

TIPS & TECHNIQUES

A SFMS Desk Manual

R*STARS: TREA.5

Revised: 04/12/16

TREASURY (AKA SUSPENSE) ACCOUNT TRANSACTIONS IN R*STARS

Treasury (*aka* Suspense) account cash control is monitored by the Oregon State Treasury (OST), but for reporting purposes, treasury account transactions are required to be entered into R*STARS. Since R*STARS does not require cash control for treasury accounts, general ledger account 0075 (Cash on Deposit – Suspense Acct at Treas) was established to eliminate the possibility of cash misstatement.

Section III of the OST's Cash Management Manual (published by OST) covers treasury (*aka* suspense) accounts. It states in part:

"If an agency needs to open a TRS account, the request must be made in writing to the Director of the Finance Division explaining the justification for the new account. The written request should be accompanied by the Request for New Treasury (TRS) Account Form C-1 which includes the following information:

Statutory authority providing for the account.

- 1. Whether or not check-writing authority is being requested.*
- 2. Whether or not interest is to be retained, including statutory authority granting right to retain interest earnings.*
- 3. Signature of officer authorized to open such an account.*
- 4. Account title and number requested.*
- 5. Anticipated monthly volumes for deposits and checks, if applicable."*

"If an agency needs to close a TRS account, the request must be made in writing by an authorized signer on the account and sent or faxed to the Banking Section. The account must have a zero balance."

If an agency has a treasury (*aka* suspense) account and determines it would be more effective to use an agency (*aka* receipted) account, the agency should consider changing from a treasury account to an agency account. If the change involves the creation of a new agency account, legislative action may be required before the change could be made. If the treasury account was for the same purpose as an existing agency account, the balance could be transferred to the agency account and the treasury account closed at OST. Before these changes occur on R*STARS, the agency should coordinate with their SARS Analyst.

For information about opening and closing treasury (*aka* suspense) accounts, see the latest edition of OST's Cash Management Manual on their web site at <http://www.oregon.gov/treasury/Divisions/Finance/StateAgencies/Pages/Cash-Management-Manual.aspx> or call OST's Banking Section at 503-378-4633.

Transaction codes 766 through 789 are used to record typical treasury (aka suspense) account transactions (outlined below). These transactions are recorded in R*STARS at a summary level and do not post to financial tables. During the fiscal year, monthly entries are encouraged, not required, but by June 30th, all ending balances must be entered for financial statement purposes. It is recommended that treasury account cash reconciliations be performed monthly.

The Treasury fund field on the D53 Title Profile under the Table I.D. of "TRES" can only store four digits. Because OST's treasury account numbers are at least five digits in length, the treasury (aka suspense) account is assigned a fictitious four-digit Treasury fund number in the "Key" field. The D53 Title field shows the agency number and the full OST treasury account number (i.e. -Table ID TRES, Key 001, Title #107/Susp Acct 10551 State Emp Ben Acct is agency 107's treasury account 10551). The Local Fund Indicator on the D23 is coded as "S" to designate that the fund is related to a treasury account and that warrants cannot be written.

Some of the unique characteristics that distinguish a treasury (aka suspense) account from an agency account include:

- Operating transfers and movement of cash out of a treasury account to other accounts cannot be initiated in R*STARS. The State Treasury ACH Network (STAN) or a paper suspense transfer request form must be processed. Entries recording these Treasury transfers would then be entered into R*STARS.
- Deposits made to treasury accounts are not subject to deposit reconciliation.
- Warrants cannot be written. Treasury accounts issue checks.
- The transaction codes do not allow an appropriation number since treasury accounts do not require budgetary authority.
- All treasury account transaction codes require the use of document type SU, Suspense Account Activity.

Since transactions in treasury (aka suspense) accounts are not subject to the same budgetary controls as agency (aka receipted) accounts, general ledger accounts specific to treasury account activity were established. These accounts do not post to the financial tables. This eliminates treasury account activity causing cash misstatement in the cash control table and it eliminates incorrect postings to appropriations. The following general ledger accounts apply to treasury accounts (note that the titles are as defined on the D31 Comptroller General Ledger Account Profile):

0075 Cash on Deposit - Suspense Acct at Treas
0504 Accounts Receivable - Suspense Accounts
3102 Revenue Control - Suspense
3502 Expenditure Control - Suspense
3152 Operating Transfers In Control - Suspense
3552 Operating Transfers Out Control - Suspense

These accounts are used for balanced transfers that deal with treasury (aka suspense) accounts from an agency (aka receipted) account:

2904 Non-SFMS Clearing Offset
2954 Non-SFMS Clearing Account

Sample Transaction Entries

Shown below are some samples of treasury (aka suspense) account transactions. Please note the transaction code descriptions are as defined on the 28A Transaction Code Decision Profile and the general ledger account titles are as defined on the D31 Comptroller General Ledger Account Profile.

To record revenues:

Transaction code 766 Record Suspense Account Revenue

DR Acct 0075 Cash on Deposit - Suspense Acct at Treas
CR Acct 3102 Revenue Control - Suspense

Records summary amount of revenues that have not been accrued. A revenue object is required. Transaction code 766R would be used to record checks written for revenue refunds.

To record expenditures:

Transaction code 767 Record Suspense Account Expenditures

DR Acct 3502 Expenditure Control - Suspense
CR Acct 0075 Cash on Deposit - Suspense Acct at Treas

Records summary amount of unaccrued expenditures related to checks already written. An expenditure object is required. Transaction code 767R would be used to record a deposit received for a reduction of expense or to increase cash for a cancelled check.

To record receivables: *(Specialty receivable accounts and document-supported receivable accounts are reserved for use with agency (aka receipted) accounts.)*

Transaction code 769 Estab Unbilled A/R - Suspense Account

DR Acct 0504 Accounts Receivable – Suspense Accounts
CR Acct 3102 Revenue Control - Suspense

Transaction code 770 Liquidate Unbilled A/R - Suspense Acct

DR Acct 0075 Cash on Deposit - Suspense Acct at Treas
CR Acct 0504 Accounts Receivable – Suspense Accounts

To record accounts payable:

Transaction code 771 Record Accts Payable in Suspense Account

DR Acct 3502 Expenditure Control - Suspense
CR Acct 1215 Accounts Payable

Transaction code 772 Liquidate Accts Payable in Suspense Acct

DR Acct 1215 Accounts Payable
CR Acct 0075 Cash on Deposit - Suspense Acct at Treas

To record deposit liabilities (without Document Financial table (DF) support):

Transaction code 773 Receipt of Deposit Liability - Susp Acct

DR Acct 0075 Cash on Deposit - Suspense Acct at Treas
CR Acct 1551 Deposit Liability – Without DF Support

Transaction code 774 Apply Dep Liab to Revenue in Susp Acct

DR Acct 1551 Deposit Liability – Without DF Support
CR Acct 3102 Revenue Control – Suspense

To record Operating Transfers In / Transfers Out:

Transaction code 775 Record Suspense Account Transfer Out

DR Acct 3552 Operating Transfers Out Control - Suspense
CR Acct 0075 Cash on Deposit - Suspense Acct at Treas

Transaction code 776 Record Suspense Account Transfer In

DR Acct 0075 Cash on Deposit - Suspense Acct at Treas
CR Acct 3152 Operating Transfers In Control - Suspense

To record cash and liabilities related to a Revolving Fund in a treasury (aka suspense) account or having an agent relationship in a treasury account:

Transaction code 768 Record Cash in Susp Acct - GL Transaction

DR Acct 0075 Cash on Deposit - Suspense Acct at Treas
CR Acct **OPEN** General Ledger Accounts (see 28B)

Record cash in a treasury (aka suspense) account and set up a liability for amounts that the agency may be holding as a custodian. Transaction code 768R would be used to record a check written out of agency fund receipts.

For Revolving Fund activity in a treasury (aka suspense) account, use transaction code 768 to establish a Revolving Fund account beginning balance or to reimburse a Revolving Fund account. Use transaction code 768R to adjust Revolving Fund account balances for checks written. Do not use transaction code 768 when the revolving fund is set up in an agency (aka receipted) account.

To liquidate Accounts Receivable for the payroll fund (*To be used by DAS only*):

Transaction code 777 Rec Pmt by Non SFMS Agy for Payrol Recv

DR Acct 0075 Cash on Deposit - Suspense Acct at Treas
CR Acct 0507 Payroll Accounts Receivable

Agency (aka receipted) account to Treasury (aka Suspense) account Transactions. The below balanced transaction codes will interface with OST, who will then move cash from the agency accounts to the treasury accounts. (*Clearing accounts are posted since transactions for treasury accounts are recorded at a summary level*). Use transaction codes 766-789 to record the treasury account activity.

To reimburse a Revolving Fund in a treasury (aka suspense) account from an agency (aka receipted) account, the following balanced transaction codes are used:

For **expenditures:**

Transaction code 404 Reimburs Suspense Acct from Recpted Acct

DR Acct 3500 Expenditure Control - Cash
CR Acct 0070 Cash on Deposit with Treasurer

Transaction code 405 Record Susp Acct Reimb from Recptd Acct

DR Acct 2954 Non-SFMS Clearing Account
CR Acct 2904 Non-SFMS Clearing Offset

For **deposit liabilities:**

Transaction code 413 Reimb Suspense Acct from Dep Liab - Recptd

DR Acct 1550 Deposit Liability - Document Supported
CR Acct 0070 Cash on Deposit with Treasurer

Transaction code 414 Record Susp Acct Reimb from Recptd Acct

DR Acct 2954 Non-SFMS Clearing Account
CR Acct 2904 Non-SFMS Clearing Offset

For **revenue refunds:**

Transaction code 417 Record Revenue Refund – Receipted account

DR Acct 3100 Revenue Control - Cash
CR Acct 0070 Cash on Deposit with Treasurer

Transaction code 418 Reimburse Susp Acct from Recptd Acct

DR Acct 2954 Non-SFMS Clearing Account
CR Acct 2904 Non-SFMS Clearing Offset

To record an Operating Transfer Out of an agency (aka receipted) account to a treasury (aka suspense) account, the following balanced transaction codes are used:

Transaction code 419 Record Transfer Out to Suspense Account

DR Acct 3550 Operating Transfers Out Control

CR Acct 0070 Cash on Deposit with Treasurer

Transaction code 420 Record Susp Acct Receipt from Rcptd Acct

DR Acct 2954 Non-SFMS Clearing Account

CR Account 2904 Non-SFMS Clearing Offset

These are just some examples of treasury (aka suspense) account transactions. On the next page is a list of active treasury account transaction codes that involve treasury account activity (including tcodes that post to the Non-SFMS Clearing Accounts).

R*STARS Transaction Codes That Involve Treasury (aka suspense) account Activity*

(Titles are as defined on the 28A Transaction Code Decision Profile.)

Tcode	Suspense Account Transactions
405	Record Susp Acct Reimb From Recptd Acct
414	Record Susp Acct Reimb From Recptd Acct
418	Reimburse Susp Acct From Recptd Acct
420	Record Susp Acct Receipt From Rcptd Acct
439	Record Susp Acct Reimb From Recptd Acct
686	Tr Gf Cash To Ous Susp For Adv Das Only
594	Ar Sps-Cum Agy Fnd-Trst Fd Pay W/Auto Rv
693	Recpt Of Pmt To Susp Ac/Btw Agys/Pre Enc
695	Receipt Of Pmt To A Susp Acct/Betw Agy'S
697	Rec Susp Acct Reimb Fr Recptd Acct G38
715	Receipt Of Pmt To A Susp Acct/Betw Agy'S
745	Record Cash Payment - Odot Only
747	Record Cash Payment - Odot Only
755	Record Cash Received-Suspense Account
763	Receipt Of Cash To A Susp Acct/Betw Agys
766	Record Suspense Account Revenue
767	Record Suspense Account Expenditures
768	Record Cash In Susp Acct-Gl Transaction
769	Estab Unbilled A/R - Suspense Accounts
770	Liquidate Unbilled A/R - Suspense Acct
771	Record Accts Payable In Suspense Account
772	Liquidate Accts Payable In Suspense Acct
773	Receipt Of Deposit Liability-Susp Acct
774	Apply Dep Liab To Revenue In Susp Acct
775	Record Suspense Account Transfer Out
776	Record Suspense Account Transfer In
777	Rec Pmt By Non Sfms Agy For Payrol Recv
778	Adjust Non-Sfms Clearing Account
789	Allowance For Uncollectible-Susp
810	Afs Move Unident Receipt Into Susp Acct
851	A/R For Payroll Fund By Agency
856	Pmt To Sfms Agy For Payroll Negative A/R
858	Recognize Pmt By Sfms Agy For Payrol Rec
883	Csd Suspense Trust Account Cash
884	Csd Redemption-Suspense Account
886	Csd Suspense Trust Payment

* There are a few transaction codes not included here because they are only used for specific agencies.