietary, Fiduciary, and Government-wide Reporting Funds**

**TC 457: Establish or Adjust Other Noncurrent Liabilities – Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record other liabilities that create an expenditure for repayment in proprietary, fiduciary or government-wide reporting funds. The effect of this transaction is to establish or adjust a liability for GAAP reporting purposes without affecting budgetary expenditures.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

At least once a year; Month 13 is an appropriate period to record this.

**Transaction:**

- DR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
*Comptroller objects 3111-5999 and 6201-7415 may be used.*
- CR *General Ledger Account Required:*  
1577 Trust Funds Payable - Noncurrent  
1717 Claims and Judgment Payable  
1720 Accounts Payable - Noncurrent  
1722 Contracts Payable - Retainage  
1725 Legal Reserves  
1726 Reported Claims - Risk Management  
1727 Legal IBNR  
1730 Original/Acquisition Loan Fees  
1735 Loans Payable  
1740 IBNR Reserves - Risk Management  
1745 Lottery Prize Awards Payable  
1750 Notes Payable-Noncurrent  
1770 Net OPEB Obligation

**Related Transactions: N O N E**

**TC 459: Reduce Capital Lease Liability - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To reduce the lease liability balance when payments are made on a capital lease or installment purchase with TC 222 or 225. The GAAP Expenditure Offset in this transaction eliminates the expense (recorded with TC 222 or 225) for financial statement purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Preferably at the time payment is made to the lessor. Minimally, at least once a year for the total of the principal paid to the lessor.

**Transaction:**

DR *General Ledger Account Required:*

1715 Lease-Purchase Contracts Payable-Noncurrent

1716 Obligations under Capital Lease-Noncurrent

CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

*All capital outlay objects (5100 - 5975) may be used; should use the same objects used to record payments (TC 222 or 225).*

**Related Transactions:**

*TC 466: To record capital leased property and the related liability*

## ***BOND/COP TRANSACTIONS***

## **Proprietary, Fiduciary, and Government-wide Reporting Funds**

### **TC 504: To Establish or Adjust a Payable for Bonds/COPs/TANs – Proprietary, Fiduciary, and Government-wide Reporting Funds**

#### **Usage:**

To record the liability associated with issuance of bonds or COPs in a proprietary, fiduciary or government-wide reporting fund (bond or COP revenue proceeds are recorded using TC 190 or 567). Also use to establish the liability for TANs in a governmental fund. The effect of this transaction is to reduce the amount of revenue and to establish Bonds, COP, or TANs payable for GAAP financial statement purposes.

#### **Affects:**

Trial Balance and GAAP Operating Statements

#### **Record in R\*STARS:**

When bonds, COPs or TANs are sold.

#### **Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
1501 General Obligation Bonds  
1502 Lottery Revenue Bonds  
1503 Revenue Bonds  
1504 Tax Exempt Commercial Paper  
1505 Proceeds from Refunding Bond/COP Debt  
1506 Certificates of Participation  
1507 OID - Certificates of Participation  
1508 OID - Bonds  
1509 OIP - Certificates of Participation  
1510 OIP - Bonds  
1511 OIP - Tax Anticipation Notes  
1512 Appropriation Bonds  
1513 OIP- Appropriation Bonds  
1605 Tax Anticipation Note Proceeds  
CR General Ledger Account Required:  
1540 Tax Anticipation Notes Payable  
1545 Premium on Tax Anticipation Notes  
1702 Discount on COPs Sold  
1703 Premium on COPs Sold  
1704 COPs Payable – Noncurrent  
1712 Discount on Bonds Sold  
1713 Premium on Bonds Sold  
1714 Bonds Payable - Noncurrent

**Related Transactions: N O N E**

**TC 514: Establish Underwriter's Discounts/Deferred Charges on Bonds/COPs - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record underwriter's discounts and deferred charges (costs of issuance, remarket fees, bond insurance, etc.) when expenditures (budgetary) are made with TC 222 or 167R (i.e., out of pocket expenses, not paid from the Bond/COP proceeds). Discounts, premiums and deferred charges paid from proceeds should be recorded with TC 511. This transaction allows the costs to be matched with the period in which they are used. *Use TC 500 for deferred charges other than Bonds/COPs.*

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Record underwriter's discounts or deferred charges at the time they are incurred, and record amortized expense using a TC 520 at least once a year thereafter.

**Transaction:**

DR *General Ledger Account Required:*

0603 Deferred Charges  
1701 Underwriter's Discount - Bonds  
1702 Discount on COPs Sold  
1703 Premium on COPs Sold  
1705 Deferred Loss/Gain on Debt Refunding  
1711 Underwriter's Discount - Bonds  
1712 Discount on Bonds Sold  
1713 Premium on Bonds Sold

CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

4050 *Bond Costs*  
4051 *Bond Refunded Debt Payment to Escrow Agent-not from bond proceeds*  
4055 *Certificate of Participation Costs*  
4056 *COP Refunded Debt Payment to Escrow Agent-not from COP proceeds*  
7050 *Refunded Debt Payment to Escrow Agent-from Bond/COP proceeds*

**Related Transactions:**

*TC 511: Establish Original Premium or Underwriter's Discounts and Deferred Charges for Bonds/COPs*

*TC 516: Write off loss on remaining Discount, Premium, Deferred Charges, or Deferred Loss/Gain on Bonds/COPs*

*TC 520: Amortize Original/Underwriter's Discounts/Costs of Issuance/Deferred Charges for Bonds/COPs*

**TC 516: Write Off Various Bond/COP Costs - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To write off the loss on Bond/COP remaining original discount, deferred expenses, costs of issuance and underwriter's discount in a proprietary, fiduciary or government-wide reporting fund. *This transaction should be used **only** when a bond or COP issue is being called or refunded.* Use a TC 520 for normal amortization of the various deferred costs. The effect of this transaction is to reduce the amount of revenue reported for GAAP financial statement purposes and to reduce the amount of deferred charges, underwriter discount, or original issue discount.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Only when Bond or COP issue(s) are refunded or retired early; record at time of Bond/COP payoff.

**Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
2315 *Loss on Bond Call - Capitalization Write-off*  
2316 *Loss on COP Call - Capitalization Write-off*  
CR *General Ledger Account Required:*  
0603 Deferred Charges  
1701 Underwriter's Discount - COPs  
1702 Discount on COPs Sold  
1705 Deferred Loss/Gain on Debt Refunding  
1711 Underwriter's Discount - Bonds  
1712 Discount on Bonds Sold

**Related Transactions:**

TC 514: Establish Underwriter's Discounts/Deferred Charges on Bonds/COPs  
TC 517: Write off Original Premium on Called Bonds/COPs

**TC 517: Write Off Bond/COP Original Premium - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

This transaction allows the user to write off the loss on Bond/COP remaining original premium in a proprietary, fiduciary or government-wide reporting fund. *This transaction should be used **only** when a bond or COP issue is being called.* Use a TC 520 for normal amortization of the original premium. The effect of this transaction is to increase the amount of revenue reported for GAAP financial statement purposes and to reduce the amount of original Bond/COP premium.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Only when Bond or COP issue(s) refunded or retired early; record at time of Bond/COP payoff.

**Transaction:**

DR    *General Ledger Account Required:*  
       1703    Premium on COPs Sold  
       1713    Premium on Bonds Sold  
 CR    3200    GAAP Revenue Offset  
       *Requires Comptroller Object:*  
       2315    Loss on Bond Call - Capitalization Write-off  
       2316    Loss on COP Call - Capitalization Write-off

**Related Transactions:**

*TC 511:* Establish Underwriter's Discounts/Premium/Deferred Charges on Bonds/COPs

*TC 516:* Write off discounts and deferred charges when debt is refunded

**TC 520:    Amortize Original/Underwriter's Discounts/Costs of Issuance/Deferred Charges for Bonds/COPs - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record the amortization of costs of issuance, original discount, prepaid expenses, deferred charges or underwriter's discount for Bonds/COPs in a proprietary, fiduciary or government-wide reporting fund. The GAAP Expenditure Offset records an expense for financial statement purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

At least once a year (Month 13 is an appropriate period).

**Transaction:**

DR    3600    GAAP Expenditure Offset  
       *Requires Comptroller Object:*  
       7420    Amortization - Deferred Charges  
       7430    Amortization - Prepaid Expenses  
       7440    Amortization - Underwriter's Discount - Bonds  
       7445    Amortization - Underwriter's Discount - COPs  
       7450    Amortization - Discount/Premium on Bonds  
       7455    Amortization - Discount/Premium on COPs  
       7460    Amortization - Cost of Issuance on Bonds  
       7465    Amortization - Cost of Issuance on COPs  
       7470    Amortization – Deferred Loss/Gain on Refunding  
 CR    *General Ledger Account Required:*  
       0602    Prepaid Expenses  
       0603    Deferred Charges  
       1701    Underwriter's Discount - COPs  
       1702    Discount on COPs Sold  
       1705    Deferred Loss/Gain on Debt Refunding

1711 Underwriter's Discount - Bonds  
1712 Discount on Bonds Sold

**Related Transactions:**

*TC 511:* Establish Original Premium, Underwriter's Discounts and Deferred Charges for Bonds/COPs

*TC 514:* Establish Underwriter's Discounts/Deferred Charges on Bonds/COPs

**TC 523: Amortize Original Premium for Bonds/COPs - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record the amortization of the original premium for Bonds/COPs in a proprietary, fiduciary or government-wide reporting fund. The GAAP Expenditure Offset records these expenses for financial statement purposes only.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

At least once a year (Month 13 is an appropriate period).

**Transaction:**

DR    *General Ledger Account Required:*  
      1545 Premium on Tax Anticipation Notes  
      1703 Premium on COPs Sold  
      1713 Premium on Bonds Sold  
CR    3600 GAAP Expenditure Offset  
      *Requires Comptroller Object:*  
      7450 Amortization - Discount/Premium on Bonds  
      7455 Amortization - Discount/Premium on COPs

**Related Transactions:**

*TC 511:* Establish Original Premium, Underwriter's Discounts and Deferred Charges for Bonds/COPs

**TC 524: Establish or Adjust Accreted Interest Payable on Bonds/COPs - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record the accretion (or growth) of the accreted interest associated with *deep discount* Bonds/COPs to match revenues and expenses. This increases Accreted Interest Payable over the life of the Bonds/COPs. The GAAP Expenditure Offset records the expense for financial statement purposes only.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

At least once a year (Month13 is an appropriate period).

**Transaction:**

DR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
7050 *Refunded Debt Payment to Escrow Agent from Bond/COP Proceeds*  
7250 *Interest - Bonds*  
7300 *Interest - Certificates of Participation*  
CR 1709 Accreted Interest Payable

**Related Transactions: N O N E****TC 526: Establish or Adjust Noncurrent Arbitrage Rebate Payable on Bonds/COPs - Proprietary, Fiduciary, and Government-wide Reporting Funds****Usage:**

To record the noncurrent portion of arbitrage rebate payable for Bonds/COPs in a proprietary, fiduciary or government-wide reporting fund. This reduces interest revenue associated with Bonds/COPs. Use a TC 526R to reduce/liquidate arbitrage payable. The GAAP Revenue Offset records the reduction of revenue for financial statement purposes only.

**Affects:**

Trial Balance, GAAP Operating Statements

**Record in R\*STARS:**

At least once a year (Month13 is an appropriate period).

**Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
0800 *Interest on Investments*  
0801 *Interest on Program Loans*  
CR 1719 Arbitrage Rebate Payable

**Related Transactions:**

TC 527: – Adjust arbitrage rebate payable-current

**TC 527: Establish or Adjust Current Arbitrage Rebate Payable on Bonds/COPs - Proprietary, Fiduciary, and Government-wide Reporting Funds****Usage:**

To record the current portion of arbitrage rebate payable for Bonds/COPs in a proprietary, fiduciary or government-wide reporting fund. This reduces interest revenue associated with Bonds/COPs. Use a TC 526R to reduce/liquidate arbitrage payable. The GAAP Revenue Offset records the reduction of revenue for financial statement purposes only.

**Affects:**

Trial Balance, GAAP Operating Statements

**Record in R\*STARS:**

At least once a year (Month13 is an appropriate period).

**Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
 0800 Interest on Investments  
 0801 Interest on Program Loans  
 CR 1619 Arbitrage Rebate Payable-Current

**Related Transactions:**

TC 526: Record arbitrage rebate payable-noncurrent

**TC 528: Reduce Liability for Principal or Advance Refunding of Bonds/COPs - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To reduce the Bond or COP Payable balances to reflect the payment of principal or an advance refunding in a proprietary, fiduciary or government-wide reporting fund. To record payment to escrow agent for advance refunding or principal payment use TC 167R or 568.

To produce a warrant, use TC 222.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When payment on principal is made or, at a minimum, at the end of each year principal payments are made.

**Transaction:**

DR *General Ledger Account Required:*  
 1276 Bonds Payable - Current  
 1279 COP Payable - Current  
 1540 Tax Anticipation Notes Payable - Current  
 1704 COPs Payable - Noncurrent  
 1714 Bonds Payable - Noncurrent  
 CR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
 4051 Bond Refund Debt Payment – Escrow Agent – Agency Cash  
 7050 Refunded Debt Payment to Escrow Agent from Bond/COP Proceeds  
 7100 Principal - Bonds  
 7150 Principal - Certificates of Participation  
 7275 Principal – Appropriation Bonds  
 7410 Principal - Tax Anticipation Notes

**Related Transactions: N O N E**

**TC 558: Expenditure/Cash w/Bank-Reduce Liability - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record expenditure from cash in bank and reduce liability for the amount of principal or advanced refunding for a bond or COP payable in a Proprietary, Fiduciary or the Government Wide Reporting Fund. Developed to combine several of the General Ledger and Comptroller Objects of TC 528 and TC 568. This TC records the expenditure from cash in bank.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When payment on principal is made from cash in bank or, at a minimum, at the end of each year principal payments are made.

**Transaction:**

DR *General Ledger Account Required:*

1276 Bonds Payable - Current

1279 COP Payable - Current

1704 COPs Payable - Noncurrent

1714 Bonds Payable - Noncurrent

CR 0077 Cash-In Bank

DR 3500 Expenditure Control-Cash

CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

4051 *Bond Refund Debt Payment – Escrow Agent – Agency Cash*

7050 *Refunded Debt Payment to Escrow Agent from Bond/COP Proceeds*

7100 *Principal - Bonds*

7150 *Principal - Certificates of Participation*

**Related Transactions: N O N E**

## ***OTHER MISCELLANEOUS TRANSACTIONS***

**TC 440: Record/Adjust Short-Term Vacation Payable – Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record increase (TC 440) or decrease (TC 440R) in short-term vacation payable in proprietary, fiduciary or government-wide reporting funds. The effect of this entry is an increase or decrease in payroll expense for GAAP financial statement purposes. The effect of this entry will not appear on budgetary operating statements, but will be reflected in GAAP operating statements.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Record once per year. Month 13 is the most appropriate period to record this, but it can be recorded in month 12 when information is provided by SARS.

**Transaction:**

DR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
3111 Regular Employees (payroll)  
CR 1605 Vacation Payable - Current

**Related Transactions:**

*TC 442:* Record/Adjust Noncurrent Vacation Payable - Proprietary, Fiduciary, Government-wide Reporting Funds

**TC 442: Record/Adjust Noncurrent Vacation Payable - Proprietary, Fiduciary, and Government-wide Reporting Funds**

**Usage:**

To record increase (TC 442) or decrease (TC 442R) in noncurrent vacation payable in proprietary or fiduciary funds or the government-wide reporting fund. The effect of this entry is an increase or decrease in payroll expense for GAAP financial reporting purposes. Thus, the effect of this entry will not appear on budgetary operating statements, but will be reflected in GAAP operating statements.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Record once per year. Month 13 is the most appropriate period to record this, but it can be recorded in month 12 when information is provided by SARS.

**Transaction:**

DR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:*  
3111 Regular Employees (payroll)  
CR 1718 Vacation Payable - Noncurrent

**Related Transactions:**

*TC 440:* Short-Term Vacation Payable for all fund types

**TC 487: Adjust Valuation Account to Recognize Investments at Fair Value or Amortize Investment Premium/Discount - Governmental, Proprietary, and Fiduciary Funds**

**Usage:**

To adjust the valuation account to recognize investments at fair value. A TC 487R records a decrease in fair value, and a TC 487 records an increase in fair value. The GAAP Revenue Offset records the adjustment for GAAP reporting purposes only.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Monthly.

**Transaction:**

DR    *General Ledger Account Required:*  
      0245 Investment Valuation Account - Designated  
      0255 Investment Valuation Account - Other  
      0261 Premium on Investments  
      0281 Discount on Investments  
CR    3200 GAAP Revenue Offset  
      *Requires Comptroller Object:*  
      0800 Interest on Investments  
      0801 Interest on Program Loans  
      0810 Income From Investments - Treasury  
      0811 Interest on Program Loans - Treasury  
      0830 Net Increase (Decrease) in FV of Investments  
      2345 Amortization of Investment Premium  
      2346 Amortization of Investment Discount

**Related Transactions:**

TC 490: Record purchase of Investments with Cash in Bank  
TC 491: Record purchase of Investments with Cash at Treasury

**Governmental Funds**

**TC 502: Record or Adjust Inventories - Governmental Funds**

**Usage:**

To record or adjust inventory and the related nonspendable fund balance account in a governmental fund. Also records the change in inventory for GAAP reporting purposes. Expenditures (budgetary) are made with TC 222, 225, or 226. Where the asset cost has not expired, this transaction allows the costs to be matched with the period in which they are used.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

At least once a year (month 13 is proper for this).

**Transaction:**

DR    *General Ledger Account Required:*  
       0600 Inventories-Materials and Supplies  
       0601 Inventories-Stores for Resale  
 DR    3075 Change in Reserves  
 CR    3031 Nonspendable FB - Inventory  
 CR    3600 GAAP Expenditure Offset  
       *Requires Comptroller Object:*  
       7500 Increase/Decrease in Governmental Inventories Reserve

**Related Transactions:**

*TC 500:* Record/Adjust Inventory in proprietary and fiduciary funds or in governmental funds if the proceeds from the sale of merchandise for resale are restricted, committed, or assigned to a specific purpose.

**TC 510: Record/Adjust Prepaid Items - Governmental Funds****Usage:**

To record an asset (prepaid items) when expenditures are made with TC 222, 225, or 226, where the asset cost has not expired. This TC is used in governmental funds and allows the costs to be matched with the period in which they are used. *Use TC 514 for Bond/COP deferred charges.*

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Record prepaid expenses at the time they are incurred, and expense or adjust at least once a year thereafter.

**Transaction:**

DR    0602 Prepaid Expenses  
 DR    3075 Change in Reserves  
 CR    3032 Nonspendable FB – Prepays  
 CR    3600 GAAP Expenditure Offset  
       *Requires Comptroller Object:*  
       *Comptroller objects 3111–5999 or 6201-7415 may be used. Use the same object used for the original expenditure.*

**Related Transactions:**

*TC 500:* Record Prepaid Expense - proprietary and fiduciary funds

**TC 564: Establish or Adjust Cash on Hand – Governmental Funds****Usage:**

To establish or adjust cash on hand (petty cash) for a governmental fund. A warrant is produced using TC 222. The warrant is cashed by the agency for use in a petty cash account. This transaction is used to record the cash on hand and related nonspendable fund balance account. The GAAP Expenditure Offset eliminates the expenditure that was recorded when the warrant was originally produced.

**Affects:**

## Trial Balance and GAAP Operating Statements

### **Record in R\*STARS:**

When the warrant establishing or adjusting the petty cash fund is issued.

### **Transaction:**

DR 0072 Cash on Hand  
DR 3075 Change in Reserves  
CR 3036 Nonspendable FB - Revolving Accounts  
CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

*Comptroller objects 4001-5999 and 6201-7415 may be used. Use the same object used originally to issue the warrant (normally 4200 Office Supplies).*

### **Related Transactions:**

*TC 194:* Establish or Adjust Cash on Hand for proprietary and fiduciary funds

## **TC 698: Record Prepayment of Legal Fees - Governmental Funds**

### **Usage:**

To record the prepayment of legal fees in a governmental fund. TC 699 must be processed with TC 698 as a balanced transaction. The GAAP Expenditure Offset eliminates the expenditure/expense for financial reporting purposes.

### **Affects:**

Trial Balance and GAAP Operating Statements

### **Record in R\*STARS:**

Record prepaid expenses at the time they are incurred, and expense at least once a year thereafter.

### **Transaction:**

DR 3500 Expenditure Control - Cash  
DR 0602 Prepaid Expenses  
DR 3075 Change in Reserves  
CR 0070 Cash on Deposit With Treasurer  
CR 3032 Nonspendable FB - Prepaids  
CR 3600 GAAP Expenditure Offset  
*GL accounts 3500 and 3600 require a comptroller object:*  
*4500 Professional Services*  
*4550 Attorney General Legal Fees*

### **Related Transactions:**

*TC 699:* To record receipt of prepaid legal fees as deferred revenue - governmental funds

**TC 699: Record receipt of Prepaid Legal Fees - Governmental Funds**

**Usage:**

To record the receipt of prepaid legal fees as deferred revenue in a governmental fund. This entry is generated by the paying agency. TC 699 must be processed with TC 698 as a balanced transaction. Revenue is recorded for budgetary purposes while the GAAP Revenue Offset eliminates the revenue for financial reporting purposes (since it has not been earned yet). Use TC 493 to recognize the earned portion.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Record at the time the prepayment is received.

**Transaction:**

DR 0070 Cash on Deposit With Treasurer  
DR 3200 GAAP Revenue Offset  
CR 3100 Revenue Control - Cash  
CR 1604 Deferred Revenue - Document Supported  
*GL accounts 3100 and 3200 require a comptroller object:  
0407 Other Charges for Services*

**Related Transactions:**

*TC 698:* To record prepayment of legal fees - governmental funds

*TC 493:* To recognize the earned portion of deferred revenue

**Proprietary and Fiduciary Funds**

**TC 194: Establish or Adjust Cash on Hand – Proprietary and Fiduciary Funds**

**Usage:**

To establish or adjust cash on hand (petty cash) for proprietary or fiduciary funds. A warrant is produced using TC 222. The warrant is cashed by the agency for use in a petty cash account. This transaction is used to record the cash on hand. The GAAP Expenditure Offset eliminates the expenditure created when the warrant was produced for financial reporting purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When the warrant establishing or adjusting the petty cash fund is issued.

**Transaction:**

DR 0072 Cash on Hand  
CR 3600 GAAP Expenditure Offset  
*Requires Comptroller Object:  
Comptroller object 4001 - 5999 and 6201 - 7415 may be used. Use the same  
object used originally to issue the warrant (normally 4200 Office Supplies)*

**Related Transactions:**

*TC 564: Establish or Adjust Cash on Hand for governmental funds*

**TC 500: Record Prepaid Expense/Deferred Charges/Inventories - Proprietary and Fiduciary Funds****Usage:**

To record an asset (prepaid items, deferred charges or inventory) when expenditures (budgetary) are made with TC 222, 225, or 226, where the asset cost has not expired. This TC is used in proprietary or fiduciary funds and allows the costs to be matched with the period in which they are used. *Use TC 514 for Bond/COP deferred charges.*

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

At least once a year for inventories (month 13 is proper for this). Record prepaid expenses or deferred charges at the time they are incurred, and expense at least once a year thereafter.

**Transaction:**

DR *General Ledger Account Required:*

0600 Inventories-Materials and Supplies

0601 Inventories-Stores for Resale

0602 Prepaid Expenses

0603 Deferred Charges

0967 Net Pension Asset (DAS only)

CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

*Comptroller objects 3111 - 5999 and 6201 - 7415 may be used. Use the same object used for the original expenditure.*

**Related Transactions:**

*TC 514: Establish Underwriter's Discounts/Deferred Charges on Bonds/COPs - Proprietary Funds*

*TC 510: Record/Adjust Prepaid Expense - Governmental Funds*

*TC 502: Record/Adjust Inventory - Governmental Funds*

**TC 779: Expenditure/Prepaid Legal Fees - Proprietary Funds****Usage:**

To record the prepayment of legal fees in a proprietary fund. TC 780 must be processed with TC 779 as a balanced transaction. The GAAP Expenditure Offset eliminates the expense for financial reporting purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Record prepaid expenses at the time they are incurred, and expense at least once a year thereafter.

**Transaction:**

DR 3500 Expenditure Control - Cash  
DR 0602 Prepaid Expenses  
CR 0070 Cash on Deposit With Treasurer  
CR 3600 GAAP Expenditure Offset  
*GL accounts 3500 and 3600 require a comptroller object:*  
4500 Professional Services  
4550 Attorney General Legal Fees

**Related Transactions:**

*TC 780:* To record receipt of prepaid legal fees as deferred revenue - proprietary and fiduciary funds

**TC 780: Revenue/Prepaid Legal Fees - Proprietary Funds****Usage:**

To record the receipt of prepaid legal fees as deferred revenue in a proprietary fund. This entry is generated by the paying agency. TC 779 must be processed with TC 780 as a balanced transaction. Revenue is recorded for budgetary purposes while the GAAP Revenue Offset eliminates the revenue for financial reporting purposes (since it has not been earned yet). Use TC 493 to recognize the earned portion.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Record at the time the prepayment is received.

**Transaction:**

DR 0070 Cash on Deposit With Treasurer  
DR 3200 GAAP Revenue Offset  
CR 3100 Revenue Control - Cash  
CR 1604 Deferred Revenue - Document Supported  
*GL accounts 3100 and 3200 require a comptroller object:*  
0407 Other Charges for Services

**Related Transactions:**

*TC 779:* To record prepayment legal fees - proprietary and fiduciary funds

*TC 493:* To recognize the earned portion of deferred revenue

## ***DEFERRED REVENUE TRANSACTIONS***

## **Governmental, Proprietary, and Fiduciary Funds**

### **TC 164: Receipt of Deferred Revenue - No Document Support – Governmental, Proprietary, and Fiduciary Funds**

#### **Usage:**

When amounts are received by an agency that have not yet been earned (the amount is available, but not measurable) it must be recorded as deferred revenue for GAAP purposes. For budgetary purposes the amount is considered revenue. This transaction allows the user to record the receipt of cash and deferred revenue. The GAAP Revenue Offset eliminates the revenue for GAAP financial reporting purposes. This entry may be used in both governmental and proprietary type funds. TC 492 is used when the deferred revenue has been earned.

#### **Affects:**

Trial Balance, Budgetary Operating Statements, and GAAP Operating Statements

#### **Record in R\*STARS:**

When cash is received.

#### **Transaction:**

DR 0065 Unreconciled Deposit  
DR 3200 GAAP Revenue Offset  
CR 1603 Deferred Revenue - Non-Document Supported  
CR 3100 Revenue Control – Cash  
GL accounts 3100 and 3200 require a comptroller object.  
*The following comptroller objects are allowed:  
0111 - 1200, 1404 - 1405, 1501 - 1750, 2000 - 2600*

#### **Related Transactions:**

TC 492: Recognize Earned Portion of Deferred Revenue-No Document Support

### **TC 170: Receipt of Deferred Revenue - Document Supported - Governmental, Proprietary, and Fiduciary Funds**

#### **Usage:**

This transaction allows the user to record the receipt of cash (the budgetary revenue) and set up a liability for Deferred Revenue. The GAAP Revenue Offset eliminates the revenue for GAAP financial reporting purposes. This entry may be used in both governmental and proprietary type funds. TC 493 is used when the deferred revenue has been earned.

#### **Affects:**

Trial Balance, Budgetary Operating Statements, and GAAP Operating Statements

#### **Record in R\*STARS:**

When cash is received.

**Transaction:**

DR 0065 Unreconciled Deposit  
 DR 3200 GAAP Revenue Offset  
 CR 1604 Deferred Revenue - Document Supported  
 CR 3100 Revenue Control - Cash  
*GL accounts 3100 and 3200 require a comptroller object.  
 The following comptroller objects are allowed:  
 0111 - 1200, 1404 - 1405, 1501 - 1750, 2000 - 2600*

**Related Transactions:**

*TC 493:* Recognize Earned Portion of Deferred Revenue-Document Supported  
*TC 443:* Move Deferred Revenue out and Cash Out  
*TC 444:* Move Deferred Revenue in and Cash In

**TC 443: Move Deferred Revenue out and Cash Out - Governmental, Proprietary, and Fiduciary Funds****Usage:**

To move deferred revenue and cash collected which was originally recorded with TC 170 out. It is used as a balanced transaction with TC 444, and may be used within a fund or between funds within an agency. *TC 443 should not be used for transactions between agencies.* This transaction reports revenue for budgetary purposes while the GAAP Revenue Offset eliminates the revenue for financial reporting purposes.

**Affects:**

Trial Balance, Budgetary Operating Statements, and GAAP Operating Statements

**Record in R\*STARS:**

When it is determined that deferred revenue was recorded incorrectly.

**Transaction:**

DR 1604 Deferred Revenue - Document Supported  
 DR 3100 Revenue Control - Cash  
 CR 0070 Cash on Deposit with Treasurer  
 CR 3200 GAAP Revenue Offset  
*GL accounts 3100 and 3200 require a comptroller object.  
 The following comptroller objects are allowed:  
 0111 - 1200, 1404 - 1405, 1501 - 1750, 2000 - 2600*

**Related Transactions:**

*TC 170:* Receipt of Deferred Revenue - Document Supported  
*TC 444:* Move Deferred Revenue in and Cash In

**TC 444: Move Deferred Revenue in and Cash In - Governmental, Proprietary, and Fiduciary Funds**

**Usage:**

To move deferred revenue and cash collected which was originally recorded with TC 170 in. It is used as a balanced transaction with TC 443 (move out), and may be used within a fund or between funds within an agency. *It should not be used for transactions between agencies.* This transaction reports revenue for budgetary purposes while eliminating it for GAAP reporting purposes.

**Affects:**

Trial Balance, Budgetary Operating Statements, and GAAP Operating Statements

**Record in R\*STARS:**

When it is determined that deferred revenue was recorded incorrectly.

**Transaction:**

DR 0070 Cash on Deposit with Treasurer  
DR 3200 GAAP Revenue Offset  
CR 1604 Deferred Revenue - Document Supported  
CR 3100 Revenue Control - Cash  
*GL accounts 3100 and 3200 require a comptroller object.  
The following comptroller objects are allowed:  
0111 - 1200, 1404 - 1405, 1501 - 1750, 2000 - 2600*

**Related Transactions:**

TC 170: Receipt of Deferred Revenue - Document Supported  
TC 443: Move Deferred Revenue out and Cash Out

**TC 492: Recognize Earned Portion of Deferred Revenue - No Document Support - Governmental, Proprietary, and Fiduciary Funds**

**Usage:**

To recognize the earned (measurable) portion of revenue that was deferred with TC 164. The GAAP Revenue Offset reports the additional revenue for financial statement purposes only since it has already been reported for budgetary purposes. The effect of this transaction is to reduce the amount of deferred revenue reported by the amount earned and to record the revenue earned for GAAP financial statement purposes.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

As deferred revenue is earned. Review the balance of deferred revenue for possible earned portions on a regular basis (monthly would be appropriate).

**Transaction:**

DR 1603 Deferred Revenue - Non-Document Supported  
CR 3200 GAAP Revenue Offset

*Requires Comptroller Object:*

*The following comptroller objects are allowed:*

*0111 - 1200, 1404 - 1405, 1501 - 1750, 2000 - 2600.*

*Use the same object used to record the original transaction.*

**Related Transactions:**

*TC 164:* Receipt of Deferred Revenue - No Document Support

**TC 493: Recognize Earned Portion of Deferred Revenue - Document Supported - Governmental, Proprietary, and Fiduciary Funds****Usage:**

To recognize the earned (measurable) portion of revenue that was deferred with TC 170. The effect of this transaction is to reduce the amount of deferred revenue reported by the amount earned and to record the revenue earned for GAAP financial statement purposes.

**Affects:**

Trial Balance, GAAP Operating Statements

**Record in R\*STARS:**

As deferred revenue is earned. Review the balance of deferred revenue for possible earned portions on a regular basis (monthly would be appropriate).

**Transaction:**

DR 1604 Deferred Revenue - Document Supported  
CR 3200 GAAP Revenue Offset

*Requires Comptroller Object:*

*The following comptroller objects are allowed:*

*0111 - 1200, 1404 - 1405, 1501 - 1750, 2000 - 2600.*

*Use the same object used to record the original transaction.*

**Related Transactions:**

*TC 170:* Receipt of Deferred Revenue - Document Supported

*TC 443:* Move Deferred Revenue Out and Cash Out

*TC 444:* Move Deferred Revenue In and Cash In

## ***PRIOR PERIOD ADJUSTMENTS***

## **TC 113: Prior Period Adjustment/Revenue**

### **Usage:**

To record revenue which was supposed to be recorded in a prior year, but is being recorded currently only due to an error. Also, use this TC to record post closing financial statement adjustments and revenue adjustments due to accounting changes. Only use this TC if the prior year is closed in R\*STARS. The revenue transaction will affect current cash position for control purposes, but for financial statement purposes, the revenue should be recorded as a prior period adjustment. Receipt of the revenue will affect current revenue balances for budgetary reporting and control, but the revenue will be reclassified to a prior period adjustment for GAAP reporting.

### **Affects:**

Trial Balance and GAAP Operating Statements

### **Record in R\*STARS:**

When prior period adjustment to revenue is known.

### **Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:*  
*The following comptroller objects are allowed:*  
*0111 - 1200, 1404 - 1405, 1500 - 1700, 1900, 2000 - 2639, and 2670.*

CR *General Ledger Account Required*  
3060 Prior Period Adjustment  
3062 Prior Year Post Closing Adjustment  
3064 Accounting Change

### **Related Transactions:**

*TC 114: Prior Period Adjustment / Expenditure*

*TC 119: Prior Period Adjustment / Expenditure for Distributions to State Agencies*

## **TC 114: Prior Period Adjustment/Expenditure**

### **Usage:**

To record an expenditure incurred in a prior year. Also, use this TC to record post-closing financial statement adjustments and expenditure adjustments due to accounting changes. Use this TC **only** if the prior year is closed in R\*STARS. Payment of the expenditure will affect current appropriation balances for budgetary reporting and control. However, for financial statement purposes, the expenditure will be reported as a prior period adjustment.

### **Affects:**

Trial Balance and GAAP Operating Statements

### **Record in R\*STARS:**

When prior period adjustment expenditure is known.

**Transaction:**

DR    *General Ledger Account Required*  
      3060    Prior Period Adjustment  
      3062    Prior Year Post Closing Adjustment  
      3064    Accounting Change  
CR    3600    GAAP Expenditure Offset  
      *Requires Comptroller Object:*  
      *Comptroller objects 3111 - 5999 or 6201 - 7600 may be used.*

**Related Transactions:**

TC 113: Prior Period Adjustment/Revenue  
TC 119: Prior Period Adjustment/Expenditure for Distributions to State Agencies

**TC 119: Prior Period Adjustment/Expenditure for Distributions to State Agencies (GASB 38)**

**Usage:**

To record an expenditure (distribution to a state agency) incurred in a prior year. Also, use this TC to record post-closing financial statement adjustments and expenditure distribution adjustments due to accounting changes. This TC requires GASB 38 coding. Use this TC **only** if the prior year is closed in R\*STARS. Payment of the expenditure will affect current appropriation balances for budgetary reporting and control. However, for financial statement purposes, the expenditure will be reported as a prior period adjustment.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When prior period adjustment expenditure (distribution to state agency) is known.

**Transaction:**

DR    *General Ledger Account Required*  
      3060    Prior Period Adjustment  
      3062    Prior Year Post Closing Adjustment  
      3064    Accounting Change  
CR    3600    GAAP Expenditure Offset  
      *Requires Comptroller Object:*  
      *Comptroller objects 6000-6200 may be used.*  
      *G38 Code Required:*  
          *Format: 8 characters*  
          *XXX Agency **receiving** distribution*  
          *XXXX Fund in Agency **receiving** distribution*  
          *0 (zero) Filler*

**Related Transactions:**

TC 938: Reclassify Distribution to Deposit Liability for Distributions to State Agencies (GASB 38)

## TC 124: Prior Period Adjustment/Transfers In

### Usage:

To record a GAAP transfer in which should have been recorded in a prior year. Use this TC only if the prior year is closed in R\*STARS. The transfer transaction will affect current cash position for control purposes, but for financial statement purposes, the transfer in should be recorded as a prior period adjustment. Receipt of the transfer in will affect current revenue balances for budgetary reporting and control, but the transfer in will be recorded as a prior period adjustment for GAAP reporting.

### Affects:

Trial Balance and GAAP Operating Statements

### Record in R\*STARS:

When prior period adjustment to transfer in is known.

### Transaction:

DR 3350 GAAP Transfers In Offset  
*Requires Comptroller Object:  
Comptroller objects 1286-1400 may be used.*

CR *General Ledger Account Required*  
3060 Prior Period Adjustment  
3062 Prior Year Post Closing Adjustment  
3064 Accounting Change  
*G38 Code Required:  
Format: 8 characters  
XXX Agency **paying** on Transfer  
XXXX Fund in Agency **paying** on Transfer  
0 (zero) Filler*

### Related Transactions:

TC 125: Prior Period Adjustment/Transfers Out

## TC 125: Prior Period Adjustment/Transfers Out

### Usage:

To record a GAAP transfer out which was supposed to be recorded in a prior year, but is being recorded currently only due to an error. Only use this TC if the prior year is closed in R\*STARS. The transfer transaction will affect current cash position for control purposes, but for financial statement purposes, the transfer out should be recorded as a prior period adjustment. Receipt of the transfer out will affect current revenue balances for budgetary reporting and control, but the transfer out will be reclassified to a prior period adjustment for GAAP reporting.

### Affects:

Trial Balance and GAAP Operating Statements

### Record in R\*STARS:

When prior period adjustment to transfer out is known.

**Transaction:**

DR    *General Ledger Account Required*  
      3060    *Prior Period Adjustment*  
      3062    *Prior Year Post Closing Adjustment*  
      3064    *Accounting Change*  
CR    3750    *GAAP Transfers Out Offset*  
      *Requires Comptroller Object:*  
      *The following comptroller objects are allowed:*  
      *1401-1403, 1430, 1456, and 1801-1999.*  
      *G38 Code Required:*  
          *Format: 8 characters*  
          *XXX Agency **receiving** Transfer*  
          *XXXX Fund in Agency **receiving** Transfer*  
          *0 (zero) Filler*

**Related Transactions:**

*TC 124: Prior Period Adjustment/Transfers In*

## ***FINANCIAL STATEMENT ENTRIES***

**TC 906: Estimated Accounts Payable Accrual with Auto-Reverse**

**Usage:**

To establish or adjust an estimated accounts payable/revenue reduction amount for the month, quarter, or year for financial statement purposes. This will be reversed in the following month with auto-reversing TC 986.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When accrued revenue reduction or payable is recorded at a high level.

**Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:  
The following comptroller objects are allowed: 0111 - 1200, 1404 - 1455, 1457  
- 1799, and 2000 - 2600.*  
CR 1215 Accounts Payable

**Related Transactions:**

TC 986: Auto-Reverse Accounts Payable Accrual

**TC 908: Reclassify Revenue to Deposit Liability; Record Securities Lending Income**

**Usage:**

To reclassify revenue to deposit liability for the month, quarter or year for financial statement purposes. This transaction does not auto reverse in the following month. The GAAP Revenue Offset eliminates revenue for financial reporting purposes only. Use TC 908R to record securities lending income (comptroller object 0800) for year end financial reporting.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Securities lending income should be recorded during month 13.

**Transaction:**

DR 3200 GAAP Revenue Offset  
*Requires Comptroller Object:  
Comptroller objects 0111 - 1200, 1404 - 1455, 1457 - 1799, and 2000 - 2600  
may be used.*  
CR 1551 Deposit Liability - Without DF Support

**Related Transactions:**

TC 909: Change Expenditure to Deposit Liability; Record Securities Lending Expense-No Auto Reverse

**TC 909: Reclassify Expenditure to Deposit Liability; Record Securities Lending Expense**

**Usage:**

To reclassify an expenditure to deposit liability for the month, quarter or year for financial statement purposes. This transaction does not auto reverse in the following month. The GAAP Expenditure Offset eliminates expenditures for financial reporting purposes only. Use TC 909R to record securities lending expenses (comptroller object 4740) for year end financial reporting.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Securities lending expense should be recorded during month 13.

**Transaction:**

DR 1551 Deposit Liability - Without DF Support

CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

*Comptroller objects 3111 - 5999 or 6201 - 7415 may be used.*

**Related Transactions:**

*TC 938: Change Expenditure to Deposit Liability-No Auto Reverse-G38*

*TC 908: Change Revenue to Deposit Liability; Record Securities Lending Income-No Auto Reverse*

**TC 915: Accrue Due From Other Funds Within Agency**

**Usage:**

To record due from other funds within an agency. This TC must be used with TC 916 as a balanced transaction, and may be used within a fund or between funds within an agency. *It should not be used for transactions between agencies.* The GAAP Revenue Offset records revenue for financial reporting purposes only.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

When accrued revenue resulting from an interfund transaction within the agency is recorded at a high level.

**Transaction:**

DR 0586 Due from Other Funds

CR 3200 GAAP Revenue Offset

*Requires Comptroller Object:*

*Comptroller objects 0111 - 1200, 1404 - 1455, 1457 - 1799, and 2000 - 260 may be used.*

*Agency General Ledger Account Required:*

*Format: 8 characters*

*XXX Agency that **owes** on distribution*

*XXXX Fund in Agency that **owes** on distribution*

*0 (zero) Filler*

**Related Transactions:**

TC 916: Accrue Due to Other Fund Within an Agency

**TC 938: Reclassify Expenditure to Deposit Liability for Distributions to State Agencies (GASB 38)**

**Usage:**

To reclassify a distribution expenditure to a State Agency to deposit liability for the month, quarter or year for financial statement purposes. This transaction does not auto reverse in the following month. This TC requires GASB 38 coding. The GAAP Expenditure Offset eliminates expenditures for financial reporting purposes only. This TC is for distributions to other state agencies.

**Affects:**

Trial Balance and GAAP Operating Statements

**Record in R\*STARS:**

Distribution corrections should be recorded during month 13.

**Transaction:**

DR 1551 Deposit Liability - Without DF Support

CR 3600 GAAP Expenditure Offset

*Requires Comptroller Object:*

*Comptroller objects 6000 - 6200 may be used.*

*G38 Code Required:*

*Format: 8 characters*

*XXX Agency **receiving** distribution*

*XXXX Fund in Agency **receiving** distribution*

*0 (zero) Filler*

**Related Transactions:**

TC 909: Reclassify Expenditure to Deposit Liability; Record Securities Lending Expense-No Auto Reverse