

ACCOUNTING PROCEDURES MANUAL

**SECTION: TWO – STATE CHART OF ACCOUNTS AND
OTHER ACCOUNTING IDENTIFIERS**
TOPIC: STATE CHART OF ACCOUNTS STRUCTURE

STATE CHART OF ACCOUNTS STRUCTURE IN GENERAL

The State Chart of Accounts provided on Schedule “2A” lists the accounts necessary to maintain State accounting records as required by budgetary statutes and by generally accepted accounting principles (GAAP). The chart is organized as follows:

Object Class (Subclass) - This section provides a listing of the appropriated object classes (subclass chartfield) and their assigned three digit identifiers for Phoenix System organizations only. Organizations not accounted for on the Phoenix System should assign their own object class identifiers. This section also denotes if the object class (subclass) is applicable to only a specific organization or multiple organizations.

Assets, Liabilities and Fund Balances/Net Assets, Revenues and Other Financing Sources, Expenditures/Expenses and Other Financing Uses - These sections list the six digit roll-up accounts and provide a definition for the account series. State organizations not accounted for on the Phoenix System may continue to utilize their current chart of accounts. However, these organizations must have available a crosswalk from their current accounts to the accounts listed in this manual. This crosswalk should be utilized for budgetary reporting and financial statement preparation purposes. Organizations utilizing crosswalks must convert to the new accounts when their accounting system is upgraded or replaced.

State organizations are encouraged to present assets and liabilities in order of their relative liquidity. An alternative method to meeting this requirement is the use of a classified statement of net assets, which distinguish between current and noncurrent assets and liabilities. The assets and liabilities sections in the state chart of accounts are designated to accommodate this reporting requirement.

Subaccounts - This section lists under each roll-up account all of the subaccounts included within the account range.

On the Phoenix System, subaccounts will be utilized to actually record transactions. Roll-up accounts will be used strictly for consolidated reporting purposes. Certain subaccounts include in their title an abbreviated State organization name. These accounts should be used only by the organization whose abbreviated name appears in the title.

**STATE OF GEORGIA
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CHART OF ACCOUNTS UPDATES

The State's chart of accounts, including object class (subclass), will be centrally maintained by the Department of Audits and Accounts. Requests for additions and deletions to the chart can be made by following the procedures identified in Section Six of this manual under the topic: Procedures for Requesting Manual Updates.

Changes to the chart of accounts will be approved by the Department of Audits and Accounts and forwarded to the Georgia Technology Authority (GTA) for input onto the Phoenix System. Requests for additions to the chart of accounts should be limited to subaccounts which are essential for accounting and reporting purposes. Organization specific subaccounts no longer used by the organization denoted in the account title should be formally deleted (inactivated).

Updates to the chart of accounts will be provided on the Department of Audits and Accounts website. The *Accounting Procedures Manual* and the updates yet to be included in the manual may be obtained from the Department's website by utilizing the following link:
<http://www.audits.state.ga.us/internet/sgd/apmanual.html>.