

Year-End Financial Reports Procedure Manual

Budgetary/Legal Basis

**For the Fiscal Year Ended
June 30, 2024**



MALIA M. COHEN
California State Controller's Office

**State Controller's Office
State Accounting and Reporting Division
State Government Reporting – Budgetary/Legal
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Introduction

Government Code (GC) section 12460 states:

The Controller shall submit an annual report to the Governor containing a statement of the funds of the state, its revenues, and the public expenditures during the preceding fiscal year. The annual report shall be known as the budgetary-legal basis annual report and prepared in a manner that will account for prior year adjustments, fund balances, encumbrances, deferred payroll*, revenues, expenditures, and other components on the same basis as that of the applicable Governor's Budget and the applicable Budget Act, as determined by the Director of Finance in consultation with the Controller.

*Senate Bill 83, Chapter 24, Statutes of 2019 repeals GC 12472.5 and 13302(d) that provided authority to defer payroll from June to July of the following year.

It is important that state agencies/departments provide accurate year-end financial reports to the State Controller's Office (SCO) to ensure that the *Budgetary/Legal Basis Annual Report* (BLBAR) reflects reliable financial information. SCO produces the *Year-End Financial Reports Procedure Manual* (Manual) to assist agencies/departments in preparing their reports.

The Manual contains general information for the fiscal year (FY) ending June 30, 2024, as well as specific details for preparing the reports required by SCO.

Agencies/Departments should consider the following information when filing the FY 2023-24 budgetary/legal basis year-end financial reports:

- **Delinquent Financial Reports**

SCO will post information about delinquent year-end financial reports on its website.

- **Certification Letter**

The Certification Letter accompanying the year-end financial reports must be signed by the officer responsible for fiscal administration. This person should be different from the preparer of the financial reports. SCO is accepting electronic signatures (digitally signed, electronic image signed, DocuSign, etc.) on Certification Letters.

- **Revised Year-End Financial Reports**

Departments should monitor revenues and expenditures and revise financial reports for material events per SAM section 7981. A revised and signed Certification Letter is required when submitting revised year-end financial reports.

- **Consolidated Report 7 and Report 8**

In addition to a separate set of year-end financial reports for each sub-fund, agencies/departments are required to submit a consolidated Report 7 and Report 8 for funds with multiple sub-funds.

State Controller's Office Expectations for Agencies/Departments

Reporting

- Read and comply with the Manual.
- Use reporting resources listed on the SCO website at: https://www.sco.ca.gov/ard_reporting.html
- Read and comply with the Department of Finance (DOF) Budget Letters and State Administrative Manual (SAM) sections pertaining to year-end financial reporting.
- Submit all year-end financial reports no later than the due dates listed in this Manual and Budget Letters. It is recommended that reports are submitted on a flow basis.
- Agencies/Departments that fail to submit timely year-end financial reports are subject to posting on the Budgetary/Legal Delinquent Reports list on the SCO website at: https://www.sco.ca.gov/ard_bl_delinquent_reports.html
Such agencies/departments may also be subject to withholding of any or all operating funds in accordance with [Government Code 12461.2](#).

Communication

- Provide SCO with appropriate and current contact information to facilitate the communication process.
- Proactively work with SCO to resolve reporting problem(s) and/or issue(s) before the year-end financial reports are due.
- Clearly identify, document, and analyze any problems and/or issues and have a potential solution ready for discussion with SCO.
- Resolve problems or issues by providing SCO with requested information, in a timely manner.
- Note previous reporting errors and correct them before submitting year-end financial reports.
- Attend the SCO Open House to discuss with an SCO analyst how to minimize errors on year-end financial reports.

General Information

Availability of Controller's Documents to Agencies/Departments

The documents necessary for year-end closing/reporting will be available on the following approximate dates:

Availability Date	Document
July 26, 2024	Prior Year Accrual Summary
July 3, 2024	SCO Journal Entries for June
July 3, 2024	Monthly Reconciliation Reports (Agency and Fund)
July 26, 2024	Department Fund Checklist ^{a,b}
July 26, 2024	Report of Accruals to Controller's Accounts (Report 1: Excel format with 571A and 571D) ^b
July 26, 2024	Adjustments to Controller's Accounts (Report 3: Excel format with 576A and/or 576B) ^b
July 26, 2024	Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records (Report 5: Form 573) ^b

^a. The Department Fund Checklist is not all-inclusive. All funds with balances on the Agency Reconciliation Report and/or Fund Reconciliation Report must submit year-end financial reports. The Department Fund Checklist does not include Fund 0990 (Fiduciary Funds Outside the Centralized Treasury System). If your agency/department has any activity within Fund 0990, then year-end financial reports must be submitted.

^b. It is available at https://www.sco.ca.gov/ard_reporting.html.

Deadlines and Deliverable Dates for Year-End Financial Reports

Budgetary/Legal

Due Dates	Fund(s) Year-End Financial Reports
September 3, 2024	All funds. Submit electronic documents only.
September 3, 2024	Summary of Year End Reports Submitted along with Year End Reports package for each electronic submission. Please check SCO website for workbooks and instructions. https://sco.ca.gov/ard_reporting.html
November 15, 2024	Accounts Receivable Report. Please check SCO website: https://sco.ca.gov/ard_reporting.html for instructions.

As a reminder, SCO highly recommends that agencies/departments submit their year-end financial reports by fund as soon as they are completed. This allows ample time for agencies/departments to send in revised and/or missing reports, if necessary, before the deadlines.

Delivery for Reports

ELECTRONIC DELIVERY ONLY:

Do not mail or hand deliver year-end financial reports to SCO.

- SCO requires electronic submission for all year-end reports (digitally signed, electronic image signed, DocuSign, etc.); however, agencies/departments should retain copies of original documents (wet signature or electronic copy) for their audit and record keeping purposes.
- Send all financial reporting packages with Summary of Year-End Reports Submitted worksheet or Summary of Year-End Reports Revision worksheet via an email to BLFinRep@sco.ca.gov, and include the BU number, fund number(s), and reporting fiscal year on the subject line for **each email submission**. A Certification Letter is still required for each fund submitted.
- The size of the email must be less than 25MB to be able to pass through SCO security filter.
- Save all reports, except Excel reports, in PDF format before sending them to SCO. Please avoid scanning reports in a manner that results in blurry images. **Please do not send in a format that SCO cannot open**, for example, a password protected document.
- All reports must be electronically received by SCO by 11:59pm on the day they are due.

REMINDERS

- Label each report with the agency's/department's name and four-digit business unit /organization code as well as the fund name and fund number.
- Verify that all reports for all funds are submitted.
- If there are no amounts to report, note "no activity to report" next to the report title(s) on the Certification Letter. For Report 18, note "no capital assets to report" if there are no capital assets to report. A Report 18 is still required to be submitted if there is a beginning balance and no current year activity.
- **Do not** submit reports that have zero amounts or that are blank (except Material Variance Explanation Form) but note on the Certification Letter "no activity to report."
- Certification Letter must be signed. SCO accepts all forms of electronic signature (digitally signed, electronic image signed, DocuSign, etc.).

FI\$Cal Year-End Financial Reporting

The Financial Information System for California (FI\$Cal) Project is a business transformation project for state government in the areas of budgeting, accounting, procurement, and cash management. FI\$Cal will prepare the state systems and workforce to function in an integrated financial management system environment. To ensure the success of the project, the Partner Agencies have entered into a Memorandum of Understanding (MOU) signed by the State Controller, the State Treasurer, and the Directors of the Department of Finance and the Department of General Services. The MOU demonstrates support for the Project at the highest levels of these organizations and provides the framework for this project.

DOF will continue to provide year-end training for agencies/departments using FI\$Cal. Agencies/departments may contact DOF – Fiscal Systems and Consulting Unit (FSCU) for guidance with accounting processes and policies including monthly reconciliations and year-end procedures at (916) 324-0385 or via email at: FSCUHotline@dof.ca.gov.

FI\$Cal agencies/departments may refer to the sample reports provided in this Manual for assistance in preparing their year-end financial reports.

Additional information on FI\$Cal resources is available at the links below:

[Consulting and Training | Department of Finance \(ca.gov\)](#)

[FI\\$Cal Resources for Accounting | Department of Finance](#)

[User Support|FI\\$Cal - State of California. One state. One system.](#)

<https://www.fiscal.ca.gov/>

Certification Letter

Certification Letter

List all reports required for the fund type (Governmental Cost Fund or Nongovernmental Cost Fund) on the Certification Letter, regardless of whether there was activity or not.

Submit a separate Certification Letter for each fund. Each Certification Letter must be signed electronically by the officer responsible for fiscal administration. This person should be different from the preparer of the year-end financial reports. A fund and multiple sub-funds can be included within one Certification Letter, but the reports submitted for each sub-fund must be listed on the Certification Letter. Requiring one Certification Letter per fund helps ensure that each agency's/department's year-end financial reports are accounted for.

All Certification Letters must include the following:

- Date
- Agency/Department name
- Four-digit business unit /organization code
- Agency/Department mailing address
- Names and email addresses of the agency/department Director and Chief of Accounting
- Name and number of the fund and any applicable sub-fund(s)
- List of required reports. If there is nothing to report, note "no activity to report" or "no capital assets to report" next to the applicable report titles on the Certification Letter
- Contact person name, phone number, and email address
- A certification statement signed by the officer responsible for fiscal administration.

Note: Organizational letterhead is recommended.

Special Reports on the Certification Letter

Special reports include Reports 18, 19, and 22. These reports are listed under the heading Special Reports, below all other required reports on the Certification Letter.

Reports 19 – One report is required per agency/department. – See new instruction in Report 19 section

- Submit one excel copy of Report 19 to SCO.
- Include the Statement of Capital Assets Group of Accounts, Report 19, in the General Fund set of reports. To help us locate this report, agencies/departments are required to indicate "submitted with General Fund" on every other fund's Certification Letter.
- If your agency/department does not submit reports for the General Fund, include copies of FI\$Cal Reports 19 in your agency's/department's main fund set of reports, and indicate on every other fund's Certification Letter which fund this report is submitted with. Doing so will ensure that your agency/department is credited for submitting these reports.
- If there are no capital assets to report on Report 19, list the reports on the General Fund's or main fund's Certification Letter under Special reports, as required, and indicate: Report 19 – No capital assets to report.

Reports 18 and 22 – One of each report is required per fund. – See new instruction in Report 18 section

If there are **no capital assets** to report on Report 18, list the report on the Certification Letter under Special Reports, as required, and indicate:

Report 18 – No capital assets to report

If there is **no activity** to report on Report 22, list the report on the Certification Letter under Special Reports, as required, and indicate:

Report 22 – No activity to report

Supplemental Forms on the Certification Letter

Under the heading Supplemental Forms/Reports, list the Due To/From & Transfers In/Out Supplemental Form (Non-FI\$Cal agencies/departments), or Subsidiaries on File Report (FI\$Cal agencies/departments), and the Material Variance Explanation Form (MVEF).

If there is no activity to report on the above forms, indicate “no activity to report” on the Certification Letter. However, the MVEF is still required per fund (not per sub-fund) even though there is no activity.

FI\$Cal agencies/departments do not need to submit a Due To/From Other Funds/Appropriation & Transfers In/Out Supplemental Form if the required information is included in the Subsidiaries on File Report.

If agencies/departments submit a revised Report 1 for Governmental Cost Fund/Bond Fund, a revised Report 7 and a revised Report 8 are required along with a revised Certification Letter. A revised Due To/From & Transfers In/Out Supplemental Form (Non-FI\$Cal agencies/departments) or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.

Memorandum

Date:

State Controller's Office
State Accounting and Reporting Division
3301 "C" Street, Suite 700
Sacramento, CA 95816

Example 1 **Governmental** **Cost Fund**

Governmental Accounting Advisory Board (1234)

Prepared by: Agency/Department of XYZ (7890)

123 Elm Street, Sacramento, CA 95816

Mr./Ms. I. M. Director, IMD@gaab.ca.gov

Mr./Ms. I. M. Chief of Accounting, IMCOA@gaab.ca.gov

Insert your agency/department name and number if you prepare reports for an agency/department other than your own. The four-digit business unit/organization code will be used to log the reports in as received.

CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following financial reports for the fiscal year ended June 30, 20XX are enclosed:

GOVERNMENTAL FUND (4567)

<u>Report</u>	<u>Description</u>
1	Report of Accruals to Controller's Accounts
2	Accrual Worksheet
3	Adjustments to Controller's Accounts – no activity to report.
4	Statement of Revenue
5	Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
15	Reconciliation of Agency Accounts with Transactions per State Controller

SPECIAL REPORTS

<u>Report</u>	<u>Description</u>
18	Statement of Changes in Capital Assets Group of Accounts – no capital assets to report
19	Statement of Capital Assets Group of Accounts – submitted with fund XXXX
22	Statement of Contingent Liabilities – no activity to report

SUPPLEMENTAL FORMS/REPORTS

- Due To/From Other Funds/ Appropriations & Transfer In/Out Supplemental Form or Subsidiaries on File Report
- Material Variance Explanation Form

Contact Person: Bud G. Tary
Phone No: (916) 555-1234
Email: Bud.G.Tary@gaab.ca.gov

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this [Day] of [Month], 20XX, at [City], California.

Signature of Officer/Name and Title of Officer

Memorandum

Date:

State Controller's Office
State Accounting and Reporting Division
3301 "C" Street, Suite 700
Sacramento, CA 95816

Example 2
Governmental
Cost Funds/Bond Funds
with Sub-Funds

Governmental Accounting Advisory Board (1234)

Prepared by: Agency/Department of XYZ (7890)

123 Elm Street, Sacramento, CA 95816
Mr./Ms. I. M. Director, IMD@gaab.ca.gov
Mr./Ms. I. M. Chief of Accounting, IMCOA@gaab.ca.gov

Insert your agency/department name and number if you prepare reports for an agency/department other than your own. The four-digit business unit/organization code will be used to log the reports in as received.

CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following financial reports for the fiscal year ended June 30, 20XX are enclosed:

BOND FUND (6790)

<u>Report</u>	<u>Description</u>
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance

BOND FUND (6790.123)

<u>Report</u>	<u>Description</u>
1	Report of Accruals to Controller's Accounts
2	Accrual Worksheet
3	Adjustments to Controller's Accounts
4	Statement of Revenue
5	Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
15	Reconciliation of Agency Accounts with Transactions per State Controller

BOND FUND (6790.124)

<u>Report</u>	<u>Description</u>
1	Report of Accruals to Controller's Accounts
2	Accrual Worksheet
3	Adjustments to Controller's Accounts
4	Statement of Revenue
5	Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
15	Reconciliation of Agency Accounts with Transactions per State Controller

BOND FUND (6790.125)

<u>Report</u>	<u>Description</u>
1	Report of Accruals to Controller's Accounts
2	Accrual Worksheet
3	Adjustments to Controller's Accounts
4	Statement of Revenue
5	Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
15	Reconciliation of Agency Accounts with Transactions per State Controller

SPECIAL REPORTS

<u>Report</u>	<u>Description</u>
18	Statement of Changes in Capital Assets Group of Accounts – no capital assets to report
19	Statement of Capital Assets Group of Accounts – submitted with fund XXXX
22	Statement of Contingent Liabilities – no activity to report

SUPPLEMENTAL FORMS/REPORTS

- Due To/From Other Funds/ Appropriations & Transfer In/Out Supplemental Form or Subsidiaries on File Report
- Material Variance Explanation Form

Contact Person: Bud G. Tary
Phone No: (916) 555-1234
Email: Bud.G.Tary@gaab.ca.gov

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this [Day] of [Month], 20XX, at [City], California.

Signature of Officer/Name and Title of Officer

Memorandum

Date:

State Controller's Office
State Accounting and Reporting Division
3301 "C" Street, Suite 700
Sacramento, CA 95816

Example 3 **Nongovernmental** **Cost Fund**

Governmental Accounting Advisory Board (1234)

Prepared by: Agency/Department of XYZ (7890)

123 Elm Street, Sacramento, CA 95816
Mr./Ms. I. M. Director, IMD@gaab.ca.gov
Mr./Ms. I. M. Chief of Accounting, IMCOA@gaab.ca.gov

Insert your agency/department name and number if you prepare reports for an agency/department other than your own. The four-digit business unit/organization code will be used to log the reports in as received.

CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following financial reports for the fiscal year ended June 30, 20XX are enclosed:

NONGOVERNMENTAL COST FUND (4321)

<u>Report</u>	<u>Description</u>
3	Adjustments to Controller's Accounts
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance
9	Analysis of Change in Fund Balance
20	Statement of Financial Condition

SPECIAL REPORTS

<u>Report</u>	<u>Description</u>
18	Statement of Changes in Capital Assets Group of Accounts – no capital assets to report
19	Statement of Capital Assets Group of Accounts – submitted with fund XXXX
22	Statement of Contingent Liabilities – no activity to report

SUPPLEMENTAL FORMS/REPORTS

- Due To/From Other Funds/ Appropriations & Transfer In/Out Supplemental Form or Subsidiaries on File Report
- Material Variance Explanation Form

Contact Person: Bud G. Tary
Phone No: (916) 555-1234
Email: Bud.G.Tary@gaab.ca.gov

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this [Day] of [Month], 20XX, at [City], California.

Signature of Officer/Name and Title of Officer

Memorandum

Date:

State Controller's Office
State Accounting and Reporting Division
3301 "C" Street, Suite 700
Sacramento, CA 95816

Example 4
***Nongovernmental Cost
Fund/
Special Deposit Fund
with Sub-Funds***

Governmental Accounting Advisory Board (1234)

Prepared by: Agency/Department of XYZ (7890)

123 Elm Street, Sacramento, CA 95816
Mr./Ms. I. M. Director, IMD@gaab.ca.gov
Mr./Ms. I. M. Chief of Accounting, IMCOA@gaab.ca.gov

Insert your agency/department name and number if you prepare reports for an agency/department other than your own. The four-digit business unit/organization code will be used to log the reports in as received.

CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following financial reports for the fiscal year ended June 30, 20XX are enclosed:

SPECIAL DEPOSIT FUND CONSOLIDATED (0942)

<u>Report</u>	<u>Description</u>
3	Adjustments to Controller's Accounts
7	Pre-Closing Trial Balance
8	Post-Closing Trial Balance

SPECIAL DEPOSIT FUND (0942.001) "TITLE"

<u>Report</u>	<u>Description</u>
9	Analysis of Change in Fund Balance
20	Statement of Financial Condition

SPECIAL DEPOSIT FUND (0942.002) "TITLE"

<u>Report</u>	<u>Description</u>
9	Analysis of Change in Fund Balance
20	Statement of Financial Condition

SPECIAL DEPOSIT FUND (0942.003) "TITLE"

<u>Report</u>	<u>Description</u>
9	Analysis of Change in Fund Balance
20	Statement of Financial Condition

SPECIAL REPORTS

<u>Report</u>	<u>Description</u>
18	Statement of Changes in Capital Assets Group of Accounts – no capital assets to report
19	Statement of Capital Assets Group of Accounts – submitted with fund XXXX
22	Statement of Contingent Liabilities – no activity to report

SUPPLEMENTAL FORMS/REPORTS

- Due To/From Other Funds/ Appropriations & Transfer In/Out Supplemental Form or Subsidiaries on File Report
- Material Variance Explanation Form

Contact Person: Bud G. Tary

Phone No: (916) 555-1234

Email: Bud.G.Tary@gaab.ca.gov

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this [Day] of [Month], 20XX, at [City], California.

Signature of Officer/Name and Title of Officer

Memorandum

Date:

State Controller's Office
State Accounting and Reporting Division
3301 "C" Street, Suite 700
Sacramento, CA 95816

Example 5
REVISED
Governmental
Cost Fund

Governmental Accounting Advisory Board (1234)

Prepared by: Agency/Department of XYZ (7890)

123 Elm Street, Sacramento, CA 95816
Mr./Ms. I. M. Director, IMD@gaab.ca.gov
Mr./Ms. I. M. Chief of Accounting, IMCOA@gaab.ca.gov

Insert your agency/department name and number if you prepare reports for an agency/department other than your own. The four-digit business unit/organization code will be used to log the reports in as received.

CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following revised financial reports for the fiscal year ended June 30, 20XX are enclosed:

GENERAL FUND (0001) – REVISED

<u>Report</u>	<u>Description</u>
1 & 3	Revisions to Accruals and Adjustments to Controller's Accounts
7	Revision to Pre-Closing Trial Balance
8	Revision to Post-Closing Trial Balance

SPECIAL REPORTS (if any)

<u>Report</u>	<u>Description</u>
18	Statement of Changes in Capital Assets Group of Accounted – Revised
19	Statement of Capital Assets Group of Accounts – Revised

SUPPLEMENTAL FORMS/REPORTS

- Due To/From Other Funds/ Appropriations & Transfer In/Out Supplemental Form or Subsidiaries on File Report
- Material Variance Explanation Form

Contact Person: Bud G. Tary
Phone No: (916) 555-1234
Email: Bud.G.Tary@gaab.ca.gov

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this [Day] of [Month], 20XX, at [City], California.

Signature of Officer/Name and Title of Officer

Memorandum

Date:

State Controller's Office
State Accounting and Reporting Division
3301 "C" Street, Suite 700
Sacramento, CA 95816

Example 6
REVISED
Nongovernmental
Cost Fund

Governmental Accounting Advisory Board (1234)

Prepared by: Agency/Department of XYZ (7890)

123 Elm Street, Sacramento, CA 95816

Mr./Ms. I. M. Director, IMD@gaab.ca.gov

Mr./Ms. I. M. Chief of Accounting, IMCOA@gaab.ca.gov

Insert your agency/department name and number if you prepare reports for an agency/department other than your own. The four-digit business unit/organization code will be used to log the reports in as received.

CERTIFICATION OF YEAR-END FINANCIAL REPORTS

The following revised financial reports for the fiscal year ended June 30, 20XX are enclosed:

NONGOVERNMENTAL COST FUND (4321) – REVISED

<u>Report</u>	<u>Description</u>
3	Adjustments to Controller's Accounts
7	Revision to Pre-Closing Trial Balance
8	Revision to Post-Closing Trial Balance

SPECIAL REPORTS (if any)

<u>Report</u>	<u>Description</u>
18	Statement of Changes in Capital Assets Group of Accounted – Revised
19	Statement of Capital Assets Group of Accounts – Revised

SUPPLEMENTAL FORMS/REPORTS

- Due To/From Other Funds/ Appropriations & Transfer In/Out Supplemental Form or Subsidiaries on File Report
- Material Variance Explanation Form

Contact Person: Bud G. Tary
Phone Number: (916) 555-1234
Email: Bud.G.Tary@gaab.ca.gov

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this [Day] of [Month], 20XX, at [City], California.

Signature of Officer/Name and Title of Officer

Governmental Cost Funds

Budgetary/Legal Basis Governmental Cost Funds

There are two main fund groups in the budgetary/legal basis: Governmental Cost Funds and Nongovernmental Cost Funds.

Governmental Cost Funds consist of those funds that receive revenues derived from taxes, licenses, and fees. Expenditures of these funds represent the cost of government. There are two major fund classifications in this group: the General Fund and Special Funds. The purpose of each fund classification is described below.

The **General Fund** is the main operating fund of the State, consisting of money that is not required by law to be deposited into any other fund.

Special Funds are used to account for resources that are legally restricted for particular functions or activities of government. The following are classified as special funds:

General Fund Special Accounts are legislatively created accounts within the General Fund to account for revenues that are restricted by law for specific purposes. The accounts are treated as special funds and are excluded from the General Fund for accounting and budgetary purposes.

Feeder Funds are the depositories for the collection of major taxes prior to clearance to the General Fund. The resources and obligations of these funds that apply to the General Fund as of June 30 are included in the Due From Other Funds section. Resources and obligations remaining in any of these funds represent collections that were not available to the General Fund on June 30.

Transportation Funds are used to account for revenues that are restricted by law to transportation and related public safety programs.

Other Governmental Cost Funds are used to account for other revenues that are restricted by law for specific purposes.

Required Year-End Financial Reports for Governmental Cost Funds and Bond Funds

The year-end financial reports required by SCO for Governmental Cost Funds and Bond Funds are listed below. Unless otherwise noted, the reports are required by fund. Refer to the DOF Uniform Codes Manual (UCM), Fund Section to determine the fund type.

Report Number	FI\$Cal Report ID	Form Number	SAM Sec.	File Format Required for Submission to SCO	Report Description
1	—	571A, D	7952	Excel	Report of Accruals to Controller's Accounts
2	—	—	7953	PDF	Accrual Worksheet
3	—	576A, B	7955	Excel	Adjustments to Controller's Accounts
4	RPTGL065	—	7956	PDF	Year End Statement of Revenue
5	—	573	7957	PDF	Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records
7	RPTGL068	—	7962	PDF	Pre-Closing Trial Balance
8	RPTGL069	—	7962	PDF	Post-Closing Trial Balance
15	—	—	7976	PDF	Reconciliation of Agency Accounts with Transactions per State Controller

Special Reports^a:

Report Number	FI\$Cal Report ID	Form Number	SAM Sec.	File Format Required for Submission to SCO	Report Description
18	RPTGL075	—	7463 7977 8670.2	Excel	Statement of Changes in Capital Assets Group of Accounts One report per fund if there are amounts in any column: beginning balance/additions/deductions/ending balance
19	RPTGL076	—	7978	Excel	Statement of Capital Assets Group of Accounts One report per agency/department
22	—	—	7980	PDF	Statement of Contingent Liabilities One report per fund

(Continued)

Supplemental Forms:

Report Number	FI\$Cal Report ID	Form Number	SAM Sec.	File Format Required for Submission to SCO	Report Description
—	RPTGL354	—	7962	PDF	Due To/From & Transfers In/Out Supplemental Form or Subsidiaries on File Report ^b One report per fund
—	—	—	—	PDF	Material Variance Explanation Form One report per fund even if there is no activity to report

(Concluded)

- a. If the agency/department does not have amounts to report, the Certification Letter must indicate this for each report. Refer to the Certification Letter instructions for more information.
- b. If the agency/department accrues Due To/From Other Funds/Appropriation, General Ledger (GL) 3114.FFFF, 1410.FFFF, 1420.AAAA, 3115.AAAA, and/or Transfer In/Out on Report 1, 3, or Revisions to Reports 1 and 3, it is required to complete the Due To/From & Transfers In/Out Supplemental Form for Non-FI\$Cal agencies/departments or Subsidiaries on File Report for FI\$Cal agencies/departments. FFFF denotes fund and AAAA denotes agency/department business unit/organization code.
FI\$Cal agencies do not need to submit a Due To/From Other Funds/Appropriation & Transfers In/Out Supplemental Form if the required information is included in Subsidiaries on File.

Report of Accruals to Controller's Accounts (Report 1)

The Report of Accruals to Controller's Accounts (Report 1) is a system input document containing accrual transactions for amounts reflected in the agency/department records but not posted in the SCO cash basis accounts as of June 30. The accrual amounts are obtained from the Accrual Worksheet (Report 2), which provides agencies/departments with a uniform and systematic method of compiling the accruals.

A completed Report 2 is needed to prepare Report 1. Report 2 is the first report to be completed.

Report 1 also contains the encumbrances included in the accruals entered on this report. Follow the specific instructions for reporting encumbrances.

The amounts in Reports 1 and the Adjustments to Controller's Accounts (Report 3) are combined with the amounts from SCO cash basis accounts to produce the BLBAR.

Agencies/Departments are required to submit Report 1 electronically to SCO using the most current Excel Report 1 template available on the SCO website. Please do not use previous year's Excel Report 1 template, customize your own Report 1 template, or alter the SCO-provided template. Even if account titles do not display completely, SCO analysts can still read them, and SCO systems can still pick up the information. This will enable SCO to accept journal entries without the need for manual key entry.

Report 1 Excel format consists of the following tabs:

- **Instructions:** This tab contains brief instructions for using the Report 1 Excel template, with less detail than is found in this Procedure Manual.
- **Report 1 GLs (571 A):** Designed to report accruals to asset and liability accounts. Commonly used GL account numbers are preprinted, and blank spaces are provided for any asset or liability accounts not preprinted.
- **Report 1 Detail (571 D):** Designed to report accruals to disbursement, reimbursement, transfer, and receipt accounts. There is no need to include accounts for which there are no encumbrances or accrual amounts.
- **Footnotes:** Use this tab to provide footnote explanations for any abnormal GL and detail account accruals.

As Report 1 is used as a system input document by SCO, it is important for the agency/department to carefully follow the instructions for this report. Properly completed reports will enable SCO to process entries without any further adjustments.

Note: Do not submit accruals for categories 94, 95, 96, and 98

General Instructions

- Submit an Excel file only.
- Prepare a separate report for each fund.
- Enter all amounts in dollars and cents.
- Leave the Amount column blank for accounts with zero balances. **Do not** enter zeros.
- Total debits must equal total credits for accruals and for encumbrances.
- Do not use dollar signs (\$).

Specific Instructions

The instructions below are followed by an illustration of a completed Report 1 Excel format. Each numbered item in the following instructions references a corresponding numbered field in the illustration.

Report 1 GLs (571A)

**1 June 30, 20XX / Version
m.d.yy.x:**

This date is hard coded to the current year and cannot be changed by the agency/department. The version number can be compared to the version number of the template posted on the SCO reporting website to ensure you are using the most current version. Please visit the SCO reporting website to obtain the most updated workbook each year.

2 Check here for Revision:

If you are preparing a revision, check this box. For a revision, only report the difference between the original, already processed Report 1 and the correct amounts and accounts. If a revision is needed, work with your SCO SGR analyst to confirm whether the original Report 1 has been processed. **NOTE: A Revised Certification Letter, Report 7, and Report 8 are required with every revision. A revised Due To/From & Transfers In/Out Supplemental Form (Non-FI\$Cal agencies/departments), or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.**

3 Agency Number:

Enter the agency/department number.

4 Agency Name:

Enter the agency/department name.

5 Fund Number:

Enter the fund number.

6 Fund Name:

Enter the fund name.

**7 Name of Contact Person,
Title:**

Enter the name and title of the person to contact for questions concerning this report.

8 Telephone Number:

Enter the contact person's telephone number.

- 9 Email Address:** Enter the contact person's email address.
- 10 Encumbrances Debit = Credit?:** If this field is red and reads FALSE, it means Report 1 encumbrance debits do not equal credits. If you have finished filling out both tabs of Report 1, check for mistyped amounts or missing D/C signs in the Encumbrance column.
- 11 Amount Debit = Credit?:** If this field is red and reads FALSE, it means Report 1 accrual debits do not equal credits. If you have finished filling out both tabs of Report 1, check for mistyped amounts or missing D/C signs in the Amount column.
- 12 Account:** GL account numbers for commonly used accounts are preprinted on tab Report 1 GLs (571A) worksheet. If the appropriate account number is not preprinted on this worksheet, enter the proper four-digit account number on this worksheet using the lowest level account numbers listed in the UCM. **Do not** enter a subsidiary number unless it is required.
- Enter the four-digit **fund number** (FFFF) immediately following the GL account numbers listed below to identify the other fund involved in an interfund transaction.
- | | |
|-----------|---|
| 1410.FFFF | Due From Other Funds |
| 1730.FFFF | Prepayments to Other Funds or Appropriations |
| 3114.FFFF | Due To Other Funds |
| 5330.FFFF | Reserve for Prepaid Items (enter the same fund number as GL 1730) |
- For prepayments, see SAM section 7620, 7640, 10421, 10514 and 10517.
- If the Due To/Due From is within the same fund, but different appropriations, enter the four-digit **business unit/organization code** (AAAA) of the agency/department involved in the transaction as the subsidiary number following the GL account numbers listed to identify the other agency/department involved in the inter-agency/department transaction. If the AAAA is your own agency/department, the amounts of these two accounts must agree with each other.
- | | |
|-----------|-------------------------------|
| 1420.AAAA | Due From Other Appropriations |
| 3115.AAAA | Due To Other Appropriations |
- FI\$Cal agencies/departments that submit the Subsidiaries on File Report with Due To/From & Transfers In/Out information do not need to submit the Due To/From & Transfers In/Out Supplemental Form.

Enter the four-digit GL accounts receivable code (XXXX) following the GL account numbers listed below to identify the related receivable.

The code must be preceded by a “0.”

1390.0XXXX Allowance for Uncollectible Accounts

1600.0XXXX Provision for Deferred Receivables

REMINDER:

The amount reported for either of the two GL accounts must not exceed the accrued amount of its related receivable.

For all agencies/departments, the **unencumbered** amount of the Due From Other Funds GL 1410.FFFF or Due From Other Appropriations GL 1420.AAAA must equal the related **unencumbered** amount of the Due To Other Funds GL 3114.FFFF or Due To Other Appropriations GL 3115.AAAA from other agencies/departments.

Agencies/Departments must coordinate related amounts reported to ensure the amounts are equal. Submit the Due To/From & Transfers In/Out Supplemental Form or the Subsidiaries on File to provide SCO with information identifying the business unit/organization code(s) and agency/department name(s) related to the Due To/From Other Funds/Appropriation & Transfers In/Out transactions submitted on Reports 1 and 3.

13 Amount:

Post the total accruals from Report 2 to the appropriate GL accounts. Advance to Agency & Office Revolving Fund (GL 2125) and Permanent Cash Revolving Fund (GL 2710) should not be reported but reclassified to other accounts. Post Prepayments to GL 1730.0602 Architectural Revolving Fund (ARF) and GL 5330.0602 Reserve for ARF as listed on Report 2.

Do not enter the following prepayments to other funds in Report 1, as the SCO records already reflect these balances.

GL 1730.0666 Prepayments to Service Revolving Fund

GL 1730.0512 Prepayments to State Compensation Insurance Fund

14 D/C (Debit or Credit):

Enter D when the amount in the Amount column is a debit and C when the amount is a credit.

15 Encumbrances:

Follow the guidelines on reporting encumbrances. Enter any encumbrance amounts that are included in the accruals reported in the Encumbrances column. **The encumbrance amount must not exceed the accrual.**

Do not report encumbrances to GL account 3020, Claims Filed.

Do not report accruals for GL accounts 5350 (Reserve for Encumbrances) and 6150 (Encumbrances).

If the accrual, less the encumbrance for accounts payable (GL 3010), is not a true accounts payable liability, it should be reclassified to the true liability GL accounts: 3114.FFFF, 3115.AAAA, 3220, and/or 3290, to avoid overstating accounts payable.

All accrued reimbursements that will fund the accrued encumbrances should remain in their respective asset accounts (GL 1312, 1410.FFFF, 1420.AAAA, 1510, and 1590).

If the encumbrance for accounts payable (GL 3010) is equal to the accrual amount, and the amount is greater than \$1 million, include a footnote on Report 1 Footnotes tab indicating whether this is valid, and there are no true liabilities in accounts payable. Goods and services received but not paid as of June 30 should be accrued as actual expenditures and liabilities, not encumbrances.

- 16 D/C (Debit or Credit):** Enter D when the encumbrance amount in the Encumbrances column is a debit and C when the amount is a credit. The encumbrance should have the same D or C sign as the corresponding accrued asset or liability.
- 17 Report 1 GLs (571 A) tab:** This worksheet is for entering asset and liability GL accounts. **Do not enter total line on this tab.**
- 18 Report 1 Detail (571 D) tab:** Click on this tab to go to 571D worksheet, for entering amounts in disbursement, receipt, reimbursement, and transfer accounts. **Do not enter total line on this tab.**
- Report 1 Detail (571D)**
- 19 June 30, 20XX / Version m.d.yy.x:** This date automatically flows through from the Report 1 GLs (571 A) tab.
- 20 Agency Number through Email Address:** All the information in this header portion automatically flows through to this tab from the Report 1 GLs (571A) tab.
- 21 Enc Debit = Credit?:** If this field is red and reads FALSE, it means Report 1 encumbrance debits do not equal credits. If you have finished filling out both tabs of Report 1, check for mistyped amounts or missing D/C signs in the Encumbrance column.
- 22 Amount Debit = Credit?:** If this field is red and reads FALSE, it means Report 1 accrual debits do not equal credits. If you have finished filling out both tabs of Report 1, check for mistyped amounts or missing D/C signs in the Amount column.
- 23 Appropriation and Revenue Account Titles:** Enter the title of each disbursement, reimbursement, transfer, or receipt account.

- 24 FY:** Enter the four-digit fiscal year corresponding to each disbursement, reimbursement, transfer, and receipt account.
- 25 M:** This column is for SCO use only.
- 26 REF/ITEM:** Enter the reference item corresponding to each disbursement, reimbursement, and transfer account.
- 27 CAT through TASK:** Enter the appropriate category, program, element, component, and/or task corresponding to each disbursement and reimbursement account. Do not post accruals to categories 94, 95, 96, or 98. The category 97 Office Revolving Fund accrual must match the June 30 SCO amount (opposite sign) so the balance nets to zero.
- 28 T:** Enter the appropriate letter, as shown below, to identify the account type.
- D – Disbursement Account
F – Reimbursement or “Amount Payable From” Account
T – Transfer to Other Funds Account
R – Receipt Account
- 29 Source Fund:** Enter the source fund corresponding to each reimbursement account. The source fund consists of a four-digit fund number with a three-digit sub-fund number. If there is no sub-fund detail, the spaces following the four-digit fund number will be filled with zeros.
- 30 B:** Enter the block number (1, 2, or 3) if the account is blocked.
- 31 SCO:** Enter a zero (0).
- 32 Revenue/Object:** Enter the six-digit code for each receipt account.
- 33 Amount:** Post the net accruals from Report 2 to the appropriate disbursement, reimbursement, transfer, or receipt account.
- 34 D/C (Debit or Credit):** Enter D when the amount in the Amount and Encumbrance column is a debit and C when the amount is a credit.
- 35 Encumbrances:** Follow the guidelines for reporting encumbrances as outlined in this manual. Enter the amount of encumbrances included in the accrual for each appropriation item. Encumbrances must be posted to the proper detail account (e.g., category, program).
- The total encumbrances for each appropriation item must not exceed the total accrued liability account for that appropriation as shown on Report 2, except for an abatement, which requires a footnote on the Footnotes tab.

If encumbrances are reported for a pass-through fund, include the corresponding receivable and reimbursement.

**36 Revenue/Object Code
3FFFF0:**

Any receipt account where the first digit of the six-digit revenue code is 3, followed by a four-digit fund number, indicates that it is a Transfer-In from that fund number. Amounts in such receipt accounts must be included on the Due To/From & Transfers In/Out Supplemental Report or Subsidiaries on File Report, in GL 9811 Transfers In, with the four-digit fund number the amount was transferred from in the Subsidiary Fund column and the four-digit agency/department number the amount was transferred from in the Subsidiary Org column.

37 Account Type T:

This amount is a Transfer Out and must be reported on the Due To/From & Transfers In/Out Supplemental Form or the Subsidiaries on File Report. Include the four-digit fund number the amount was transferred to in the Subsidiary Fund column and the four-digit agency/department number the amount was transferred to in the Subsidiary Org column.

REPORT NO. 1 Form 571 A		Report of Accruals to Controller's Accounts	
Version m.d.yy.x 1		Check here for Revision ☐ 2	
		1 June 30, 20XX	
Agency Number 3	Agency Name 4	Fund Number 5	Fund Name 6
1234	Department of Training	4321	Training Support Fund
Name of Contact Person, Title 7		Telephone Number 8	Email Address 9
U.R. Dunne, Accounting Administrator		916-123-4567	UR.Dunne@training.ca.gov
Encumbrances Debit = Credit? 10		Amount Debit = Credit? 11	
TRUE		TRUE	
ACCOUNT TITLE 15	ENCUMBRANCES	D C 16	ACCOUNT 12 13 AMOUNT 14 D C
GENERAL CASH		1110	90.00 D
REVOLVING FUND CASH		1130	188,289.14 D
CASH ON HAND		1190	100.00 D
ACCOUNTS RECEIVABLE-ABATEMENTS		1311	10,201.06 D
ACCOUNTS RECEIVABLE-REIMBURSEMENTS		1312	2,205.00 D
ACCOUNTS RECEIVABLE-REVENUE		1313	
ACCOUNTS RECEIVABLE--DISHONORED CHECKS		1315	
ACCOUNTS RECEIVABLE-OTHER		1319	450.93 D
CONTINGENT RECEIVABLE		1380	
DUE FROM OTHER FUNDS		1410	0042 3,987.00 D
DUE FROM OTHER APPROPRIATIONS	3,477.04 D	1420	1234 11,269,849.46 D
PROVISION FOR DEFERRED RECEIVABLES (CREDIT BAL)		1600	01319 450.93 C
EXPENSE ADVANCES		1710	636.42 D
ACCOUNTS PAYABLE	854,332.38 C	3010	1,484,665.91 C
DUE TO OTHER FUNDS		3114	0512 4,395.38 C
DUE TO OTHER APPROPRIATIONS	24,912.14 C	3115	1234 11,269,849.46 C
DUE TO LOCAL GOVERNMENT		3220	
LIABILITY FOR LOCAL SALES TAX		3230	
DUE TO OTHER GOVT ENTITIES	395.27 C	3290	395.27 C
REIMBURSEMENTS COLLECTED IN ADVANCE 17	18	3420	

Instructions
Report 1 GLs (571 A)
Report 1 Detail (571 D)
Footnotes
+

REPORT NO. 1 Form 571 A		Report of Accruals to Controller's Accounts	
Version m.d.yy.x 1		June 30, 20XX 1	
Check here for Revision ☐ 2			
Agency Number 3	Agency Name 4	Fund Number 5	Fund Name 6
1234	Department of Training	4321	Training Support Fund
Name of Contact Person, Title 7		Telephone Number 8	Email Address 9
U.R. Dunne, Accounting Administrator		916-123-4567	UR.Dunne@training.ca.gov
Encumbrances Debit = Credit? 10 TRUE		Amount Debit = Credit? 11 TRUE	
ACCOUNT TITLE	15 ENCUMBRANCES	16 ACCOUNT	12 13 AMOUNT
		14	D C
UNCLEARED COLLECTIONS		3730	90.00 C
PREPAYMENTS TO ARCHITECTURE REVOLVING FUND (DEBIT BAL)		1730 0602	450,000.00 D
RESERVE FOR ARCHITECTURE REVOLVING FUND		5330 0602	450,000.00 C
DUE FROM OTHER FUNDS		1410 0048	141,666.49 D
DUE FROM OTHER FUNDS		1410 0115	35,819.00 D
DUE FROM OTHER FUNDS		1410 0133	50,127.00 D
DUE FROM OTHER FUNDS		1410 0666	32,328.15 D
DUE FROM OTHER FUNDS		1410 0691	61,134.41 D
DUE FROM OTHER FUNDS		1410 0890	88,087.03 D
DUE FROM OTHER FUNDS		1410 0917	38,391.50 D
DUE FROM OTHER FUNDS		1410 3238	392.00 D
DUE FROM OTHER FUNDS		1410 6051	26,239.50 D
DUE FROM OTHER FUNDS	31,055.42 D	1410 9730	740,293.05 D
DUE FROM OTHER FUNDS		1410 9737	632,814.00 D
DUE FROM OTHER FUNDS		1410 9740	599,728.20 D
DUE FROM OTHER FUNDS		1410 1234	2,697,956.46 D
DUE TO OTHER FUNDS		3114 0666	23,019.86 C
DUE TO OTHER FUNDS		3114 9730	20,200.00 C
DUE TO OTHER FUNDS		3114 9731	117,340.91 C
DUE TO OTHER FUNDS		3114 4561	2,697,956.46 C

Instructions
Report 1 GLs (571 A)
Report 1 Detail (571 D)
Footnotes
+

REPORT NO. 1 Form 571 D										Report of Accruals to Controller's Accounts										
Version m.d.yy.x 19										Check here for Revision ☐ 19 June 30, 20XX										
Agency Number		Agency Name				Fund Number		Fund Name												
1234		Department of Training				4321		Training Support Fund												
Name of Contact Person, Title						Telephone Number		Email Address												
U.R. Dunne, Accounting Administrator						916-123-4567		UR.Dunne@training.ca.gov												
Enc Debit = Credit?		21 TRUE		24		26		27		28		Enc Debit = Credit?		22 TRUE						
23	APPROPRIATION AND REVENUE ACCOUNT TITLES	35	ENCUMBRANCES	D	FT	M	REF/ITEM	CAT	PGM	ELE	COMP	TASK	T	SOURCE FUND	B	REVENUE/ OBJECT	33	AMOUNT	34	D
	6770-STATE BUDG	286,056.87		2019			001		10				D					4,130,346.56		D
	6775-FINANCIAL INFORMATION SYSTE			2019			001		15				D					2,117,081.67		D
	6780-STATE AUDIT	75,698.34	D	2019			001		20				D					1,511,718.59		D
	6785-STATEWIDE	43,166.70	D	2019			001		30				D					1,070,953.06		D
	6790-DEPARTMENT OF JUSTICE LEGAL			2019			001		32				D					73,958.92		D
	9900100-ADMINIST	61,388.03	D	2019			001		40	01			D					1,541,657.77		D
	9900200-ADMINIST	61,388.03	C	2019			001		40	02			D					1,541,657.77		C
	CALSTARS CLEARING ACCOUNT			2019			001		99				D					9,524,369.29		C
	REIMBURSEMENTS	34,532.46	C	2019			001	90	10				F	0001000				351,005.01		C
	REIMBURSEMENTS TO 6775-FINANCIAL			2019			001	90	15				F	0001000				564,833.46		C
	REIMBURSEMENTS TO 6780-STATE AUD			2019			001	90	20				F	0001000				469,994.41		C
	REIMBURSEMENTS TO 6785-STATEWIDE			2019			001	90	30				F	0001000				808,273.59		C
	REVOLVING FUND ADVANCE			2019			001	97					D		3			200,000.00		C
	6770-STATE BUDG	22,249.97	D	2019			504		10				D					61,623.46		D
	6770-STATE BUDG	160.36	D	2018			001		10				D					1,948.41		D
	6780-STATE AUDIT	26.35	D	2018			001		20				D					317.63		D
	6785-STATEWIDE	2,859.57	D	2018			001		30				D					2,348.04		D
	6770-STATE BUDG	449,421.63	D	2018			00108		10				D					1,945,957.80		D
	ESCHEAT-CHECKS, WARRANTS			2019									R		0	161400		200.00		C
	TRAINING ADMIN FUND			2019									R		0	312340		2,697,956.46		C
	TRANSFER TO FICTIONAL FUND			2018			501						T					2,697,956.46		D

< >
Instructions
Report 1 GLs (571 A)
Report 1 Detail (571 D)
Footnotes
+

Reporting of Encumbrances

The California State Auditor has concluded that, in some instances, the Reserve for Encumbrances has been overstated. SCO has provided the following information to clarify how and when encumbrance accruals should be reported.

- Ensure all encumbrances and liabilities have been thoroughly reviewed for validity according to the criteria stated in the State Administrative Manual (SAM).

SAM section 8340 (Encumbrances) states that encumbrances are obligations of all or part of an appropriation. Outstanding encumbrances are the recognition of commitments related to unfulfilled purchase orders or outstanding contracts which will subsequently be recognized as expenditures when goods and services are received.

SAM section 8343 (Capital Outlay) states that agencies may encumber the estimated amounts of such expenditures (purchases of real property) by using Purchase Order/Estimate Change Request Form, STD. 96, as an internal accounting document. The amount encumbered must be related to the amount of goods or services that were ordered but not yet received as of June 30 of the reporting year.

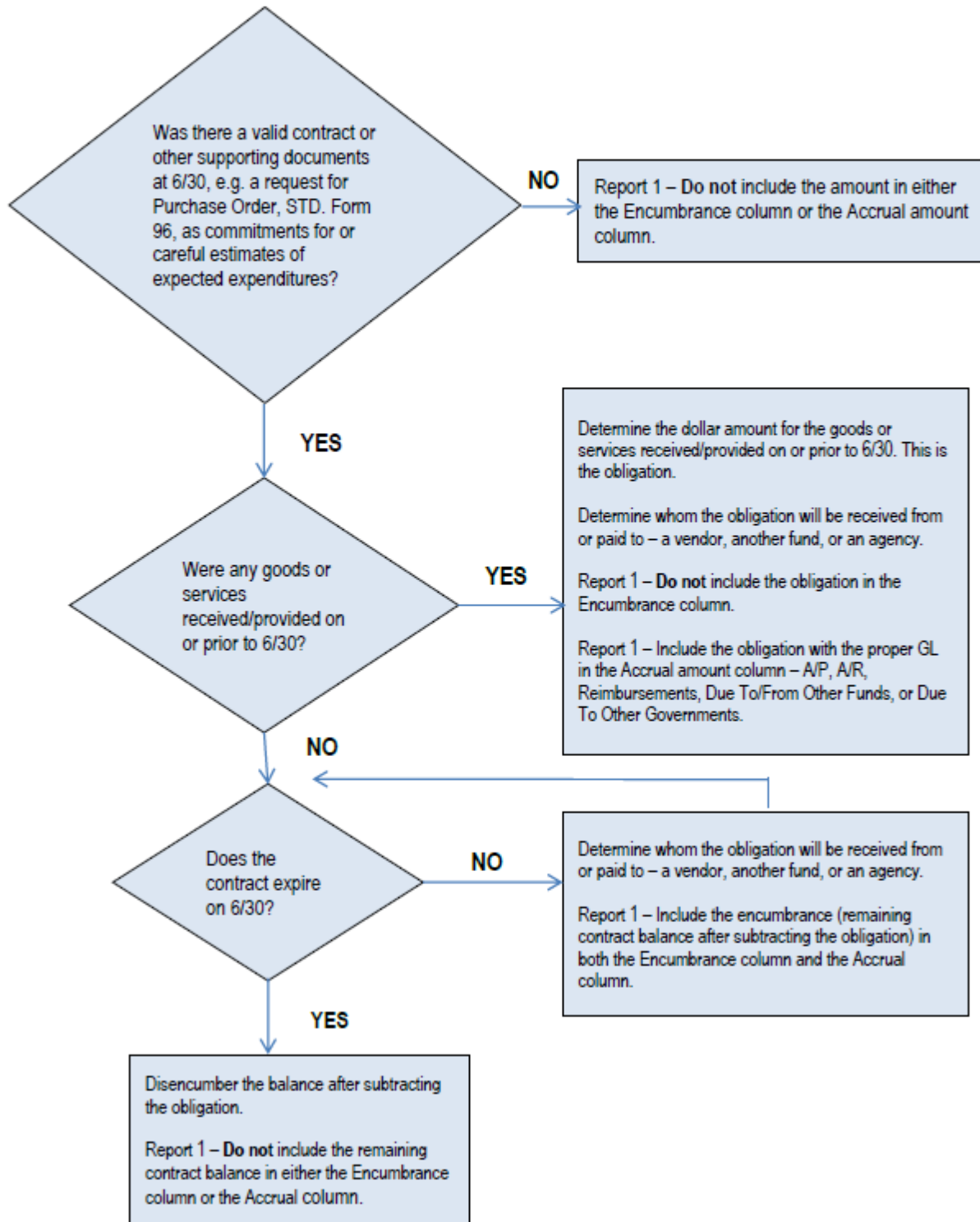
- If a contract expires on June 30 of the reporting year, accrue as a liability only those goods or services that have been received on or prior to June 30. Determine to whom the obligation will be paid and, if necessary, reclassify the obligation to the true liability GL account. **Do not** record obligations as encumbrances.

Encumbrances may be reported in one liability account, Accounts Payable GL 3010. The total encumbrances will be shown as a credit in the Encumbrances column for GL 3010 on Report 1. However, if agency/department automated accounting systems maintain separate liability accounts, agencies/departments may report the encumbrances in the applicable liability GL (e.g., due to).

- The amount encumbered may not exceed the amount accrued on any given liability line on Report 1.

An encumbrance flowchart, examples of encumbrance transactions, and a sample Report 1 are on the following pages.

Encumbrance Determination Decision Tree



Encumbrance Examples

Example 1:

<u>Contract with Vendor</u>	\$	125,000	
Cash Expenditures @ 6/30		25,000	
		<u>100,000</u>	(A) Accrual Amount
6/29 Invoice for June Service		40,000	(E) Obligation
	\$	<u>60,000</u>	(B) Encumbrance

Report 1 Entries:

Dr. Appropriation Expenditure	(A)	\$	100,000	
Cr. Accounts Payable				\$ 100,000 (G)

SCO Entries to back out encumbrances and establish Reserve for Encumbrances:

Dr. Accounts Payable	(B)	60,000	
Cr. Appropriation Expenditure			60,000
Dr. Unreserved Fund Balance		60,000	
Cr. Reserve for Encumbrance			60,000

Example 2:

<u>Contract with Local Government</u>	\$	50,000	(A) Accrual Amount
6/30 Invoice for June Service		20,000	(C) Obligation
	\$	<u>30,000</u>	(I) Encumbrance

Report 1 Entries:

Dr. Appropriation Expenditure	(A)	\$	50,000	
Cr. Due To Local Government				\$ 50,000 (H)

SCO Entries to back out encumbrances and establish Reserve for Encumbrances:

Dr. Due To Local Government	(I)	\$	30,000	
Cr. Appropriation Expenditure				\$ 30,000
Dr. Unreserved Fund Balance		\$	30,000	
Cr. Reserve for Encumbrance				\$ 30,000

Example 3:

<u>Contract with Department</u>	\$	10,000	(A) Accrual Amount
6/29 Invoice for June Service		5,000	(D) Obligation
	\$	<u>5,000</u>	(K) Encumbrance

Report 1 Entries:

Dr. Appropriation Expenditure	(A)	\$	10,000	
Cr. Due To Other Funds				\$ 10,000 (J)

Example 3: (cont.):

SCO Entries to back out encumbrances and establish Reserve for Encumbrances:

Dr. Due To Other Funds	(K)	\$	5,000		
Cr. Appropriation Expenditure				\$	5,000
Dr. Unreserved Fund Balance		\$	5,000		
Cr. Reserve for Encumbrance				\$	5,000

Example 4:

Contract Amount to Vendor	\$	40,000		
Cash Expenditure @ 6/30		9,000		
	\$	31,000	(A)	Accrual Amount
6/28 Invoice for June Service		7,000	(E)	Obligation
	\$	24,000	(B)	Encumbrance

Report 1 Entries:

Dr. Appropriation Expenditure	(A)	\$	31,000		
Cr. Accounts Payable				\$	31,000 (G)

SCO Entries to back out encumbrances and establish Reserve for Encumbrances:

Dr. Accounts Payable	(B)	\$	24,000		
Cr. Appropriation Expenditure				\$	24,000
Dr. Unreserved Fund Balance		\$	24,000		
Cr. Reserve for Encumbrance				\$	24,000

Report 1 and SCO Entries

Accounts Payable (GL 3010)				Appropriation Expenditure (GL 9000)			
(B)	\$	60,000	\$ 100,000 (G)	(A)	\$	100,000	\$ 60,000 (B)
(B)		24,000	31,000 (G)	(A)		50,000	30,000 (I)
			\$ 47,000 (E)	(A)		10,000	5,000 (K)
				(A)		31,000	24,000 (B)
				(F)	\$	72,000	
Due To Local Government (GL 3220)				Due To Other Funds (GL 3114.XXXX)			
(I)	\$	30,000	\$ 50,000 (H)	(K)	\$	5,000	\$ 10,000 (J)
			\$ 20,000 (C)				\$ 5,000 (D)

Post the encumbrance to the appropriate (true) liability GL. **DO NOT** post the sum of all encumbrances into Accounts Payable (GL 3010).
See Report 1 Example.

REPORT NO. 1 Form 571 A		Report of Accruals to Controller's Accounts				June 30, 20XX
Version m.d.yy.x		Check here for Revision ☐				
Agency Number	Agency Name	Fund Number	Fund Name			
1234	Department of Training	4321	Training Support Fund			
Name of Contact Person, Title		Telephone Number	Email Address			
U.R. Dunne, Accounting Administrator		916-123-4567	UR.Dunne@training.ca.gov			
Encumbrances Debit = Credit?		TRUE	Amount Debit = Credit?		TRUE	
ACCOUNT TITLE	ENCUMBRANCES	D C	ACCOUNT	AMOUNT	D C	Errors
ACCOUNTS RECEIVABLE-REIMBURSEMENTS			1312			
ACCOUNTS RECEIVABLE-REVENUE			1313			
ACCOUNTS RECEIVABLE-DISHONORED CHECKS			1315			
ACCOUNTS RECEIVABLE-OTHER			1319			
CONTINGENT RECEIVABLE			1380			
DUE FROM OTHER FUNDS			1410	0042		
DUE FROM OTHER APPROPRIATIONS			1420	1234		
PROVISION FOR DEFERRED RECEIVABLES (CREDIT BAL)			1600	01319		
EXPENSE ADVANCES			1710			
ACCOUNTS PAYABLE	Sum of (B)s 84,000.00	C	3010	Sum of (G)s 131,000.00	C	
DUE TO OTHER FUNDS	(K) 5,000.00	C	3114	0002	(J) 10,000.00	C
DUE TO OTHER APPROPRIATIONS			3115			
DUE TO LOCAL GOVERNMENT	(I) 30,000.00	C	3220		(H) 50,000.00	C
LIABILITY FOR LOCAL SALES TAX			3230			
DUE TO OTHER GOVT ENTITIES						
REIMBURSEMENTS COLLECTED IN ADVANCE						
UNCLEARED COLLECTIONS						
PREPAYMENTS TO ARCHITECTURE REVOLVING FUND (DEBIT BAL)			1730	0602		
RESERVE FOR ARCHITECTURE REVOLVING FUND			5330	0602		

Sum of accruals (amounts in Amount column) should equal sum of (A)s: 100,000 + 50,000 + 10,000 + 31,000 = 191,000

Accruals less encumbrances = total expenditures (191,000 - 119,000 = 72,000).
The encumbrance total (119,000) is reclassified as *Reserve for Encumbrances* and shown as part of fund balance on the financial statements.

Accrual Worksheet (Report 2)

The Accrual Worksheet (Report 2) provides agencies/departments with a uniform and systematic method of compiling year-end accruals. Accruals consist of the assets, liabilities, deferred credits, and the corresponding receipts and disbursements reflected in the agency's/department's records but not recorded in the SCO cash basis accounts as of June 30. For more information, see illustration of Report 2 on the following page and refer to SAM section 7953.

Report 2 is the supporting worksheet for Report 1, Report of Accruals to Controller's Accounts. Report 2 is the first report to be completed.

The amounts in the Net Total Accruals per Agency column, the column totals for the assets and liabilities, and the amounts in the Deferred Credits column are posted to the corresponding accounts on Report 1.

Amounts Due To and Due From the same fund and/or appropriations should be posted separately and not netted together.

SCO will refer to Report 2 to obtain additional information that may help resolve any Report 1 discrepancies.

IMPORTANT NOTICE: Prior to converting **Report 2** in PDF, please ensure that columns headers are repeated on top of any **Report 2** file having more than one page; so that account codes and titles appear on every page.

For more information regarding the use of program codes, go to the UCM on DOF's website:

[Uniform Codes Manual | Department of Finance \(ca.gov\)](#)

[Policies and Procedures | Department of Finance \(ca.gov\)](#)

State Controller's Office – Year-End Financial Reports Procedure Manual – Budgetary/Legal Basis

DEPARTMENT OF TRAINING (1234)
TRAINING SUPPORT FUND (4321)
REPORT NO. 2 ACCRUAL WORKSHEET
JUNE 30, 20XX

REPORT NO. 2

ACCOUNTS REFER TO THE UNIFORM CODES MANUAL OR CHART OF ACCOUNTS CROSSWALK	General Cash 1110 1101000	Revolving Fund Cash 1190 1101200	Cash on Hand in Agency 1180 1100000	Accounts Receivable				Due From Other Funds/Appns 1400 1240000/1240100	Expense Advances 1710 1301100	Due from Other Gov'ts 1600	Prepayments To Other Funds/Appns 1730 1300200	Accounts Payable 3310 2000000/2000100	Claims Filed 3020	Due to Other Funds/Appns 3110 2010000/2011000	Due to Local Gov't /Other Gov't Ent 3220/3290 2021000/2024000	Def Credits 1800/3730 3400/6330	NET TOTAL ACCRUALS PER AGENCY
				Abatements 1311 1200100	Reimb 1312 1200500	Revenue 1313 1315/1319 1880	Other										
Item 1234-001-4321 CHAPTER 29/19																	
Program 10, State Budget												(326,412.43)		(3,803,934.13)			(4,130,346.56)
Program 16, Financial Information System for Ca												(14,199.31)		(2,102,882.36)			(2,117,081.67)
Program 20, State Audits and Evaluations												(95,184.09)		(1,416,139.23)	(395.27)		(1,511,718.59)
Program 30, Statewide Aoot Policies, Consulting & Training												(54,747.11)		(1,016,205.95)			(1,070,953.06)
Program 32, Department of Justice Legal Services														(73,958.92)			(73,958.92)
Program 37, Local Government Audits and Review												(458,794.76)		(1,499,188.60)			(1,947,983.36)
Program 40.01, Administration												(61,388.03)		(1,480,269.74)			(1,541,657.77)
Program 40.02, Administration – Distributed								1,480,269.74				61,388.03					1,541,657.77
Program 99, Clearing Account				9,258.72				10,042,770.50				(498,735.41)		(28,924.52)			9,524,369.29
Category 90.10, Reimbursements to 8770 – State Bud								351,005.01									351,005.01
Category 90.16, Reimbursements to 8775 – Financial								564,833.46									564,833.46
Category 90.20, Reimbursements to 8780 – State Aud					2,205.00			467,789.41									469,994.41
Category 90.30, Reimbursements to 8786 – Statewide								808,273.59									808,273.59
Category 96, SOF Deposit											6,705.76						6,705.76
Category 97, ORF Advance		200,000.00															200,000.00
Category 98, Advance to 9RF – Other											42,000.00						42,000.00
Item 1234-501-4321 CHAPTER 50/1/19																	
Program 10, State Budget												(44,499.94)		(17,123.52)			(61,623.46)
Transfer to Training Administration Fund														(2,697,956.46)			(2,697,956.46)
Item 1234-001-4321 CHAPTER 14/18																	
Program 10, State Budget												(160.36)		(1,788.05)			(1,948.41)
Program 16, Financial Information System for Ca																	0.00
Program 20, State Audits and Evaluations												(26.35)		(291.28)			(317.63)
Program 30, Statewide Aoot Policies, Consulting & Training								511.53				(2,859.57)					(2,348.04)
Program 32, Department of Justice Legal Services																	0.00
Program 37, Local Government Audits and Review								444.67				(21.02)					423.65
Program 40.01, Administration								3,635.75				(16.65)					3,619.10
Program 40.02, Administration – Distributed												16.65		(3,635.75)			(3,619.10)
Program 99, Clearing Account				942.34				1,123.13						(463.56)			1,601.91
Category 90, Reimbursements																	0.00
REVENUE 2019/20																	
812340, Training Administration Fund								2,697,956.46									2,697,956.46
REVENUE 2019/20																	
181050, Escheat, Checks, Warrants																	0.00
181400, Miscellaneous Revenue								200.00									200.00
MISC. ACCOUNTS																	
Unleaked Collections	90.00															(90.00)	0.00
Provisions for Deferred Receivables							450.93									(450.93)	0.00
Prepayments to ARF											450,000.00					(450,000.00)	0.00
Reimb. Collected in Advance																	0.00
Sub-Total	90.00	200,000.00	0.00	10,201.06	2,205.00	0.00	450.93	16,418,813.25	0.00	0.00	498,705.76	(1,495,640.35)	0.00	(14,132,762.07)	(395.27)	(450,540.93)	1,051,127.38
Revolving Fund Adjustment		(11,710.96)	100.00						636.42			10,974.44					0.00
TOTAL	90.00	188,289.14	100.00	10,201.06	2,205.00	0.00	450.93	16,418,813.25	636.42	0.00	498,705.76	(1,484,665.91)	0.00	(14,132,762.07)	(395.27)	(450,540.93)	1,051,127.38

Adjustments to Controller's Accounts (Report 3)

The Adjustments to Controller's Accounts (Report 3) is a system input document containing the adjusting entries needed to correct any errors in the SCO cash basis accounts as of June 30. The adjustments on Report 3 are for year-end reporting purposes only. Agencies/Departments are required to submit a transaction request to the SCO Bureau of Accounting and Consulting (BAC) to correct the SCO cash basis records on agency/department accounts.

All adjusting entries must be accompanied by an attachment (e.g., journal entry, transaction request, budget revision, etc.) explaining the reason for the adjustment. These entries must be submitted, approved, and posted by the SCO BAC before Report 3 will be processed for year-end reporting. Each entry on Report 3 must be identified by a number that references an explanation identified by the same number. This number should be placed to the on the Footnotes Tab.

Agencies/Departments are required to submit Report 3 electronically to SCO using the most current Excel Report 3 template available on the SCO website. Please do not use previous year's Report 3 template, customize your own Report 3 template, or alter the SCO-provided template. Even if account titles do not display completely, SCO analysts can still read them, and SCO systems can still pick up the information. This will enable SCO to accept journal entries without the need for manual key entry.

Report 3 Excel format consists of the following tabs:

- **Instructions:** This tab contains brief instructions for using the Report 3 Excel template, with less detail than is found in this Procedure Manual.
- **Report 3 GLs (576A):** Designed to report adjustments to asset and liability accounts.
- **Report 3 Detail (576B):** Designed to report adjustments to disbursement, reimbursement, transfer, and receipt accounts.
- **Footnotes:** Use this tab to provide footnote explanations for any corrections and number the supporting documentation.

As Report 3 is used as a system input document by SCO, it is important for the agency/department to carefully follow the instructions for this report. Properly completed reports will enable SCO to accept entries without any further adjustments.

General Instructions

- Submit an Excel file only.
- Prepare a separate report for each fund.
- Enter all amounts in dollars and cents.
- **Do not** use dollar signs (\$).
- Leave the Amount column blank for accounts with zero balances. **Do not** enter zeros.
- Total debits must equal total credits.

Specific Instructions

The instructions below are followed by an illustration of a completed Report 3 Excel format. Each numbered item in the following instructions references a corresponding numbered field in the illustration.

Report 3 GLs (576A)

**1 June 30, 20XX / Version
m.d.yy.x:**

This date is hard coded to the current year and cannot be changed by the agency/department. The version number can be compared to the version number of the template posted on the SCO reporting website to ensure you are using the most current version. Please visit the SCO reporting website to obtain the most updated workbook each year.

2 Check here for Revision:

If you are preparing a revision, check this box. For a revision, only report the difference between the original, already processed Report 3 and the correct amounts and accounts. If a revision is needed, work with your SCO SGR analyst to confirm whether the original Report 3 has been processed. **NOTE: A revised Certification Letter, Report 7, and Report 8 are required with every revision. A revised Due To/From & Transfers In/Out Supplemental Form (Non-FI\$Cal agencies/departments), or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.**

3 Agency Number:

Enter the agency/department number.

4 Agency Name:

Enter the agency/department name.

5 Fund Number:

Enter the fund number.

6 Fund Name:

Enter the fund name.

**7 Name of Contact Person,
Title:**

Enter the name and title of the person to contact with questions concerning this report.

8 Telephone Number:

Enter the contact person's telephone number.

- 9 Email Address:** Enter the contact person's email address.
- 10 Amount Debit = Credit?:** If this field is red and reads FALSE, it means Report 3 entry debits do not equal credits. If you have finished filling out both tabs of Report 3, check for mistyped amounts or missing D/C signs in the amount column.
- 11 Account:** Enter the proper four-digit account number using the lowest level account numbers listed in the UCM. **Do not** enter a subsidiary number unless it is required, as discussed below.
- Enter the four-digit **fund number** (FFFF) immediately following the GL account numbers listed below to identify the other fund involved in an interfund transaction.
- | | |
|-----------|---|
| 1410.FFFF | Due From Other Funds |
| 1730.FFFF | Prepayments to Other Funds/Appropriations |
| 3114.FFFF | Due To Other Funds |
| 5330.FFFF | Reserve for Prepaid Items (enter the same fund number as GL 1730) |
- For prepayments, see SAM section 7620, 7640, 10421, 10514, and 10517.
- If the Due To/Due From is within the same fund, but different appropriations, enter the four-digit **business unit/organization code** (AAAA) of the other agency/department involved in the transaction as the subsidiary number following the GL account number listed to identify the other agency/department involved in the inter-agency/department transaction. If the AAAA is your own agency/department, the amounts of these two accounts must agree with each other.
- | | |
|-----------|-------------------------------|
| 1420.AAAA | Due From Other Appropriations |
| 3115.AAAA | Due To Other Appropriations |
- FI\$Cal agencies/departments that submit the Subsidiaries on File with Due To/From & Transfers In/Out information do not need to submit the Due To/From & Transfers In/Out Supplemental Form.
- 12 Amount:** Post adjustments to the appropriate GL accounts. The amounts entered here should only be adjustments to correct the account balances on the SCO June 30 records.
- 13 D/C (Debit or Credit):** Enter D when the amount in the Amount column is a debit and C when the amount is a credit.
- 14 Report 3 GLs (576 A) tab:** This worksheet is for entering asset and liability GL accounts. **Do not enter total line on this tab.**

- 15 Report 3 Detail (576 B) tab:** Click on this tab to go to 576 B worksheet, for entering amounts in disbursement, receipt, reimbursement, and transfer accounts. **Do not enter total line on this tab.**
- Report 3 Detail (576B)**
- 16 June 30, 20xx / Version m.d.yy.x:** This date automatically flows through from the Report 3 GLs (576 A) tab.
- 17 Agency Number through Email Address:** All the information in this header portion automatically flows through to this tab from the Report 3 GLs (576A) tab.
- 18 Amount Debit = Credit?:** If this field is red and reads FALSE, it means Report 3 entry debits do not equal credits. If you have finished filling out both tabs of Report 3, check for mistyped amounts or missing D/C signs in the Amount column.
- 19 Appropriation and Revenue Account Titles:** Enter the title of each disbursement, reimbursement, transfer, or receipt account.
- REMINDER:** List the four-digit business unit/organization code on the Due To/From & Transfers In/Out Supplemental Form. If an adjustment between accounts involves the same fund but different agencies, the offsetting account to the appropriate disbursement, reimbursement, transfer, or receipt account is GL account number 1420.AAAA, Due From Other Appropriations, or GL account number 3115.AAAA, Due To Other Appropriations.
- If there is an adjustment between accounts within the same fund and agency/department, only the appropriate disbursement, reimbursement, transfer, or receipt accounts should be adjusted.
- 20 FY:** Enter the four-digit fiscal year corresponding to each disbursement, reimbursement, transfer, and receipt account.
- 21 M:** This column is for SCO use only.
- 22 REF/ITEM:** Enter the reference item corresponding to each disbursement, reimbursement, and transfer account.
- 23 CAT through TASK:** Enter the appropriate category, program, element, component, and/or task corresponding to each disbursement and reimbursement account.

- 24 T:** Enter the appropriate letter, as shown below, to identify the account type.
- D – Disbursement Account
F – Reimbursement or “Amount Payable From” Account
T – Transfer to Other Funds Account
R – Receipt Account
- 25 Source Fund:** Enter the source fund corresponding to each reimbursement account. The source fund consists of a four-digit number with a three-digit sub-fund number. If there is no sub-fund detail, the spaces following the four-digit fund number will be filled with zeroes.
- 26 B:** Enter the block number (1, 2, or 3) if the account is blocked.
- 27 SCO:** Enter a zero (0).
- 28 Revenue/Object:** Enter the six-digit code for each receipt account.
- 29 Amount:** Post adjustments to the appropriate disbursement, reimbursement, transfer, or receipt account. The amounts entered should only be an adjustment to correct the account balances on the SCO June 30 records.
- 30 D/C (Debit or Credit):** Enter D when the amount in the Amount column is a debit and C when the amount is a credit.
- 31 Footnotes:** Use the Footnotes tab to number the supporting documentation. Supporting documents are required for each adjusting entry (e.g., a copy of the transaction request sent to BAC, etc.)

REPORT NO. 3 Form 576 A		Adjustments to Controller's Accounts	
Version m.d.yy.x 1		Check here for Revision ☐ 2	
June 30, 20XX 1			
Agency Number	Agency Name	Fund Number	Fund Name
1234 3	Department of Training 4	4321 5	Training Support Fund 6
Name of Contact Person, Title		Telephone Number	Email Address
U.R. Dunne, Accounting Administrator 7		916-123-4567 8	UR.Dunne@training.ca.gov 9
		Amount Debit = Credit?	10 TRUE
ACCOUNT TITLE		D C	ACCOUNT 11 AMOUNT 12 D C 13
GENERAL CASH			1110
REVOLVING FUND CASH			1130
CASH ON HAND			1190
ACCOUNTS RECEIVABLE-ABATEMENTS			1311
ACCOUNTS RECEIVABLE-REIMBURSEMENTS			1312
ACCOUNTS RECEIVABLE-REVENUE			1313
ACCOUNTS RECEIVABLE-DISHONORED CHECKS			1315
ACCOUNTS RECEIVABLE-OTHER			1319
CONTINGENT RECEIVABLE			1380
DUE FROM OTHER FUNDS			1410
DUE FROM OTHER APPROPRIATIONS			1420 4720 949.84 D
PROVISION FOR DEFERRED RECEIVABLES (CREDIT BAL)			1600
EXPENSE ADVANCES			1710
ACCOUNTS PAYABLE			3010
DUE TO OTHER FUNDS			3114
DUE TO OTHER APPROPRIATIONS			3115
DUE TO LOCAL GOVERNMENT 14	15		3220
LIABILITY FOR LOCAL SALES TAX			3230

Instructions
Report 3 GLs (576 A)
Report 3 Detail (576 B)
Footnotes
+

REPORT NO. 3 Form 576 B

Version m.d.yy.x

16

Adjustments to Controller's Accounts

June 30, 20XX

16

Agency Number

1234

Agency Name

Department of Training

Fund Number

4321

Fund Name

Training Support Fund

Name of Contact Person, Title

U.R. Dunne, Accounting Administrator

Telephone Number

916-123-4567

Email Address

UR.Dunne@training.ca.gov

17

APPROPRIATION AND REVENUE ACCOUNT TITLES

19

20

D C

21

FY

22

M

23

REF/ITEM

24

CAT

25

PGM

26

ELE

27

COMP

28

TASK

29

T

30

SOURCE FUND

31

B

32

S C O

33

REVENUE/ OBJECT

34

AMOUNT

35

D C

18

TRUE

29

949.84

30

C

Instructions

Report 3 GLs (576 A)

Report 3 Detail (576 B)

Footnotes

+

Footnotes:

*See attachment #1 (Each entry must be referenced by a number and have supporting documentation).

31 *

STATE CONTROLLER'S USE ONLY		
DOCUMENT NO.	DATE C C C C M M D D	MSG Code
JE		

STATE OF CALIFORNIA
OFFICE OF THE STATE CONTROLLER
TRANSACTION REQUEST

STATE CONTROLLER'S USE ONLY	
TC Code	VERIFIED BY:
	DATE:

PAGE 1 OF 1

Agency:	Address:	Agency Document Number:
Department of Training (1234)		

FUND	AGY	FY	M	REF / ITEM	FED CAT	P/N	C	CAT	PGM	ELE	COMP	TASK	ACCT	REV / OBJ	AMOUNT	D	C	A	T	O	B	SOURCE FUND
4321	4720	2011		001					10						949.84	D	D					
DESCRIPTION				(DNKP) CHAPTER NUMBER/YEAR/ITEM				PROGRAM DESCRIPTION														
Cor Sch 9466098 5-1-2012																						
4321	1234	2011		001					10						949.84	C	D					
DESCRIPTION				(DNKP) CHAPTER NUMBER/YEAR/ITEM				PROGRAM DESCRIPTION														
Cor Sch 9466098 5-1-2012																						
DESCRIPTION				(DNKP) CHAPTER NUMBER/YEAR/ITEM				PROGRAM DESCRIPTION														
DESCRIPTION				(DNKP) CHAPTER NUMBER/YEAR/ITEM				PROGRAM DESCRIPTION														
DESCRIPTION				(DNKP) CHAPTER NUMBER/YEAR/ITEM				PROGRAM DESCRIPTION														
DESCRIPTION				(DNKP) CHAPTER NUMBER/YEAR/ITEM				PROGRAM DESCRIPTION														
DESCRIPTION				(DNKP) CHAPTER NUMBER/YEAR/ITEM				PROGRAM DESCRIPTION														

Attachment #1

TYPE OF TRANSACTION: Correction of claim schedule 9466098, dated 5-1-20XX, paid by warrant number 08-211186. LEGAL AUTHORITY AND REASON FOR REQUEST: The agency code referenced on the claim was 1234 but should have been 4720. Efforts have been taken to ensure all manually prepared claim schedules are reviewed prior to submission.	I hereby certify under penalty of perjury that I am the duly appointed, qualified, and acting officer of the herein named State agency, department, board, commission, office or institution; that the within transfer is in all respects true, correct, and in accordance with all applicable provisions or restrictions in the Budget Act, Federal Regulations, or other statute pertaining to the particular appropriation. AUTHORIZED SIGNATURE: CONTACT PERSON: U.R. Dunne E-MAIL FOR CONTACT: U.R.Dunne@training.ca.gov PHONE FOR CONTACT: (916) 123-4567 DATE: 6/29/20XX
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NOT TO BE USED AS A CONTROLLER'S REMITTANCE ADVICE

CA 504 PC VERSION (03/2006)

Statement of Revenue (Report 4)

The Statement of Revenue (Report 4) provides agencies/departments with a method of reconciling the total revenue on the agency/department records with the total revenue on the SCO records as of June 30.

Refer to SAM section 7956 for an illustration of Report 4. An example can be found on the following page.

Report 4 must include the following:

- Only current year revenues (GL8000, Source 1XXXXXX for Governmental Cost Funds and Source 2XXXXXX for Bond Funds), are reported on the Statement of Revenue. No other receipt sources are included on Report 4.
- A reconciliation of the total revenue per the agency's/department's records with the total revenue per the SCO records as of June 30. Revenue accruals reported on the Report of Accruals to Controller's Accounts (Report 1) and/or adjustments reported on the Adjustments to Controller's Accounts (Report 3) will be the reconciling factors.

The revenues per the agency's/department's records should agree with the revenues reported to DOF on schedule 10R for inclusion in the Governor's Budget.

SCO will refer to Report 4 to obtain additional information that may help resolve any Report 1 and/or 3 discrepancies.

REPORT 4 – YEAR END STATEMENT OF REVENUE

Department of Training – 1234

Fund 4321

Fiscal Year 20XX-XX

As of 06/30/20XX

Business Unit : 1234 – Department of Training
Fund : 4321 – Training Support Fund
Subfund:
Enactment Year : 2018

Report ID : RPTGL065
Run Date : 8/20/2019
Run Time : 14:02:11
Adjustment Period : 998

<u>Account</u>	<u>Description</u>	<u>Actual Revenues</u>	<u>Total</u>
161400	Miscellaneous Revenue	1,110.46	
163000	Settlements – Other	606,318.60	
164900	Donations	3,500.00	
Total Fund	4321		610,929.06

RECONCILIATION OF STATE CONTROLLER'S REVENUE WITH STATEMENT OF REVENUE, JUNE

TOTAL REVENUE PER STATE CONTROLLER'S OFFICE ACCOUNTS		<u>610,729.06</u>
RECONCILING FACTORS:		
ACCRUALS PER REPORT OF ACCRUALS	<u>200.00</u>	
ADJUSTMENT TO CONTROLLER'S ACCOUNTS	<u> </u>	<u>200.00</u>
TOTAL REVENUE PER STATEMENT OF REVENUE		610,929.06

Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records (Report 5)

The Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records (Report 5) provides agencies/departments with a method of reconciling the agencies'/departments' appropriation balances with the SCO balances as of June 30.

The reconciling factors include the following:

- Expenditure accruals as reported on the Report of Accruals to Controller's Accounts (Report 1).
- Adjustments as reported on the Adjustments to Controller's Accounts (Report 3).
- Pending budget revisions, allocation orders, and/or executive orders.

After these amounts have been posted by SCO, the appropriation balances per the SCO records should agree with the appropriation balances per the agency/department records. Use a footnote to explain any differences between the agency/department and SCO records. The expenditures per the agency/department records should agree with the expenditures reported to DOF on Schedule 10 for inclusion in the Enacted Budget.

A computer generated form is available on the SCO website for each appropriation that exists in the SCO records as of June 30 at https://www.sco.ca.gov/ard_reporting.html. Do not change any of the preprinted amounts on this form. Agencies/Departments may create their own Report 5 (Form 573) for appropriations that were effective prior to July 1, but were not set up in the SCO records by June 30. The form must be in the same format as the SCO's computer generated forms.

SCO will refer to Report 5 to obtain additional information that may help resolve any Report 1 and/or 3 discrepancies.

Supporting Documentation Required

Supporting documents are required for budget adjustments that increase or decrease appropriation balances as reflected on the Report 5. The supporting documentation (i.e., budget letters, allocation orders, executive orders, pending claim schedule, etc.) will allow SCO to confirm the validity of the amount reported as an increase or decrease of the appropriation authority and help identify overdrafts for a specific item within the appropriation.

If the agency/department submits its year-end financial reports manually and posts accruals against reverted appropriations with pending claim schedules, include the following notation as a footnote on Report 5:

The amount on the pending budget revisions, allocation orders, and/or executive orders line in the Appropriation Balance column is there to cover an accrual posted for a pending claim schedule.

General Instructions

- Prepare a separate report for each appropriation.
- Enter all amounts in dollars and cents.
- **Do not** use dollar signs (\$).

Specific Instructions

The instructions below are followed by an illustration of a completed Report 5. Each numbered item in the following instructions references a corresponding numbered field in the illustration.

Form 573

- 1 Fund, FY, and Item:**

A separate Report 5 should be used for each appropriation maintained by SCO.
- 2 June 30 Account Balance per State Controller's Records:**

The total expenditure amount and the appropriation balance per SCO records as of June 30 are preprinted on this line. **Do not** alter these amounts.
- 3 Reverse Prior Year Adjustments to Controller's Accounts:**

The reversal of the adjustments reported on the previous year's Adjustments to Controller's Accounts (Report 3) is preprinted in the Expenditures column. **Do not** alter this amount. If the agency/department does not agree with the preprinted amount, provide a footnote to indicate the amount per the agency/department records.
- 4 Reverse Prior Year Expenditures/ Reimbursements Accrued:**

The reversal of the accruals reported on the previous year's Report of Accruals to Controller's Accounts (Report 1) is preprinted in the Expenditures column. **Do not** alter this amount. If the agency/department does not agree with the preprinted amount, provide a footnote to indicate the amount per the agency/department records.
- 5 Reverse Prior Year Corrections Made by Controller's Office:**

The reversal of the corrections made by SCO to the previous year's Report 1 and/or 3 is preprinted in the Expenditures column. **Do not** alter this amount. If the agency/department does not agree with the preprinted amount, provide a footnote to indicate the amount per the agency/department records.
- 6 Apply Current Year Adjustments to Controller's Accounts:**

Enter the total current year adjustments to the appropriation as reported on the Adjustments to Controller's Accounts (Report 3), Form 576B. Enter the amount in both the Expenditures and Appropriation Balance columns.
- 7 Apply Accruals per Report of Accruals to Controller's Accounts:**

Enter the current year accruals for each category or program as reported on the Report of Accruals to Controller's Accounts (Report 1), Form 571D. Enter these amounts in both the Expenditures and Appropriation Balance columns, with the exception of the Office Revolving Fund Advance (Category 97) accrual, which must be reported in the Appropriation Balance column only.

**8 Pending Budget
Revisions/Allocation
Orders/Executive Orders:**

Enter the increase or decrease of the appropriation balance in the Appropriation Balance column for the following:

- **Executive orders that were issued by DOF but not recorded by SCO as of June 30.**
- **Budget revisions that were approved by DOF but not recorded by SCO as of June 30.**
- **Allocation orders not recorded by SCO as of June 30.**

REMINDER:

These transactions must be approved and posted by the SCO BAC before they are processed for year-end reporting. Include supporting documents to support any amounts reported on the pending budget revision, allocation order, and/or executive order line in the Appropriation Balance column. Copies of the budget revision, allocation order, and/or executive order are appropriate supporting documents.

**9 Advances to Other Funds
and Prepayments to Service
Revolving Fund:**

The balance in the SCO records for Category 96 and/or 98 is preprinted in the Appropriation Balance column. **Do not** alter this amount. Fill in the balance from SCO records for Categories 97 and 99 in the Appropriation Balance column, if applicable.

10 Total:

Enter the net total for each column. The total of the Appropriation Balance column must be zero or a credit balance.

REPORT NO. 5

JUNE 30, 20XX

FINAL RECONCILIATION OF CONTROLLER'S ACCOUNTS
WITH FINAL BUDGET REPORT/AGENCY RECORDS STD 573

AGENCY: 1234 DEPT OF TRAINING
FUND: 4321000 TRAINING SUPPORT FUND
FY: 2016 ITEM: 001 ①

CHAPTER NO. 23/16

ITEM NO. 1234-001-4321

		EXPENDITURES	APPROPRIATION BALANCE
JUNE 30 ACCOUNT BALANCE PER STATE CONTROLLER'S RECORDS	②	168,803.36	
REVERSE PRIOR YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS	③		
REVERSE PRIOR YEAR EXPENDITURES/REIMBURSEMENTS ACCRUED	④	-150,141.99	
REVERSE PRIOR YEAR CORRECTIONS MADE BY CONTROLLER'S OFFICE	⑤		
APPLY CURRENT YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS			
APPLY ACCRUALS PER REPORT OF ACCRUALS TO CONTROLLER'S ACCOUNTS			
SCO ACCOUNT CODE			
-	-		
10	6770 – STATE BUDGET		
15	6775 – FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA		
20	6780 – STATE AUDITS AND EVALUATIONS		
30	6785 – STATEWIDE ACCOUNTING POLICIES, CONSULTING AND		
32	6790 – DEPARTMENT OF JUSTICE LEGAL SERVICES		
37	6800 – LOCAL GOVERNMENT AUDITS AND REVIEW		
40 01	9900100 – ADMINISTRATION		
40 02	9900200 – ADMINISTRATION - DISTRIBUTED		
99	CALSTARS CLEARING ACCOUNT		
80	GENERAL FUND CASH FLOW LOAN		
90 10	REIMBURSEMENTS TO 6770 – STATE BUDGET		
96	STATE COMPENSATION INSURANCE FUND DEPOSIT		
97	REVOLVING FUND ADVANCE		
PENDING BUDGET REVISIONS/ALLOCATION ORDERS/EXECUTIVE ORDERS			
TOTAL ⑩		18,661.37	0.00 *

} ⑨

* Appropriation reverted on June 30, 2019

REPORT NO. 5

JUNE 30, 20XX

**FINAL RECONCILIATION OF CONTROLLER'S ACCOUNTS
WITH FINAL BUDGET REPORT/AGENCY RECORDS STD 573**

AGENCY: 1234 DEPT OF TRAINING

FUND: 4321000 TRAINING SUPPORT FUND

FY: 2017 ITEM: 001 ①

CHAPTER NO. 14/17

ITEM NO. 1234-001-4321

		EXPENDITURES	APPROPRIATION BALANCE
JUNE 30 ACCOUNT BALANCE PER STATE CONTROLLER'S RECORDS	②	-1,798,298.81	-7,029,474.66
REVERSE PRIOR YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS	③	-900,000.00	
REVERSE PRIOR YEAR EXPENDITURES/REIMBURSEMENTS ACCRUED	④	2,584,529.50	
REVERSE PRIOR YEAR CORRECTIONS MADE BY CONTROLLER'S OFFICE	⑤		
APPLY CURRENT YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS			
APPLY ACCRUALS PER REPORT OF ACCRUALS TO CONTROLLER'S ACCOUNTS			
SCO ACCOUNT CODE			
10	6770-STATE BUDGET	1,948.41	1,948.41
15	6775-FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA		
20	6780-STATE AUDITS AND EVALUATIONS	317.63	317.63
30	6785-STATEWIDE ACCOUNTING POLICIES, CONSULTING AND	2,348.04	2,348.04
32	6790-DEPARTMENT OF JUSTICE LEGAL SERVICES		
37	6800-LOCAL GOVERNMENT AUDITS AND REVIEW	-423.65	-423.65
40 01	9900100-ADMINISTRATION	-3,619.10	-3,619.10
40 02	9900200-ADMINISTRATION - DISTRIBUTED	3,619.10	3,619.10
99	CALSTARS CLEARING ACCOUNT	-1,601.91	-1,601.91
90 10	REIMBURSEMENTS TO 6770-STATE BUDGET		
90 15	REIMBURSEMENTS TO 6775-FINANCIAL INFORMATION SYSTEM		
90 20	REIMBURSEMENTS TO 6780-STATE AUDITS AND EVALUATIONS		
90 30	REIMBURSEMENTS TO 6785-STATEWIDE ACCOUNTING		
96	STATE COMPENSATION INSURANCE FUND DEPOSIT		
97	REVOLVING FUND ADVANCE		
98	ADVANCE TO SERVICE REVOLVING FUND-OTHER SERVICES		
PENDING BUDGET REVISIONS/ALLOCATION ORDERS/EXECUTIVE ORDERS			
TOTAL ⑩		-111,180.79	-7,026,886.14

} ⑨

REPORT NO. 5

JUNE 30, 20XX

**FINAL RECONCILIATION OF CONTROLLER'S ACCOUNTS
WITH FINAL BUDGET REPORT/AGENCY RECORDS STD 573**

AGENCY: 1234 DEPT OF TRAINING

FUND: 4321000 TRAINING SUPPORT FUND

FY: 2018 ITEM: 001 ①

CHAPTER NO. 29/18

ITEM NO. 1234-001-4321

EXPENDITURES	APPROPRIATION BALANCE
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JUNE 30 ACCOUNT BALANCE PER STATE CONTROLLER'S RECORDS ②	33,656,262.29	-2,434,031.95
REVERSE PRIOR YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS ③		
REVERSE PRIOR YEAR EXPENDITURES/REIMBURSEMENTS ACCRUED ④		
REVERSE PRIOR YEAR CORRECTIONS MADE BY CONTROLLER'S OFFICE ⑤		

APPLY CURRENT YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS ⑥	-1,186.95	-1,186.95
APPLY ACCRUALS PER REPORT OF ACCRUALS TO CONTROLLER'S ACCOUNTS ⑦		

SCO ACCOUNT CODE

10	6770 – STATE BUDGET	4,130,346.56	4,130,346.56
15	6775 – FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA	2,117,081.67	2,117,081.67
20	6780 – STATE AUDITS AND EVALUATIONS	1,511,718.59	1,511,718.59
30	6785 – STATEWIDE ACCOUNTING POLICIES, CONSULTING AND	1,070,953.06	1,070,953.06
32	6790 – DEPARTMENT OF JUSTICE LEGAL SERVICES	73,958.92	73,958.92
37	6800 – LOCAL GOVERNMENT AUDITS AND REVIEW	1,947,983.36	1,947,983.36
40 01	9900100 – ADMINISTRATION	1,541,657.77	1,541,657.77
40 02	9900200 – ADMINISTRATION – DISTRIBUTED	-1,541,657.77	-1,541,657.77
99	CALSTARS CLEARING ACCOUNT	-9,524,369.29	-9,524,369.29
90 10	REIMBURSEMENTS TO 6770 – STATE BUDGET	-351,005.01	-351,005.01
90 15	REIMBURSEMENTS TO 6775 – FINANCIAL INFO SYS	-564,833.46	-564,833.46
90 20	REIMBURSEMENTS TO 6780 – STATE AUDITS & EVAL	-469,994.41	-469,994.41
90 30	REIMBURSEMENTS TO 6785 – STATEWIDE ACCT POLICIES, CONSULTING	-808,273.59	-808,273.59
96	STATE COMPENSATION INSURANCE FUND DEPOSIT		-6,705.76
97	REVOLVING FUND ADVANCE		-200,000.00
98	ADVANCE TO SERVICE REVOLVING FUND – OTHER SERVICES		-42,000.00

PENDING BUDGET REVISIONS/ALLOCATION ORDERS/EXECUTIVE ORDERS ⑧

TOTAL ⑩

32,788,641.74	-3,550,358.26
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REPORT NO. 5

JUNE 30, 20XX

**FINAL RECONCILIATION OF CONTROLLER'S ACCOUNTS
WITH FINAL BUDGET REPORT/AGENCY RECORDS STD 573**

AGENCY: 1234 DEPT OF TRAINING
FUND: 4321000 TRAINING SUPPORT FUND
FY: 2018 ITEM: 501 ①

CHAPTER NO. 322/18

ITEM NO. 1234-501-4321

		EXPENDITURES	APPROPRIATION BALANCE
JUNE 30 ACCOUNT BALANCE PER STATE CONTROLLER'S RECORDS	②	41,783.15	-41,783.15
REVERSE PRIOR YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS	③		
REVERSE PRIOR YEAR EXPENDITURES/REIMBURSEMENTS ACCRUED	④		
REVERSE PRIOR YEAR CORRECTIONS MADE BY CONTROLLER'S OFFICE	⑤		
APPLY CURRENT YEAR ADJUSTMENTS TO CONTROLLER'S ACCOUNTS			
APPLY ACCRUALS PER REPORT OF ACCRUALS TO CONTROLLER'S ACCOUNTS			
SCO ACCOUNT CODE			
	TRANSFER OUT	2,697,956.46	-2,697,956.46
10	6770 – STATE BUDGET	61,623.46	-61,623.46
15	6775 – FINANCIAL INFORMATION SYSTEM FOR CALIFORNIA		
20	6780 – STATE AUDITS AND EVALUATIONS		
30	6785 – STATEWIDE ACCOUNTING POLICIES, CONSULTING AND		
32	6790 – DEPARTMENT OF JUSTICE LEGAL SERVICES		
37	6800 – LOCAL GOVERNMENT AUDITS AND REVIEW		
40 01	9900100 – ADMINISTRATION		
40 02	9900200 – ADMINISTRATION - DISTRIBUTED		
99	CALSTARS CLEARING ACCOUNT		
90 10	REIMBURSEMENTS TO 6770 – STATE BUDGET		
90 15	REIMBURSEMENTS TO 6775 – FINANCIAL INFO SYS		
90 20	REIMBURSEMENTS TO 6780 – STATE AUDITS & EVAL		
90 30	REIMBURSEMENTS TO 6785 – STATEWIDE ACCT POLICIES, CONSULTING		
96	STATE COMPENSATION INSURANCE FUND DEPOSIT		
97	REVOLVING FUND ADVANCE		
98	ADVANCE TO SERVICE REVOLVING FUND – OTHER SERVICES		
PENDING BUDGET REVISIONS/ALLOCATION ORDERS/EXECUTIVE ORDERS ⑧			
TOTAL ⑩		2,801,363.07	-2,801,363.07

⑨

Pre-Closing and Post-Closing Trial Balance (Reports 7 and 8)

The Pre-Closing Trial Balance (Report 7) provides the agencies'/departments' June 30 GL account balances for assets, liabilities, fund equity, receipts, and disbursements before the nominal accounts have been closed.

The Post-Closing Trial Balance (Report 8) provides the agencies'/departments' June 30 GL account balances for assets, liabilities, and fund equity accounts remaining after nominal accounts have been closed.

The balances in both reports reflect the accruals as reported on the Report of Accruals to Controller's Accounts (Report 1) and/or the adjustments as reported on the Adjustments to Controller's Accounts (Report 3).

SCO will refer to Reports 7 and 8 to obtain additional information that may help resolve any Report 1 and/or 3 discrepancies.

Refer to SAM section 7962 for illustrations of Reports 7, 8.

The Report 7 Subsidiaries on File has been renamed to Subsidiaries on File in FI\$Cal. Please see SAM section 7962.

Submit the Subsidiaries on File Report, which will provide SCO with the required subsidiary numbers.

Report 7 – Statewide and Pro Rata assessments should be reported by the administering agency/department or fund administrator.

Agencies/Departments are no longer required to post SB84 Supplemental Pension Loan balances (GL2170/4050 Interfund Loans Receivable/Interfund Loans Payable and GL 5370/2500 Reserve for Interfund Receivables/Provision for Interfund Loan Payables) on Report 7. However, agencies/departments are still required to report SB84 assessments (GL 9998/9000) and other types of loan balances on Report 7.

Since FY 2017-18, FSCU costs and SCO GAAP assessments are consolidated in the Pro Rata and SWCAP plans. They are no longer separately allocated. A portion of FI\$Cal costs, such as licensed user fees, is also recorded under Pro Rata.

The administering agency/department or fund administrator is responsible for recording and reporting statewide and Pro Rata assessments on Report 7, although the assessments are charged under statewide BUs. These assessments are the shared costs associated with statewide projects.

For shared funds, only the administering agency/department will record and report these statewide and Pro Rata assessments.

For the administering agency/department or fund administrator, the statewide and Pro Rata assessments will no longer be reported in the Appropriation Expenditures GL 9000 column on Report 15. They will be reported in its own separate column and row.

Note: Please contact DOF FSCU for Supplemental Pension Assessment instructions.

Abnormal Balance(s) Explanation Required

All abnormal balances reported on Reports 7 and 8 must be explained. Provide an explanation for any abnormal GL account balance for all fund types either as a footnote on the report(s) or on a separate sheet of paper as an attachment.

The following are examples of abnormal balances:

- Asset accounts with credit balances
- Liability accounts with debit balances
- Revenue and Transfer In accounts with debit balances
- Expenditure and Transfer Out accounts with credit balances

Fund balance is the excess of assets over liabilities. Normally, the ending fund balance on Report 8, (Post-Closing Trial Balance), should have either a zero or a credit balance.

If GL 5530 (Fund Balance-Unappropriated) in a non-shared fund is a debit amount on Report 8, a footnote explanation is required.

Note: If agencies/departments submit a revised Report 1 for Governmental Cost Fund/Bond Fund, a revised Report 7 and a revised Report 8 are required along with a revised Certification Letter. A revised Due To/From & Transfers In/Out Supplemental Form (Non-FI\$Cal agencies/departments) or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.

REPORT 7 – PRE-CLOSING TRIAL BALANCE

Department of Training – 1234

Fund 4321

Fiscal Year 20XX-XX

As of 06/30/20XX

Business Unit:	1234 – Department of Training	Report ID:	RPTGL068
Fund:	4321 – Training Support Fund	Run Date:	8/9/20XX
Subfund:		Run Time:	17:15:54
		Adjustment Period:	998

GLAN	ACCOUNT TITLE	DEBITS	CREDITS
1110	General Cash – CTS Accounts	90.00	
1130	Revolving Fund Cash	188,289.14	
1190	Cash on Hand	100.00	
1311	AR – Abatements	10,201.06	
1312	AR – Reimbursements	2,205.00	
1319	AR – Other	450.93	
*1410	Due from Other Funds	5,148,963.79	
*1420	Due from Appropriations – Same Fund	11,269,849.46	
*1600	Provision for Deferred AR		450.93
1710	Expense Advances	636.42	
*1730	Prepay to Other Funds/Appropriations	498,705.76	
3010	Accounts Payable		1,484,665.91
*3114	Due to Other Funds		2,862,912.61
*3115	Due to Other Appropriations – Same Fund		11,269,849.46
3290	Due to Other Government Entities		395.27
3420	Unearned Reimbursements		900,000.00
3730	Uncleared Collections		90.00
5330	Reserve – Prepaid Items		450,000.00
5570	Fund Balance – Clearing		1,793,602.13
65	Unapp InterUnit Transfers		30,494,670.01 (1)
8000	Revenue		611,361.81
8100	Reimbursements		15,875,776.48
9000	Appropriated Expenses	48,675,305.41	
9891	Refunds to Reverted Appropriation		51,022.36 (2)
9811	Transfers In		2,697,956.46
9812	Transfers Out	2,697,956.46	
Fund	4321	68,492,753.43	68,492,753.43

* Subsidiary fund number, agency code, or GL account is needed unless a Subsidiaries on File report is submitted.

(1) GL 65 (Unapp InterUnit Transfers) is equivalent to GL 1140 (Cash in State Treasury).

This amount was closed out to GL 5570 (Fund Balance – Clearing) for shared fund in legacy system.

(2) Receipt of money for reverted appropriation.

REPORT 8 – POST-CLOSING TRIAL BALANCE
Department of Training – 1234
Fund 4321
Fiscal Year 20XX-XX
As of 06/30/20XX

Business Unit:	1234 – Department of Training	Report ID:	RPTGL069
Fund:	4321 – Training Support Fund	Run Date:	8/9/2019
Subfund:		Run Time:	17:33:04
		Adjustment	998

GLAN	ACCOUNT TITLE	DEBITS	CREDITS
1110	General Cash – CTS Accounts	90.00	
1130	Revolving Fund Cash	188,289.14	
1190	Cash on Hand	100.00	
1311	AR – Abatements	10,201.06	
1312	AR – Reimbursements	2,205.00	
1319	AR – Other	450.93	
*1410	Due From Other Funds	5,148,963.79	
*1420	Due From Approps – Same Fund	11,269,849.46	
*1600	Provision For Deferred AR		450.93
1710	Expense Advances	636.42	
*1730	Prepay to Other Funds/Approps	498,705.76	
3010	Accounts Payable		1,484,665.91
*3114	Due to Other Funds		2,862,912.61
*3115	Due to Other Approps – Same Fund		11,269,849.46
3290	Due to Other Govt Entities		395.27
3420	Unearned Reimbursements		900,000.00
3730	Uncleared Collections		90.00
5330	Reserve – Prepaid Items		450,000.00
5570	Fund Balance – Clearing		151,127.38
Fund	4321	17,119,491.56	17,119,491.56

* Subsidiary fund number, agency code, or GL account is needed unless a Subsidiaries on File report is submitted.

Reconciliation of Agency Accounts with Transactions per State Controller (Report 15)

The Reconciliation of Agency Accounts with Transactions per State Controller (Report 15) provides agencies/departments with a method of ensuring the accuracy and completeness of their revenue and expenditure accounts. The detailed revenue, expenditure, reimbursements, transfer in, and transfer out accounts are summarized to the appropriate GL accounts and are reconciled with transactions per the State Controller. Refer to the following pages and SAM section 7976 for illustrations of Report 15.

SCO will refer to Report 15 to obtain additional information that may help resolve any Report 1 and/or 3 discrepancies.

General Instructions

- Prepare a separate report for each fund.
- Enter all amounts in dollars and cents.
- Submit this report with a minimum font size of 10, and on legal-sized paper when necessary.
- **If this report is more than one page, repeat the column headers on each additional page.**

Specific Instructions

The instructions below are followed by an illustration of a completed Report 15. Each numbered item in the instructions references a corresponding numbered field in the illustration.

Report 15

- | | |
|---|--|
| 1 Account: | Enter all nominal accounts, including appropriation expenditures, reimbursements, revenue accounts, refunds to reverted appropriation, transfers in, transfers out, and other accounts from the monthly reconciliation report. |
| 2 Transactions per Controller (column A): | Enter the balances per SCO records as of June 30. |
| 3 Reverse Prior Year Adjustment to Controller's Accounts (column B): | Enter the reversal of the adjustments reported on the previous year's Adjustments to Controller's Accounts (Report 3), Form 576B. |
| 4 Reverse Prior Year Accruals (column C): | Enter the reversal of the accruals on the previous year's Report of Accruals to Controller's Accounts (Report 1), Form 571D. |
| 5 Reverse Prior Year Corrections Made by SCO (column D): | Enter the reversal of any prior year corrections made by SCO to Report 1 and/or 3. |

- | | |
|--|---|
| 6 Apply Current Year Adjustments to Controller's Accounts (column E): | Enter the current year adjustments as reported on Report 3, Form 576B. |
| 7 Apply Current Year Accruals (column F): | Enter the current year accruals for each revenue, expenditure, reimbursement, transfer in, and transfer out account as reported on Report 1, Form 571D. |
| 8 Appropriation Total (column G): | Enter the total of columns A through F. |
| REMINDER: | All Clearing Account balances in column G must be zero. |
| 9 Appropriation Expenditures (column H): | Enter the amount from the total in column G that applies to GL Account 9000. This amount must agree with the amount on the Pre-Closing Trial Balance (Report 7). |
| 10 Reimbursements (column I): | Enter the amount from the total in column G that applies to GL Account 8100. This amount must agree with the amount on Report 7. |
| 11 Revenue (column J): | Enter the amount from the total in column G that applies to GL Account 8000. This amount must agree with the amount on Report 7. |
| 12 Refunds to Reverted Appropriations (column K): | Enter the amount from the total in column G that applies to GL Account 9891. This amount must agree with the amount on Report 7. |
| 13 Prior Year Appropriation Adjustments (column L): | Enter the amount from the total in column G that applies to GL Account 9893. This amount must agree with the amount on Report 7. |
| 14 Prior Year Revenue Adjustments (column M): | Enter the amount from the total in column G that applies to GL Account 9892. This amount must agree with the amount on Report 7. |
| 15 Transfer In (column N): | Enter the amount from the total in column G that applies to GL Account 9811. This amount must agree with the amount on Report 7. |
| 16 Transfer Out (column O): | Enter the amount from the total in column G that applies to GL Account 9812. This amount must agree with the amount on Report 7. |
| 17 Statewide Assessments and Pro Rata (column P): | Enter the total amounts for statewide and Pro Rata assessments against the fund. The SCO journal entry for these assessments will display the business unit/organization code of the agency/department assessing the charges (e.g., 9900 for Pro Rata). |

State Controller's Office – Year-End Financial Reports Procedure Manual – Budgetary Legal Basis

AGENCY 1234 - DEPARTMENT OF TRAINING

Report No. 15

FUND 4321 - TRAINING SUPPORT FUND

RECONCILIATION OF AGENCY ACCOUNTS WITH TRANSACTIONS PER STATE CONTROLLER

FISCAL YEAR ENDING JUNE 30, 20XX

Accounts	Transactions Per State Controller 06/30/19	Reverse Prior Year			Apply Current Year		TOTAL	Transactions per Agency Accounts								Statewide Assessments and Pro Rata
		Adjustments To SCO Accounts	Accruals	Corrections Made by Controller's	Adjustments To SCO Accounts	Accruals		Approp. Expend (9000)	Appropriation Reimb (8100)	Revenue 8000	Refunds to Reverted Approp (9891)	PY Approp Adj (9893)	PY Revenue Adj (9892)	Transfer In (9811)	Transfer Out (9812)	
(+)	(A) (+)	(B) (+)	(C) (+)	(D) (+)	(E) (+)	(F) (+)	(G) (+)	(H) (+)	(I) (-)	(J) (+)	(K) (+)	(L) (+)	(M) (+)	(N) (+)	(O) (+)	(P) (+)
Item 1234-001-4321																
Chapter 23/19, FY 2019/20																
Program 10, State Budget	16,556,690.38					4,130,346.56	20,687,036.95	20,687,036.95								
Program 15, Financial Information System for California	1,091,834.03					2,119,081.67	3,188,615.70	3,188,615.70								
Program 20, State Audits and Evaluations	7,776,272.81					1,511,718.59	9,287,991.40	9,287,991.40								
Program 30, Statewide Accounting Policies, Consulting, and Training	4,763,290.07					1,070,953.06	5,824,243.13	5,824,243.13								
Program 32, Department of Justice Legal Services	85,017.13					73,958.92	158,976.05	158,976.05								
Program 37, Local Government Audits and Review	7,597,538.02					1,947,983.36	9,545,521.38	9,545,521.38								
Program 40.01, Administration	6,727,948.11					1,541,657.77	8,269,605.88	8,269,605.88								
Program 40.02, Administration – Distributed	-6,727,948.11					-1,541,657.77	-8,269,605.88	-8,269,605.88								
Program 99, Clearing Account	9,525,556.24				-1,186.98	-9,524,369.29	0.00									
Category 90.10, Reimbursements to 6770 – State Budget						-1,965,483.45	-2,336,486.46	-2,336,486.46								
Category 90.15, Reimbursements to 6775 – Financial Info Sys						-564,833.46	-3,189,615.70	-3,189,615.70								
Category 90.20, Reimbursements to 6780 – State Audits & Eval						-469,994.41	-5,835,776.54	-5,835,776.54								
Category 90.30, Reimbursements to 6785 – Statewide Acct Policies						-808,273.59	-4,542,863.17	-4,542,863.17								
Category 96, SCIF Deposit	6,705.76					-6,705.76	0.00									
Category 97, ORF Advance	200,000.00					-200,000.00	0.00									
Category 98, Advance to SRF – Other	42,000.00					-42,000.00	0.00									
Item 1234-001-4321																
Chapter 50/15, FY 2019/20																
Program 10, State Budget	41,783.15					61,623.46	103,406.61	103,406.61								
5555-Unscheduled Items of Appropriation						2,697,956.46	2,697,956.46								2,697,956.46	
Item 1234-001-4321																
Chapter 14/18, FY 2018/19																
Program 10, State Budget	2,795,636.72		-2,901,530.82			1,946.41	-103,945.89	-103,945.89								
Program 15, Financial Information System for California	430,690.27		-429,647.79			1,042.48	1,042.48	1,042.48								
Program 20, State Audits and Evaluations	1,184,413.48		-1,188,311.63			3,177.63	-3,580.52	-3,580.52								
Program 30, Statewide Accounting Policies, Consulting, and Training	617,887.58	-57,501.26	-564,601.08			2,346.04	-1,866.72	-1,866.72								
Program 32, Department of Justice Legal Services	-13,308.18		13,308.18				0.00	0.00								
Program 37, Local Government Audits and Review	795,915.88		-826,288.96			-423.65	-30,796.73	-30,796.73								
Program 40.01, Administration	759,857.95		-770,051.22			-3,619.10	-13,852.37	-13,852.37								
Program 40.02, Administration – Distributed	-759,857.95		759,857.95			3,619.10	13,852.37	13,852.37								
Program 99, Clearing Account	-5,520,085.37	57,501.26	5,464,186.02			-1,601.91	0.00	0.00								
Category 90, Reimbursements	-2,089,565.23	-900,000.00	3,017,531.62				27,966.39	27,966.39								
Category 96, SCIF Deposit							0.00	0.00								
Category 97, ORF Advance							0.00	0.00								
Category 98, Advance to SRF – Other							0.00	0.00								
Item 1234-001-4321																
Chapter 23/17, FY 2017/18																
Program 10, State Budget	-113,474.78		115,821.56				2,346.78	2,346.78								
Program 15, Financial Information System for California	-467.34		657.34				0.00	0.00								
Program 20, State Audits and Evaluations	28,396.66		-14,312.74				14,085.92	14,085.92								
Program 30, Statewide Accounting Policies, Consulting, and Training	-5,454.42		7,439.48				985.06	985.06								
Program 32, Department of Justice Legal Services	-26,286.07		26,286.07				0.00	0.00								
Program 37, Local Government Audits and Review	238.29		1,005.32				1,243.61	1,243.61								
Program 40.01, Administration	-21,658.22		23,145.16				1,486.94	1,486.94								
Program 40.02, Administration – Distributed	21,658.22		-23,145.16				-1,486.94	-1,486.94								
Program 99, Clearing Account	287,039.02		-287,039.02				0.00	0.00								
Category 90, Reimbursements	0.00		0.00				0.00	0.00								
Category 97, ORF Advance							0.00	0.00								
Revenue 2019/20						-2,697,956.46	-2,697,956.46								-2,697,956.46	
312340, transfer-in																
Revenue 2018/19																
161000, Escheat, Checks, Warrants	0.00						0.00	0.00								
161400, Miscellaneous Revenue	-910.46					-200.00	-1,110.46	-1,110.46								
163000, Settlements/Judgements	-606,318.60						-606,318.60	-606,318.60								
500000, Refunds to Reverted Appropriations	-3,500.00						-3,500.00	-3,500.00								
Revenue 2018/19																
161000, Escheat, Checks, Warrants							0.00	0.00								
161400, Miscellaneous Revenue	-500.00		800.00				0.00	0.00								
163000, Settlements/Judgements	-432.75						-432.75	-432.75								
500000, Refunds to Reverted Appropriations	-51,022.36						-51,022.36	-51,022.36								
Statewide Assessments and Pro Rata																
Statewide Assessments and Pro Rata Charges																
TOTAL	31,654,271.58	-900,000.00	2,435,187.51	0.00	-1,186.98	-1,051,127.38	32,137,144.76	48,675,305.41	-15,875,776.48	-611,361.81	-51,022.36	0.00	0.00	-2,697,956.46	2,697,956.46	0.00

Nongovernmental Cost Funds

Budgetary/Legal Basis Nongovernmental Cost Funds

Nongovernmental Cost Funds consist of those funds that derive their revenue from sources other than general and special taxes, licenses, fees, or other state revenue. Expenditures of these funds **do not** represent a cost of government. There are three major fund classifications under this group: Bond Funds, Trust and Agency Funds – Federal, and Other Nongovernmental Cost Funds. The purpose of each fund classification is described as follows:

Bond Funds are used to record proceeds from the sale of general obligation bonds and expenditures for the acquisition of property and capital outlay. They are also used to record loans to local agencies for the same purposes.

Trust and Agency Funds – Federal are used to account for money that is received from the federal government to be expended for specific purposes.

Other Nongovernmental Cost Funds are used to account for the following revenues and services:

Public Service Enterprise Funds are used to account for transactions of state-operated enterprises that render services primarily to the public for a charge.

Working Capital and Revolving Funds are used to account for the internal service activities rendered by a state agency/department for other state agencies/departments or local governments.

Retirement Funds are used to account for contributions received by various retirement systems, the investment of these moneys, retirement allowances, and refunds to members.

Trust and Agency Funds – Other are used to account for money and properties that are received and disbursed by the State as a trustee or custodian.

Required Year-End Reports for Nongovernmental Cost Funds

The year-end financial reports required by SCO for Nongovernmental Cost Funds, *excluding* Bond funds, are listed below. Unless otherwise noted, the reports are required by fund. Refer to the DOF Uniform Codes Manual, Fund Section to determine fund type.

Report Number	FI\$Cal Report ID	Form Number	SAM Sec.	File Format Required for Submission to SCO	Report Description
3	—	576A	7955	Excel	Adjustments to Controller's Accounts
7 ^a	RPTGL068	—	7962	PDF/Excel	Pre-Closing Trial Balance
8	RPTGL069	—	7962	PDF	Post-Closing Trial Balance
9 ^b	RPTGL113	—	7963	PDF	Statement of Operations (Analysis of Change in Fund Balance)
20 ^b	RPTGL077	—	7979	PDF	Statement of Financial Condition

Special Reports^c:

Report Number	FI\$Cal Report ID	Form Number	SAM Sec.	File Format Required for Submission to SCO	Report Description
18	RPTGL075	—	7463 7977 8670.2	Excel	Statement of Changes in Capital Assets Group of Accounts One report per fund if there are amounts in any column: beginning balance/additions/deductions/ending balance
19	RPTGL076	—	7978	Excel	Statement of Capital Assets Group of Accounts One report per agency/department
22 ^d	—	—	7980	PDF	Statement of Contingent Liabilities One report per fund

(Continued)

- FI\$Cal agencies/departments submit PDF Report 7 generated from FI\$Cal. An additional Excel format of Report 7 for FI\$Cal agencies/departments is optional but encouraged. Non-FI\$Cal Departments must submit Excel Report 7.
- Required for non-shared funds, Federal Trust Fund (0890), Special Deposit Fund (0942), and Fiduciary Funds Outside the Centralized Treasury System (0990).
- If the agency/department does not have amounts to report, the Certification Letter must indicate this for each report.
- Not required for Fund 0990 (Fiduciary Funds Outside the Centralized Treasury System).

Supplemental Forms:

Report Number	FI\$Cal Report ID	Form Number	SAM Sec.	File Format Required for Submission to SCO	Report Description
—	RPTGL354	—	7962	PDF	Due To/From & Transfers In/Out Supplemental Form or Subsidiaries on File Report ^e One report per fund
—	—	—	—	PDF	Material Variance Explanation Form One report per fund even if there is no activity to report

(Concluded)

- e. If the agency/department accrues Due To/From Other Funds/Appropriation, General Ledger (GL) 3114.FFFF, 1410.FFFF, 1420.AAAA, 3115.AAAA, and/or Transfer In/Out GL 9811/9812 on Report 7, 3, or Revisions to Reports 7 and 3, it is required to complete the Due To/From & Transfers In/Out Supplemental Form for Non-FI\$Cal agencies/departments or Subsidiaries on File Report for FI\$Cal agencies/departments. FFFF denotes fund and AAAA denotes agency/department business unit/organization code. **FI\$Cal agencies/departments do not need to submit a Due To/From Other Funds/Appropriation & Transfers In/Out Supplemental Form if the required information is included in Subsidiaries on File.**

Adjustments to Controller's Accounts (Report 3)

Adjustments to Controller's Accounts (Report 3) is a system input document containing the adjusting entries needed to bring the agencies/departments balances into agreement with the SCO cash basis accounts as of June 30 for the following GL accounts:

Account Number	Account Title
1140	Cash in State Treasury
1210	Deposits in Surplus Money Investment Fund
1730.0666001	Prepayments to Service Revolving Fund, Purchasing
1730.0666002	Prepayments to Service Revolving Fund, Printing
2120	Advances to Other Funds

For the GL accounts listed above, the total of the amounts entered on Report 3 combined with the amounts on the Pre-Closing Trial Balance (Report 7) must agree with SCO's account balances as of June 30. Typically, the opposite side of the adjustments to any of these accounts is GL 1410.FFFF (Due From Other Funds) or GL 3114.FFFF (Due To Other Funds). **Do not** make adjusting entries for nominal accounts (receipts and disbursements), as the correct amount is already reflected on Report 7.

Agencies/Departments are required to submit Report 3 electronically to SCO using the most current Excel Report 3 template available on the SCO website. Please do not use previous year's Report 3 template, customize your own Report 3 template, or alter the SCO-provided template. Even if account titles do not display completely, SCO analysts can still read them, and SCO systems can still pick up the information. This will enable SCO to accept journal entries without the need for manual key entry.

Only 576A tab should be used for Nongovernmental Cost Funds and completed in the same manner as Report 3 for Governmental Cost Funds. An attachment (e.g., transaction request, budget revision, etc.) explaining the reason for the adjustments must be included with this report. SCO will refer to the explanation of the adjustments to obtain additional information that may help resolve any discrepancies.

As Report 3, 576A tab, is used as a system input document by SCO, it is important for the agency/department to carefully follow the instructions for this report. Properly completed reports will enable SCO to process entries without any further adjustments.

Report 3 Excel format consists of the following tabs:

- **Instructions:** This tab contains brief instructions for using the Report 3 Excel template, with less detail than is found in this Procedure Manual.
- **Report 3 GLs (576A):** Designed to report adjustments to asset and liability accounts.
- **Report 3 Detail (576B):** Leave it blank as it is not applicable for Nongovernmental Cost Funds.
- **Footnotes:** Use this tab to provide footnote explanations for any corrections and number the supporting documentation.

Following are two examples of when to use Report 3 for Nongovernmental Cost Funds:

Example 1:

The agency's/department's Cash in State Treasury on Report 7 as of June 30 is *more* than the SCO's Cash in State Treasury balance at June 30:

Agencies/Departments June 30 Balance

SCO June 30 Balance

1140 Cash in State Treasury \$5,000.00

1140 Cash in State Treasury \$3,000.00

The following entry should be made on Report 3 to reflect the official Cash in State Treasury balance at June 30 per the SCO's records:

Dr. 1410.FFFF \$2,000.00
 Cr. 1140 \$2,000.00

The combination of the agency's/department's Report 7 and Report 3 for Cash in State Treasury should equal the SCO's balance as of June 30:

Agency/Department
Report 7

Agency/Department
Report 3

SCO June 30 Balance

\$5,000.00 + (\$2,000.00) = \$3,000.00

Example 2:

The agency's/department's Cash in State Treasury on Report 7 as of June 30 is *less* than the SCO's Cash in State Treasury balance at June 30:

Agencies/Departments June 30 Balance

SCO June 30 Balance

1140 Cash in State Treasury \$4,000.00

1140 Cash in State Treasury \$7,000.00

The following entry should be made on Report 3 to reflect the official Cash in State Treasury balance at June 30 per the SCO's records:

Dr. 1140 \$3,000.00
 Cr. 3114.FFFF \$3,000.00

The combination of the agency's/department's Report 7 and Report 3 for Cash in State Treasury should equal the SCO's balance as of June 30:

Agency/Department
Report 7

Agency/Department
Report 3

SCO June 30
Balance

\$4,000.00 + \$3,000.00 = \$7,000.00

General Instructions

- Submit an Excel file only. No need to submit PDF file if an Excel file is submitted.
- Prepare a separate report for each fund.
- Enter all amounts in dollars and cents.
- **Do not** use dollar signs (\$).
- Leave Amount column blank for accounts with zero balances. **Do not** enter zeros.
- Total debits must equal total credits.
- All adjusting entries must be accompanied by an attachment (e.g., journal entry, transaction request, budget revision, etc.) explaining the reason for the adjustment. These entries must be submitted, approved, and posted by the SCO BAC before Report 3 will be processed for year-end reporting. Each entry on Report 3 must be identified by a number that references an explanation identified by the same number. This number should be placed in the Footnotes Tab.

Specific Instructions

The instructions below are followed by an illustration of a completed Report 3 Excel format. Each numbered item in the following instructions references a corresponding numbered field in the illustration.

Report 3 GLs (576A)

**1 June 30, 20XX / Version
m.d.yy.x:**

This date is hard coded with the current year and cannot be changed by the agency/department. The version number can be compared to the version number of the template posted on the SCO reporting website to ensure you are using the most current version. Please visit the SCO reporting website to obtain the most updated workbook each year.

2 Check here for Revision:

If you are preparing a revision, check this box. For a revision, only report the difference between the original, already processed Report 3 and the correct amounts and accounts. If a revision is needed, work with your SCO SGR analyst to confirm whether the original Report 3 has been processed. **NOTE: A revised Certification Letter, Report 7, and Report 8 are required with every revision. A revised Due To/From & Transfers In/Out Supplemental Form (FI\$Cal agencies/departments), or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.**

3 Agency Number:

Enter the agency/department number.

- 4 Agency Name:** Enter the agency/department name.
- 5 Fund Number:** Enter the fund number.
- 6 Fund Name:** Enter the fund name.
- 7 Name of Contact Person, Title:** Enter the name and title of the person to contact with questions concerning this report.
- 8 Telephone Number:** Enter the contact person's telephone number.
- 9 Email Address:** Enter the contact person's email address.
- 10 Amount Debit = Credit?:** If this field is red and reads FALSE, it means Report 3 accrual debits do not equal credits. If you have finished filling out current tab of Report 3, check for mistyped amounts or missing D/C signs in the amount column.
- 11 Account:** Enter the proper four-digit account number using the lowest level account numbers listed in the UCM. Do not enter a subsidiary number unless it is required, as discussed below. Agencies/departments need to identify the other fund involved in an interfund transaction by entering the four-digit fund number and, if applicable, the three-digit sub-fund number immediately following the GL account numbers listed below.
- REMINDER:** Submit the Due To/From & Transfers In/Out Supplemental Form for GL 3114.FFFF and 1410.FFFF.
- | | |
|-----------|---|
| 1410.FFFF | Due From Other Funds |
| 1730.FFFF | Prepayments to Other Funds or Appropriations |
| 3114.FFFF | Due To Other Funds |
| 5330.FFFF | Reserve for Prepaid Items (enter the same fund number as GL 1730) |
- For prepayments, see SAM section 7620, 7640, 10421, 10514, and 10517.
- FI\$Cal agencies that submit the Subsidiaries on File with Due To/From & Transfers In/Out information do not need to submit the Due To/From & Transfers In/Out Supplemental Report.
- 12 Amount:** Post adjustments to the appropriate GL accounts. The amounts entered should only be adjustments needed to bring the agencies'/departments' balances on Report 7 into agreement with the SCO's cash basis balances as of June 30.
- 13 D/C (Debit or Credit):** Enter D when the amount in the Amount column is a debit and C when the amount is a credit.

14 Report 3 GLs (576 A):

This worksheet is for entering asset and liability GL accounts. **Do not enter total line on this tab.**

REPORT NO. 3 Form 576 A		Adjustments to Controller's Accounts		June 30, 20XX	
Version m.d.yy.x 1		Check here for Revision ☐ 2		1	
Agency Number	Agency Name	Fund Number	Fund Name		
1234 3	Department of Training 4	4321 5	Training Support Fund 6		
Name of Contact Person, Title		Telephone Number	Email Address		
U.R. Dunne, Accounting Administrator 7		916-123-4567 8	UR.Dunne@training.ca.gov 9		
		Amount Debit = Credit?		10	TRUE
ACCOUNT TITLE		D C	ACCOUNT	AMOUNT	D C
GENERAL CASH			1110		
REVOLVING FUND CASH			1130		
CASH ON HAND			1190		
ACCOUNTS RECEIVABLE-ABATEMENTS			1311		
ACCOUNTS RECEIVABLE-REIMBURSEMENTS			1312		
ACCOUNTS RECEIVABLE-REVENUE			1313		
ACCOUNTS RECEIVABLE-DISHONORED CHECKS			1315		
ACCOUNTS RECEIVABLE-OTHER			1319		
CONTINGENT RECEIVABLE			1380		
DUE FROM OTHER FUNDS			1410		
DUE FROM OTHER APPROPRIATIONS			1420		
PROVISION FOR DEFERRED RECEIVABLES (CREDIT BAL)			1600		
EXPENSE ADVANCES			1710		
ACCOUNTS PAYABLE			3010		
DUE TO OTHER FUNDS			3114		
DUE TO OTHER APPROPRIATIONS			3115		
DUE TO LOCAL GOVERNMENT			3220		
LIABILITY FOR LOCAL SALES TAX			3220		

11 **12** **13** **14**

Instructions **Report 3 GLs (576 A)** Report 3 Detail (576 B) Footnotes **+**

Pre-Closing Trial Balance (Report 7)

The Pre-Closing Trial Balance (Report 7) provides the agencies/departments June 30 GL account balances for assets, liabilities, fund equity, receipts, and disbursements before nominal accounts have been closed. The June 30 balances reported for each account should include the June 30 cash balance, any current year accruals, current year adjustments, and prior year accrual reversals.

As this report is used as a system input document by SCO, it is important for agencies/departments to carefully follow the instructions for this report. Properly completed reports will enable SCO to accept entries without any further adjustments. **FI\$Cal agencies/departments should submit FI\$Cal generated reports whenever they are available, and may refer to the Report 7 FI\$Cal format example in the Governmental Cost Funds section. Non-FI\$Cal agencies/departments are required to submit Report 7 electronically to SCO using the most current Excel Report 7 template available on the SCO website. Please do not use previous year's Excel Report 7 template, customize your own Report 7 template, or alter the SCO-provided template.** Even if account titles do not display completely, SCO analysts can still read them, and SCO systems can still pick up the information. This will enable SCO to accept journal entries without the need for manual key entry.

Report 7 Excel format consists of the following tabs:

- **Instructions:** This tab contains brief instructions for using the Report 7 Excel template, with less detail than is found in this Procedure Manual.
- **Report 7:** Designed to report June 30 GL account balances for cash balance, any current year accruals, current year adjustments, and prior year accrual reversals.
- **Footnotes:** Use this tab to provide footnote explanations for any abnormal GL account balances.

As Report 7 is used as a system input document by SCO, it is important for the agency/department to carefully follow the instructions for this report. Properly completed reports will enable SCO to accept entries without any further adjustments.

Long-term loan disclosure: For all agencies/departments, a footnote disclosure is required for any interest or loan repayments due within the year. These repayments should be footnoted on FI\$Cal generated Report 7 or the Footnotes tab if use the Report 7 Excel format. The footnote is necessary to fully disclose the fund's liabilities and should include the terms of the loan (such as date of issuance, repayment terms, and interest rate) current loan balance, and interest earned or owed.

Example: Issue date – 7/14/XXXX, 5 year loan, due date – 6/30/XXXX, interest rate of 6%, amount of loan balance at current fiscal year-end – \$50,000.00, amount of loan repayments due within the year – \$20,000.00, interest owed – \$3,000.00.

General Instructions

- Non-FI\$Cal agencies/departments submit Excel file only. FI\$Cal agencies/departments submit FI\$Cal generated Report 7. An additional Excel format of Report 7 for FI\$Cal agencies/departments is optional. **FI\$Cal agencies/departments could refer to Report 7 FI\$Cal format example in Governmental Cost Funds section.**
- Prepare a separate report for each fund.
- Enter all amounts in dollars and cents.
- **Do not** use dollar signs (\$).
- Leave Amount column blank for accounts with zero balances. **Do not** enter zeros.
- Total debits must equal total credits.

Specific Instructions

The instructions below are followed by an illustration of a completed **Report 7 Excel format**. Each numbered item in the following instructions references a corresponding numbered field in the illustration.

Report 7

**1. June 30, 20XX / Version
m.d.yy.x:**

This date is hard coded to the current year and cannot be changed on the agency/department side. The version number can be compared to the version number of the template posted on the SCO reporting website to ensure you are using the most current version. Please visit the SCO reporting website to obtain the most updated workbook each year.

2. Fund Number:

Enter the fund number.

3. Fund Name:

Enter the fund name.

4. BU Number:

Enter the agency/department number.

5. BU Name:

Enter the agency/department name.

6. Check here for Revision:

If you are preparing a revision, check this box. For a revision, only report the difference between the original, already processed Report 7, and the correct amounts and accounts. If a revision is needed, work with your SCO SGR analyst to confirm whether the original Report 7 has been processed. **NOTE: A Revised Certification Letter and Report 8 is required with every revision. A revised Due To/From &**

Transfers In/Out Supplemental Form (FI\$Cal agencies/departments), or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.

- 7. Debits = Credits?:** If this field is red and reads No, it means Report 7 debits do not equal credits. If you have finished filling out all of Report 7, check for mistyped amounts or amounts that may have been misplaced in the Debits/Credits columns.
- 8. GL:** Enter the lowest-level GL account numbers listed in the UCM.
- 9. Account Title:** Complete the account title that corresponds with the respective account number.
- 10. Subsidiary:** To identify the other fund involved in an interfund transaction, enter the four-digit fund number.

REMINDER:

Fill out the Due To/From Other Funds/Appropriations & Transfer In/Out Supplemental Form for GL 3114.FFFF and 1410.FFFF.

1410.FFFF	Due From Other Funds
1730.FFFF	Prepayments to Other Funds or Appropriations
3114.FFFF	Due To Other Funds
5330.FFFF	Reserve for Prepaid Items (enter the same fund number as GL 1730)

For prepayments, see SAM section 7620, 7640, 10421, 10514 and 10517.

Submit the Due To/From Other Funds/Appropriations & Transfer In/Out Supplemental Form or Subsidiaries on File Report for GL 3115.AAAA and 1420.AAAA.

If the Due To/Due From is within the same fund, but different appropriations, enter the four-digit business unit/organization coder immediately following the GL account numbers listed below to identify the other agency/department involved in the inter-agency transaction.

If the AAAA is your own agency/department, the amounts of these two accounts must equal.

1420.AAAA	Due From Other Appropriations
3115.AAAA	Due To Other Appropriations

For Nongovernmental Cost Funds, other than General Obligation Bond Funds, encumbrances should be posted to the appropriate liability accounts GL 3010, 3114.FFFF, 3115.AAAA, 3220, or 3290.

All accrued reimbursements that will fund the accrued encumbrances should be accrued under their respective receivable accounts (GL 1312, 1410.FFFF, 1420.AAAA, 1510, or 1590). If such reimbursements were accrued under GL 1312, Accounts Receivable – Reimbursements, then the agency/department must reclassify them to the proper receivable accounts.

Enter the four-digit GL accounts receivable code (XXXX) following the GL account numbers listed below to identify the related receivable.

The code must be preceded by a “0.”

1390.0XXXX	Allowance for Uncollectible Accounts
1600.0XXXX	Provision for Deferred Receivables

The amount reported for each of the two GL accounts listed above must not exceed the amount reported for its related receivable.

FI\$Cal agencies/departments must submit the Subsidiaries on File Report, which will provide SCO with the required subsidiary numbers.

FI\$Cal agencies that submit the Subsidiaries on File Report with Due To/From & Transfers In/Out information do not need to submit the Due To/From & Transfers In/Out Supplemental Form.

For all agencies/departments, the **unencumbered** amount of the Due From Other Funds GL 1410.FFFF or Due From Other Appropriations GL 1420.AAAA must equal the related **unencumbered** amount of the Due To Other Funds GL 3114.FFFF or Due To Other Appropriations GL 3115. from other agencies/departments. Agencies/Departments must coordinate related amounts reported to ensure the amounts are equal.

Submit the Due To/From Other Funds/Appropriations & Transfer In/Out Supplemental Form or Subsidiaries of File Report to provide SCO with the business unit/organization code(s) and agency/department name(s) related to the Due To/From Other Fund and Transfer In/Out transactions submitted on Reports 3 and 7.

11. Debits or Credits:

Post the agencies'/departments' balance for each GL account in the proper column.

12. Errors:

This column will display any common errors that are on the spreadsheet.

REMINDER:

Do not enter total line on Report 7 Excel format.

Statewide and Pro Rata assessments

The administering agency/department or fund administrator of a fund is responsible for including statewide and Pro Rata assessments on Report 7, although the expenditures are charged under other business unit/organization codes. These assessments/charges are the shared costs associated with statewide projects, such as BU 9900 – Pro Rata.

Report 7 - Preclosing Trial Balance (NGC Fund Only)						
As of June 30, 20XX						
Version m.d.yy.x ¹						
Fund:	4321 ²	Fund Name:	Training Support Fund ³			
BU:	1234 ⁴	BU Name:	Department of Training ⁵			
Check here for Revision ☐ ⁶		Debits = Credits? ⁷		Yes		
GL ⁸	Account Title ⁹	Subsidiary ¹⁰	Debits ¹¹	Credits ¹¹	Errors ¹²	
1110	General Cash - CTS Accounts		90.00			
1130	Revolving Fund Cash		188,289.14			
1190	Cash on Hand		100.00			
1311	AR - Abatements		10,201.06			
1312	AR - Reimbursements		2,205.00			
1319	AR - Other		450.93			
1410	Due from Other Funds	0042	3,987.00			
1410	Due from Other Funds	0048	141,666.49			
1410	Due from Other Funds	0115	35,819.00			
1410	Due from Other Funds	0133	50,127.00			
1410	Due from Other Funds	0666	32,328.15			
1410	Due from Other Funds	0691	61,134.41			
1410	Due from Other Funds	0890	88,087.03			
1410	Due from Other Funds	0917	38,391.50			
1410	Due from Other Funds	3238	392.00			
1410	Due from Other Funds	6051	26,239.50			
1410	Due from Other Funds	9730	740,293.05			
1410	Due from Other Funds	9737	632,814.00			
1410	Due from Other Funds	9740	599,728.20			
1410	Due from Other Funds	1234	2,697,956.46			
1420	Due from Other Approp - Same Fund	1234	11,269,849.46			
1600	Provision for Deferred AR	01319		450.93		
1710	Expense Advances		636.42			
1730	Prepay to Other Funds/Appropriations	0512	6,705.76			
1730	Prepay to Other Funds/Appropriations	0602	450,000.00			
1730	Prepay to Other Funds/Appropriations	0666	42,000.00			
3010	Accounts Payable			1,484,665.91		
3114	Due to Other Funds	0512		4,395.38		
3114	Due to Other Funds	0666		23,019.86		
3114	Due to Other Funds	4561		2,697,956.46		
3114	Due to Other Funds	9730		20,200.00		
3114	Due to Other Funds	9731		117,340.91		
3115	Due to Other Appropriations - Same fd	1234		11,269,849.46		
3290	Due to Other Government Entities			395.27		
3420	Unearned Reimbursements			900,000.00		
3730	Uncleared Collections			90.00		
5330	Reserve - Prepaid Items	0602		450,000.00		
5570	Fund Balance - Clearing			1,793,602.13		
1140	Unapp InterUnit Transfers			30,494,670.01		
8000	Revenue			611,361.81		
8100	Reimbursements			15,875,776.48		
9000	Appropriated Expenses		48,675,305.41			
9891	Refunds to Reverted Appropriation			51,022.36		
9811	Transfers In			2,697,956.46		
9812	Transfers Out		2,697,956.46			

[Instructions](#)
[Report7](#)
[Footnotes](#)

Post-Closing Trial Balance (Report 8)

The Post-Closing Trial Balance (Report 8) provides the agencies'/departments' June 30 GL account balances for assets, liabilities, and fund equity accounts after the nominal accounts have been closed. SCO will refer to Report 8 and its supporting documentation to obtain additional information that may help resolve any Report 7 discrepancies.

Fund balance is the excess of assets over liabilities. Normally, the ending fund balance on Report 8 should have either a zero or a credit balance. If GL 5530 – Fund Balance-Unappropriated in a non-shared fund is a debit amount on Report 8, a footnote explanation is required.

REPORT 8 – POST-CLOSING TRIAL BALANCE
Department of Training – 1234
Fund 4321
Fiscal Year 20XX-XX
As of 06/30/20XX

Business Unit:	1234 – Department of Training	Report ID:	RPTGL069
Fund:	4321 – Training Support Fund	Run Date:	8/9/2019
Subfund:		Run Time:	17:33:04
		Adjustment	998

GLAN	ACCOUNT TITLE	DEBITS	CREDITS
1110	General Cash – CTS Accounts	90.00	
1130	Revolving Fund Cash	188,289.14	
1190	Cash on Hand	100.00	
1311	AR – Abatements	10,201.06	
1312	AR – Reimbursements	2,205.00	
1319	AR – Other	450.93	
*1410	Due From Other Funds	5,148,963.79	
*1420	Due From Approps – Same Fund	11,269,849.46	
*1600	Provision For Deferred AR		450.93
1710	Expense Advances	636.42	
*1730	Prepay to Other Funds/Approps	498,705.76	
3010	Accounts Payable		1,484,665.91
*3114	Due to Other Funds		2,862,912.61
*3115	Due to Other Approps – Same Fund		11,269,849.46
3290	Due to Other Govt Entities		395.27
3420	Unearned Reimbursements		900,000.00
3730	Uncleared Collections		90.00
5330	Reserve – Prepaid Items		450,000.00
5570	Fund Balance – Clearing		151,127.38
Fund	4321	17,119,491.56	17,119,491.56

* Subsidiary fund number, agency code, or GL account is needed unless a Subsidiaries on File report is submitted.

Reports 7 and 8 for Federal Trust Fund

Before submitting year-end financial reports for the Federal Trust Fund (Fund 0890), ensure that there is a ending zero fund balance. Inflows must equal outflows when accounting for Federal Funds. There must be a zero fund balance after nominal accounts are closed. If you are accruing revenue or transfers in (inflows), you should also be accruing expenditures or transfers out (outflows).

The net total amounts of all nominal accounts (e.g., GL 8000, 8100, 9000, etc.) for Fund 0890 must be zero on Report 7.

Analysis of Change in Fund Balance (Report 9)

The Analysis of Change in Fund Balance (Report 9), also known as the Statement of Operations, provides the beginning fund balance for the fiscal year plus any additions (e.g., revenues), less any deductions (e.g., expenditures) to determine the fiscal year's ending fund balance. Report 9 is required for non-shared funds as well as the Federal Trust Fund (0890), Special Deposit Fund (0942), and Fiduciary Funds Outside the Centralized Treasury System (0990).

Beginning fund balance must equal the ending fund balance from the previous year's Report 9. If the agency/department made entries that changed the previous year's ending fund balance reported to SCO, the beginning fund balance and prior year adjustment accounts on Report 9 must be footnoted to explain the difference.

SCO will refer to Report 9 to obtain additional information that may help resolve any Report 7 discrepancies.

REPORT 9 ANALYSIS OF CHANGE IN FUND BALANCE
Department of Training - 1234
Fund 0890
Fiscal Year 20XX-XX
As of 06/30/20XX

Business Unit: 1234 - Department of Training
Fund: 0890- Federal Trust Fund
Subfund:

Report ID: RPTGL113
Run Date: 8/20/20XX
Run Time: 12:01:10
Adjustment Period: 998

Account Number	Account Title	Total
5530	Fund Balance - Unappropriated, July 1, 20XX	0.00
8000	Additions: Revenue	
	153,266,982.74	
9811	Transfer From Other Funds	
	2,697,956.46	
	Total Additions	155,964,939.20
9000	Deductions: Appropriated Expenses	
	153,266,982.74	
9812	Transfer To Other Funds	
	2,697,956.46	
	Total Deductions	155,964,939.20
	Adjustments to Fund Balance: Total Adjustments	0.00
5530	Fund Balance - Unappropriated, June 30, 20XX	0.00

Name of Contact Person (Type or Print)

Telephone Number

Statement of Financial Condition (Report 20)

The Statement of Financial Condition (Report 20) provides the balances of assets, liabilities, and fund equity as of June 30. SCO will refer to Report 20 to obtain additional information that may help resolve any Report 7 discrepancies.

REPORT 20 – STATEMENT OF FINANCIAL CONDITION

Department of Training – 1234

Fund 0942

Fiscal Year 20XX-XX

As of 06/30/20XX

Business Unit : 1234 – Department of Training

Fund : 0942 – Special Deposit Fund

Subfund :

Report ID : RPTGL077

Run Date : 08/23/2019

Run Time : 11:10:43

Adjustment Period : 998

Assets

Account	Account Title	Balance
1140	Unapp Interunit Transfers	1,381.19
1110	General Cash – CTS Accounts	122,916.43
1210	SMIF Deposits	7,605,000.00
1311	AR – Abatements	42.78
*1410	Due from Other Funds	115,322.90
Total Assets		7,844,663.30

Liabilities & Fund Equity

Account	Account Title	Balance
3010	Accounts Payable	262,569.70
*3114	Due to Other Funds	68,250.68
*3115	Due to Other Appropriations – Same Fund	41,993.16
3290	Due to Other Govt Entities	56,121.62
5530	Fund Balance – Clearing	7,415,728.14
Total Liabilities		
Total Liabilities		428,935.16
Total Fund Equity		7,415,728.14
Total Liabilities & Fund Equity		7,844,663.30

Note: * Subsidiary fund number, agency code, or GL account is needed unless a Subsidiaries on File report is submitted.

General Obligation Bond Funds

Bond Funds are used to record the proceeds from the sale of general obligation bonds and the expenditure for acquisition of property, capital outlay, or loans to local agencies for the same purpose.

The year-end financial reports required for General Obligation Bond Funds are the same as those required for Governmental Cost Funds. Refer to the Governmental Cost Funds section of this Manual for instructions.

Specific Instructions

- Provide the required year-end financial reports for each sub-fund.
- Accrue Surplus Money Investment Fund interest as a debit to GL 1410.0681 and a credit to receipt account 0250300.
- **Do not** accrue any **intrafund** transfers. **Intrafund** transfers are transfers within the same fund, different sub-fund. You are still required to accrue **interfund** transfers, which are transfers to/from other fund(s).
- The Pooled Money Investment Account (PMIA) loan accrual letter is mailed out by SCO no later than July 30. Per the data provided in the letter, accrue the PMIA interest expense pertaining to the loan as a debit to the appropriate disbursement account and a credit to GL 3114.0942, Due To Special Deposit Fund.

If you have any questions regarding the PMIA letter, email the SCO Treasury Services Section at SCOTreasurySvcs@sco.ca.gov.

Special Deposit Fund – Fund 0942

The Special Deposit Fund (0942) is used as a depository for money collected by the State, for which no special fund has been created. Money remaining unclaimed and held by an agency/department when the claimant cannot be found is also deposited in the fund and remains for two years. If not claimed within the two-year period, the money reverts to the General Fund, except for unclaimed warrants deposited, which will revert to the fund against which the warrant was drawn.

The following year-end financial reports are required for the Special Deposit Fund:

- Report 3 – Adjustments to Controller's Accounts
- Report 7 – Pre-Closing Trial Balance
- Report 8 – Post-Closing Trial Balance
- Report 9 – Analysis of Change in Fund Balance
- Report 20 – Statement of Financial Condition

General Instructions

- Prepare consolidated Reports 3, 7, 8, Due To/From & Transfers In/Out Supplemental Form (if applicable) for non-Fi\$cal agencies/departments, or Subsidiaries on File report for FI\$Cal agencies/departments, and Material Variance Explanation Form. For each sub-fund, prepare and submit separate Reports 9 and 20; do not submit other documents for the sub-funds. Year-end financial reports are required even if the account has a zero fund balance but had a beginning fund balance or activity during the FY.
- The beginning fund balance on the current year Report 7 must equal the ending fund balance on the prior year Report 8.
- Cash in State Treasury must equal the Controller's Fund Reconciliation Report, GL 1140. If an adjustment is necessary, provide a footnote on the Footnotes tab of Report 3.
- June 30 accounts not yet approved by DOF are considered Fiduciary Funds Outside the Centralized Treasury System until an agency/department has obtained approval.
- Refer to the Special Deposit Fund sample Certification Letter.

Fiduciary Funds Outside the Centralized Treasury System (also known as Non-Treasury Trust Fund) – Fund 0990

Fiduciary Funds Outside the Centralized Treasury System (0990) are used to record money or property in the custody of a state agency/department that is not required to be deposited in a fund in the State Treasury.

Cash receipts are accounted for in GL 1120, Agency Trust Fund Cash.

Securities may be held by the agency/department or transmitted to the State Treasurer for safekeeping and accounted for in GL 2720, Securities and Other Property Held in Trust.

Note: Trust cash in an agency/department account pending remittance to a fund in the State Treasury is recorded in GL 1110, General Cash.

The following year-end financial reports are required for Fiduciary Funds Outside the Centralized Treasury System; these are the same reports submitted for Nongovernmental Cost Funds:

- Report 7 – Pre-Closing Trial Balance
- Report 8 – Post-Closing Trial Balance
- Report 9 – Analysis of Change in Fund Balance
- Report 20 – Statement of Financial Condition

General Instructions

The instructions below are followed by illustrations of completed Reports 7, 8, and 9. Included in the year-end financial reports should be the type of trust fund, a contact person, and a phone number. Refer to SAM section 7620 for more information about GL 1120, Agency Trust Fund Cash.

- The year-end financial reports required for a Fiduciary Fund Outside the Centralized Treasury System must be submitted under fund number 0990.
- Include GL account numbers on all reports. Account titles alone are not sufficient.
- Prepare separate year-end financial reports according to the type of trust fund money held. There are four types, as follows:
 - **Guaranty Deposits:** Deposits held by several state agencies/departments to comply with various legal requirements. For instance, negotiable securities held by the State Treasurer, bearer bonds, stocks, or certificates of deposits not assigned to the agency/department. Also included are fees, bids, and security deposits.
 - **Private Trusts:** The state agency/department acts as a custodian of a private individual's assets. A Private Trust may be money, securities, or sundry personal property held by an agency/department for the benefit of specific individuals, such as inmates or students.
 - **Special Purpose Trusts:** Individuals, corporations, public agencies, etc., may make gifts or grants to the State for specific purposes such as conducting research or providing money for scholarships.

- **Agency Trusts:** The following funds outside the State Treasury are authorized by DOF:

State Veterans' Home Post Fund
Agriculture Marketing Act Trust
Department of Employment Trust Funds

Submit a Material Variance Explanation Form (MVEF) using Report 9. Fill in the prior year (PY) and current year (CY) amounts on the MVEF using the PY and CY Report 9.

The total additions amount (sum of operating income, receipts from depositors, and other additions) on Report 9 represents the revenue amount on the MVEF.

The total deductions amount (sum of operating expenditures, payments to and for depositors, securities released for individuals, prior year surplus adjustments, and other deductions) on Report 9 represents the expenditure amount on the MVEF.

**DEPARTMENT OF TRAINING – 1234
FIDUCIARY FUNDS OUTSIDE THE CENTRALIZED TREASURY SYSTEM (0990)**

**Pre-Closing Trial Balance – Report 7
June 30, 20XX**

GLAN	Account Title	Debit	Credit
1110	General Cash	2,000.31	
1120	Agency Trust Fund Cash	545,321.00	
1190	Cash on Hand	250.36	
2720	Securities and Other Property Held in Trust	158,805.00	
3510	Deposits		706,376.67
	Total	706,376.67	706,376.67

Name of Contact Person (Type or Print)

Telephone Number

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this ____ day of _____, 20xx at _____, California.

Signature of Officer

Type or print name of Officer

Title of Officer

**DEPARTMENT OF TRAINING – 1234
FIDUCIARY FUNDS OUTSIDE THE CENTRALIZED TREASURY SYSTEM (0990)**

**Post-Closing Trial Balance – Report 8
June 30, 20XX**

GLAN	Account Title	Debit	Credit
1110	General Cash	2,000.31	
1120	Agency Trust Fund Cash	545,321.00	
1190	Cash on Hand	250.36	
2720	Securities and Other Property Held in Trust	158,805.00	
3510	Deposits		706,376.67
	Total	706,376.67	706,376.67

Name of Contact Person (Type or Print)

Telephone Number

I certify (or declare) under penalty of perjury that the attached reports are true, accurate and complete, and were prepared following the applicable laws, regulations, policies, procedures, and instructions. I have not violated any of the provisions of Article 4, Chapter 1, Division 4, Title 1, Government Code (commencing with Section 1090) and Article 2, Chapter 1, Part 3, Division 3, Title 2, Government Code (commencing with Section 13030).

Subscribed and executed this ____ day of _____, 20xx at _____, California.

Signature of Officer

Type or print name of Officer

Title of Officer

**DEPARTMENT OF TRAINING – 1234
FIDUCIARY FUNDS OUTSIDE THE CENTRALIZED TREASURY SYSTEM (0990)**

**Analysis of Change in Fund Balance – Report 9
June 30, 20XX**

<u>GLAN</u>	<u>Account Title</u>	<u>Total</u>
	Fund Balance, June 30, 20XX	\$ 640,532.36
	Additions:	
8800	Operating Income	\$ 53,600.00
8067	Receipts from Depositors	54,000.00
8090	Other Additions	236.31
	Total Additions	107,836.31
	Deductions:	
9000	Operating Expenditures	\$ 14,536.00
9033	Payments to and for Depositors	2,456.00
9085	Securities Released for Individuals	25,000.00
	Total Deductions	41,992.00
	Fund Balance, June 30, 20XX	<u>\$ 706,376.67</u>

Special Reports

Statement of Changes in Capital Assets Group of Accounts (Report 18)

The Statement of Changes in Capital Assets Group of Accounts (Report 18) provides SCO with information regarding the addition and deduction of capital assets (both tangible and intangible assets) during the fiscal year. This information is needed for the preparation of the Annual *Comprehensive Financial Report* in conformity with the Generally Accepted Accounting Principles of the United States of America (GAAP).

Report 18 must be submitted for each fund, except for Fiduciary Funds.

A list of agencies/departments required to submit Report 18 is posted on the SCO website.

Failure to submit Report 18 will result in a disqualification for excellence in financial reporting.

Governmental Accounting Standard Board Statement No. 51 - *Accounting and Financial Reporting for Intangible Assets*, established uniform accounting and financial reporting requirements for intangible assets in FY 2009-10.

Budget Letter 10-13, issued by DOF on June 18, 2010, provides specific information for implementing this policy on the capitalization of intangible assets for financial reports, as well as guidelines for retroactively reporting intangible assets that were not previously reported. The budget letter is located at [Budget Letters | Department of Finance \(ca.gov\)](#).

SAM sections 8615 and 8635 require capitalization of purchased intangible assets and internally generated intangible assets. Definitions and descriptions of intangible assets included in SAM and GL accounts for various categories of intangible assets are included in the Uniform Codes Manual. Agencies/Departments are required to report their intangible assets using the lowest-level GL account(s) in the financial reports.

Effective beginning fiscal year 2022-2023 Reports 18 and 19 should include the Right-To-Use Subscription-Based Information Technology Arrangements (SBITA) created by GASB Statement No. 96. More information on GASB 96 implementation can be found on the SCO website at [GAAP Basis Reporting \(ca.gov\)](#).

SAM section 7977 requires all agencies/departments to include a Report 18, Statement of Changes in Capital Assets Group of Accounts, Beginning Balance Differential Report, if applicable. This report is required to document and explain differences between beginning balances and prior year ending balances of capital assets.

Beginning in FY 2023-24, agencies/departments are required to submit Report 18 electronically in Excel format to SCO. For FI\$Cal agencies/departments, please submit the FI\$Cal-generated Excel Report 18. For non-FI\$Cal agencies/departments, please use the most current Excel Report 18 template available on the SCO website. Please do not use previous year's Report 18 template, customize your own Report 18 template, alter the FI\$Cal-generated Report 18, or alter SCO-provided Report 18 Excel template. Note: Agencies/Departments are encouraged to keep the identical PDF copy for their record.

If agencies/departments would like to make any additional notes to the Report 18, they should do so in a separate worksheet in the Report 18 workbook.

General Instructions

- A separate Report 18 must be prepared for each fund within your agency/department, except for Fiduciary Funds. Additionally, capital assets of both proprietary and fiduciary fund types must be included in the fund reports. **If there are no capital assets for a fund, add a note “no capital assets to report” on the Certification Letter.**
- Agencies/Departments are required to identify each Report 18 with the fund name, fund number, agency/department, and business unit/organization code.
- A Report 18 must be submitted for each fund that has a capital asset beginning balance, even when there are no current year additions or deductions.
- If your department has a Report 18 for a fund that does not require year-end financial statements but has a capital asset balance, submit the Report 18 with the fund that submits the Report 19.
- Only one Report 18 should be prepared and submitted for each fund. **Do not** submit multiple Report 18s for the same fund.
- The number of Report 18s an agency/department submits must equal the number of funds reported in the agencies'/departments' Report 19.
- The beginning balances must agree with the prior year's ending balances except for restatements to beginning balance for unreported or misclassified capital assets. If the beginning balance does not match the prior year ending balance, a Beginning Balance Differential Report is required. If an adjustment to the beginning balance is made, the description, breakdown amount, and category of the adjustment need to be included on the Beginning Balance Differential Report. For rules on retroactively reporting intangible assets, refer to Budget Letter 10-13 at [Budget Letters | Department of Finance \(ca.gov\)](#)
- If capital assets were included in Report 18 last year under a different asset account (e.g. intangible assets work in progress), reduce the beginning balance of the previously used account and add the amount to the beginning balance of the correct capital asset account.
- The Additions column should be used only for assets acquired or internally generated during the current FY.
- An addition of a previously unreported capital asset should be reported as a beginning balance restatement, using the Beginning Balance column and not the Additions column.
- In case of a reorganization where the capital assets of a fund or agency/department are transferred to another fund or agency/department, the receiving agency/department should reflect the transfer as an increase in its Beginning Balance column, while the agency/department transferring the assets should report a decrease in the Beginning Balance column.

- If there are any deductions equal to or greater than \$1 million in aggregate for an asset account, the following information must be provided in a footnote:
 - The nature of the deduction (i.e. sale, demolition, transfer, or other).
 - The date acquired and the acquisition cost for each deduction reported as a sale, demolition, or transfer.
 - The fund name and number and the agency name and number to which the capital asset was transferred, if applicable.
 - An explanation for the deduction if it represents an adjustment or other deduction.
- If you have any questions regarding this report, email SGR@sco.ca.gov.

Illustrations of a completed Statement of Changes in Capital Assets Group of Accounts and a Beginning Balance Differential Report are shown on the following pages. Please refer to SCO Budgetary/Legal Basis Reporting website for most current Report 18 and the Beginning Balance Differential Report.

Page No : 1

REPORT 18 – STATEMENT OF CHANGES IN CAPITAL ASSETS

Department Name (1234)

Training Support Fund (4321)

Fiscal Year 20XX-XX

As of 06/30/20XX

Business Unit: 1234 - Department of Training

Fund: 4321 - Training Support Fund

Report ID: RPTGL075

Run Date: 04/09/2024

Run Time: 16:11:59

Account – Description	Beginning Balance	Additions	Deductions	Ending Balance
Tangible Assets				
2341 - Equipment	2,033,432.55	452,067.51	0.00	2,485,500.06
Intangible Assets				
2411 - Computer Software - Amortizable	2,726,441.23	93,770.08	0.00	2,820,211.31
Fund: 4321	<u>4,759,873.78</u>	<u>545,837.59</u>	<u>0.00</u>	<u>5,305,711.37</u>

State Controller's Office – Year-End Financial Reports Procedure Manual – Budgetary Legal Basis

**Governmental Accounting Advisory Board (1234)
Statement of Changes in Capital Assets Group of Accounts - Report 18
Fish and Game Preservation Fund (0200)
As of June 30, 20XX**

CAPITAL ASSETS	Beginning Balance ¹	Additions	Deductions	Balance ² June 30, 20XX
Tangible Assets				
Land	\$ 1,000,000.00			\$ 1,000,000.00
Buildings	1,361,000.00	500,000.00		1,861,000.00
Improvements Other Than Buildings	535,000.00			535,000.00
Equipment	275,600.00	100,000.00		375,600.00
Construction Work in Progress	500,000.00		50,000.00	450,000.00
Infrastructure - Depreciable			500,000.00	(500,000.00)
Intangible Assets				
Computer Software - Amortizable	125,000.00			125,000.00
Land Use Rights - Amortizable	100,000.00			100,000.00
Patents, Copyrights, and Trademarks - Amortizable		50,000.00		50,000.00
Other Intangible Assets - Amortizable				-
Right-to-Use Leased Land - Amortizable				-
Right-to-Use Leased Buildings - Amortizable	205,000.00			205,000.00
Right-to-Use Leased Equipment - Amortizable		200,000.00		200,000.00
Right-to-Use Subscription-Based Information Technology Arrangements (SBITA) – Amortizable				-
Land Use Rights - Non-Amortizable				-
Patents, Copyrights, and Trademarks - Non-Amortizable				-
Other Intangible Assets - Non-Amortizable				-
Internally Generated Intangible Assets in Progress	867,602.00			867,602.00
TOTAL CAPITAL ASSETS	\$ 4,969,202.00	\$ 850,000.00	\$ 550,000.00	\$ 5,269,202.00

¹ Asset beginning balances must agree with prior year ending balances. Any differences must be documented and explained in Report 18-Statement of Changes in Capital Assets Beginning Balance Differential Report. See illustration next page.

² The ending balances should equal the debit balances on Report 19 for each asset type.

Department Name (1234) Statement of Changes in Capital Assets Group of Accounts - Report 18 Beginning Balance Differential Report Fish and Game Preservation Fund (0200) As of June 30, 20XX									
(1)	(2)	(3)	Breakdown of Difference:						(10)
Prior Year Ending Balance	Current Year Beginning Balance	Difference	(4) Assets unreported in the prior year	(5) Non-capitalizable assets reported as capital assets in the prior year	(6) Transfers from other departments (at historical cost/book value)	(7) Other amounts that make up the difference (provide description): prior year asset classification was incorrect	(8) Other amounts that make up the difference (provide description): incorrect entry was made in current year balance	(9) Other amounts that make up the difference (provide description): 87 FY 2021-2022 implementation, reporting without adjustment	(should agree to the difference calculated)
Tangible Assets									
Land	1,200,000	1,000,000	(200,000)				(200,000)		(200,000)
Buildings	1,661,000	1,361,000	(300,000)				(300,000)		(300,000)
Improvements Other Than Buildings	505,000	535,000	30,000					30,000	30,000
Equipment	335,600	275,600	(60,000)		(1,000)	5,000		30,000	(60,000)
Construction Work in Progress		500,000	500,000				(64,000)		500,000
Infrastructure - Depreciable		-							-
Intangible Assets									
Computer Software - Amortizable	129,000	125,000	(4,000)		(4,000)				(4,000)
Land Use Rights - Amortizable	100,000	100,000	-						-
Patents, Copyrights, and Trademarks - Amortizable	50,000		(50,000)			(50,000)			(50,000)
Other Intangible Assets - Amortizable		-							-
Right-to-Use Leased Land - Amortizable		-							-
Right-to-Use Leased Buildings - Amortizable		205,000	205,000						-
Right-to-Use Leased Equipment - Amortizable		-							-
Land Use Rights - Non-Amortizable		-							-
Patents, Copyrights, and Trademarks - Non-Amortizable		-							-
Other Intangible Assets - Non-Amortizable		-							-
Internally Generated Intangible Assets in Progress	847,602	847,602	20,000						-
Total	4,828,202	4,949,202	141,000	500,000	(5,000)	5,000	(550,000)	(34,000)	(84,000)

Report Instructions:

- Col. 1 - Enter Ending Balance from Prior Year Report 18.
- Col. 2 - Enter Beginning Balance from Current Year Report 18.
- Col. 3 - Compute difference between current year beginning balance and prior year ending balance.
- Col. 4 - Research posting and source documents to identify and explain the difference.
- Col. 4 - 9 Breakdown and categorize the differences in columns 4 to 9.
- Col. 10 - Compute the sum of columns 4 to 9. The amount should agree with the computed difference in column 3.

Statement of Capital Assets Group of Accounts (Report 19)

The Statement of Capital Assets Group of Accounts (Report 19) provides information on capital assets recorded in the Capital Assets Group of Accounts and ensures the accuracy and completeness of the agencies'/departments' capital asset accounts in the year-end financial reports.

Report 19 includes the total of all capital assets (tangible and intangible assets) of an agency/department, and provides the total capital assets for each fund.

Report 19 is a consolidation of all information from each Report 18, whereas an individual Report 18 includes the amount of capital assets for one fund only.

A list of agencies/departments required to submit Report 19 is posted on the SCO website.

If there is nothing to report on Report 19, add a note "no capital assets to report" next to the report number on the Certification Letter of the fund submitting Report 19. Indicate which fund the Report 19 is submitted with on every other fund's Certification Letter.

If you have any questions regarding this report, email SGR@sco.ca.gov.

An illustration of a completed Report 19 is shown on the following page. Please refer to SCO Budgetary/Legal Basis Reporting website for most current Report 19.

Beginning in FY 2023-24, agencies/departments are required to submit Report 19 electronically in Excel format to SCO. For FI\$Cal agencies/departments, please submit the FI\$Cal-generated Excel Report 19. For non-FI\$Cal agencies/departments, please use the most current Excel Report 19 template available on the SCO website. Please do not customize your own Report 19 template, alter the FI\$Cal-generated Report 19, or alter SCO-provided Report 19 Excel template. Note: Agencies/Departments are encouraged to keep the identical PDF copy for their record.

If agencies/departments would like to make any additional notes to the Report 19, they should do so in a separate worksheet in the Report 19 workbook.

Page No: 1

REPORT 19 - STATEMENT OF CAPITAL ASSETS
Department Name (1234)
Fiscal Year 202X-2X
As of 06/30/20XX

Business Unit: 1234 - Department of Training

Report ID: RPTGL076
Run Date: 04/10/2024
Run Time: 13:02:26

CAPITAL ASSETS:	<u>DEBIT BALANCE</u>	<u>CREDIT BALANCE</u>
Tangible Assets		
2341 - Equipment	2,485,500.06	0.00
Intangible Assets		
2412 - Land Use Rights - Amortizable	2,820,211.21	0.00
TOTAL CAPITAL ASSETS	5,305,711.27	0.00
 INVESTMENT IN CAPITAL ASSETS FROM: ²		
Fund: 4321 - Training Support Fund	0.00	5,305,711.27
TOTAL INVESTMENT IN CAPITAL ASSETS	0.00	5,305,711.27

1. Physical inventories of capital assets are made at least once every three years.
2. Subsidiary capital asset records are in agreement with the general ledger control accounts shown above.

Statement of Contingent Liabilities (Report 22)

The Statement of Contingent Liabilities (Report 22) is used to report all contingent liabilities that were not accrued by your agency/department. A Report 22 is required for all funds, or if there are no contingent liabilities, indicate on the Certification Letter “no activity to report.”

Report 22 must include contingencies for federal audit exceptions, other audit exceptions, and pending litigation.

The criteria for determining when to accrue and disclose contingent liabilities and an illustration of a completed Report 22 are shown on the following pages.

Criteria for Accruing and Disclosing Contingent Liabilities (for GAAP purposes only):

Likelihood of Occurrence	Timing of the Underlying Event	Materiality Levels (Criteria Amounts)	Policy
Probable (likely)	Underlying event existed at balance sheet date	Less than \$300 million	Disclose
		Greater than or equal to \$300 million	Accrue
	Underlying event existed only after balance sheet date	Less than \$300 million	Do not accrue or disclose
		Greater than or equal to \$300 million	Disclose
Reasonably Possible (more than remote but less than probable)	Underlying event existed at or after balance sheet date	Less than \$300 million	Do not accrue or disclose
		Greater than or equal to \$300 million for retroactive losses	Disclose
		Less than \$1 billion per year decrease in future revenues or increase in expenditures	Do not accrue or disclose
		Greater than or equal to \$1 billion per year decrease in future revenues or increase in expenditures	Disclose
Remote	Underlying event existed at or after balance sheet date	Any amount	Do not accrue or disclose
Un-asserted Claim	Underlying event existed at or after balance sheet date	Any amount	Do not accrue or disclose

REPORT 22 – STATEMENT OF CONTINGENT LIABILITIES
DEPARTMENT OF TRAINING – 1234
FUND 4321
AS OF JUNE 30, 20XX

Prepared by: U.R. Dunne
 Telephone number: (916) 123-4567

Type of Contingent Liability	Reference or Identification	Estimated Amount	Estimated Date of Payment	Comments
Alleged overpayment of fees	1	\$ 2,000,000.00	FY 19-20	Settlement Pending
Damages for alleged discrimination	2	\$ 1,500,000.00	FY 20-21	Settlement Pending
Attorney's fees	3	\$ 1,000,000.00	FY 20-21	Settlement Pending
Attorney's fees	4	\$ 1,500,000.00	FY 19-20	Settlement Pending

I CERTIFY (OR DECLARE) UNDER PENALTY OF PERJURY THAT THE ATTACHED REPORTS ARE TRUE, ACCURATE AND COMPLETE, AND WERE PREPARED FOLLOWING THE APPLICABLE LAWS, REGULATIONS, POLICIES, PROCEDURES, AND INSTRUCTIONS. I HAVE NOT VIOLATED ANY OF THE PROVISIONS OF ARTICLE 4, CHAPTER 1, DIVISION 4, TITLE 1, GOVERNMENT CODE (COMMENCING WITH SECTION 1090) AND ARTICLE 2, CHAPTER 1, PART 3, DIVISION 3, TITLE 2, GOVERNMENT CODE (COMMENCING WITH SECTION 13030).

SUBSCRIBED AND EXECUTED THIS ____ DAY OF AUGUST, 20XX AT SACRAMENTO, CALIFORNIA.

 Signature of Officer

 Type or print name of Officer

 Title of Officer

Supplemental Forms/Reports

Supplemental Forms/Reports

Due To/From Other Funds/Appropriations & Transfers In/Out Supplemental Form

Due To/From Other Funds

- SCO requires agencies/departments to identify the agency/department and fund involved in each Due To/From Other Fund/Appropriation transaction on the Due To/From Other Funds/Appropriation & Transfers In/Out Supplemental Form. For each amount posted to GL 3114.FFFF and 1410.FFFF, provide the four digit fund related to the accrual.
- The Due To/From Other Funds/Appropriation & Transfers In/Out Supplemental Form is required for each shared and non-shared fund submitting year-end financial reports to SCO for those agencies/departments that have accruals. **If a fund has multiple sub-funds, agencies/departments are required to submit only one Due To/From Other Funds/Appropriation & Transfers In/Out Supplemental Form at the main fund level, not per sub-fund.** The form must be listed on the Certification Letter under the heading Supplemental Forms. The form is available on the SCO website at https://www.sco.ca.gov/ard_reporting.html.
- **FI\$Cal agencies/departments do not need to submit a Due To/From Other Funds/Appropriation & Transfers In/Out Supplemental Form if the required information is included in the Subsidiaries on File Report.**
- Determine the ultimate fund or agency/department on the Due To/From & Transfers In/Out Supplemental Form. If the amount will be further transferred to or expended by another state agency/department or fund, the accrual and the supplementary information should reflect the ultimate fund.
- If an interagency agreement exists, it should provide the ultimate fund information. If the ultimate fund cannot be determined, contact the other agency/department to ensure that the accrual Due To and Due From reconcile and that both agencies/departments are using the ultimate fund.
- It is the agencies'/departments' responsibility to communicate and coordinate with each other to ensure that their Due To/From entries reconcile. Indicate on the form if you have contacted the other agency/department, but the amounts cannot be confirmed.
- Submit the supplemental form/report to SCO along with the fund's year-end financial reports as follows:
 - Governmental Cost Funds – include the form with Reports 1 and 3.
 - Nongovernmental Cost Funds – include the form with Report 7. To avoid misclassification of the accounts receivables (unless it is for a reverted appropriation that is recoded using GL 1319, Accounts Receivable – Other), a receivable held by the state, federal, or local government, should be reported using GL 14XX or GL 15XX. Refer to SAM section 10400 for a description of the GL accounts.

Due To/From Other Appropriations

- GL 1420.AAAA (Due From Other Appropriations) and GL 3115.AAAA (Due To Other Appropriations) require the four-digit business unit/organization code (AAAA) as the subsidiary number for accruals, adjustments, and balances on Reports 1, 3, 7, and Subsidiaries on File. For each amount posted to GL 3115.AAAA and 1420.AAAA, provide the four-digit business unit/organization code related to the accrual. This requirement will assist SCO with the Due To and Due From reconciliation.

Remember that the subsidiary four-digit business unit/organization code should reflect the ultimate organization. It is not necessary to report the business unit/organization code if it is merely a flow-through to another agency/department. Also exclude the Clearing Account, as a pass-through fund, in the General Fund.

The following is an example of how a Due To/From Other Appropriations entry for a Governmental Cost Fund should be reflected when the Due To/From is between two separate agencies/departments:

Type of transaction:

Correction of claim schedule 9456096, dated 5-1-20XX, paid by warrant number 08-211186:

DR	0001-4720-20XX-001-10-D	\$1,000.00
	CR 0001-1234-20XX-001-10-D	\$1,000.00

Reason for request:

The business unit referenced on the claim was 1234 but should have been business unit 4720.

Business unit 1234 would record their side of the entry as follows:

DR	1420.4720 (Due from other appropriations business unit 4720)	\$1,000.00
	CR 0001-1234-20XX-001-10-D	\$1,000.00

Business unit 4720 would record their side of the entry as follows:

DR	0001-4720-20XX-001-10-D	\$1,000.00
	CR 3115.1234 (Due to other appropriations business unit 1234)	\$1,000.00

Agencies/Departments submitting manual reports, continue to include the subsidiary account information on Reports 1, 3, and 7.

Transfers In/Out

Agencies/Departments must identify the agency/department and fund involved in each GL 9811/9812. Amount posted to GL 9811/9812 should match Report 7 Pre-Closing Trial Balance.

The Due To/From Other Funds/Appropriations & Transfers In/Out Supplemental Form is available in Excel format on the SCO website at https://www.sco.ca.gov/ard_reporting.html

An example of the Due To/From Other Funds/Appropriations & Transfers In/Out Supplemental Form is shown on the following page.

This form must be listed on the Certification Letter under the heading Supplemental Forms/Reports.

Due To/From & Transfers In/Out Supplemental Report
Department of Training
Fund 4321
Fiscal Year 20XX-XX
As of 06/30/20XX

Business 1234 – Department of Training
Fund: 4321 – Training Support Fund
Subfund:

This information is required for all Due To Other Funds (GL 3114), Due From Other Funds (GL 1410), Due To Other Appropriations (GL 3115), Due From Other Appropriations (GL 1420), and Transfers In/Out (GL9811/9812), Report No. 1, Report No. 3, Report No. 7, and/or Revisions to Report Nos. 1,3, and 7. Departments should coordinate with each other to ensure that their corresponding Due To/From and Transfers In/Out entries reconcile. Submit GAAP adjustments for nongovernmental cost funds if the encumbrance amount exceeds \$1 million. Refer to the GAAP adjustment section in the GAAP Basis Reporting Year-End Financial Reports Information (http://www.sco.ca.gov/ard_reporting.html).

Contact Person:	Email	Telephone:
U.R. Dunne, Accounting Officer	UR.Dunne@training.ca.gov	(916)123-4567

GL ACCOUNT	SUBSIDIARY FUND	SUBSIDIARY ORG	SUBSIDIARY ORGANIZATION TITLE	AMOUNT	SUBTOTAL (GL/SFUND/SORG)
1410	0042	2660	Department of Transportation	3,987.00	3,987.00
1410	0048	2660	Department of Transportation	141,666.49	141,666.49
1410	0115	3900	State Air Resources Board	35,819.00	35,819.00
1410	0133	3970	Resources Recycling & Recovery	50,127.00	50,127.00
1410	0666	7760	Department of General Services	32,328.15	32,328.15
1410	0691	3860	Department of Water Resources	61,134.41	61,134.41
1410	0890	0521	Sec., Transportation Agency	88,087.03	88,087.03
1410	0917	5225	Dept. of Corrections & Rehab	38,391.50	38,391.50
1410	3238	3790	Dept. of Parks & Recreation	392.00	392.00
1410	6051	0540	Sec., Natural Resources	26,239.50	26,239.50
1410	9730	7502	Department of Technology	740,293.05	740,293.05
1410	9737	8880	Financial Information System	632,814.00	632,814.00
1410	9740	8860	Department of Training	599,728.20	599,728.20
1410	1234	7760	Department of General Services	2,697,956.46	2,697,956.46
			Total		5,148,963.79
1420	4321	1234	Department of Training	11,269,849.46	11,269,849.46
			Total		11,269,849.46
3114	0512	8430	State Compensation Insurance Fund	(4,395.38)	(4,395.38)
3114	0666	7760	Department of General Services	(23,019.86)	(23,019.86)
3114	9730	7502	Department of Technology	(20,200.00)	(20,200.00)
3114	9731	0820	Department of Justice	(117,340.91)	(117,340.91)
3114	4561	3600	Department of Fish and Wildlife	(2,697,956.46)	(2,697,956.46)
			Total		(2,862,912.61)
3115	4321	1234	Department of Training	(11,269,849.46)	(11,269,849.46)
			Total		(11,269,849.46)
9811	1234	7760	Department of General Services	(2,697,956.46)	(2,697,956.46)
			Total		(2,697,956.46)
9812	4561	3600	Department of Fish and Wildlife	2,697,956.46	2,697,956.46
			Total		2,697,956.46

Subsidiaries on File

The Subsidiaries on File Report provides SCO with the required subsidiary information for general ledger accounts. This report is required if the subsidiary information is not available on the agency's/department's Report 7.

Subsidiary Fund Information Required for Inter-fund and Intra-fund Transactions

Certain general ledger accounts require a fund and/or organization number to identify the other fund involved in an inter-fund and intra-fund transaction.

Page No: 1

SUBSIDIARIES ON FILE
Department of Training - 1234
Fund 4321
Fiscal Year 20XX-XX
As of 06/30/20XX

Business Unit : 1234 - Department of Training
Fund : 4321 - Training Support Fund
Subfund :

Report ID : RPTGL354
Run Date : 8/1/20XX
Run Time : 10:44:18
Adjustment Period : 998
Ledger: BUDLEGAL

GLAN	ACCOUNT TITLE				DEBITS	CREDITS
	SUBSIDIARY FUND/ACCOUNT	SUBSIDIARY FUND/ACCOUNT TITLE	SUBSIDIARY BUSINESS UNIT	SUBSIDIARY BUSINESS UNIT TITLE		
1410	DUE FROM OTHER FUNDS					
	0042	State Highway Account, STF	2660	Department of Transportation	3,987.00	
	0048	Transportation Revolving Fund	2660	Department of Transportation	141,666.49	
	0115	Air Pollution Control Fund	3900	State Air Resources Board	35,819.00	
	0133	California Beverage Container	3970	Resources Recycling & Recovery	50,127.00	
	0666	Service Revolving Fund	7760	Department of General Services	32,328.15	
	0691	Water Resources Revolving Fund	3860	Department of Water Resources	61,134.41	
	0890	Federal Trust Fund	0521	Sec. Transportation Agency	88,087.03	
	0917	Inmate Welfare Fund	5225	Dept. of Corrections & Rehab	38,391.50	
	1234	Training Support Fund	7760	Department of General Services	2,697,956.46	
	3238	State Parks Revenue Incentive	3790	Dept. of Parks & Recreation	392.00	
	6051	StDrkWtrQty/Sup,FICIRvCoPr Fd	0540	Sec. Natural Resources	26,239.50	
	9730	Technology Services Revolving	7502	Department of Technology	740,293.05	
	9737	Fiscal Internal Services Fund	8880	Financial Information System	632,814.00	
	9740	Central Service Cost Recovery	8860	Dept. of Finance	599,728.20	
	TOTAL ACCOUNT	1410			5,148,963.79	
1420	DUE FROM APPROPS - SAME FUND					
	4321	Training Support Fund	1234	Department of Training	11,269,849.46	
	TOTAL ACCOUNT	1420			11,269,849.46	
1600	PROVISION FOR DEFERRED AR					

Page No: 2

SUBSIDIARIES ON FILE
Department of Training - 1234
Fund 4321
Fiscal Year 20XX-XX
As of 06/30/20XX

Business Unit : 1234 - Department of Training
Fund : 4321 - Training Support Fund
Subfund :

Report ID : RPTGL354
Run Date : 8/1/20XX
Run Time : 10:44:18
Adjustment Period : 998
Ledger: BUDLEGAL

GLAN	ACCOUNT TITLE				DEBITS	CREDITS
	SUBSIDIARY FUND/ACCOUNT	SUBSIDIARY FUND/ACCOUNT TITLE	SUBSIDIARY BUSINESS UNIT	SUBSIDIARY BUSINESS UNIT TITLE		
	01319	Prov Deferred A/R-Other				450.93
	TOTAL ACCOUNT	1600				450.93
1730	PREPAY TO OTHER FUNDS/APPROPS					
	0512	State Compensation Insurance Fd	8430	State Compensation Insurance Fd	6,705.76	
	0602	Architecture Revolving Fund	7760	Department of General Services	450,000.00	
	0666	Service Revolving Fund	7760	Department of General Services	42,000.00	
	TOTAL ACCOUNT	1730			498,705.76	
3114	DUE TO OTHER FUNDS					
	0512	State Compensation Insurance Fd	8430	State Compensation Insurance Fd		4,395.38
	0666	Service Revolving Fund	7760	Department of General Services		23,019.86
	4561	Fictional Fund	3600	Department of Fish and Wildlife		2,697,956.46
	9730	Technology Services Revolving Fund	7502	Department of Technology		20,200.00
	9731	Legal Services Revolving Fund	0820	Department of Justice		117,340.91
	TOTAL ACCOUNT	3114				2,862,912.61
3115	DUE TO OTHER APPROPS - SAME FUND					
	4321	Training Support Fund	1234	Department of Training		11,269,849.46

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SUBSIDIARIES ON FILE
Department of Training - 1234
Fund 4321
Fiscal Year 20XX-XX
As of 06/30/20XX

Business Unit : 1234 - Department of Training
Fund : 4321 - Training Support Fund
Subfund :

Report ID : RPTGL354
Run Date : 8/1/20XX
Run Time : 10:44:18
Adjustment Period : 998
Ledger: BUDLEGAL

GLAN	ACCOUNT TITLE				DEBITS	CREDITS
	SUBSIDIARY FUND/ACCOUNT	SUBSIDIARY FUND/ACCOUNT TITLE	SUBSIDIARY BUSINESS UNIT	SUBSIDIARY BUSINESS UNIT TITLE		
	TOTAL ACCOUNT	3115				11,269,849.46
5330	RESERVE - PREPAID ITEMS					
	0602	Architecture Revolving Fund	7760	Department of General Services		450,000.00
	TOTAL ACCOUNT	5330				450,000.00
9811	TRANSFERS FROM OTHER FUNDS					
	1234	Training Support Fund	7760	Department of General Services		2,697,956.46
	TOTAL ACCOUNT	9811				2,697,956.46
9812	TRANSFERS TO OTHER FUNDS					
	4561	Fictional Fund	3600	Department of Fish and Wildlife	2,697,956.46	
	TOTAL ACCOUNT	9812			2,697,956.46	

Material Variance Explanation Form

The Material Variance Explanation Form (MVEF) is used to identify and provide explanations for material variances between prior year (PY) and current year (CY) nominal account balances.

The MVEF is required for each shared and non-shared fund submitting year-end financial reports to SCO. **If a fund has multiple sub-funds, agencies/departments are required to submit only one MVEF at the main fund level, not per sub-fund.** The form must be listed on the Certification Letter under the heading Supplemental Forms/Reports. The MVEF is available on the SCO website at https://www.sco.ca.gov/ard_reporting.html.

Complete this form after you have prepared the fund's Report 7, and Report 9.

THE MATERIAL VARIANCE EXPLANATION FORM IS REQUIRED TO BE SUBMITTED EVEN IF THERE IS NO ACTIVITY TO REPORT.

Instructions

- Using the PY and CY Report 7s, fill in the PY and CY amounts (yellow cells).
- Use the PY and CY Report 9s to fill in the PY and CY amounts for the Fiduciary Funds Outside the Centralized Treasury System. See instructions on the Fiduciary Funds Outside the Centralized Treasury System section.
- The form will automatically calculate the amount and percentage of the variance.
- Based on the calculation, a message will appear identifying whether or not the variance is material and whether it requires an explanation.
- If a variance explanation is required, provide a detailed explanation for the applicable nominal account type(s).
- If a variance explanation is not required, leave the explanation box blank. Submit one copy of the form with the fund's year-end financial reports to SCO.
- If there is no activity on both PY and CY Report 7s and Report 9s, state "no activity to report" in the explanation boxes and next to the Certification Letter. Agencies/Departments are still required to submit this form along with other year-end financial reports.

Material Variance Criteria:

CY balance less PY balance is equal to or greater than \$1 million;

and

Percentage of variance (variance divided by PY balance) is equal to or greater than 10%. When either CY or PY balance is zero, variance percentage is inapplicable and no explanation is needed.

Material Variance Explanations:

Explanations should answer the question, "Why is there a variance?" If applicable, provide the specific legal citations, Government Code section, budget letter number, executive order number, etc.

Examples of acceptable variance explanations:

- Revenue (GL XXXX) increased due to a new revenue source per Government Code section XXXX.
- Expenditures (GL XXXX) decreased as a result of program XX budget cuts/lack of funding/increased federal reimbursements.
- Transfers In (GL XXXX) increased due to additional federal grants administered for the XX program.

Examples of **unacceptable** variance explanations:

- Revenues increased.
- Expenditures decreased due to increased encumbrances.
- Transfers In increased due to federal grants.

An example of the MVEF is shown on the following page.

REMINDER:

Submit one hard copy of the MVEF to SCO even if there is no activity.

Material Variance Explanation Form
Expenditures, Revenue, Transfers In, and Transfers Out
June 30, 20XX

Fund Number: **Contact Name:**

Agency Code: **Contact Email:**

Fill in the prior year and current year amounts below for expenditures, revenue, transfers in, and transfers out. Use the amounts from Report 7 from prior and current years. Be sure to include any prior year revision amounts, if applicable.

An explanation is required if a variance amount equals or exceeds \$1 million AND the variance percentage equals or exceeds 10%. If a "YES" is indicated under "Explanation Required", input an explanation in the space provided. Submit this form to the SCO with the fund's year-end financial statements, even if all amounts are zero.

EXPENDITURES				
PY 20XX-XX	CY 20XX-XX	Variance Amount	Variance Percentage	Explanation Required?
\$ 49,806,417.99	\$ 48,675,305.41	\$ (1,131,112.58)	-2%	NO
Explanation:				

REVENUE				
PY 20XX-XX	CY 20XX-XX	Variance Amount	Variance Percentage	Explanation Required?
\$ (629,702.66)	\$ (611,361.81)	\$ 18,340.85	-3%	NO
Explanation:				

TRANSFERS IN				
PY 20XX-XX	CY 20XX-XX	Variance Amount	Variance Percentage	Explanation Required?
\$ -	\$ (2,697,956.46)	\$ (2,697,956.46)	N/A - PY was zero	YES
Explanation: per Budget Act				

TRANSFERS OUT				
PY 20XX-XX	CY 20XX-XX	Variance Amount	Variance Percentage	Explanation Required?
\$ -	\$ 2,697,956.46	\$ 2,697,956.46	N/A - PY was zero	YES
Explanation: per Budget Act				

Checklists

Year-End Financial Reports Checklist

The Year-End Financial Reports Checklist is for agency/department use to ensure the year-end financial reports are accurate and complete, and they comply with the instructions set forth in the Budgetary/Legal Year-End Procedure Manual (Manual). **DO NOT SUBMIT WITH YEAR END FINANCIAL REPORTS.**

Reminder:

- _____ 1. Agency/Department name, business unit/organization code, fund name, and fund number appear on all reports.
- _____ 2. Reports have been prepared for all funds that had activity during the reporting year and/or balances on June 30.
- _____ 3. Reports for Bond Funds and Special Deposit Funds have been prepared for each sub-fund. For funds with multiple sub-funds, include a consolidated report.
- _____ 4. Reports have been prepared for Fiduciary Funds Outside the Centralized Treasury System (also known as Non-Treasury Trust Fund), fund number 0990 (i.e., money or property held in trust by a state agency/department that is not required to be deposited in a fund in the State Treasury).
- _____ 5. "SCO Use Only" areas on Report 5 is left blank, unless something is preprinted in that area.
- _____ 6. Font size for accounts and amounts is no smaller than size 10.
- _____ 7. Submit all required reports electronically.

Certification Letter:

- _____ 1. Only one fund is listed on the Certification Letter, with the exception of funds with multiple sub-funds.
- _____ 2. Agency/Department name, business unit/organization code, mailing address, and names of the agency/department Director and Chief of Accounting and their respective email addresses appear on the letter.
- _____ 3. Include fund name and number for each fund being reported.
- _____ 4. All required reports are listed for each fund. If there are no amounts to report, include the statement "no activity to report" next to the appropriate report name.
- _____ 5. Contact name, phone number, and email address are listed for each fund.
- _____ 6. Include a statement certifying the reports listed are true and correct. The Certification Letter must be signed by the officer responsible for fiscal administration. Refer to SAM section 7951 for the example of the certification statement.

- _____ 7. On each Certification Letter, identify the fund that will include the Statement of Capital Assets (Report 19) with its year-end financial reports. Only one report is submitted per agency/department.

Report of Accruals to Controller's Accounts (Report 1):

- _____ 1. **Use the most current Excel Report 1 template posted on the SCO website to prepare the report. Do not alter or create a new format.**
- _____ 2. Agency/Department name, business unit/organization code, fund name, and fund number appear on both tabs of Report 1 Excel workbook.
- _____ 3. All amounts appear in dollars and cents and without dollar signs.
- _____ 4. Accounts without accruals and encumbrances are left blank. No 0.00 (zero) amounts.
- _____ 5. The validation of total Debit=Credit for amount and encumbrance show TRUE in both tabs of Report 1 Excel workbook.
- _____ 6. Credit amounts appear without brackets or minus signs.
- _____ 7. General Ledger (GL) account numbers are the lowest level from the UCM.
- _____ 8. For accruals to Due From Other Funds (GL 1410.FFFF) and Due To Other Funds (GL 3114.FFFF), the subsidiary numbers reflect the fund number of the other fund involved. Use the Due To/From & Transfers In/Out Supplemental Form posted on the SCO website.
- _____ 9. GLs 1410 and 3114 entries agree with Reports 7 and 8.
- _____ 10. The **unencumbered amount** of Due From Other Funds (GL 1410.FFFF) agrees with the **unencumbered amount** of Due To Other Funds (GL 3114.FFFF) from other agencies/departments.
- _____ 11. Advance to Agency & Office Revolving Fund (GL 2125) and Permanent Cash Revolving Fund (GL 2710) should not be reported, but reclassified to other accounts.
- _____ 12. Use fund number 0602 as the subsidiary number for Prepayments to the Architecture Revolving Fund (GL 1730) and the corresponding Reserve for Prepaid Items (GL 5330).
- _____ 13. Prepayments to the Service Revolving Fund (GL 1730.0666) and prepayments to the State Compensation Insurance Fund (GL 1730.0512) are **not** included.
- _____ 14. A four-digit subsidiary business unit/organization code is provided for Due From Other Appropriations (GL 1420.AAAA) and Due To Other Appropriations (GL 3115.AAAA). **If AAAA is your own agency/department, the amounts of these two accounts must equal.**

- _____ 15. For Allowance for Uncollectible Accounts (GL 1390.0XXXX), and Provision for Deferred Receivables (GL 1600.0XXXX), the subsidiary numbers reflect the GL account number for the related receivable preceded by a zero.
- _____ 16. Encumbrance amount is equal to or less than the accrual amount. Debit and credit signs for encumbrances are the same as the related accruals.
- _____ 17. Goods and services received but not paid as of June 30 should be accrued as actual expenditures and liabilities, not encumbrances.
- _____ 18. If the encumbrances on Accounts Payable (GL 3010) are equal to the accrual amount, and the amount is greater than \$1 million, a footnote is included on Report 1, Footnotes tab, certifying that this is valid and Accounts Payable has no true liabilities.
- _____ 19. No expenditure or transfer accruals are reported for reverted appropriations that will not be revived by SCO in the current year.
- _____ 20. Accruals for abatements or reimbursements to reverted appropriations are credited to Refunds to Reverted Appropriations (Account 500000). The Fiscal Year should be the prior year.
- _____ 21. Accruals on Report 1 GLs (571A) tab of Excel workbook agree with column totals on the Accrual Worksheet (Report 2). The Deferred Credits column may contain accruals for more than one GL account, but must be included on Report 1 as separate entries.
- _____ 22. Accruals on Report 1 GLs (571A) tab of Excel workbook agree with the GL account balances on the Pre-Closing Trial Balance (Report 7) and the Post-Closing Trial Balance (Report 8), excluding the nominal accounts and Fund Balance – Clearing or amounts already on the Controller's balances.
- _____ 23. Accruals on Report 1 Detail (571D) tab of Excel workbook agree with the Net Total Accruals per Agency column on Report 2 (opposite sign). **Ensure accruals do not create an overdraft in the appropriation.**
- _____ 24. Accrual Amount reported for GL 3410-Revenue Collected in Advance or GL 3420-Reimbursements Collected in Advance, represents only the advance collections which are still in General Cash, not amounts previously remitted to SCO.
- _____ 25. Agency General Cash (GL 1110) has a debit balance.
- _____ 26. GL account number agrees with account description.
- _____ 27. For every amount, there is a D or C listed in the D/C column.
- _____ 28. **No** accruals are posted for Categories 95, 96, 98, and 99.

- _____ 29. No accruals are posted for **intrafund** (transfers between sub-funds at the same fund) transfers for General Obligation Bond Funds.
- _____ 30. Abnormal accrual and/or encumbrance amounts are explained by a footnote on Report 1, Footnotes tab.
- _____ 31. Reimbursement accruals on Report 1 Detail (571D) tab worksheet require a four-digit fund number and a three-digit sub-fund number in the Source Fund field.
- _____ 32. Program 99 Clearing Account balances **need to be zero after accruals**.
- _____ 33. Category 97 Office Revolving Fund accrual must match the June 30 SCO amount (opposite sign) so the balance nets to zero.
- _____ 34. Do not enter total lines on both Report 1 GLs (571 A) and Report 1 Detail (571 D) tabs.
- _____ 35. Clear all errors before submitting. If the accrual amount is less than the encumbrance amount in the Report 1 Detail (571 D) tab due to an abatement and a footnote is provided, it is ok to submit with that error.

Accrual Worksheet (Report 2):

- _____ 1. Column totals agree with the GL account balances on Reports 7 and 8, excluding GL 34XX, nominal accounts, and Fund Balance – Clearing. (The Deferred Credits column on Report 2 may contain accruals for more than one GL account).
- _____ 2. For Revenue Collected in Advance (GL 3410) or Reimbursements Collected in Advance (GL 3420), the amount reported does not include the amounts previously remitted to SCO; the amount reported should include only the amount in General Cash.
- _____ 3. Prepayments to Other Funds (GL 1730) and Advances to Other Funds (GL 2120) are included on Report 2.
- _____ 4. Provision for Deferred Receivables, Revenue Collected in Advance, Reimbursements Collected in Advance, Uncleared Collections, and the Revolving Fund Adjustment lines should net to zero in the Net Total Accruals per Agency column.
- _____ 5. For shared funds, the total agrees with Fund Balance – Clearing (GL 5570) (opposite sign) on Report 8. Note: GL 5570 will differ by the amount of GL 34XX, remitted to SCO.

OR

For non-shared funds: GL 1140
 + GL 1210
 + GL 34XX (receipted by SCO)
+ GL 5530
 = Report 2 Total (opposite sign)

- _____ 6. The grand total agrees with the total Apply Current Year column on Report 15.
- _____ 7. Abnormal accrual and/or encumbrance amounts are explained by a footnote on Report 2.

Adjustments to Controller's Accounts (Report 3):

- _____ 1. Use the most current Excel Report 3 template posted on the SCO website to prepare the report. Do not alter or create a new format.
- _____ 2. When a revision for Report 3 is submitted, include revised Report 7 and 8 along with a revised Certification Letter. A revised Due To/From & Transfers In/Out Supplemental Form(Non-FI\$Cal agencies/departments), or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.
- _____ 3. For Governmental Cost Funds, amounts reported should be adjustments that are needed to correct account balances on SCO records as of June 30.
- _____ 4. For Nongovernmental Cost Funds, **use only 576A** tab of Excel workbook for adjustments to Cash in State Treasury (GL 1140), Deposits in Surplus Money Investment Fund (GL 1210), Prepayments to Other Funds (GL 1730), and Advances to Other Funds (GL 2120). Only report the difference in amounts needed to bring the agencies/departments balances into agreement with SCO cash basis records as of June 30.
- _____ 5. Agency/Department name, business unit/organization code, fund name, and fund number appear on every page.
- _____ 6. All amounts appear in dollars and cents and without dollar signs.
- _____ 7. Amount column is left blank for accounts without adjustments.
- _____ 8. Total debits equal total credits.
- _____ 9. Credit amounts appear without brackets or minus signs.
- _____ 10. There are no encumbrances on Report 3.
- _____ 11. GL account numbers are the lowest level from the UCM.
- _____ 12. For adjustments to Due From Other Funds (GL 1410.FFFF) and Due To Other Funds (GL 3114.FFFF), the subsidiary numbers reflect the fund number of the other fund involved. Use the Due To/From & Transfers In/Out Supplemental Form posted on the SCO website.
- _____ 13. A four-digit subsidiary agency/department number/organization code is provided for Due From Other Appropriations (GL 1420.AAAA) and Due To Other Appropriations (GL 3115.AAAA).

- _____ 14. For Governmental Cost Funds only, no adjustments are reported for reverted appropriations that will not be revived by SCO in the current year.
- _____ 15. For Governmental Cost Funds only, adjustment amounts on 576B tab of Excel workbook agree with the adjustment amounts reported on Reports 5 and 15 and the supporting attachments.
- _____ 16. For Governmental Cost Funds only, debits and credits on 576B tab of Excel workbook for each fund agree with the debits and credits on the Transaction Request form.
- _____ 17. Attachments explaining the adjustments (e.g., copy of SCO Transaction Request form) accompany Report 3, with each adjustment on Report 3 cross-referenced to the appropriate attachment. Adjustments must have been approved and posted by the SCO BAC.
- _____ 18. Clear all errors before submitting.

Statement of Revenue (Report 4):

- _____ 1. Only current year revenue is reported.
- _____ 2. Revenue agrees with the current year revenue on Report 15.
- _____ 3. Accruals agree with Report 1, Form 571D.
- _____ 4. Adjustments to Controller's Accounts agree with Report 3, 576B tab of Excel workbook.

Final Reconciliation of Controller's Accounts with Final Budget Report/Agency Records (Report 5):

- _____ 1. Preprinted amounts are not altered.
- _____ 2. If the agency/department does not agree with any preprinted amount, provide a footnote to indicate the amount per the agency/department records.
- _____ 3. All amounts appear in dollars and cents and without dollar signs.
- _____ 4. Accruals agree with Report 1, 571D tab of Excel workbook.
- _____ 5. Adjustments to Controller's Accounts agree with Report 3, 576B tab of Excel workbook.
- _____ 6. Adjustments to Controller's accounts and accruals are posted to both the Expenditures column and the Appropriation Balance column.
- _____ 7. Executive Orders and/or Budget Revisions approved by the Department of Finance by June 30, but not yet recorded in the Controller's records, are summarized on the Pending Budget Revisions/Allocation Orders/Executive Orders line in the Appropriation Balance column. See number 9 below.

- _____ 8. Allocation Orders not yet recorded in the Controller's records as of June 30 are summarized on the Pending Budget Revisions/Allocation Orders/Executive Orders line in the Appropriation Balance column. See number 9 below.
- _____ 9. Include supporting documentation, in the form of a Budget Revision, Allocation Order, and/or Executive Order for amounts reported as increases/decreases on the Pending Budget Revisions/Allocation Orders/Executive Orders line in the Appropriation Balance column.
- _____ 10. Expenditures agree with the corresponding expenditures in Report 15.
- _____ 11. Total appropriation balance is zero or a credit amount.

Pre-Closing Trial Balance (Report 7):

- _____ 1. FI\$Cal agencies/departments should submit FI\$Cal-generated reports whenever they are available, and therefore should submit a FI\$Cal-generated Report 7. An additional Excel format of Report 7 for FI\$Cal departments is optional but encouraged. Non-FI\$Cal agencies/departments are required to submit Report 7 electronically for Nongovernmental Cost Funds (except Bond Funds) to SCO using the most current Excel Report 7 template available on the SCO website. Do not alter or create a new format.
- _____ 2. All amounts appear in dollars and cents and without dollar signs.
- _____ 3. Amount column is left blank for accounts without amounts.
- _____ 4. Total debits equal total credits.
- _____ 5. Credit amounts appear without brackets or minus signs.
- _____ 6. GL account numbers are the lowest level from the UCM.
- _____ 7. For Due From Other Funds (GL 1410.FFFF) and Due To Other Funds (GL 3114.FFFF), the subsidiary numbers reflect the fund number of the other fund involved.
- _____ 8. Use fund number 0602 as the subsidiary number for Prepayments to the Architecture Revolving Fund (GL 1730) and the corresponding Reserve for Prepaid Items (GL 5330).
- _____ 9. A four-digit subsidiary business unit/organization code is provided for Due From Other Appropriations (GL 1420.AAAA) and Due To Other Appropriations (GL 3115.AAAA).
- _____ 10. For Allowance for Uncollectible Accounts (GL 1390.0XXXX) and Provision for Deferred Receivables (GL 1600.0XXXX), the subsidiary numbers reflect the GL account number for the related receivable preceded by a zero.
- _____ 11. Liabilities for Deposit (GL 3510/3520) has a credit or zero balance.

- _____ 12. Beginning Fund Balance on the current year Report 7 equals the ending Fund Balance, as reported on the prior-year Report 8.
- _____ 13. Advance to Agency & Office Revolving Fund (GL 2125) and Permanent Cash Revolving Fund (GL 2710) should not be reported, but reclassified to other accounts.
- _____ 14. For shared funds, the agency's/department's beginning fund balance (GL 5570) on the current year Report 7 equals the ending Fund Balance (GL 5570) as reported on the prior-year Report 8.
- _____ 15. A footnote is provided to explain abnormal balances for all real and nominal accounts on the Excel Report 7 Footnotes tab or Report 7 generated from FI\$Cal.
- _____ 16. **For non-shared funds**, the ending balance of GLs 1140 and 1210 displayed on Report 7 should have a debit balance and agree with the ending balance of GLs 1140 and 1210 displayed on the SCO Fund Reconciliation.
- _____ 17. **Non-shared fund's normal fund balance should be a zero or credit balance.**
- _____ 18. Do not enter total line on Report 7 Excel format.
- _____ 19. Clear all errors before submitting.

Special Instructions for the Federal Trust Fund ONLY:

- _____ 1. Due From Federal Government (GL 1510) is used only in the Federal Trust Fund, or any other fund in which federal monies are directly deposited.
- _____ 2. Revenue must equal expenditures; inflows must equal outflows. **All nominal accounts net to zero.**
- _____ 3. **Fund Balance – Unappropriated (GL 5530) must be zero.**
- _____ 4. A debit balance in GL 5530 is an overdraft and must be corrected prior to submission.
- _____ 5. Cash in State Treasury (GL 1140) must equal the total of appropriation control "C" accounts and grant (1944) "C" accounts from the SCO agency reconciliation.

Post-Closing Trial Balance (Report 8):

- _____ 1. Asset and liability amounts agree with Report 7.
- _____ 2. For non-shared funds, Fund Balance – Unappropriated (GL 5530) has a zero or credit balance.

Analysis of Change in Fund Balance (Report 9):

- _____ 1. The beginning fund balance agrees with the ending fund balance from the prior-year Report 9.
- _____ 2. A footnote is provided to explain adjustments that changed the prior-year ending fund balance.
- _____ 3. Receipts and disbursements agree with Report 7.
- _____ 4. The ending fund balance agrees with the fund balance (opposite sign) on Report 8.
- _____ 5. The fund balance for the Federal Trust Fund is zero.

Reconciliation of Agency Accounts with Transactions per State Controller (Report 15):

- _____ 1. All amounts appear in dollars and cents and without dollar signs.
- _____ 2. Amounts in the Transactions per Controller column agree with the balances on the Controller's records as of June 30.
- _____ 3. Amounts reflected in the Reverse Prior Year Accruals and Reverse Prior Year Adjustments to Controller's Accounts columns agree with the amounts in the Apply Current Year Accruals and Apply Current Year Adjustments to Controller's Accounts columns, respectively, on the previous year's Report 15, including revision amounts submitted for the prior year.
- _____ 4. Amounts reflected in the Reverse Prior Year Adjustment to Controller's Accounts column agree with the amounts in SCO's Prior Year Accrual Summary report (opposite sign).
- _____ 5. Amounts reflected in the Apply Current Year Accruals column agree with the accruals on Report 2 (opposite sign).
- _____ 6. Amounts reflected in the Apply Current Year Adjustments to Controller's Accounts column agree with the adjustments on Report 3.
- _____ 7. Total of the left side of the report (column G) agrees with the total of the Transactions for Agency Accounts columns on the right side of the report.
- _____ 8. Totals in the Transactions for Agency Accounts plus Statewide Assessments and Pro Rata columns agree with the nominal account balances in Report 7.
- _____ 9. For shared funds, the total of the Apply Current Year Accruals column agrees with the Fund Balance – Clearing (GL 5570) amount on Report 8 and the grand total on Report 2 (opposite sign). GL 5570 will differ by the amount of any Advance Collections (GL 3410 and/or GL 3420) remitted to SCO and GL 1210-Surplus Money Investment Fund.

- _____ 10. If the fund is a non-shared fund, the total of Current Year Accruals column F on Report 15 agrees with the total on Report 2 (opposite sign) and the sum of Cash in State Treasury (GL 1140), Deposits in Surplus Money Investment Fund (GL 1210), Revenue Collected in Advance (GL 3410), and Fund Balance – Unappropriated (GL 5530).

- _____ 11. **All Clearing Account balances in column G must be zero.**

Statement of Changes in Capital Assets Group of Accounts (Report 18):

- _____ 1. A separate report has been prepared for each fund, except Fiduciary Funds that were acquired with non-General Fund money. Check SAM for updates on the reporting requirements for capital assets.

- _____ 2. Beginning balances agree with the prior year's ending balances.

- _____ 3. A footnote is provided if an adjustment to the beginning balance is needed.

- _____ 4. Ending balances are debit amounts.

- _____ 5. If there are no capital assets for a fund, note on the Certification Letter "no capital assets to report."

- _____ 6. Use most current Report 18 Excel template from SCO website (Non-FI\$Cal agencies/departments) or FI\$Cal generated Report 18 Excel format (FI\$Cal agencies/departments) to submit to SCO.

Statement of Capital Assets Group of Accounts (Report 19):

- _____ 1. Total of all capital assets of the agency/department is reflected in the report.

- _____ 2. Ending balance agrees with the total ending balances on all Report 18s. Check SAM for the reporting requirements for capital assets.

- _____ 3. Indicate on each Certification Letter which fund's set of year-end financial reports will include Report 19.

- _____ 4. Use most current Report 19 Excel template from SCO website (Non-FI\$Cal agencies/departments) or FI\$Cal generated Report 19 Excel format (FI\$Cal agencies/departments) to submit to SCO.

Statement of Financial Condition (Report 20):

- _____ 1. Amounts agree with Report 8.

Statement of Contingent Liabilities (Report 22):

- _____ 1. Amounts on this report are not reflected in any GL account.
- _____ 2. Report does not include FY, appropriation, or funding information.

Supplemental Forms/Reports:

Due To/From Other Funds/Appropriations & Transfers In/Out Supplemental Form:

- _____ 1. For each amount posted to GL 1410.XXXX/3114.XXXX, provide the four-digit business unit/organization code and agency/department name related to the accrual on the Supplemental Form.
- _____ 2. Accruals for Due From Other Appropriations (GL 1420) or Due To Other Appropriations (GL 3115) include the four-digit business unit/organization code identifying the other agencies/departments involved.
- _____ 3. For each amount posted to GL 9811/9812 provide the four-digit fund number, four-digit business unit/organization code, and agency/department name on the Supplemental Form.
- _____ 4. The total of the GL account must agree with the GL balance on Report 7.
- _____ 5. The Due To/From Other Funds/Appropriations & Transfers In/Out Supplemental Form Excel format can be found on the SCO website: https://www.sco.ca.gov/ard_reporting.html.

Material Variance Explanation Form:

- _____ 1. Submit one copy of the form with the Year-End Reports to SCO, even though there is no activity to report.

Subsidiaries on File Report:

- _____ 1. FI\$Cal agencies/departments must attach Subsidiaries on File Report in lieu of Due to/From Other Funds/Appropriations & Transfer In/Out Supplemental Form.

Revisions to Year-End Financial Reports:

- _____ 1. A revised Certification Letter, Report 7, and Report 8 are required with every revision. A revised Due To/From & Transfers In/Out Supplemental Form (Non-FI\$Cal agencies/departments), or Subsidiaries on File Report (FI\$Cal agencies/departments) may also be required.

- _____ 2. This report contains the revisions needed to correct the amounts previously submitted on Reports 1, 3 (Governmental Cost Funds), or 7 (Nongovernmental Cost Funds). Do not submit another complete set. Submit only the reports affected by the change(s). **The amount on the revised form must be the difference between the original amount reported and the correct amount.**
- _____ 3. The amounts on this report, plus the amounts on Reports 1 and 3 that were originally submitted to SCO, agree with the agencies'/departments' revised balances.
- _____ 4. Agency/Department name, business unit/organization code, fund name, and fund number appear on every page.
- _____ 5. All amounts appear in dollars and cents and without dollar signs.
- _____ 6. Total debits equal total credits.
- _____ 7. Credit amounts appear without brackets or minus signs.
- _____ 8. GL account numbers are the lowest level from the UCM.
- _____ 9. For revisions to Due From Other Funds (GL 1410.FFFF) and Due To Other Funds (GL 3114.FFFF), the subsidiary numbers reflect the fund number of the other fund involved.
- _____ 10. A four-digit subsidiary business unit/organization code is provided for Due From Other Appropriations (GL 1420.AAAA) and Due To Other Appropriations (GL 3115.AAAA).
- _____ 11. For Allowance for Uncollectible Accounts (GL 1390.0XXXX) and Provision for Deferred Receivables (GL 1600.0XXXX), the subsidiary numbers reflect the GL account number for the related receivable preceded by a zero.
- _____ 12. Attachments explaining the revisions accompany this report with each adjustment on the report cross-referenced to the appropriate attachment.
- _____ 13. Obtain approval from SCO if revisions must be submitted after the due date.
- _____ 14. Only material amounts per SAM section 7981 are submitted as revisions.
- _____ 15. Clear all errors before submitting.

Checklists for Open House:

At the end of the reporting cycle, SCO compiles and prepares four criteria checklists/worksheets that are posted on the SCO website. These checklists are available for the agencies/departments to view and assess how they performed on their budgetary/legal year-end financial reports. The only criterion pertaining to GAAP is whether or not the GAAP-related adjustments and/or audit reports were received by the due date. The four criteria checklists/worksheets are:

1. Financial Reporting Criteria Checklist
2. Expenditure Criteria Worksheet
3. Revenue Criteria Worksheet
4. Governor's Budget Criteria Worksheet

• Financial Reporting Criteria Checklist

The Financial Reporting Criteria Checklist is a fundamental high-level checklist that SCO fiscal analysts use when reviewing the year-end financial reports. One checklist is prepared for each particular fund and agency/department business unit/organization code combination. This checklist is used to determine whether or not a fund meets the requirements for financial reporting. Any "No" answer on the checklist indicates disqualification from excellence in financial reporting. Criteria #9 to #11 are explained further in this section.

Budgetary/Legal Basis Reporting Criteria:

Due Dates:

- Agency/Department year-end financial reports must be received by the due dates (September 3).
- Revisions to reports received after the above due dates are considered delinquent.

Certification Letter:

- A Certification Letter must be prepared for each fund in accordance with the instructions.
- All required reports must be submitted for the applicable fund type or listed on the Certification Letter as not applicable (no activity) if there is nothing to report.

Error Percentages Limit:

- All reports must include proper account numbers and titles, as shown in the UCM, with no more than a 2% error rate.
- Prior-year accruals for Governmental Cost and Bond Funds must be within 10% of actual revenues and expenditures realized in the current year.
- For all funds, except the General Fund, the difference between the ending fund balance (less reserve for encumbrances and the deferred payroll adjustment made by SCO) and the fund balance provided by DOF, as it appears on the Fund Condition Statement within the *Governor's Budget* released in January, cannot be more than \$100,000 and a 3% variance, expressed as a percentage of the Governor's Budget.

Reports 1 and 3:

- Must not contain zero (0) dollar amounts, dollar signs (\$), minus signs (-), or brackets for credits.
- Abnormal accruals and/or balances must be explained with a footnote on the Footnotes tab of Excel Workbook.

Report 5:

- All amounts reported as an increase/decrease on the Pending Budget Revisions, Allocation Orders, and/or Executive Orders line in the Appropriation Balance column must include supporting documentation (i.e., a copy of the pending Budget Revision, Allocation Order, and/or Executive Order).

Reports 7 and 8:

- For Nongovernmental Cost Funds, the report must not contain zero (0) dollar amounts, dollar signs (\$), minus signs (-), or brackets for credits.
- Abnormal balances must be explained with a footnote on the Excel 7 Footnotes tab for Nongovernmental Cost Funds or Report 7 generated from FISCAL.

Material Variance Explanation Form:

- Must be submitted with detailed explanations of material variances. Such explanations will assist with the SCO/DOF fund reconciliations.
- Revenues, Expenditures, and Transfers In/Out for both PY and CY must be completed prior to submission.

Due To/From & Transfers In/Out Supplemental Form or Subsidiaries on File Report:

- Must be filled out correctly with amounts and accounts verified and reconciled with the other respective agency(s)/department(s).

Note: A sample Criteria Checklist that is used by SCO to determine whether a fund has met all of the necessary financial reporting requirements contained in this Manual is presented on the next page.

**State Controller's Office
2022-23 YEAR-END FINANCIAL REPORTING CRITERIA CHECKLIST**

Fund Number: 0117 Agency Code: 2120 Fund Type: G Analyst: Amuhammad

BUDGETARY/LEGAL BASIS REPORTING CRITERIA

The following criteria are used to determine whether or not a fund meets the requirements for Financial Reporting. Any 'No' answer indicates disqualification. Requirements are also detailed in the Budgetary/Legal Basis Year-End Financial Reports Procedure Manual at http://www.sco.ca.gov/ard_reporting.html

1. The Budgetary Reports were received on 08/22/2023. Was that on or before the due date? Yes
Due Date: August 31, 2023
2. Certification Letter format is correct, and includes the following: contact name, phone number, email address, agency name, organization code, one fund name, one fund number Yes
3. All required reports were received or noted on certification letter Yes
4. Authorized report format was used Yes
5. Debits equal credits Yes
6. (Governmental Cost/Bond Funds only) CalSTARS automated reports (CSYDB3-1 – TC 24 / 34 / 71) are free of errors that require further SCO action to clear N/A
7. Total error rate is less than or equal to 2% Yes

Possible Errors			
1 error PER infraction	1 error for ALL infractions	Error Calculation	
Wrong account numbers	"0"s present in Encumbrance column	Total Entry Errors:	0
"SCO Only" box used	"0"s present in Amount column	Divided by Total Entries:	17
Amount entered on wrong line	Symbols such as "\$", "-", or "()" used	Error %:	0
Subsidiary accounts missing		Other Report Errors:	0
No org/fund number on first page		Total Errors:	0

8. Final revision received on . Before due date listed in Criteria 1? N/A
9. (Governmental Cost/Bond Funds only) Prior year accruals are within 10% of expenditures incurred in the current year Yes
10. (Governmental Cost/Bond Funds only) Prior year accruals are within 10% of revenues realized in the current year Yes
11. (All Funds except 0001) Is the ending fund balance in the Annual Report within \$100,000 and 3% of the ending fund balance in the Governor's Budget Fund Condition Statement? Yes
12. GL accounts 3114 and 1410 (Due To/From Other Funds) are included in the Due From and Due To Supplementary Information Form identifying the related fund and organization Code(s) Yes
13. GL accounts 3115 and 1420 (Due To/From Other Appropriations) have subsidiary accounts identifying the related organization code(s) N/A
14. Supporting documentation and/or footnotes are provided for all accounts with abnormal Accruals/balances N/A
15. Supporting documentation is provided for any amount listed on the Report 5 or CSYDB3 as a pending Budget Revision, Executive Order, Allocation Order, etc N/A
16. Material Variance Explanation Form is submitted Yes

Notes/Errors

MEETS ALL FINANCIAL REPORTING CRITERIA?

Yes

• Expenditure Criteria Worksheet

The Expenditure Criteria Worksheet is a compilation and calculation of the total current year expenditures, accruals, and prior-year accruals for a particular fund and business unit/organization code. Each open and active expenditure control account for the fund is listed on the worksheet. One of the financial reporting criteria for Governmental Cost Funds and Bond Funds is that prior-year expenditure accruals are within 10% of total expenditures incurred during the reporting year. See Financial Reporting Criteria Checklist criterion #9. This means the Total Prior Year Expenditure Accruals (C) must fall between 90% and 110% of the Total Expenditures as of June 30 (A) plus the Total Current Year Expenditure Accruals (B). If it does not meet the 10% variance, a "No" will be displayed on this worksheet as well as checked on the Financial Reporting Criteria Checklist criterion #9, which indicates a disqualification. A sample of the Expenditure Criteria Worksheet is illustrated below.

2022-23 Financial Reporting Checklist Expenditure Criteria Worksheet

Fund: 0117000 Agency: 2120 Analyst: Amuhammad

Fund	Agency	FY	Ref	Enc Date	(A) Expenditures as of June 30	(B) CY Expenditure Accruals	(C) PY Expenditure Accruals
0117000	2120	2020	001	06/30/2021	(407.63)	(165.45)	1,365.41
0117000	2120	2021	001	06/30/2022	59,794.68	73.28	53,598.47

Total:	59,387.05	(92.17)	54,963.88
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To meet the Financial Reporting criteria, the Total Prior Year Expenditure Accruals (C) must be between 90% and 110% of the Total Expenditures as of June 30 (A) + the Total CY Expenditure Accruals (B).

Total Expenditures as of June 30 (A) =	59,387.05
Total CY Expenditure Accruals (B) =	(92.17)
Total Expenditures as of June 30 (A) + Total CY Expenditure Accruals (B) =	59,294.88
90% x (Total Expenditures as of June 30 (A) + Total CY Expenditure Accruals (B)) =	53,365.39
Total PY Expenditure Accruals (C) =	54,963.88
110% x (Total Expenditures as of June 30 (A) + Total CY Expenditure Accruals (B)) =	65,224.37

Are the Total PY Accruals between 90% and 110% of the Total Exp as of June 30 + Total CY Exp Accruals? Yes

• Revenue Criteria Worksheet

The Revenue Criteria Worksheet is a compilation and calculation of the total current year revenues, accruals, and prior-year accruals for a particular fund and a business unit/organization code. Only prior-year revenue account(s) for the fund is/are included in the calculation on this worksheet. One of the financial reporting criteria for Governmental Cost Funds and Bond Funds is that prior-year revenue accruals are within 10% of total revenues realized during the reporting year. See Financial Reporting Criteria Checklist criterion #10. This means the Total Prior Year Revenue Accruals (C) must fall between 90% and 110% of the Total Revenues as of June 30 (A) plus the Total Current Year Revenue Accruals (B). If it does not meet the 10% variance, a "No" will be displayed on this worksheet as well as checked on the Financial Reporting Criteria Checklist criterion #10, which indicates a disqualification. A sample of the Revenue Criteria Worksheet is illustrated below.

2022-23 Financial Reporting Checklist						
Revenue Criteria Worksheet						
Fund: 0117000 Agency: 2120 Analyst: Amuhammad						
Fund	Agency	FY	Revenue Account*	(A) Revenue as of June 30	(B) CY Revenue Accruals	(C) PY Revenue Accruals
0117000	2120	2021	0125600	(174,006.00)	0.00	(174,006.00)
Total:				(174,006.00)	0.00	(174,006.00)
To meet the Financial Reporting criteria, the Total Prior Year Revenue Accruals (C) must be between 90% and 110% of the Total Revenue as of June 30 (A) + the Total CY Revenue Accruals (B).						
				Total Revenue as of June 30 (A) =		(174,006.00)
				Total CY Revenue Accruals (B) =		0.00
				Total Revenue as of June 30 (A) + Total CY Revenue Accruals (B) =		(174,006.00)
				90% x (Total Revenue as of June 30 (A) + Total CY Revenue Accruals (B)) =		(156,605.40)
				Total PY Revenue Accruals (C) =		(174,006.00)
				110% x (Total Revenue as of June 30 (A) + Total CY Revenue Accruals (B)) =		(191,406.60)
Are the Total PY Accruals between 90% and 110% of the Total Rev as of June 30 + Total CY Rev Accruals? Yes						
* Excludes revenue accounts 0161000, 0500000, 0530000, and 03XXXXX						

- **Governor's Budget Criteria Worksheet**

The Governor's Budget Criteria Worksheet displays the comparison between the Governor's Budget ending fund balance and the SCO's ending fund balance less Reserved for Encumbrances. It calculates whether SCO's ending fund balance matches, is overstated, or is understated compared to the Governor's Budget ending fund balance. One of the financial reporting criteria for all funds, except the General Fund, is to have the ending fund balance within \$100,000 and 3% of the ending fund balance on the Governor's Budget Fund Condition Statement. See Financial Reporting Criteria Checklist criterion #11. Samples of the Governor's Budget Criteria Worksheet and Governor's Budget Fund Condition Statement are illustrated below.

2022-23 Financial Reporting Checklist
Governor's Budget Criteria Worksheet
 (Amounts in thousands)

Fund: 0117

Agency: 2120

Analyst: Amuhammad

SCO's ENDING FUND BALANCE LESS RESERVED FOR ENCUMBRANCE JUNE 30	GOVERNOR'S BUDGET ENDING FUND BALANCE JUNE 30	SCO's FUND BALANCE IS OVERSTATED (UNDERSTATED) AS OF JUNE 30	OVER/UNDER- STATEMENT AS A PERCENTAGE OF GOVERNOR'S BUDGET ENDING FUND BALANCE	MEETS FINANCIAL REPORTING CRITERIA?
6,148	6,152	(4)	0%	Yes

If the overstatement/understatement is less than \$100,000, the fund meets the financial reporting criteria, regardless of percentage.

If the overstatement/understatement is greater than \$100,000 AND greater than 3%, the fund does not meet the financial reporting criteria.

BUSINESS, CONSUMER SERVICES, AND HOUSING

2024-25 GOVERNOR'S BUDGET — BCH 1

2120 Alcoholic Beverage Control Appeals Board

FUND CONDITION STATEMENTS

	2022-23*	2023-24*	2024-25*
<u>0117 Alcoholic Beverage Control Appeals Fund ⁵</u>			
BEGINNING BALANCE	\$5,469	\$6,152	\$6,513
Prior Year Adjustments	-3	-	-
Adjusted Beginning Balance	\$5,466	\$6,152	\$6,513
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4129200 Other Regulatory Fees	2,112	2,145	2,264
Total Revenues, Transfers, and Other Adjustments	\$2,112	\$2,145	\$2,264
Total Resources	\$7,578	\$8,297	\$8,777
EXPENDITURE AND EXPENDITURE ADJUSTMENTS			
2120 Alcoholic Beverage Control Appeals Board (State Operations)	1,259	1,522	1,482
9892 Supplemental Pension Payments (State Operations)	19	19	8
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	148	243	224
Total Expenditures and Expenditure Adjustments	\$1,426	\$1,784	\$1,714
FUND BALANCE	\$6,152	\$6,513	\$7,063
Reserve for economic uncertainties	6,152	6,513	7,063

Financial Report Checklist to Assist with the DOF/SCO Reconciliation

DOF and SCO collaborate to reconcile every Governmental Cost Fund. The Fund Condition Statement presented in the Governor's Budget should reconcile with the Statement of Operations presented in the BLBAR. In order for the fund to reconcile, the data reported by the agencies/departments to SCO via their year-end financial reports must equal the data provided to DOF via their budget documents. DOF issues Budget Letters on its website that address the budgeting and accounting relationship. SAM section 6400 states that fund balance, revenues, expenditures, and other accounting data included in the past year's presentation of the Governor's Budget must be equivalent in amount and classification with similar data published in the SCO's BLBAR.

DOF designates an administering agency/department for each fund that is responsible for the overall management of the fund.

The following checklist is provided to assist with the agencies/departments fund review process. It is a summary of the checklist that SCO uses when reviewing each fund's Balance Sheet and Statement of Operations after the accruals from each of the shared agencies/departments have been posted.

- ____ 1. Current year (CY) beginning fund balance equals prior year (PY) ending fund balance. Compare the CY Pre-Closing Trial Balance (Report 7) and PY Post-Closing Trial Balance (Report 8).
- ____ 2. Fund balance is zero, if required. Some funds must have a zero fund balance at the end of each year (i.e. Federal Trust Fund, Local Revenue, and pass-through funds).
- ____ 3. Assets, Expenditures, and Transfers Out are debits. Abnormal balances must have an explanation.
- ____ 4. Liabilities, Revenues, and Transfers In are credits. Abnormal balances must have an explanation.
- ____ 5. Transfers In/Out match the transfers included in the Fund Condition Statement for each fund included in the Enacted Budget. Typically, Fund Condition Statements for Nongovernmental Cost Funds are not included in the Enacted Budget.
- ____ 6. The Material Variance Explanation Form is completed, material amounts have been researched, a detailed explanation has been provided, and one copy of the form is included with the required year-end reports. The Material Variance Explanation Form is located on the SCO website at https://sco.ca.gov/ard_reporting.html

Common Errors

COMMON ERRORS:

1. GL 1140 (Cash in State Treasury) and GL 1210 (Deposits in SMIF) on Report 7 and 8 did not match SCO's June 30 balances.
2. A fund number was not used as the subsidiary for GLs 1410.FFFF (Due From Other Funds) and 3114.FFFF (Due To Other Funds).
3. A business unit /organization code was not used with GLs 1420.AAAA (Due From Other Appropriations) and 3115.AAAA (Due To Other Appropriations). The amounts of GLs 1420 and 3115 did not match when the accruals were between the same agency/department.
4. Program 99 (Clearing Account) balances were not zero.
5. Fund balance for the Federal Trust Fund was not zero on Reports 7, 8, and 9.
6. Encumbrances exceeded the accrual amounts on Report 1. Goods and services received, but not paid as of June 30, were encumbered.
7. Missing/incomplete financial reports, including required supplemental forms/reports.
8. Expenditure appropriation balances did not have a zero or credit balance.
9. The beginning fund balance did not equal the prior year ending fund balance and there was no footnote explanation.
10. An incorrect Report 3 (576B tab of Excel workbook) was submitted for Nongovernmental Cost Funds.
11. Abnormal balances did not have footnote explanations.
12. GL 2170 (Interfund Loans Receivable) did not match GL 5370 (Reserve for Interfund Loans Receivable); GL 4050 (Interfund Loans Payable) did not match GL 2500 (Provision for Deferred Interfund Loans Payable).
13. The accruals on Report 1 did not match the accruals on Reports 2, 4, 5, and 15.
14. Revisions were submitted with a complete new set of reports instead of revised reports with differences of what were originally submitted.
15. A revised Certification Letter was not submitted.



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