

Bureau of State Accounting Operations

Creating and Managing Funds in SFS

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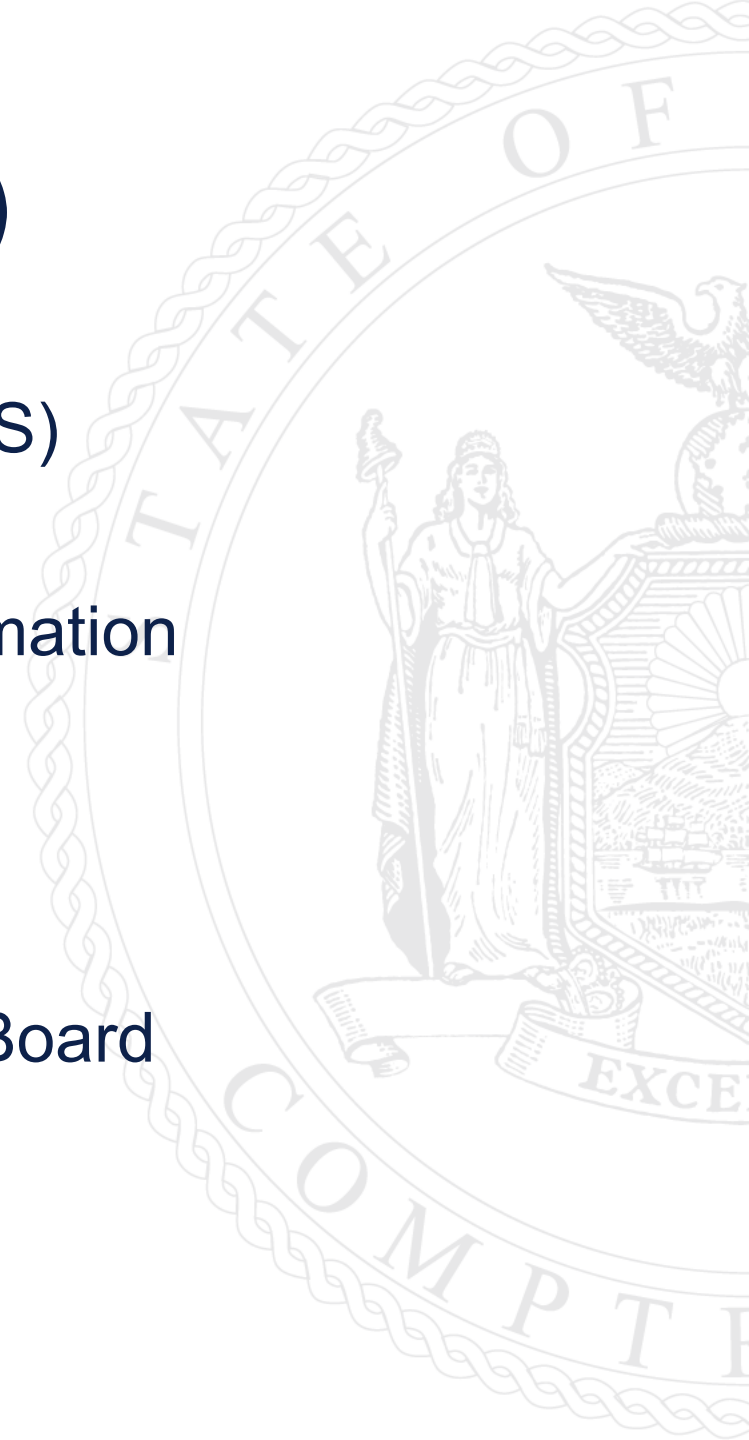
Discussion Topics

- Chart of Accounts
- Funds and Fund Types
- Establishment of a Fund
- Dormant Funds
- Bureau of State Accounting Operations (BSAO) Roles



Chart of Accounts (COA)

- Foundation of the Statewide Financial System (SFS)
- Unique ChartField values to identify financial information
- Combination edit rules
- Centralized governance by the COA Governance Board



COA – Benefits

- Streamlines agency administrative practices
- Enhances controls
- Improves reporting
- Reduces duplication of effort



Funds

A fund captures a fiscal and accounting entity with a self-balancing set of accounts (real and nominal) for recording cash and other financial resources, which are segregated for the purpose of carrying on specific activities or meeting certain objectives in accordance with New York State law.



Funds cont'd

- Required on all transactions
- Statewide ChartField
- Attributes by fund
 - STIP eligibility
 - Temp loan authority
 - Owner agency
 - Fringe Benefits eligibility
- Must be approved and requested by OSC



Fund Types - Governmental

Funds through which the majority of governmental functions are financed.

- General Fund
- Special Revenue Funds
- Debt Service Funds
- Capital Project Funds
- Permanent Funds



Fund Types - Proprietary

Accounts for activities similar to private business enterprises.

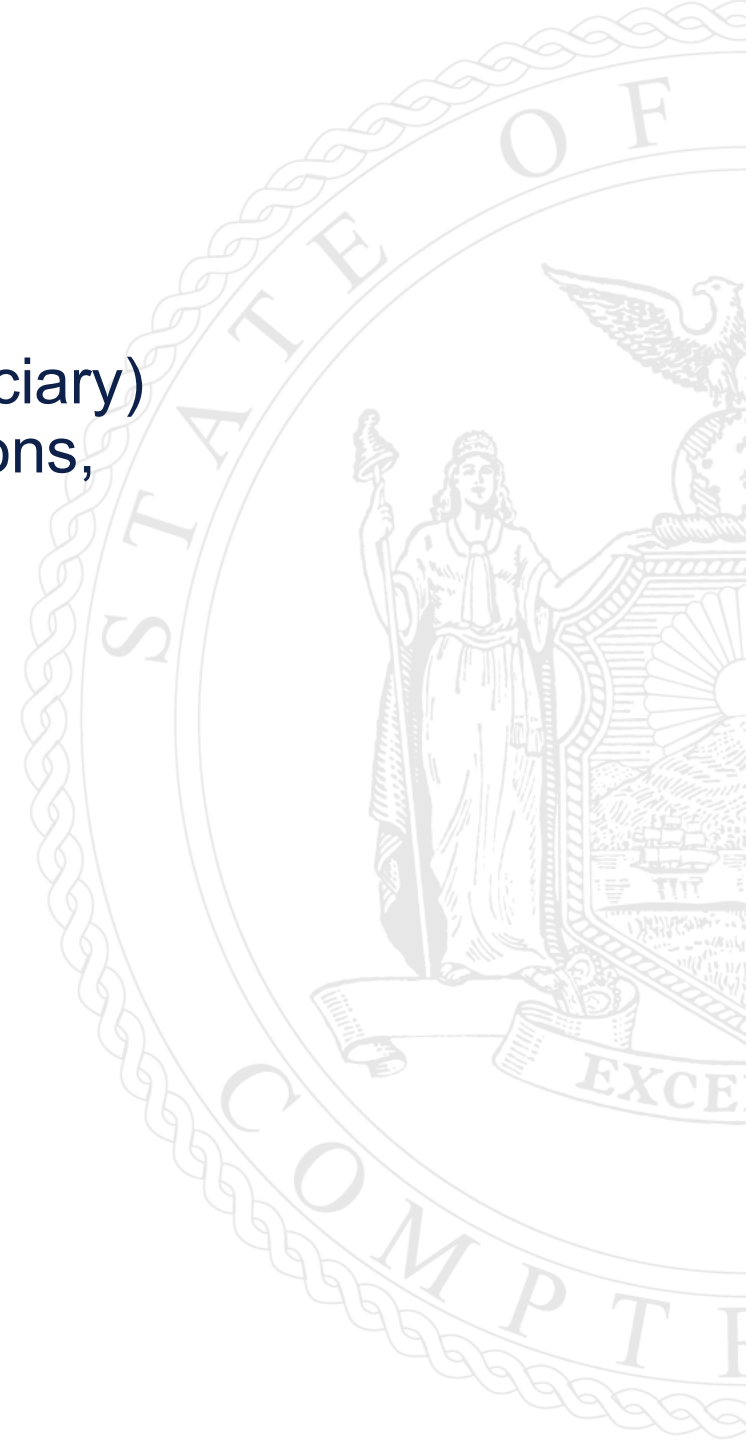
- Internal Service Fund
- Enterprise Fund



Fund Types - Fiduciary

Accounts for assets held by the State in a trustee (or fiduciary) capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

- Pension Trust Fund
- Investment Trust Funds
- Private Purpose Trust Funds
- Agency (Custodial) Funds



Fund and Bank Account Relationship



- **Funds and bank accounts are not a one-to-one relationship**
 - One bank account may contain cash for more than one fund
- **NYS General Checking bank account**
 - State monies are pooled here from multiple State funds
 - Joint custody of the Comptroller and the Commissioner of Taxation and Finance (State Treasury)
- **Agency Sole Custody bank accounts**
 - A bank account may need to be opened and maintained by an agency for revenue collections, cash advances, or other authorized agency sole custody purposes
 - Agency Sole Custody bank accounts must have OSC BSAO approval

Establishment of a Fund

New Funds are identified per either:

- **Enacted Legislation**
 - Article VII Bills
 - State Finance Law (SFL)
 - Consolidated Law
 - Appropriation Bills
 - Stand Alone Bills
 - Revenue Deposit List (RDL)
- **Administrative Requests by the Agency or DOB**



Agency Fund Request Form

AGENCY FUND REQUEST FORM

Agency name:	Business Unit:
Fund title (maximum 30 characters):	
General purpose of this new fund:	
Bank Account:	
Revenue source – please describe:	
If applicable, please provide the statute which created this fund and designates a revenue source:	Chapter _____, Section _____, Laws of _____, Page # _____, Line # _____
If statute is not applicable, has DOB added this funding source to the Revenue Deposit List?	☐ YES ☐ NO Note: If DOB has not added this funding source to the Revenue Deposit List, do not submit this request until they do so.
DISBURSEMENTS - Please describe the type of payments which will be made:	
Is this fund subject to appropriation: §4 of the State Finance Law provides: Notwithstanding the provisions of any other section of law to the contrary, no money shall be paid from any fund under the management of the state, or any agency or officer thereof except in pursuance of an appropriation by law. (Note: An exception to the above is provided for funds held in a trust capacity (e.g. funds held in escrow by the state as agent for a 3 rd party)).	☐ YES ☐ NO If YES, please provide statutory reference where the appropriation may be found. Chapter _____, Section _____, Laws of _____, Page # _____, Line # _____
Should this fund receive interest earnings on its Average Daily Balance?	☐ YES ☐ NO
Does this fund have temp loan authority?	☐ YES ☐ NO

Signature: _____ Phone: _____ Email: _____

Title: _____ Date: _____

Submit this completed form to: BSAOChartOfAccounts@osc.ny.gov

(Revised 8/26)



State Finance Law Example

State Finance

* § 99-pp. Animal shelter regulation fund. 1. There is hereby established in the joint custody of the state comptroller and the commissioner of taxation and finance, a fund to be known as the animal shelter regulation fund.

2. Such fund shall consist of all monies collected pursuant to article twenty-six-C of the agriculture and markets law, and all other monies credited or transferred thereto from any other fund or source pursuant to law.

3. Monies of the fund shall be expended solely for the purposes of carrying out the provisions of article twenty-six-C of the agriculture and markets law. Monies shall be paid out of the fund on the audit and warrant of the state comptroller on vouchers approved by the commissioner of agriculture and markets. Any interest received by the comptroller on monies on deposit in the animal shelter regulation fund shall be retained in and become part of such fund.

* NB There are 3 § 99-pp's



Revenue Sources

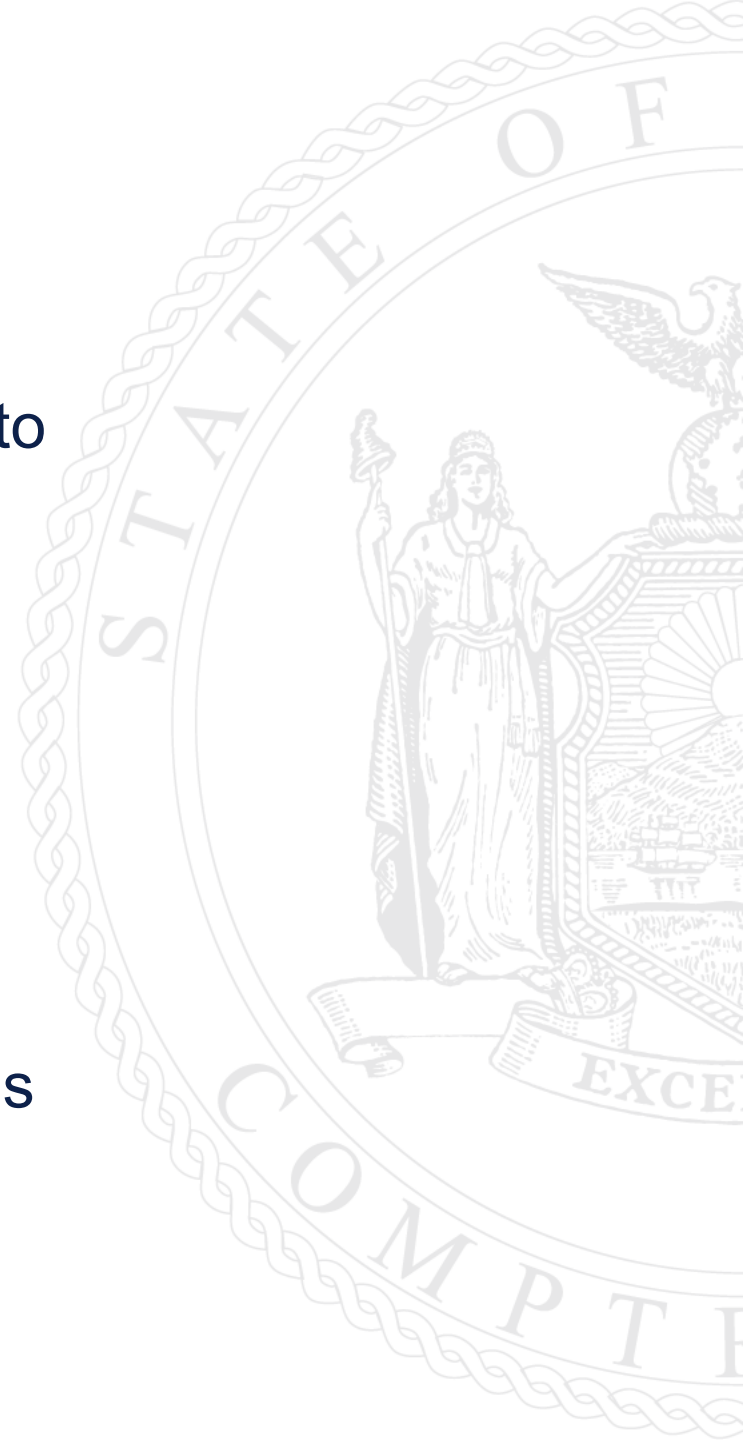
- Enacted Legislation
- Revenue (Fund) Deposit List
- Sweeps and Transfers Language in Article VII Bills
- Other: court order, grant award, etc.

FY 2027 Fund Deposit List

Agency	SFS Subfund	Subfund Name	Revenue Source
Ag & Markets	21942	Marketing of Onions Account	Any moneys received by the Department of Agriculture and Markets for onion marketing orders pursuant to Article 25 S. 294 (2), (3), (7), and (8) of Agriculture and Markets Law.
Ag & Markets	21946	Apple Marketing Order Account	Any moneys received by the Department of Agriculture and Markets for apple marketing orders pursuant to Article 25 S. 294 (2), (3), (7), and (8) of Agriculture and Markets Law.
Ag & Markets	21947	Sour Cherry Marketing Order Account	Any moneys received by the Department of Agriculture and Markets for sour cherry marketing orders pursuant to Article 25 S. 294 (2), (3), (7), and (8) of Agriculture and Markets Law.

Appropriation Control

- Section 4 of SFL defines which State funds are subject to appropriation control
- Generally, no money shall be paid from any fund under the management of the state or any agency or officer thereof except in pursuance of an appropriation by law
- The only exception to this requirement is for funds that would be classified as Trust or Agency (Custodial) Funds



Temporary Loan Authority

- Temporary loan language can be found in the current fiscal year's Article VII Bill
- If a fund has temporary loan language, its cash control indicator will be set to NO in SFS

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PART GGG

2 Section 1. The state comptroller is hereby authorized and directed to
3 loan money in accordance with the provisions set forth in subdivision 5
4 of section 4 of the state finance law to the following funds and/or
5 accounts:

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6 1. Local government records management account (20501).
7 2. Child health plus program account (20810).
8 3. EPIC premium account (20818).
9 4. Transit authorities account (20851).
10 5. Railroad account (20852).
11 6. Non-MTA capital account (20853).
12 7. Recreation account (21067).
13 8. Education - New (20901).
14 9. VLT - Sound basic education fund (20904).

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# STIP

The STIP Indicator of a fund is based on several factors, including SFL 98-a below and temporary loan language.

fund was created. Unless otherwise required by law, income received on any moneys invested pursuant to this section shall be credited to the fund or funds from which such moneys were invested, provided, however, the comptroller is hereby precluded from crediting interest earnings to funds/accounts which:

- (a) are funded entirely from the general fund; or
- (b) are, or were, authorized to receive temporary loans pursuant to subdivision five of section four of the state finance law; or
- (c) are federal funds, except such funds which are required to earn such interest pursuant to a court order or federal law or regulation; or
- (d) are agency funds, except such funds which are held pending the outcome of litigation or are required to earn interest pursuant to a court order, contractual obligation, or state or federal law or regulation, or are appropriated.



# Fund Establishment - BSAO Role

- Receive Agency Fund Request Form
- Verify all requirements are met to create a new fund
- Prepare a COA Request Form and submit to SFS
- COA Governance Board meets to review request and make determination



# Dormant Funds

- A fund is deemed “dormant” when it is no longer being utilized
- The fund must also meet certain additional criteria
- Dormant funds are still considered ‘Active’ in SFS but are monitored by BSAO to ensure no incorrect transactions are posted



# Dormant Fund Checklist

- What language created the fund and is it still applicable?
- Does the fund still have transactions posting?
- Is the revenue source active?
- Is there an active appropriation?
- What are the STIP and cash control indicators?



# Dormant Fund – BSAO Role

- Review the dormant checklist and inquire with agency
- Monitor fund for any pending checklist items
- Prepare a COA form to update the STIP and cash control indicators if necessary
- Transfer any remaining cash
- Monitor for post dormancy activity



# Contacts and Resources

- Questions on creating and managing funds in SFS:
  - [BSAOCartOfAccounts@osc.ny.gov](mailto:BSAOCartOfAccounts@osc.ny.gov)
- Additional COA ChartField request forms, navigate to:
  - SFS Coach Training
  - Topic: Statewide Financial System
  - Training Type: Resource Tool: Template to Process Transactions
- [SFS Secure / Information Center / Chart of Accounts / COA Handbook](#)
- Guide to Financial Operations (GFO)
  - [Section V. Chart of Accounts \(COA\) Governance](#)
- [OSC Fund Classification Manual](#)
- [Agency Fund Request Form](#)



Questions?

