



85.42

Expenditures, Expenses, and Cash Disbursements - Illustrative Entries

85.42.10

May 1, 1999

These entries are for illustrative purposes

The entries in this section illustrate the recording of expenditures/expenses and cash disbursements in the accounting records. These entries are for illustrative purposes **only** and should **not** be considered all inclusive. Entries posted to GL Code Series 71XX "In-Process" in treasury and treasury trust accounts also require an entry from the Office of State Treasurer (OST) as illustrated below to clear the In-Process GL Codes.

	Dr.	Cr.
In-Process (71XX)	xxx	
Current Treasury Cash Activity (OST only)		
(4310)		xxx

The entry would be reversed for In-Process debit amounts.

85.42.20

June 1, 2011

Encumbrances

85.42.20.a

To record the establishment of encumbrances or increases to existing encumbrances for budgeted accounts. Refer to Subsection 85.30.10.

	Dr.	Cr.
Encumbrances (6410)	xxx	
Reserved for Encumbrances (9510)		xxx

85.42.20.b

To record encumbrance liquidations for budgeted accounts. Refer to Subsections 85.30.10 and 85.32.40.e.

	Dr.	Cr.
Reserved for Encumbrances (9510)	xxx	
Encumbrances (6410)		xxx

85.42.30

May 1, 1999

Expenditure/expense disbursements

To record expenditure/expense disbursements for goods and services received. Refer to Subsection 85.36.50.

	Dr.	Cr.
Cash Expenditure/Expense (6510) (with appropriate subobject)	xxx	
Cash in Bank (1110) or		
Warrants/ACH Payments In-Process (7120)		xxx

85.42.40

July 1, 2008

Recording payroll

85.42.40.a

To record payroll expenditures/expenses. Refer to Subsection 85.34.10.

	Dr.	Cr.
Cash Expenditure/Expense (6510) (with appropriate subobject)	xxx	
Cash in Bank (1110) or		
Journal Vouchers In-Process (7140)		xxx

85.42.40.b

To record the receipt of cash in the payroll revolving account and the establishment of the payroll liabilities for agencies using the state's Human Resource Management System (HRMS).

	Dr.	Cr.
Journal Vouchers In-Process (7140)	xxx	
Accrued Salaries and Fringe Benefits Payable (5124)		xxx
Employee Insurance Deductions Payable (5181)		xxx
Industrial Insurance and Medical Aid Deductions Payable (5187)		xxx
Savings bond Deductions Payable (5188)		xxx
Garnishment Deductions Payable (5189)		xxx
Other Liabilities (5199)		xxx

85
Accounting Procedures

85.42.50

85.42.40.c To record subsequent liquidation of payroll and related liabilities in the payroll revolving account.

	Dr.	Cr.
Accrued Salaries and Fringe Benefits Payable (5124)	xxx	
Employee Insurance Deductions Payable (5181)	xxx	
Industrial Insurance and Medical Aid Deductions Payable (5187)	xxx	
Savings Bond Deductions Payable (5188)	xxx	
Garnishment Deductions Payable (5189)	xxx	
Other Liabilities (5199)	xxx	
In-Process (71XX)		xxx

85.42.50 Recording shared leave

May 1, 1999

85.42.50.a To record transfer of shared leave between employees within an agency and within the same account. Refer to Subsection 85.34.20.

	Dr.	Cr.
Cash Expenditures/Expenses (6510) (Subobject BT, BU and BV, as applicable)	xxx	
Cash Expenditures/Expenses (6510) (Subobject BW)		xxx

85.42.50.b To record transfer of shared leave between employees of different agencies and/or accounts.

Donor's Operating Account:

	Dr.	Cr.
Cash Expenditures/Expenses (6510) (Subobject BT, BU and BV, as applicable)	xxx	
Cash in Bank (1110) or In-Process (71XX)		xxx

Donee's Operating Account:

	Dr.	Cr.
Cash in Bank (1110) or In-Process (71XX)	xxx	
Cash Expenditures/Expenses (6510) (Subobject BW)		xxx

85.42.50.c To record the payroll for an employee using donated shared leave.

	Dr.	Cr.
Cash Expenditures/Expenses (6510) (Object A, B)	xxx	
Cash in Bank (1110) or		
In-Process (71XX)		xxx

85.42.50.d To record reversion of unused shared leave when employees are within the same agency and account.

	Dr.	Cr.
Cash Expenditures/Expenses (6510) (Subobject BW)	xxx	
Cash Expenditures/Expenses (6510) (Subobject		
BT, BU and BV, as applicable)		xxx

85.42.50.e To record reversion of unused shared leave when employees are from different agencies and/or accounts.

Donor's Operating Account:

	Dr.	Cr.
Cash in Bank (1110) or		
In-Process (71XX)	xxx	
Cash Expenditures/Expenses (6510) (Subobject		
BT, BU and BV, as applicable)		xxx

Donee's Operating Account:

	Dr.	Cr.
Cash Expenditures/Expenses (6510) (Subobject BW)	xxx	
Cash in Bank (1110) or		
In-Process (71XX)		xxx

85.42.60

May 1, 1999

Amounts due deceased employees

85.42.60.a	To record amounts owed to deceased employees. Refer to Subsection 85.34.30.		
		Dr.	Cr.
	Cash Expenditures/Expenses (6510) (with appropriate subobjects)	xxx	
	Due to Deceased Employees' Estates (5145)		xxx
85.42.60.b	To record the liquidation of the liability when the funds are released for payment.		
		Dr.	Cr.
	Due to Deceased Employees' Estates (5145)	xxx	
	Cash in Bank (1110) or		
	Warrants/ACH Payments In-Process (7120)		xxx

85.42.70

May 1, 1999

Salary overpayment recoveries

85.42.70.a	To record the recovery of net pay and related deductions, or employer costs, for a salary overpayment. Refer to Subsection 85.34.40.c.		
		Dr.	Cr.
	Receipts In-Process (7110)	xxx	
	Cash Expenditures/Expenses (6510) (Subobject A, B or N series)		xxx
85.42.70.b	To record the reduction in full time equivalents (FTEs) for any excess hours associated with a salary recovery. Refer to Subsection 85.34.40.c.		
		Dr.	Cr.
	Statistical Clearing Account (0998)	xxx	
	Actual FTEs (0120)		xxx

85.42.80

May 1, 1999

Non-deliverable warrant cancellations

	To record cancellations of non-deliverable warrants. Refer to Subsection 85.38.10.		
		Dr.	Cr.
	Warrant Cancellations In-Process (7130)	xxx	
	Liability for Canceled Warrants/Checks (5194)		xxx

85.42.85

May 1, 1999

Statutorily canceled warrants

To record warrants statutorily canceled by the Office of the State Treasurer. Refer to Subsection 85.38.40.

	Dr.	Cr.
Warrant Cancellations In-Process (7130)	xxx	
Liability for Canceled Warrants/Checks (5194)		xxx

85.42.90

May 1, 1999

Lost or destroyed warrants (Not canceled or redeemed)

85.42.90.a To record cancellation of lost or destroyed warrants that have not been previously canceled or redeemed. Refer to Subsection 85.38.20.c.

	Dr.	Cr.
Warrant Cancellations In-Process (7130)	xxx	
Liability for Canceled Warrants/Checks (5194)		xxx

85.42.90.b To record re-issuance of lost or destroyed warrants. Refer to Subsection 85.38.20.c.

	Dr.	Cr.
Liability for Canceled Warrants/Checks (5194)	xxx	
Warrants/ACH Payments In-Process (7120)		xxx

85.42.95

May 1, 1999

Forged endorsement

85.42.95.a To record the bank credit for the redemption of forged warrants. Refer to Subsection 85.38.30.a.

	Dr.	Cr.
Receipts In-Process (7110)	xxx	
Other Liabilities (5199)		xxx

85.42.95.b To record re-issuance of forged warrants. Refer to Subsection 85.38.30.a.

	Dr.	Cr.
Other Liabilities (5199)	xxx	
Warrants/ACH Payments In-Process (7120)		xxx