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Now for the practical financial impact



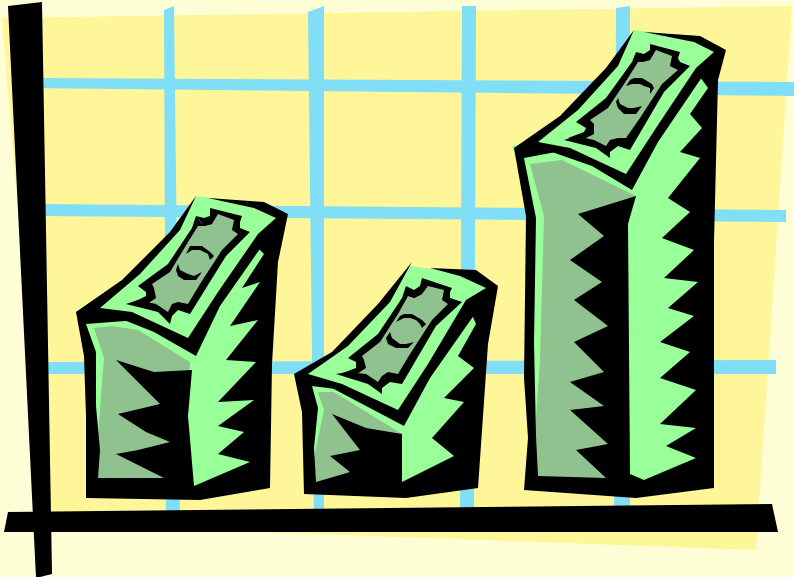


Current Accounting Practice under RIFMIS Financial Advantage





Trust Funds are used
in quantity to
segregate money




● Trust Funds are used as:

- Holding Accounts
- Clearing Accounts





HOLDING FUNDS

- External Parties
 - Pass Through and Refundable Deposits
 - Future Restricted Use
 - Internally & Externally Imposed
 - Revenue Received in Advance
 - External Funding – Grants
 - Private Citizens – Developer DBF
 - Miscellaneous
- 



Journal entries demonstrating current accounting practice using Trust Funds



To record \$5,000 cash deposited into trust

Debit: Cash \$5,000

Credit: Fund Balance \$5,000

COUNTY OF RIVERSIDE JOURNAL VOUCHER

AGENCY NAME Auditor- Controller

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TRANS TYPE	AGENCY NUMBER	DOCUMENT NUMBER	J.V. DATE	ACCT PERIOD	FY	ACTION	NOTE: ACCOUNT TYPE
JV	130	00 000	01/01/01		01	E	ASSET 01 LIABILITY 02
BATCH ID		DEBIT DOCUMENT TOTAL		CREDIT DOCUMENT TOTAL		FUND EQUITY 03 EXPENDITURE 22 COLLECTED REVENUE 31	
130 00101MLP		5,000.00		5,000.00			

Line No.	ACCT TYPE	FUND	AGENCY ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
01	01	7745							9111	
	RCAT	DESCRIPTION (25) CHARACTERS			DEBIT AMOUNT			CREDIT AMOUNT		
		Cash received 1/1/01			5,000.00					

Line No.	ACCT TYPE	FUND	AGENCY ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
02	03	7745							9923	
	RCAT	DESCRIPTION (25) CHARACTERS			DEBIT AMOUNT			CREDIT AMOUNT		
		Cash received 1/1/01						5,000.00		

Three steps to expend trust money:

1. Process payment from Operating Fund
2. Transfer cash out of Trust
3. Transfer cash to Operating Fund for amount expended recognizing revenue



To process payment voucher to disburse money from operating fund

Debit: Expense \$1,100
 Credit: Cash \$1,100

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TRANS TYPE	AGENCY NUMBER	DOCUMENT NUMBER		J.V. DATE	ACCT PERIOD	FY	ACTION	NOTE: ACCOUNT TYPE	
PV	130	00	000	01/01/01		01	E	ASSET	01
BATCH ID		DEBIT DOCUMENT TOTAL			CREDIT DOCUMENT TOTAL			FUND EQUITY	03
130 00101MLP		1,100.00			1,100.00			EXPENDITURE	22
								COLLECTED REVENUE	31

Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
01	22	1001	130	210		02		2504			
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		Process PV				1,100.00					

Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
02	01	1001	130	210						9111	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		Process PV							1,100.00		

To record transfer of cash from trust fund

Debit: Fund Balance \$1,100
 Credit: Cash \$1,100

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TRANS TYPE	AGENCY NUMBER	DOCUMENT NUMBER	J.V. DATE	ACCT PERIOD	FY	ACTION	NOTE: ACCOUNT TYPE
JV	130	00 000	01/01/01		01	E	ASSET 01 LIABILITY 02
BATCH ID		DEBIT DOCUMENT TOTAL		CREDIT DOCUMENT TOTAL		FUND EQUITY 03 EXPENDITURE 22 COLLECTED REVENUE 31	
130 00101MLP		1,100.00		1,100.00			

Line No.	ACCT TYPE	FUND	AGEN ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
01	03	7745							9923	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT	
		Tsf cash from trust				1,100.00				
Line No.	ACCT TYPE	FUND	AGEN ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
02	01	7745							9111	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT	
		Tsf cash from trust							1,100.00	

To record cash transferred into operating fund and recognizing revenue amount for amount expended or disbursed from operating fund

Debit: Cash \$1,100

Credit: Revenue \$1,100

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TRANS TYPE	AGENCY NUMBER	DOCUMENT NUMBER			J.V. DATE	ACCT PERIOD	FY	ACTION	NOTE: ACCOUNT TYPE		
JV	130	00	000		01/01/01		01	E	ASSET		01
BATCH ID		DEBIT DOCUMENT TOTAL				CREDIT DOCUMENT TOTAL				LIABILITY	02
130 00101MLP		1,100.00				1,100.00				FUND EQUITY	03
										EXPENDITURE	22
										COLLECTED REVENUE	31

Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
01	01	1001	130	210						9111	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		To receive into general fund				1,100.00					

Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
02	31	1001	130	210				7011			
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		To receive into general fund							1,100.00		

OASIS Implementation

Effective
July 1, 2002

Changes Affecting Departments:




- Fund Structure

- Account Structure



Changes relate to the Accounting Events of the Primary Government

(i.e governmental and business-type
activities of the County as opposed to
money held in the Treasurer in a
fiduciary capacity)





Fund Structure

 Operating Funds

 Sub Funds






Operating Funds

- Primary fund used to account for financial transactions (operations) of an entity






Sub Funds

- Funds reported in OASIS one level below operating fund
 - Separate accounting entity
 - Unique Fund Number
 - Not Budgetable Entity
 - Tracks Actual Financial Data Only
- 



CRITERIA TO ESTABLISH SUB-FUND

- Legislative or contractual requirement to maintain and account for proceeds separately without commingling
 - Requirement for funding source to be maintained separate for interest earning calculations
 - Transactions would be accounted for in the operating fund of the entity if one of the above criteria did not exist
- 




New accounts departments will be using:

- Customer Deposits
 - Deferred Revenue
 - Net Assets
 - Restricted
 - Designated
 - Revenue - Clearing
- 



Customer Deposits



- Liability account
 - Deposits made by customer as a requirement to receive goods or services provided by the County
 - Usually held until specific conditions are met and then refunded to customer.
 - Some or all could be retained as revenue by the County
- 

To Record Initial Cash Receipt (And Transfer From Old Trust Fund In FY 2001/02)

Debit: Cash (Restricted For CAFR Purposes)
\$100

Credit: Customer Deposits (Liability - Payable)
\$100

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JV	130	00 000	01/01/01		01	E	ASSET 01 LIABILITY 02
BATCH ID		DEBIT DOCUMENT TOTAL		CREDIT DOCUMENT TOTAL			FUND EQUITY 03 EXPENDITURE 22 COLLECTED REVENUE 31
130 00101MLP		100.00		100.00			

Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
01	01	1001	130	210						9111	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		Customer deposit received				100.00					
02	02	1001	130	210						95XX	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		Customer deposit received							100.00		

To Record Refund of Deposit To Customer (Processed By Payment Voucher)

**Debit: Customer Deposits (Liability - Payable)
\$100**

Credit: Cash \$100

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JV	130	00 000	01/01/01		01	E	ASSET 01 LIABILITY 02
BATCH ID		DEBIT DOCUMENT TOTAL		CREDIT DOCUMENT TOTAL			FUND EQUITY 03 EXPENDITURE 22 COLLECTED REVENUE 31
130 00101MLP		100.00		100.00			

Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
01	02	1001	130	210						95XX	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		Customer refund				100.00					
Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
02	01	1001	130	210						9111	
	RCAT	DESCRIPTION (25) CHARACTERS				DEBIT AMOUNT			CREDIT AMOUNT		
		Customer refund							100.00		



CUSTOMER DEPOSITS

Assets = Liabilities


No Effect to Net Assets

**Assets Restricted In County Financial
Statements
(CAFR Only)**






Deferred Revenue

- Liability Account
 - Proceeds received in advance of revenue recognition criteria being met
 - Earning/entitlement process not complete
 - May be county requirement for customer to pay in advance of services being performed
- 



Deferred Revenue

- Differs from Customer Deposits in customer deposits are retained as a condition of performance and usually refundable
 - Deferred Revenue is expected to be recognized as revenue when the earning process is complete
 - County has liability to perform services/provide goods when assets are received
 - For departments with multiple accounts, a unique account (description and number) are required for each type
- 

To record cash received in advance of performing services

Debit: Cash \$200

Credit: Deferred Revenue (Liability) \$200

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TRANS TYPE	AGENCY NUMBER	DOCUMENT NUMBER	J.V. DATE	ACCT PERIOD	FY	ACTION	NOTE: ACCOUNT TYPE									
JV	130	00 000	01/01/01		01	E	ASSET					01				
BATCH ID							DEBIT DOCUMENT TOTAL				CREDIT DOCUMENT TOTAL				LIABILITY	02
130 00101MLP							200.00				200.00				FUND EQUITY	03
															EXPENDITURE	22
															COLLECTED REVENUE	31
Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.					
01	01	1001	130	210						9111						
	RCAT	DESCRIPTION (25) CHARACTERS					DEBIT AMOUNT				CREDIT AMOUNT					
		Cash received in advance					200.00									
Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.					
02	02	1001	130	210						9601						
	RCAT	DESCRIPTION (25) CHARACTERS					DEBIT AMOUNT				CREDIT AMOUNT					
		Cash received in advance									200.00					

To record revenue after gaining entitlement/performing services/delivering goods:

Debit: Deferred Revenue (Liability)
\$200

Credit: Revenue \$200

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JV	130	00 000	01/01/01		01	E	ASSET 01 LIABILITY 02	
BATCH ID		DEBIT DOCUMENT TOTAL		CREDIT DOCUMENT TOTAL				FUND EQUITY 03 EXPENDITURE 22 COLLECTED REVENUE 31
130 00101MLP		200.00		200.00				

Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
01	02	1001	130	210						9601	
	RCAT	DESCRIPTION (25) CHARACTERS Recognizing revenue				DEBIT AMOUNT 200.00			CREDIT AMOUNT		
Line No.	ACCT TYPE	FUND	AGEN	ORGANIZATION	SUB ORG	APPR	ACTIVITY	OBJ/REV	SUB OBJ/REV	BS ACCT	EXTENDED PROJECT NO.
02	31	1001	130	210				7521			
	RCAT	DESCRIPTION (25) CHARACTERS Recognizing revenue				DEBIT AMOUNT			CREDIT AMOUNT 200.00		

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