

CHAPTER 7 – General Journal Entries

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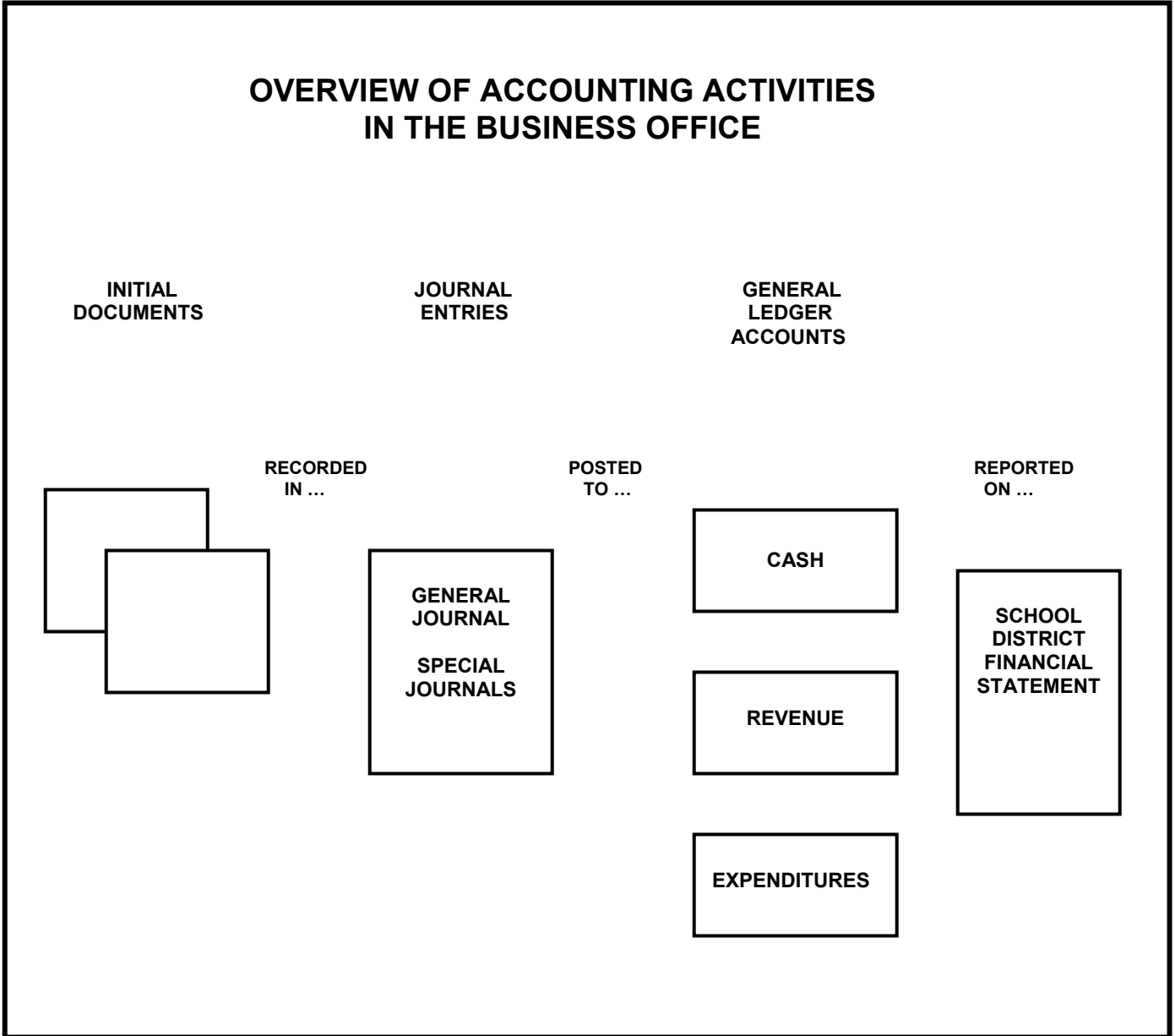
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INTRODUCTION

The following pages have examples of the types of General Journal entries common to school districts. They are presented in a standard accounting format so that the full entry can be visualized. Districts that are members of the Washington School Information Processing Cooperative (WSIPC) will understand that many of these entries are generated as part of the overall system approach and should refer to the manuals they provide for guidance.

For debit and credit transfer objects of expenditure journal entries, see Chapter 6—Expenditure Accounts.



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GENERAL FUND JOURNAL ENTRIES

Opening Entry

1

| General Ledger | | | |
|----------------|---|---------------|----------------|
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 200 | Imprest Cash | 10 | |
| 230 | Cash on Hand | 53 | |
| 240 | Cash on Deposit with County Treasurer | 1,873 | |
| 310 | Taxes Receivable | 10,792 | |
| 330 | Due From Other Governmental Units | 340 | |
| 340 | Accounts Receivable | 80 | |
| 410 | Inventories—Supplies and Materials | 250 | |
| 420 | Inventories—Lunchroom | 40 | |
| 430 | Prepaid Items | 40 | |
| 450 | Investments | 500 | |
| 455 | Investment—Deferred Compensation | 100 | |
| 241 | Warrants Outstanding | | 367 |
| 601 | Accounts Payable | | 900 |
| 602 | Contracts Payable—Current | | 150 |
| 605 | Accrued Salaries | | 60 |
| 610 | Payroll Deductions and Taxes Payable | | 8 |
| 635 | Deferred Compensation Payable | | 100 |
| 637 | Estimated Unemployment Benefits Payable | | 150 |
| 750 | Deferred Revenue | | 420 |
| 760 | Deferred Revenue—Taxes Receivable | | 10,792 |
| 840 | Reserved for Inventory | | 290 |
| 890 | Unreserved, Undesignated Fund Balance | | 841 |

To record the general fund opening entry as of September 1, 20XX. This represents the beginning trial balance.

Budget Entries

2

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 510 | Estimated Revenues | 47,550 | |
| 515 | Estimated Other Financing Sources | 200 | |
| 540 | Appropriated Fund Balance | 250 | |
| 900 | Appropriations for Expenditures | | 47,750 |
| 905 | Appropriations for Other Financing Uses | | 250 |

To record the annual budget of the General Fund as adopted by the board of directors for the fiscal year 20XX.

3

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 890 | Unreserved, Undesignated Fund Balance | 600 | |
| 830 | Reserved for Debt Service | | 100 |
| 840 | Reserved for Inventory | | 500 |

To record the establishment of restrictions on fund balance adopted in the budget for the replenishment of inventory and for the future payment of debt.

** Collateral entry may be recorded in the long-term debt "holding account".
(See Entry #13.)

Budget Entries—Modifications

4

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 510 | Estimated Revenue | 20 | |
| 900 | Appropriations | | 20 |

To record budget extension due to unanticipated revenues and increase existing appropriations.

5

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 515 | Estimated Other Financing Sources | 70 | |
| 540 | Appropriated Fund Balance | | 30 |
| 905 | Appropriations for Other Financing Uses | | 40 |

To record budget extension due to unanticipated other financing sources and to increase estimated other financing uses.

Revenues—Property Tax

6

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 310 | Taxes Receivable | 6,230 | |
| 760 | Deferred Revenue—Taxes Receivable | | 6,230 |

To record the property taxes levied for the General Fund in the tax year 20XX.

7

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 240 | Cash on Deposit With County Treasurer | 14,950 | |
| 960 | Revenues | | 14,950 |

To record property taxes received as reported by the county treasurer.

8

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 760 | Deferred Revenue-Taxes Receivable | 14,950 | |
| 310 | Taxes Receivable | | 14,950 |

To record the reduction in taxes receivable as a result of property tax collections.

9

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 17 | |
| 240 | Cash on Deposit With County Treasurer | | 17 |

To record the refund of collected property taxes as reported by the county treasurer.

Revenues

10

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit With County Treasurer | 36,580 | |
| 960 | Revenues | | 36,580 |

To record revenues, except property taxes, collected directly by the county treasurer and not previously established as a receivable.

Revenues—Other Financing Sources

11

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 340 | Accounts Receivable | 7,350 | |
| 960 | Revenues | | 7,250 |
| 965 | Other Financing Sources | | 100 |

To record revenues and other financing sources established as receivables and available. (The \$100 represents sources from the sale of equipment.)

12

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 230 | Cash on Hand | 180 | |
| 960 | Revenues | | 160 |
| 965 | Other Financing Sources | | 20 |

To record revenues from cash receipts. (The \$20 represents sources from the sale of equipment.)

13

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit With County Treasurer | 264 | |
| 230 | Cash on Hand | | 264 |

To record the remittance of cash to the county treasurer.

14

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 960 | Revenues | 5 | |
| 241 | Warrants Outstanding | | 5 |

To record the refund of revenues when revenues were received by the school district.

15

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 330 | Due From Other Governmental Units | 100 | |
| 340 | Accounts Receivable | 150 | |
| 750 | Deferred Revenue | | 150 |
| 960 | Revenue | | 100 |

To record accounts receivable from sources other than property taxes. The deferred revenues that are being established in accounts receivable are not available for revenue accrual.

16

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 230 | Cash on Hand | 60 | |
| 240 | Cash on Deposit With County Treasurer | 90 | |
| 340 | Accounts Receivable | | 150 |

To record the collection of various accounts receivable established in Entry #13. See collateral Entry #17.

17

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 750 | Deferred Revenue | 150 | |
| 960 | Revenue | | 150 |

To record as revenue, the collection of various accounts receivable. See previous Entries #15 and #16.

18

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 750 | Deferred Revenue | 20 | |
| 340 | Accounts Receivable | | 20 |

To record adjustments to accounts receivable.

Expenditures

19

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 7,000 | |
| 605 | Accrued Salaries | | 5,600 |
| 610 | Payroll Deduct. and Taxes Payable | | 1,400 |

To record monthly payroll and payroll deductions.

20

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 350 | |
| 610 | Payroll Deduct. and Taxes Payable | | 350 |

To record employer's share of payroll and state employee's retirement.

21

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 605 | Accrued Salaries | 5,660 | |
| 610 | Payroll Deductions and Taxes Payable | 1,758 | |
| 241 | Warrants Outstanding | | 7,418 |

To record payment of accrued salaries, and payroll deductions and taxes payable.

22

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 37,000 | |
| 601 | Accounts Payable | | 37,000 |

To record amounts expended other than payroll during the current period.

23

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 37,060 | |
| 241 | Warrants Outstanding | | 37,060 |

To record issuance of warrants for amounts previously accrued. See Entry #1 for prior year accrual of \$60 and Entry #22 for current year accrual of \$37,000.

24

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 230 | Cash on Hand | 5 | |
| 530 | Expenditures | | 5 |

To record refunds of expenditures to the school district. The credit to expenditure is to the same program/activity/object that was used for the original expenditure.

25

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 241 | Warrants Outstanding | 3 | |
| 530 | Expenditures | | 3 |

To record voided or cancelled warrants.

Encumbrances

26

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 520 | Encumbrances | 300 | |
| 820 | Reserved for Encumbrances | | 300 |

To record the reestablishment of encumbrances cancelled at the end of the prior year, but that are still considered open. This entry is made soon after the beginning of the current fiscal year.

27

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 520 | Encumbrances | 8,000 | |
| 820 | Reserved for Encumbrances | | 8,000 |

To record the issuance of purchase orders, contracts, and payroll. Encumbrances are established on a routine basis at the time of issuance and not once a year as this entry indicates.

28

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 820 | Reserved for Encumbrances | 7,000 | |
| 520 | Encumbrances | | 7,000 |

To record the liquidation of encumbrances by the payment of vouchers or the cancellation of unneeded encumbrances.

Cash—Imprest**# 29**General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 200 | Imprest Cash | 5 | |
| 241 | Warrants Outstanding | | 5 |

To record the establishment of an imprest account or to increase an existing imprest account. If a treasurer's check is used, credit Account 240 Cash on Deposit with County Treasurer.

30General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 4 | |
| 241 | Warrants Outstanding | | 4 |

To record the replenishment of an imprest account for audited expenditures.

31General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit With County Treasurer | 1 | |
| 200 | Imprest Cash | | 1 |

To record the return of an imprest account when the account is abolished or reduced.

Interfund Receivables/Payables and Transfers**# 32**General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 350 | Interfund Loans Receivable | 150 | |
| 240 | Cash on Deposit with County Treasurer | | 150 |

To record a loan to another fund (e.g., capital projects fund). (This entry can also be made using Account 241 instead of Account 240.)

33

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 320 | Due From Other Funds | 19 | |
| 241 | Warrants Outstanding | | 19 |

To record payment of expenditures (wages, travel, etc.) of the ASB fund by the general fund and the establishment of an interfund receivable.
(See Entries #19 and 20 in the ASB fund.)

34

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 162 | |
| 320 | Due From Other Funds | | 10 |
| 350 | Interfund Loan Receivable | | 150 |
| 960 | Revenues | | 2 |

To record the repayment of a \$150 loan made to the Capital Projects Fund and the partial reimbursement of a receivable for payments made for the ASB Fund by the General Fund. Interfund loan interest of \$2 is collected only on the interfund loan.

35

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 500 | |
| 645 | Interfund Loans Payable | | 500 |

To record a \$500 loan received from the Capital Projects Fund.

36

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 50 | |
| 640 | Due to Other Funds | | 50 |

To record a \$50 reimbursement of expenditures which were paid by the ASB Fund.

37

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 535 | Other Financing Uses | 50 | |
| 240 | Cash on Deposit with County Treasurer | | 50 |

To record a \$50 operating transfer-out to the Transportation Vehicle Fund. (This entry can also be made using Account 241 instead of Account 240.)

38

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 15 | |
| 645 | Interfund Loans Payable | 500 | |
| 240 | Cash on Deposit with County Treasurer | | 515 |

To record the repayment of the \$500 loan from the capital projects fund. Interfund loan interest of \$15 was paid.

39

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 640 | Due to Other Funds | 50 | |
| 240 | Cash on Deposit with County Treasurer | | 50 |

To record the repayment of \$50 payable that was for expenditures paid by the ASB Fund. (See Entry #37.)

Prepaid Items

40

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 430 | Prepaid Items | 60 | |
| 601 | Accounts Payable | | 60 |

To record purchase of two-year insurance policy.

41

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 60 | |
| 241 | Warrants Outstanding | | 60 |

To record payment of payable established with two-year insurance policy.

42

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 50 | |
| 430 | Prepaid Items | | 50 |

To record current year expenditures for first year of insurance set up in preceding entry (\$30) and business machine contract (\$20) set up in opening entry.

Investments

43

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 450 | Investments | 1,000 | |
| 240 | Cash on Deposit with County Treasurer | | 1,000 |

To record the purchase of investments.

44

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 865 | |
| 450 | Investments | | 850 |
| 960 | Revenues | | 15 |

To record sale of investments and the related revenue.

Contracts Payable—Long-Term

45

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 520 | Encumbrances | 155 | |
| 820 | Reserved for Encumbrances | | 155 |

To record a two-year conditional sales contract. A television system has been purchased in the current period.

46

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 150 | |
| 965 | Other Financing Sources | | 150 |

To record the delivery of the television system. The contract has a payment of \$50 due in two months. (See Entry #47.)

** Collateral entry (long-term portion of \$100) may be recorded in the long-term debt “holding account”.

(See Entry #14.)

47

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 50 | |
| 241 | Warrants Outstanding | | 50 |

To record the current portion of the contract for the purchase of the television system. (See Entry #46.)

48

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 150 | |
| 520 | Encumbrances | | 150 |

To record decrease in encumbrances concurrent with expenditures for delivery of the television system.

** Collateral entry may be recorded in capital asset “holding account”.

(See Entry #4.)

49General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 5 | |
| 602 | Contracts Payable—Current | | 5 |

To record the first-year interest charge on the installment purchase contract. Interest accrues as time passes and therefore becomes a payable when the first payment comes due.

50General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 5 | |
| 520 | Encumbrances | | 5 |

To record the decrease in encumbrances concurrent with establishing a payable for interest on the contract.

51General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 602 | Contracts Payable—Current | 55 | |
| 241 | Warrants Outstanding | | 55 |

To record the first payment on the conditional sales contract. The principal amount is \$50 with interest of \$5.

** Collateral entry may be recorded in long-term debt "holding account".
(See Entry #15.)

Inventory—Supplies and Materials—Perpetual Method**# 52**General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 410 | Inventory—Supplies and Materials | 220 | |
| 601 | Accounts Payable | | 220 |

To record the receipt of inventory items.

53

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 220 | |
| 241 | Warrants Outstanding | | 220 |

To record the payment of payable established upon receipt of inventory items.

54

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 195 | |
| 410 | Inventory—Supplies and Materials | | 195 |

To record the reduction in inventory for supplies and materials withdrawn from stock or an inventory reduction when a physical inventory reveals that the book figure exceeds the actual stock.

Inventory—Supplies and Materials—Periodic Method

55

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 250 | |
| 410 | Inventory—Supplies and Materials | | 250 |

To record expenditures of inventory items at the beginning of year. It is assumed that inventory items are used before any new purchases.

56

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 200 | |
| 601 | Accounts Payable | | 200 |

To record the receipt of inventory items and their immediate expenditure.

57

| General Ledger | | | |
|----------------|--------------------------------------|---------------|----------------|
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 410 | Inventory—Supplies and Materials | 50 | |
| 530 | Expenditures | | 50 |

To record the establishment of inventory accounts based on a periodic physical count of items. Inventory should be costed by using the first in-first out method (FIFO).

Inventory—Food Services—Perpetual Method

58

| General Ledger | | | |
|----------------|--------------------------------------|---------------|----------------|
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 420 | Inventory—Lunchrooms | 450 | |
| 601 | Accounts Payable | | 450 |

To record the receipt of purchased inventory items.

59

| General Ledger | | | |
|----------------|--------------------------------------|---------------|----------------|
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 155 | |
| 420 | Inventory—Lunchrooms | | 155 |

To record the reduction in inventories for items withdrawn from stock.

60

| General Ledger | | | |
|----------------|--------------------------------------|---------------|----------------|
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 100 | |
| 420 | Inventory—Lunchrooms | | 100 |

To record the reduction of inventories when physical inventories reveal that the book figures exceed the actual stock.

Inventory—Food Services—Periodic Method

61

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 420 | Inventory—Lunchrooms | 150 | |
| 601 | Accounts Payable | | 150 |

To record the receipt of purchased inventory items.

62

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 400 | |
| 420 | Inventory—Lunchrooms | | 400 |

To record expenditures of items in inventories at the beginning of year. It is assumed that inventory items are used before new purchases.

63

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 400 | |
| 601 | Accounts Payable | | 400 |

To record the receipt and immediate expenditure of inventory items.

64

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 420 | Inventory—Lunchrooms | 400 | |
| 530 | Expenditures | | 400 |

To record the establishment of inventory accounts based on the periodic count of items. Inventory should be valued by using the first in-first out method.

Accounts Payable

65

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 200 | |
| 601 | Accounts Payable | | 200 |

To record expenditures from the voucher listing control.

66

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 199 | |
| 241 | Warrants Outstanding | | 199 |

To record the payment of vouchers from the warrant register control.

67

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 241 | Warrants Outstanding | 42,700 | |
| 240 | Cash on Deposit with County Treasurer | | 42,700 |

To record the redemption of warrants as shown by the county treasurer.

68

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 1 | |
| 530 | Expenditures | | 1 |

To record the credit memo received on previous purchase.

Capital Assets—Trade-In

68a

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 10,000 | |
| 493 | Cash | | 10,000 |

To record the purchase of a new truck costing \$15,000 net of a trade-in allowance of \$5,000.

** Collateral entry from Entry #8b in the capital asset "holding account".

Deferred Compensation

69

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 455 | Investments—Deferred Compensation | 60 | |
| 635 | Deferred Compensation Payable | | 60 |

To record the investment and related liability for deferred compensation. Cash for investments is obtained by warrant written along with the payroll. Amounts are expended with payroll.

70

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 635 | Deferred Compensation Payable | 5 | |
| 455 | Investments—Deferred Compensation | | 5 |

To record the investment fees or losses on investments.

71

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 230 | Cash on Hand | 30 | |
| 455 | Investments—Deferred Compensation | | 30 |

To record the partial liquidation of investments for the purpose of making payments to employees. This entry assumes that investments are not handled by the county. If the county liquidates investments, G.L. 230 is replaced by G.L. 240.

72

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 635 | Deferred Compensation Payable | 30 | |
| 241 | Warrants Outstanding | | 28 |
| 610 | Payroll Deductions and Taxes Payable | | 2 |

To record the payment to an employee or a former employee and the accrual of the federal tax deduction.

Self-Insured Industrial Insurance

73

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 459 | Self-Insurance Security Deposits | 1,500 | |
| 240 | Cash on Deposit with County Treasurer | | 1,500 |

To record the security deposit required by the Department of Labor and Industries for a deposit held in trust by the county treasurer. (G.L. Account 241 may be appropriate if the deposit is held in trust by other than the county treasurer.)

74

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 530 | Expenditures | 30 | |
| 639 | Estimated Industrial Insurance Benefits Payable | | 30 |

To record the expenditure for industrial insurance benefits and the liability claims. This is a payroll entry.

75

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 639 | Estimated Industrial Insurance Benefits Payable | 10 | |
| 241 | Warrants Outstanding | | 10 |

To record the payment of benefit claims, administrative assessments, and reinsurance premiums for industrial insurance.

76

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 5 | |
| 601 | Accounts Payable | | 5 |

To record the supplemental pension, consulting firm service fees, surety bond premiums, legal and other related expenditures involved with industrial insurance benefits.

Unemployment Compensation Benefits Reimbursement District Not In Pool

77

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 40 | |
| 637 | Estimated Unemployment Benefits Payable | | 40 |

To record the expenditure of unemployment benefits during payroll processing. The liability is for estimated future claims against current wages.

78

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 637 | Estimated Unemployment Benefits Payable | 10 | |
| 241 | Warrants Outstanding | | 10 |

To record the payment of unemployment benefits and administrative assessments to the Employment Security Department. These amounts represent claims actually paid by Employment Security that are now being reimbursed by the district.

Adjustments—Prior Period or Year—Immaterial Errors

Entries for immaterial errors are handled the same as correcting entries in the current year. See Expenditures section of Journal Entries. Refer to definition of materiality in Chapter 8—Financial Reporting.

Adjustments—Prior Period or Year—Material Errors

Prior period or year adjustments are infrequent and must be of a material amount. Entries #79, 80, 81, and 82 are samples of some adjustments that might be necessary in certain unusual situations. Refer to definition of materiality in Chapter 8—Financial Reporting.

79

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 230 | Cash on Hand | 50,000 | |
| 898 | Prior Year Corrections or Restatements | | 50,000 |

To record the refund of expenditures paid in a prior period/year.

80

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 898 | Prior Year Corrections or Restatements | 40,000 | |
| 240 | Cash on Deposit with County Treasurer | | 40,000 |

To record the refund of prior year tax receipts.

81

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 420 | Inventory—Lunchrooms | 15,600 | |
| 898 | Prior Year Corrections or Restatements | | 15,600 |

To record the correction of an error in recording the prior year physical inventory.

82

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 898 | Prior Year Corrections or Restatements | 15,000 | |
| 601 | Accounts Payable | | 15,000 |

To record the correction of prior year accruals that were missed in error.

Adjustments—Prior Period or Year—Fund Entity Changes

Fund entity changes occur when an equity transfer is made to another governmental unit outside of the school district.

82a

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 898 | Prior Year Corrections or Restatements | 400,000 | |
| 630 | Due to Other Governmental Units | | 400,000 |

To record transfer of resources to XYZ ECEAP Center. This journal entry is used to reduce beginning fund balance. At the end of the year, GL Account 898 is closed to 890 Unreserved Fund Balance.

Accrual for Payroll

83

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 500 | |
| 605 | Accrued Salaries | | 460 |
| 610 | Payroll Deductions and Taxes Payable | | 40 |

To record payroll accruals as of the end of fiscal year 8/31/20XX. Since all expenditures are processed through the payables, this represents only amounts that do not already appear in the balance of the payables at the end of the period.

Closing Entries

84

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 900 | Appropriations | 47,770 | |
| 905 | Appropriations for Other Financing Uses | 290 | |
| 510 | Estimated Revenues | | 47,570 |
| 515 | Estimated Other Financing Sources | | 270 |
| 540 | Appropriated Fund Balance | | 220 |

To record the closing of the budgetary accounts. Since these accounts must always be in balance during the year, the closing entries simply eliminate the existing balances.

85

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 890 | Unreserved, Undesignated Fund Balance | 46,331 | |
| 530 | Expenditures | | 46,281 |
| 535 | Other Financing Uses | | 50 |

To record the closing of expenditures and other financing uses at the end of the fiscal year.

86

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 59,219 | |
| 965 | Other Financing Sources | | 220 |
| 890 | Unreserved, Undesignated Fund Balance | | 59,439 |

To record the closing of revenues and other financing sources at the end of the fiscal year.

87

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 1,300 | |
| 520 | Encumbrances | | 1,300 |

To record the closing of encumbrances to reserved for encumbrances at the end of the fiscal year.

88

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 898 | Prior Year Corrections or Restatements | 410,600 | |
| 890 | Unreserved, Undesignated Fund Balance | | 410,600 |

To record the closing of the prior year corrections at the end of the fiscal year.

CAPITAL PROJECTS FUND JOURNAL ENTRIES

Opening Entry

1

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 525 | |
| 310 | Taxes Receivable | 150 | |
| 340 | Accounts Receivable | 10 | |
| 450 | Investments | 25,000 | |
| 241 | Warrants Outstanding | | 100 |
| 601 | Accounts Payable | | 75 |
| 750 | Deferred Revenue | | 10 |
| 760 | Deferred Revenue—Taxes Receivable | | 150 |
| 890 | Unreserved, Undesignated Fund Balance | | 25,350 |

To record the capital projects fund opening entry as of September 1, 20XX. This represents the beginning trial balance.

Budget Entry

2

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 510 | Estimated Revenues | 18,000 | |
| 515 | Estimated Other Financing Sources | 19,000 | |
| 540 | Appropriated Fund Balance | | 2,000 |
| 900 | Appropriations | | 35,000 |

To record the annual budget of the Capital Projects Fund as adopted by the board of directors for fiscal year 20XX–XX.

Revenues—Property Tax

3

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 310 | Taxes Receivable | 3,000 | |
| 760 | Deferred Revenue—Taxes Receivable | | 3,000 |

To record the property taxes levied for the Capital Projects Fund for the tax year 20XX.

4

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 1,550 | |
| 960 | Revenues | | 1,550 |

To record the collection of property taxes as reported by the county treasurer.

5

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 760 | Deferred Revenue—Taxes Receivable | 1,550 | |
| 310 | Taxes Receivable | | 1,550 |

To record the reduction in taxes receivable as a result of property tax collections as reported by the county treasurer.

6

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 10 | |
| 240 | Cash on Deposit with County Treasurer | | 10 |

To record the refund of collected property taxes.

Investments

7

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 450 | Investments | 5,000 | |
| 240 | Cash on Deposit with County Treasurer | | 5,000 |

To record the purchase of investments.

8

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 20,200 | |
| 450 | Investments | | 20,000 |
| 960 | Revenue | | 200 |

To record the sale of investments and the related revenue earned.

Revenues

9

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 230 | Cash on Hand | 100 | |
| 960 | Revenues | | 100 |

To record the receipt for revenues collected by the district to be remitted to the county treasurer.

10

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 100 | |
| 230 | Cash on Hand | | 100 |

To record the deposit of cash with the county treasurer.

Revenues—Other Financing Sources

11

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 19,000 | |
| 965 | Other Financing Sources | | 19,000 |

To record the sale of bonds. This entry can be used as a format for the following entries: sale of real property, sale of equipment, and the compensated loss of capital assets.

** Collateral entry may be recorded in the long-term debt “holding account”.
(See Entry #10.)

11b

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 2,000,000 | |
| 965 | Other Financing Sources | | 2,000,000 |

To record the sale of zero-coupon bonds. Bonds have face value of \$2,500,000 and are due in 15 years. See Collateral Entry #22 in the long-term debt “holding fund” (if used).

Interfund Receivables/Payables and Transfers

12

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 100 | |
| 645 | Interfund Loan Payable | | 100 |

To record the issuance of an interfund loan payable.

13

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 6 | |
| 645 | Interfund Loan Payable | 100 | |
| 240 | Cash on Deposit with County Treasurer | | 106 |

To record the repayment of an interfund loan payable. Interfund interest of \$6 was also paid.

14

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 320 | Due from Other Funds | 100 | |
| 240 | Cash on Deposit with County Treasurer | | 100 |

To record the existence of an interfund receivable from the general fund.

15

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 106 | |
| 320 | Due from Other Funds | | 100 |
| 960 | Revenues | | 6 |

To record the repayment of interfund receivable from the General Fund including interest earned of \$6.

16

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 535 | Other Financing Uses | 100 | |
| 240 | Cash on Deposit with County Treasurer | | 100 |

To record the transfer of resources to the Debt Service Fund so that it can make payment on nonvoted bonds that were used to purchase portables.

Expenditures

17

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 520 | Encumbrances | 4,000 | |
| 820 | Reserved for Encumbrances | | 4,000 |

To record the commitment for purchases.

18

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 4,000 | |
| 601 | Accounts Payable | | 4,000 |

To record expenditures.

19

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 4,000 | |
| 520 | Encumbrances | | 4,000 |

To record encumbrance liquidation.

20

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 4,000 | |
| 241 | Warrants Outstanding | | 4,000 |

To record warrants issued, including a separate warrant for 5 percent retainage to an escrow bank account.

21

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 241 | Warrants Outstanding | 4,000 | |
| 240 | Cash on Deposit with County Treasurer | | 4,000 |

To record warrant redemption.

Contracts Payable—Long-Term

22

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 2,500 | |
| 602 | Contracts Payable—Current | | 500 |
| 965 | Other Financing Sources | | 2,000 |

To record expenditures; \$500 to be paid in current year and \$2000 to be paid in future years.

** Collateral entry is recorded in long-term debt “holding fund” (if used).
(See Entry #11.)

23

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 602 | Contracts Payable—Current | 500 | |
| 241 | Warrants Outstanding | | 500 |

To record the warrant issued for the current year portion of the long-term contract.

24

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 241 | Warrants Outstanding | 500 | |
| 240 | Cash on Deposit with County Treasurer | | 500 |

To record warrant redemption.

Revenues—State Matching

25

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 520 | Encumbrances | 5,000 | |
| 820 | Reserved for Encumbrances | | 5,000 |

To record the commitment for purchases.

26

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 5,000 | |
| 960 | Revenues | | 5,000 |

To record the receipt of state matching moneys paid directly to the contractor.

27

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 5,000 | |
| 520 | Encumbrances | | 5,000 |

To record encumbrance liquidation.

Closing Entries

28

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 540 | Appropriated Fund Balance | 2,000 | |
| 900 | Appropriations | 35,000 | |
| 510 | Estimated Revenues | | 18,000 |
| 515 | Estimated Other Financing Sources | | 19,000 |

To record the closing of budgetary accounts.

29

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 6,846 | |
| 965 | Other Financing Sources | 21,000 | |
| 530 | Expenditures | | 11,506 |
| 890 | Unreserved, Undesignated Fund Balance | | 16,340 |

To record the closing of revenues, expenditures, and other financing sources to unreserved fund balance.

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DEBT SERVICE FUND JOURNAL ENTRIES

Opening Entry

1

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 240 | Cash on Deposit with County Treasurer | 42 | |
| 250 | Cash With Fiscal Agent | 17 | |
| 310 | Taxes Receivable | 292 | |
| 340 | Accounts Receivable | 100 | |
| 450 | Investments | 350 | |
| 675 | Matured Bonds Payable | | 15 |
| 685 | Matured Bond Interest Payable | | 2 |
| 760 | Deferred Revenue—Taxes Receivable | | 392 |
| 890 | Unreserved, Undesignated Fund Balance | | 392 |

To record the debt service fund opening entry as of September 1, 20XX. This represents the beginning trial balance.

Budget Entry

2

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 510 | Estimated Revenues | 763 | |
| 515 | Estimated Other Financing Sources | 110 | |
| 540 | Appropriated Fund Balance | 60 | |
| 900 | Appropriations | | 833 |
| 905 | Appropriations for Other Financing Uses | | 100 |

To record the annual budget of the Debt Service Fund as adopted by the board of directors reflecting the amount of bonds to be redeemed, interest to be paid, and other uses in the refunded bond fund.

Revenues—Property Tax

3

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 310 | Taxes Receivable | 784 | |
| 760 | Deferred Revenue—Taxes Receivable | | 784 |

To record the property taxes levied for the Debt Service Fund for the tax year 20XX.

4

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 688 | |
| 960 | Revenues | | 688 |

To record the collection of property taxes as reported by the county treasurer.

5

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 760 | Deferred Revenue—Taxes Receivable | 688 | |
| 310 | Taxes Receivable | | 688 |

To record the reduction in taxes receivable as a result of property tax collections.

** Collateral entry may be recorded in term-term debt “holding account”.
(See Entry #2.)

6

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 1 | |
| 240 | Cash on Deposit with County Treasurer | | 1 |

To record the refund of collected property taxes.

** Collateral entry may be recorded in term-term debt “holding account”.
(See Entry #3.)

Revenues—Other Financing Sources

7

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 188 | |
| 960 | Revenues | | 188 |

To record the state forest revenue.

** Collateral entry may be recorded in term-term debt “holding account”.
(See Entry #4.)

8

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 340 | Accounts Receivable | 10 | |
| 965 | Other Financing Sources | | 10 |

To record the proceeds from the sale of real property that are receivables. The property was originally financed by the sale of bonds that have not been totally retired.

** Collateral entry may be recorded in the long-term debt “holding account”.
(See Entry #5.)

9

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 10 | |
| 340 | Accounts Receivable | | 10 |

To record the collection of accounts receivable.

Expenditures

10

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 822 | |
| 675 | Matured Bonds Payable | | 750 |
| 685 | Matured Bond Interest Payable | | 72 |

To record the expenditures for bond principal and interest.

** Collateral entry may be recorded in term-term debt "holding account".
(See Entry #6.)

11

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 1 | |
| 680 | Bond Service Transfer Fees Payable | | 1 |

To record the bond transfer expenditures.

** Collateral entry may be recorded in the long-term debt "holding account".
(See Entry #7.)

Expenditures—Bond Redemption

12

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 250 | Cash With Fiscal Agent | 842 | |
| 240 | Cash on Deposit with County Treasurer | | 842 |

To record the cash remitted to the fiscal agent for scheduled bond redemption and coupon interest payments by the fiscal agent.

13

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 675 | Matured Bonds Payable | 763 | |
| 685 | Matured Bond Interest Payable | 76 | |
| 250 | Cash With Fiscal Agent | | 839 |

To record the redemption of matured bond principal and matured bond interest paid by a fiscal agent other than the county treasurer. (G.L. Account 240 would be used instead of 250 if the county treasurer paid the principal and interest.)

Interfund Receivables/Payables and Transfers

14

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 10 | |
| 645 | Interfund Loans Payable | | 10 |

To record a loan received from another fund.

15

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 1 | |
| 645 | Interfund Loans Payable | 10 | |
| 240 | Cash on Deposit with County Treasurer | | 11 |

To record the repayment of a loan received from another fund. The \$1 represents interest.

** Collateral entry may be recorded in the long-term debt.
(See Entry #8.)

16

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 100 | |
| 965 | Other Financing Sources | | 100 |

To record an operating transfer from the Transportation Vehicle Fund. The subsidiary used in G.L. Account 965 is Account 9900 Transfers.

17

| | | | |
|----------------|--|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 965 | Other Financing Uses—Operating Transfer Out—General Fund | 100 | |
| 240 | Cash on Deposit with County Treasurer | | 100 |

To record a transfer to the general fund.

Investments

18

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 450 | Investments | 2,340 | |
| 240 | Cash on Deposit with County Treasurer | | 2,340 |

To record the purchase of investments.

19

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 240 | Cash on Deposit with County Treasurer | 2,264 | |
| 450 | Investments | | 2,230 |
| 960 | Revenues | | 34 |

To record the sale of investments and the earned interest.

** Collateral entry may be recorded in the long-term debt “holding account”.
(See Entry #9.)

Accrued Interest

20

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 240 | Cash on Deposit with County Treasurer | 20 | |
| 604 | Accrued Interest Payable | | 20 |

To record the cash received for accrued interest from date of bond issuance until the cash was received.

Journal Entries for the Regular Method of Advance Bond Debt Refunding

21

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 535 | Other Financing Use—Payment to Refunded Bond Escrow Agent | 510,000 | |
| 965 | Other Financing Source—Sale of Refunding Bonds | | 510,000 |

This entry records the proceeds from the sale of the refunding bonds and the payment to the refunded bond escrow agent to defease the old debt. This entry also includes \$10,000 in both the Other Financing Use and Other Financing Source accounts for underwriting fees. If the school district receives the cash from the sale of the refunding bonds, this entry would be split into two entries that would include a debit to cash for the receipt of the proceeds and a credit to cash to record the payments to the escrow agent and to the underwriter.

** Collateral entries may be recorded in the long-term debt “holding account” as Entries #17 and #18.

22

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 10,000 | |
| 601 | Accounts Payable | | 10,000 |

To record debt issuance expenditures from the debt service fund’s current resources for underwriter’s fees. If underwriter’s fees are deducted from the proceeds of the refunding bonds, Entry #21 is to be used.

Journal Entries for the Crossover Method of Advance Bond Debt Refunding

23

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 250 | Cash With Fiscal Agent | 500,000 | |
| 965 | Other Financing Source—Sale of Refunding Bonds | | 500,000 |

To record the amount placed in escrow as the result of a crossover refunding bond issue.

** Collateral entry may be recorded in the long-term debt “holding account” as Entry #21.

24

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 535 | Other Financing Use—Crossover Defeasance | 500,000 | |
| 250 | Cash With Fiscal Agent | | 500,000 |

To record the amount placed in escrow as the result of a crossover refunding bond issue.

** Collateral entry may be recorded in the long-term debt “holding account” as Entry #21.

#25

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> | <u>Source</u> |
|----------------|--------------------------------------|---------------|----------------|---|
| 240 | Cash with County Treasurer | 2,975 | | Accrued interest |
| 240 | Cash with County Treasurer | 3,925 | | Add'l proceeds to debt service (new bond) |
| 535 | Bond Issue Costs | 19,100 | | Payment of issue costs |
| 535 | Bond Issue Costs | | | Bond insurance premium (if any) |
| 535 | Bond Issue Costs | 19,150 | | Underwriter's discount |
| 535 | Bond Interest Expense | | 2,975 | Accrued interest |
| 535 | Other Financing Uses | 1,936,420 | | Deposit to escrow |
| 535 | Other Financing Uses | 5 | | Deposit to escrow |
| 965 | Proceeds from Bonds | | 1,980,000 | Par value of new bonds |
| 965 | Proceeds from Bonds | 1,400 | | Original issue discount (premium) |
| 965 | Proceeds from Bonds | | | Rounding of split costs |

To record bond refunding.

Note: Account 604 could be used for accrued interest if not done in the same fiscal year.

If this is done, it is important the entry be reversed the next year.

Closing Entries

26

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 900 | Appropriations | 833 | |
| 905 | Appropriation for Other Financing | 100 | |
| 510 | Estimated Revenues | | 763 |
| 515 | Estimated Other Financing Sources | | 110 |
| 540 | Appropriated Fund Balance | | 60 |

To record the closing of budgetary accounts.

27

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 890 | Unreserved, Undesignated Fund Balance | 824 | |
| 530 | Expenditures | | 824 |

To record the closing of expenditures at the end of the fiscal year.

28

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 909 | |
| 965 | Other Financing Sources | | 10 |
| 890 | Unreserved, Undesignated Fund Balance | | 919 |

To record the closing of revenues at the end of the fiscal year.

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ASSOCIATED STUDENT BODY FUND JOURNAL ENTRIES

Opening Entry

1

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 85 | |
| 410 | Inventories—Supplies and Materials | 1 | |
| 430 | Prepaid Items | 1 | |
| 450 | Investments | 18 | |
| 601 | Accounts Payable | | 1 |
| 890 | Unreserved, Undesignated Fund Balance | | 104 |

To record the ASB fund opening entry as of September 1, 20XX. This represents the beginning trial balance.

Budget Entry

2

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 510 | Estimated Revenues | 338 | |
| 540 | Appropriated Fund Balance | | 38 |
| 900 | Appropriations for Expenditures | | 300 |

To record the annual budget of the ASB Fund as adopted by the board of directors for the fiscal year 20XX.

Cash—Imprest

3

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 200 | Imprest Cash | 10 | |
| 241 | Warrants Outstanding | | 10 |

To record the establishment of an imprest account or to increase an existing imprest account. If a treasurer's check is used, credit Account 240 Cash on Deposit with County Treasurer.

4

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 8 | |
| 241 | Warrants Outstanding | | 8 |
| 890 | Unreserved, Undesignated Fund Balance | 8 | |
| 930 | Expenditure Contra (530) | | 8 |

To record the replenishment of an imprest account by warrant.

5

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 240 | Cash on Deposit with County Treasurer | 10 | |
| 200 | Imprest Cash | | 10 |

To record the return of an imprest account when the account is reduced, abolished, or returned to the district at year-end.

Inventory—Supplies and Materials—Periodic Method

6

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 530 | Expenditures | 2 | |
| 410 | Inventories—Supplies and Materials | | 2 |
| 890 | Unreserved, Undesignated Fund Balance | 2 | |
| 930 | Expenditure Contra (530) | | 2 |

To record an inventory adjustment at the time of a periodic inventory.

Investments

7

| | | | |
|----------------|---------------------------------------|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 450 | Investments | 100 | |
| 240 | Cash on Deposit with County Treasurer | | 100 |

To record the purchase of investments.

8

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 110 | |
| 450 | Investments | | 100 |
| 960 | Revenues | | 10 |
| 560 | Revenues Contra (960) | 10 | |
| 890 | Unreserved, Undesignated Fund Balance | | 10 |

To record the sale of investments and the related investment revenue.

Expenditures

9

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 129 | |
| 241 | Warrants Outstanding | | 129 |
| 890 | Unreserved, Undesignated Fund Balance | 129 | |
| 930 | Expenditure Contra (530) | | 129 |

To record expenditures.

10

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 241 | Warrants Outstanding | 168 | |
| 240 | Cash on Deposit with County Treasurer | | 168 |

To record the redemption of warrants as shown by county treasurer's report.

Accounts Payable

11

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 2 | |
| 241 | Warrants Outstanding | | 2 |

To record the payment of vouchers previously approved.

12

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 2 | |
| 601 | Accounts Payable | | 2 |
| 890 | Unreserved, Undesignated Fund Balance | 2 | |
| 930 | Expenditure Contra | | 2 |

To record an accrual at the end of the fiscal year.

Contracts Payable

13

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 5 | |
| 602 | Contracts Payable—Current | | 5 |
| 890 | Unreserved, Undesignated Fund Balance | 5 | |
| 930 | Expenditure Contra | | 5 |

To record an expenditure through a contract payable.

Encumbrances

14

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 520 | Encumbrances | 3 | |
| 820 | Reserved for Encumbrances | | 3 |

To record the issuance of purchase orders.

15

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 3 | |
| 520 | Encumbrances | | 3 |

To record the liquidation of encumbrances by the payment of vouchers or the cancellation of unneeded encumbered purchase orders.

Revenues

16

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 13 | |
| 960 | Revenues | | 13 |
| 560 | Revenue Contra (960) | 13 | |
| 890 | Unreserved, Undesignated Fund Balance | | 13 |

To record revenues deposited with the county treasurer.

17

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 230 | Cash on Hand | 9 | |
| 960 | Revenues | | 9 |
| 560 | Revenue Contra (960) | 9 | |
| 890 | Unreserved, Undesignated Fund Balance | | 9 |

To record the receipt of revenues collected by the district for remittance to county treasurer via the depository account.

18

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 9 | |
| 230 | Cash on Hand | | 9 |

To record the deposit of cash with the county treasurer.

Interfund Receivables/Payables and Transfers

19

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 19 | |
| 640 | Due to Other Funds | | 19 |
| 890 | Unreserved, Undesignated Fund Balance | 19 | |
| 930 | Expenditure Contra (530) | | 19 |

To record a liability to the General Fund for ASB expenditures incurred by the General Fund.

** See Entry # 33 in General Fund.

20

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 640 | Due to Other Funds | 19 | |
| 241 | Warrants Outstanding | | 19 |

To record the payment to the general fund for the amount due.

** See Entry # 33 in General Fund.

Capital Assets—Purchase

21

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 10 | |
| 241 | Warrants Outstanding | | 10 |
| 890 | Unreserved, Undesignated Fund Balance | 10 | |
| 930 | Expenditure Contra (530) | | 10 |

To record a purchase of equipment which is a capital asset.

** Collateral entry may be recorded in capital asset “holding account”.
(See Entry #7.)

** The donation of equipment items to the ASB Fund does not require an entry in the ASB Fund. The equipment is recorded in the capital asset “holding account”.
(See Entry #7.)

Closing Entries

22

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 540 | Appropriated Fund Balance | 38 | |
| 900 | Appropriations for Expenditures | 300 | |
| 510 | Estimated Revenues | | 338 |

To record the closing of the budgetary accounts. Since these accounts must always be in balance during the year, the closing entries simply eliminate the existing balances.

23

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 930 | Expenditure Contra (530) | 280 | |
| 530 | Expenditures | | 280 |

To record the closing of expenditures at the end of the fiscal year.

24

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 960 | Revenues | 338 | |
| 560 | Revenue Contra (960) | | 328 |

To record the closing of revenues at the end of the fiscal year.

25

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 8 | |
| 520 | Encumbrances | | 8 |

To close encumbrances to reserved for encumbrances at the close of the fiscal year.

NOTE: If encumbrances are carried forward to the next fiscal year, reestablish the prior year encumbrances closed to the reserved for encumbrances by reversing that entry into the new fiscal year.

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TRANSPORTATION VEHICLE FUND JOURNAL ENTRIES

Opening Entry

1

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 100 | |
| 310 | Taxes Receivable | 150 | |
| 450 | Investments | 1,000 | |
| 241 | Warrants Outstanding | | 50 |
| 601 | Accounts Payable | | 25 |
| 645 | Interfund Loan Payable | | 200 |
| 760 | Deferred Revenue—Taxes Receivable | | 150 |
| 890 | Unreserved, Undesignated Fund Balance | | 825 |

To record the transportation vehicle fund opening entry as of September 1, 20XX. This represents the beginning trial balance.

Budget Entry

2

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 510 | Estimated Revenues | 1,900 | |
| 515 | Estimated Other Financing Sources | 3,000 | |
| 540 | Appropriated Fund Balance | | 1,439 |
| 900 | Appropriations | | 3,461 |

To record the annual budget of the transportation vehicle fund as adopted by the board of directors for fiscal year 20XX–XX.

Revenues—Property Tax

3

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 310 | Taxes Receivable | 1,500 | |
| 760 | Deferred Revenue—Taxes Receivable | | 1,500 |

To record the property taxes levied for the transportation vehicle fund for the tax year 20XX.

4

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 750 | |
| 960 | Revenues | | 750 |

To record the collection of property taxes as reported by the county treasurer.

5

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 760 | Deferred Revenue—Taxes Receivable | 750 | |
| 310 | Taxes Receivable | | 750 |

To record the reduction of Taxes Receivable as a result of property tax collections.

6

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 10 | |
| 240 | Cash on Deposit with County Treasurer | | 10 |

To record the refund of collected property taxes.

Investments

7

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 450 | Investments | 500 | |
| 240 | Cash on Deposit with County Treasurer | | 500 |

To record investment purchases.

8

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 650 | |
| 450 | Investments | | 600 |
| 960 | Revenues | | 50 |

To record the sale of investments and the earned interest.

Revenues

9

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 230 | Cash on Hand | 100 | |
| 960 | Revenues | | 100 |

To record the receipt of revenues collected by the district for remittance to the county treasurer.

10

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 100 | |
| 230 | Cash on Hand | | 100 |

To record the deposit of cash with the county treasurer.

Revenues—Other Financing Sources

11

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 3,000 | |
| 965 | Other Financing Sources | | 3,000 |

To record the sale of bonds. This entry can be used as a format for the following entries: sale of equipment, compensated loss of capital assets, long-term financing, and operating transfers.

Interfund Receivables/Payables and Transfers

12

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 240 | Cash on Deposit with County Treasurer | 100 | |
| 645 | Interfund Loan Payable | | 100 |

To record the issuance of an interfund loan payable.

13

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 530 | Expenditures | 6 | |
| 645 | Interfund Loan Payable | 100 | |
| 240 | Cash on Deposit with County Treasurer | | 106 |

To record the repayment of an interfund loan payable including interest of \$6. (This entry can also be made using Account 241 instead of 240.)

14

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 535 | Other Financing Uses | 100 | |
| 240 | Cash on Deposit with County Treasurer | | 100 |

To record the transfer of resources to the debt service fund so that it can make the payment for nonvoted bonds that were used to purchase buses.

Expenditures

15

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 520 | Encumbrances | 1,500 | |
| 820 | Reserved for Encumbrances | | 1,500 |

To record commitment for purchases.

16

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 1,500 | |
| 601 | Accounts Payable | | 1,500 |

To record expenditures.

17

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 820 | Reserved for Encumbrances | 1,500 | |
| 520 | Encumbrances | | 1,500 |

To record encumbrance liquidation.

18

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 601 | Accounts Payable | 1,500 | |
| 241 | Warrants Outstanding | | 1,500 |

To record warrants issued.

19

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 241 | Warrants Outstanding | 1,500 | |
| 240 | Cash on Deposit with County Treasurer | | 1,500 |

To record warrant redemption.

Contracts Payable—Long-Term

20

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 2,500 | |
| 602 | Contracts Payable—Current | | 500 |
| 965 | Other Financing Sources | | 2,000 |

To record expenditures; \$500 to be paid in the current fiscal year and the \$2,000 to be paid in future years.

** Collateral entry may be recorded in the long-term debt “holding account”.
(See Entry #12.)

21

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 602 | Contracts Payable—Current | 500 | |
| 241 | Warrants Outstanding | | 500 |

To record the \$500 warrant issued for the first payment of the contract payable.
(See Entry #20.)

22

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 241 | Warrants Outstanding | 500 | |
| 240 | Cash on Deposit with County Treasurer | | 500 |

To record warrant redemption.

Capital Assets—Purchase

23

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 28 | |
| 241 | Warrants Outstanding | | 28 |

To record the purchase and delivery of a new bus.

** Collateral entry is recorded in the capital asset “holding account” (if used).

(See Entry #5.)

24

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 530 | Expenditures | 2 | |
| 241 | Warrants Outstanding | | 2 |

To record the purchase, delivery, and installation of a rebuilt bus engine.

** Collateral entry for entry is recorded in the capital asset “holding account” (if used).

(See Entry #6.)

Closing Entries

25

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 540 | Appropriated Fund Balance | 1,439 | |
| 900 | Appropriations | 3,461 | |
| 510 | Estimated Revenue | | 1,900 |
| 515 | Estimated Other Financing Sources | | 3,000 |

To record the closing of budgetary accounts.

26

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 960 | Revenues | 896 | |
| 965 | Other Financing Sources | 5,000 | |
| 530 | Expenditures | | 4,006 |
| 890 | Unreserved, Undesignated Fund Balance | | 1,890 |

To record closing of revenues, expenditures, and other financing sources to unreserved fund balance.

LONG-TERM DEBT “Holding Account” JOURNAL ENTRIES

With the adoption of the Governmental Accounting Standards Board’s (GASB) Statement 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, account groups were eliminated and long-term debt no longer shown on the fund financial statements. Generally accepted accounting principles (GAAP) now require debt be presented on the Statement of Net Assets.

While not required, districts may find it useful to continue to make journal entries and accumulate debt information in a long-term debt “holding account”. This may facilitate preparation of the Schedule of Long-Term Debt and required long-term debt note disclosures.

Opening Entry

1

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 470 | Amount Available in Debt Service Fund | 392 | |
| 480 | Amount to be Provided for Debt Retirement | 7,160 | |
| 603 | Contracts Payable—Long-Term | | 100 |
| 607 | Vacation Leave Payable - Current | | 42 |
| 608 | Sick Leave Payable - Current | | 20 |
| 690 | Bonds Payable—Long-Term | | 7,390 |

To record the long-term debt “holding account” opening entry as of September 1, 20XX. This represents the beginning trial balance.

Collateral Entries—Debt Service Fund

2

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 470 | Amount Available in Debt Service Fund | 688 | |
| 480 | Amount to be Provided for Debt Retirement | | 688 |

To record the collection of property taxes as reported by the county treasurer.

** See Entry #5 in debt service fund.

3

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 480 | Amount to be Provided for Debt Retirement | 1 | |
| 470 | Amount Available in Debt Service Fund | | 1 |

To record the tax refunds on property taxes collected.

** See Entry #6 in debt service fund.

4

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 470 | Amount Available in Debt Service Fund | 188 | |
| 480 | Amount to be Provided for Debt Retirement | | 188 |

To record the receipt of state forest revenues.

** See Entry #7 in debt service fund.

5

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 470 | Amount Available in Debt Service Fund | 10 | |
| 480 | Amount to be Provided for Debt Retirement | | 10 |

To record the sale of real property.

** See Entry #8 in debt service fund.

6

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 480 | Amount to be Provided for Debt Retirement | 72 | |
| 690 | Bonds Payable—Long-Term | 750 | |
| 470 | Amount Available in Debt Service Fund | | 822 |

To record the expenditures for bond principal and interest in the debt service fund.

** See Entry #10 in debt service fund.

7

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 480 | Amount to be Provided for Debt Retirement | 1 | |
| 470 | Amount Available in Debt Service Fund | | 1 |

To record the bond transfer expenditures.

** See Entry #11 in debt service fund.

8

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 480 | Amount to be Provided for Debt Retirement | 1 | |
| 470 | Amount Available in Debt Service Fund | | 1 |

To record the repayment of loan interest by the debt service fund.

** See Entry #15 in debt service fund.

9

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 470 | Amount Available in Debt Service Fund | 34 | |
| 480 | Amount to be Provided for Debt Retirement | | 34 |

To record the revenue from the sale of investments.

** See Entry #19 in debt service fund.

Collateral Entries—Capital Projects Fund

10

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 480 | Amount to be Provided for Debt Retirement | 19,000 | |
| 690 | Bonds Payable—Long-Term | | 19,000 |

To record the sale of bonds.

** See Entry #11 in capital projects fund.

11

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 480 | Amount to be Provided for Debt Retirement | 2,000 | |
| 603 | Contracts Payable—Long-Term | | 2,000 |

To record the long-term portion of a new contract payable.
 ** See Entry #22 in capital projects fund.

Collateral Entries—Transportation Vehicle Fund

12

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 480 | Amount to be Provided for Debt Retirement | 2,000 | |
| 603 | Contracts Payable—Long-Term | | 2,000 |

To record the long-term portion of a new contract payable.
 ** See Entry #20 in transportation vehicle fund.

Collateral Entries—General Fund

13

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 475 | Amount Available in other Funds | 100 | |
| 480 | Amount to be Provided for Debt Retirement | | 100 |

To record the reservation of fund balance.
 ** See Entry #3 in general fund.

14

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | | |
| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
| 480 | Amount to be Provided for Debt Retirement | 100 | |
| 603 | Contracts Payable—Long-Term | | 100 |

To record the long-term portion of a new contract payable.
 ** See Entry # 46 in general fund.

15

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 603 | Contracts Payable—Long-Term | 50 | |
| 475 | Amount Available in Other Funds | | 50 |

To record matured contracts payable.

** See Entry #51 in general fund.

16

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--|---------------|----------------|
| 480 | Amount to be Provided for Debt Service | 50 | |
| 607 | Vacation Leave Payable - Current | | 40 |
| 608 | Sick Leave Payable - Current | | 10 |

To record the adjustment necessary to bring the totals for long-term sick leave payables to their respective balances of \$82 and \$30.

** See Entry #83 in general fund.

Journal Entries for the Regular Method of Advance Bond Debt Refunding

17

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 690 | Bonds Payable—Long-Term (Old Bonds) | 500,000 | |
| 480 | Amount to be Provided for Debt Retirement | | 500,000 |

To remove the defeased (old) long-term debt from the long-term debt fund (if used).

** See Entry #21 in debt service fund.

18

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 480 | Amount to be Provided for Debt Retirement | 510,000 | |
| 690 | Bonds Payable—Long-Term (New Bonds) | | 510,000 |

To record the new debt in the long-term debt fund (if used).

** See Entry #21 in debt service fund.

Journal Entries for the Crossover Method of Advance Bond Debt Refunding

19

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 470 | Amount Available in Debt Service Fund | 500,000 | |
| 480 | Amount to be Provided for Debt Retirement | | 500,000 |

To recognize the cash with fiscal agent debit and the other financing source credit in the debt service fund from the sale of the new bonds that is available to pay the old bonds.

** See Entry #23 in debt service fund.

20

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 480 | Amount to be Provided for Debt Retirement | 500,000 | |
| 690 | Bonds Payable—Long-Term (New Bonds) | | 500,000 |

To record the new debt in the long-term debt fund (if used) at the time of the sale of the new bonds.

** See Entry #23 in debt service fund.

21

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---------------------------------------|---------------|----------------|
| 690 | Bonds Payable—Long-Term (Old Bonds) | 500,000 | |
| 470 | Amount Available in Debt Service Fund | | 500,000 |

To remove the defeased (old) long-term debt from the long-term debt fund (if used) at the time of the crossover.

** See Entry #24 in debt service fund.

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CAPITAL ASSETS “Holding Account” JOURNAL ENTRIES

With the adoption of the Governmental Accounting Standards Board’s (GASB) Statement 34, *Basic Financial Statements—and Management’s Discussion and Analysis—for State and Local Governments*, account groups were eliminated and capital (formerly fixed) assets no longer shown on the fund financial statements. Generally accepted accounting principles (GAAP) require investments in capital assets (ICA) be presented on the Statement of Net Assets.

While not required, districts may find it useful to continue to make journal entries and accumulate debt information in a capital asset “holding account”. This may facilitate preparation of the required capital asset note disclosures.

Opening Entry

1

| General Ledger | | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| <u>Account</u> | <u>Account Title and Description</u> | | |
| 490 | Land | 1,300 | |
| 491 | Buildings | 3,200 | |
| 492 | Transportation Equipment | 400 | |
| 493 | Equipment | 180 | |
| 494 | Construction in Progress | 260 | |
| 801 | ICA From GO Bonds | | 2,700 |
| 802 | ICA From Levies | | 200 |
| 803 | ICA From State Grants | | 310 |
| 804 | ICA From Federal Grants | | 800 |
| 805 | ICA From Apportionment and Local Revenues | | 1,020 |
| 809 | Unclassified ICA | | 310 |

To record the capital asset opening entry as of September 1, 20XX. This represents the beginning trial balance.

Collateral Entries—Construction in Progress

2

| General Ledger | | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| <u>Account</u> | <u>Account Title and Description</u> | | |
| 801 | ICA From GO Bonds | 260 | |
| 494 | Construction in Progress | | 260 |

To reverse the closing entry from the previous year.

3

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 491 | Buildings | 900 | |
| 493 | Equipment | 50 | |
| 801 | ICA From GO Bonds | | 900 |
| 804 | ICA From Federal Grants | | 10 |
| 805 | ICA From Apportionment and Local Revenues | | 40 |

To record the completion of an addition to an existing building with multiple sources of funding.

Collateral Entries—General Fund

4

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 493 | Equipment | 15 | |
| 805 | ICA From Apportionment and Local Revenues | | 15 |

To record the purchase and delivery of closed circuit television system.

** Collateral entry from Entry #48 in the general fund.

Collateral Entries—Transportation Vehicle Fund

5

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 492 | Transportation Equipment | 28 | |
| 805 | ICA From Apportionment and Local Revenues | | 28 |

To record the purchase and delivery of a new bus.

** Collateral entry from Entry #23 in transportation vehicle fund.

6

General Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 492 | Transportation Equipment | 2 | |
| 805 | ICA From Apportionment and Local Revenues | | 2 |

To record the purchase, delivery, and installation of a rebuilt bus engine.

** Collateral entry from Entry #24 in transportation vehicle fund.

Collateral Entries—ASB Fund

7

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | <u>Debits</u> | <u>Credits</u> |
| <u>Account</u> | <u>Account Title and Description</u> | | |
| 493 | Equipment | 10 | |
| 805 | ICA From Apportionment and Local Revenues | | 10 |

To record the purchase and delivery of popcorn popper by ASB.
 ** Collateral entry from Entry #21 in ASB fund.

Capital Assets—Sale

8

| | | | |
|----------------|--------------------------------------|---------------|----------------|
| General Ledger | | <u>Debits</u> | <u>Credits</u> |
| <u>Account</u> | <u>Account Title and Description</u> | | |
| 801 | ICA From GO Bonds | 100 | |
| 490 | Land | | 100 |

To record the sale of land. The property was declared surplus by the board. (Proceeds go to the capital projects fund.) Deletions are recorded at original cost regardless of sale price.

Capital Assets—Trade-In

8a

| | | | |
|----------------|---|---------------|----------------|
| General Ledger | | <u>Debits</u> | <u>Credits</u> |
| <u>Account</u> | <u>Account Title and Description</u> | | |
| 805 | ICA From Apportionment and Local Revenues | 8,000 | |
| 493 | Capital Assets—Equipment | | 8,000 |

To record elimination of a truck traded in to obtain a new truck. (Deletions are recorded at original cost regardless of sale price or trade-in value.)

8b

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|---|---------------|----------------|
| 805 | Capital Assets—Equipment | 15,000 | |
| 493 | ICA From Apportionment and Local Revenues | | 15,000 |

To record the purchase of a truck obtained in a trade-in transaction at a cost of \$10,000 plus a trade-in allowance of \$5,000. (Acquisitions are recorded at full price of the asset.)

** Collateral entry from Entry #68a in the general fund.

Inventory—Capital Assets

9

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 493 | Equipment | 3 | |
| 809 | Unclassified ICA | 10 | |
| 492 | Transportation Equipment | | 13 |

To record an adjustment to inventory balances to actual after annual confirmation.

10

General
Ledger

| <u>Account</u> | <u>Account Title and Description</u> | <u>Debits</u> | <u>Credits</u> |
|----------------|--------------------------------------|---------------|----------------|
| 809 | Unclassified ICA | 50 | |
| 493 | Equipment | | 50 |

To record the sale of old classroom furniture. These assets are removed at acquisition costs, not for the amount received from the sale.

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