

DEPARTMENT OF FINANCE
UNIFORM CODES MANUAL
GENERAL LEDGER ACCOUNTS

This section contains General Ledger account information and is structured as follows:

<u>Contents</u>	<u>Pages</u>
General Information	GL-1 thru GL-3
Chart of Uniform Integrated General Ledger Accounts	GL-4 thru GL-18

GENERAL INFORMATION

The General Ledger and associated subsidiary ledgers and registers are used to sort and summarize individual accounting transactions into the accounts needed to prepare financial statements and other fiscal reports. Conformance with Generally Accepted Accounting Principles (GAAP) requires the establishment of a General Ledger consisting of a complete self-balancing group of accounts for each fund, general fixed assets, and general long-term debt. GAAP also requires the use of common terminology and classification through the budget, accounts, and financial reports of each fund and general group of accounts.

Under provision of AB 3322, Chapter 1284/78, all State agencies will have a fully automated accounting and program cost accounting system. Appropriation control and the general ledger accounting data will be interfaced with the State Controller's Office (SCO) system.

In conjunction with the CFIS project, a study of the State's Basis of Accounting and General Ledger was undertaken by the Department of Finance, with advice from the General Ledger and Accounting Basis Advisory Committee and a national certified public accounting firm. Included as part of this study was a review of the State's General Ledger Accounts and Account Titles. The purpose of the review was to standardize the accounts to facilitate reporting in automated systems, to comply with the requirements of Chapter 1284/78 as it relates to the accounting process, and to restructure and rename the accounts for conformance with GAAP.

DEPARTMENT OF FINANCE
UNIFORM CODES MANUAL
GENERAL LEDGER ACCOUNTS

The General Ledger Account Code consists of a four-digit primary code with an additional four-digit subsidiary account code.

Four-Digit General Ledger Account Code

The four-digit primary code is structured so that three hierarchical reporting levels exist, as follows:

- | | |
|---------|--|
| Level 1 | Represents the accounts used for preparation of the Controller's Annual Reports. |
| Level 2 | Represents major general ledger accounts that may be summarized into Level 1 accounts. |
| Level 3 | Represents sub-accounts to Level 2. |

Agencies must be capable of reporting detail to the lowest level (Level 3) represented on this chart. This Level 3 reporting does not require that the General Ledger itself be maintained at the Level 3 detail. Level 3 information can be collected and reported by using subsidiary ledgers.

The automated California State Accounting and Reporting System (CALSTARS) uses an extensive subsidiary accounting technique to meet the reporting (low level) requirement while maintaining the General Ledger itself at Level 1. Departments will evaluate their existing capabilities to determine how the reporting requirement can best be met.

Four-Digit Subsidiary Code

Provisions must also be made to identify and report additional subsidiary information for some general ledger account codes, e.g., the fund involved in interfund and intrafund transactions must be identified with a subsidiary code for the following general ledger accounts:

- Due from Other Funds or Appropriations (Account No. 1400)
- Prepayments to Other Funds or Appropriations (Account No. 1730)
- Advances to Other Funds (Account No. 2120)
- Due to Other Funds or Appropriations (Account No. 3110)
- Prepayments from Other Funds or Appropriations (Account No. 3120)
- Advances from Other Funds (Account No. 4010)
- Operating Transfers In (Account 9811)
- Operating Transfers Out (Account No. 9812)

The same subsidiary code field could be used to identify inter and intra governmental transactions, e.g., if it is determined that local assistance transactions are to be accounted by local agency, a unique code could be assigned in a subsidiary file.

DEPARTMENT OF FINANCE
UNIFORM CODES MANUAL
GENERAL LEDGER ACCOUNTS

The General Ledger Account Codes are grouped into the following major series:

0001-1099	Treasury Accountability Accounts and Controller's Accounts Only
1100-2999	Assets
3000-4999	Liabilities
5000-5999	Fund Equity
6000-6999	Budgetary Accounts
7000-7999	Controller's Accounts Only
8000-8999	Sources of Financial Resources
9000-9799	Uses of Financial Resources
9800-9999	Other Financial Sources/Uses

Definitions and standard entries for these accounts will be included in the State Administrative Manual. Questions concerning the general ledger codes and their use should be directed to the Department of Finance, Fiscal Systems and Consulting Unit at (916) 324-0385.

The following Chart of General Ledger Accounts displays all the accounts to be used by state agencies by fund type. Each general ledger account contains the following:

- account title
- four digit account number
- authorized account usage by fund type (designated by an "X")
- all footnotes on the Chart of General Ledger Accounts are explained on the last page of the General Ledger Section.