

OREGON ACCOUNTING MANUAL

SUBJECT: Accounting and Reporting	Number: 05.20.00
DIVISION: State Controller's Division	Effective date: July 1, 2011
Chapter: Relational Statewide Accounting and Reporting System (R*STARS)	
Part: Fund and Appropriation Structure and Usage	
Section:	
APPROVED: John Radford, State Controller	Signature on file at SCD

PURPOSE: This policy provides information about the fund and appropriation structure in R*STARS as well as information about the proper use of special revenue and proprietary GAAP fund types.

AUTHORITY: [ORS 293.590](#)
 NCGA Statement No. 1
 GASB Statement No. 34
 GASB Statement No. 54

APPLICABILITY: This policy applies to all state agencies included in the state's annual financial statements, except for those agencies specifically exempted by [OAM Policy 01.05.00](#).

DEFINITIONS: **Fund:** A fiscal and accounting entity (with a self-balancing set of accounts used to record cash, other assets, liabilities, and equity balances) segregated to carry out specific activities or achieve specific objectives as directed by law, restrictions, or limitations.

GAAP fund: The fund level used for financial reporting purposes. In R*STARS, each D23 fund rolls up to a pre-determined GAAP fund that is designated on the D23 screen fund profile. A GAAP fund typically incorporates multiple D23 funds.

Appropriated fund: The budgeted source of funding, including general funds, federal funds, lottery funds, or other funds. It also includes funding for capital improvement, capital construction, and debt service, if applicable.

Stabilization fund: An account for amounts formally set aside in case of emergencies, revenue shortfalls, or budgetary imbalances. Those amounts are subject to controls that dictate the circumstances under which they can be spent. Authority to set aside those amounts comes from the Oregon Constitution or the Oregon Revised Statutes. The specific circumstances under which the state may spend these amounts are expected to occur infrequently.

POLICY:

101. Agency management is responsible for establishing and maintaining appropriate fund and appropriation structures in **R*STARS**.

PROCEDURES:

Establishing a Fund Structure in R*STARS

102. Complete the D23 Fund Profile form to establish a new fund structure in R*STARS. http://oregon.gov/DAS/SCD/SFMS/docs/forms/fund_profile_D23.doc
103. Include the source of funding, appropriation number, GAAP fund, appropriated fund, documentation of the legal authority, and other requested information. Submit the form and related documentation to **SFMS** Operations. Prior to setting up the fund, SFMS Operations will ask SARS to verify the GAAP fund and the GASB 54 code, if applicable.
104. Use the information below to determine the appropriate GAAP fund and appropriated fund.

GAAP Funds

105. **Governmental GAAP Funds:** The state uses [governmental GAAP funds](#) to report governmental activities, many of which are tax-supported. Governmental GAAP fund types include the [General Fund](#), [special revenue funds](#), [debt service funds](#), [capital project funds](#), and [permanent funds](#). D23 funds that close to governmental GAAP funds use the current financial resources [measurement focus](#) and the modified accrual [basis of accounting](#).
106. **General Fund:** Use this GAAP fund to account for and report all financial resources not accounted for and reported in another GAAP fund.
107. **GASB 54 General Fund:** Use this GAAP fund to account for and report D23 funds that are not budgeted as General Fund, yet do not meet the accounting requirements to be reported in any of the other GAAP fund types.
108. **Special Revenue Funds:** Use this GAAP fund type to account for and report the proceeds of specific revenue sources if:
 - a. Those revenues are restricted or committed for specific purposes (other than debt service and capital projects), and
 - b. The total of the restricted and committed revenues comprise a substantial portion of the GAAP fund's inflows. (For this purpose, the state considers 30 percent or more of total inflows to be substantial.)

In addition, the agency must expect the restricted and committed revenues to continue to comprise a substantial portion of the total inflows going forward. Refer to Appendix C of this policy for specific instructions on how to determine if a D23 fund should be reported in a special revenue GAAP fund or the GASB 54 General Fund.

109. **Capital Projects Fund:** Use this GAAP fund to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including acquisition or construction of capital facilities and other capital assets. Do not use the Capital Projects GAAP

Fund to account for capital outlays financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments.

*NOTE: Report D23 funds used to account for capital projects financed through **General Fund appropriations** in the General Fund rather than the Capital Projects GAAP Fund.*

110. **Debt Service Funds:** Use this GAAP fund type to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. A debt service GAAP fund must be used if:

- a. Legally mandated, or
- b. Financial resources are being accumulated to pay principal and interest maturing in the future.

*NOTE: Report D23 funds used to account for debt service financed through **General Fund appropriations** in the General Fund rather than the Debt Service GAAP Funds.*

111. **Permanent Fund:** Use this GAAP fund to account for and report resources that are restricted to the extent that only the earnings, and not the principal, may be used to support programs for the benefit of the government or citizens.

112. **Proprietary Funds:** The state uses [proprietary GAAP funds](#) to report business-type activities similar to private sector operations. Proprietary GAAP fund types include [enterprise funds](#) and the [internal service funds](#). D23 funds that close to proprietary GAAP funds use the economic resources measurement focus and the accrual basis of accounting.

113. **Enterprise Funds:** Use this GAAP Fund type to report any activity for which an agency charges a fee to external users for goods or services. Agencies *must* use an enterprise GAAP fund if any of the following criteria applies:

- a. The activity is financed with debt that is secured solely by a pledge of the net revenue from fees and charges of the activity.
- b. Laws or regulations require that the activity's costs of providing services, including capital costs, be recovered with fees and charges rather than with taxes or similar revenues.
- c. The pricing policies of the activity establish fees and charges designed to recover its costs, including capital costs.

114. **Internal Service Funds:** Use this GAAP fund type to report activities that provide goods or services to other funds, state agencies, or the state's component units on a cost-reimbursement basis. Generally accepted accounting principles specify using either an internal service fund or the General Fund to report risk financing activities (insurance programs). The state reports its risk financing activities in the Central Services GAAP fund.

115. **Fiduciary Funds:** The state uses [fiduciary GAAP funds](#) to report resources the state holds in a fiduciary capacity as an agent or trustee. Fiduciary fund types include [pension and other employee benefit trust funds](#), [investment trust funds](#), [private purpose trust funds](#), and [agency funds](#). D23 funds that close to fiduciary GAAP funds use the economic resources

measurement focus and the accrual basis of accounting, except for agency funds, which have no measurement focus.

116. **Government-wide Reporting Fund:** The state uses the [government-wide reporting GAAP fund](#) to convert governmental fund activities to the economic resources measurement focus and full accrual basis of accounting. This conversion allows the long-term assets and long-term liabilities associated with governmental funds to be reported in the state's government-wide financial statements.
117. Refer to Appendix A for a list of GAAP funds, including descriptions.

Appropriated Funds

118. The Budget and Management Division (BAM) of **DAS** controls the appropriation structure in R*STARS. BAM establishes appropriation numbers in R*STARS for General Fund revenue, General Fund appropriations, and all **limitations**; each five-digit appropriation number represents a line item in the legislatively approved budget.
119. The appropriation numbering scheme designates the funding source: general funds, federal funds, lottery funds, and other funds.

3XXXX	Other funds and non-limited other funds
4XXXX	Lottery funds
6XXXX	Federal funds and non-limited federal funds
7XXXX	General Fund revenue
8XXXX	General Fund appropriation

Each appropriation number is tied to an appropriated fund.

120. The state uses separate appropriated funds to track capital projects. Capital projects include expenditures that increase the value of capital property, extend the useful life, or adapt the property to a different use. Use a *capital improvement* appropriated fund (XX10), if the project is budgeted at less than \$500,000. Use a *capital construction* appropriated fund (XX20), if the project is budgeted for \$500,000 or more.
121. The state also uses separate appropriated funds to track debt service activity. Debt service includes expenditures for principal and interest on bonds and certificates of participation (XX30).
122. Refer to Appendix B for a list of the appropriated funds, including descriptions.

Stabilization Funds

123. The state maintains two stabilization funds. The Legislature appropriates these resources only when specific circumstances related to economic or revenue conditions exist.
124. ORS 293.144 authorizes the Oregon Rainy Day fund. The fund (agency 999; D23 fund 2700) accounts for resources that have been transferred from the General Fund according to state law. Because these resources do not derive from specific restricted or committed revenue sources, the state reports this D23 in the General Fund, but has given it an individual GAAP fund (0055) for ease of tracking the balance .
125. The Oregon Constitution, Article XV, Section 4, authorizes the Education Stability Fund. The fund (agency 107; D23 fund 4750) accounts for net lottery proceeds that have been set aside to

support public education. The state reports this fund in the Educational Support GAAP Fund (a special revenue GAAP fund).

Disclosure Requirements

126. SARS prepares the Budgetary Statement of Legal Compliance (BSLC) in conjunction with preparation of the **Comprehensive Annual Financial Report** (CAFR). The BSLC displays budgetary compliance at the legal level of control, i.e., it compares budgeted and actual expenditures at the appropriation number level.
127. SARS also presents budgetary comparison schedules in the CAFR. These schedules compare budgeted expenditures to actual expenditures by funding source. SARS includes only those appropriated funds that are subject to appropriation or limitation.

Appendix A GAAP Funds

General Fund

Purpose

0001	General Fund	Used to account for General Fund revenues and expenditures, including debt service and capital projects funded by General Fund appropriations.
0054	GASB 54 General Fund	Governmental activities that are not budgeted as General Fund, yet do not meet the accounting requirements to be reported in other GAAP funds.
0055	Oregon Rainy Day Fund	A stabilization fund which accounts for resources that have been transferred from the General Fund (GAAP 0001) in accordance with state law. These resources, along with investment income generated, can be appropriated by the Legislature only when certain criteria related to economic or revenue conditions have been met. Because these resources do not derive from a specific restricted or committed revenue source, the state reports this fund in the CAFR as part of the General Fund.

Special Revenue Funds

Purpose

1101	Agricultural Resources Fund	Programs related to the promotion, inspection, and regulation of the state's agricultural industry.
1102	Business Development Fund	Programs that expand existing businesses and attract or promote new businesses.
1103	Community Protection Fund	Activities to help ensure the safety of the state's citizens and their property through the courts, police, military, and correctional facilities.
1104	Consumer Protection Fund	Programs that regulate existing businesses and license various professionals and organizations.
1105	Educational Support Fund	Programs related to developing students' academic abilities to the fullest from early childhood into postgraduate research, not including activities accounted for in the Common School Fund.
1106	Employment Services Fund	Programs that provide workers with a safe and secure workplace.
1107	Environmental Management Fund	Programs that promote, protect, and preserve the state's forests, parks, wildlife, fish, and waterways.
1108	Health and Social Services Fund	Programs that provide assistance, services, training, and health care to individuals and families who do not have sufficient resources to meet their basic needs.
1109	Nutritional Support Fund	Programs to improve the diets of low-income households and school children.
1110	Other Special Revenue Fund	Programs that do not match any of the other special revenue fund definitions.

Appendix A GAAP Funds

1111	Public Transportation Fund	The planning, design, construction and maintenance of highways, roads, bridges and public systems relating to air, water, rail, and highway transportation.
1112	Residential Assistance Fund	Programs that help to meet the housing and energy needs of low-income Oregonians.
1113	Common School Fund	Programs to manage state-owned land, including a leasing program that generates annual revenues, for the benefit of the public school system. Also includes funds that become the property of the state, such as estate funds, unclaimed property, and income derived from unclaimed property.

Debt Service Funds

Purpose

2001	Revenue Bond Fund	The accumulation of resources for payment of debt service on revenue bonds not reported in proprietary funds.
2002	Certificates of Participation Fund	The accumulation of resources for payment of debt service on certificates of participation not reported in proprietary funds.
2003	General Obligation Bond Fund	The accumulation of resources for the payment of debt service on general obligation bonds not reported in the General Fund or proprietary funds.
2005	General Appropriation Bond Fund	The accumulation of resources for the payment of debt service on general appropriation bonds not reported in the General Fund or proprietary funds.

Capital Projects Fund

Purpose

3001	Capital Projects Fund	Construction or acquisition of major capital facilities and other capital assets not funded by the General Fund.
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Enterprise Funds

Purpose

4001	Housing and Community Services Fund	Activities to finance multi-family housing construction and home mortgages for low-income families and other programs such as the moderate-income elderly and disabled housing finance program, the single-family loan program, and the community development corporation program.
4002	Veterans' Loan Fund	Activities to finance owner-occupied, single family residential housing for eligible Oregon veterans.
4003	Energy Loan Fund	Activities to provide low interest loans for renewable energy resource and energy conservation projects.
4005	Business Development Fund	Resources used to finance land, buildings, machinery, and permanent working capital for eligible activities including those determined to diversify an economic base.
4006	Special Public Works Fund	Loans and grants to local governments for construction of infrastructure that supports needed public services.
4007	State Hospitals Fund	Operation of state hospitals and state residential group homes

**Appendix A
GAAP Funds**

		that provide treatment services for specific citizens as well as training and care for developmentally disabled persons.
4008	Lottery Operations Fund	Operation of the Oregon State Lottery.
4009	Liquor Control Fund	Operation of the Oregon Liquor Control Commission.
4013	Other Enterprise Funds	Sales of goods and services to the public not specifically accounted for in another enterprise fund.
4014	Veterans' Home Fund	Operation of the Oregon Veterans' Home.
4015	Unemployment Compensation Fund	Federal moneys and unemployment assessments collected from employers to provide payment of benefits to the unemployed.
4016	University System Fund	Operation of the state's institutions of higher education.
4017	Water Fund	Loans and grants to municipalities to improve compliance with federal and Oregon water quality standards.
4018	Safe Drinking Water Fund	Low-cost financing for construction or improvement of public and private water systems under the Safe Drinking Water program.

Internal Service Funds

Purpose

5001	Central Services Fund	Services provided to state agencies such as accounting, budgeting, personnel, mail and shuttle, purchasing, printing, copy center, data center, property development, telecommunications, motor pool, and risk financing (insurance programs).
5002	Legal Services Fund	Activities of the Attorney General's office to represent and advise the state's elected and appointed officials, agencies, boards, and commissions.
5003	Banking Services Fund	Activities of the Oregon State Treasury.
5004	Audit Services Fund	Activities of the Secretary of State Audits Division to provide independent auditing services to state agencies.
5005	Forestry Services Fund	Activities of the Department of Forestry to operate an equipment and maintenance pool that provides transportation, heavy equipment, and aircraft support for operating programs and other state agencies.
5007	Other Internal Service Funds	Sales of goods and services to other state funds or agencies through activities not specifically accounted for in another internal service fund.

Pension and Other Employee Benefit Trust Funds

Purpose

6100	Public Employees Defined Benefit Pension Plan Fund	Activities of the defined benefit portion of the Oregon Public Service Retirement Plan (OPSRP) administered by the Public
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Appendix A GAAP Funds

		Employees Retirement System (PERS) under Internal Revenue Code (IRC) Section 401(a).
6102	Deferred Compensation Plan Fund	The IRC Section 457 deferred compensation plan offered to employees of the state and administered by PERS.
6103	Individual Account Program Defined Contribution Pension Plan Fund	Activities of the defined contribution portion of the OPSRP administered by PERS.
6105	Retirement Health Insurance Account (RHIA) OPEB Plan Fund	Activities of the RHIA cost-sharing, multiple-employer Other Postemployment Benefit (OPEB) plan administered by PERS. The RHIA is a defined benefit OPEB plan established pursuant to IRC Section 401(h). The plan authorizes a payment of up to \$60 towards the monthly cost of health insurance for eligible PERS members participating in PERS-sponsored health insurance plans.
6106	Retiree Health Insurance Premium Account (RHIPA) OPEB Plan Fund	Activities of the RHIPA single-employer OPEB plan administered by PERS. The RHIPA is a defined benefit OPEB plan established pursuant to IRC Section 401(h). The plan authorizes payment to eligible retired state employees of the average difference between the health insurance premiums paid by retirees, under contracts entered into by the PERS Board, and health insurance premiums paid by state employees who are not retired.

Agency Funds

6405 Custodial Agency Funds

Purpose

Resources held in an agent or custodial capacity for other governments or entities outside of the state. It includes all agency funds except those used to hold resources for other funds or other agencies within the state.

6406 Clearing Agency Funds

Balances intended for other funds or other agencies. It is cleared for year end reporting.

Investment Trust Fund

6501 Investment Trust Fund

Purpose

The local government portion of the investment pool managed by the Office of the State Treasurer.

Private Purpose Trust Fund

7002 Private Purpose Trust Fund

Purpose

Trust arrangements under which principal or income benefits specific individuals, private organizations, or other governments. The assets of private purpose trust funds are not owned by state government.

**Appendix A
GAAP Funds**

Permanent Fund

7505 Permanent Fund

Purpose

Resources that are legally restricted to the extent that only earnings, not principal, may be used for purposes that support the state's programs.

Government-Wide Reporting Fund

8500 Government-Wide Reporting
Fund

Purpose

Long-term accounts and transactions used to convert governmental funds to a full accrual basis for reporting in the government-wide financial statements.

**Appendix B
Appropriated Funds**

<u>Other Funds</u>		<u>Purpose</u>
3010	Other Funds Capital Improvements	Capital improvements funded with other funds.
3020	Other Funds Capital Construction	Capital construction funded with other funds.
3200	Other Funds Non-limited	Expenditures made with other funds that are not subject to expenditure limitation by the Legislature.
3230	Other Funds Debt Service Non-limited	Other funds used to pay principal, interest and other debt service that is not subject to legislative limitation.
3400	Other Funds Limited	Expenditures made with other funds that are subject to legislative limitation except for capital improvements, capital construction, and debt service.
3430	Other Funds Debt Service Limited	Other funds used to pay principal, interest, and other debt service that is subject to legislative limitation.
3600	Other Funds Non-budgeted	Expenditures made with other funds that are not included in the budget process.
<u>Lottery Funds</u>		<u>Purpose</u>
4010	Lottery Funds Capital Improvements	Capital improvements funded with lottery moneys.
4020	Lottery Funds Capital Construction	Capital construction funded with lottery moneys.
4400	Lottery Funds Limited	Expenditures made with lottery moneys except for capital improvements, capital construction, and debt service.
4430	Lottery Funds Debt Service Limited	Lottery moneys used to pay principal, interest, and other debt service.
<u>Federal Funds</u>		<u>Purpose</u>
6010	Federal Funds Capital Improvements	Capital improvements funded with federal funds.
6020	Federal Funds Capital Construction	Capital construction funded with federal funds.
6200	Federal Funds Non-limited	Expenditures made with federal funds that are not subject to legislative limitation.
6230	Federal Funds Debt Service Non-Limited	Federal funds used to pay principal, interest and other debt service that is not subject to legislative limitation.
6400	Federal Funds Limited	Expenditures made with federal funds except for capital improvements, capital construction, and debt service.

**Appendix B
Appropriated Funds**

6430	Federal Funds Debt Service Limited	Federal moneys used to pay principal, interest, and other debt service.
6600	Federal Funds Non-budgeted	Expenditures of federal funds that are not included in the budget process.
<u>General Fund</u>		<u>Purpose</u>
8000	General Fund	Expenditures funded by General Fund appropriation except capital improvements, capital construction, and debt service.
8010	General Fund Capital Improvements	Capital improvements funded by General Fund appropriations.
8020	General Fund Capital Construction	Capital construction funded by General Fund appropriation.
8030	General Fund Debt Service	Principal, interest, and other debt service paid with the General Fund.
8800	General Fund Revenue	General Fund revenue received by the state.
9998	Government-Wide Reporting Fund	Used in conjunction with GAAP fund 8500, Government-Wide Reporting Fund.

Appendix C
A Guide for Analyzing Special Revenue Funds
Under GASB Statement No. 54

INTRODUCTION

Special revenue funds account for and report the proceeds of **specific revenue sources** that are **restricted or committed** to expenditure for **specified purposes** other than debt service or capital projects.

The term "proceeds of specific revenue sources" means that one or more specific restricted or committed revenues should be the foundation of a special revenue fund. The restricted or committed proceeds of specific revenue sources must comprise a substantial portion of the "inflows" reported in the fund. For state financial reporting purposes, the substantial portion test is met if total restricted and committed revenues comprise at least 30 percent of the total inflows of a GAAP-level special revenue fund.

Agencies do not need to review their special revenue funds every year. Instead, the determination of whether an activity is appropriately reported in a special revenue fund is based on the agency's expectation that the inflows used in the calculations will continue to be available in the future in roughly the same percentages.

There is one caveat. The question of whether an activity is appropriately reported in a special revenue fund should be reexamined each time an agency requests a new D23 fund that rolls up to a special revenue GAAP fund. The agency will need to estimate the inflows of the new D23 fund and then complete the test at the GAAP fund level.

*NOTE: The process of determining if a new D23 fund may be classified as a special revenue fund is independent of the process of determining the appropriate fund balance category. **Determine the appropriate fund balance category first; then perform the special revenue fund test.***

SPECIAL REVENUE GAAP FUNDS

Step 1: Does the new D23 fund account for activities that are normally associated with one of the special revenue GAAP funds listed below?

If the answer is **YES**, go to Step 2 to determine whether to report this activity in a special revenue fund.

If the answer is **NO, STOP!** This process does not apply.

1101	1104	1107	1110	1113
1102	1105	1108	1111	
1103	1106	1109	1112	

Appendix C
A Guide for Analyzing Special Revenue Funds
Under GASB Statement No. 54

TRANSFERS-IN

Step 2: Are transfers-in the only source of inflows in the new D23 fund?

If the answer is **NO**, go to Step 3.

If the answer is **YES**, see the options below:

Option 1: Designate GAAP Fund 0054 (GASB 54 General Fund) as the GAAP fund for the new D23 fund without further analysis. The capital projects GAAP fund or a debt service GAAP fund may also be used, if appropriate.

Option 2: If you prefer not to report the new D23 fund in GAAP Fund 0054, the capital projects GAAP fund, or a debt service GAAP fund, go to Step 3 to perform the special revenue fund test. (The D23 fund may qualify to be reported in a special revenue GAAP fund based on one condition: after adding the inflows of the new D23 fund, the restricted and committed revenues at the GAAP fund level still meet the 30 percent test.)

Caution: If resources have been transferred between D23 funds within the same GAAP fund, eliminate those transfers so that the same inflows are not counted twice.

EXAMINE REVENUE SOURCES (The Special Revenue Fund Test)

Step 3: Determine the special revenue GAAP fund that most closely aligns with the expected activities of the new D23 fund.

Step 4: Use the G54 codes (OAM 15.85.00) of the D23 funds currently reported in the special revenue GAAP fund identified in Step 3 to prepare an analysis of the GAAP fund's inflows. Segregate the revenue sources as restricted, committed, or assigned.

Caution: Remember that all revenues are inflows, but not all inflows are revenues. Transfers-in are "other financing sources" for financial reporting. Do not include them as revenues for purposes of this test. (Inflows = Total Revenues + Total Transfers-in)

Step 5: Add the expected inflows of the new D23 fund to the analysis.

Caution: Remember to determine the proper fund balance classification and GASB 54 code(s) for the new D23 fund before performing the special revenue fund test. (Refer to Appendix A of OAM 15.85.00.)

Step 6: Add total restricted and committed revenue sources together and determine their combined percentage of the total inflows. Do the total restricted and committed revenue sources represent 30 percent or more of the total inflows?

Appendix C
A Guide for Analyzing Special Revenue Funds
Under GASB Statement No. 54

Step 6 (cont'd.)

If the answer is **YES**, report the new D23 fund in the special revenue GAAP fund. No further action is required.

If the answer is **NO**, do not report the new D23 fund in a special revenue GAAP fund. Instead, report the D23 fund in the GASB 54 General Fund, the Capital Projects GAAP Fund, or a debt service GAAP fund, as appropriate.

Example 1

GAAP FUND XXXX		
Description of Inflows	Amount	Revenue Type
Business taxes	300	Restricted
Other fees	100	Committed
<i>Subtotal restricted/committed</i>	400	
Transfers-in from lottery	4600	Not a revenue
<i>Total inflows</i>	5000	
Total restricted/committed revenues: <u>400</u> Total inflows: 5000	8%	Percentage must be 30% or greater.

In this example, the activity should not be reported in a special revenue GAAP fund. Although total inflows (\$5,000) are considered restricted or committed *resources*, restricted or committed *revenues* (\$400/\$5,000) represent only 8 percent of total inflows.

Example 2

GAAP FUND XXXX		
Description of Inflows	Amount	Revenue Type
Business taxes	200	Restricted
Other fees	175	Committed
<i>Subtotal restricted/committed</i>	375	
Miscellaneous revenues	875	Assigned
<i>Subtotal revenues</i>	1250	
Transfers-in from lottery	300	Not a revenue
<i>Total inflows</i>	1550	
Total restricted/committed revenues: <u>375</u> Total inflows: 1550	24%	Percentage must be 30% or greater.

In this example, the activity should not be reported in a special revenue GAAP fund. Although total revenues make up 81 percent (\$1,250/\$1,550) of total inflows, restricted or committed revenues make up only 24 percent of total inflows (\$375/\$1,550).

Appendix C
A Guide for Analyzing Special Revenue Funds
Under GASB Statement No. 54

Example 3

GAAP FUND XXXX		
Description of Inflows	Amount	Revenue Type
Business taxes	400	Restricted
Other fees	500	Committed
<i>Subtotal restricted/committed</i>	900	
Miscellaneous revenues	100	Assigned
<i>Subtotal revenues</i>	1000	
Transfers-in from lottery	500	Not a revenue
<i>Total inflows</i>	1500	
Total restricted/committed revenues: <u>900</u> Total inflows: 1500	60%	Percentage must be 30% or greater.

In this example, the activity is appropriately reported in a special revenue GAAP fund because 60 percent of the inflows are restricted or committed revenues (\$900/\$1500).