



## IV CALSTARS Classification Structure

Accounting information systems collect receipt, expenditure and other financial information through a formal data classification structure. Individual accounting events, such as the payment of salaries, the purchase of goods and services or remittances to vendors, must be assigned a series of classification elements to identify the accounting impact of each transaction. After entry to the accounting system, the classification elements summarize the data in a variety of ways. This provides management with reports at various levels of detail that reflect the financial status of operations.

The number and type of classification elements included in the classification structure determine the nature and extent of the information that can be provided by the accounting information system.

This chapter presents a discussion of the classification structure in CALSTARS and the related coding requirements. It includes those classifications required for state-level financial reporting, as well as those data required for internal departmental accounting and reporting. Additional information on the structure and use of the statewide classification is provided in the *Uniform Codes Manual (UCM)* issued by the Department of Finance.

### OBJECTIVES OF THE CLASSIFICATION STRUCTURE

The CALSTARS coding system was developed, by law, to obtain accurate and compatible records, reports and statements of all the financial affairs of the state. It also required that the coding scheme provide the State Controller's Office with all information necessary for maintaining a comprehensive system of central accounts for the entire state.

In developing the classification structure, several important factors were considered. These factors included:

- ✦ Identifying the number of levels within each structure to ensure that accounting data will be captured at the lowest level of detail needed to provide meaningful financial reporting.
- ✦ Identifying accounting data must be classified and include a sufficient number of structures so that each may be used consistently throughout all accounting events.
- ✦ Designing the structures to be independent of one another so that changes in one structure will not necessitate changes in others.
- ✦ Developing a total classification structure that will be flexible in its ability to adapt to future changes.

## CALSTARS CLASSIFICATION STRUCTURE

For the purposes of this manual, “accounting” is defined as:

**A recording of financial events that, by the interrelationships of general ledger accounts and various structures, provides information to management necessary for program and fund control as well as other state financial and management reporting.**

Seven major methods of classifying financial data have been identified. Some of these are recommended by the National Council on Governmental Accounting (NCGA). The others are used to meet special needs of agencies. Each part of the classification structure provides a unique and essential way to classify financial data. The CALSTARS classification structure includes:

- ✧ Fund
- ✧ Program
- ✧ Organization
- ✧ Object of Expenditure
- ✧ Receipt Source
- ✧ Appropriation
- ✧ Project
- ✧ Special Classifications.

The use of each of these classification structures is described on the following pages.

### Fund

The Fund classification structure defines the unique and separate accounting entities through which public funds are received, controlled and disbursed. Fund accounting, which is required both by generally accepted accounting principles and state law, maintain and report on the fiduciary responsibilities of state agencies for public funds. *'Fund'* is used to classify funds in the state's existing classification structure. The GAAP Fund and Fund classifications are contained in the *Uniform Codes Manual*.

In CALSTARS, Fund is maintained by three classifications, as needed:

- ✧ **GAAP Fund**--This classification identifies the eight funds and two groups of accounts recommended by the National Council on Government Accounting. GAAP Fund is determined in CALSTARS by the Fund code used; therefore, agency users never directly code GAAP Fund.
- ✧ **Fund**--This classification identifies the items considered to be authorized fiscal entities of the state such as the General Fund and the Federal Trust Fund. The fund classifications are specified on a statewide basis.

- ✧ **Fund Detail**--This classification provides a further breakdown of a fund for specialized reporting within the agencies and reconciling with SCO records, as required.

## Program

The Program classification structure identifies the public purpose for the financial resources of the state. This structure is used for central budget development and control and for internal management purposes in many agencies. A department's Program structure identifies the relationships of the department's activities to its hierarchy of goals and objectives.

Program hierarchy contains seven levels of detail as follows:

- ✧ **Program**--This classification identifies the major program activities performed by an agency.
- ✧ **Element**--This classification provides a further refinement of Program. Each Element must be unique within an agency Program.
- ✧ **Component**--This classification further defines a Program/Element. Each Component must be unique within an Element.
- ✧ **Task**--This classification further defines a Program/Element/Component. This is the lowest level of program classification that may be defined in the Budget Act.
- ✧ **Program Cost Account (PCA)**--This classification is the lowest level of detail within the program structure for an agency. It also classifies program activities for purposes of cost accounting and cost allocation. This code is used for financial transaction entries to represent expanded program (and fund) data.
- ✧ **PCA Level 1**--This classification represents groupings of related PCAs. This level provides for summary reporting across PCAs. This level satisfies the specialized reporting requirements of certain agencies as a table lookup. For most agencies, the PCA Level 1 is not used.
- ✧ **PCA Activity**--This classification further defines a PCA for extremely low level detail. If used, this level must be entered on specific transactions. It is not automatically associated with a transaction by table look up. For most agencies, PCA Activity is not used.

In CALSTARS, all Program classifications are defined through these seven classification levels. Program, Element, Component, Task, and PCA Level 1 are determined in CALSTARS accounting transactions based on the PCA used; therefore, agency users only code those levels when establishing table records.

The Program classification structure is used for both revenues and expenditures. The first four levels of Program classification are intended to relate an agency's activities to state-mandated goals and objectives. The Program levels as stated in the Budget Act or the Governor's Budget are the **minimum** reporting levels.

Agencies may choose to use additional levels of Program detail, below that which is specified in either document for their own internal reporting and management purposes.

## Organization

The statewide organization classification structure normally identifies specific lines of authority and responsibility within the state government. Information collected and reported by organization plays a primary role in providing information necessary for state administrative and management personnel to make informed financial management decisions. There are five levels of detail in the statewide classification structure for organizations:

- ✧ **Level A**—This is the highest level in the organization structure, normally referred to as agency, and is used to group departments under the authority of agency secretaries (e.g., Health and Welfare Agency) or into broad functional groupings (e.g., General Government).
- ✧ **Level B**—This level is used to further define agencies into sub-agencies when an additional level of groupings is necessary or desirable.
- ✧ **Level 1**—This level identifies specific departments; however, its identification includes commissions, offices, boards, and other budgeting entities below Level B.
- ✧ **Level 2**—This level identifies bureaus, boards or divisions within a Level 1 organization. It can also be used to provide an additional breakdown of any Level 1 organization. The breakdown at this level is identified only if the entity receives appropriations or if the breakdown is required for special information needs.
- ✧ **Level 3**—This level represents a breakdown of the Level 2 organizational entity and, for simplicity, is referred to as a campus with the University System, or an institution, camp or state hospital.

These five levels of organization structure are defined in the *Uniform Codes Manual* and are used for statewide reporting purposes. In CALSTARS accounting transactions, the statewide organization classifications are looked up from the Organization Control table; therefore, agency users only code those levels in Organization Control table records.

Six additional levels are available in CALSTARS for internal agency organization classification (e.g., field offices, administrative offices, support units, etc.):

- ✧ Section
- ✧ Sub-Section
- ✧ Unit
- ✧ Sub-Unit
- ✧ Sub-Sub-Unit
- ✧ Index.

Use of these levels of organizational classification (except Index) is optional, and may be used selectively by an agency. Some Sections, for example, may be further divided into Sub-sections while others are not. In CALSTARS accounting transactions, Section, Sub-Section, Unit, Sub-Unit, and Sub-Sub-Unit are looked up from the Index Code table; therefore, agency users only code those levels when establishing Index Code table records.

## Object of Expenditure

The Object of Expenditure (line item) structure is used to identify costs according to the specific types of goods/services purchased by agencies. The structure is needed to aid in budget analysis and planning, and to support financial control and the purchasing process.

The Object of Expenditure contains three levels of statewide Object classification and an additional level of detail which may be used by agencies. The Object of Expenditure classification structure is defined as follows:

- ✪ **Category**--(1-digit) This classification identifies expenditures into seven broad statewide types: (e.g., Operating Expenses and Equipment).
- ✪ **Object**--(2-digit) This classification further defines expenditures within a Category (e.g., Training).
- ✪ **Object Detail**--(3-digit) This classification provides a further refinement of the Object classification (e.g., Tuition and Registration Fees). This code is used for financial transaction entry of expenditures and abatements and may be used for budgets and allotments.
- ✪ **Agency Object**--(2-digit) This classification is available, optionally, to agencies to further define expenditures within the statewide Object Detail structure.

The Category, Object, and Object Detail are defined on a statewide basis. The valid codes are contained in the *Uniform Codes Manual*. As its name implies, the Agency Object may be uniquely defined, as needed/required, by each agency, using the D12 Descriptor Table. In CALSTARS accounting transactions, Category and Object are looked up from the Object Detail Descriptor table. The Object Detail Descriptor table is a statewide table maintained by CALSTARS staff. Therefore, agency users do not code these levels in accounting transactions and the Descriptor table.

## Receipt Source

The Receipt Source structure is used to identify all monies collected by the state. The six-digit Receipt Source code is actually composed of two parts; a code which identifies the type of collection, and one to three additional levels of detail depending upon the type of receipt. A two-digit Agency Source code may be used as an additional level of detail. The Receipt Source structure contains the following classification levels:

- ✧ **Level 1**--(1-digit) This classification classifies receipts into six statewide receipt types.
- ✧ **Level 2-4**--(5-digit) This classification provides further levels of detail of the statewide receipt types.
- ✧ **Agency Source**--(2-digit) This classification may be used by agencies to classify receipts at an additional lower level of detail.

Levels 1 through 4 and the specific Receipt Source codes are contained in the *Uniform Codes Manual* while the Agency Source may be uniquely defined, as needed/required, by each agency, using the D34 Descriptor Table.

## Appropriation Identification

Appropriations represent legal authority to expend specified or determinable amounts of money. Appropriations may be awarded on a program, line item, or unscheduled basis. For purposes of control and reporting, each Appropriation must be uniquely identified in CALSTARS. This information must also be available to interface with other state systems, including the State Controller's Office system and the Department of Finance Budget Preparation System.

In addition to the Organization, Fund, Program, and Object classification data, several additional codes are required to uniquely identify each Appropriation. These additional codes are:

- ✧ **Fund Source**--(1-alpha character) This classification identifies the types of resources used to finance specific program activities. Funding source identifies who is paying for programs authorized by the state government (e.g., G-General Fund or B-Bond Fund). This data is associated with the Fund which was previously discussed.
- ✧ **Character**--(1-digit) This classification identifies appropriations according to major purposes (e.g., support, local assistance or capital outlay).
- ✧ **Method**--(1-digit) This classification identifies appropriations according to the method or mechanism used to make the appropriation (e.g., Budget Act or Statutory).
- ✧ **Year**--(2- or 4-digit) This classification identifies the calendar year in which the appropriation was enacted (also called **Enactment Year**).

- ✧ **Reference**--(3-digit) This classification identifies each appropriation item or group of appropriations, with a Character, for a particular department.
- ✧ **Funding Fiscal Year**--(2- or 4-digit) This classification identifies the state fiscal year in which the appropriated amounts became available.
- ✧ **Appropriation Symbol**--(3-alphanumeric) This classification identifies each appropriation or special SCO account using the appropriation identification listed above (except Method).

The first five structures identified above are defined on a statewide basis and valid codes are contained in the *Uniform Codes Manual*. The Reference code is identified in the Budget Act. Each of these codes provides a unique and essential means of classifying financial data in relation to any Appropriation.

## Project

The Project classification structure allows agencies to identify unique and sometimes temporary activities that require unique reporting outside the normal classification structure or fiscal period. Projects also allow control of "allowed" costs and first in first out (FIFO) fund usage as well as General Ledger posting. Three general uses for Project are:

- ✧ Federal grant (**required**) or interagency contract accounting.
- ✧ Capital project accounting (capital outlay projects).
- ✧ Agency management and cost accounting (special activities of interest to the agency).

The Project classification structure contains details as follows:

- ✧ **Project Code**--(6-alpha/numeric digits) This classification uniquely identifies each project within the agency.
- ✧ **Work Phase**--(2-digit) This classification identifies specific phases or fiscal periods of a project.

Use of the Project classification structure is for federal grant accounting, but is optional for other purposes.

## Special Classifications

There are several additional codes included in the classification structure to provide more comprehensive reporting and additional system flexibility. These special classifications are described on the following pages.

### Federal Catalog Number

The Federal Catalog Number is used in CALSTARS to identify the granting Federal agency and program. This data is required for external reporting and for interfacing with the State Controller's accounts. The Federal Catalog Number must be used by

those agencies who track Federal grants. This code is a "lookup" from the Project Control Table; therefore, agency users do not need to enter this code when processing accounting transactions. In CALSTARS, the Federal Catalog Number is made up of two parts: the five-digit Federal Catalog as established in the Federal Catalog of Domestic Assistance, plus a three-digit account number assigned by the State Controller's Office.

### **Subsidiary Codes**

Certain accounting events must be assigned an additional classification level to identify information that cannot be provided through the standard revenue and expenditure account codes or the first level general ledger account structure. For example, in some cases it is required to maintain more detailed information regarding accounts receivable or special investments held by agencies. To provide for this unique identification requirement, a second level Subsidiary Code is included in the classification structure.

Accounting transactions that affect certain asset or liability accounts must be assigned a Subsidiary Code. This code identifies each individual transaction at the lower general ledger control account level. For example, if an agency owes an amount to another agency, the accounting transaction to record the liability must contain a Subsidiary Code identifying the fund owed (due to). This Subsidiary Code would be assigned in such a way as to distinguish the particular fund from all other "Due To" funds owed by the agency.

### **Multipurpose Code**

The Multipurpose Code is a coding element which may be used by agencies for whatever purpose they wish. It provides agencies with the added flexibility of tracking agency specific details which are not included in the standard classification structure. It most frequently is used by those agencies that have automated interfaces with CALSTARS. For example: Fire Incident Code for forest fires. Agencies are responsible for designing and developing their own reports using this classification.

### **Location**

The Location code was originally meant to be used for the accumulation of financial data by geographic location; however, it is used by some agencies as a general use code like the Multipurpose code. Unlike the Multipurpose code, it is associated with a Descriptor table. When used in a financial transaction, the Location field will be edited against the D35 Location Descriptor table. If a match is not found, the transaction will be rejected. Location is an optional part of the CALSTARS classification structure and is available through Index Code and PCA Table "lookups" so it does not need to be directly coded on financial transactions. Agencies are responsible for designing and developing their own reports when using this classification.

### **Relationship Among the Classification Structures**

Each data classification within the CALSTARS classification structure is completely independent. However, **within** each classification structure, the data may be related hierarchically. These relationships are illustrated in Exhibit IV-1. The exhibit also

identifies the length of each data element and distinguishes between those codes that are specified by the *Uniform Codes Manual* and those that are agency assigned codes for use in CALSTARS.

Because of the independence of each structure, data may be linked selectively from each class to develop the necessary accounting classification on any specific financial transaction. The data used in a given transaction and the levels of detail chosen within each transaction will vary from the minimum required for reporting to the State Controller to the maximum needed for internal department management and reporting. Keeping the structures independent of one another and allowing for varying degrees of detail within each maintains a substantial measure of flexibility in the information structure. This allows some of the larger departments to accumulate information at greater levels of detail without requiring the smaller agencies to also use these levels.

## CODING REQUIREMENTS

Exhibit IV-1 illustrates the extensive classification structure incorporated into CALSTARS. This classification structure provides all of the necessary data structures for internal agency accounting as well as external reporting. However, in a large system performing many types of accounting, such as CALSTARS, maintaining a simple coding scheme is required so that errors may be kept at a minimum. To satisfy this requirement and minimize key entry workload without reducing the amount of information available, CALSTARS uses coding reduction techniques based on table look ups.

Table records contain a combination of information that is associated together. By assigning a unique code (control key) to the table record, the code can be used to represent that particular combination of classification data. For example, an Index code represents a particular combination of organizational hierarchy, agency hierarchy, Project and Work Phase codes, and Location code. When an accounting event is recorded, the code entered on the transaction will be used by the system to find the table record associated with that code and retrieve the associated classification data. The classification data is then posted to the various system files without having to manually key these details.

Several tables are used in CALSTARS to minimize the coding requirements. Each of these are described on the following pages.

### Organization Coding

There are actually two parts to the organization coding process. First, transactions entered into CALSTARS must contain the lowest level of organization coding identified in the *Uniform Codes Manual*. This lowest level represents the level at which appropriations have been awarded and legal accounting and reporting requirements occur. Second, organization coding entails capturing accounting data at the level of organization required for agency **internal** financial management and control.

EXHIBIT IV-1  
CALSTARS CLASSIFICATION STRUCTURE

Classification Data	Relationship	Length	UCM	Agency Specific
<b>FUND</b>				
GAAP Fund	Independent data	1	X	
Fund	Independent data	4	X	
Fund Detail	Unique within Fund	2		X
<b>PROGRAM</b>				
Program	Independent data	2	X	
Element	Unique within Program	2	X	
Component	Unique within Element	3	X	
Task	Unique within Component	3	X	
Program Cost Account	Independent data	5		X
Program Cost Account -- Level I	Independent data	5		X
Program Cost Account -- Activity	Unique within PCA	4		X
<b>ORGANIZATION</b>				
Level A	Independent data	4	X	
Level B	Unique within Level A	4	X	
Level 1	Unique within Level B	4	X	
Level 2	Unique within Level 1	4	X	
Level 3	Unique within Level 2	4	X	
Section	Unique within Level 1, 2, or 3	2		X
Sub-Section	Unique within Section	2		X
Unit	Unique within Sub-Section	2		X
Sub-Unit	Unique within Unit	2		X
Sub-Sub-Unit	Unique within Sub-Unit	2		X
Index	Independent data	4		X
<b>OBJECT</b>				
Category	Independent data	1	X	
Object	Unique within Category	2	X	
Object Detail	Unique within Object	3	X	
Agency Object	Unique within Object Detail	2		X
<b>SOURCE</b>				
Level 1	Independent data	1	X	
Level 2	Unique within Level 1	2 <sup>1/</sup>	X	
Level 3	Unique within Level 2	1 <sup>1/</sup>	X	
Level 4	Unique within Level 3	2 <sup>1/</sup>	X <sup>2/</sup>	
Agency Source	Unique within Level 4	2		X
<b>APPROPRIATION</b>				
Fund Source	Independent data	1	X	
Character	Independent data	1	X	
Method	Independent data	1	X	
Year (Enactment)	Independent data	4	X	
Reference	Independent data	3	X	
Funding Fiscal Year	Independent data	4	X	
Appropriation Symbol	Independent data	3		X
<b>PROJECT</b>				
Project	Independent data	6		X
Work Phase	Unique within Project	2		X
<b>OTHER</b>				
Federal Catalog Number	Independent data	8		X
Subsidiary	Unique within GLAN	8		X
Multipurpose	Independent data	12		X
Location	Independent data	6		X

<sup>1/</sup> Number of digits within each level varies by source type.

<sup>2/</sup> CALSTARS assigns "00" (zeros) unless codes are assigned by the UCM.

### UCM Organization Coding Example

The Organization Codes contained in the *Uniform Codes Manual* have been developed so that each is unique. Further, as illustrated in Exhibit IV-1, a hierarchical relationship exists between each of the codes. A partial organization chart of Education is presented in Exhibit IV-2. As illustrated in the exhibit, the highest level of organizational classification is Education (6000) shown as Level A. For purposes of illustration, the exhibit shows the sub-level (Level B), K-12 Education (6010) and Higher Education-Community Colleges (6015). K-12 Education is further subdivided into two Level 1 agencies--Department of Education (6100) and State Library (6120). The Department of Education is broken down into the Level 2 organizations State Agency for Surplus Equipment (6170) and Special Schools (6190).

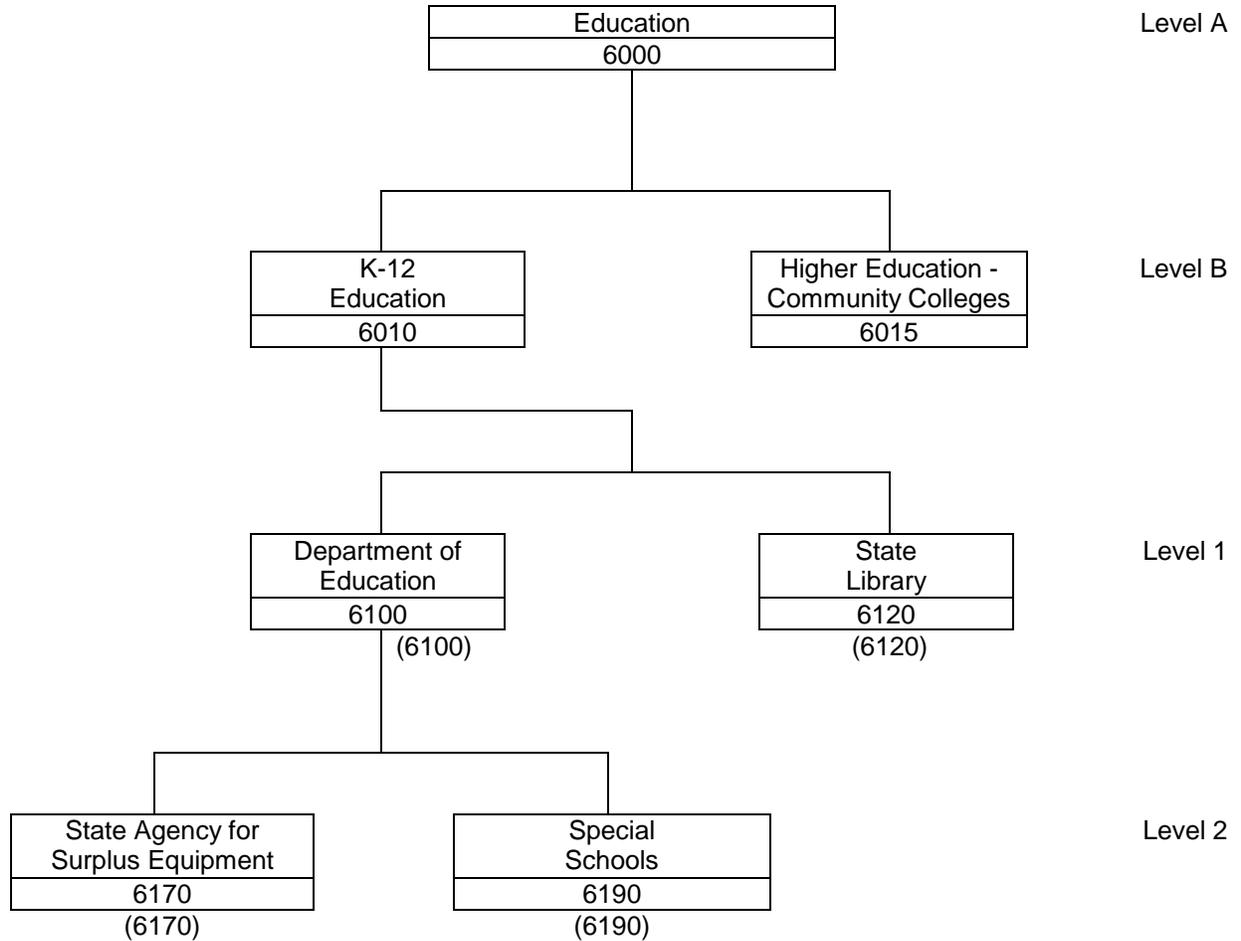
It should be noted from the exhibit that it is not necessary to breakdown every organization to the lowest level of detail. Instead, an organization look-up is assigned at each of the lowest levels of detail used. This code is actually looked up by the agency Signon ID using the Organization Control Table. This look-up is shown in the example Organization Control Table hierarchy at the bottom of Exhibit IV-2.

The relationship that exists between each of these organizational elements is predefined in the *Uniform Codes Manual*. As illustrated in Exhibit IV-2, this relationship, entered into the Organization Control Table, is referenced on financial transactions and table records by the Organization Control key. During system processing, the Organization Control key is used to look-up the expanded organization data for purposes of editing and file posting.

The organization look-up code should always be assigned at the lowest level of detail required in the structure. This could be Level 1, 2, or 3, depending on the agency's hierarchy. An organization code is required on all CALSTARS transactions since it identifies the organizational entity responsible for the transaction and is part of the CALSTARS Signon ID.

EXHIBIT IV-2

**EXAMPLE UCM ORGANIZATION CODE STRUCTURE**



**EXAMPLE ORGANIZATION CONTROL TABLE**

Control Key	Look-Up Segment					
	Organization Code	Title	Organization Look-Up			3
			A	B	1	
6100	Department of Education	6000	6010	6100		
6170	State Agency for Surplus Equipment	6000	6010	6100	6170	
6190	Special Schools	6000	6010	6100	6190	

### Internal Agency Organization Coding Example

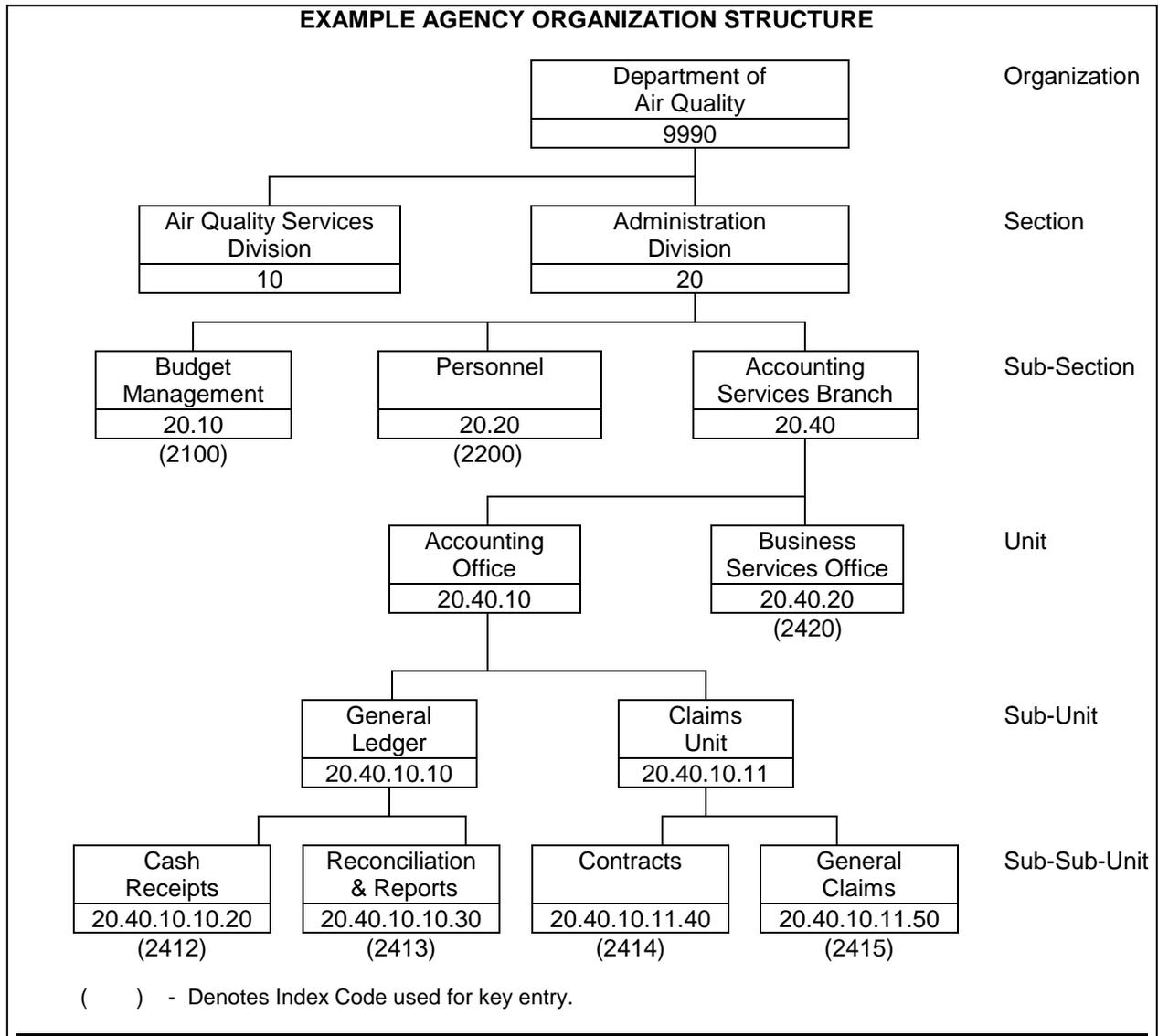
Six internal levels of organizational classification are provided in CALSTARS. Exhibit IV-3 illustrates how this structure may be coded and used. Since this internal classification structure is defined below the lowest level of UCM classification, the organization code for the Department of Air Quality is shown at the top of the hierarchy. In this example, there is a Section (Administration Division-20) which contains three Sub-Sections: Budget Management-10, Personnel-20, and Accounting Services Branch-40. The exhibit further subdivides the Accounting Services Sub-Section into Units, Sub-Units, and Sub-Sub-Units. Index Codes are assigned at the lowest level of each hierarchy. Similarly, the Air Quality Services Division would have lower levels and indexes that are not displayed in the example.

It is not necessary to use **every** level of detail provided in the hierarchy structure. As illustrated, some hierarchies' lowest level may be at the Sub-Section level while other's lowest level may be at the Sub-Sub-Unit level.

The organizational hierarchy is added to accounting transactions through the use of the Index Code Table (illustrated at the bottom of Exhibit IV-3). Accounting transactions include an Index Code whose table record is looked up during system processing. From the associated Index Code Table record, the organizational classification data is added to the transaction.

Depending on an agency's organization, the Index Code Table may also be used to reference the Location and Project/Work Phase classification elements.

EXHIBIT IV-3



**EXAMPLE INDEX CODE TABLE CODING**

Control Key		Look-Up Segment					
Organization	Index Code	Title	Section	Sub-Section	Unit	Sub-Unit	Sub-Sub-Unit
9990	2100	Budget Management	20	10			
9990	2200	Personnel	20	20			
9990	2412	Cash Receipts	20	40	10	10	20
9990	2413	Reconciliations/Rpts	20	40	10	10	30
9990	2414	Contracts	20	40	10	11	40
9990	2415	General Claims	20	40	10	11	50
9990	2420	Business Services	20	40	20		

## Program Coding

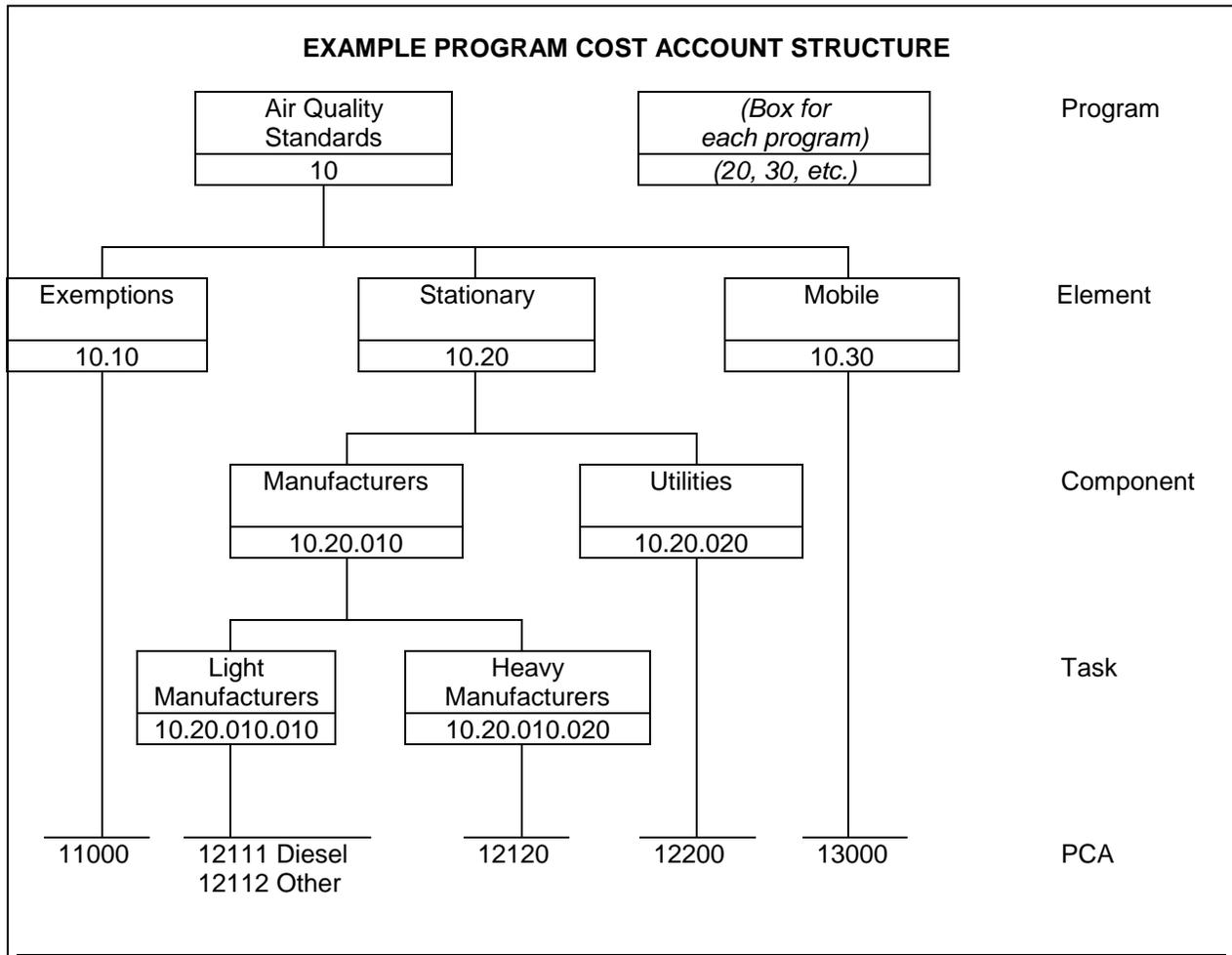
The program structure is normally well documented in the Governor's Budget and in agency Cost Recovery Plans. The program cost centers and their relationship to the program structure must be determined before the first accounting transaction is processed. This information is added to accounting transactions through the use of the CALSTARS Program Cost Account (PCA) table. Accounting transactions include a PCA code whose table record is looked up during system processing. From the associated PCA table record, the program and appropriation/funding classification elements are added to the transaction. This avoids having to code this information on the transaction.

The control key of the PCA Table consists of the Organization Code, PCA and Funding Fiscal Year. These three elements, coded on transactions, are used by CALSTARS to retrieve the expanded program classification data and Appropriation Symbol look-up from the PCA Table for editing and file updating. The PCA Table is used by large agencies with complex program structures as well as small agencies with only one or two programs.

Exhibit IV-4 illustrates how the program classification structure might be tailored for a program at the Department of Air Quality. Please note that it is not necessary to utilize every level of detail provided in the structure. For example, certain hierarchies are broken down by Task while others are not. Under either alternative, a five-digit Program Cost Account (PCA) is assigned at the lowest level of each hierarchy. The PCA and the related higher levels of program classification are included in the PCA Table for reference during system processing. A condensed illustration of the PCA Table is provided at the bottom of Exhibit IV-4.

In addition to the program classification data, the PCA Table may also be used to reference appropriation/fund classification data. This information is maintained in the PCA Table to support the cost allocation and fund split process. Alternatively, the fund identification information may be coded on transactions to direct charge the transaction amount to the "ultimate fund" contained in the table and override the default ("disbursing fund") data.

EXHIBIT IV-4



**EXAMPLE PROGRAM COST ACCOUNT TABLE**

Control Key			Look-Up Segment				
Org	PCA	FFY	PCA Name	Program	Element	Component	Task
9990	11000	99	Exemptions	10	10		
9990	12111	99	Light Mfg. - Diesel	10	20	010	010
9990	12112	99	Light Mfg. - Other	10	20	010	010
9990	12120	99	Heavy Manufacturing	10	20	010	020
9990	12200	99	Utilities	10	20	020	
9990	13000	99	Mobile	10	30		

## Appropriation Coding

Identification and coding of a specific appropriation requires several classification structures. Primary among these are the Organization, Funding Fiscal Year, Program and Fund coding contained in both the AS and PCA tables. These tables contain additional funding data that are also required to uniquely identify each appropriation account. Data in the tables include:

### Appropriation Symbol Table (AS):

- ✧ Program (Budget Act)
- ✧ Character
- ✧ Reference
- ✧ Year of Enactment
- ✧ Chapter/Statute
- ✧ Funding Fiscal Year.

### Program Cost Account Table (PCA):

- ✧ Program (Governor's Budget or lower level)
- ✧ Fund/Fund Detail
- ✧ Fund Source
- ✧ Method
- ✧ Funding Fiscal Year.

A 3-digit alphanumeric Appropriation Symbol is assigned to each appropriation item or special SCO account. Since this information is closely tied to the program structure, the Appropriation Symbol is required coding in the PCA Table. As a result, the PCA provides a means of referencing this AS Table information without coding it for every transaction. The Appropriation Symbol will also be used to reference special Category and Object data or unscheduled items for those agencies that have these types of appropriation items. An example Appropriation Symbol Table is illustrated in Exhibit IV-5.

Exhibit IV-5 shows an illustrative budget structure for the Department of Air Quality. The entries in the table identify appropriation accounts on a program basis. The level of program detail contained in the Appropriation Symbol Table determines the level of appropriation control. It should be noted that the level of program classification entered in the PCA Table may be at a lower level of detail than that referenced by the Appropriation Symbol. These lower levels of detail in the PCA Table are used for internal agency accounting and reporting, not appropriation control.

### **Object of Expenditure Coding**

When recording a transaction which uses the object of expenditure (expenditure or abatement), it is necessary to code only the 3-digit Object Detail code. The 1-digit Category and 2-digit Object are looked-up by the Object Detail. If an agency wishes to record the transaction to a more detailed object level (Agency Object), the 2-digit Agency Object code must also be coded. If the Agency Object code is recorded along with the Object Detail code, the Category and Object codes will still be retrieved from the Object Detail Descriptor Table.

### **Receipt Source Coding**

The Receipt Source does not use a coding reduction technique. When recording a transaction which uses the 6-digit Receipt Source code, such as a revenue, reimbursement or abatement, the entire Source code must be recorded and zero-filled for sources that do not have a 6-digit code. At a minimum, the three levels specified in the *Uniform Codes Manual* must be coded. Further, if the agency uses a 2-digit Agency Source code, it must also be coded on the transaction.

EXHIBIT IV-5

**EXAMPLE APPROPRIATION SYMBOL TABLE CODING**

Control Key			Look-Up Segment										
Org	Appn Sym	FFY	Title	Prog <sup>1/</sup>	Elem <sup>1/</sup>	Comp <sup>1/</sup>	Task <sup>1/</sup>	Char	Cat	Obj	Obj Dtl	EN YR	Ref
9990	001	2008	Support-Air Quality Exempt	10	10			1				2008	001
9990	001	2009	Support-Air Quality Exempt	10	10			1				2009	001
9990	002	2008	Support-Air Quality Stationary	10	20			1				2008	001
9990	002	2009	Support-Air Quality Stationary	10	20			1				2009	001
9990	003	2008	Support-Air Quality Mobile	10	30			1				2008	001
9990	003	2009	Support-Air Quality Mobile	10	30			1				2009	001
9990	110	2009	LA-Light Manufacturing	10	20	010	010	2				2009	001
9990	111	2009	LA-Heavy Manufacturing	10	20	010	020	2				2009	001
9990	500	2009	Unallocated Reduction	97	20							2009	001

<sup>1/</sup> The program level in the AS Table is defined by the Budget Act or SCO account.

## SUMMARY OF CODING REQUIREMENTS

In summary, there are numerous classification structures which must be used in CALSTARS to process a financial transaction. Requiring the full classification structure to be keyed for every transaction is inefficient and invites error. CALSTARS uses coding reduction techniques whereby only a few codes need keying. Many of these codes will look up the complete set of hierarchical codes stored in the system tables and automatically append this coding to the transaction. Exhibit IV-6 identifies each of the codes and the data elements retrieved.

It should be noted that the minimum coding requirements of accounting classification data for expenditure transactions is 12 digits. This consists of:

- ✦ 4-digit Organization Code
- ✦ 5-digit PCA code
- ✦ 3-digit Object Detail code.

Other codes, such as the 4-digit Index Code, are also required for expenditure transactions. For receipt transactions, the 6-digit Source code is used rather than the Object Detail coding, making the minimum coding required 15 digits. By coding a small number of digits, a substantial amount of data is retrieved from the system's tables and used for accounting and reporting purposes.