
STARS USER MANUAL.....	1
STATEWIDE CLASSIFICATION: GENERAL LEDGER ACCOUNTS AND SUBSIDIARY ACCOUNTS	1
INTRODUCTION	1
GENERAL LEDGER CATEGORIES AND GENERAL LEDGER ACCOUNTS	2
TRANSACTION CODE USE OF GENERAL LEDGER ACCOUNTS	5
FUND AND GRANT USE OF GENERAL LEDGER ACCOUNTS	6
VIEWING GENERAL LEDGER FILES IN STARS OR IBIS.....	6
S065 RECORD INQUIRY SCREEN.....	6
S076 FINANCIAL INQUIRY SCREEN	6
USING TRIAL BALANCE REPORTS	6
SUBSIDIARY ACCOUNTS	8
SUBSIDIARY USE OF GENERAL LEDGER ACCOUNTS.....	8
VIEWING SUBSIDIARY FILES IN STARS OR IBIS	9
S069 SUBSIDIARY FILE RECORD INQUIRY SCREEN	9
S075 SUBSIDIARY FILE FINANCIAL INQUIRY SCREEN.....	10

STARS USER MANUAL

STATEWIDE CLASSIFICATION: GENERAL LEDGER ACCOUNTS AND SUBSIDIARY ACCOUNTS

INTRODUCTION

General ledger accounting involves defining the chart of accounts that the state will use for financial statement preparation to meet both internal and external reporting needs. The State Controller's Office (SCO) sets up the STARS General Ledger (or chart of accounts) which consists of a variety of accounts that are used to record all the assets, liabilities, fund balance (equity), receipts, and expenditures within a fund. This classification element is the key tool for producing a trial balance and balance sheet for a fund.

- **REAL ACCOUNTS** – Assets, Liabilities, and Fund Balances are often referred to as 'real' accounts. These balances are always carried forward from one reporting period to the next, including into the next fiscal year. These accounts comprise what is reported on a Balance Sheet and represent financial information at a specific point in time.
- **NOMINAL ACCOUNTS** – Revenues, Expenditures, Encumbrances, Transfers In, and Transfers Out are commonly call 'nominal' accounts. These balances provide the information for Operating Statements and reflect the activity that has occurred during a period-of-time. At fiscal year end, the balances in the nominal accounts are 'closed' to Fund Balances.
- **MEMO ACCOUNTS** – STARS includes the budgetary accounts in the 'memo' accounts. The Memo accounts neither close to Fund Balances nor are the balances brought forward to the next fiscal year. They begin as zero balances at the beginning of each fiscal year.

In order to eliminate the need for pre-encumbrances to be re-entered into STARS at the beginning of each year, these amounts are carried forward into the next fiscal year, but remain as 'memo' accounts

GENERAL LEDGER CATEGORIES AND GENERAL LEDGER ACCOUNTS

STARS General Ledgers consists of the five following balance sheet categories:

- Assets
- Liabilities
- Fund Balances
- Nominal Accounts
- Memo Accounts

Within each of these general categories is the actual General Ledger Account where a STARS transaction is classified and recorded. For example, the General Ledger category 01 – Assets includes the General Ledger Accounts of 1003 – Cash in Treasury and 1005 – Imprest Petty Cash.

The following table describes how the State Controller’s Office sets up STARS General Ledger categories and accounts. NOTE: The balances of General Ledger Accounts in the categories of Assets, Liabilities, and Fund Balances are always carried forward from one fiscal year to the next.

<u>General Ledger Category</u>	<u>General Ledger Accounts</u>	<u>Types of Accounts</u>
Assets	1000 – 1999	An asset is any item of probable future economic benefit obtained or controlled by a particular entity, as a result of past transactions or events. Examples of assets are cash, accounts receivable, inventory, and equipment.
Liabilities	2000 – 2999	Liabilities represent probable future sacrifices of economic benefits, arising from present obligations of an entity to transfer assets or provide services to other entities in the future as a result of past transactions or events. Examples of liabilities are accounts payable, taxes payable, and due to other funds.

<u>General Ledger Category</u>	<u>General Ledger Accounts</u>	<u>Types of Accounts</u>
Fund Balances (Net Assets)	3000 – 3999	Fund Balances are the difference between Assets and Liabilities.

NOTE: The balances of Nominal Accounts will close into the appropriate Fund Balance General Ledger at fiscal year-end.

<u>General Ledger Category</u>	<u>General Ledger Accounts</u>	<u>Types of Accounts</u>
Revenues	4100, 4350, 4500	Revenues are increases in the net current assets from transactions other than expenditure refunds and transfers.
Expenditures	4200, 4250, 4600	Expenditures are decreases in net financial resources.
Encumbrances	4300	Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrances are recorded for budgetary purposes to reserve a portion of an appropriation to cover the cost of the legal obligation.
Transfers In	4700, 4725, 4900	Transfers In are cash not related to revenue that is received by an entity. Examples of Transfers In include operating transfers and statutory transfers coming in from a different fund, agency, etc.

<u>General Ledger Category</u>	<u>General Ledger Accounts</u>	<u>Types of Accounts</u>
Transfers Out	4750, 4800, 4950	Transfers Out are cash not related to expenditures paid by an entity. Examples of Transfers Out include operating transfers and statutory transfers going out to a different fund, agency, etc.

NOTE: The balances of the Memo Accounts do not close to Fund Balances, and most balances are not brought forward to the next fiscal year. At the request of agencies, pre-encumbrance GLs 5100 and 5110 are carried forward, so re-entering them is not needed:

<u>General Ledger Category</u>	<u>General Ledger Accounts</u>	<u>Types of Accounts</u>
Memo	5000 - 5999	Memo accounts are used as a mechanism to record information for reporting purposes but that will not impact the financial statements. Examples of Memo accounts are Financial Plans, Estimated Revenues, and budgetary accounts such as Appropriations.

STARS Descriptor Table 31 defines the system controls for individual General Ledger Accounts. See the [Statewide Descriptor Tables documentation](#), D31 for information on setting up a General Ledger Account.

TRANSACTION CODE USE OF GENERAL LEDGER ACCOUNTS

Once the General Ledgers have been defined, the State Controller's Office sets up transaction codes that post to these accounts in the Transaction Code Decision Table.

Transaction Code - defines the General Ledger Accounts that STARS posts to when a transaction is entered and processed. Every transaction must post to at least two General Ledger Accounts, but can post to more in order to properly reflect the accounting event. Additionally, every transaction that processes through the accounting system must post to the General Ledger and include a Fund.

If a transaction code is set up in STARS to include only one General Ledger Account, the second must be manually entered on the transaction by the SCO staff.

Because transaction codes automatically post to set General Ledger Accounts, it is important to select the appropriate Transaction Code when entering transactions. When an incorrect Transaction Code is used, the financial statements and reports will be incorrect.

Additional information on Transaction Codes is available in STARS by recalling the transaction code on the STARS Transaction Code Decision Table, S028 screen. Also, see the [Transaction Code Decision Table documentation](#) in the STARS manual.

Each transaction code has General Ledger postings. Most transaction codes have all of the necessary GL accounts needed to process. Notice that there is no GL (General Ledger) file posting reference. Since all transaction codes post to the General Ledger file, the GL file postings are a given.

VERSION 3.1 STARS--TRANSACTION CODE DECISION TABLE MAINTENANCE/INQUIRY S028														
FUNCTION: R (A=ADD, C=CHANGE, D=DELETE, N=NEXT, R=RECALL)														
TRAN-CODE: 230 TITLE: RECORD AN EXPENDITURE NOT PREVIOUSLY ENCUMBERED														
GENERAL-LEDGER- DR-1: 4200 CR-1: 1003 DR-2: CR-2:														
POSTING DR-3: 1003 CR-3: 2101 DR-4: CR-4:														
TRANSACTION	CI	MODI	N	RVRS	INDX	R	PCA	R	BUDU	R	FUND	R	FDTL	ESUB
I														
EDIT-INDS	EDTL	RSUB	N	RDTL	N	SUBS	N	MULT	GLA	N	VNUM	I	VNAM	VADD
PCN	N	PROJ	GRNT	CDOC	I	RDOC	INVC	DOCD	DUDT	N	WARR	N	SECA	
N														
POSTING-SEQ:	5	REGISTER-NO:	4	WAR-WRITING:	1	CLEAR-FUND:	Y	VEND-PAYMENT:	Y					
GEN-TC:		GEN-ACCR-TC:												
		A/S	FIELD	MATCH	GLA	DOC	SUB	A/S	FIELD	MATCH	GLA	DOC		
SUB														
FILE	DF:													
	AP:	+	12		M									
POSTING	AL:	+	09											
	CC:	-	05											
	GP:	+	05											
	PJ:	+	05											
	SF:													
	OF:	+	01		1									
	AD:													

FUND AND GRANT USE OF GENERAL LEDGER ACCOUNTS

General Ledger Accounts are set up for all agencies to use. STARS keeps separate records by Agency, Fund, and General Ledger Account by including the Agency and Fund numbers as part of the key when posting to STARS financial files. You can also post to the Grant or Grant Phase level within a Fund in the General Ledger. That means that you can post and control Grants using the General Ledger file. See the GL-by-Grant information in the [Grants documentation](#) of the STARS manual.

VIEWING GENERAL LEDGER FILES IN STARS OR IBIS

Use the STARS online inquiry to view General Ledger Account balances through screens S065 or S076. Use the S076 Financial Inquiry screen to view information by Fund and GL account. Use the S065 Record Inquiry screen to see more detail by Transaction Code. See [the Online File Inquiry document](#) for more information.

Reports can be run in IBIS that will show your agency's General Ledger Account structure. [Click here for more information about IBIS.](#)

S065 RECORD INQUIRY SCREEN

The S065 Record Inquiry screen shows the Start of Year Balance - amounts brought forward from the prior year. These will be transaction codes in the 600 range. The Current Balance shows current year information.

S076 FINANCIAL INQUIRY SCREEN

The S076 Financial Inquiry screen totals the Transaction Codes by GL Account. Grant or Grant/Phase details are shown, if set up on the Grant Control Table. This screen also shows whether the GL account should have a debit or credit (DEBIT/CREDIT) balance. If this is a "D", the Ending Balance should not have a negative sign.

The S076 Financial Inquiry also shows the Beginning Balance (brought over from the prior year), the Activity (for the current year), and the Ending Balance (beginning balance plus activity).

USING TRIAL BALANCE REPORTS

You can use the DAFR8180 Trial Balance by Fund/GL Account/Transaction Code in conjunction with the DAFR8160 Trial Balance by Fund/Grant report. DAFR8180 is broken down by GL Account and then by Transaction Code. The DAFR8160 shows all of your General Ledger Accounts, broken down by Subsidiary (if any), where the debits must equal the credits. The DAFR8160 report shows the following columns.

GL CAT	GL ACCT	SUBS ACCT	DESCRIPTION	BEGINNING SUBS	BAL /	GEN	DEBITS	CREDITS	ENDING SUBS	BAL /	INVAL GEN	IND
-----------	------------	--------------	-------------	-------------------	----------	-----	--------	---------	----------------	----------	--------------	-----

Column	Description
GL CAT General Ledger Category	Shows the GL Categories and totals for each category (such as assets, liabilities, fund balances, nominal accounts, and memo acct).
GL ACCT General Ledger Account	Shows the GL Accounts and a description of each.
SUBS ACCT Subsidiary Accounts	Shows the breakdown of the GL Account by listing each Subsidiary account used and a total of subsidiaries by GL account.
DESCRIPTION	Shows the description of the GL category, GL account, or Subsidiary account
BEGINNING BAL SUBS / GEN	Shows the beginning of the month balance. It will show the monthly beginning amount of each Subsidiary (SUBS) and of each general GL account (GEN), totaling by GL account, then GL category.
DEBITS	Shows the debits posted for the month to the GL account or Subsidiary. Debits or credits depend on the normal balance of the GL account.
CREDITS	Shows the credits posted for the month to the GL account or Subsidiary. Debits or credits depend on the normal balance of the GL account.
ENDING BAL Ending Balance	Shows the balance at the end of the month of each Subsidiary (SUB) and of each general GL account (GEN), totaling by GL account, then GL category.
INVAL IND Invalid Indicator	Shows an asterisk beside the Subsidiary or GL account line if the balance is not a normal balance. E.g., GL 1003 normally has a debit balance, so if the ending balance is a credit amount, an asterisk will be in this column.

On a monthly basis, use the DAFR8160 trial balance report to review (errors should be fixed before the end of the next month):

1. A balance for a Fund that is not usually used.
2. A Subsidiary or General Ledger Account that is not usually used or abnormal balances in ones that are used.
3. A Subsidiary (such as suspense accounts) that should be at zero at the end of the month.

4. If there is an asterisk in the `INVAL IND` field on the GL account or Subsidiary account lines, check to see if this abnormal balance is correct. (Example: Agencies do not receive actual cash from the General Fund for their General Fund appropriations. The cash balance in GL 1003 will be a credit amount which, in this case, is a valid abnormal balance.)

SUBSIDIARY ACCOUNTS

Some General Ledger Accounts also have Subsidiary accounts associated with them. Subsidiary accounts provide a means of tracking amounts at a lower level than the General Ledger Account. A Subsidiary number must be associated with a specific General Ledger Account.

For example, to track different transactions within the General Ledger Account 1502, request the State Controller's Office to create Subsidiary accounts within GL 1502 for each different type of transaction.

Subsidiary codes must exist on the STARS Descriptor Table 32 (D32) before they can be used. Subsidiary codes are seven digits, often set up with the three-digit agency number followed by four zeros. However, the last four digits may be something other than zeros and used to identify different programs within an agency.

```
VERSION 3.1          STARS--DESCRIPTOR TABLE MAINTENANCE/INQUIRY
S023

FUNCTION: R (A=ADD, C=CHANGE, D=DELETE, N=NEXT, R=RECALL)

TABLE-ID-NUMBER: 32 SUBSIDIARY
                ....|....1....|....2....|....3.
TABLE-ENTRY-KEY: 1502140000
                G/L ACCOUNT, SUBSIDIARY

REFERENCE-DATA :
```

4-digit general ledger account,
3-digit agency code,
4-digit subsidiary identifier

SUBSIDIARY USE OF GENERAL LEDGER ACCOUNTS

Subsidiary accounts will be printed on Trial Balance reports as detail lines under the respective General Ledger Account. To do this, a Subsidiary account code must be set up to a specific General Ledger. Most Subsidiary codes are already set up on the Descriptor Table (D32). The Subsidiary code to use also depends on the General Ledger Account on the transaction code (TC) used. Refer to [the Transaction Code Decision Table Inquiry screen](#) to see how the General Ledger Account is set up on a given TC.

For example, an interagency billing Due From TC 130 posts to General Ledger Account 1502, the GLA (General Ledger Account) field shows that Position 1 on TC 130 is the GL 1502. The General Ledger Account 1502 is also the G/L shown on the Document File

(GLA=1). NOTE: TC 130 also posts to General Ledger Account 4100 (Revenue) on the Operating File (GLA=2).

```

VERSION 3.1 STARS--TRANSACTION CODE DECISION TABLE MAINTENANCE/INQUIRY S028
FUNCTION: R (A=ADD, C=CHANGE, D=DELETE, N=NEXT, R=RECALL)
TRAN-CODE: 130 TITLE: RECORD DUE FROM OTHER FUND OR APPROPRIATIONS
GENERAL-LEDGER- DR-1: 1502 CR-1: 4100 DR-2: CR-2:
POSTING DR-3: CR-3: DR-4: CR-4:
TRANSACTION CI N MODI N RVRS INDX R PCA R BUDU R FUND R FDTL ESUB N
EDIT-INDS EDTL N RSUB I RDTL SUBS I MULT GLA N VNUM VNAM VADD
PCN N PROJ GRNT CDOC I RDOC INVC DOCD R DUDT WARR N SECA R
POSTING-SEQ: 3 REGISTER-NO: 8 WAR-WRITING: 0 CLEAR-FUND: N VEND-PAYMENT: N
GEN-TC: GEN-ACCR-TC:
A/S FIELD MATCH GLA DOC SUB A/S FIELD MATCH GLA DOC
SUB
DF: + 01 N 1 1
FILE
AP:
POSTING
AL:
CC:
GP: + 08 + 11
PJ: + 08 + 11
SF: + 03 1
OF: - 01 2
AD:

```

VIEWING SUBSIDIARY FILES IN STARS OR IBIS

You can find subsidiary information in three places in STARS:

- The subsidiary number is on Descriptor Table (D32).
- Once transactions post to the subsidiary file, you can find detailed information, such as, increases, decreases, or adjustments on the STARS Record Inquiry screen S069.

Once transactions post to the subsidiary file, you can find summary information by fund or fund detail on the STARS Financial Inquiry screen S075.

STARS Online Inquiry screens show the total amount for a specific Subsidiary account under a given Fund and General Ledger number. They also show all the amounts due a Fund under a given General Ledger number with details by Subsidiary. See [the Online File Inquiry document](#) for more information.

Reports can be run in IBIS that will show your agencies specific General Ledger Account and Subsidiary Account structure. [Click here for more information about IBIS.](#)

S069 SUBSIDIARY FILE RECORD INQUIRY SCREEN

The S069 Subsidiary File Record Inquiry Screen and the S075 Subsidiary File Financial Inquiry Screen show accumulative data posted to the Subsidiary file.

The S069 Subsidiary File Record Inquiry Screen Subsidiary files are listed by agency, by TY, by Fund, by Grant/Phase, by General Ledger Account, and by Subsidiary. It also shows the Beginning Balance, Decreases, and the Balance (the Beginning Balance plus Increases less Decreases).

S069 Subsidiary File Record Inquiry (Due From)

VERSION 3.1	STARS--SUBSIDIARY FILE RECORD INQUIRY			S069
AGENCY: 230	TRAN YR: 00	FUND/DET: 0001	GRANT/PH:	GL ACCT: 1502
SSID ACCT: 2000000				
CM: X	PM:	CP:	PP:	PY:
			CUM: X	ACTV:
DESCRIPTION: ADMINISTRATION				
CREATE DATE: 080699 CLOSE DATE:				
BEGINNING BALANCE:	0.00	ADJUSTMENT AMOUNT:	0.00	
INCREASE:	5,783.63	DECREASE:	100.00	
BALANCE:		5,683.63		

S075 SUBSIDIARY FILE FINANCIAL INQUIRY SCREEN

The S075 Subsidiary File Financial Inquiry Screen lists all Subsidiary File Record Inquiry screens having the same Fund, Fund Detail, Grant, Grant Phase (if used), and GL account. This screen lists the Subsidiary account numbers and summarizes information similar to the trial balance. The S075 Subsidiary File Financial Inquiry Screen Subsidiary files are listed by agency, by Fund, by General Ledger account, by Trans Yr and by Grant/Phase.

Screen S075 lists the Beginning Balances of all Subsidiary records, their Activity (increases plus adjustments plus decreases from the S069 Subsidiary File Record Inquiry screen), and their Ending Balances. For each unique Subsidiary number, the Beginning Balance of S069 and S075 should be the same and the Balance of S069 and Ending Balance of S075 should be the same.

S075 Subsidiary File Financial Inquiry (Due From)

VERSION 3.1	STARS--SUBSIDIARY FILE FINANCIAL INQUIRY			S075
AGENCY: 230	FUND/DET: 0001	GL ACCT: 1502		
TRANS YR: 00	GRANT/PH:			
CM: X	PM:	CP:	PP:	PY:
			CUM: X	ACTV:
SUBSIDIARY	BEGINNING BALANCE	ACTIVITY	ENDING BALANCE	
2000000	0.00	5,783.63	5,783.63	
2000101	0.00	178.78	178.78	
2000102	0.00	10,150.50	10,150.50	
2000103	0.00	938.00	938.00	
2000122	0.00	1,000.00	1,000.00	
2000123	0.00	3,500.00	3,500.00	