

STATE OF HAWAII

Accounting Manual

SECTION 215: OVERVIEW

1. General Description. This section contains an overview of the receipts processing procedures that are further described in Part 200 of this manual. The overview includes (1) the budgetary process for estimated receipts and (2) the budgetary accounting process for receipts.
2. Budgetary Process for Estimated Receipts. The State budget is based on a biennium period. The budgetary process for estimated receipts includes the following steps:
 - (a) Preparation. Under procedures prescribed by the Department of Budget and Finance (B&F), the departments and agencies are responsible for the initial estimates of receipts. These estimates become a part of the State biennium budget document prepared by the Director of Finance as the Governor's recommendation to the Legislature.
 - (b) Adoption. The State biennium budget is presented to the Legislature for adoption. Although the estimates of receipts are not formally established by the Legislature in the same manner appropriations for expenditures are established, the estimates of receipts are nevertheless presumed to be the basis on which the over-all budget is adopted. During the Legislature's consideration of the budget, estimates of receipts may be revised by B&F. The estimated receipts, with any such revisions, are then used as the official estimates in the central accounting system for comparison with actual collections.
 - (c) Execution. After the biennium budget has been approved and the appropriations enacted into law, the execution phase begins at the start of the first fiscal year of the biennium period. DAGS Accounting Division is responsible for setting up budgetary accounts in the central accounting system for the official estimates furnished by B&F.
3. Budgetary Accounting Process for Receipts. The budgetary accounting process for receipts encompasses the budget estimates and the actual realization of receipts. The budgetary accounts are set up initially from the receipt estimates contained in the approved biennium budget. Monies received by departments and agencies include the following processing steps:
 - (a) Collection and Depositing. The collection and depositing activities cover all monies received by a department or agency and deposited into the State Treasury. All deposits into the State Treasury must be supported with a TREASURY DEPOSIT RECEIPT.
 - (b) Receipt Adjustments. The recording of receipt adjustments include:

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- (1) Error corrections and adjustments of previously recorded receipt transactions.
 - (2) Periodic adjustments to record certain State receipts not deposited in the State Treasury.
 - (3) Adjustments from other processes affecting the receipts accounting records.
- (c) Recording of Receipts. The State Treasury forwards a copy of the TREASURY DEPOSIT RECEIPT to DAGS Accounting Division for recording. The accounting records maintained for receipt transactions include:
- (1) REGISTER OF RECEIPTS
 - (2) APPROPRIATION/ALLOTMENT LEDGER and TRUST FUND LEDGER
 - (3) SOURCE OF RECEIPT LEDGER
 - (4) GENERAL LEDGER
- (d) Reporting of Receipts. The receipt reports prepared and distributed to departments and agencies include:
- (1) Monthly.
 - SOURCE OF RECEIPTS LEDGER, REPORT 070
 - SOURCE OF RECEIPTS LEDGER STATUS, REPORT 075
 - COMPARISON OF RECEIPTS BY SOURCE, REPORT 151
 - (2) Annually.
 - ANNUAL COMPARISON OF RECEIPTS BY SOURCE, REPORT 150