V General Ledger Account Structure

The general ledger account (GLA) structure is the basic framework for CALSTARS. It provides a control mechanism for the accountability of assets, liabilities, and the investments of the state. Each account is expressed in broad terms. It is further refined by the subsidiary account and additional classifications that provide the data for internal and external reporting requirements and the legal requirements for appropriation accounting.

ACCOUNT STRUCTURE

In CALSTARS, general ledger accounts use a 4-digit numeric code classified in the asset, liabilities, fund balance, expenditures (uses of resources), receipts (sources of resources), and memorandum account structure. The general ledger account structure is designed to provide accountability over the funds maintained by the state and to facilitate reporting.

The CALSTARS general ledger account structure is based on the statewide structure defined in the *Uniform Codes Manual* (UCM). The statewide structure uses three hierarchical reporting levels, with the highest level (Level One) being used by the State Controller's Office (SCO) for financial statement preparation. The second and third levels are used as a means of recording additional levels of detail below Level One. While CALSTARS records financial data at the lowest UCM level, it is not always done through general ledger accounts. For example, additional detail for the Level One General Ledger Account 9000, Appropriation Expenditures or Operating Expenditures and Expenses, is provided through the object code classification structure.

Some general ledger accounts included in CALSTARS, such as most of the accounts in the Special Agency Budgetary Accounts (6200-6299) series, are not specified in the UCM. These accounts provide additional financial processing and reporting capabilities.

FILE SUPPORT STRUCTURE

Each general ledger account is supported by at least one, and in many cases several CALSTARS master files. The History File supports all general ledger accounts. The level of file support for eight of the files is shown for each GLA presented in Exhibit V-1.