

# D23 Funds

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# New D23 Fund

n D23 fund forms are available at

n <http://www.oregon.gov/das/Financial/AcctgSys/Pages/forms.aspx>

n D73 fund forms are also available at this website

## Profile requests

[Cash fund profile \(D73\)](#) 

[Fund profile \(D23\)](#) 

- n All fields of the D23 Fund Request must be completed by the agency
- n An agency's Accountant 4 and above may authorize D23 fund request.

# Establishing a New Fund

- n Include the following information in the space provided on the bottom half of the Fund Profile (D23) request
  - n What will this fund be used for?
  - n What is the revenue funding source?
  
- n Separate PCA's should be established after the D23 fund has been established

# Establishing a New Fund

- n What appropriation number will be used for this fund? (20 Profile)
  - n The guideline is to have only one appropriation associated with a D23 fund
    - § This is due to the complexity of reporting
  - n An agency can choose to have more than one appropriation associated with a D23 fund but they should be advised of these reporting complexities
    - § Both appropriations must have the same appropriated fund

# Establishing a New Fund

- n Appropriation Number – 20 Profile cont
  - n Non-budgeted D23 funds should have an appropriation
  - n Suspense accounts do not have an appropriation
    - § Suspense accounts will have unique Treasury accounts)
  - n The appropriated fund on the D23 request must match the appropriated fund on the listed appropriation

# Establishing a New Fund

- n What are the legal/legislative expenditure restrictions?
  - n List the legal authority(ies) in this field that pertain to the specific spending authority for this D23 fund.
    - n Include a copy of this legal authority with your D23 fund request.
    - n Authority for a new Treasury Fund, separate and distinct from the general fund is not the spending authority to establish a D23 fund.

# Establishing a New Fund

- n What are the legal/legislative expenditure restrictions? - cont
  - n The legal restrictions, or spending authority, may be included in the GASB 54 authority for the D23 fund. examples:
    - n ORS
    - n E-Board Minutes
    - n Senate Bill or House Bill
    - n Chapter Law
    - n Other

# New D23 Fund Requests

- n The legal authority must accompany the D23 fund request
  - n Hard copy
  - n Electronic link to ORS, SB or HB
  - n E-BD minutes
    - n **If no legal authority is included, get SFMS Operation's Manager okay**

# New D23 Fund Requests - Fields

- n 1 - Agency Number
  - n Your agency number
- n 2 - Fiscal Year
  - n the D23 fund will be added for each remaining FY in the current AY
- n 3 - Fund
  - n Agency assigned fund number
- n 4 - Title
  - n The D23 fund title should be consistent with the legal authority wording

# New D23 Fund Requests – Fields cont

## n 5 - Appropriated Fund – D22 Profile

- n Must match the appropriated fund on the 20 appropriation number profile listed under ‘What appropriation number will be used for this fund?’

## n 6 - GAAP Fund – D24 Profile

- n If apprd fund is 8000-8999, the GAAP fund = 0001
  - The GAAP fund can be updated if SARS disagrees with what is on the D23 fund request

## n 7 - State Fund Group – D39 Profile

- n 0015 for Lottery – funds must come directly from Lottery
  - § 9999 Default

# New D23 Fund Requests – Fields cont

## n 8 - Local Fund Ind

- n 'N' – the default value.
  - § Allows agencies to issue warrants from the D23 fund.  
Use 'N' for Treasury Funds
- n 'S' – for treasury accounts, CIB, COP or other D23 funds with D23 treasury fund '9999'.
  - § The purpose of this code is to prevent agencies from issuing warrants.

# New D23 Fund Requests – Fields cont

## n 9 - GASB 54

- § Enter a two-character GASB 54 code or leave blank.
- § GAAP funds below 4000 or equal to 7505.
- § The codes and rules for use are as follows:
  - § R1 – Restricted by federal laws, federal regulations or federal grant agreements.
  - § R2 – Restricted by the Oregon Constitution – cited article and section grants authority to collect specific revenue and its purpose.
  - § R3 – Restricted by enabling legislation – ORS, or chapter law that authorizes specific revenue and limits its use to a specific purpose

# New D23 Fund Requests – Fields cont

## n 9 - GASB 54 –

- n R4 – Restricted by debt covenants
- R5 – Restricted by donor, include name of donor, type of agreement, date of agreement required
- C1 – Committed Fund Balance, ORS or other reference required
- A1 – Assigned Fund Balance, general description required
- U1 – Unassigned, type of general fund revenue cited, income tax, inheritance tax, etc.
  - Appd fund 8800 or other fund appd fund with GAAP fund 0054

# New D23 Fund Requests – Fields cont

## n 10 - Cash Fund – D73 Profile

- Cash funds are not required, it is up to the agency to decide if they want to use cash funds
- Cash funds allow agencies to combine cash from multiple D23 funds on the 63 Cash Control Financial Table
  - Search by Cash Fund on the 63 profile instead of Fund
- Cash Control Fund Control must be a '3' if using a cash fund

# New D23 Fund Requests – Fund Control Levels

## n 11 - Appropriation

- The level of fund control that will be posted to the agency appropriation table (62 APPROPRIATION FINANCIAL INQUIRY)
- Valid values:
  - 0 - NONE
  - 1 - APPROPRIATED FUND
  - 2 - FUND
  - 3 - CASH FUND
- The level of control cannot be set at a higher level than the indicator on the 20 Appropriation profile
  - Field title : CTL TYP- CASH:

# New D23 Fund Requests – Fund Control Levels

## n 12 - Agency Budget

- The level of fund control that will be posted to the agency budget table (61 AGENCY BUDGET FINANCIAL INQUIRY)
- Valid values:
  - 0 – NONE
  - 1 - APPROPRIATED FUND
  - 2 – FUND
  - 3 - CASH FUND
- The level of control cannot be set at a higher level than the 20 Appropriation profile
  - Field title:
  - ENC:

# New D23 Fund Requests – Fund Control Levels

## n 13 - Cash Control

- n The level of fund control that will be posted to the agency cash control table. (63 CASH CONTROL FINANCIAL INQUIRY)
- n 0 – NONE
  - § If appropriated fund = 9998
    - § Cash control = 0
- § 1 - APPROPRIATED FUND
  - § If General Fund Cash
    - § CC indicator = 1
- § 2 – FUND
  - § If Other Funds
    - § CC indicator = 2 or 3
- § 3 - CASH FUND
  - § If there is a cash fund
    - § CC indicator 3

# New D23 Fund Requests – Fund Control Levels

- n 14 – D23 Treasury Fund (Agency Account)
  - n This is a required field
    - n General Fund = 0401
    - n Treasury Fund (Agency Account) = 0402-7999
    - n Suspense Account (Treasury account) = 0001-0400 & 8000-8999
    - n Cash in Bank = 9999
    - n Treasury funds active on R\*STARS can be found on the D53 Titles Profile under the Table ID *TRES*
  - n If you need a new Treasury Fund or a cross-walk number for a Suspense Account, contact SFMS Accountant (me)

# New D23 Fund Requests – Fund Control Levels

## n 14 – D23 Treasury Fund - cont

- If Federal or General Funds
  - D23 Treasury fund should be 0401 unless legal authority indicates a fund separate and distinct from the general fund
- Separate and Distinct from the General Fund
  - New Treasury Funds are requested through SFMS (1xxx-7xxx)
    - Legal authority should indicate if a separate Treasury Fund account is involved
    - The Treasury Fund account title should be indicated in the legal authority

# New D23 Fund Requests – Fund Control Levels

## n 14 – D23 Treasury Fund - cont

- Funds not held at State Treasury
  - Cash in Bank (CIB)
    - Treasury Fund 9999
- Suspense Accounts (Treasury Accounts)
  - Agencies deal directly with Treasury to establish new Suspense Accounts
    - Contact SFMS if you need to have a cross-walk number established between Treasury and R\*STARS (8xxx)

# New D23 Fund Requests – Fund Control Levels

## n 15 - CC Org Level Ind

- Determines whether the agency code is posted to the Cash Control financial table.
- This indicator must match the CC Org Level Ind value on the Appropriated Fund referenced in this record (D22)
  - 0 – Do not post agency
  - 1 – Post agency
- NOTE: If the Cash Control fund level indicator is 3, the CC Org Level Ind must be 1.

## n 16 – Deposit Interest-Ind

- Identifies whether the fund is eligible for depository interest
  - The default is 'Y' = Yes

# New D23 Fund Requests

## n 17 - GASB 54 Description

- n Enter the GASB 54 Description up to 40 characters.  
Do Not use the GASB 54 code title as the description
  - n R1 – Restricted by federal laws, federal regulations or federal grant agreements.
    - n Enter the Grant no., CFDA no., CFR reference, etc.
  - n R2 – Restricted by the Oregon Constitution – cited article and section grants authority to collect specific revenue and its purpose.
    - n Enter the Article number, Section number, and subsection\*
  - n R3 – ORS, or chapter law that authorizes specific revenue and limits its use to a specific purpose
    - n Enter the year Laws, Chapter number, Section number, and subsection
- n \*Oregon Constitution reference

# New D23 Fund Requests

## n 17 - GASB 54 Description - cont

- n R4 – Restricted by debt covenants
    - n Enter the Year and series of debt issue
  - n R5 – Restricted by donor, include name of donor, type of agreement, date of agreement required
    - n Enter the type of agreement, name, date
  - n C1 – Committed Fund Balance
    - n Enter the ORS number or other reference
  - n A1 - Assigned Fund Balance
    - n Enter a general description General description
  - n U1 - Unassigned
    - n Enter the type of general fund revenue cited, income tax, inheritance tax, etc.
- n For D23 Funds that do not require a G54 Code, this field must be left blank

# New D23 Fund Requests – Fields cont

- § A G54 code is Not required for the following GAAP Types (D24 Profile):
- § ENTPRSE
  - § INTSERV
  - § PENSION
  - § FIDUCIR
  - § AGENCY
  - § PRIVPUR
  - § GOVWIDE
  - § DEFAULT

# New D23 Fund Requests

- n New D23 Fund requests are sent to your agency SARS analyst to verify:
  - n The GAAP Fund
  - n The G54 Code
  - n The G54 Description
- n These elements can be updated by SARS request
- n The verification does not need to be received before the D23 fund is established
  - n If the GAAP fund or G54 Code are updated after the D23 fund has been established, the agency may need to move equity balances

# Cash Funds

- n If a new D73 Cash Fund is requested
  - n Include the D73 Cash Fund request with your D23 Fund Profile request
    - n <http://www.oregon.gov/das/Financial/AcctgSys/Pages/forms.aspx>
  - n A cash fund is an account that will allow agencies to group multiple D23 fund transactions in a single cash fund.
    - n Cash fund balances will be available on the 63 screen by the cash fund number, not the D23 fund number
  - n The D73 Cash fund must be added before the D23 fund profile can be added
  - n Do not include the appropriation number on the Cash Fund request unless you are requesting Linking to be established

# Treasury Fund (Agency Account)

- n If the D23 fund requires a new Treasury Fund
  - n Send an email request to SFMS (me) for a new Treasury Fund
    - n Include the legal authority for the Treasury Fund that contains the wording 'separate and distinct from the general fund'.
    - n The legal authority can be sent by fax or email. Include a link to the legal authority if you are sending by email

# Treasury Fund (Agency Account)

## n If the D23 fund requires a new Treasury Fund - cont

- n Specify which account will earn interest
  - § The legal authority should specify if the new Treasury Fund will earn its own interest
  - § If the legislation is silent on this issue, the general fund will earn the interest
- n Specify which account will pay Treasury fees
  - § This may be specified in the legislation
  - § The fund can pay its own fees
  - § Another Treasury Fund can be selected

# Treasury Fund (Agency Account)

- n If the D23 fund requires a new Treasury Fund - cont
  - n SFMS will request a new Treasury Fund from Dept of Treasury
    - n The new Treasury Fund may not be available for 5 days after the request is sent
  - n The new Treasury Fund must be added to R\*STARS before the D73 Cash Fund or D23 Fund Profile can be added.

# D23 Fund Changes

- n Very few elements on an existing D23 fund can be changed
  - n Changes should be requested by email with any required SARS approval included
  - n Fund Title
    - n Only if the new title is consistent with the intention of the old title
  - n GAAP fund – current and future FY only (unless specified)
    - n with approval from your agency SARS analyst
    - n If the GAAP fund is changed in the first fiscal year of a biennium after nominal entries were posted and the GAAP fund type changes; there may need to be transactions entered in the second fiscal year to move equity balances.

# D23 Fund Changes - cont

- n GASB 54 Code – current and future FY only (unless specified)
  - n Can be updated with approval from your SARS analyst
  - n If the G54 code is updated in the first FY of a biennium after nominal entries were posted, the agency will need to enter transactions in the second FY of the biennium to move equity GL balances
- n GASB 54 Description – current and future FY only (unless specified)
  - n The new description must be consistent with the legal authority for the D23 fund.

# D23 Fund Inactivations

- n Requests to inactivate a D23 fund should be sent by email
  - n There is not a form to request inactivation
  - n All “Real” General Ledger (GL) accounts must have a 0.00 balance
  - n GL’s 1011/1111 must have a 0.00 balance
    - n A D23 Balance query is available on the datamart in the shared Repository. This query can be used to verify GL account balances by D23 fund
    - n The 89 SGL Account Inquiry screen can be used to look up the closing GL Balance

# D23 Fund Inactivations

- n Not all D23 funds can be inactivated
  - n A balance in memo GL's 1011 or 1111 means that there are outstanding warrants
    - n The agency will need to work with the vendors to get the warrants redeemed or wait until the warrant expires
  - n Capital Construction D23 funds will not be inactivated
    - n If the Appd Fund on the D23 fund is: 3020, 4020, 6020, 8020
      - § Inactivating D23 funds with these appd funds will cause errors on the financial archive

# D23 Fund Inactivations

- n Exception for inactivations
  - n If the balance in the Real GL account that the D23 fund will close to at year end balances to 0.00 with all nominal GL account balances.
  - n Determining the closing GL:
  - n Using the GAAP Fund Type found at the bottom of the D23 fund profile
    - § Go to the D21 profile and enter the GAAP Fund type for the D23 fund (For non-GASB54 D23 funds)
      - § The FUND BALANCE GL listed is the closing GL
    - § For GASB54 D23 funds, go to the D54 Table and enter table ID GB54
      - § Enter the G54 code in Key 1
      - § The closing GL will be listed in the REFERENCE DATA field

# D23 Fund Inactivations

- n If there is a separate Treasury Fund or cash fund (D73) associated with the D23 fund, then these should be requested to be inactivated also if there will no longer be D23 funds pointing to the Treasury Fund or cash fund
  - n The D23 fund and cash fund must be requested to be inactivated separately from the Treasury Fund inactivation request
  - n The request can be on the same email but the D23 fund and/or cash fund must be specifically stated

# D23 Fund Inactivations

## n General Fund D23 funds

- n Appd Fund between 8000 – 8999 (except 8020)
- n The negative cash and equity are moved to agency 999 by SFMS
  - n SFMS will notify the agency of the transaction number and transaction amount
  - n This change in equity will need to be included on the agency CAFR disclosures
- n The D23 fund will be inactivated the day after the cash balances have been moved

# D23 Funds - Rolls

- n D23 Funds that are active in the current FY will be rolled forward into the new biennium when DAFM355 Profile Roll program is run in April of each odd number year
  - n Inactive D23 funds will not roll forward
- n Inactive D23 funds will be temporarily re-activated for year end when DAFM351 Year-End close program processes
  - n The D23 funds will be re-inactivated after this program is completed and all errors are corrected

# Issuing Debt

- n Housing, Veteran's Affairs, Energy and Dept of Education can sell their own bonds. All other agencies sell bonds through DAS
- n Bonds sold by DAS
  - n Bonds which cover several agencies
  - n BAM will provide agencies with bond detail (source and use statements)
  - n DAS maintains the Administrative Fund (D23)
  - n A new Treasury fund (agency account) is required for each new bond series issue

# Issuing Debt

## n Types of Debt - Bonds

- n Lottery Bonds
- n General Obligation Bonds (GO)
- n Revenue Bonds
- n Refunding Bonds

# Issuing Debt - Bonds

## n Lottery Bonds

- n Debt Service account is established at the Trustee
  - n If the funding source for the debt service is NOT from lottery dollars, D23 State Fund Group will be 9999
  - n If the funding source for the debt service IS from lottery dollars, D23 State Fund Group will be 0015
- n A D23 fund for Proceeds is required and it requires a separate Treasury Fund
  - n Lottery Bond Admin Fund requires a separate Treasury Fund for each bond series
    - § This fund is established at DAS

# Issuing Debt - Bonds

## n Lottery Bonds cont

- n Tax Exempt Bonds must have a separate
- n Taxable Bonds may co-mingle Treasury Funds but should have separate D23 funds
  - n For grants, gifts, etc

## n General Obligation Bonds

- n No revenue source (taxpayers liable for payments)
- n Proceeds usually held at Treasury
  - n New Treasury Fund required
- n XI-Q bonds proceeds usually held at Wells Fargo (trustee)

# Issuing Debt - Bonds

## n Revenue Bonds

- n Revenue bonds are not always Lottery Bonds
- n Money may be held at Treasury of a trustee
  - n New Treasury Fund required

## n Refunding Bonds

- n To re-purchase and resale bonds at a lower interest rate
- n Additional debt may be issued

# Lottery Bond D23 Funds

## n Lottery Bond Administrative Fund:

- n Established in the State Treasury, separate and distinct from the General Fund.
  - n One new treasury account is established for each bond series. This account is specific to agency 107, DAS.
- n DAS will receive monies from the agency for other cost of issuance payments. DAS will record receipt as revenue and record payment as revenue refund

# Lottery Bond D23 Funds

## n Proceeds

- n The agency will receive a net dollar amount for proceeds.
- n This will be deposited into the treasury account established for disbursement of proceeds.
- n Requires a separate D23 fund

# Lottery Bond D23 Funds

## n Reserve Account

- n Requires a separate D23 fund
  - n Established by DAS
- n The Reserve Account is located at the Trustee. As part of the bond closing, the amount for the reserve account was directly wire transferred to the Trustee.

## n Debt Service Account

- n Requires a separate D23 fund
- n Located at the Trustee. As part of the bond closing, the accrued interest amount was directly wire transferred to the Trustee.

# Additional Resources

## n R★STARS DATA ENTRY GUIDE

### n Chapter #5

### n Descriptive Profiles

n [http://www.oregon.gov/das/Financial/AcctgSys/Documents/Chapter\\_5\\_Desc\\_Profiles.html#Toc161476651](http://www.oregon.gov/das/Financial/AcctgSys/Documents/Chapter_5_Desc_Profiles.html#Toc161476651)