

Statewide Financial Management Services



D23 Advanced Training

Agenda

- Legislation Requirements
- D23 Funds related to Debt Issuance
- D23 Funds using Suspense Accounts
- Linking Cash
- GAAP Fund and G54 Indicators
- SFMA system jobs using D23 Fund Profile
- Closing Treasury Fund, D73 Cash Fund & D23 Fund
- SARS Review Process
- GAAP Fund selection decisions
- Changing a D23

DAS
DEPARTMENT OF
ADMINISTRATIVE
SERVICES
SFMS

Legislation Requirements



Karlene Hancock

Documentation for D23 - Engrossed

Engrossed Legislation –

- Is legislation that has only passed in one Chamber.

- Is subject to change.

- Still considered a document in process.

- Is not appropriate to request a D23 and will be rejected by SFMS.

Documentation for D23 - Enrolled

Enrolled Legislation –

Legislation that has been voted on by both houses and is ready for the signatures of the House Speaker/Senate President/Governor.

Once signed is the legal legislation and will become :

Chapter Law

ORS

This is the primary source of all legislation that is needed for a D23 Request.

Documentation for D23 – ORS/Ch Law

Once House and Senate Bills that have been passed and signed through the Governor will be assigned either into Chapter Law or ORS. Assignment can be found in the Measure History tab for the bill:

History tab will provide the dates of signatures:

3-29 (S)	Smith DB granted unanimous consent to change vote from nay to aye.
3-29 (S)	Vote explanation(s) filed by Boquist, Thatcher, Weber.
3-30 (H)	First reading. Referred to Speaker's desk.
3-30 (H)	Referred to Ways and Means.
4-4 (H)	Recommendation: Do pass.
4-4 (H)	Second reading.
4-5 (H)	Rules suspended. Carried over to April 6, 2023 Calendar.
4-6 (H)	Rules suspended. Third reading. Carried by Bynum, Wallan. Passed. Ayes, 44; Nays, 10--Cate, Chaichi, Diehl, Elmer, Levy B, Reschke, Scharf, Smith G, Stout, Wright; Excused, 6--Boice, Boshart Davis, Helm, Lively, Mannix, Owens. +
4-6 (H)	Vote explanation(s) filed by Chaichi, Levy B, Reschke, Scharf, Stout.
4-10 (S)	President signed.
4-10 (H)	Speaker signed.
4-13 (S)	Governor signed.
5-6 (S)	Chapter 25, 2023 Laws.
5-6 (S)	Effective date, April 13, 2023.

Documentation for D23 – Eboard

Eboard Minutes –

Occur most often in the middle to the end of the biennium.

Grant agencies additional funding or spending authority.

Can address agencies receipt of grant monies and spending authority.

They are not a source of new legislation or programs.

Documentation for D23 – Effective Start

Effective Start Date:

Written into the legislation found generally in the last section of the bill.

Effective immediately upon the date that the Governor signs.

Specific Date

No specific information provided for effective start date:

90 days after Sine Die or legislative end.

This is the most common after a regular legislative session has ended.

Documentation for D23 – Treasury

“Sub-Account” Treasury Legislation:

Treasury can choose to allow or not allow sub-accounts; this is not an SFMS decision.

Currently Treasury is not allowing sub-account setups.

If you see treasury sub-account in the legislation:

Agency may need to setup a Treasury Account “separate from General Fund”.

Legislation as agreed by Treasury is:

House Bill/Senate Bill with sub-account language

ORS 291.001

Documentation for D23 – Additional Information

Please work with OST to make sure that any reference to a Treasury Account is properly worded in the Legislative Concept Document.

The legislative concept phase is the time to make sure that language does not impede the agency's ability to execute legal legislation.

Not a SFMS roll to review verbiage of the legislative concept regarding Treasury Funds.

SFMS's role begins after House Bill/Senate Bill is fully executed.

D23 Funds Related to Debt Issuance



Karlene Hancock

Bond Issuance – Treasury Accounts

Who has authorization to request Bond Issuance Treasury Accounts?

DAS CFO (XI Bonds & Lottery Bonds) (ORS 286A & 291.001)

Three Other Agencies (identified by separate ORS unique to the agency)

Education

Veterans

Housing and Community Services

Bond Issuance – D23 Fund Requests

Bond issuance Legal Legislation is never the same as what DAS CFO office uses to request a Treasury Fund.

Legal Legislation must be the agency's expenditure authority (HB/SB/Eboard) with the appropriate Section and if appropriate sub-section of the legislation.

ORS used by DAS CFO office is too general and directly states it is for DAS purposes to open Treasury accounts for other agencies. It does not address spending limits or grant authority to spend the monies received.

Are there legal/legislative expenditure restrictions?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	Please list specific law or other authority.
LEGAL LEGISLATION IS TO BE PLACED HERE			

Bond Issuance – Additional Notes

SARS Training Links:

[State of Oregon: Accounting and Reporting - Training and Resources](#)

Other resources:

[XI-Q Bond Program Agency Guide.pdf \(oregon.gov\)](#)

D23 Funds using Suspense Accounts



Karlene Hancock

D23 Funds with Suspense Accounts

Agencies work directly with OST to setup Suspense or TRS accounts.

Setup requests are outside SFMS purview and as such SFMS doesn't directly request for the agencies.

If check writing authority is needed, it needs the approval of both Oregon State Treasury and FBS Manager.

Cash and Budgetary controls do not exist in SFMA for suspense accounts, so this must be considered when requesting D23 and requesting these accounts to be setup at Oregon State Treasury.

D23 Funds with Suspense Accounts – No Check Writing

D23 with associated Suspense accounts with no check writing authority:

Local Fund Ind = S

Treasury Fund = 9999 Oregon Default

Agency Budget = 0

D23 Funds with Suspense Accounts – With Check Writing

D23 with associated Suspense accounts with check writing authority:

Local Fund Ind = N

Treasury Fund = 8XXX (SFMS assigned once notified by OST & communicated to agency)

Agency Budget = 0

D23 Funds with Suspense Accounts – Additional Information

Additional resources for suspense account information:

SFMS Desk Manual

Category: Treasury

Chapter: trea.5

Suspense account transactions in R*STARS

Link: [State of Oregon: Accounting system - SFMS desk manual](#)

Linking Cash



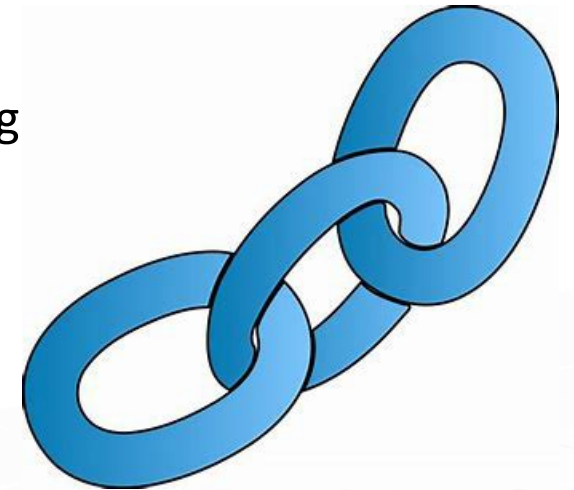
Liz Schultz

Linking Cash – What is it?

Under normal circumstances, an agency would have funds recorded in SFMA in the Cash Fund before spending the money.

But when agencies are making Federal Assistance disbursements that are reimbursable, an agency needs the ability to spend the cash before receiving federal reimbursement.

Linking Cash functionality in SFMA allows an agency to ‘borrow’ against an appropriation’s unexpended allotment balance to allow spending from a D73 Cash Fund that does not have enough available cash on the 63 screen.



Linking Cash – Requires Approval

Use of this functionality must be approved by SABRS/CFO and is only approved in limited cases.

- Federal Funds linked to General Fund appropriation(s).
- Both Federal Funds and General Fund are legislatively authorized for the same purpose, and both use Treasury fund 0401.
- Federal Fund is in a separate D73 Cash Fund from other agency funds within 0401 when linking Federal Funds to General Funds. If multiple treasury funds are involved, a line of credit must be established through the State Treasury.

We have a total of 12 agencies that are currently approved to use Linked Cash functionality.



Linking Cash – Set up on D73 Screen

If approved, a D73 Cash Fund is set up to link the Cash Fund to a specific Appropriation.

```
SD73    UC: 10                STATE OF OREGON                04/21/23 03:46 PM
LINK TO: _____          CASH FUND PROFILE                PROD

                AGENCY: 101

                CASH FUND: 08000    FY: 14

                TITLE: HRSA FEDERAL GRANT (OREGON HEALTH PLAN)

                TREASURY FUND: 0401

                RELATED-APPN NO: 89901    AY: 2015

                RELATED-APPN NO2: _____    AY2: _____
```

Linking Cash – Set up on 62 Screen

SABRS must also make a budget entry for the amount of linked allotment approved. This will show up on the 62 screen as Balance Type (BT) 24 as shown in the example below.

```
S062 UC: 10 STATE OF OREGON 05/12/23 04:07 PM
LINK TO: _____ APPROPRIATION FINANCIAL INQUIRY PROD
AGY: 101 APPN YEAR: 15 APPN #: 89901 GENERAL FUND PLANNING PGRMS
APPR FUND: 8000 FUND: _____ COMP SRCE/GRP: _____ OBJ/COMP OBJ: _____
PRG CD: 1000 LVL: 02 PLANNING PROGRAM ORG CD: _____ LVL:
INQ TYPE: MC INQ YEAR: 14 INQ MONTH: 10 DETAIL/SUMMARY: D
CASH BASIS BUD: 2,378,230.92 ADJ BUD: 18,711,819.00
ACCR BASIS BUD: 2,373,422.51 REM APPN ALLOT: 2,373,422.51
ENC BASIS BUD: 2,373,422.51 ALLOT TO BUD % : 100.00
EXP TO BUD % : 87.30 UNSCHED TO BUD % : 0.00

BT TITLE AMOUNT BT TITLE AMOUNT
01 ORIG BUDGT 16,036,785.00
02 REVISIONS- 2,675,034.00
15 CASH EXPEN 16,333,588.08
17 ACCRD EXPE 4,808.41
23 ALLOTMENT- 18,711,819.00
24 LNK ALOTMT 500,000.00
```


Linking Cash – Reviewing 63 Screen

When using Linking Cash, the system will allow cash balance displayed on the 63 screen to go negative for the Cash Fund. Under normal circumstances, system controls would not allow this.

```
S063 UC: 10 STATE OF OREGON 05/12/23 04:11 PM
LINK TO: _____ CASH CONTROL FINANCIAL INQUIRY PROD

AGENCY: 101 APPR FUND: _____ CASH FUND: 08000 FUND: _____ GRANT NO/PH: _____

INQ TYPE: MC (MA, YA, MY, YY, MC, YC) DETAIL/SUMMARY: D
INQ YEAR: 14 INQ MONTH: 10 CASH BALANCE: 432,275.50-

BT TITLE AMOUNT BT TITLE AMOUNT
12 CASH REVEN 60,452,651.77
13 PYMTS OUTS 196.56
15 CASH EXPEN 61,006,547.21
20 TRAN IN-CA 886,894.82
21 TRAN OUT-C 730,662.78
23 OTHER DECR 7,862.00
25 BEG BALANC 26,750.10-
34 UNREC DEPO .00
```

Linking Cash – Reviewing 14 Screen

Instead, the available linking cash balance appears on the 14 Linked Cash/GF Appropriation Financial Inquiry screen to determine how much linking cash your agency has available to spend.

```
S014 UC: 10 STATE OF OREGON 05/12/23 04:10 PM
LINK TO: LINKED CASH/GF APPN FINANCIAL INQUIRY PROD
AGENCY: 101 APPN NO: 89901 AY: 2015
INQ TYPE: MC (MA, YA, MY, YY, MC, YC)
INQ YEAR: 14 INQ MONTH: 10
LINKING BALANCE: 67,724.50
***** APPROPRIATION BALANCES *****
BT TITLE AMOUNT
01 ORIG BUDGT 16,036,785.00
02 REVISIONS- 2,675,034.00
15 CASH EXPEN 16,333,588.08
17 ACCRD EXPE 4,808.41
23 ALLOTMENT- 18,711,819.00
24 LNK ALOTMT 500,000.00
30 UNITS ACCU 174,045.62
***** CASH CONTROL BALANCES *****
BT TITLE AMOUNT
12 CASH REVENU 60,452,651.77
13 PYMTS OUTST 196.56
15 CASH EXPEND 61,006,547.21
20 TRAN IN-CAS 886,894.82
21 TRAN OUT-CA 730,662.78
23 OTHER DECRE 7,862.00
25 BEG BALANCE 26,750.10-
34 UNREC DEPOS .00
```

Amounts
from 62
Screen

Amounts
from 63
Screen

Linking Cash – More on the 14 Screen

Enter the Linked Appropriation and the AY on the 14 screen to view the available linked balance.

The 14 screen combines information from the Linked Appropriation 62 screen and from the Linked Cash Fund 63 screen to calculate the amount of linked funds available to spend.

The calculation is the **lesser of**:

1. The BT24 Linking Allotment balance on the 62 screen plus the available D73 Cash Balance on the 63 screen.
2. The Remaining Appropriation Allotment on the 62 screen plus the available D73 Cash Balance on the 63 screen.

The 14 screen uses the lesser of these 2 calculations above to prevent agencies from spending more allotment than they are allotted for the quarter or the biennium.

Linking Cash – Error Messages

Agencies that use Linking Cash may see the following error messages when entering transactions.

K10 - Remaining Appn < Linking Allotment, Link Bal limited by Rem Appn

This error message indicates SFMA is now using the second calculation on the previous slide.

This is a warning message. You may still proceed with saving the transaction.

F07 & F08 – Link Cash Negative Cur Month or Biennium End

These error messages indicate the linking balance on the 14 screen is negative or the transaction you are attempting to save will cause the linking balance to go negative.

These are fatal error messages. You will not be able to save the transaction.



GAAP Fund and GASB 54 Indicators



Liz Schultz

D23 & GAAP Fund – Roll up in SFMA

Question: How do I tell whether a D23 Fund in SFMA is classified as Governmental, Proprietary, Fiduciary, or the Government-Wide Reporting Fund (GWRF)?

Answer: You can see the roll up for a D23 Fund by looking at the D23, D24, D21 & D20 screens.

- On D23 Fund profile, find the GAAP Fund. Look up the GAAP Fund on the D24 profile.
- On D24 profile, find the GAAP Fund Type. Look up the GAAP Fund Type on the D21 profile.
- On D21 profile, find the GAAP Fund Group. Look up the GAAP Fund Group on the D20 profile.
- D20 profile indicate if Governmental, Proprietary, Fiduciary, or the GWRF.

GAAP Fund Group number is also displayed near the bottom of each D23 Fund profile, so if you want to skip all the steps of the roll up described above, you can find the GAAP Fund Group on the D23 Fund profile and then go directly to the D20 screen to look up that GAAP Fund Group to determine if the D23 Fund is classified as Governmental, Proprietary, Fiduciary, or the GWRF.

G54 Indicators & GAAP Funds

The G54 Indicator and GAAP Fund on a D23 Fund determine which equity General Ledger account that any nominal balances for that D23 Fund will close to at the end of the fiscal year.

Question: How do I identify which balances are considered nominal balances?

Answer: The balances in GL accounts that are closed out at the end of every FY. For example:

- GL 3100 – Revenue
- GL 3500 – Expenditures
- GL 3150 – Transfers In
- GL 3550 – Transfers Out

You can use the new General Ledger List & Roll-up resource on our website to see a complete list of the nominal GLs that are closed at FY end. Filter on the last column in the spreadsheet:

<https://www.oregon.gov/das/Financial/AcctgSys/Documents/GL-List.xlsx>

G54 Indicators & GAAP Funds (Cont.)

The G54 Indicator and GAAP Fund on a D23 Fund determine which equity General Ledger account that any nominal balances for that D23 Fund will close to at the end of the fiscal year.

Question: How can I see what equity General Ledger account will be used by a D23 Fund?

Answer: Look to see if the D23 Fund has a GASB 54 indicator. If so, the indicator determines the equity GL account. Go to the D54 screen, enter 'GB54' as the Table ID and input the GASB 54 indicator in the Key 1 field. Press enter and the equity GL will be listed in the Reference Data field. See OAM 05.20.00 & 15.85.00 for more information on GASB 54 & GASB 54 indicators.

If there is no GASB 54 indicator, the GAAP Fund will determine the equity General Ledger Account. Go to the D24 screen and look up the GAAP Fund. Find the GAAP Fund Type and look up this GAAP Fund Type on the D21 screen to see the equity GL.

Changing GAAP Fund & G54 Indicators

The GAAP Fund & the G54 Indicator may be changed on an existing D23 Fund at the request of SARS. Depending on the timing of this change, agencies may also need to work with their SARS analyst to reclass equity balances to the correct equity General Ledger account.

There are 2 scenarios when a reclass entry may be needed.

1. Existing D23 Fund has been in use for more than one fiscal year. The General Ledger Close program is run every year after the close of Month 13. If the D23 Funds was used in prior fiscal years, correcting the D23 Fund profile now will not go back and correct where nominal balances have closed in the past.
2. If a GAAP Fund or GASB 54 Indicator is changed on a D23 fund that changes what equity account nominal entries will close to during the first year of a biennium, entries may be needed to reclass the beginning fund balance in the second year of the biennium. This scenario is uncommon. Let's look at the SFMA system jobs to help explain why this occurs.

SFMA System jobs using D23 Fund Profile



Liz Schultz

SFMA system jobs that use D23 Fund

DAFM353/356 Fiscal Year-End Rollover

Runs after nightly batch cycle on **last working day of June**. In even-numbered years, FY account balances roll forward to the new FY. In odd numbered years, AY balances roll forward to the new AY for two fiscal years. For nominal GL accounts, DAFM353/356 looks at the D23 Fund profile to determine the equity GL account that any nominal balances will close to and includes those amounts in the beginning balance for that equity GL in the new fiscal year(s).

DAFM351 General Ledger Close

Runs each fiscal year **following Month 13 close**. The program closes the nominal general ledger account balances to the appropriate equity accounts after the close of the fiscal year. DAFM351 looks at the D23 Fund profile to determine the equity GL account that any nominal balances will close to for fiscal year end.

More system jobs that use D23 Fund

Profile Roll

Run in **odd-numbered years** prior to the start of a new biennium. Rolls existing AY & FY profiles in SFMA to create those same profiles in the new AY and 2 new FYs. D23 Funds are included in the Profile Roll.

Profile Archive

Runs in **even-numbered years** to remove older AY & FY profiles from the system. D23 Funds are included in the Profile Archive if they meet all archive criteria.



SFMA system jobs – More Info

See SFMS Desk Manual for more information on the following jobs:

DAFM353/356 Fiscal Year-End Rollover

➤ <https://www.oregon.gov/das/Financial/AcctgSys/Documents/cent7.pdf>

DAFM351 General Ledger Close

➤ <https://www.oregon.gov/das/Financial/AcctgSys/Documents/Cent5-GL-Close-DAFM351.pdf>

Profile Roll for New Biennium

➤ <https://www.oregon.gov/das/Financial/AcctgSys/Documents/Prof2-Profile-Roll.pdf>

Closing Treasury Funds, D73 Cash Funds and D23 Funds



Karlene Hancock

Closing Centrally Maintained Profiles

SFMS Forms

ACH - Vendor Direct Deposit

Contact Us

Datamart & OBIEE

News Lists

R*STARS Data Entry Guide

R*STARS Report Guide

R*STARS Training Manual

R*STARS Training Program

SFMS Desk Manual

SFMS Forms

SFMS Resources

SFMS User Group

SPOTS - State Purchase Card

Supplemental Training

This collection of forms will help you communicate with SFMA.

Search	Q x	Sort ▾	Export ▾
Form Title			
1099 Copy Request			
1099-Misc Change Request			
1099-NEC Change Request			
ACH - Direct Deposit Authorization			
Agency Contact Information Update			
Cash Fund Profile (D73)			
D23 Fund & Treasury Account Close Request			
Fund Profile (D23)			
SFMA Interface Request			
W-9 Request for TIN			
Warrant Cancellation Request			
Warrant Cancellation Request after 2 Years (AD40)			
Warrant Stop Payment Request			

D23 & TF Close Request Form

This form was developed and placed into service approximately one year ago.

Primary purpose:

1. Ease of agency use.
2. Create uniform request.
3. Create a single source of request for ease in processing by SFMS.

This was created as a fillable Word Doc and should be emailed to the D23.SFMS@das.Oregon.gov.

******No review of this form will take place at this time – please refer to [D23 Basic Training](#) if you need this information.

Closing Centrally Maintained Profiles – D53 Treasury Fund

SFMS Process for closing a Treasury Account:

- Run query on all associated D23 Funds to assure that request will be successful.
 - Zero balance of all Real Accounts with Equity being the exception.
 - Zero balance also in 1011/1111 GL Accounts (balance would indicate o/s warrant).
- Email to Treasury requesting closure of account including all on original email request.
- Email from Treasury confirming closing process complete.
- Proceed to close in R*STARS.

Closing Centrally Maintained Profiles – D23 Fund

SFMS Process for closing a D23 Fund:

- Should be requested if closing a Treasury Account.
- Can be requested even if Treasury Account not being closed if multiple D23's exist.
- Run query requested D23 Fund closure to assure that identified balances are zero.
 - Real Accounts with Equity being the exception.
 - 1011/1111 GL Accounts (balance would indicate o/s warrant).
 - APPD Fund is other than 3020/6020/8020.
- Proceed to close in R*STARS.

Closing Centrally Maintained Profiles – GF D23 Funds (0401)

SFMS Process for closing a General Fund D23 Fund:

- Run query requested D23 Fund closure to assure that identified real balances are zero.
- Positive balance exists (GL0070) on a GF D23: Agency should transfer funds to A999 (SFMS) to zero balance.
 - TC 720/721
 - **Contact:** Karlene Hancock or SFMS Analyst for coding instructions
- Negative balance exists (GL0070) on GF D23: A999 (SFMS) to Transfer Funds to Agency to zero fund balance.
- 1011/1111 GL Accounts (balance would indicate o/s warrant).
- APPD Fund is other than 3020/6020/8020.
- Proceed to close in R*STARS.

Closing Centrally Maintained Profiles – D73 Cash Funds

SFMS Process for closing a D73 Fund:

- Can close only if all associated D23 Funds are closed.
- If associated with a capital construction D23 (3020/6020/8020), D73 cannot be closed.
- Proceed to close in R*STARS if eligible.

Closing Centrally Maintained Profiles – Additional Notes

What is closed doesn't always remain closed.

Agency may need to re-open previously closed profiles for accounting reasons or for other reasons.

Profiles can be reactivated.

Send email request D23.SFMS@das.Oregon.gov. requesting what profiles need to be reactivated.

- Treasury Fund

- D23 Fund

- D73 Fund (if appropriate)

Questions – SFMS Closing Profiles?



SARS REVIEW PROCESS AND GAAP FUND SELECTION DECISION



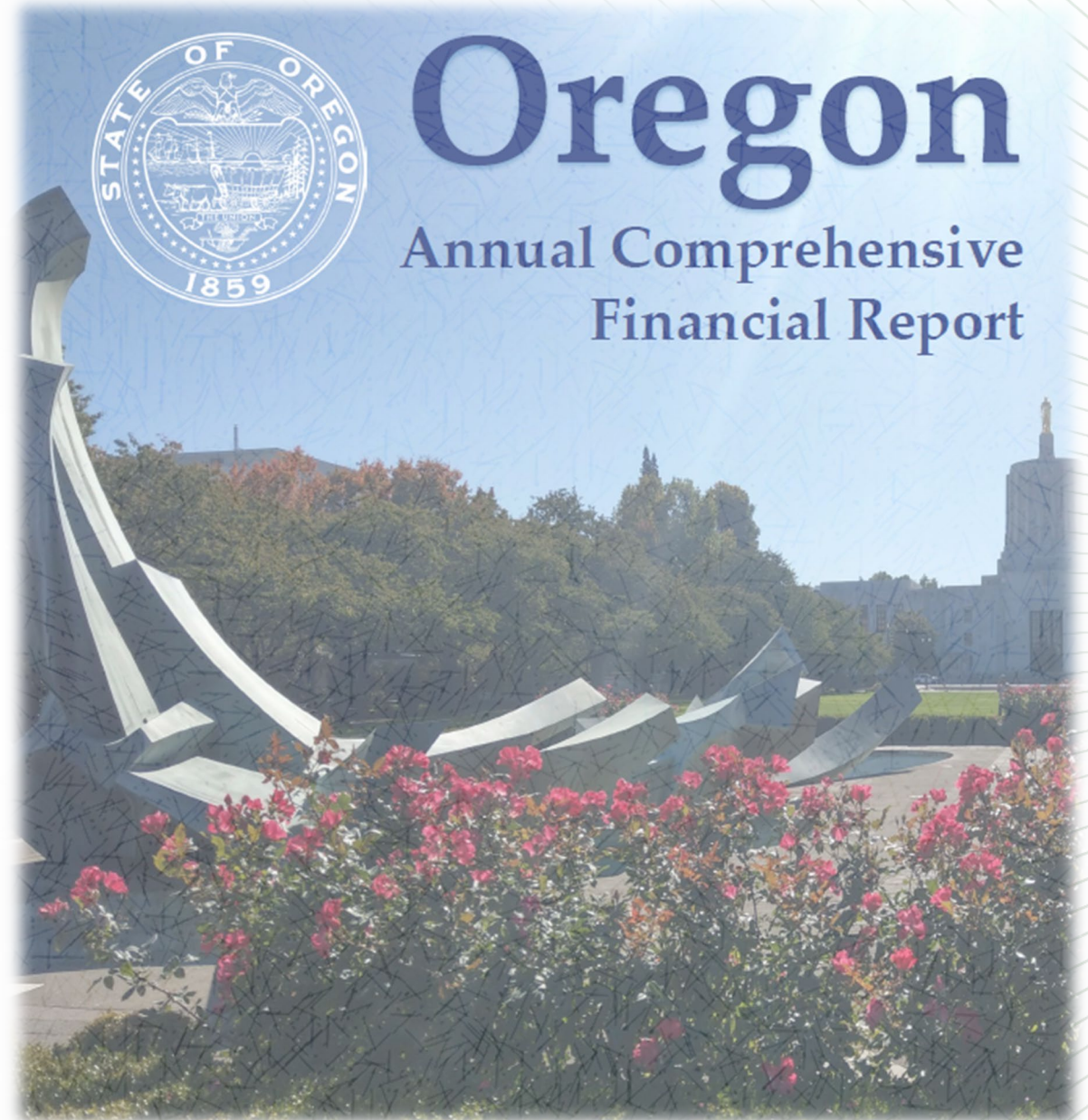
What Does SARS Focus On?

- GAAP Fund
- GASB 54 Code
- GASB 54 Description

To complete the "D23 Fund Profile" see "D23 Input Coding Instructions" in *R*STARS Data Entry Guide - Chapter 5*. For more information on funds, refer to Chapter 7 of the Agency Implementation Guide and Chapters 4, 5, 6, 8, & 9 of the R*STARS Reference Manual.

AGENCY NUMBER		FISCAL YEAR	FUND	TITLE		
APPROPRIATED FUND		GAAP FUND	STATE FUND GROUP	LOCAL FUND IND	GASB 54	CASH FUND
		2001			R4	
FUND CONTROL LEVELS						
APPROPRIATION	AGENCY BUDGET	CASH CONTROL	CASH BALANCE DIS IND	TREASURY FUND	CC ORG LEVEL IND	DEPOSIT INT IND
1			N			Y
STATUS CODE	EFFECTIVE START DATE		GASB 54 DESCRIPTION			
A			2025 XI-Q Series "X"			

GAAP Fund



GAAP Fund



- **Does the GAAP fund seem logical for the activity that will be accounted in it?**
Example: Fund accounting for educational program would logically belong to Educational Support Fund(GAAP Fund 1105).
- **Does the agency already use this GAAP Fund?**
Example- DOJ received Monsanto settlement for environmental protection in GAAP Fund 1107 and created new D23 fund for this purpose.

For additional information on different GAAP Fund descriptions, please refer to the OAM Chapter 05.20.00.Appendix A (Page 6-11)

<https://www.oregon.gov/das/Financial/Acctng/Documents/05.20.00%20draft.pdf>

GAAP Fund Continued...



Is the GAAP Fund compatible with Appropriated Fund (Appr) Fund?

- Appropriated Fund begins with 8, goes to General Fund only (0001).

For additional information on different Appropriated Fund descriptions, please refer to the OAM Chapter 05.20.00. Appendix B (Page12-13)

<https://www.oregon.gov/das/Financial/Acctng/Documents/05.20.00%20draft.pdf>

GAAP Fund Continued...



For D23 requests related to new debt (bond issuances), it is important to review if the new D23 fund request is for **Debt Service Payments** (principal and interest) or for **Bond Proceeds**.

- If the new D23 fund is for **debt service payments**, the agency may have the related GAAP Fund be a Debt Service Fund (GAAP Fund 200X) but **no** proceeds should be recorded in the debt service funds. The use of a debt service fund is not required.
- If the new D23 fund is for **bond proceeds**, the related GAAP Fund will likely be a governmental fund. If the bond is related to capital construction, the agency may choose to use the Capital Projects Fund (GAAP Fund 3001) to record the proceeds, but they are not required to do so.

This aligns with OAM Chapter 15.65.10, paragraph 108 and 109 (page 2-3)

<https://www.oregon.gov/das/Financial/Acctng/Documents/15.65.10.pdf>

Special Revenue Funds (GAAP Funds 1101-1113)



Determine the Funding source

- If the funding source is **Restricted or Committed Revenue** for example federal revenue, or fees/ assessments, taxes, etc. that must be used for a specific purpose, a special revenue fund is most likely **appropriate**.

Is the Special Revenue GAAP Fund already used?

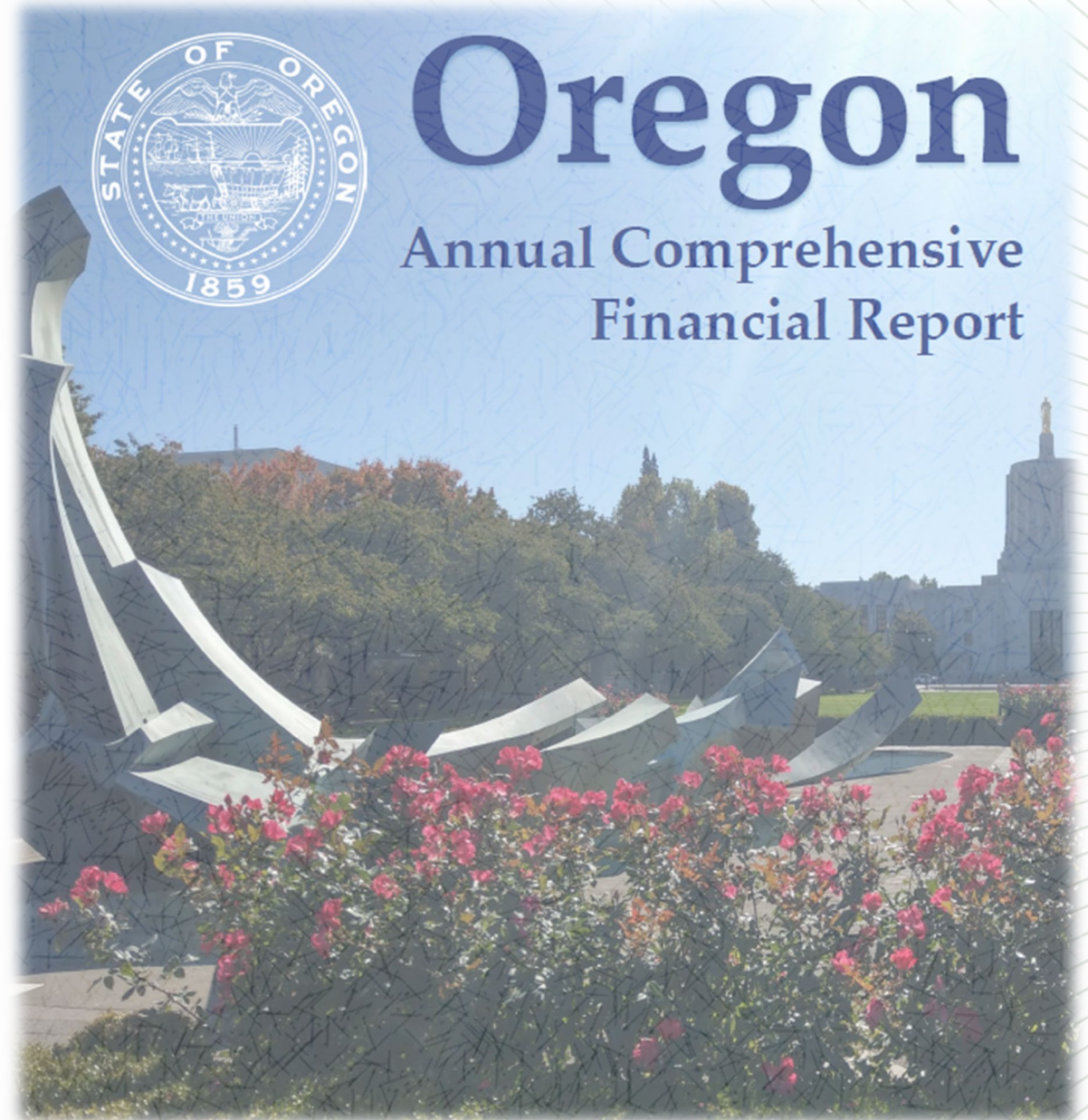
- If the agency does not already report activity in the GAAP fund in question, and the only money going into the fund will be a **transfer-in**, a special revenue fund is **not** appropriate. GAAP fund 0054 (the GASB 54 General Fund) would be the appropriate GAAP fund for the new D23 fund.
- If the agency already accounts for activity in the GAAP fund in question, SARS reviews the DAFR 6610 for the last two completed fiscal years (not the current fiscal year) to see the annual revenues reported in the GAAP Fund. Under GASB 54, a substantial portion of the inflows into a special revenue fund must be restricted or committed revenues. SARS has defined “substantial” as at least 30%.

For the further information, see OAM Chapter 05.20.00, paragraph 109.b, and the fourth paragraph of the introduction to Appendix C) (page 2 and 13)

For Special Revenue GAAP Fund test, See OAM Chapter 05.20.00 Appendix C- Pages 13-16

<https://www.oregon.gov/das/Financial/Acctng/Documents/05.20.00.pdf>

GASB 54



GASB 54 background



- GASB 54 came out in 2009 and implemented in 2010.
- The GARS (Governmental Accounting Research System) summary of GASB 54
“The objective of this Statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This Statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.”
- If you want to learn more about GASB pronouncement(s), visit <https://gars.gasb.org/Home>

GASB 54 Code



When is it required?

GASB 54 Code and description is **only required** for the D23 funds that roll up to governmental GAAP Fund.

Not required for Proprietary (4XXX, 5XXX), Fiduciary (6XXX and 7002) and Government Wide Reporting Fund (GWRF) (8500) funds.

- GAAP Fund starts with 00,11,20,30, or 75- Yes
- Otherwise –No

For guidance on determining fund balance classification, please refer to the Chapter 15, Equities 15.85.00, Appendix A- page 6-8

<https://www.oregon.gov/das/Financial/Acctng/Documents/15.85.00.pdf>

GASB 54 Code Continued...



GASB 54 Code	GASB 54 Fund Balance Description
R1	RESTRICTED FUND BALANCE-FEDERAL
R2	RESTRICTED FUND BALANCE-OR CONSTITUTION
R3	RESTRICTED FUND BAL-ENABLING LEGISLATION
R4	RESTRICTED FUND BALANCE-DEBT COVENANTS
R5	RESTRICTED FB-DONOR/OTHER EXTERNAL PARTY
C1	COMMITTED FUND BALANCE
A1	ASSIGNED FUND BALANCE
U1	UNASSIGNED FUND BALANCE

RESTRICTED FUND BALANCE



- G54 Code **R1**: Is your agency's use of a resource in this fund restricted to a specific purpose imposed by **federal laws, federal regulations or federal grant agreements**?
- G54 Code **R2** – Is your agency's use of a resource in this fund restricted to a specific purpose imposed by the **Oregon Constitution**? Examples include Common School Fund resources, lottery proceeds, and motor vehicle use/fuel taxes.
- G54 Code **R3**- Ask yourself two questions, if answer to both questions are yes.
 - Is the restriction on your agency's use of a resource contained in legislation that also **authorizes** the state to assess, levy, charge, or collect the resource from external parties?
 - Is the restriction on the use of the resource **legally enforceable**?

RESTRICTED FUND BALANCE



- G54 Code **R4** – Is your agency's use of a resource in this fund restricted by the terms of a **debt covenants** for the payment of **debt service**? (It can also be restricted by terms of COP agreement, bond indenture, or state law to fund specific capital project(s))
- G54 Code **R5** – Is your agency's use of a resource in this fund restricted by conditions imposed by the donor?

Other Fund Balance



- COMMITTED FUND BALANCE (G54 Code **C1**)

Is the law that places limitations on the use of resources in this fund *separate* from the law authorizing the state to assess, levy, charge, or collect this resource?

- ASSIGNED FUND BALANCE (G54 Code **A1**)

Is the represented resources that are limited by the state's intent to use them for a specific purpose? Intent may be expressed by the governing body itself, another body (e.g. a budget committee), or a designated official. These resources are neither restricted nor committed to a specific purpose by external parties.

- UNASSIGNED FUND BALANCE (G54 Code **U1**)

- If the appropriated fund on the D23 fund profile is **8800**, classify the related fund balance as unassigned (G54 Code **U1**).
- If the appropriated fund on the D23 fund profile is **not 8800**, classify the related fund balance as assigned (G54 Code **A1**).

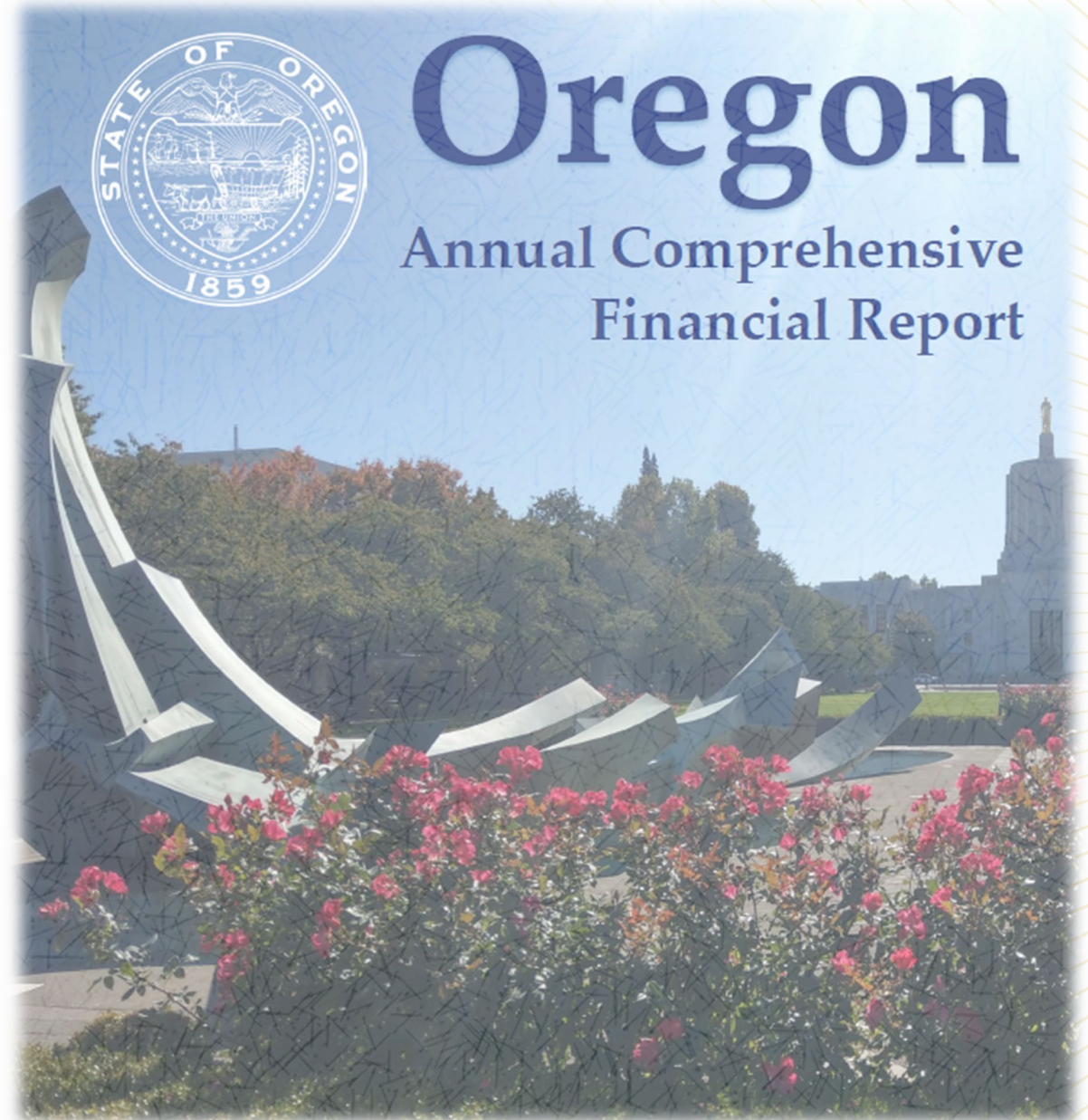
GASB 54 Code continued...



Does GASB 54 code looks reasonable? Is it compatible with the appropriated fund and GAAP fund?

- APPR fund begins with '4' (lottery money) = R2, Restricted by the Oregon Constitution
- APPR fund begins with '6' (federal funds) = R1, Restricted by federal laws, federal regulations or federal grant agreements
- APPR fund 8800 (General Fund revenue) = U1, Unassigned
- APPR fund 80XX (General Fund expenditure) = A1, Assigned fund balance
- GAAP fund begins with '2' (debt service fund)
 - R4, Restricted by **Debt Covenants**, For example; COP and General Obligation bonds
 - R2, Restricted by **Oregon Constitution**, if appropriated fund begins with '4' or ODOT funds accounting for Highway User Taxes, Weight-Mile Taxes or other taxes authorized in the Constitution.

GASB 54 Description



GASB 54 Description



What to mention in the description?

Based on the G54 Code, add description in given order. **DO NOT** add anything else

- R1 – Grant no. or Assistance Listing Number (used to be called CFDA no.); if not available then the CFR reference, or other federal reference.
- R2 – Constitutional article, section, and subsection (required)
- R3 – Year, laws, chapter, section, subsection or ORS reference (required)
- R4 – Year of debt issue and series
- R5 – Name of donor, type of agreement, date of agreement
- C1 – ORS or other reference that shows the constraint (required)
- A1 – General description. Please don't use "Assigned"
- U1 – Type of general fund revenue (income tax, inheritance tax, etc.)

GASB 54 Description



- For the Senate or House Bill; include the year of the bill

If the GASB 54 description **references a senate or house bill**, does the reference include the year of the bill? Bill numbers are used over again each year, so the year of the bill will be important in identifying it later.

- For the Budget Bill; **do not** include

The GASB 54 description should **not reference a budget bill**. Budget bills are identifiable because they are typically in the 5000 series, for example HB 5021.

If the only revenue source is an appropriation of unspecified revenue and the only constraint on how to spend the resources is found in the agency budget bill, the fund balance should be **classified as Assigned (A1)**

Incorrect GASB 54 Description



To complete the "D23 Fund Profile" see "D23 Input Coding Instructions" in *R*STARS Data Entry Guide - Chapter 5*. For more information on funds, refer to Chapter 7 of the Agency Implementation Guide and Chapters 4, 5, 6, 8, & 9 of the R*STARS Reference Manual.

AGENCY NUMBER	FISCAL YEAR	FUND	TITLE			
APPROPRIATED FUND	GAAP FUND	STATE FUND GROUP	LOCAL FUND IND	GASB 54	CASH FUND	
				R4		
FUND CONTROL LEVELS						
APPROPRIATION	AGENCY BUDGET	CASH CONTROL	CASH BALANCE DIS IND	TREASURY FUND	CC ORG LEVEL IND	DEPOSIT INT IND
1			N			Y
STATUS CODE	EFFECTIVE START DATE	GASB 54 DESCRIPTION				
A		Restricted Debt Covenants 2025 XI-Q Series "X"				

Correct GASB 54 Description

To complete the "D23 Fund Profile" see "D23 Input Coding Instructions" in *R*STARS Data Entry Guide - Chapter 5*. For more information on funds, refer to Chapter 7 of the Agency Implementation Guide and Chapters 4, 5, 6, 8, & 9 of the R*STARS Reference Manual.

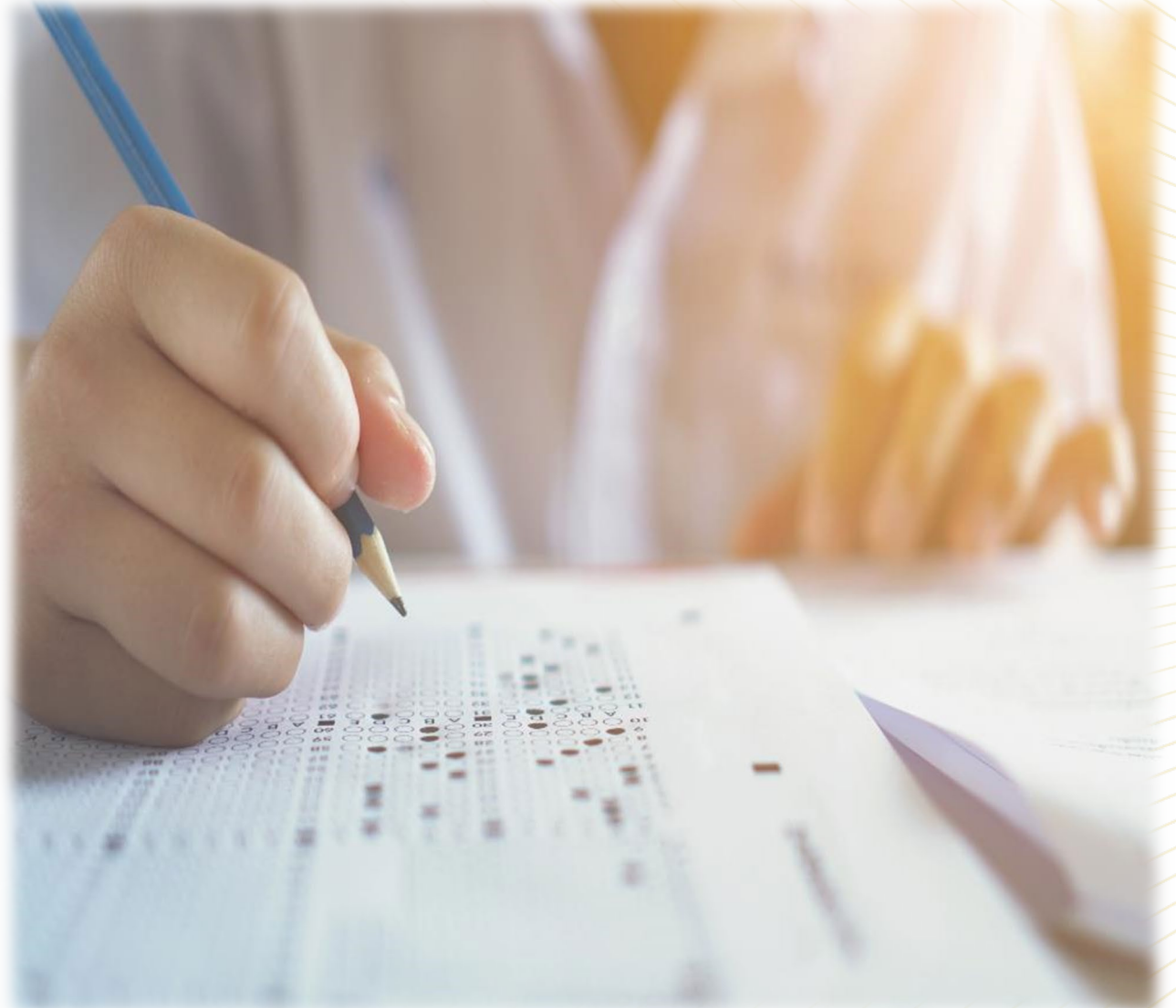
AGENCY NUMBER	FISCAL YEAR	FUND	TITLE			
			Restricted Debt Covenants			
APPROPRIATED FUND	GAAP FUND	STATE FUND GROUP	LOCAL FUND IND	GASB 54	CASH FUND	
				R4		
FUND CONTROL LEVELS						
APPROPRIATION	AGENCY BUDGET	CASH CONTROL	CASH BALANCE DIS IND	TREASURY FUND	CC ORG LEVEL IND	DEPOSIT INT IND
1			N			Y
STATUS CODE	EFFECTIVE START DATE	GASB 54 DESCRIPTION				
A		2025 XI-Q Series "X"				

Only add the relevant information on GASB 54 Description, rest can be added to the title if desired

Questions?

SARS Website :

<https://www.oregon.gov/das/financial/acctng/pages/index.aspx>



What changes can be made to a D23 once it is submitted?



Liz Schultz

What changes can be made to a D23 once it has been submitted?

Only certain fields may be changed on an existing D23 fund. Similar to other SFMA profiles, changes are not retro-active and will not correct how any prior transactions posted.

Fields that may be updated:

- Fund Title.
- GAAP Fund – with approval from your SARS analyst.
- GASB 54 Code – with approval from your SARS analyst.
- Description – with approval from your SARS analyst.

If you are wanting to change any other field on a D23 Fund, you will need to request a new D23 fund instead.

Thank you for attending!

Please fill out our survey located in the chat.

For further information please contact:

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