



County of Riverside
OFFICE OF THE AUDITOR-CONTROLLER
STANDARD PRACTICE MANUAL

		SUBJECT: Chartfields: Establishment of Funds, DeptIDs, and Accounts
SECTION:	7	CATEGORY: GENERAL LEDGER POLICIES
POLICY NUMBER:	702	
REVISED DATE:	12/1/2024	APPROVED BY: <i>Ben J. Brait</i>

PURPOSE: To establish standard guidelines for County departments, agencies, and special districts to establish, change, or inactivate a chartfield in the automated financial system.

SCOPE: Applies to County departments, agencies, special districts, and authorities that are governed by Riverside County Board of Supervisors (Board), and/or which maintain funds in the County Treasury.

POLICY: The Riverside County Auditor-Controller's Office (ACO) has established policies and procedures in compliance with Generally Accepted Accounting Principles (GAAP), the California State Controller's Office, and applicable accounting requirements for federal, state, and other regulatory agencies. In order to establish, change, or inactivate a chartfield in the automated financial system there will be a required request form, which must be accompanied by justification documents, and approvals from the Auditor-Controller's Office (ACO) and/or the Executive Office (EO).

PROCEDURE: There are eight (8) distinct chartfields that can be established, changed, or inactivated in the system. The department completes a request form that has been designated for each chartfield and submits it for the appropriate approvals. A justification document must accompany the chartfield request form. A chartfield request may go through various review processes depending on the type of request or chartfield affected. Discussions with the ACO and/or EO may be required prior to any request being submitted.

Request forms for all chartfield types contain specific instructions and information requirements and can be obtained through the ACO personnel or its website at www.auditorcontroller.org

SECTION	7
POLICY NUMBER	702
REVISED DATE	12/1/2024

ESTABLISHING CHARTFIELDS

1) Business Unit uses **Form GL-13**

A Business Unit is an organization or subset of an organization that is independent with regards to one or more accounting, operational, or reporting functions. The financial system balances ledgers by Business Unit.

2) Fund uses **Form GL-1**

- a. The Fund chartfield is a self-balancing set of transactions that record cash and other financial assets, together with related liabilities, fund equity, and any corresponding financial sources and uses.
- b. All funds can be classified into one of the following categories:
 - Governmental Fund Types include the general fund, special revenue funds, debt service funds, capital project funds, and permanent funds.
 - Proprietary Fund Types include enterprise funds and internal service funds.
 - Fiduciary Fund Types include pension (and other employee benefit) trust funds, investment trust funds, private-purpose funds, and custodial funds.

3) Dept ID uses **Form GL-2**

The Dept ID chartfield is a breakdown of organizational bodies within the County and identifies the financial management structure associated with a financial transaction.

4) Account uses **Forms GL-3, GL-4, or GL-5**

The Account chartfield is used for three different types of transactions: Balance Sheet, Revenues and Expenditures.

- a. **GL-5:** Balance Sheet (Statement of Net Position) transactions include:
 - Assets are resources with a present service capacity that the government presently controls. Assets of governmental funds include resources that are considered current expendable financial resources available for subsequent appropriation and expenditure. Assets other than those that are currently expendable, such as capital assets, are indeed assets, but they are not available to finance future expenditures that will be made from the governmental funds.
 - Liabilities are present obligations to sacrifice resources that the government has little or no discretion to avoid. Governmental fund liabilities are debts or obligations of the governmental unit that are met by using the governmental fund's current expendable financial resources. Liabilities that do not require the use of current expendable financial resources but will be retired at a later date by resources made available through governmental funds are reported as an obligation on the statement of net position.
 - Deferred Outflow of Resources represent a consumption of net assets by the government that applies to future reporting periods. For example, deferred losses on bond refunding transactions.

SECTION	7
POLICY NUMBER	702
REVISED DATE	12/1/2024

- Deferred Inflow of Resources represent an acquisition of net assets by the government that applies to future reporting periods. For example, deferred revenue and advance collections.
 - Net Position is the residual of all other elements presented in a statement of financial position. In governmental funds, the net position (the difference between “fund assets – current financial resources” and “fund liabilities – obligations normally payable from current financial resources”) is referred to as “fund balance.” Deferred inflows of resources may also be present; however, it would be rare for deferred outflows of resources to be present in a governmental fund.
- b. **GL-4:** Revenues are amounts received or receivable, which increase the governmental unit’s fund balance or net position. Revenues are classified by funding and source.
- c. **GL-3:** Expenditures, under the current financial resources measurement focus, represent decreases in fund balance or net position. Expenditures are classified by fund, function, activity, organizational unit, and account. A sub-account may be established for each account.

5) Program uses **Form GL-8**

The Program chartfield is optional and applies to transactions and identifies particular activities or groups of related activities directed toward the accomplishment of recognized objectives. It is not used to track Projects and Grants.

6) Class (Locations) uses **Form GL-6**

- a. The Class chartfield is also optional for transactions and provides another means to classify and arrange financial information by physical location. This field typically refers to a physical address (i.e. 1000 Main St.)
- b. Location can refer to a floor, room suite, or other designation within an existing class.
- c. If two unrelated departments share the same physical address, they should each have their own location, but they should use the same class. Therefore, the second department to move into the same building needs only request a location; the first department should have already done the work of requesting a class for that address.
- d. The class/location code will consist of 2 parts.
- The class field has five characters, four digits, and a dash, (i.e. 5417-).
 - The location code has five digits and is maintained by County IT staff. The first four digits is their mail stop, and the fifth digit is a series from 0-9 and A-Z. This allows 36 combinations for that mail stop with that class code.

7) Project/Grant uses **Form GL-10**

The Project/Grant chartfield is optional and is used to capture and control project or grant information and track financial activity across budget years, funds, and departments.

8) Statistics Code uses **Form GL-7**

The Statistics Code chartfield is optional and can be used to record statistical amounts for departmental and other reporting needs.

SECTION	7
POLICY NUMBER	702
REVISED DATE	12/1/2024

DEPARTMENT'S RESPONSIBILITIES:

- 1) When establishing a new Business Unit, Fund, or Dept ID, it may require Board Approval in addition to preliminary approval from the EO. This approval is required before any written request can be made.
- 2) If the Fund will be used for payroll purposes, signature approval must be obtained from the ACO Payroll Section before processing the GL-1 and GL-11 Forms.
- 3) No Board action or EO approval is necessary when establishing an Account.
- 4) When establishing a new Class or Location code, the department should request a new mail stop "via email" to the Central Mail Supervisor. They need to provide the following information:
 - a. Title of mail stop
 - b. Complete address with zip code, contact person, and phone number
 - c. Start date of location
 - d. Account string for billing for pick-up and delivery service for this mail stop.
- 5) The Project/Grant Code establishment process has been decentralized from the ACO. Therefore, the departments have the authority to establish project/grant codes in PeopleSoft Financials. Each department should train its personnel before receiving the roles to create project/grant codes according to the department's business process. The training can be found in the PeopleSoft training webpage under the Training Guides Modules, Project Costing (PC), <http://esd.co.riverside.ca.us/Financials-Training>
- 6) For those Chartfields requiring approval, once that action has taken place, the appropriate GL forms can be completed.
- 7) A department manager will provide authorizing signature on the GL Forms and submit the request forms to the ACO.

AUDITOR CONTROLLER'S OFFICE RESPONSIBILITIES

- 1) The ACO will review all GL Request Forms to determine whether the requests are merited given the cost-benefit of adding a Business Unit, Fund, and Dept ID.
 - a. For sub-fund requests, one of two criteria must be met:
 - The fund must have a restricted purpose, or
 - The funding source stipulates an interest-bearing requirement.
 - b. For Business Unit requests, the ACO will submit a signed authorized request to the PeopleSoft Development team to establish a new business unit.
 - c. For Dept ID requests, the ACO must ensure that a new budget for the Dept ID has been established in the PeopleSoft financial system.
- 2) The ACO will then input new Funds, Dept IDs, Accounts, Program, and Class (Location) chartfields into the PeopleSoft financial system.

SECTION	7
POLICY NUMBER	702
REVISED DATE	12/1/2024

3) Once Chartfields are input into the PeopleSoft Financial System, they are added to the official Chart of Accounts which is updated and posted to the ACO's website on the first business day of each month.

SECURITY ROLES

No security roles are required for departments except for adding Project/Grant Chartfields. The departments will need the following:

- Project Costing Inquiry
- Project Costing User
- PC User and Configure
- PC Budget Processer

It is also recommended that the new Project Costing user review the User Productivity Kit(UPK) for Project Costing. [Financials Training \(riverside.ca.us\)](http://Financials Training (riverside.ca.us))

RECORD MANAGEMENT'S ROLE

The Auditor-Controller's Office is the department of record for all General Ledger Forms and attached supporting documentation. There is no destruction date on these Forms as they must be maintained indefinitely in the event of questions regarding the establishment or updates to any chartfields.

SECTION	7
POLICY NUMBER	702
REVISED DATE	12/1/2024