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Accounting Policies and Procedures

October 2023

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GENERAL GOVERNMENTAL ACCOUNTING POLICIES

PRINCIPLES

In adopting the State Accounting Procedures Law (NRS 353.291), it is the Legislature's intent to establish an accounting system that:

- Presents fairly and with full disclosure the financial position and the results of financial operations of the funds of the state in conformity with generally accepted accounting principles; and
- Determines and demonstrates compliance with legal and contractual requirements related to finance.

The state accounting system operated by the Controller records and reports all monies received and disbursed by the State agencies. This is accomplished through the timely recording of deposits and disbursements within an accounting structure that adheres to the legal/budgetary requirements. State officers, boards, commissions, and department heads are to provide the information necessary for the Controller to report the financial position and results of operations of the State's funds (NRS 353.3245).

DEFINITIONS

Accounting System - the total structure of records and procedures which record, classify, summarize and report information on the financial position and results of operations of the State's funds and organizational components.

Accrual Basis – the method of accounting that recognizes the financial effect of transactions, events, and interfund activity when they occur, regardless of the timing of related cash flows. The accrual basis of accounting is used by proprietary funds, fiduciary funds and the government-wide statements.

Appropriation - a legislative allocation from the State General Fund or State Highway Fund for a specific purpose or for operations of an agency. An appropriation usually is limited in amount and the time during which it may be expended.

Authorization – the authority granted by the Legislature that allows State agencies to collect and expend funds from sources other than the General Fund or Highway fund, such as federal funds, county funds, gifts, grants, donations, fees, sales and charges for services.

Balance Forward – authorization remaining in a budget account at the end of a fiscal year that is carried forward to the next fiscal year; can also represent the return of the unused portion of non-appropriated amounts from the receiving fund/budget account to the originating fund/budget account.

Budget - a plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them. The term "budget" is used to designate both the preliminary financial plan presented to the Legislature and the plan finally approved.

ACCOUNTING POLICIES AND PROCEDURES

Budgetary Accounts - those accounts used to record the formally adopted annual operating budget in the accounting system as part of the management control technique of formal budgetary integration.

Cash Basis - the basis of accounting under which transactions are recognized only when cash is received or disbursed.

Encumbrance - an obligation in the form of a purchase order or contract commitment for which an estimated amount has been reserved but the actual goods or services have not yet been received.

Expenditure - a decrease in financial resources of a governmental fund other than through interfund transfers. Expenditures include the cost of goods delivered or services rendered whether paid or unpaid, payment of principal and interest on general long-term debt, and capital outlays. For financial reporting, the term does not include an encumbrance.

Expense - an outflow or other use of assets or incurring of liabilities (or a combination of both) from delivering or producing goods, rendering services, or carrying out other activities that constitute the entity's ongoing major or central operations. The term is generally associated with the outflows of proprietary funds or funds that have the same basis of accounting as a proprietary fund.

Fiscal Year - the twelve-month period at the end of which a governmental unit determines its financial position and the results of its operations. The State's fiscal year ends on June 30.

Fund - an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated to carry out specific activities or attain certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance – the net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).

General Ledger (GL) Accounts - all accounts necessary to record the financial activity and set forth the financial position and results of operations of a fund. In the Advantage financial system, revenue GL's are referred to as "revenue sources," and expenditure GL's are referred to as "objects."

Liability - a debt or other legal obligation arising out of a transaction in the past, which must be liquidated, renewed, or refunded at some future date.

Modified Accrual Basis - the basis of accounting used by governmental funds. Under this method, revenues are recognized when they become susceptible to accrual, that is, when they become both "measurable" and "available" to finance expenditures of the fiscal period. "Available" means collectible in the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recognized in the period in which the related liability is normally liquidated rather than when the liability is first incurred. An exception is for supplies inventories and prepayments which may be recognized when incurred (purchase method) rather than when the inventories are actually used or during the period benefited by the prepayment (consumption method).

ACCOUNTING POLICIES AND PROCEDURES

Net Position – the residual of all other financial statement elements presented in a statement of financial position, which is the sum of assets and deferred outflows of resources reduced by liabilities and deferred inflows of resources.

Nevada Revised Statutes (NRS) – the statutory law of Nevada enacted by the Legislature, with such law arranged in an orderly manner by subject, and updated after every regular legislative session.

Revenue – financial resources available to finance expenditures within a budget account during a fiscal period. For financial statement reporting, revenues result in an increase in fund balance/net position during a designated period of time as a result of additions to assets which do not increase any liabilities, or the cancellation of liabilities without a corresponding increase in other liabilities or a decrease in assets. Types of revenues for State budgetary and financial reporting include:

- **Authorized Revenue** – a source of revenue authorized by the Legislature to be deposited to the credit of the department, institution, or agency, which assessed it or received it to be expended for the specific activities;
- **Unappropriated Revenue** – a source of revenue which is unrestricted and is fully available for legislative appropriation. The Legislature may make appropriations only to those functions authorized by the law establishing each fund.
- **Restricted Revenue** – financial resources which are subject to constraints that are either 1) externally imposed by creditors, grantor, contributors, or laws or regulations of other governments or 2) imposed by law through constitutional provisions or enabling legislation; and
- **Unrestricted Revenue** – a source of revenue which does not meet the definition of restricted revenue.

Reversion – the balance of a General Fund or Highway Fund appropriation that is remaining after the close of a specific time period and is returned to the original source of the appropriation.

FUND CLASSIFICATIONS

Governmental Funds – These funds use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Governmental funds include:

- **General Fund** – The chief operating fund of the State; accounts for all financial resources not accounted for in another fund;
- **Special Revenue Funds** – Account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects and exclusive of resources held in trust for individuals, private organizations, or other governments;
- **Capital Projects Funds** – Account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets other than those financed by proprietary funds;
- **Debt Service Funds** – Account for the accumulation of resources that are restricted, committed, or assigned to expenditure for principal and interest; and
- **Permanent Funds** – Account for resources that are legally restricted to the extent only earnings, and not principal, may be used for purposes that support the State's programs.

ACCOUNTING POLICIES AND PROCEDURES

- **Proprietary Funds** – These funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Proprietary funds include:
 - **Enterprise Funds** - Account for those operations that are financed and conducted in a manner similar to private business and for which a fee is charged to external users for goods or services; and
 - **Internal Service Funds** - Account for operations that provide goods or services to other funds, departments or agencies of the State or other governments, on a cost-reimbursement basis.

Fiduciary Funds – These funds are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the State’s own programs. Fiduciary funds include:

- **Pension and Other Employee Benefit Trust Funds** - Account for resources that are required to be held in trust for the members and beneficiaries of pension plans, other postemployment benefits plans, or other employee benefit plans;
- **Investment Trust Funds** – Account for external portion of investment pools reported by the sponsoring government;
- **Private-purpose Trust Funds** - Account for trust arrangements under which principal and income benefits individuals, private organizations or governments; and
- **Custodial Funds** - Account for assets that the State holds for others in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments, and do not present results of operations.

STATE POLICIES AND PROCEDURES

PROMULGATION

The Controller is responsible for the administration of the provisions of the State Accounting Procedures Law, and in this capacity provides and maintains the state accounting system which produces financial statements, budgetary reports, and management reports both statewide and by agency. The responsibility for promulgating and establishing accounting policy rests with the Controller.

CONTROLLER'S OFFICE ACCOUNTING LIAISONS

The Controller's Office has assigned an accountant to each agency throughout the State to serve as a liaison regarding the application and interpretation of accounting policies to specific transactions. Agency Accounting Liaisons: <http://scointrinet.nv.gov/services/financial-reporting>

POLICIES

PREPAID EXPENSES

Statement of Policy Prepaid expenses will be allowed during the last month of the fiscal year when one of the following occurs:

- It is necessary to have a check to the vendor by the first week of July.
- A payment will result in substantial savings to the State.

If it is necessary to incur a prepaid expense *prior* to the last month of the fiscal year, contact your accounting liaison.

Purpose To record prepaid expenses at end of fiscal year.

Reference NRS 353.3245 - Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.

Procedures Two documents must be processed to complete the initial recording and subsequent clearing of the prepaid expense, as follows:

- A current year payment voucher is prepared charging balance sheet account 1735 - Prepaid Expenses, at the fund level only.
- A future year journal voucher is entered in Advantage at the beginning of the new fiscal year:
 - Debit the expense to the proper budget account
 - Credit balance sheet account 1735
 - Reference the original payment voucher document number in the line description field on both lines

ACCOUNTING POLICIES AND PROCEDURES

- Add the vendor number to the “Code” field on *both* the expenditure line and the balance sheet account 1735 line.

Controller’s Office will not process a future year journal voucher until the official opening of the new fiscal year.

TRAVEL ADVANCES

Statement of Policy State officers and employees may receive a travel advance to cover anticipated travel expenses from the agency budget account at the discretion of the agency.

Purpose To properly account for travel advances.

Reference NRS 281.172 - Any state officer or employee may apply for a travel advance by filing a request with the administrative head.

NRS 281.175 - The State Controller may make reasonable rules and regulations to carry out the provision of NRS 281.172.

Procedures Create a PV to issue a check (or EFT) to the employee for travel using object code 6005 – Travel Advance Clearing. Once the trip is completed, create a JVD to allocate (debit) the travel expenses to the proper object codes and record the offset (credit) to object 6005. Note that the offset must zero out object 6005 for each employee that received a travel advance.

UNEARNED REVENUE (FUTURE YEAR DEPOSITS)

Statement of Policy State agencies must record the receipt of unearned revenue when appropriate.

Purpose To properly record unearned revenue and recognize revenue in the correct fiscal year.

Definition Unearned revenues arise from resource inflows that do not yet meet the criteria for revenue recognition. For example, money has been received for goods or services to be delivered at a future date. The obligation to deliver goods or services at a future date is the unearned revenue liability.

Reference NRS 353.3245 - Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.

Procedures Before recording an unearned revenue (or a future year deposit), the agency must contact their accounting liaison in the Controller’s Office to determine or confirm that the revenue should be considered unearned.

Two documents must be processed to complete the initial recording and subsequent clearing of the unearned revenue, as follows:

ACCOUNTING POLICIES AND PROCEDURES

- A current year cash receipt is prepared crediting balance sheet account 2303 - Future Year Deposits, at the fund level only.
- A future year journal voucher is entered in Advantage at the beginning of the new fiscal year:
 - Debit balance sheet account 2303
 - Credit the revenue to the budget account
 - Reference the original cash receipt document number in the line description field

Controller's Office will not process a future year journal voucher until the official opening of the new fiscal year.

INTERAGENCY BILLING CLAIMS AND JOURNAL VOUCHERS

Statement of Policy Interagency transactions must be made on billing claims or journal vouchers and need to be processed as exclusively interfund or exclusively intrafund; no mixtures on the same document are allowed. A billing claim is used to record transactions between or within agencies for charges for services or goods. A journal voucher is used to record transfers between funds and/or agencies, as well as to record corrections to transactions already posted. Checks issued to other State agencies are only allowed when making a payment to a State agency's outside bank account.

Purpose To eliminate intrafund transactions at the fund level.

Reference NRS 353.3245 - Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.

Procedures An intrafund document must use the same fund number coding on all lines in both the debit and credit portions.

A document is interfund when the fund number coding in the debit portion is different from the fund number in the credit portion. Several different fund numbers may be used on an interfund document as long as all the debits are different fund numbers from all the credits.

If you need help in distinguishing between the two types of documents, contact your assigned accountant. A document mixing these two types of transactions will be rejected or reversed.

When preparing a journal voucher to correct or change an expenditure general ledger account originally coded on a payment voucher, the vendor number must be entered on both the debit and credit lines of the correcting journal voucher in the vendor "Code" field. This is to ensure that payments to vendors are reported correctly to the IRS on Form 1099.

ACCOUNTING POLICIES AND PROCEDURES

INTERAGENCY TRANSFERS

Statement of Policy	Interagency transfers must be recorded using transfer-in and transfer-out general ledger accounts.
Purpose	To ensure transfers-in offset transfers-out (must net to zero) for financial reporting purposes.
Reference	NRS 353.3245 - Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.
Procedures	The agency recording the transfer-in must use one of the transfer-in revenue sources 4600 – 4781. The agency recording the transfer-out must use one of the transfer-out objects 9001 – 9169 (but excluding 9159). Both the debit and credit portions of the document must use appropriate transfer general ledger accounts that net to zero in order to prevent an out-of-balance transfer. To correct an out-of-balance transfer, the original document must be completely reversed and another document processed with the correct transfer-in/transfer-out account coding.

ESTABLISHING A NEW REVENUE SOURCE

Statement of Policy	Revenue source GLs established in a budget account must be approved by both the Budget Division and the Controller's Office.
Purpose	To ensure proper reporting of revenues for financial reporting purposes.
Reference	NRS 353.3245 - Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.
Procedures	<p>Based upon the source and type of the new revenue/receipt, select an appropriate revenue source GL from the Chart of Accounts. Refer to the General Ledger Account Definitions section of this document for classifications and descriptions of revenue sources/receipts. Contact your accounting liaison to confirm that the GL selected is appropriate. Your accounting liaison will also need a reference to the legislative or other authority authorizing collection of the revenue/receipt.</p> <p>The revenue source will be established in the agency's budget account upon receipt of a GL Maintenance Request Form.</p>

FEDERAL REVENUES AND EXPENDITURES

Statement of Policy	Any state agency that is either the primary recipient or the subrecipient of federal assistance must identify both the receipt and use of the assistance. The identification must incorporate the Assistance Listing number (ALN) and be reflected in the records of the Nevada State central accounting system. It is the responsibility of the primary recipient of the federal assistance to determine the correct ALN of the assistance, communicate this number to subrecipients, and monitor the subrecipient's transactions for accuracy and compliance.
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ACCOUNTING POLICIES AND PROCEDURES

Purpose	To establish a policy for recognizing the receipt and expenditure of federal money, including movement between state agencies, to maintain the state's compliance with the federal Single Audit Act and the Cash Management Improvement Act (CMIA).
References	<p>NRS 227.140 - The Controller may adopt regulations to comply with federal laws.</p> <p>NRS 353.3245 - Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.</p> <p>Public Law 98-502 (Single Audit Act of 1984) and Public Law 104-156 (Single Audit Act Amendments of 1996) - Requirements for state and local governments receiving federal financial assistance.</p> <p>CMIA of 1990 (Public Law 101-453), as amended by the CMIA of 1992 (Public Law 102-589) - Rules and procedures for the transfer of funds between the federal government and states for federal grants and other programs.</p> <p>2 CFR part 200 – Non-federal entity's responsibilities Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</p> <p>31 CFR part 205 – Rules and Procedures for Efficient Federal-State Funds Transfers.</p>
Definitions	<p>Assistance Listing Number (ALN): Formerly known as Catalog of Federal Domestic Assistance (CFDA) number. An ALN is a five-digit number (formatted as ##.###) associated with a listing of federal domestic assistance programs. The first two digits identify the federal grantor, and the last three digits specify the program. ALNs and details on programs can be found at https://SAM.gov.</p> <p>Cash Management Improvement Act (CMIA): An act passed to improve the transfer of federal funds between the federal government and the states, territories, and the District of Columbia by improving:</p> <ul style="list-style-type: none">• Efficiency – To minimize the time between the transfer of funds to the states,• Effectiveness – To ensure that federal funds are available when requested,• Equity – To assess an interest liability to the federal government and/or the states to compensate for the lost value of funds. <p>The CMIA requires an annual Treasury-State Agreement (TSA) between the state and the Department of the Treasury as well as annual interest reporting and exchange.</p>

Fiscal Agent:

A fiscal agent of the state is an entity that pays, collects, or holds federal funds on behalf of the state for a federal program, excluding private non-profit community organizations per 31 CFR 205.2. The CMIA includes fiscal agents in its definition of a state.

Federal Job Number:

An eight-digit field used for both revenues and expenditures related to federal grants. The first 5 characters of the job number must contain the ALN, then the 6th and 7th characters must be the last two digits of the federal fiscal year in which the grant was awarded. The 8th character, if needed to identify several grants under the same ALN in the same federal fiscal year, should be alphabetic. For any remaining ARRA (Recovery Act) grant transactions, the 8th character must be a “Z.” ARPA (American Rescue Plan Act) grant transactions require the letter “A” in the 6th character followed by the fiscal year in the 7th and 8th characters. If further tracking is needed internally for different projects of a specific grant, the Advantage “function” and “activity” codes can be utilized. These codes are agency specific.

Non-cash Assistance:

Non-cash assistance received by state agencies from the federal government must be reported to the State Controller’s Office (SCO) for inclusion in federal reporting. Non-cash assistance may include donated property, donated surplus property, personal protective equipment (PPE), medical equipment, beds, thermometers, food commodities, vaccines, etc. Per 2 CFR 200.502, “non-cash assistance must be valued at fair market value at the time of receipt or the assessed value provided by the federal agency.”

Non-state Entity as a Subrecipient:

Non-state entities may also be subrecipients if they meet the distinguishing characteristics of a subrecipient as stated in the definition below of a state agency as a subrecipient.

Primary Recipient:

A state agency that receives federal funds directly from the federal grantor. The primary agency is responsible for completing and submitting Single Audit Certification (SAC) forms, Single Audit Reporting Forms (SARF), and subrecipient reconciliations for all awards issued to the primary agency by the federal grantor. This reporting includes both state and non-state subrecipient activity.

Program Income:

“Program income means gross income earned by the non-federal entity that is directly generated by a supported activity or earned as a result of the federal award during the period of performance except as provided in §200.307(f)” as defined in Uniform Guidance.

Schedule of Expenditures of Federal Awards (SEFA):

A report required by 2 CFR 200.510 for the same period covered by the state's financial statement. The report must include a list of federal programs by federal agency, pass-through entity and identifying number, federal award expenditures for each federal program, ALN, and subrecipient expenditures. Clusters including Research & Development (R&D) include the cluster name, programs in the cluster, and federal agency name. Notes are required to describe various items such as significant accounting policies, use of 10% de minimis cost rate, etc.

Single Audit Certification (SAC) Form:

A form utilized by agencies to certify federal transactions entered in the accounting system are true and correct in accordance with the Single Audit Act. This form can only be used if all activity of an award is accurately recorded in the accounting system. Data entered in the accounting system with appropriate federal job number and GL along with the SAC form "automate" the Single Audit reporting.

Single Audit Reporting Form (SARF) Form:

A form utilized by agencies when corrections to federal transactions are required after the fiscal year is closed or when data is not entered into the accounting system. Data not entered in the accounting system include non-cash assistance and the value of goods or commodities such as vaccines or PPE. The SARF requires detailed reporting of federal transactions and an explanation for why transactions were not entered into the accounting system. SCO staff must "manually" enter the summary transactions from the SARF into the accounting system. A SARF should only be used in exceptional circumstances as the data will not appear in Data Warehouse of Nevada (DAWN) and may cause CMIA interest calculation and Single Audit reporting issues.

Subaward:

Per 2 CFR 200.1 a subaward is "an award provided by a pass-through entity to a subrecipient for the subrecipient to carry out part of a federal award received by the pass-through entity. It does not include payments to a contractor or payments to an individual that is a beneficiary of a federal program. A subaward may be provided through any form of legal agreement, including an agreement that the pass-through entity considers a contract." Agencies should determine the fiscal year to record transactions after a commitment to expend grant funds has been made. This typically occurs after the final signature has occurred on a subaward. The final approval date of a work program could be used if a subaward was not prepared. If the commitment date is 06/30 or earlier code to the present year. If the commitment date is 07/01 or later code to the next year. (Ex: subaward completed 05/10/20, code to FY20; subaward completed 07/15/20 code to FY21).

State Agency as a Subrecipient:

A state agency is a subrecipient if it receives federal assistance from another state agency to carry out or administer a federal program. The subrecipient agency is responsible for completing and submitting Single Audit Certification (SAC) forms and Single Audit Reporting Forms (SARF) for the subrecipient activity (ex: transfers-in, expenditures, etc.)

ACCOUNTING POLICIES AND PROCEDURES

Distinguishing characteristics of a subrecipient include items such as:

- Determining the eligibility of the beneficiaries of the program and/or the activities required to carry out or administer the program,
- Performance is measured against meeting the objectives of the program,
- Responsibility for making decisions under the program,
- Responsibility for applicable compliance requirements and,
- Use of the funds to carry out a program of the subrecipient, as opposed to providing goods or services for the use of another agency.

Subrecipient Reconciliation:

A reconciliation required for any federal funds used to make payments to a subrecipient (expenditures coded to GL's 8500-8799, except 8701). The primary agency must prepare and submit a reconciliation to the SCO for every award containing subrecipient payments. This information is needed to report subrecipient payments on a cash basis on the SEFA. Agencies are highly encouraged to review the nature of subrecipient payments to determine if there truly is a subrecipient relationship. If there is no subrecipient relationship GL's 8500-8799, except 8701 should not be used.

State Agency as a Vendor:

A state agency is considered a vendor when it has a contract to provide specific goods or services related to the administrative support of a federal program. The contract may provide goods or services for the direct use of the state agency that is a recipient of the award or for the beneficiaries of the program. Where a recipient enters into a contract to buy goods and services, the other party is not a subrecipient for purposes of the Single Audit Act and the CMIA (although such a recipient may be considered a fiscal agent). Distinguishing characteristics of an agency acting as a vendor include items such as:

- Providing the goods or services within normal business operations,
- Providing similar goods or services to other purchasers,
- Program compliance requirements do not pertain to the goods or services provided and,
- Specifications or scope of the work are defined in the procurement contract by the recipient state agency.

Treasury State Agreement (TSA):

Per 31 CFR 205.6, a TSA documents the accepted funding techniques and methods for calculating interest liabilities between the Department of Treasury and the state. The TSA is prepared annually by SCO. The TSA includes the agreement period, threshold for major federal assistance programs, programs that meet or exceed the

threshold, state agencies with major programs, fiscal agents, funding techniques for each program, clearance patterns, and interest calculation methodologies. Agencies enter into a memorandum of agreement (MOA) with the SCO, agreeing to drawing and spending federal funds in accordance with the TSA.

Unique Entity Identifier (UEI)

On April 4, 2022, the UEI used across the federal government changed from the DUNS Number to the UEI (generated by SAM.gov). The UEI is a 12-character alphanumeric ID assigned to an entity by SAM.gov. The DUNS number has been removed from SAM.gov. Entity registration, searching, and data entry in SAM.gov now require use of the new UEI. Existing registered entities can find their UEI by following the steps at https://www.fsd.gov/gsafsd_sp?id=kb_article_view&sysparm_article=KB0041254&sys_kb_id=c4c19c491bcdfd142fe5ed7ae54bcb1b&spa=1. New entities can get their UEI at SAM.gov and, if required, complete and entity registration. More information is available at [SAM.gov](https://www.sam.gov), the Federal Service Desk [FSD.gov](https://www.fsd.gov), or https://www.fsd.gov/gsafsd_sp.

Procedures

Coding Receipts and Expenditures:

It is mandatory that the correct federal job number containing the ALN is recorded with all federal grant transactions to allow for the reconciliation of federal revenues and expenditures in the accounting system. It is also necessary for CMIA interest calculations. Federal grant transactions include receipts, program income, expenditures, subrecipient payments, transfers-in, and transfers-out.

Fiscal Year

Accounting transactions must be recorded in the fiscal year to which the transaction is attributable to. See Subaward definition in the Federal Revenues and Expenditures section and Fiscal Year Corrections section for additional information.

Receipts

All receipts of federal assistance grants must be recorded to revenue source GLs 3401-3600, using the job number field on the Advantage document to record the ALN of the grant.

Program Income

Program income may or may not be reported on the SEFA. It is recommended the agency review the award and consult with the federal grantor to determine if program income is required to be reported on the SEFA. Program income that must be reported on the SEFA must be recorded to a revenue source using GLs 4356-4599, using the job number field to record the ALN of the grant. This GL series includes translating GLs that may or may not be appropriate. Please consult with your Accountant liaison to confirm GLs. Expenditures of program income that must be reported on the SEFA must also include the ALN of the grant in the job number field. Program income and associated expenditures are not reported on the SEFA if written documentation indicates program income can be used for match/cost

sharing. The federal job number should not be recorded for these match/cost sharing transactions.

Expenditures

All expenditures of federal assistance grants must be coded with the ALN of the grant using the job number field on the Advantage document.

Transfers, Vendor Payments, and Subrecipient Payments

State agencies must use the appropriate accounts to record the movement of federal assistance resources from one agency to another or to a non-state subrecipient using the following guidelines:

- State agency as a subrecipient – if there is a recipient to subrecipient relationship between state agencies, both agencies must use transfer general ledger accounts to move the resources from one agency to the other. Use GLs 4601-4781 for transfers-in and GLs 9001-9169 for transfers-out, coding both lines of the document with the exact same ALN in the job number fields. The subrecipient must use the same ALN in the job number field when recording expenditures.
- State agency as a vendor – if the receiving agency is acting as a vendor, the originating agency must use an expenditure general ledger account (object) and the receiving agency must use a non-federal revenue general ledger account (revenue source) to record a charge for goods or services in the GLs 3801-4355. The originating agency must identify the expenditure of federal resources using the-ALN in the job number field in Advantage. The receiving agency does not need to identify the transactions for federal tracking.
- Non-state entities as a subrecipient – a state agency that is the primary recipient must record the movement of federal assistance to the non-state subrecipient using an expenditure general ledger account (object) in either the 8500, 8600, or 8700 Aid Series (excluding 8701) in the Advantage system. The transaction must be identified with the ALN of the grant in the job number field in Advantage.

Correcting Transactions:

The CMIA requires the state to draw federal funds in such a way as to minimize the amount of time federal funds are in the state's bank account. For major federal programs, CMIA also requires the state to calculate an interest amount based on how federal funds were managed. To make this calculation as accurate as possible, it is often necessary to correct previously recorded transactions using the following guidelines:

- To correct a Cash Receipt (CR) using a Decentralized Journal Voucher (JVD) document, the "Date of Record" is the date the deposit was made at the bank, or the "Record Date." Use the job number field to enter the ALN of the grant.

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- To correct a Payment Voucher (PV) using a JVD document, the “Date of Record” is the date the document was accepted by the system, or the “Process Date.” Use the job number field to enter the ALN of the grant.
- Corrections to job numbers can be made by processing a JVR document, thereby adding or removing job numbers on transactions that should be identified as federal revenues or expenditures. Examples of when to use a JVR include:
 - When expenditures are denied by the federal grantor after being processed,
 - When a job number was omitted from a federal receipt or expenditure.
- Correcting a transfer JVD (document with a transfer in and transfer out GL) the entire document must be reversed, and a new entry made. A document including a correction to only one agency should never be processed. This can create an out of balance transfer that leads to financial and federal reporting issues. The same exact federal job number must be included on both the credit and debit portions of the document.

When recording a correcting JVD or JVR for federal transactions the description field for one line of the document **must** reference the original transaction. This data is vital in determining correct accruals for subrecipient payments.

CMIA Reporting:

Agencies with major federal programs included in the TSA are required to track/maintain the following data:

- Amount of the disbursement,
- Date of the disbursement for program purposes,
- Date the federal funds were requested,
- Amount of federal funds deposited into the state’s account,
- Date the federal funds were deposited into the state’s account,
- Date the federal funds were “expected” to be deposited into the state’s account,
- Date of award and,
- For late supplemental awards, provide the date that the supplemental award was requested and the date that the federal funds were deposited into the state’s account.

This data is required to be included with the CMIA Annual Report when federal interest exceeds the amount specified by the Department of Treasury. Data must be provided to the SCO, upon request, annually by mid-December.

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Reports:

The following reports may be used to review your federal grant activity:

- Discoverer Statewide Reports: The “Revenue GL Detail” report can be run to ensure that all federal revenue and transfer-in GL’s include job numbers. The “Expenditure GL Detail” report can be run to ensure that all expenditures and transfer-out GL’s include job numbers.
- DAWN Reports: The “Job Report Menu” located under “Reports” has options for running various reports by job numbers. The “Single Audit Award Transaction Detail” located under “Inquiries and File Downloads” is organized by award number for the selected agency.
- Vista Single Audit Reports: Several reports are located under Statewide Reports, Single Audit Reports.
 - The Summary Schedule of Federal Awards (RSW083) report is available in two versions: sorted by agency and by ALN. This report should be reviewed for any potential recording errors and to help prepare SAC forms and subrecipient reconciliations.
 - The Exception (SAADUPDS) report shows negative federal transactions by award and budget. Negative amounts cannot be reported on the SEFA. All negative transactions should be corrected in the accounting system. Negatives that cannot be corrected in the accounting system due to return of federal funds cannot be reported on a SAC form and must be reported on a SARF.
 - The Schedule of Expenditures of Federal Awards Compare (SASECMPR) report provides a comparison between current and prior fiscal year expenditure and subrecipient payment transactions. This report should be reviewed for patterns between the years to identify potential recording errors. Appropriate corrective action should be taken when errors are identified.
 - The Reconciliation of Transfers of Federal Funds Between State Agencies (SATRRPT) report reflects balanced and out-of-balance transfer transactions by ALN. All out-of-balance transfers must be resolved for SEFA reporting by entering appropriate transactions in the accounting system. A SARF may be required for out-of-balance transfers that are unresolved after fiscal year end.

BOND PROCEEDS AND EXPENDITURES

Statement of Policy All state agencies that are recipients of bond proceeds, including Taxable Direct Pay Build America Bonds, must identify the receipt and use of bond proceeds by each bond issue. An agency receiving interest earnings on bond proceeds must identify the interest earnings by the specific bond issue and must expend the interest earnings for the purpose of that issue. Only those programs given statutory authority

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may utilize bond proceeds and/or the interest earnings on those proceeds to defray costs directly related to capital expenditures financed by an issue (e.g., initial operating/administering of the program) in an amount not to exceed five percent of the bond issue less any Treasurer's assessment, for operations. In reference to Build America Bonds, no (zero) amount/percentage of the proceeds and/or interest earnings on bond proceeds may be utilized for operating costs and all proceeds and interest earnings must be used for Capital Improvement Projects. Unexpended bond proceeds and interest received in the budget beyond the purpose of the bond issue and the reservation of arbitrage rebate due must be returned to the Treasurer's Office to pay debt service on the bonds. The State is committed to minimizing the cost of arbitrage rebate and yield restriction while strictly complying with the Tax Code.

Purpose To establish a policy for identifying the receipt and expenditure of each bond issue to enable the Arbitrage Compliance Specialists (State Contractor) to compute arbitrage rebate in accordance with the Internal Revenue Code.

References NRS 227.140 - The Controller may adopt regulations to comply with federal laws.
NRS 233C.200 section 5 and 233C.230 section 2 - Preservation and Promotion of Cultural Resources.

IRS Tax Code sections 1.148-0 to 1.148-9 - Arbitrage Regulations; 54AA Build America Bonds

Assembly Bill No. 9 Section 3 #5 of the 2001 17th Special Session – General Obligation bonds

Lake Tahoe Basin Act of June 8, 1999 - Chapter 514 Section 2 #5

Treasurer's Office – State of Nevada State Debt Issuance Policies and Procedures

Definitions **Arbitrage rebate computation** – is based on the difference between the amount actually earned from investing tax exempt bond proceeds and the amount that would have been earned if those investments had a yield equal to the yield on the bond issue. The amount earned above the bond yield must be paid to the federal government unless an applicable spending exception applies.

Procedures All receipts of bond proceeds are to be recorded to the appropriate revenue source GL's 4902, 4904 and 4905, and must include the job number field on the Advantage document to record the bond issue. The specific bond job number (four digits) will be assigned at the time of the bond issuance by the Treasurer's Office. All expenditures as well as the interest earned on the bond proceeds must be coded with the bond issue using the job number field on the Advantage document.

After the initial deposit of bond proceeds is recorded by the Treasurer's Office, any transfer-out of bond money or interest on bond money to another budget account and/or fund must be coded to GL 9067 – Transfer Out Bond Proceeds Only, and

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the corresponding transfer-in must be coded to GL 4666 – Transfer In Bond Proceeds Only. GL’s 9067 and 4666 must be used together on an Advantage document, and both lines must reference the bond issue with the specific bond job number. The only exceptions to this are the transfer of bond proceeds between the State and its discretely presented component units (e.g. NSHE and CRC) or NDOT, which are to be recorded as expenditures.

A transfer out of bond money is not considered an expenditure until the agency receiving the transfer expends the funds. The agency receiving the transfer of bond funds must also identify the use (expenditure) of the bond proceeds by the job number of the issue. Supporting documents must be retained by the State agency until three years after the final redemption date of the bonds. A Refunding bond issue is treated as replacing the original new money issue. Thus, records relating to the original new money issue and the refunding issue must be retained until three years after the final redemption of both bond issues.

CAPITAL ASSETS

Statement of Policy Record assets in a manner to demonstrate accountability, demonstrate stewardship and to allocate costs when applicable.

Purpose To outline procedures and policies necessary for the accountability and reporting of capital assets.

Reference NRS 353.3245 - Generally accepted accounting principles are to be followed. Controller is to be provided with information for accounting.

State Administrative Manual (SAM) 1500.

Capitalization Classes

Infrastructure assets: These assets are defined as long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets. Examples are highways and roads, easements, rights-of-way, bridges, tunnels, drainage systems, water and sewer systems, dams, lighting systems, etc.

Land: All land acquisitions, including land acquired for infrastructure, are to be capitalized and must be reported to the Controller. Land is non-depreciable. Right-of-ways, easements and water rights are considered part of the land unless included within the infrastructure class.

Buildings and building improvements: All building acquisitions or building improvements of \$500,000 or more are to be capitalized. Building improvements include additions, major repairs, and reinstallations/rearrangements on existing buildings. (Note: Improvements are not maintenance or replacement items - e.g. carpets, furnaces, etc.). Equipment items purchased in conjunction with new buildings are to be specifically identified and recorded as equipment.

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Improvements other than buildings: These improvements occur as a result of increasing the existing level of service in a parcel of land. Items would include costs incurred for paving, lighting systems, yard lighting, landscaping, fencing and other site improvements. All such improvements that have an expected life greater than one year and a cost of \$500,000 or more are to be capitalized.

Furniture and equipment: All furniture, equipment, vehicles *and computer software* with an expected life greater than one year and a cost of \$5,000 or more per unit are to be capitalized. There are gray areas of classification. For example, if separate components costing less than \$5,000 are put together to create a system costing more than \$5,000, the system should be capitalized. If you are not sure whether or not an item should be capitalized, consult with your accounting liaison.

Intangible assets: These assets possess three characteristics: 1) lack of physical substance, 2) nonfinancial in nature, and 3) initial useful life extending beyond a single reporting period. Examples are internally developed software, mineral rights, patents, trademarks and copy rights. If you are unsure whether an item qualifies as an intangible asset, consult with your accounting liaison.

Construction in progress: This represents amounts expended for construction of a project that will be completed in a future fiscal year. The portion of construction contracts of \$500,000 or more paid during a fiscal year on buildings/building improvements, or \$500,000 or more on improvements other than buildings are to be capitalized at fiscal year end. On completion of the construction project, the total cost of the project should be reclassified to buildings or improvements other than buildings.

Procedures

Purchased assets:

All capitalizable assets bought through Purchasing Division will automatically create a capital asset shell in the Advantage Fixed Asset Subsystem, as long as the correct commodity code is used. Purchasing staff will complete and finalize the capital asset shell once all documents related to the purchase have processed, resulting in a capital asset record.

For non-tagable capital assets bought through Purchasing Division that meet the Controller's \$5,000 capitalization threshold, the Purchasing Division will issue a State ID tag which must be attached to the invoice/receiving document when possible. The agency is required to maintain backup documentation referencing the tag number.

Computer software purchases with a cost of \$5,000 or more (per license) should be coded to '7770' (Computer Software). The Purchasing Division will issue a State ID tag, which must be attached to the license when possible, and in all instances the agency is required to maintain backup documentation referencing the tag number.

For tagable capital assets not bought through Purchasing Division (non-Purchasing PV and no PC reference document), it is the agency's responsibility to

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forward a copy of the invoice and a completed Property Disposition Report to Purchasing Property Management staff so a tag can be issued, and a capital asset record created in Advantage.

Leased assets:

Leased assets *or assets acquired by installment purchase*, should be capitalized and reported to the Controller upon acquisition if the lease meets the criteria as established in the Statement of Financial Accounting Standards, No. 13. Determination will be made by the Controller's Office if the criteria are met. However, the agency must provide a copy of the lease *with all attachments* to their accounting liaison. In addition, the agency is responsible for filing IRS form 8038G or 8038GC for all leases determined to be capital leases. A copy of the form filed with the IRS is to be sent to the accounting liaison.

Donated assets:

Donated assets should also be reported if acquisition value upon receipt exceeds the minimum value as stated in the capitalization classes. Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date, or the amount at which a liability could be liquidated with the counterparty at the acquisition date. Non-cash assets received from donors should be recorded at the acquisition value plus any ancillary expenses incurred by the agency to place the asset into service. Donated assets with an acquisition value of \$5,000 or greater should have independent third-party documentation to support the amount of the donated asset at the time of receipt. Sources for documentation can be notes taken from verbal responses made by vendors in the market or copies of information taken from wholesale or retail catalogs to support replacement cost.

Internally generated software:

Software is considered internally generated if it is developed in-house or by a third-party contractor on behalf of the agency. For the Controller's Office to properly capitalize the outlays associated with the development of software projects costing \$1,000,000 or more, each agency must provide to their accounting liaison: 1) a complete description of the project, 2) the project start and completion dates, and 3) all direct costs for the software development. It is the agency's responsibility to maintain verifiable records for all direct costs related to the software development. Once completed, the software will be amortized over the estimated useful life, which will be determined in collaboration with IT staff developing the software. Please notify your accounting liaison of any software development projects before starting the project.

Impaired assets:

A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. Governmental Accounting Standards Board Statement No. 42, *Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries* establishes accounting and financial reporting standards for impairment of capital assets. If an agency suspects they have an impaired capital asset, obtain direction from your accounting liaison.

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Annual inventory:

Agencies are required under NRS 333.220 to conduct an annual physical inventory of their personal property and to report the disposition of property to the Department of Administration, Purchasing Division. Once all corrections and updates have been made to your inventory, the “FADU” table within the Advantage System must be updated, noting the month and year of completion of your physical inventory. This update is necessary to ensure that capital assets are properly reported in the State’s annual financial report.

REPLACEMENT OF PROPERTY/EQUIPMENT

Statement of Policy Replacement equipment is to be recorded net of insurance reimbursements.

Purpose To provide accountability for replacement of personal property/equipment when there is an insurance reimbursement.

Reference NRS 353.3245 – Generally accepted accounting principles are to be followed. Controller is to be provided with accounting information.

Procedures If an agency purchases replacement equipment and receives an insurance reimbursement:

- Agency charges normal equipment object within own budget.
- When reimbursement is received within the same fiscal year that the replacement is made, a journal voucher is completed:
 - Debiting object 8819 in Risk Management’s budget for the loss net of deductible (reimbursement amount)
 - Crediting the agency’s normal equipment object
- When reimbursement is received in a different fiscal year, a journal voucher is completed:
 - Debiting object 8819 in Risk Management’s budget for the reimbursement amount
 - Crediting revenue source 4200 for insurance recoveries in the agency’s fund and budget.

If Risk Management purchases and pays for replacement equipment for an agency:

- A claim recording the purchase should be charged against object 8819 in Risk Management’s budget, and
- A journal voucher should be processed for the deductible amount:
 - Debiting the agency’s normal equipment object, and
 - Crediting revenue source 4335 in Risk Management’s budget.

PAYROLL OVERPAYMENT

Statement of Policy Central Payroll should be notified immediately upon discovery of any overpayment.

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Purpose To increase the likelihood of recovery when an overpayment of salary or benefits has occurred.

Reference NRS 227.230 through 227.270, inclusive. Recovery of money due to the State.

Procedures

Current employee:

The agency should notify Central Payroll of overpayment by the next pay period.

- The employee must be notified of the overpayment in writing.
- If the employee is still with the agency, and the overpayment is not disputed, the overpayment should be resolved by adjustment in the next pay period.

If the employee disputes the overpayment, the employee may request a hearing with the State Controller within 10 days of receipt of the overpayment letter. (NRS 227.150)

Terminated employee:

Agency should notify Central Payroll immediately upon discovery. The agency will send a certified letter to the overpaid terminated employee at the last known address informing them of the debt owed and that if the debt is not resolved their account will be referred to a collection agency. If the letter is returned, the account should be referred to Central Payroll and determination made regarding whether the debt is uncollectible.

If it is determined the employee has filed bankruptcy or is deceased, the account will be referred back to the agency to have their staff or their assigned deputy attorney general file in bankruptcy court or in probate.

Central Payroll should refer the accounts to the Controller's Office for collections. Upon receiving the files the Controller's Office searches for the debtor's current address information by using Lexis Nexis. The Controller's Office sends a letter to the debtors giving two different options: 1) pay in full the amount owed or 2) set up a payment plan acceptable to the Controller's Office. Attached to the letter is a payment plan agreement that the debtor can modify or sign. If the debtor does not respond to the letter within 15 business days, the account will be referred to one of the three private collection agencies.

In cases of disputed debt, the Controller will review the matter with the Attorney General to determine the appropriate action to be taken. The Attorney General will be directed to pursue prosecution for recovery of the funds if other collection methods are not successful, and the Controller will provide the Attorney General with the certified paperwork to use in the prosecution. The Attorney General will notify the Controller's Office of any suits filed in small claims court at time of filing, or files they are closing.

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FISCAL YEAR CORRECTIONS

Statement of Policy Accounting transactions must be recorded in the fiscal year to which the transaction is attributable to.

Purpose To provide a mechanism for moving transactions from one fiscal year to another while dual fiscal years are open.

Reference NRS 353.3245 - Generally accepted principles of accounting to be followed. Controller is to be provided with information for accounting.

Procedures To correct documents processed to the wrong fiscal year, the agency must process two Decentralized Journal Vouchers (JVD), one in each fiscal year. The first will reverse the posting to the wrong fiscal year, and the second will record the posting to the correct fiscal year. Procedures to correct fiscal years on cash receipts (CR), payment vouchers (PV), and journal vouchers/billing claims (JV) are as follows:

1) Correcting a cash receipt (CR) transaction:

a) Prepare the first JVD to reverse the original CR in the same (wrong) fiscal year it was recorded in Advantage:

- **Line 1** (credit line) – use the account type ASSET and the balance sheet account # 1000 (Cash). The description on this line MUST begin with “FY Corr” and then followed by how the cash should be classified for ACFR purposes. Corrections to CR’s will display either the description “FY Corr Accounts Receivable” or “FY Corr Unearned Revenue.” The description depends on two factors:
 - 1) The date the original CR transaction was accepted in Advantage. If the acceptance date of the original CR being corrected was 7/1 or later, the description will be “FY Corr Accounts Receivable.” If the acceptance date of the original CR being corrected is 6/30 or before, the description will be “FY Corr Unearned Revenue.”
 - 2) How the cash is to be classified, i.e., federal receivable, taxes, payroll, intergovernmental or other. Contact your accounting liaison for help in determining the correct description to use.
- **Line 2** (debit line) - use the revenue general ledger account number from the original CR document and include the original CR document number on the description line for cross-reference purposes.
- Finally, in the “Comment” field in the header, enter the companion JVD document number for cross-reference purposes. Due to the limited spaces in this field, only enter the document number. The document number is a maximum of 11 characters and does not include the document type (JVD) or your three-digit agency number.

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- b) Prepare the second JVD to record the CR in the correct fiscal year. Basically, this JVD is the reverse of the first JVD described above to correct a CR transaction.
- **Line 1** (credit line) - use the revenue general ledger account number from the original CR document and also include on the description line the original CR document number for cross-reference purposes.
 - **Line 2** (debit line) - use the account type ASSET and the balance sheet account # 1000 (Cash). The description on this line MUST begin with “FY Corr” and then followed by how the cash should be classified for ACFR purposes. Corrections to CR’s will display either the description “FY Corr Accounts Receivable” or “FY Corr Unearned Revenue.” Please refer to the guidelines detailed above for Line 1.
 - Finally, in the “Comment” field in the header, enter the companion JVD document number for cross-reference purposes. Due to the limited spaces in this field, only enter the document number. The document number is a maximum of 11 characters and does not include the document type (JVD) or your three-digit agency number.

2) Correcting a payment voucher (PV) transaction:

- a) Prepare the first JVD to reverse the original PV document in the same (wrong) fiscal year it was recorded in Advantage:
- **Line 1** (credit line) - use the expenditure/object code general ledger account number from the original PV document and also include in the description field the original PV document number for cross-reference purposes. Do not include the vendor number on the document.
 - **Line 2** (debit line) - use the account type ASSET and the balance sheet account # 1000 (Cash). The description used in this field MUST begin with “FY Corr” and then followed by how the cash should be classified for ACFR purposes. Corrections to PVs will display either the description “FY Corr Accounts Payable” or “FY Corr Prepaid Expense.” The description depends on two factors:
 - 1) The date the original PV transaction was accepted in Advantage. If the acceptance date of the original PV being corrected was 7/1 or later, the description will be “FY Corr Accounts Payable.” If the acceptance date of the original PV being corrected is 6/30 or before, the description will be “FY Corr Prepaid Expense.”
 - 2) How the cash is to be classified i.e., payroll, intergovernmental or other. Contact your accounting liaison for help in determining the correct description to use.

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- Finally, in the “Comment” field in the header, enter the companion JVD document number for cross-reference purposes. Due to the limited spaces in this field, only enter the document number. The document number is a maximum of 11 characters and does not include the document type (JVD) or your three-digit agency number.
- b) Prepare the second JVD to record the PV in the correct fiscal year. Basically, this JVD is the reverse of the first JVD described above to correct a PV transaction.
- **Line 1** (credit line) - use the account type ASSET and the balance sheet account # 1000 (Cash). The description used in this field MUST begin with “FY Corr” and then followed by how the cash should be classified. Corrections to PVs will display either the description “FY Corr Accounts Payable” or “FY Corr Prepaid Expense.” Please refer to the guidelines detailed above for Line 2. Do not include the vendor number on the document.
 - **Line 2** (debit line) - use the expenditure/object code general ledger account number from the original PV document and include the original PV document number on the description line for cross-reference purposes.
 - Finally, in the “Comment” field in the header, enter the companion JVD document number for cross-reference purposes. Due to the limited spaces in this field, only enter the document number. The document number is a maximum of 11 characters and does not include the document type (JVD) or your three-digit agency number.
- 3) **Correcting a journal voucher/billing claim (JV) transaction:**
Prepare a JVD to completely reverse the original document posted to the wrong fiscal year. Then prepare a second JVD to reprocess the billing claim or journal voucher in the correct fiscal year using a new document number created by adding an “A” to the *beginning* of the original document number (note: do not add the “A” to the end of the original document number). Please contact the other agency on the document to coordinate the correction of both agencies’ postings – this is essential to ensure Budget Account Closing Forms are correct for each agency. The line description field of both JVD’s must include the original document number being corrected.

ADDITIONAL GUIDANCE

ACCOUNT CODING STRUCTURE (FOR THE ADVANTAGE SYSTEM DOCUMENTS)

Fund - is a three-digit code, which identifies the fund in which the activity is taking place. A fund number is required on all transactions. The Controller's Office sets up all new fund numbers.

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Agency – is a three-digit code assigned to each department or division. An agency number is required on all transactions. New agency codes are established through the Budget Division in conjunction with the Controller's Office.

Organization (Org) - is a four-digit code. If your agency does not use organization, you must fill in four ZEROS (0000) in the Org field. New organization codes are established through the Controller's Office at the request of the agency.

Sub-Organization (Sub-Org) - is a two-digit code. This is not a required field. New Sub-Organization codes are established through the Controller's Office at the request of the agency and are assigned to an existing agency and organization combination.

Appropriation Unit – is a six-digit code, which identifies the budget account and category in which the activity is taking place. All expense/expenditure transactions and revenue transactions require an appropriation unit. New budget accounts requiring legal authority are established through the Budget Division, Department of Administration. New category codes are established by the Controller's Office at the request of the Budget Division. Appropriation units for budget accounts for transactions not requiring legal authority are established by the Controller's Office in the 6XXX series.

Activity – A four-digit code defined by each agency.

Function – A four-digit code defined by each agency.

Object - is a four-digit code, which identifies the appropriate expense/expenditure or disbursement GL from which an expenditure is being made. All transactions require a general ledger code for either an object, revenue source, or balance sheet account.

Sub-object – is a two-digit code used to further identify objects. This is not a required field. Generic sub-object codes from 01 to 99 are established in conjunction with all objects. If an agency chooses to utilize sub-objects, they are responsible for internally defining the sub-object codes used.

Revenue Source – is a four-digit code, which identifies the appropriate revenue GL to which a deposit/receipt is being made. All transactions require a general ledger code for either an object, revenue source, or balance sheet account. Revenue and receipt accounts are established by the Controller's Office in cooperation with the Budget Division.

Sub-revenue source – is a two-digit code used to further identify revenue sources. This is not a required field. Sub-revenue sources are set up by the Controller's Office at the request of the agency and are assigned to an existing revenue source.

Balance sheet account – is a four-digit code, which identifies the asset, liability, or fund balance/equity account being debited or credited. All transactions require a general ledger code for either an object, revenue source, or balance sheet account.

Job Number - is a one-to-eight-character alpha/numeric code. All transactions involving federal funds require a job number, in which the first 5 characters must be the Assistance Listing number, and the 6th and 7th characters must be the last two digits of the Federal fiscal year in which the grant was awarded. The 8th character, if needed to identify several grants under the same CFDA number in the same Federal

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fiscal year, should be alphabetic. The job numbers are set up through the Controller's Office. DETR, DWSS and NDOT will create job numbers for Federal grants using the CFDA number as the first 5 characters, but will assign the last 3 characters according to their own protocols until such time as they are able to comply with the numbering system.

ACCOUNTING FOR PASS-THROUGH RESOURCES – TRANSLATING ACCOUNTS

When the State receives money on behalf of a third-party recipient, pass-through (translating) general ledger account numbers are used to record the receipt and subsequent disbursement. This is necessary to avoid recording revenue and expenditures at the fund level when the State is merely acting as an agent in receiving and disbursing cash.

Receipts should be posted to a translating revenue source number between 4500 and 4599, disbursements to a translating object number between 9170 and 9745. Pass-through receipt and disbursement general ledger accounts should not be used without first contacting your accounting liaison.

ACCOUNTING FOR CASH RECEIPTS

Cash receipts should be entered into Advantage the day of the deposit, if possible, but not to exceed two banking days after the day of the deposit. The agency must use the actual bank deposit date as the date of record when entering the CR document in Advantage. Delays in recording cash receipts result in bank reconciliation problems for the Treasurer's and Controller's Offices and must be avoided whenever possible.

If a CR has posted to the system incorrectly, prepare a new CR document to reverse the transaction, using the same document numbering as the original, but adding an "A" at the end. Then prepare another document to record the deposit correctly, using the same document numbering as the original, but adding a "B" at the end. The Agency must notify the Treasurer's Office when a CR has posted incorrectly, as CR corrections are matched at the Treasurer's Office on a daily basis and communicated to the Controller's Office for the bank reconciliation. For ease of bank reconciliation, please correct CR's in the same month that the original transaction was recorded.

Transfer-In Revenue Accounts (4600 – 4781) should never be used when processing a CR.

USING THE MISCELLANEOUS VENDOR CODE (MISC XXX)

The Miscellaneous Vendor number is used for a vendor who, to the best knowledge of the agency, is a **ONE-TIME** vendor. It is used primarily for the refund of money previously paid to the State, or a restitution payment for the cost of damages. Any other uses of this number must be approved by the Controller's Office. Submit request to SCO1099@sco.nv.gov. Prior to using a Miscellaneous Vendor number, the agency must implement internal controls to ensure compliance with accounting, contractual, legal and program requirements. Internal controls must ensure sensitive personal information is safeguarded.

Additionally, the Miscellaneous Vendor number is only to be used with expense/expenditure object codes that are *non-reportable* for 1099 purposes. Because a 1099 form will never be generated for a

ACCOUNTING POLICIES AND PROCEDURES

Miscellaneous Vendor, always use a T or PUR vendor number if the payment will be reportable for 1099 purposes. The Controller's Office will be monitoring use of the Miscellaneous Vendor number throughout the year, and any inappropriate use of the Miscellaneous Vendor number must be corrected by the agency.

The Internal Revenue Service 1099 reporting status for expenses/expenditures, are available in the Data Warehouse of Nevada (DAWN), <http://dawn12.state.nv.us:7777/swmenu.htm> under Chart of Accounts. Please see the "Vendor Manual Edition for Agency Use" here: <http://scointranet.nv.gov/component/edocman/?task=document.viewdoc&id=1106&Itemid=> and the "Accounting Policies & Procedures" here: <http://scointranet.nv.gov/services/financial-reporting> for additional guidance on use of Miscellaneous Vendors.

PETTY CASH FUNDS

The State Board of Examiners may authorize the establishment of a petty cash account of not more than \$500 for a State agency out of the agency's budgeted resources (NRS 353.252).

Petty cash funds should be maintained on an imprest basis and should remain at the amount established by the Board of Examiners. From time to time, as necessary, the fund may be reimbursed from the agency's regular funds by a voucher payable, made out to the agency petty cash fund in care of the administrator in charge of the fund, i.e., Department of Transportation petty cash in care of John Doe, custodian. The voucher payable should have attached as backup all receipts for which reimbursement is being claimed.

Petty cash funds should be used only for the purpose for which the fund was established and never used to circumvent the normal process of purchasing. For fiscal reporting purposes, use translating object 9742 to establish new petty cash funds. Use normal expenditure objects to replenish funds. To close a petty cash fund, use translating revenue source 4459.

OUTSIDE BANK ACCOUNTS

A State agency must first obtain the approval of the Board of Finance before opening an account in a financial institution. A financial institution can be a bank, credit union, savings and loan association or a brokerage house, etc. The Board of Finance approval is not required where the agency account is specifically authorized by Statute (NRS 356.011). An agency with such authorization must adhere to the following criteria:

- Open the account in the State of Nevada's name. However, the agency's name and the agency program may also be added;
- Submit the name of the account and name of the financial institution to the Treasurer for record keeping purposes; and
- Submit, quarterly, and at the end of each fiscal year, a reconciliation of the account to the Controller for annual reporting purposes.

The Treasurer's office should be contacted (775-684-5600) for information and guidance on the type(s) of accounts to open and how to disburse interest earnings according to statute or regulation. For fiscal reporting purposes, use translating object 9743 to establish new outside bank accounts. To close an outside bank account, use translating revenue source 4454.

CANCELING WARRANTS

When a payment voucher is processed for the incorrect amount or to the incorrect vendor, a Warrant Cancel Reissue Request form must be submitted to the Controller's Office, along with the warrant to be cancelled, or a copy of the notarized Affidavit for Lost or Stolen Warrant form completed by the vendor. These forms can be found at: <http://scointranet.nv.gov/controller-s-office-forms> along with instructions for either reissuing a warrant with no changes or reissuing a warrant with changes to the original payment voucher. If an e-check (EFT) is being cancelled on or after the third day that the payment voucher was accepted into Advantage, the Treasurer's Office must be contacted, and instructions can be found at: http://net.nevadatreasurer.gov/Documents/Forms/Agency_Request_Form_ACH_Reversal.pdf.

STALE ACCOUNTS PAYABLE WARRANTS

When a warrant is not cashed within 180 days, it becomes stale and non-negotiable. According to NRS 353.135, on the face of each check is printed: "Void if not presented for payment within 180 days after issuance." The Treasurer, by statute (NRS 353.130), will not honor a warrant presented for payment after 180 days. A job to cancel warrants whose original date of issuance is more than 180 days runs nightly in Advantage. It changes the warrant status from outstanding to stale and creates a stale cancel transaction that posts a debit to restore cash (GL 1000) and a credit to canceled vouchers payable (GL 2001).

Agencies should print the Stale Check report in DAWN. It is the agency's responsibility to research all stale warrants since they originally conducted business with the vendor. Agencies have a choice of three actions on stale warrants, as follows:

- **Reissuing a stale warrant** – an agency request and a vendor affidavit or the original warrant must be sent to the Controller's Office for a reissue. The agency request certifies the agency has not otherwise paid the vendor for this claim. The vendor affidavit asserts the vendor has not received payment for the claim and wishes to renew the claim against the State. Stale warrants are reissued from a liability account in the originating fund, not from the agency's account coding.
- **Canceling a stale warrant** – The State Controller's Office will cancel a stale warrant under certain circumstances: if the warrant was to an incorrect vendor; if the warrant was for the wrong amount; if the warrant was a duplicate payment or was written in error; if the liability was discharged or fulfilled in another way; or if the payee owes the State and the agency wishes to use the payment to offset the receivable. Stale warrants will not be canceled if the vendor cannot be located, because a liability to the vendor still exists.
- **Leave the warrant in stale status** – if it is inappropriate to reissue or to cancel a stale warrant, the warrant will remain stale until the payee renews his or her claim against the State and requests the State Controller's Office to issue another warrant, or until six years from the date of issuance. All warrants remaining in stale status are considered to be liabilities of the State. The warrant will remain on the Stale Dated Check report until it is reissued, canceled or six years have passed since the warrant issuance date.
- **Reversion of stale warrants after 6 years** – per NRS 353.140, the State Controller shall, in June of each year for warrants at least 6 years old, and except as otherwise provided by specific statute, recognize as revenue in the fund upon which the original warrant was drawn an amount equivalent to the original warrant. The reversion of the stale warrants will result in a balance in miscellaneous revenue at the fund level in budget accounts 9999 for each fund reverted to. For funds other than 101

and 201, this miscellaneous revenue must be reclassified into an operating budget of the fund. You will be contacted by your accounting liaison to process the necessary JVD before August 31.

SELECTING AN OBJECT OF EXPENDITURE GL

When recording an expenditure, select an object in the expense/expenditure GL series that most closely corresponds to the type of payment being made. In addition, if the payment is being made to an outside vendor, a GL with the correct Internal Revenue Service 1099 reporting status must be used. The expense/expenditure GL selected, along with the 1099 reporting status of the vendor, will determine if the payment will be included as 1099 income. The titles for all general ledgers, as well as the Internal Revenue Service 1099 reporting status for expenses/expenditures, are available in the Data Warehouse of Nevada (DAWN), <http://dawn12.state.nv.us:7777/swmenu.htm> under Chart of Accounts. In general, payments for services are 1099 reportable and payments for supplies are not 1099 reportable. When applicable, expense/expenditure GLs within a series are designated as supplies or services.

Refer to the General Ledger Account Definitions section of this document for descriptions of the expense/expenditure series GLs. The Governor's Finance Office, Budget Division, also publishes a Budget Building Manual which contains guidance on use of certain expense/expenditure GLs for budgetary reporting.

TAXPAYER IDENTIFICATION NUMBER (TIN) CONTROLS

Many agencies have access to sensitive personal information – social security numbers and employer identification numbers – that must be safeguarded. Agencies that keep this type of information should develop a policy to identify what information is kept, how to secure it, how long to keep it, and how to dispose of it securely when it is no longer needed.

All paper documents, files, CDs, disks, zip drives, tapes, backups, etc. containing sensitive personal information should be stored in a locked room or in a locked file cabinet. Access to the information should be limited to employees with a legitimate business need. Controls should be established to account for the keys and to whom they have been issued.

Require that files containing personally identifiable information be kept in locked file cabinets except when an employee is working on the file. Remind employees not to leave sensitive papers out on their desks when they are away from their workstations. Require employees to put files away, log off their computers, and lock their file cabinets at the end of the day.

Implement information disposal practices that are reasonable and appropriate to prevent unauthorized access to—or use of—personally identifying information. Reasonable measures for each agency should be based on the sensitivity of the information, the costs and benefits of different disposal methods, and changes in technology.

REVENUE RECEIVABLE AND DEBTS DUE THE STATE

Any agency with revenue receivable shall either record those billings in the central accounting system of the State (NRS 353.3235) or maintain a receivable subsidiary ledger and report those receivables on a quarterly basis to the Controller (NRS 353C.120). Please refer to the Controller's Office Debt Collection Accounts Receivable Policies and Procedures, which can be found at:

<http://scointranet.nv.gov/component/edocman/debt-collection-policies-and-procedures-pdf/viewdocument/1442?Itemid=0>

REPORTING NON-CANCELABLE OPERATING LEASES

The State must disclose future minimum rental payments for operating leases having initial or remaining non-cancelable lease terms in excess of one year, as required by Governmental Accounting Standards Board (GASB) Statement 38, *Certain Financial Statement Note Disclosures*. An operating lease is an agreement between an agency and a vendor where the risks and benefits of ownership of the leased asset are not transferred to the State. This differs from a capital lease, in which the risks and benefits of ownership are assumed by the lessee, and the lease is treated as a purchase of property by the State for financial reporting. In addition, non-cancelable means that the lease contract cannot be canceled or terminated before the end of the stated lease term. It is important to note that the presence of a fiscal funding clause does not make a lease cancelable.

Near the end of each fiscal year, the Controller's Office will request that each agency submit a schedule of their non-cancelable operating leases. This schedule will be in a format prescribed by the Controller's Office and must show, by year, all future payments required under the lease term. If you have any questions regarding non-cancelable operating leases, please contact your accounting liaison.

REPORTING POLLUTION REMEDIATION OBLIGATIONS

The State must report pollution remediation obligations and the related liability in the Annual Comprehensive Financial Report as required by Governmental Accounting Standards Board (GASB) Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*. A pollution remediation obligating event is the occurrence of one or more of the following:

- The government is compelled to take remediation action because pollution creates an imminent endangerment to public health or welfare or environment, leaving it little or no discretion to avoid remediation action.
- The government is in violation of a pollution prevention-related permit or license, such as a Resource Conservation and Recovery Act permit.
- The government is named, or evidence indicates that it will be named, by a regulator as a responsible party or potentially responsible party for remediation, or as a government responsible for sharing costs.
- The government is named, or evidence indicates that it will be named, in a lawsuit to compel the government to participate in remediation.
- The government commences, or legally obligates itself to commence, cleanup activities or monitoring or operation and maintenance of the remediation effort.

All state agencies that have an occurrence of one or more of the above pollution remediation obligating events shall report the following information to their accounting liaison:

- Nature and source of pollution remediation obligations (for example, violation of federal laws or regulations).

- Amount of estimated pollution remediation liability – this liability should be recognized as ranges of the components become reasonably estimable; for example, different components could be legal services, site investigation or required post remediation monitoring. The “expected cash flows” measurement technique should be used to calculate the liability. For example, if potential pollution remediation outlays range from best case \$1 million to worst case \$3 million and no amount within the range is considered to be a better estimate than any other amount, a liability of \$2 million would be reported, calculated as follows: $(\$1 \text{ million} \times 50\%) + (3 \text{ million} \times 50\%)$.
 - Estimated recoveries reducing the liability.
- You may view or download the actual GASB 49 Statement at www.gasb.org.

REPORTING SERVICE CONCESSION ARRANGEMENTS

The State must report service concession arrangements as required by Governmental Accounting Standards Board (GASB) Statement No. 60, *Accounting and Financial Reporting for Service Concession Arrangements* (SCAs). The objective of this Statement is to improve financial reporting by addressing issues related to SCAs, which are a type of public-private or public-public partnership.

GASB Statement No. 60 defines service concession arrangements (SCAs), as an arrangement between a transferor (a government) and an operator (governmental or nongovernmental entity) in which ALL of the following criteria are met:

- The transferor conveys to the operator the right and related obligation to provide public services through the use and operation of a capital asset in exchange for significant consideration. Examples of capital assets are infrastructure or another public asset (a “facility”);
- The operator collects and is compensated by fees from third parties;
- The transferor determines or has the ability to modify or approve what services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and
- The transferor is entitled to significant residual interest in the service utility of the facility at the end of the arrangement. Examples of SCAs include toll roads, parking garage, and student housing.

If your agency has entered into, or is considering entering into, an arrangement that appears to meet these criteria, please contact your accounting liaison. You may view or download the actual GASB 60 Statement at www.gasb.org.

REPORTING NONEXCHANGE FINANCIAL GUARANTEES

The State must report nonexchange financial guarantees as required by Governmental Accounting Standard Boards (GASB) Statement No. Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees*. A nonexchange financial guarantee occurs when a government guarantees a financial obligation of a legally separate entity or individual, including a component unit, but receives little or no compensation in return. The government guaranteeing the debt agrees to make payments to the holder of the debt if the entity that issued the debt is unable to fulfill its obligation. An example is the State guaranteeing the debt of local school districts in order for the school districts to obtain better borrowing rates. Information about nonexchange financial guarantees must be disclosed in the

financial statements, and a liability recorded if it is more likely than not that the government will be required to make a payment on the guarantee.

If your agency has entered into, or is considering entering into, a nonexchange financial guarantee, please contact your accounting liaison. You may view or download the actual GASB 70 Statement at www.gasb.org.

REPORTING COMPONENT UNITS

The State must report component units as required by Governmental Accounting Standards Board (GASB) Statement No. Statement 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. This statement provides guidance for including, presenting and disclosing information about component units and equity interest transactions of a financial reporting entity. Component units are legally separate organizations for which the State's elected officials are financially accountable. Potential component units (PCU) must be evaluated to determine if they qualify for reporting as a blended or discrete component unit of the primary government (State) using the following criteria of whether or not:

- The PCU is legally separate from the primary government
- The primary government holds corporate powers of the PCU
- The primary government appoints the voting majority of the governing board of the PCU
- The PCU meets fiscal dependency and financial benefit/burden criteria with the primary government
- There is a financial benefit/burden relationship between the PCU and the primary government
- The primary government can impose its will on the PCU
- It would be misleading to exclude the PCU from the reporting entity

If your agency has any entities that are potential component units, please contact your accounting liaison. You may view or download the actual GASB 61 Statement at www.gasb.org.

REPORTING INTANGIBLE ASSETS

The State must report intangible assets as required by Governmental Accounting Standards Board (GASB) Statement No. Statement 51, *Accounting and Financial Reporting for Intangible Assets*. Intangible assets are defined as assets that: 1) lack physical substance, 2) are nonfinancial in nature (cannot be receivables or prepayment for goods or services), and 3) have a useful life extending beyond a single reporting period. Intangible assets consist of three broadly defined types as described below:

- Intangible assets generally defined as “software,” including internally developed or licensed software purchased from external sources;
- Intangible assets associated with real property, including easements, right-of-way, water rights, timber rights and mineral rights;
- Intellectual rights, including patents, trademarks and copy rights.

The State Controller's Office requires agencies to identify and report intangible assets to ensure full and proper disclosure in the financial statements. If your agency has acquired any intangible assets, or is internally generating an intangible asset, please contact your accounting liaison. You may view or download the actual GASB 51 Statement at www.gasb.org.

REPORTING TAX ABATEMENTS

The State must report tax abatements as required by Governmental Accounting Standards Board (GASB) Statement No. 77, *Tax Abatement Disclosures*. A tax abatement is a reduction in taxes resulting from an agreement between a government and an individual/entity in which (a) the government promises to forgo tax revenues and (b) the individual/entity promises to take a specific action after the agreement that contributes to economic development or otherwise benefits the government or its citizens. The agreement can be in writing or implicitly understood between the government and individual/entity. Excluded from the scope of GASB 77 are programs where the government does not commit to abate taxes until after the individual/entity has performed the activity.

This statement requires the State to disclose tax abatement information about (a) the State's own tax abatement agreements and (b) those agreements that are entered into by other governments and that reduce the State's tax revenues.

If your agency has any agreements that appear to be tax abatements, please contact your accounting liaison. You may view or download the actual GASB 77 Statement at www.gasb.org.

REPORTING LEASES

The Governmental Accounting Standards Board (GASB) issued Statement No. 87, *Leases* with the objective of improving accounting and financial reporting for leases by governments. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The statement was implemented for the State of Nevada beginning in fiscal year 2021-2022. The statement applies to all existing and future leases, whether the State is the lessee or the lessor.

A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction. Examples of nonfinancial assets include buildings, land, vehicles, and equipment. "Right to use" is defined as the right to obtain the present service capacity from use of the underlying asset and the right to determine the nature and manner of its use. Any contract that meets this definition should be accounted for under the lease guidance, unless specifically excluded.

Transactions Excluded from Lease Reporting Under GASB Statement 87:

- Short-term contract – 12 months or less; Payments on short-term contracts will continue to be reported as operating expenditures
- Contracts that transfer ownership of the underlying asset by the end of the contract and does not contain termination options– these are treated as finance agreements
- Non-exchange transactions (e.g., \$1 rentals)
- Leases of intangible assets – for software subscriptions, see GASB Statement 96 Reporting Requirements.
- Lease of biological assets
- Lease contracts with another State agency (e.g., building leases with the State of Nevada Public Works Department)

Contracts involving the lease of tangible capital assets along with a software component may be subject to GASB #87 or #96 provisions, depending on the significance of the software component.

Procedures:

All contracts for leased assets subject to reporting under GASB Statement 87 must be reported to the State of Nevada Controller's Office. A GASB 87 Lease Request Form must be filled out for each individual lease contract and the full contract with the vendor, or lessee in cases where the State is leasing to outside entities, needs to be attached. The form can be found at <http://scointranet.nv.gov/component/edocman/?task=document.viewdoc&id=1446&Itemid> and all forms, copies of contracts, and additional questions should be sent by email to scoleases@sco.nv.gov.

REPORTING SOFTWARE CONTRACTS

The Governmental Accounting Standards Board (GASB) issued Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs) with the objective of improving accounting and financial reporting for software subscriptions by governments. It was established based on the foundational principle that software subscriptions are financings of the right to use an underlying intangible asset. The statement has been implemented for the State of Nevada beginning in fiscal year 2022-2023. The statement applies to all existing and future software subscription contracts, whether the State is the subscriber or vendor to other subscribers.

A SBITA is a contract that conveys control of the right to use another party's IT software, alone or in combination with tangible capital assets, as specified in the contract for a period of time in an exchange or exchange-like transaction. Any contract that meets this definition should be accounted for under this guidance, unless specifically excluded.

Transactions Excluded from Lease Reporting Under GASB Statement 96:

- Short-term contract – 12 months or less; Payments on short-term contracts will continue to be reported as operating expenditures
- Software that your department will ultimately own
- Perpetual license agreements
- Software contracts or allocations between State agencies (e.g., allocations from EITS for software used)
- Service-only agreements
- Contracts with stand-alone tangible capital assets or a combination of a tangible capital asset and an *insignificant* software component

Contracts involving the lease of tangible capital assets along with a software component may be subject to GASB #87 or #96 provisions, depending on the significance of the software component.

Procedures:

All SBITA contracts subject to reporting under GASB Statement 96 must be reported to the State of Nevada Controller's Office. A GASB 96 Subscription Request Form must be filled out for each individual contract and the full contract with the vendor, or subscriber in cases where the State is leasing

software to outside entities, needs to be attached. The form can be found at <http://scointranet.nv.gov/component/edocman/?task=document.viewdoc&id=1497&Itemid> and all forms, copies of contracts, and additional questions should be sent by email to scoleases@sco.nv.gov.

STANDARD CHART OF ACCOUNTS

CLASSIFICATION OF GENERAL LEDGER ACCOUNTS

A classification system is a basic component of any accounting system so general ledger accounts flow in an orderly manner into the various fiscal reports which are produced. General ledger accounts are grouped into assets, liabilities, fund balance/net position, revenues, expenditures/expenses, or pass-through receipts or disbursements.

CHART OF ACCOUNTS, EXPLANATION

A chart of accounts lists in numerical order, the accounts included within the classification system. It is used to determine which general ledger account numbers should be used to code transactions being processed.

USE OF GENERAL LEDGER ACCOUNTS WITHIN CLASSIFICATION SYSTEM

All transactions are processed as revenues/receipts, expenses/expenditures, or disbursements, in order to track them through the budgetary system. Generally, no fund-level transactions are allowed except in custodial funds. The following overview is a brief description of revenues and expenses/expenditures. Agencies needing more information should contact their accounting liaison.

Revenues, depending upon the type of fund (proprietary or governmental), are accounted for either when earned or when measurable and available.

Revenues, depending upon the type of fund, are accounted for either when earned (proprietary funds) or when measurable and available (governmental funds). Expenses are recorded in proprietary fund types when they are incurred, and expenditures are accounted for in governmental fund types when a liability is created. Expense/expenditure general ledger accounts are classified by object based upon their nature rather than by the purpose for which they were incurred. Agencies are required to select the expense/expenditure general ledger account which: a) most closely describes the charge being recorded, and b) has the appropriate Internal Revenue Service 1099-MISC reporting status for the transaction being recorded. More information on Form 1099-MISC reporting requirements can be found at <http://scointranet.nv.gov/component/edocman/controller-intranet/agency-services/other-resources/1099-basic-information-pdf>

Unlike revenue general ledger accounts, expenditures do not have to be established in individual budget accounts by the Controller's Office. The expenditure general ledger account will automatically appear once activity has been recorded to it.

ACCOUNTING POLICIES AND PROCEDURES

Agencies can request an alternate description for revenues and expenditures within a specific budget account by completing and submitting a GL Maintenance Request Form. <http://scointranet.nv.gov/controller-s-office-forms>

GENERAL LEDGER SUMMARY CHART OF ACCOUNTS AND DEFINITIONS

A summary of general ledger accounts is listed below. More detail and definitions can be found in the next section on General Ledger Account Definitions. Definitions given are basic and not limited only to examples cited.

NOTE: This summary Chart of Accounts is not all-inclusive. Assets, liabilities, revenues/receipts, and expenses/expenditures/disbursements all have expanded titles within the ranges indicated. The titles for all general ledgers, as well as the IRS 1099-MISC reporting status for expenses/expenditures, are available in the Data Warehouse of Nevada (DAWN), <http://dawn12.state.nv.us:7777/swmenu.htm> under Chart of Accounts. Please note not all general ledger codes within a series are active. The series represent a group of designated codes for certain transactions, but not all codes have been defined and established by the Controller's Office. If additional codes are needed within a series, contact the accounting liaison assigned to your agency. <http://scointranet.nv.gov/services/financial-reporting>

General Ledger

<u>Account Numbers</u>	<u>General Ledger Titles</u>
	ASSETS
1000-1799	Current Assets
1800-1999	Long-term Assets
	LIABILITIES, FUND BALANCE/NET POSITION AND BUDGETARY ACCOUNTS
2000-2299	Current Liabilities
2300-2479	Long-term Liabilities
2480-2564	Various Budgetary and Equity Accounts
2550	Fund Balance
2554	Net Position
2600-2699	Payroll Related Liabilities
2800-2899	Other Long-term Liabilities
	REVENUES/RECEIPTS
3001-3299	Unappropriated Revenues
3301-3344	Revenues – Taxes
3401-3600	Revenues – Federal Grants
3601-3799	Revenues – Licenses and Fees
3801-4350	Revenues – Charges for Services and Other Revenues
4351-4355	Expense/Expenditure Reductions
4401-4499	Translating/Asset Reductions (<i>Contact Controller's first</i>)
4500-4599	Translating/Pass-through Receipts (<i>Contact Controller's first</i>)
4600-4781	Transfers In From State Agencies
4790-4794	Transfers In - General Fund Unappropriated
4860-4869	Fund Level Transfers (<i>for Controller's Office use only</i>)
4870-4999	Non-operating Items (<i>Contact Controller's first</i>)

ACCOUNTING POLICIES AND PROCEDURES

EXPENSES/EXPENDITURES/DISBURSEMENTS

Personnel Services Series

5100	Gross Salaries
5120	Furlough Adjustments
5170	Seasonal Salaries
5180-5181	NV National Guardsmen State Active Duty
5190	Supplemental Military Pay
5200	Workers Compensation
5300-5302	Retirement Contributions
5305	Retirement Non-PERS
5310	Retirement Purch of Svc - State
5400	Personnel Assessment
5440	Personnel Subsidy
5500	Group Insurance
5610-5660	Leave Pay
5700	Payroll Assessment
5750	Retired Employee's Insurance Assessment
5800	Unemployment Compensation
5810	Overtime Pay
5820	Holiday pay
5830	Comp Time Payoff
5840	Medicare
5841-5999	Other personnel expenses/expenditures

Travel Series

6001	Other Travel Expenses/Expenditures
6005	Travel Advance Clearing
6100-6108	Per Diem Out-of-State
6110	Motor Pool Out-of-State
6115	Non-Motor Pool Out-of-State
6120-6123	Auto Miscellaneous Out-of-State
6130-6133	Public Transportation Out-of-State
6140-6143	Personal Vehicle Out-of-State
6150-6153	Commercial Air Transportation Out-of-State
6160	State-owned Air Transportation Out-of-State
6170-6174	Travel Card Charges Out-of-State
6200-6207	Per Diem In-State
6210-6213	Motor Pool In-State
6215	Non-Motor Pool In-State
6220-6223	Auto Miscellaneous In-State
6230-6233	Public Transportation In-State
6240-6243	Personal Vehicle In-State
6250-6253	Commercial Air Transportation In-State
6260	State-owned air transportation In-State
6270-6274	Travel Card Charges In-State

Operating Series

ACCOUNTING POLICIES AND PROCEDURES

7020-7029	Operating Supplies
7030-7034	Freight & Delivery Charges
7037-7039	Communication Repair Services
7040-7049	Printing and Copying Services
7050-7059	Insurance
7060-7072	Contracts – General Services
7073	Contracts – Maintenance of Software
7074	Contracts – Maintenance of Hardware
7075	Contracts – Medical and Health Care
7076	Contracts – Pharmaceutical Goods and Medications
7077-7078	Contracts – Foster Care
7079	Contracts – Purchase of Goods or Materials
7080-7086	Legal and Court Expenses/Expenditures
7087	Nonexpert Witness Fees
7088	Expert Witness Fees
7089	Jury Fees
7090-7099	Equipment Repair Services
7100-7105	State-owned Building Rental
7110-7119	Non-State-owned Building Rent
7120-7129	Advertising and Public Relations
7130-7139	Utilities and Waste Disposal
7140-7149	Maintenance of Buildings and Grounds
7150-7159	Vehicle Operation
7160-7164	Aircraft Operation
7170-7177	Clothing/Uniform/Tool Allowance
7178	HSA Employer Contribution
7180-7184	Medical and Dental Services
7185-7189	Medical and Dental Supplies/Appliances
7190-7199	Stipends, Commissions and Prizes
7200-7209	Food
7211	MSA Programmer Charges
7220-7226	Other EDP Service Costs (non-EITS)
7230-7233	Minor Building Improvement and Repair Services
7240-7241	Host Fund Expenses/Expenditures
7250-7255	Buildings and Grounds Special Services
7260-7261	Taxes and Assessments
7265-7269	Claims Costs & Payments
7270-7279	Interest Expenses/Expenditures
7280-7286	Postage
7289-7299	Telephone
7300-7306	Dues and Registrations
7307	Undercover Operations
7310-7312	Power and Gas Purchases
7320-7324	Instructional Supplies
7330-7334	Special Report Services and Fees
7340-7345	Inspections and Certifications
7350-7359	Court Awards
7360	University Operations

ACCOUNTING POLICIES AND PROCEDURES

7370-7374	Publications and Periodicals
7380-7382	Employee Moving Expense/Expenditures
7384	Statewide Cost Allocation
7385	Staff Physicals
7386	State Treasurer's Assessment
7387-7388	NHP and NDOT Cost Allocations
7389	HR Centralized Personnel Services
7390	Credit Card Discount Fees
7391	Attorney General Cost Allocation
7392	Cost Allocation
7393	Purchasing Assessment
7394-7399	Agency-Specific Cost Allocations
7400-7409	Client Service Provider Payments
7410-7419	Client Medical Provider Payments
7420-7429	Client Material Provider Payments
7430-7439	Professional Services
7440	Interview Costs
7445-7448	Scholarships
7449	Prepaid Tuition Payments
7460-7464	Equipment Under \$1,000
7465-7469	Equipment Between \$1,000 - \$5,000
7500-7502	Payments to Individuals for Services
7506-7559	EITS charges
7560-7579	Internal Service Funds Only
7630-7639	Miscellaneous Expenses/Expenditures
7650-7659	Refunds
7750-7753	Non-State Employee In-State Travel
7760-7763	Non-State Employee Out-of-State Travel
7770-7772	Computer Software
7800-7804	Nursery and Farming Supplies
7830-7835	Debt Service Funds Only
7860-787Z	NDOT In-House
7950	Rent Subsidy
7960-7963	Land/Equipment Rental
7970-7973	Materials
7980-7984	Operating Lease Expense

Capital Outlay Series

8100	Land
8101	Non-cash Capital Improvements
8110-8111	Easements
8120	Land Improvements
8125	Improvements Other Than Buildings
8130-814Z	Highway Construction
8150	Buildings
8151-8154	Building Improvements
8160-8199	Capital Improvement Projects

ACCOUNTING POLICIES AND PROCEDURES

Equipment Series

8200	Water System Equipment
8210	Mobile Homes/Storage Sheds
8220	Trailers
8230	Microwave Stations and Systems
8240-8242	New Furnishings
8250-8252	Major Equipment New
8260	Boats
8270-8277	Special Equipment New
8280	Heavy Duty Trucks New
8290-8293	Telephone Equipment
8300	Aircraft
8310	Pickups/Vans New
8320-8321	Used Major Equipment
8330-8334	Office and Other Equipment
8340-8341	Special Purpose Vehicles
8350-8351	Used Furnishings
8360	Automobiles - New
8370-8374	Computer Hardware
8380-8381	Used Vehicles
8390-8394	Miscellaneous Equipment
8401	Major Equipment Repair/Improvement Services
8410-8412	Principal Installment/Lease Purchase

Bond and Remit Series

8430	Arbitrage Payments
8470	Refunding Payments
8499	Remit to Federal Government (<i>Contact Controller's first</i>)

Aid to Nevada Governmental Units Series

(See Federal Revenues and Expenditures Section before use)

8501-8549	Aid to Nevada Counties and Cities
8550-8551	Aid to Nevada Boards and Commissions
8560-8599	Aid to Other Nevada Governmental Units

Aid for Education and Training Series

(See Federal Revenues and Expenditures Section before use)

8601-8619	Aid for School Districts
8620-8639	Aid for Private Schools, Charter Schools and Training Institutes
8640-8649	Aid for Institutions of Higher Education
8651	Intergovernmental Other (<i>for Controller's Office use only</i>)
8660-8699	Aid for Private Schools, Charter Schools and Training Institutes (<i>continued</i>)

Aid or Grant Series

(See Federal Revenues and Expenditures Section before use)

8700-8740	Aid to Individuals
8741	Subsidy to Individuals

ACCOUNTING POLICIES AND PROCEDURES

8750-8759	Aid to Private Service Providers
8770-8779	Respite Care, Foster Care and Client Rent
8780-8789	Aid to Non-Profit Service Providers
8795-8797	Grants (Taxable)
8798-8799	Non-Taxable Grants
8801-8999	Various Expenses/Expenditures (<i>for Controller's Office use only</i>)

Transfer and Translating Disbursement Series

9001-9169	Transfers out to State Agencies
9170-9699	Translating/Pass-through Disbursements (<i>Contact Controller's first</i>)
9700-9709	Translating/Inventory (<i>Contact Controller's first</i>)
9710-9745	Translating Disbursements (<i>Contact Controller's first</i>)
9760-9769	Fund Level Transfers (<i>for Controller's Office use only</i>)
9770-9827	Other Disbursements (<i>Contact Controller's first</i>)

GENERAL LEDGER ACCOUNT DEFINITIONS

ASSETS

GL SERIES

TITLE AND DEFINITION

1000-1799	Current assets: Resources owned or held by a government which have monetary value and will be used or converted into cash within one year.
1800-1999	Long-term assets: Resources owned or held by a government which have monetary value and will not be used or converted to a current asset within one year.

LIABILITY, FUND BALANCE/NET POSITION AND BUDGETARY ACCOUNTS

GL SERIES

TITLE AND DEFINITION

2000-2299	Current liabilities: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded at a future date within one year.
2300-2479	Long-term liabilities: Debt or other legal obligations arising out of transactions in the past which must be liquidated, renewed or refunded after one year.
2480-2564	Various budgetary and equity accounts: Various budgetary control accounts and general ledgers used for recording internal budgetary transactions and various equity general ledger accounts and accounts to be used for adjustments to the equity accounts. For additional information relative to these accounts, the Controller's Office should be contacted.
2550	Fund balance: Net position of a governmental fund (difference between assets, liabilities, deferred outflows of resources, and deferred inflows of resources).
2554	Net position: The residual of all other financial statement elements presented in a statement of financial position.
2600-2699	Payroll related liabilities: For Payroll Fund use only.
2800-2899	Other long-term liabilities: See general ledger account range 2300-2479.

ACCOUNTING POLICIES AND PROCEDURES

REVENUES/RECEIPTS

GL SERIES

TITLE AND DEFINITION

3001-3299

Unappropriated revenues: These revenues are for general use by State government and not restricted for use by laws or contracts. They are fully subject to legislative appropriation and support general government services. They are deposited into the General Fund (9XXX series Budget Accounts only). Classifications of unappropriated revenues include:

- **Sales and use taxes:** Taxes imposed upon the sale or consumption of selected goods.
- **Gaming taxes:** Taxes imposed upon various gaming activities and/or receipts.
- **Other taxes:** Revenue from taxes on varied activities or products not specified in a separate classification.
- **Licenses and fees:** Licenses and fees imposed on various businesses or activities.
- **Cost Allocation Plan Recovery (GL 3276):** Charges to non-general fund supported programs for cost of central services provided to those programs by agencies supported entirely through general fund appropriations.
- **Charges for services:** Revenues from providing services or products usually segregated under functional and activity groupings.
- **Interest earnings:** Revenues derived from charging for the use of money.
- **Other general revenue:** Miscellaneous revenue not classified under separately established definitions.

3301-4350

Revenues: Resources for which the expenditure is authorized for specified activities.

- 3301-3344 - Taxes
- 3401-3600 - Federal Grants
- 3601-3799 - Licenses and Fees
- 3801-4350 - Charge for Services and Other Revenues
 - 3860-3866 – Medicaid Charges
 - 4230-4238 – Cost Allocation
 - 4265-4269 – Private Grants

4351-4355

Expense/expenditure reductions: Reimbursement of a current year expense/expenditure. Note: Minor amounts should be credited against the original expense/expenditure account.

4401-4499

Translating/asset reductions: Any collection of a loan or other receivable. These GL's translate to a balance sheet account. *Contact Controller's Office for approval.*

4500-4599

Translating/pass-through receipts: In-flow of assets from a source that are to be passed on for use by another entity. For more information, see guidance in section on Accounting for Pass-Through Resources. These GL's translate to a balance sheet account. *Contact Controller's Office for approval.*

4600-4781

Transfers in from State agencies: All inter/intra-fund transfers, e.g., legally authorized transfers between agencies or funds.

- Must be offset by a transfer-out GL in the series 9001-9169.
- 4666 – **Transfer of Bond Proceeds Only:** may only be used to receive bond proceeds being transferred in from another budget account and must be offset by GL 9067. Both lines must reference the bond issue and specific bond job number.

ACCOUNTING POLICIES AND PROCEDURES

4790-4794	Transfers in - General Fund Unappropriated: To be used only for transfers made to General Fund unappropriated revenues (9XXX budget accounts). Must be offset by a transfer-out GL in the series 9001-9169.
4860-4869	Fund level transfers: <i>Reserved for Controller's Office use only.</i>
4870-4999	Non-operating items: Any in-flow of assets from other funds not classifiable as revenue, transfers or pass-through receipts. <i>To be used only after contacting Controller's Office for approval.</i>

EXPENSES/EXPENDITURES/DISBURSEMENTS

5000 - PERSONNEL SERVICES SERIES

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
5100	Gross salaries: Regular salary or wages paid to State employees prior to any payroll deductions.
5120	Furlough adjustments: Records the negative pay adjustment to employees' payroll checks for the savings realized from furlough.
5170	Seasonal salaries: Salary or wages paid to seasonal State employees prior to any payroll deductions.
5180-5181	NV National Guardsmen state active duty: Amounts paid to Nevada National Guardsmen called to state active duty by the Governor.
5190	Supplemental military pay: Amounts paid to State employees on leave for active military duty.
5200	Workers compensation: Payroll assessments for Employer's Insurance Company of Nevada.
5300-5302	Retirement contributions: State share of retirement contributions made for each employee.
5305	Retirement non-PERS: Employer contributions to a 457(b) plan for a retired employee without PERS.
5310	Retirement purchase of service – State: Payments made by a State agency to PERS for the purchase of credit for service for an employee.
5400	Personnel assessment: The charge to each State agency, based upon employees' gross salaries.
5440	Personnel subsidy: Personnel cost allocation.
5500	Group insurance: The charge to each State agency for group insurance premiums for its employees.
5610-5660	Leave Pay: Salary or wages paid to State employees for annual, sick, comp and other leave, prior to any payroll deductions.
5700	Payroll assessment: A charge to each State agency determined by applying a percentage to gross salaries for costs related to payroll processing.
5750	Retired employee's insurance assessment: An assessment on gross salaries to fund insurance coverage for retired employees.
5800	Unemployment compensation: An employer-paid expense charged to each State agency for unemployment compensation based on employees' gross salaries up to a maximum salary level.
5810	Overtime pay: Payments to employees for working beyond their normal hours. Includes payments for time originally recorded as compensatory time.
5820	Holiday pay: Salary or wages paid to employees for legal holidays.

ACCOUNTING POLICIES AND PROCEDURES

5830	Comp time payoff: Wages paid to State employees for compensation of over-time for which compensatory time off was originally accrued but not taken.
5840	Medicare: A charge for the employer's share of Medicare FICA coverage on all employees hired after April 1, 1986.
5841-5999	Other personnel expenses/expenditures: Personnel related expenses/expenditures not previously specified.

6000 - TRAVEL SERIES - Travel expenses for out-of-State travel are recorded using general ledger accounts 6100-6179. Travel expenses for in-State travel are recorded using general ledger accounts 6200-6279.

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
6001	Other travel expenses/expenditures: Miscellaneous travel expenses/expenditures not specified in another general ledger account.
6005	Travel advance clearing: Advances to employees for travel. To be cleared out and charged to the appropriate expense/expenditure general ledger account in the travel series upon completion of travel.
6100-6108	Per diem out-of-state: Payments made to employees and board or commission members as an allowance for meals, lodging and incidentals while traveling.
6110	Motor Pool out-of-state: Charges from the Motor Pool Division for vehicles used for travel.
6115	Non-Motor Pool out-of-state: Charges for non-Motor Pool Division rental of vehicles used for travel.
6120-6123	Auto miscellaneous out-of-state: Miscellaneous auto charges for vehicles used in travel status.
6130-6133	Public transportation out-of-state: Costs of transportation including taxicabs, limousine service, buses, railroads, rented vehicles and other forms of transportation associated with travel, excluding personal vehicles, airplanes and Motor Pool Division vehicles. Expenses/expenditures can be paid in the form of reimbursement to employees or board or commission members.
6140-6143	Personal vehicle out-of-state: Reimbursements made to employees or board or commission members while on State business for using their personal vehicle or aircraft, when used either for the convenience of the employee or the State. This can be used for airfare in lieu of mileage.
6150-6153	Commercial air transportation out-of-state: Costs of commercial airplane transportation that can be directly paid to travel agencies or airlines or to employees or board or commission members for ticket reimbursements.
6160	State-owned air transportation out-of-state: Charges for transportation on State-owned aircraft. This includes pilots' per diem charges.
6170-6174	Travel card charges out-of-state: Charges by travel card companies and banks for cash advances (ATM fees) and for late fees. These charges are usually for travel reimbursement to the employee or board/commission member.
6200-6207	Per diem in-state: Payments made to employees and board or commission members as an allowance for meals, lodging and incidentals while traveling.
6210-6313	Motor Pool in-state: Charges from the Motor Pool Division for vehicles used for travel.
6215	Non-Motor Pool in-state: Charges for non-Motor Pool Division rental of vehicles used for travel.

ACCOUNTING POLICIES AND PROCEDURES

6220-6223	Auto miscellaneous in-state: Miscellaneous auto charges for vehicles used in travel status.
6230-6233	Public transportation in-state: Costs of transportation including taxicabs, limousine service, buses, railroads, rented vehicles, ATV rentals and other forms of transportation associated with travel, excluding personal vehicles, airplanes and Motor Pool Division vehicles. Expenses/expenditures can be paid in the form of reimbursement to employees or board or commission members.
6240-6243	Personal vehicle in-state: Reimbursements made to employees or board or commission members while on State business for using their personal vehicle or aircraft, when used either for the convenience of the employee or the State. This can be used for airfare in lieu of mileage.
6250-6253	Commercial air transportation in-state: Costs of commercial airplane transportation that can be directly paid to travel agencies or airlines or to employees or board or commission members for ticket reimbursements.
6260	State-owned air transportation in-state: Charges for transportation on State-owned aircraft. This includes pilots' per diem charges.
6270-6274	Travel card charges in-state: Charges by travel card companies and banks for cash advances (ATM fees) and for late fees. These charges are usually for travel reimbursement to the employee or board/commission member.

7000 – OPERATING EXPENSES SERIES

GL SERIES

TITLE AND DEFINITION

7020-7029	Operating supplies: General office supplies including office stationery, forms, pens, pencils, ink/toner, copy paper, and costs paid for functional supplies, i.e., chemicals, laboratory supplies, cleaning and sanitation supplies, feed for animals, household and institutional supplies and recreational supplies.
7030-7034	Freight and delivery charges: Costs for freight and delivery, such as Federal Express and UPS.
7037-7039	Communication repair services: Costs paid for services to repair communications equipment. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
7040-7049	Printing and copying services: Printing, copying, binding, microfilming, imaging, annual reports, outside printing and similar services. Payments to the Printing Division are to be charged to GL series 7045-7049. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7050-7059	Insurance: Costs other than those related to personnel services, including bonds, vehicle insurance, property and contents insurance, and deductible paid to EICON. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
7060-7079	Contract services: Services under contract with outside vendors which may include goods or deliverables. Payments to outside vendors for contractual services other than individual foster care and pharmaceutical goods are reportable to the Internal Revenue Service as miscellaneous income. NOTE: Contracts for capital leases, capital assets and construction should be charged to the appropriate capital account in the GL series 8200-8419. Contracts for operating leases should be charged to the appropriate operating lease account in the GL series 7980-7984. <ul style="list-style-type: none">➤ 7060-7072 – General (non-medical) contract services.➤ 7073 – Contracts for maintenance of software.

ACCOUNTING POLICIES AND PROCEDURES

- 7074 – Contracts for maintenance of hardware.
 - 7075 – Contracts for medical and health care.
 - 7076 – Contracts for pharmaceutical goods and medications (not reportable to the Internal Revenue Service).
 - 7077 – Contracts for foster care in the foster care provider’s home (not reportable to the Internal Revenue Service).
 - 7078 – Contracts for foster care in a professional setting.
 - 7079 – Contracts for purchase of goods or materials (not reportable to the Internal Revenue Service).
- 7080-7086 **Legal and court expenses/expenditures:** Charges for legal services and court expenses from the Attorney General's Office (unless collected through the Attorney General cost allocation plan) or an outside entity. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
- 7087 **Nonexpert witness fees:** Payments to individuals acting as a nonexpert witness. Not reportable to the Internal Revenue Service.
- 7088 **Expert witness fees:** Payments to individuals acting as an expert witness. Reportable to the Internal Revenue Service as miscellaneous income.
- 7089 **Jury fees:** Payments to individuals serving on a jury.
- 7090-7099 **Equipment repair services:** Office and other equipment repair services of a minor nature not classifiable as capital outlay. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
- 7100-7105 **State-owned building rental:** Rent payments to the Buildings and Grounds Division should be charged to GL 7100. Rent payments to other state agencies for rental of buildings owned by the State should be charged to GL 7105.
- 7110-7119 **Non-State-owned building rent:** Costs for renting or leasing buildings not owned by the State. This account also includes the costs for renting or leasing space for storage, meetings or conferences and all costs associated with drafting leasing agreements. Payments to outside vendors, except real estate agents, are reportable to the Internal Revenue Service as rental income.
- 7120-7129 **Advertising and public relations:** Payments for printed announcements in professional periodicals and newspapers or for radio or television announcements. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
- 7130-7139 **Utilities and waste disposal:** Bottled water, hazardous waste disposal, electric, heating oil, gas, propane, garbage disposal, water and sewer services, other utilities (i.e., cable TV) as well as payments to Buildings and Grounds for water usage.
- 7140-7149 **Maintenance of buildings and grounds:** Payments to outside vendors for maintenance services or for supplies (lumber, paint, electric supplies, hardware supplies, heating/air conditioning supplies and shop supplies needed for maintenance). Payments to outside vendors for services are reportable to the Internal Revenue. Payments to outside vendors for supplies are not reportable to the Internal Revenue Service.
- 7140-7144 – Maintenance services.
 - 7145-7149 – Maintenance supplies.
- 7150-7159 **Vehicle operation:** Agency-owned vehicle operation, maintenance, gasoline and other similar costs. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income. Payments to outside vendors for supplies are not reportable to the Internal Revenue Service.

ACCOUNTING POLICIES AND PROCEDURES

- 7160-7164 **Aircraft operation:** All expenditures involved in the maintenance and operation of aircraft owned by an agency. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income. Payments to outside vendors for supplies are not reportable to the Internal Revenue Service.
- 7170-7177 **Clothing/uniform/tool allowance:** Reimbursement to employees for the purchase of clothing, uniforms or tools used in their work, the outright purchase of these items on behalf of the employee and the maintenance of these items. Payments for these items may be reportable to the Internal Revenue Service as miscellaneous income.
- 7178 **HSA employer contribution:** Limited to use by Public Employees Benefits Program to record the employer's contribution to employee's health savings accounts.
- 7180-7184 **Medical and dental services:** Non-contracted medical or dental services, including staff physicals and testing. Payments to outside vendors for services are reportable to the Internal Revenue Service as medical income.
- 7185-7189 **Medical and dental supplies/appliances:** Medical and dental supplies or appliances that are not part of an approved contract; includes prescription drugs, non-prescription drugs, pharmaceutical supplies, and other medical supplies and appliances. Payments to outside vendors for supplies are not reportable to the Internal Revenue Service.
- 7190-7199 **Stipends, commissions and prizes:** Stipends: Payments (to non-state employees) for an allowance to offset certain expenses, or as an honorarium; includes inmate payrolls; also includes payments to individuals in association with a fellowship or grant. Commissions: Percentage of sales given to individuals; includes payments to employee associations for vending machine proceeds. Prizes paid in the form of cash. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income. Any payments to State employees are reportable to the Internal Revenues Service on the W-2.
- 7200-7209 **Food:** Purchased for human consumption only.
- 7211 **MSA programmer charges:** Non-DOIT IT labor including programming, project management, quality assurance and PC/LAN technician from outside vendors through Master Services Agreement contract.
- 7220-7226 **Other EDP service costs (non-EITS):** Costs related to maintaining an in-house EDP system. Includes licensing renewals or subscriptions as well as online licensing renewals or subscriptions such as a subscription to Creative Cloud, which allows access to newest software versions, and licenses to allow virtual access to software. Does not include the initial purchase of software or hardware. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income. NOTE: Costs related to software license maintenance and hardware license maintenance contracts are to be coded to GL 7073 and 7074, respectively; costs for purchase of software and hardware are to be coded to GL series 7770-7772 and 8370-8374, respectively.
- 7230-7233 **Minor building improvement and repair services:** Costs of building, remodeling projects totaling less than \$500,000 and not done by the Buildings and Grounds Division. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
- 7240-7241 **Host fund expenses/expenditures:** Payments for special entertainment for dignitaries. Host Funds must have prior approval of the Legislature. Payments to

ACCOUNTING POLICIES AND PROCEDURES

- outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
- 7250-7255 **Buildings and Grounds special services:** Services provided by the Buildings and Grounds Division at the request of the agency such as minor office remodeling, furniture construction, moving, installation of shelving, minor repairs, etc. The Buildings and Grounds assessment on non-state owned building rent should be charged to GL 7255.
- 7260-7261 **Taxes and assessments:** Property taxes or other assessments being paid that have been passed through to the State through leases. NOTE: The State should not pay taxes of any kind and State agencies should negotiate these out of their lease agreements if possible.
- 7265-7269 **Claims costs & payments:** Payments for various claims costs and expenses.
- 7270-7279 **Interest expenses/expenditures:** This account includes all charges paid for the use of money. Costs of leasing equipment under a capital lease agreement (See definition for GL series 8410-8412) should be split between general ledger accounts 7270 and 8410 series. Note: Any penalties, fines, late fees or interest assessed and paid as a result of a late payment should not be recorded here, but instead must be recorded as part of the payment to which it relates. Payments to outside parties are reportable to the Internal Revenue Service as interest income.
- 7280-7286 **Postage:** Includes charges that are paid to the U.S. Post Office or to the State Mail Room.
- 7289-7299 **Telephone:** Costs for regular monthly service charges for telephone, facsimile, communication lines, voice mail, cell phones and pagers. Also includes charges for long distance and telephone and data wiring.
- 7300-7306 **Dues and registrations:** Memberships in professional or other organizations and associations. Also includes fees for taking classes or attending seminars. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income. GL 7306 is to be used for reimbursing employees for registration fees, and is not reportable to the Internal Revenue Service for 1099 purposes.
- 7307 **Undercover operations:** Advance funding for undercover operations. Not reportable to the Internal Revenue Service for 1099 purposes
- 7310-7312 **Power & gas purchases:** Electrical power and gas purchased for resale to utility districts.
- 7320-7324 **Instructional supplies:** Payments for teaching aids which are used in workshops or training seminars. These may include films, multiple reference books or any other supply that can appropriately be classified as a training item and costs less than \$5,000.
- 7330-7334 **Special report services and fees:** Costs incurred for computer searches and other special fees that cannot be charged to the printing and copying accounts in the GL series 7040-7049. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
- 7340-7345 **Inspections and certifications:** Inspections required by State agencies for sanitation, public safety and other related areas. Payments to outside vendors are reportable to the Internal Revenue Service as miscellaneous income.
- 7350-7359 **Court Awards:** Court awards, torts, settlements and interest for physical injury, property damage, punitive damages or compensatory damages paid to plaintiffs or to attorneys. Payments to plaintiffs (except for physical injury or property damage) and to attorneys are reportable to the Internal Revenue Service.

ACCOUNTING POLICIES AND PROCEDURES

- 7350-7351 – Physical injury or property damages paid to a plaintiff.
 - 7352 – Physical injury or property damages paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds.
 - 7353 – Punitive damages paid to a plaintiff. Payments for punitive damages to plaintiffs are reportable to the Internal Revenue Service as miscellaneous income.
 - 7354 – Punitive damages paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds.
 - 7355-7356 – Compensatory damages paid to a plaintiff. Payments for compensatory damages to plaintiffs are reportable to the Internal Revenue Service as miscellaneous income.
 - 7357 – Compensatory damages paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds.
 - 7358 – Interest paid to a plaintiff. Payments for interest are reportable to the Internal Revenue Service as interest income.
 - 7359 – Interest paid to an attorney. Payments to attorneys are reportable to the Internal Revenue Service as gross proceeds.
- 7360 **University operations:** Monthly drawdowns for the Nevada System of Higher Education (for University use only).
- 7370-7374 **Publications and periodicals:** Subscriptions to newspapers, magazines, publications and periodicals or their cost on an individual basis. Includes CD ROM's.
- 7380-7382 **Employee moving expense/expenditures:** Moving expenses resulting from the transfer of a permanent State employee from one community to another in accordance with the provisions of SAM Section 0238.
- 7384 **Statewide Cost Allocation:** Payments to the General Fund for the Statewide Cost Allocation Plan. Must be offset by GL 3276.
- 7385 **Staff Physicals:** Payments for employee physical exams required by OSHA.
- 7386 **State Treasurer's Assessment:** To be used by Treasurer's Office only, in conjunction with revenue source 4330, when issuing debt.
- 7387-7388 **NHP and NDOT cost allocations:** Payments for NHP dispatch cost allocation should be coded to GL 7387, and payments for NDOT radios cost allocation should be coded to GL 7388.
- 7389 **HR centralized personnel services:** Allocation of HR services to agencies.
- 7390 **Credit card discount fees:** Costs associated with accepting credit card payments for goods or services. These fees are paid to the banking systems and represent the State's cost for accepting credit cards.
- 7391 **Attorney General cost allocation:** Cost of all non-litigation legal services provided to State agencies by the Office of the Attorney General.
- 7393 **Purchasing assessment:** Payments to support the Purchasing Division.
- 7394-7399 **Agency-specific cost allocations:** Internal payments by an agency's budget account for charge for services provided by another budget account. Must be offset by a cost allocation reimbursement GL in the series 4230-4235.
- 7400-7409 **Client service provider payments:** Payments to service providers to benefit clients (not to be used for payments *to* clients). Includes payments for travel; the cost of Motor Pool vehicles used to transport clients; client escorting costs; payments for professional, training or rehabilitation services; payments for attendant care (i.e., interpreter services) and services to disabled clients. Payments

ACCOUNTING POLICIES AND PROCEDURES

to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income. NOTE: client rent providers are to be paid with GL 8778 or 8779.

- 7410-7419 **Client medical provider payments:** Payments made directly to medical, dental and health service providers to benefit clients. Payments to outside vendors for medical services are reportable to the Internal Revenue Service as medical income.
- 7420-7429 **Client material provider payments:** Payments made directly to providers of goods, materials, utilities or supplies to benefit clients, including training materials, rehabilitation materials, client canteen purchases, purchase of clothing for client use, purchase of prescription or non-prescription drugs, purchases of adaptive equipment (i.e., wheelchairs, etc.). If the payment includes both goods and services, use GL series 7400-7409 for non-medical payments, or 7410-7419 for medical payments.
- 7430-7439 **Professional services:** Services not otherwise listed that are provided on a non-contractual basis, including CPAs, consultants, architects, professional training services or temporary employment services. Use GL series 7080-7089 for legal services and 7180-7189 for medical, dental and health care services. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
- 7440 **Interview expenses/expenditures:** Payment of travel expenses to interview candidates for employment.
- 7445-7448 **Scholarships:** Payments made to a degree candidate for tuition, fees, books, supplies or equipment to attend an educational institution. Payments for room and board, teaching, research or other services are considered wages and should be reported on the individual's W-2 form. If you think payments should be reported on a W-2, please contact the Controller's Office for guidance.
- 7449 **Prepaid tuition payments:** Disbursements to an institution of higher education for tuition or other fees associated with a state-sponsored prepaid tuition program.
- 7460-7464 **Equipment under \$1,000:** Equipment purchases with a unit cost of less than \$1,000 should be charged here. These purchases are not capitalized but should be inventoried by the agency.
- 7465-7469 **Equipment between \$1,000-\$5,000:** Equipment purchases with a unit cost between \$1,000 and \$5,000 should be charged here. These purchases are not capitalized but should be inventoried by the agency.
- 7500-7502 **Payments to individuals for services:** Use for payments to individuals not properly classified as a contract or professional service or in some other available general ledger. Payments to individuals for services are reportable to the Internal Revenue Service as miscellaneous income.
- 7506-7559 **EITS charges:** Payments to Department of Administration Enterprise IT Services for various charges.
- 7560-7579 **Internal service funds only:** Various expense general ledger accounts for use by Internal Service Funds only.
- 7630-7639 **Miscellaneous expenses/expenditures:** Amounts paid for goods and materials (7630-7634) or services (7635-7639) not properly classifiable in one of the general ledger accounts included in the 7000 series. Payments classified here should be occasional in frequency and minor in amount. If the payment includes both goods and services, use GL series 7635-7639. GL 7637 is to be used only for notary fee

ACCOUNTING POLICIES AND PROCEDURES

- application and renewal payments. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
- 7650-7659 **Refunds:** Payments to refund amounts received in excess of what was due, including refunds of revenue where the agency wants to show gross revenue and refunds separately. GL 7659 is to be used only for the Senior Citizens Property Tax Refund to refund qualified senior citizens property taxes on owned or rented property.
- 7750-7753 **Non-State employee In-State travel:** In-State travel expenses for consultants and other persons not considered State personnel on an accountable plan basis only. This includes payments of travel expenses to an individual under a contract which does not include travel expenses in the contract. If the contract specifies travel expenses are included in the contract amount, then use GL series 7060-7072.
- 7760-7763 **Non-State employee Out-of-State travel:** Out-of-State travel expenses for consultants and other persons not considered State personnel on an accountable plan basis only. This includes payments of travel expenses to an individual under a contract, which does not include travel expenses in the contract. If the contract specifies travel expenses are included in the contract amount, then use GL series 7060-7072.
- 7770-7772 **Computer software:** Costs for purchases of computer software. Use GL 7770 if \$5,000 or more per license and GL 7771-7772 if less than \$5,000. When renewing software licenses, use GL series 7220-7226 (Other EDP Service Costs (Non-EITS). For software and hardware maintenance contracts, use GL 7073 and 7074, respectively.
- 7800-7804 **Nursery and farming supplies:** Costs of supplies related to raising trees, plants and livestock (used by the Department of Corrections, Department of Conservation and Natural Resources and Department of Wildlife).
- 7830-7835 **Debt service funds only:** Various expenditure general ledger accounts for use by debt service funds only. Payments to outside vendors for interest are reportable to the Internal Revenue Service as interest income. Payments to outside vendors for fees are reportable to the Internal Revenue Service as miscellaneous income.
- 7860-787Z **NDOT In-House:** For use by Nevada Department of Transportation only.
- 7950 **Rent subsidy:** Reimbursement received for excess rent paid by an agency because of a mid-year relocation. Payments to outside vendors for rent are reportable to the Internal Revenue Service as rental income.
- 7960-7963 **Land/equipment rental:** Rental payment for use of equipment or land. Payments to outside vendors for rentals are reportable to the Internal Revenue Service as rental income.
- 7970-7973 **Materials:** Materials to be used in the process of producing or manufacturing a finished product, i.e., stockpiles of gravel, sand, aluminum and other similar items.
- 7980-7984 **Operating lease expense:** Payment for the use of property where the risks and benefits of ownership are not transferred to the State. There must be a signed lease agreement. Payments to outside vendors for lease payments are reportable to the Internal Revenue Service as rental income.

8000 – CAPITAL OUTLAY SERIES

GL SERIES

TITLE AND DEFINITION

8100

Land: The original cost of purchasing land.

ACCOUNTING POLICIES AND PROCEDURES

8101	Non-cash capital improvements: Value of capital improvements not paid for with cash.
8110-8111	Easements: Costs associated with the right or privilege to use land that belongs to another entity, i.e., right of way, not land rental.
8120	Land improvements: Includes the cost of demolishing obsolete structures, cleaning up and other site preparation work.
8125	Improvements other than buildings: Permanent improvements that add value to land, i.e., fences, retaining walls, etc.
8130-814Z	Highway construction: Various costs associated with the acquisition of right-of-way and costs of constructing, improving and repairing roads and highways including paving of parking and similar areas. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
8150	Buildings: The cost of acquiring new buildings.
8151-8154	Building improvements: The cost of making structural changes to an existing building to make it more efficient or extend the useful life, and \$500,000 or more in cost. If less than \$500,000, the general ledger series 7230 should be used. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
8160-8199	Capital improvement projects: For use in accumulating the costs of capital improvement projects.

8200 to 8412 – EQUIPMENT SERIES – Items with a unit cost of \$5,000 or more should be charged to GL numbers ending with 0. Items with a unit cost of less than \$5,000 should be charged to GL numbers ending in 1 through 9.

<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
8200	Water system equipment: Equipment purchase for State owned water systems.
8210	Mobile homes/storage sheds: Purchase of mobile homes and storage sheds.
8220	Trailers: Includes the cost of all auxiliary equipment necessary to make them functional.
8230	Microwave stations and systems: Purchase of microwave communications equipment.
8240-8242	New furnishings: Office, residential, shop furniture and major appliances purchased new.
8250-8252	Major equipment new: Large tools and equipment used in the mailroom, clinics, labs and shops including heavy construction equipment.
8260	Boats: Purchase of marine vessels.
8270-8277	Special equipment new: Audio-visual equipment, law enforcement equipment, teaching or training equipment, blind vendor equipment, or other equipment of a specialized nature.
8280	Heavy duty trucks new: Stake, dump and other large trucks with a minimum one-ton capacity purchased new.
8290-8293	Telephone equipment: All costs of purchasing a telephone system, including boards, wires, telephone sets, etc.
8300	Aircraft: Purchase of airplanes, helicopters, etc.
8310	Pickups/vans new: Includes mini busses.
8320-8321	Used major equipment: Major equipment items purchased used.

ACCOUNTING POLICIES AND PROCEDURES

8330-8334	Office and other equipment: Equipment purchased for office and residential use, and other small equipment items not properly classified as major (GL series 8250-8252).
8340-8341	Special purpose vehicles: Utility vehicles and riding maintenance equipment.
8350-8351	Used furnishings: Items that would be classified under object 8240, if new.
8360	Automobiles - new: Purchase of new passenger cars.
8370-8374	Computer hardware: Cost of outright purchases of computer hardware, e.g., terminals, printers, modems, disk drives, etc.
8380-8381	Used vehicles: Includes pick-ups, vans, automobiles and special purpose vehicles purchased used.
8390-8394	Miscellaneous equipment: Firearms, hand tools and other small equipment items with a useful life of 3 years or more.
8401	Major equipment repair/improvement services: Repair or improvement services for major equipment items which are substantial and extend the useful life beyond what was originally expected, or which increase the capacity or operating efficiency of the item. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.
8410-8412	Principal installment/lease purchase: Principal portion of installment purchases and lease payments on capital leases. Contact your accounting liaison for guidance on determination of capital leases. A copy of all lease agreements must be forwarded to the Controller's Office and an amortization schedule breaking down the lease payments into principal and interest will be furnished to the agency. Interest portion of payment is to be coded to the interest expense series (See definition for GL series 7270-7279).

8430-8499 – BOND AND REMIT SERIES

GL SERIES

TITLE AND DEFINITION

8430	Arbitrage Payments: Payments to the US Government for arbitrage costs associated with bond issues.
8470	Refunding Payments: Costs associated with the refunding of bond issues.
8499	Remit to Federal Government: For various payments to the federal government. <i>Do not use without contacting Controller's Office for approval.</i>

8500 – AID TO NEVADA GOVERNMENTAL UNITS SERIES

(See Federal Revenues and Expenditures Section before use)

GL SERIES

TITLE AND DEFINITION

8501-8549	Aid to Nevada counties and cities.
8550-8551	Aid to Nevada boards and commissions.
8560-8599	Aid to other Nevada governmental units.

8600 – AID FOR EDUCATION AND TRAINING SERIES

(See Federal Revenues and Expenditures Section before use)

GL SERIES

TITLE AND DEFINITION

8601-8619	Aid for school districts.
8620-8639	Aid for private schools, charter schools and training institutes.
8640-8649	Aid for institutions of higher education.

ACCOUNTING POLICIES AND PROCEDURES

8651 Intergovernmental – Other – *for Controller’s Office use only.*
8660-8699 Aid for private schools, charter schools and training institutes (*continuation of 8620-8639*).

8700 – AID OR GRANT SERIES

(See Federal Revenues and Expenditures Section before use)

GL SERIES

TITLE AND DEFINITION

8700-8740

Aid to individuals: Payments to clients for welfare and other public assistance benefits, including non-medical payments from the State fund for victims of crime.

- 8730 – **Work training program:** Payments by the Welfare Division to a client for taking part in a work-training program where the payments do not total more than the welfare benefits the client would have received otherwise. If it is not known if payments will exceed aid, use GL 8729.
- 8731 – **Work Training Program Stipends:** Payments by the Welfare Division to a client for taking part in a work-training program where the payments exceed the welfare benefits the client would have received otherwise. The entire amount is considered to be income to the client. Payments to clients under these conditions are reportable to the Internal Revenue Service as miscellaneous income.

8741

Subsidy to individuals: Payments to individuals for subsidies. Reportable to the Internal Revenue Service as miscellaneous other income.

8750-8759

Aid to private service providers: Aid payments to service providers to benefit clients. These can include payments for professional services, transportation, training, rehabilitation or attendant care. Payments to outside vendors for services are reportable to the Internal Revenue Service as miscellaneous income.

8770-8779

Respite Care, Foster Care and Client Rent:

- 8770-8772 – Payments to individuals or entities who care for clients on a temporary basis in place of the parents or foster parents (Respite Care). These payments are reportable to the Internal Revenue Service as miscellaneous income.
- 8773-8774 – Payments to individuals providing foster care in their homes to less than 5 qualified foster individuals 19 or older; or payments to individuals providing difficulty of care assistance to less than 5 qualified foster individuals 19 or older or less than 10 qualified foster individuals under 19. Not reportable to the Internal Revenue Service for 1099 purposes. NOTE: for contracted foster care payments, use GL series 7077-7078; for payments to institutions, use GL 8776 or 8777.
- 8775 – Reimbursements to foster care providers for medical expenses. Not reportable to the Internal Revenue Service for 1099 purposes.
- 8776-8777 – Payments to professional foster care providers, institutions and individuals providing either: 1) foster care to more than 5 qualified foster individuals 19 or older; or 2) difficulty of care assistance to more than 5 qualified foster individuals 19 or older or more than 10 qualified foster individuals under 19. These payments are reportable to the Internal Revenue Service as miscellaneous income.

ACCOUNTING POLICIES AND PROCEDURES

	<ul style="list-style-type: none">➤ 8778 – Payments for living quarters or non-state-owned equipment on behalf of clients. These payments are reportable to the Internal Revenue Service as rental income.➤ 8779 – Payments to real estate agents for living quarters on behalf of clients. If you do not know if the payee is a real estate agent, use GL 8778.
8780-8789	Aid to non-profit service providers: Aid payments to non-profit service providers to benefit clients. These can include payments for professional services, transportation, training, rehabilitation or attendant care.
8795-8797	Grants: Grant payments to individuals or organizations, including certain federal or state energy grants and other grants financed by the federal or state government such as grants to promote the arts. Federal grants are ordinarily taxable unless stated otherwise in the enabling legislation. Grants are reportable to the Internal Revenue Service as grant income.
8798-8799	Non-taxable grants: Grant payments to individuals or organizations where the enabling legislation states the grant is not taxable. Proof of the tax-exempt status must be on file with the Controller’s Office.
8801-8999	Various expenses/expenditures: <i>These general ledger numbers should not be used without contacting the Controller’s Office for approval.</i>
9000 – TRANSFER/DISBURSEMENT SERIES	
<u>GL SERIES</u>	<u>TITLE AND DEFINITION</u>
9001-9169	Transfers out to State agencies: All inter/intra-fund transfers, e.g., legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. <ul style="list-style-type: none">➤ Must be offset by a transfer-in GL in the series 4600-4781.➤ 9067 – Transfer Out Bond Proceeds Only: May only be used to transfer out bond proceeds to another budget account, and must be offset by GL 4666. Both lines must reference the bond issue and specific bond job number.
9170-9699	Translating/Pass-through disbursements: <i>Do not use without contacting Controller’s Office for approval.</i> Not an expenditure but represents reduction to a liability or increase to an asset. These GL’s translate to an asset or liability balance sheet account and generally represent the disbursement of cash received by the State in a pass-through capacity. For more information, see guidance in section on Accounting for Pass-Through Resources.
9700-9709	Translating/Inventory: Inventoried items purchased for resale to the public.
9710-9745	Translating disbursements: <i>Do not use without contacting Controller’s Office for approval.</i> Not an expenditure but represents reduction to a liability or increase to an asset. These GL’s translate to an asset or liability balance sheet account.
9760-9769	Fund level transfers: <i>Reserved for Controller’s Office use only.</i>
9770-9827	Other disbursements: <i>These general ledger numbers should not be used without contacting the Controller’s Office for approval.</i>