County of Sonoma

Fiscal Year End June 30, 2026

Year-End Information Packet

Prepared by
Auditor-Controller-Treasurer-Tax Collector's Office
Accounting Division

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CONTACT INFORMATION

Year-End Instructions - Fiscal Year 2025-26

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TREASURER-TAX COLLECTOR

MEMORANDUM

To: Accounting Contacts, County Departments, and Special Districts
From: Jen Calderon, General Accounting Manager, ACTTC
Subject: 2025-26 Year-End Planning and Information Packet

As we approach the end of the fiscal year, it's important to start preparing now to ensure a smooth and successful year-end close.

Please take time to plan ahead and stay organized:

- Ensure adequate staffing: Make sure you have enough staff coverage and resources to handle increased year-end workload.
- Plan early:
  - Create an internal timeline with key steps and deadlines.
  - Review your year-end checklist and complete items early where possible.
- Look for efficiencies: Identify ways to streamline processes or improve workflows.
- Review accounts: Check balance sheet accounts to confirm prior-year balances are accurate.
- Communicate early: Contact ACTTC as soon as possible if you anticipate challenges.
- Use available resources: Take advantage of existing tools, systems, and support.

The enclosed year-end information packet is designed to be a resource. It contains:

- Key dates and deadlines
- Detailed year-end instructions
- Guidance to help ensure compliance with accounting standards

You can also access the packet and other forms online here: sonomacounty.gov/acttc/accounting-forms

Important Reminders:

- Availability of posted transactions in EFS Reporting Services (EFSRS) & Simpler EFS:
  - From June 15 through year-end close, data will be refreshed starting at Noon. During data refreshes (12pm to approx. 1pm), EFSRS will be unavailable. Both systems display when data was last loaded or synchronized with PeopleSoft.
- Voucher Finalize Function:
  - Use this function to release remaining encumbrances, where possible.
  - This replaces the need to create a requisition, making it a more efficient method.
- PO Encumbrance Roll:
  - Only purchase orders (POs) with balances ≥ $1,000 (or approved exceptions) will roll forward.
  - Occurs after the June Vouchers deadline (July 16).
  - PeopleSoft will be unavailable July 17–18.
- WorkCenters (GL & AP):
  - Use WorkCenters to track transactions through approval stages.
  - Questions: contact acttc-claims@sonomacounty.gov

ACTTC works to ensure accurate financial reporting; however, each department is responsible for the accuracy and completeness of its transactions.

If you need assistance, please contact the appropriate ACTTC General Accounting staff listed in the packet. We're here to help and happy to provide further guidance or clarification on how to apply this information.

County of Sonoma

June 2026

25/26 Fiscal Year End Calendar

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					May 29-th Deadline for requisitions with a unit price of any single line item or total cost of requisition is between $60,000 - $75,000	
	1	2	3	4	5 Deadline for requisitions between $20,000 - $60,000	6
7	8	9	10	11	12	13
14	15	16	17	18	19 NOON DEADLINE Contract Encumbrances (POs) 5:00 DEADLINE Last day for submitting all remaining Requisitions for goods and supplies for FY25-26	20
21	22	23	24 5 PM DEADLINE For all Vouchers and Journals to be approved by June 30-th (Cash Basis) to be in June Month-End ledgers	25	26 NOON DEADLINE All FY25-26 requisitions in EFS that are not turned into Purchase Orders by noon will be closed (cancelled)	27
28	29	30 3 PM DEADLINE Cash Deposits Posted to June. ARs must be established for revenue deposits applicable to FY25-26 starting July 1st				

County of Sonoma

July 2026

25/26 Fiscal Year End Calendar

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
			1 DEADLINE Petty Cash Reconciliation Labor Distribution Available (Add 60% for estimate of year-end charges)	2 DEADLINE Final June Labor Interface for Year-End Closing proposed to post by EOD. Use 160% for cost estimates	3 HOLIDAY	4
5	6 DEADLINE Requisitions for prior year PO releases or decreasing PO encumbrance balances	7 DEADLINE Subsidiary Number requests	8 DEADLINE ISD Billing, Fleet Interfaces, ERP Charges	9 NOON DEADLINE Disaster Reimbursement Journals	10 NOON DEADLINE All other interdepartmental billing Journals Operating Transfers	11
12	13	14 NOON DEADLINE PO Enc. Exceptions list (under $1,000)	15 DEADLINE 4th Qtr. Interest Apportionment to post by EOD Actual Final Labor Interface (60%/40% split) to post by EOD.	16 NOON DEADLINE June Vouchers; Accounts Payable Journals; Budget Journals, Use/Sales Tax Journals	17 FY2025-26 PO ROLL PROCESS BEGINS (all users will be locked out of EFS)	18 FY2025-26 PO ROLL PROCESS CONTINUES
19	20	21 NOON DEADLINE All Receivable Journals	22 NOON DEADLINE Dept. Clean-Up JEs Only All journals not posted by EOD for 25-26 will be cancelled	23 CEO & AUDITOR REVIEW BEFORE CLOSING	24	25 FY2025-26 GL CLOSE PROCESS
26	27 HAPPY NEW FISCAL YEAR 2026-2027!	28 *Month End Cutoff for July Vouchers*	29	30	31	

BUDGETARY ADJUSTMENTS

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE – Thursday, July 16, 2026 by Noon ****

Contacts: Brooke Griffis (707) 565-3238

All budgetary adjustments approved by Department Heads, the County Executive, and Special Districts governed by Local Boards are due by Thursday, July 16, 2026

County Departments:

- **Budgetary adjustments requiring County Executive approval must be submitted to your budget analyst well before the July 16, 2026 deadline, to allow time for review.**

Coordinate with your department analyst for an internal cut-off. If submitting a budget adjustment that requires multiple budget journals, all related journal numbers must be referenced in the Long Description field. Journals may be denied by the Budget analysts if there isn't sufficient detail or support to verify the adjustment.

- **Budgetary adjustments requiring Board of Supervisors approval must be in place on the Board's Agenda for the board meeting scheduled June 2, 2026**

See both the County Executive's Office 3-1 Policy for Appropriation Transfers and ACTTC's Policy A-1 Budget Changes During Year Process for further information on approval requirements for the different levels of budgetary control.

Special Districts governed by Local Boards:

Special Districts governed by Local Boards should make the appropriate arrangements in advance to hand deliver these time sensitive documents for immediate attention, or scan or fax a copy to the ACTTC.

Independent Special Districts only must complete the Budgetary Adjustment Request Form

Budget Adjustments Examples
Year-End Instructions - Fiscal Year 2025-26

Please refer to Running the Budgets Overview Report for instructions on how to check available budget.

I. BUDGET ADJUSTMENTS REQUIRING BOARD APPROVAL

Budget adjustments increasing overall budget appropriations or transferring between funds or divisions require Board Approved Budget Resolution. These budget journals require special naming convention.

1. Journal ID naming convention:
   - Recurring adjustments: BRR, 2 digit Dept. ID, 5 sequential digits (ex. BRR1500001)
   - One-time adjustments: BRO, 2 digit Dept. ID, 5 sequential digits (ex. BRO1500001)
2. Long Description field requires the BOS Resolution number (ex. *Reso# 26-0413 Dated 04/18/2026*)
3. For adjustment requiring multiple journals, cross reference each related journal number(s) in the Long Description field; and note the purpose (*ex: See BRO15000002 for revenue side*)
4. Upload the Budget Resolution and EFS Dept. Entry Details sheets as support documentation

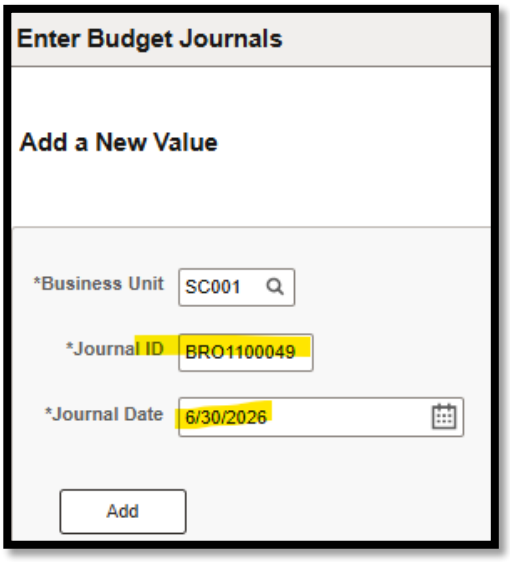
Examples of Budget Journals Requiring Board of Supervisors:

Example 1.1 – Budget Journal to adjust Expenditures:

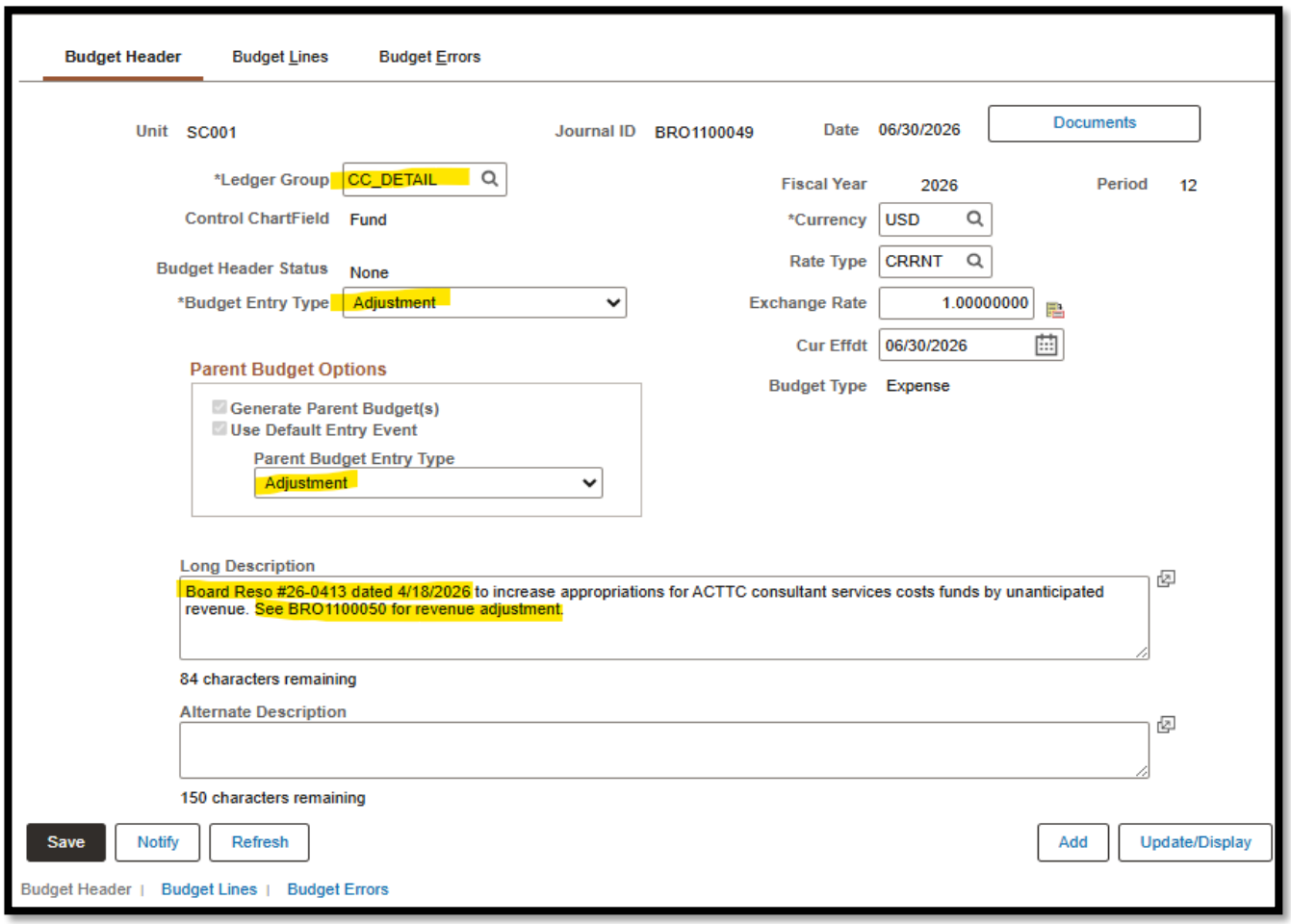
Note: Expenditure and revenue require separate budget journals because they are recorded on separate budget ledgers.

EFS NavBar: Menu > Commitment Control > Budget Journals > Enter Budget Journals

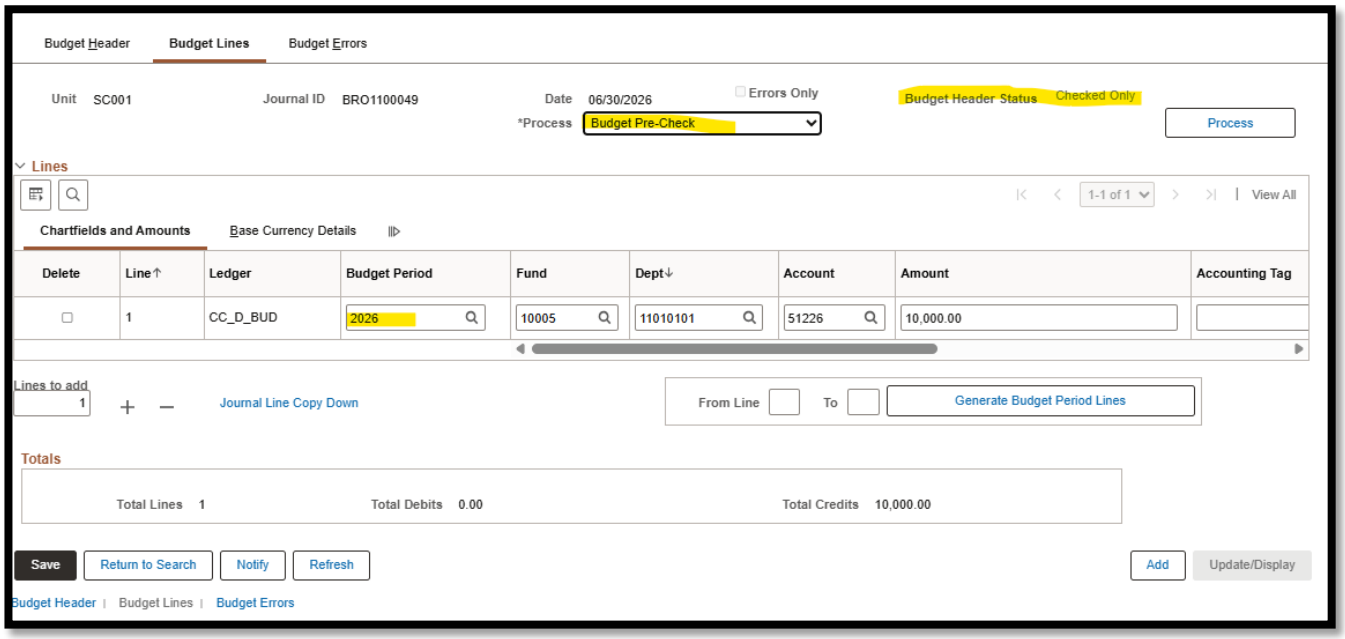
- Override the Journal ID "NEXT" with a Journal ID starting with prefix
  - **"BRO" for one-time adjustments**
  - **"BRR" for recurring adjustments**
- During the dual fiscal period the default Fiscal Year will be 2027. To enter a Budget Journal in **2026,** change the Budget Journal date to **06/30/2026**



- **Select "Add" and enter information in the "Budget Header" tab. Note the Ledger Group selected**



➢ **Go to the "Budget Lines" tab and complete the required fields.**



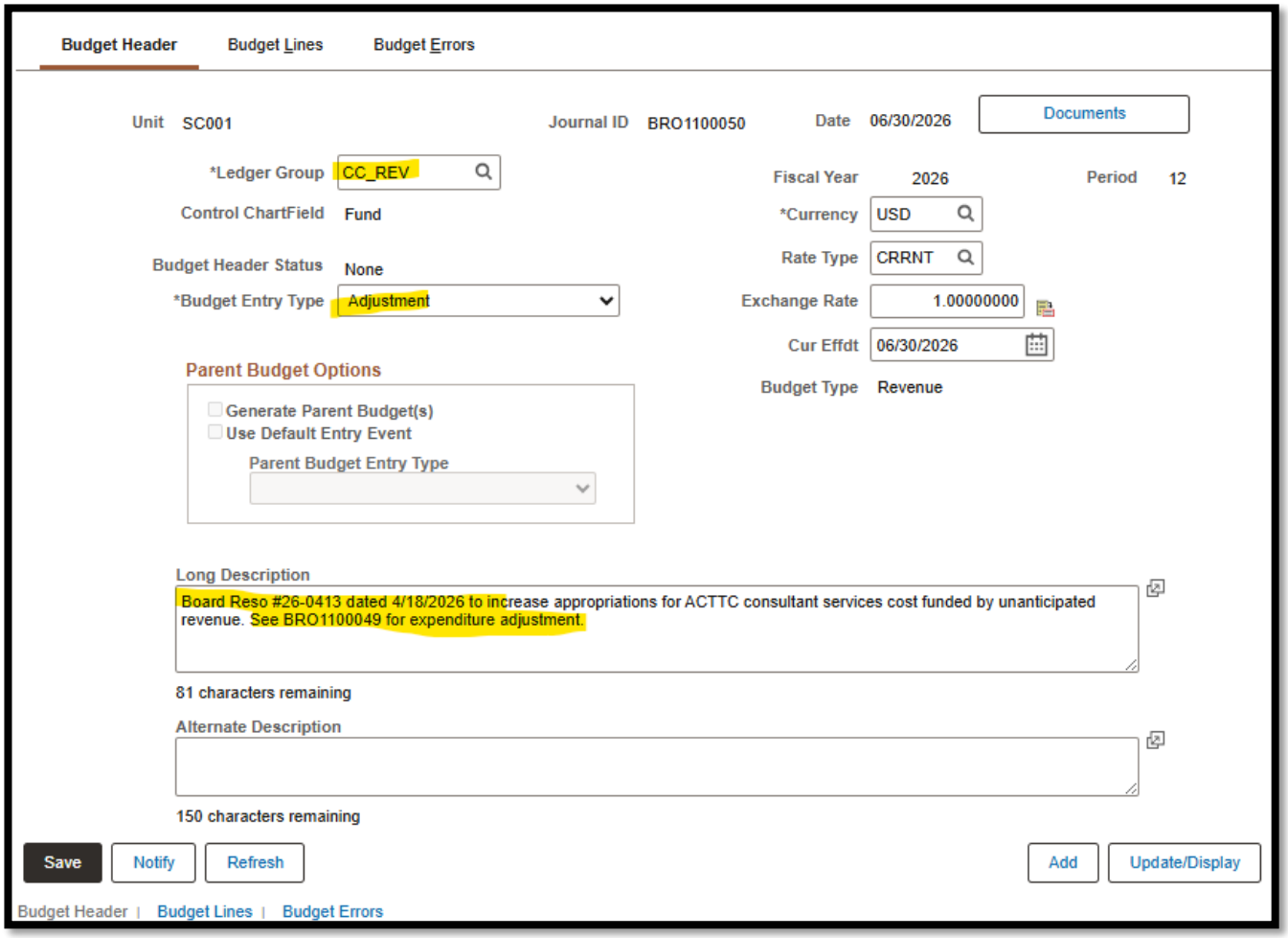
➢ **Complete EFS Checks and Submit as follows:**

- From the "Process" drop-down menu select "Budget Pre-Check"; Click "Process"
- Upload supporting documentation
- From the "Process" drop-down menu select "Submit Journal", Click on "Process"
- The Budget Journal is complete and pending approval by the Fiscal Approver

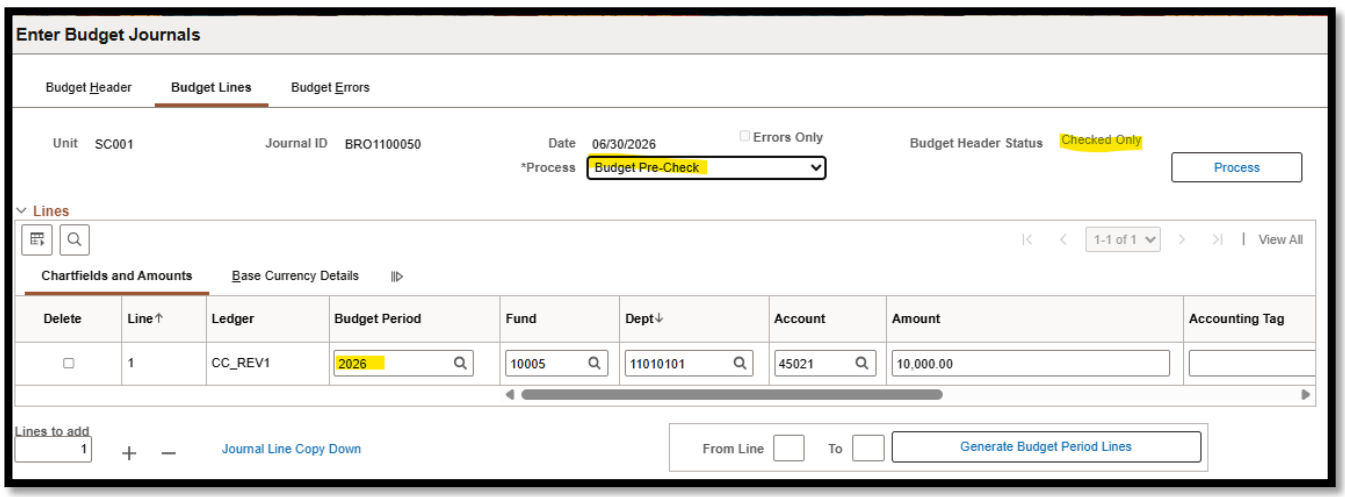
Example 1.2 – Budget Journal to adjust Revenues/Reimbursements

Same as Example 1.1 to begin

- Override the Journal ID "NEXT" starting with prefix "**BRO" (one-time) or "BRR" (recurring)**
- For a Budget Journal in **2026,** change the date to **06/30/2026**
- **Select "Add" button and enter information in the "Budget Header" tab. Note the Ledger Group.**



- **Go to the "Budget Lines" tab and complete the required fields**



- **Complete EFS Checks and Submit (same as example 1.1)**

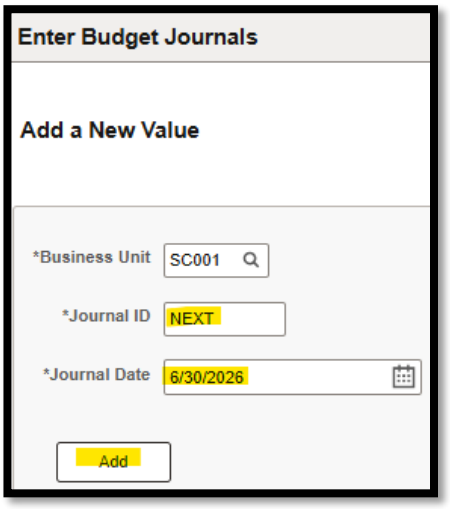
I. BUDGET ADJUSTMENTS REQUIRING CEO APPROVAL

Budget adjustments transferring existing budget appropriations between sections or between characters within the same section require CEO approval. These budget journals do not require special naming conventions.

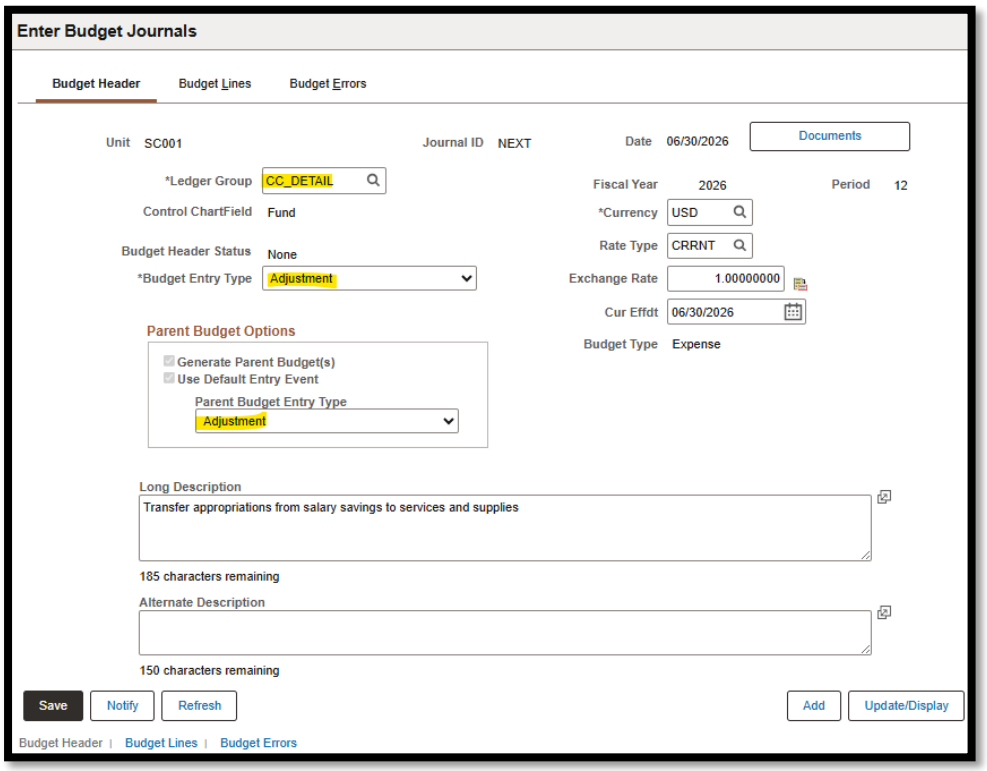
Examples of Budget Adjustments requiring only CEO approval.

Example 2.1 – Budget Journal to transfer appropriations between characters

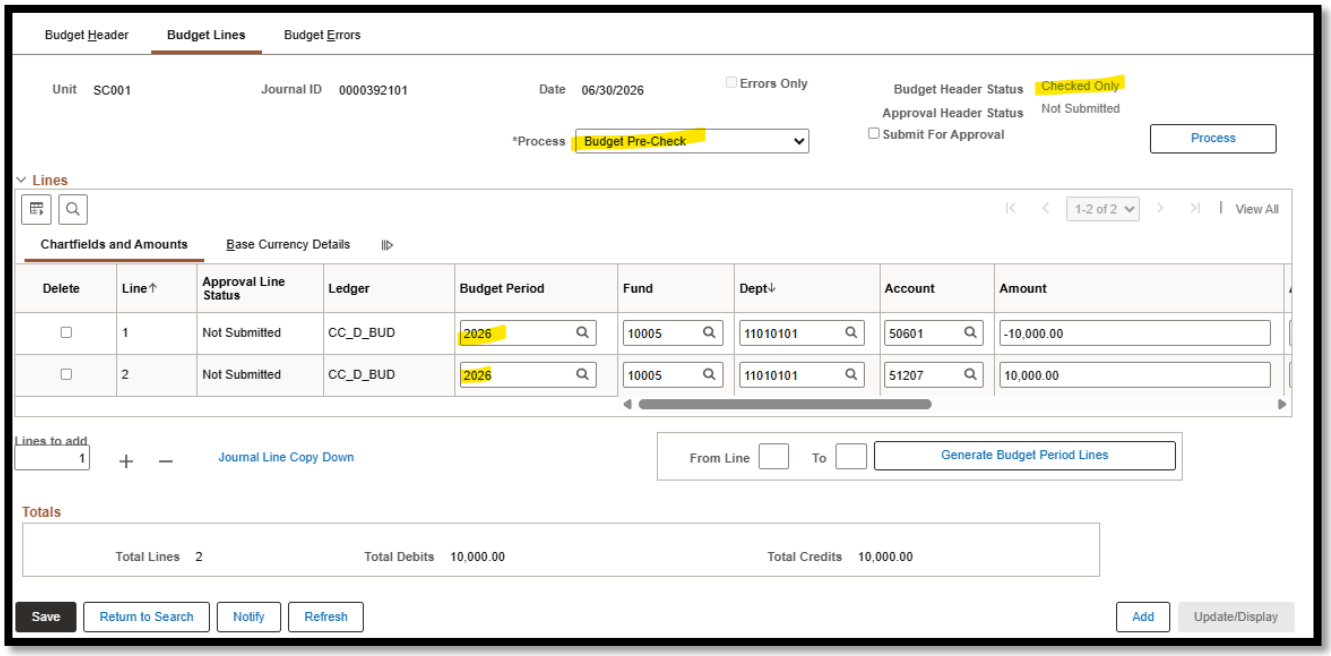
- Do not change the Journal ID "NEXT"
- For a Budget Journal in **FY2026,** change the date to **06/30/2026**



- **Select "Add" button and enter information in the "Budget Header" tab**



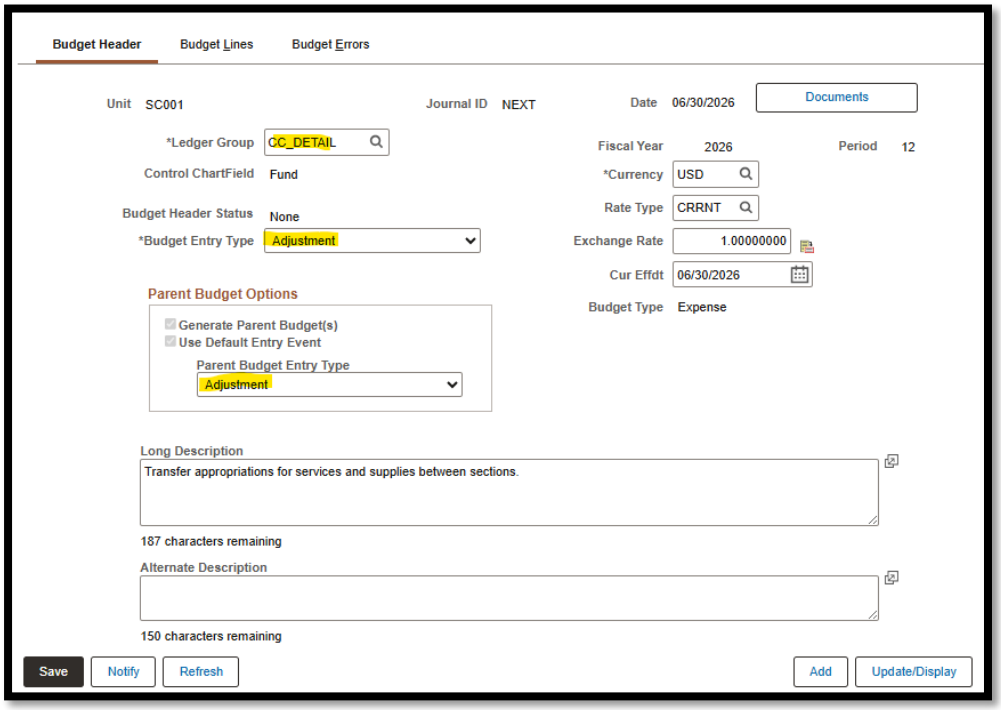
- **Go to the "Budget Lines" tab and complete the required fields.**



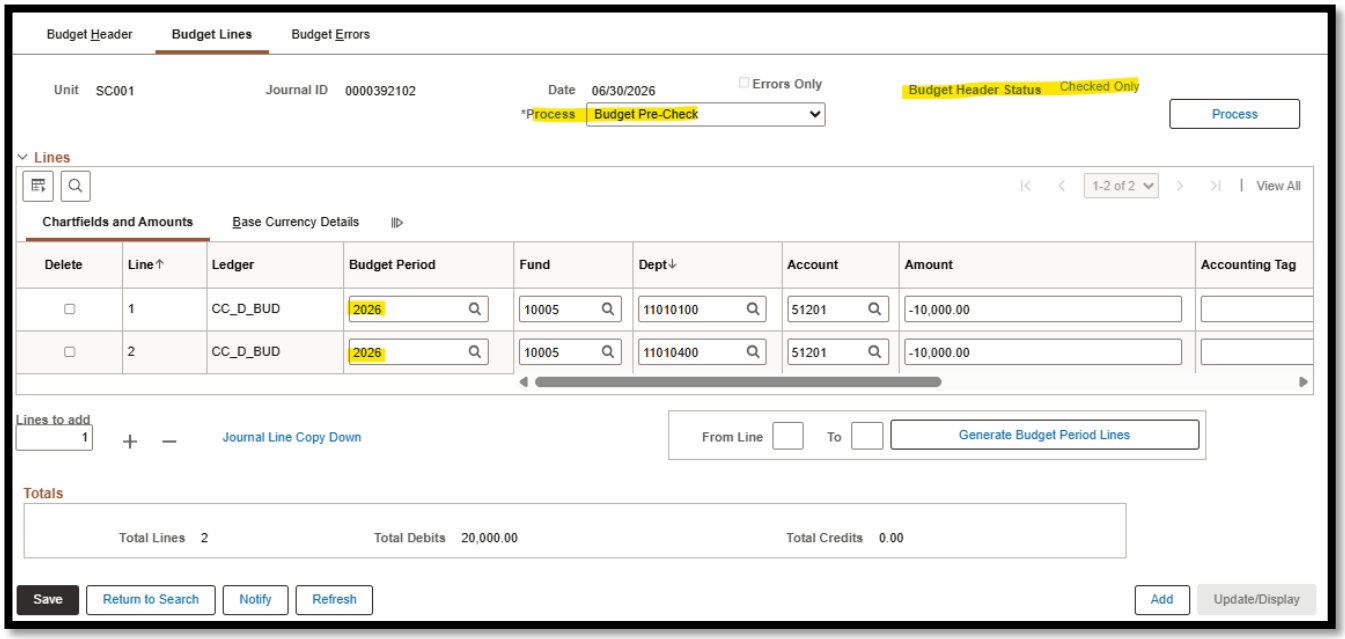
- **Complete EFS Checks and Submit as follows:**
  - From the "Process" drop-down menu select "Budget Pre-Check"; Click "Process"
  - Upload supporting documentation
  - From the "Process" drop-down menu select "Submit Journal", Click on "Process"
  - The Budget Journal is complete and pending approval by the Fiscal Approver

Example 2.2 – Budget Journal to transfer appropriations between sections

- Do not change the Journal ID "NEXT"
- For a Budget Journal in **2026,** change the date to **06/30/2026**
- **Select "Add" button and enter information in the "Budget Header" tab**



➢ **Go to the "Budget Lines" tab and complete the required fields.**



➢ **Complete EFS Checks and Submit as follows:**

- From the "Process" drop-down menu select "Budget Pre-Check"; Click "Process"
- Upload supporting documentation
- From the "Process" drop-down menu select "Submit Journal", Click on "Process"
- The Budget Journal is complete and pending approval by the Fiscal Approver

OPERATING TRANSFERS

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE – Friday, July 10, 2026 by Noon ****

Contacts: Brooke Griffis (707) 565-3238

All operating transfers are due by Friday, July 10, 2026

An operating transfer (OT) is a reassignment of resources across funds or departments.

Accounts used:

- 47101/57011: Transfers within a fund (group)
- 47102/57012: Transfers between Governmental funds
- 47103/57015: Transfers - All others
- 47106/57016: Transfers within a fund - ISD Replacement A
- 47107/57017: Transfers between governmental funds - ISD Replacement B
- 47108/57018: transfers in other funds - ISD Replacement B

OTs entered into the General Ledger:

Journals entered into the General Ledger in PeopleSoft for OT accounts must follow the rules to be automatically transferred into the OT Tool in Planning. If these rules aren't followed, the OT Tool in Planning will be out of balance with PeopleSoft, and manual adjustments will need to be made.

1. The expenditure and revenue side of all Operating Transfers must be in one journal.
    a. Even if the journal is needed to make a correction to only the revenue or only the expenditure side of the OT (for example, revenue should have gone to 16021200 but was accidentally directed to 16020200), the entire paired OT needs to be corrected. This is because all OT actual journals must have both revenue and expenditure transactions. In this case, 2 journals need to be entered because, per rule #2 below, there can only be one giving department per journal.
    b. Exception: if the journal is only to update program or TCA codes (but section/subsection, account and amounts stay the same), a one-sided OT entry is allowable.
2. The OT Journal may only have one distinct giving department. It may be repeated across multiple journal lines, and there can be one or many receiving departments.
3. OT expenditures and OT revenues must net to zero in the Journal.

In addition to the rules above, the following are reminders about usage of OT accounts:

- OTs between departments within the range of 10000000 and 42000000 (Business Unit 001) and Depts above 44000000 (Business Unit 002) are not permitted. For those transactions use revenue/reimbursement accounts instead.
- Dept 14* (CDC), 31* (Open Space District), 33* (Sonoma Water and sanitation districts) can only use OTs within their own departments.
- Depts above 44000000 (Business Unit 002) can only use OTs within their own fund group. As such, should only use accounts 47101/57011.

OTs entered into Commitment Control (Budget Adjustments):

- Budget adjustments that include an operating transfer must be entered into Oracle Planning. You also need to include a reference to the corresponding budget adjustment for the other side of the OT. For example, "Please refer to journal BRO1100001 for the revenue side of this operating transfer." For guidance on how to enter budget adjustments into Oracle Planning please refer to 'OT Entries for PeopleSoft Adjustments' within Planning - Operating Transfers.

SPLIT PAYROLL

Year-End Instructions - Fiscal Year 2025-26

**** POSTED TO EFS by Wednesday, July 15, 2026 by EOD ****

Contact: ACTTCPayrollDivision@sonomacounty.gov

PAYROLL SPLIT

The Fiscal Year End Split is 60/40:

- In general, the cost of payroll will be allocated:
  Old FY 25/26 – 60% (June 23rd through June 30th)
  New FY 26/27 – 40% (July 1st through July 6th)

- Costs are allocated to each fiscal year based on actual dates in UKG PRO. For example:
  1. If Overtime is entered on a timecard on July 2, the entire cost of the Overtime will be allocated to the new FY 26/27
  2. Extra Help costs for an employee who works on June 30, will be charged to the old FY 25/26.
  3. If an employee is terminated in the old fiscal year, payoff pay codes should be entered on the timecard on June 30th (or earlier) so the entire cost of the payoffs will be charged to the old fiscal year.

POSTING PAYROLL COSTS TO FINANCIAL SYSTEM AND LABOR DISTRIBUTION REPORTS

For the split payroll (Pay Date July 15th):

1. Payroll Transactions for old Fiscal Year (June) will post to EFS by end of day on July 15. Labor summary and/or detail reports in EZ-EP for the pay period, quarter or fiscal year will be available the following business day
2. The new fiscal year (July) payroll journal will be posted after the old fiscal year journal has posted (no later than 7/17).

Note: The payroll posting 7/1/26 is the final payroll for purposes of departmental FYE closing entries. Since the split payroll this year starts on the last 8 days of the old fiscal year, the final split payroll posting July 15th is after all departmental posting deadlines. That means that if you have any Interdepartmental Billings that are based on labor costs you need to estimate them based on 160% of the Payroll that posts on July 1st.

All labor adjustments and back-pays for FY 25/26 due to Auditor Payroll by **5pm 5/22/2026**, please email ACTTCPayrollDivision@sonomacounty.gov immediately if you have any outstanding adjustments that still need to be processed.

PO ENCUMBRANCES

Year-End Instructions - Fiscal Year 2025-26

** IMPORTANT DEADLINES **

Contract Encumbrances (POs) for FY 2025-2026	**Noon Friday June 19, 2026**
Requisitions for PO Encumbrance Releases & Closes	**EOD Monday July 6, 2026**
Requisitions for PO Decreases/Reductions	**EOD Monday July 6, 2026**
POs < $1,000 – do not close requests	**Noon Tuesday July 14, 2026**

Contact: Lindsay Musco (707) 565-3087, Don Moore (707) 565-3057, or Brenda Haas (707) 565-1791

Encumbrances are recorded when a requisition becomes a Purchase Order (PO) and the County has a binding commitment for goods or services with the supplier listed on the PO. Encumbrances reserve a portion of budget specifically for the acquisition of those goods/services and do not become expenditures until the voucher posts.

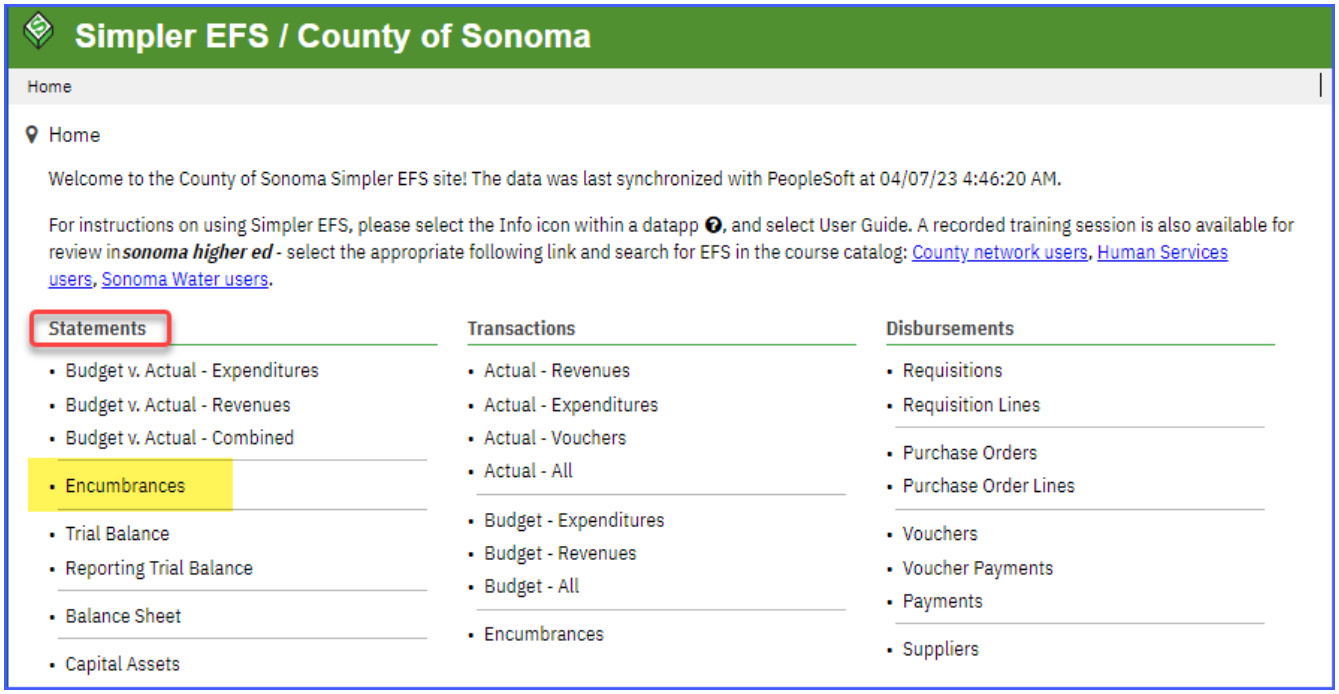
Encumbrances are recorded or adjusted when Purchasing receives a requisition and issues or adjusts a Purchase Order.

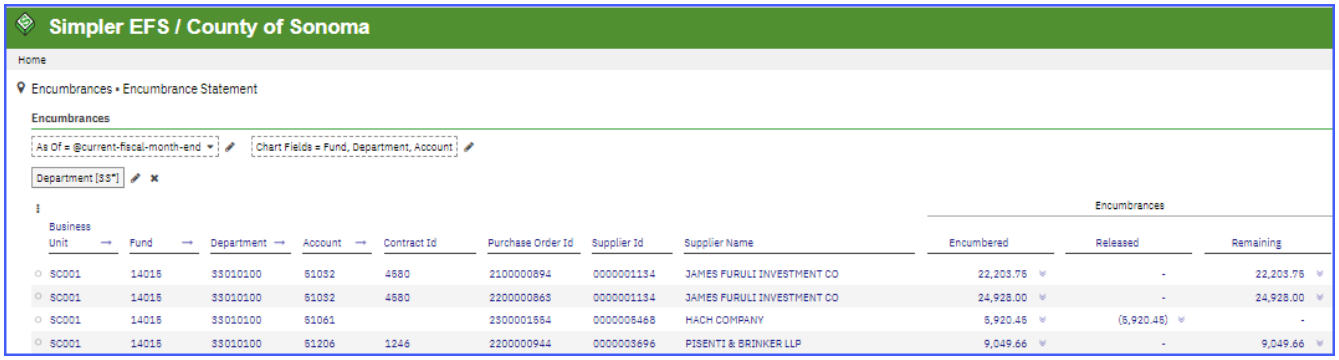
- Requisitions for ***new*** service or construction contracts, goods and supplies for FY 25-26 must be received in Purchasing's workflow on or before noon Friday, June 19, 2026.
- Change Orders to existing Purchase Orders: reductions or encumbrance releases and closes only must be received in Purchasing's workflow on or before 5:00pm Monday, July 6, 2026.
  - Change Orders adding funds to existing Purchase Orders will not be processed after June 19, 2026.

*Note – **All** PO Change Order requests to current and prior year Purchase Orders (including encumbrance releases, PO close requests) **must be submitted via requisition**. Please do not send email requests to Purchasing or the EFS Support Organization. Additionally, if closing/releasing multiple POs: single requisition is allowed but requestor must **list each PO on a separate line**; attached lists are **not accepted**.*

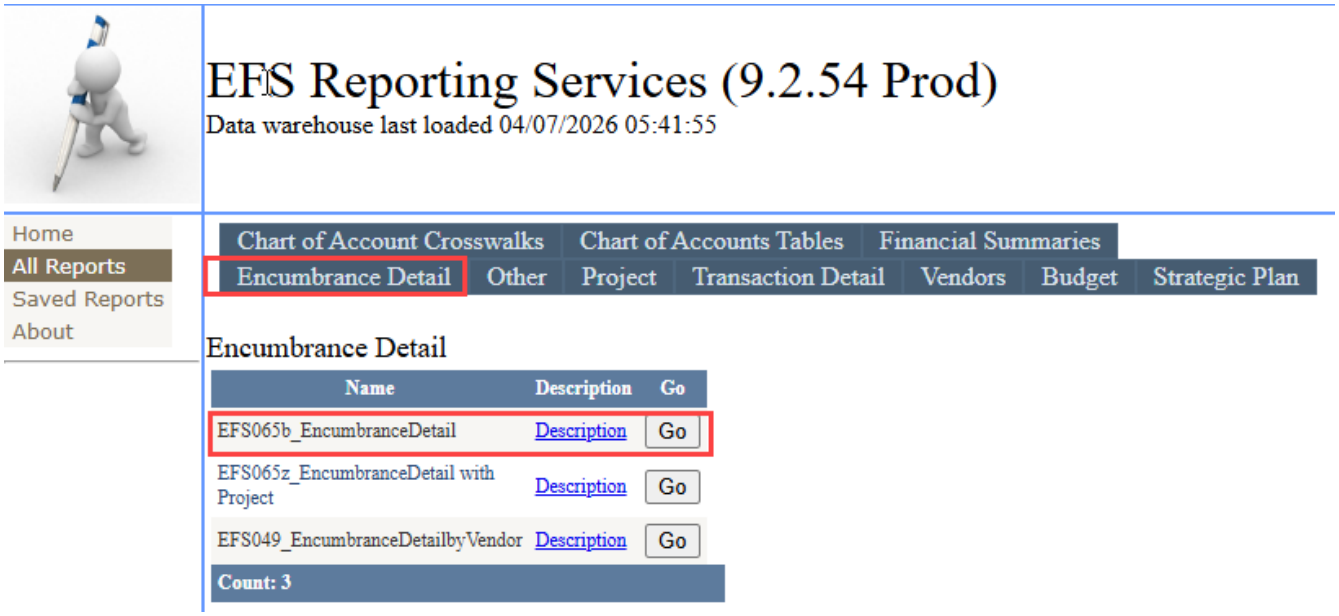
Refer to the Purchasing Division FY 25-26 Year End cutoff quick reference sheet (included in the packet) for details of all Purchasing deadlines.

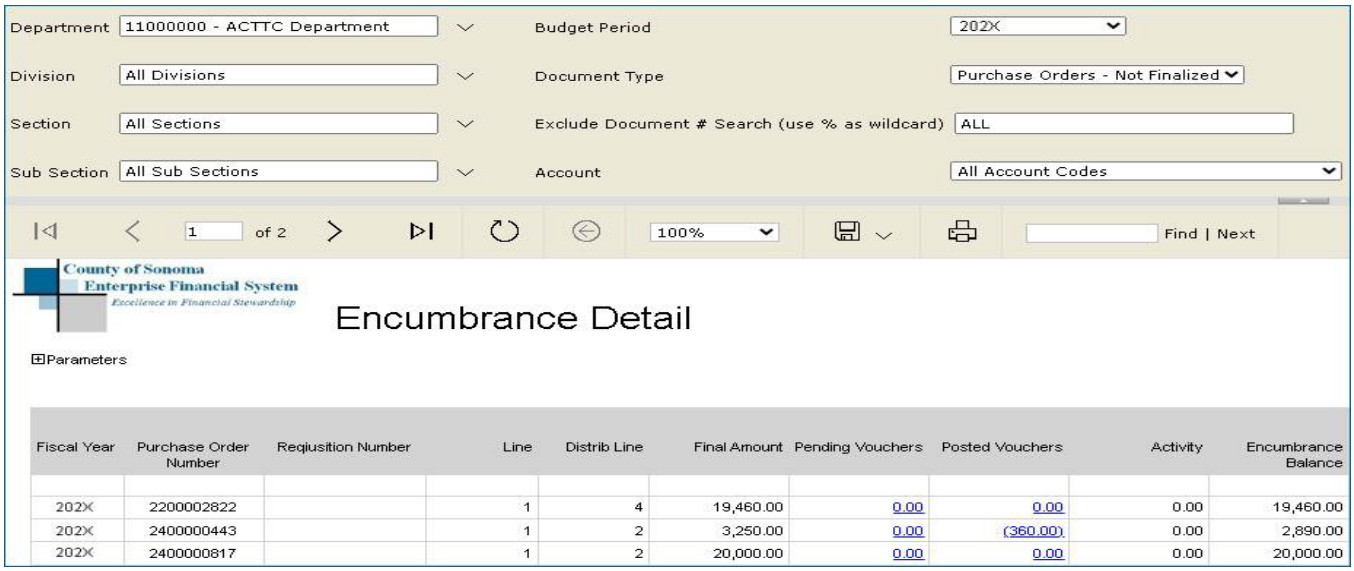
Simpler EFS Encumbrance Statement and EFS Reporting Services Encumbrance Detail provide useful encumbrance information:





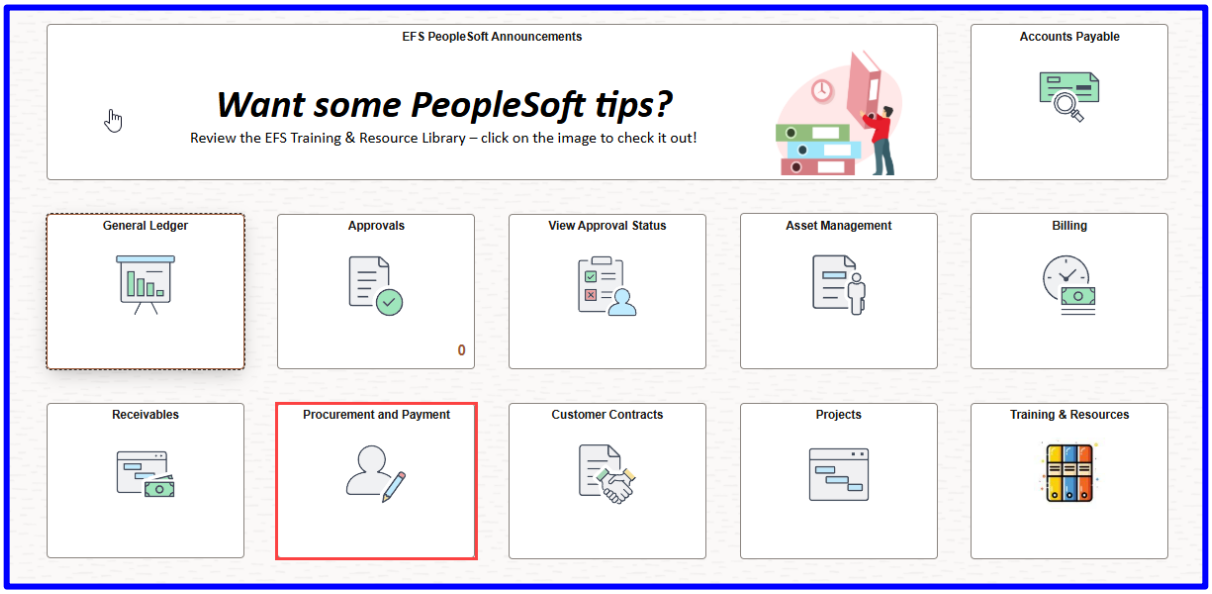
For assistance creating a Simpler Encumbrance Statement by department or fund please contact EFS-Access.



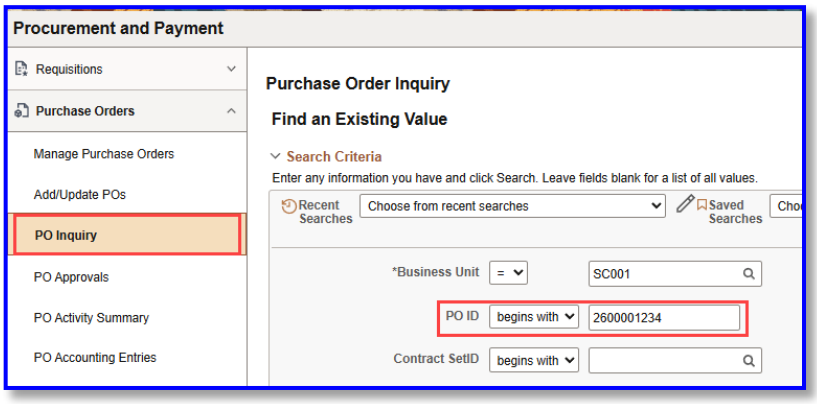


EFS Reporting Services and Simpler EFS do not reflect real-time data. For real-time balances, you will need to review the PO in EFS PeopleSoft.

To review a PO in EFS PeopleSoft, select the Procurement and Payment tile from the PeopleSoft Homepage:



Select **PO Inquiry** from the Purchase Orders menu and enter the PO ID:



PURCHASE ORDER ENCUMBRANCE ROLL

Purchase Order encumbrance balances of $1,000 and greater will be rolled forward to the new fiscal year on Friday July 17, 2026. Encumbrance balances rolled forward to the new fiscal year will increase budget in the new fiscal year by the same amount as the rolled encumbrance.

Purchase Orders are assigned a Purchase Order ID (PO ID) prefix number based on the fiscal year in which the POs are established. For example, POs established in FY 24-25 begin with "25," POs that were established in FY 25-26 begin with "26," etc.

Example of PO created in FY 20-21 with an encumbrance balance that has been rolled forward:

Distribution

Chartfields | Details/Tax | Asset Information | Req Detail | Statuses | **Budget Information**

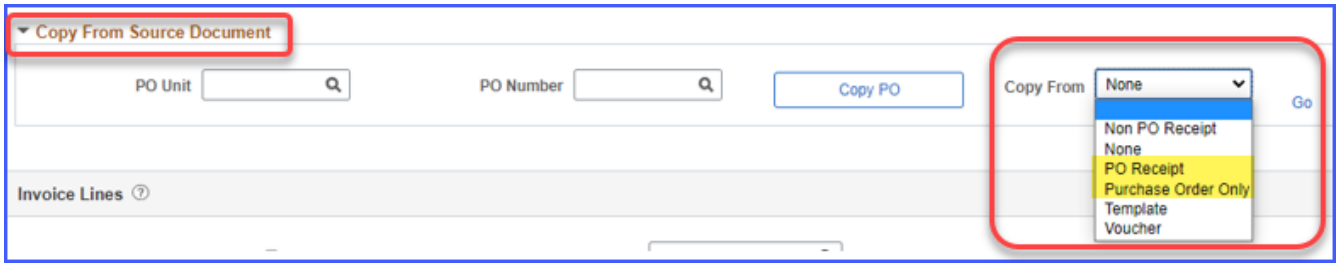
Dist	Status	Percent	Budget Status	Budg Dt	Encumbrance Balance	Currency	Encumbered Base Balance	Base Currency	Expensed To Date
1	Closed	14.0905	Valid	06/23/2021	0.00	USD	0.000		21,290.41
2	Closed	37.6030	Valid	07/01/2021	0.00	USD	0.000		56,817.17
3	Open	48.3065	Valid	07/01/2022	14542.49	USD	14,542.49	USD	58,447.51

PO Encumbrance Roll restriction:

- Purchase Orders with an encumbrance balance less than $1,000 as of 7/7/26 will be closed and ***not*** rolled into the new fiscal year **unless an exception request** is submitted by noon July 14, 2026. Please note that this process does not return funds to contracts. The EFS Support Organization will email all affected Requesters a list of open Purchase Orders meeting closure criteria. If your PO on this list is associated with a contract you may choose to request an exception.
- Submit PO exception requests to **EFS-Access**.

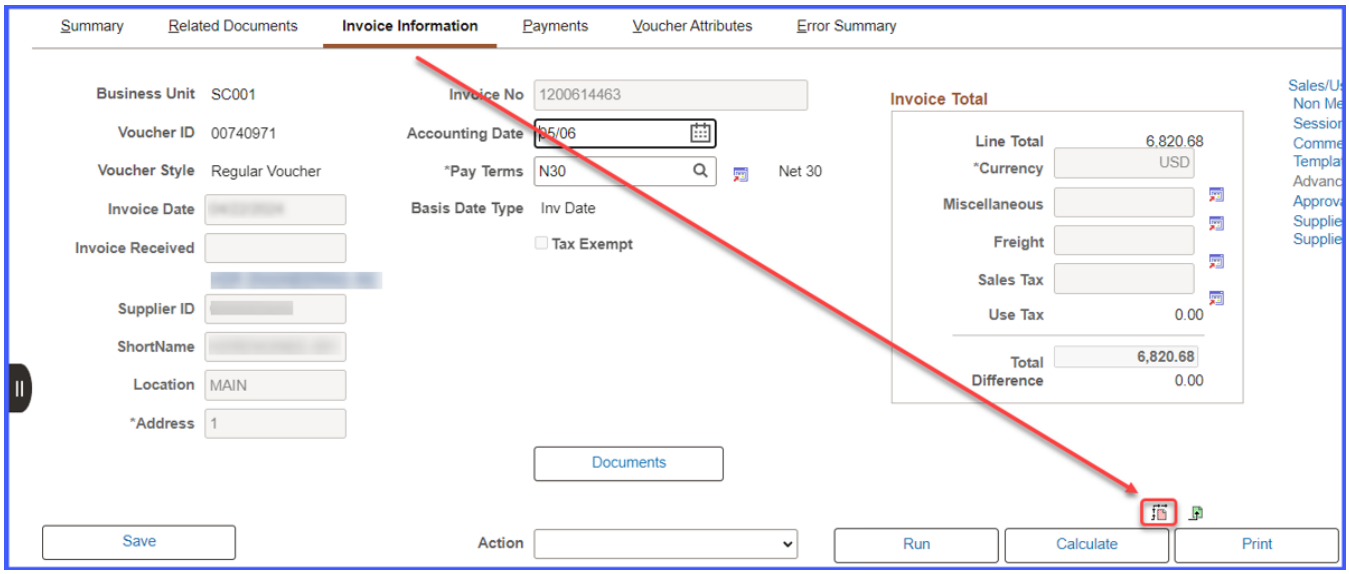
PO Vouchers and Finalize:

Vouchers for POs are created using **Copy From Source Document**. Copy From PO Receipt is used for Machinery & Equipment (M&E) Capital Asset acquisitions. Copy from Purchase Order Only is used for all other PO transactions.

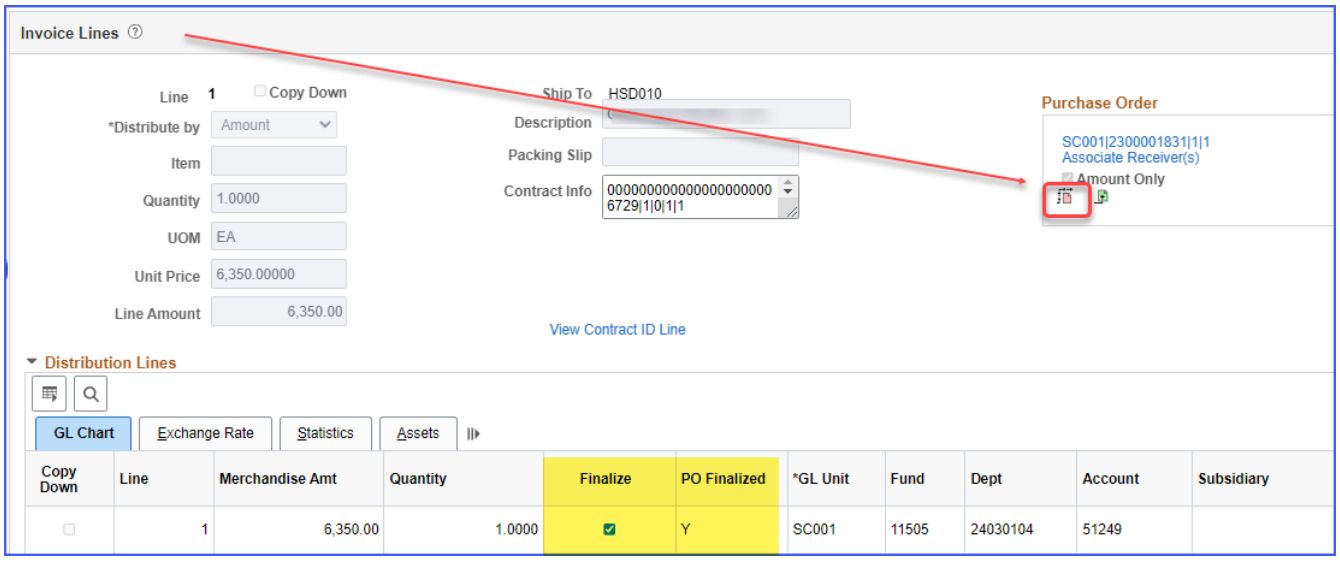


The **Copy from Source Document** function copies the selected lines from the PO to the voucher. The PO is updated with the voucher details when the voucher is saved and Matched.

The ***Finalize*** button on a PO voucher should be selected when no further payments are expected and any remaining encumbrance should be released. The ***Finalize*** button on the header will select all voucher lines.



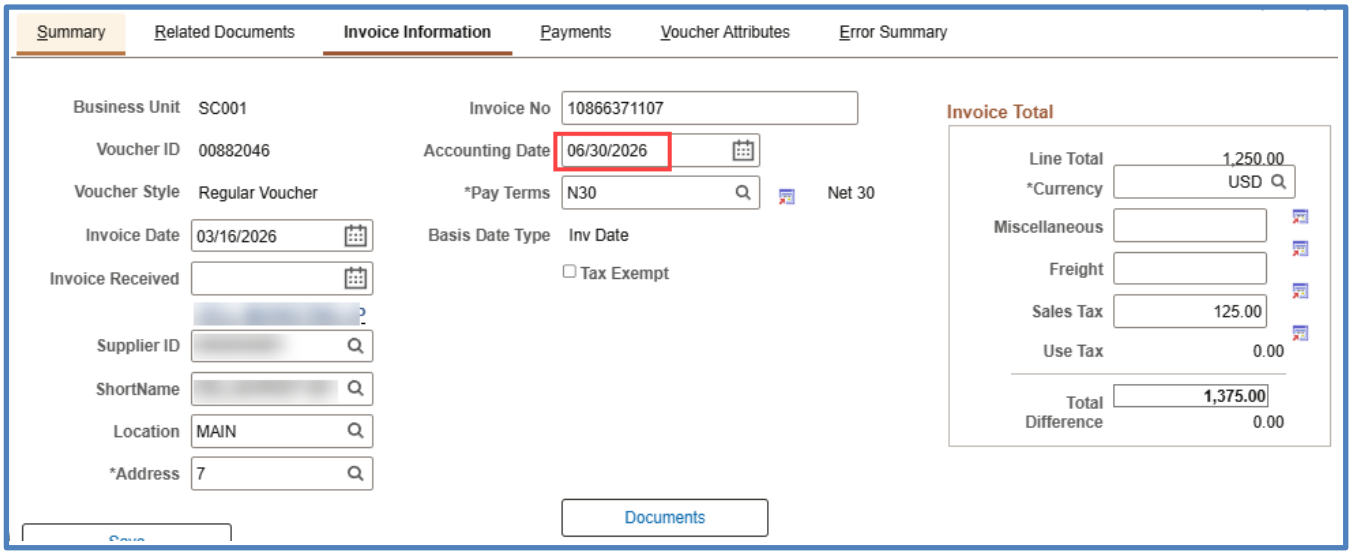
The ***Finalize*** option is also available for each individual Invoice Line. In the example below, the grid has been Personalized to display the **Finalize** and **PO Finalized** fields that are normally found on the extreme right of the Distribution Line.



Finalizing POs on vouchers is the quickest and most efficient way to release PO encumbrances.

A. What to do when attaching a prior-year PO to a voucher on or after July 1, 2026:

1. If a voucher is entered in July for expenditures incurred on or before June 30, 2026, be sure to enter an Accounting Date of June 30, 2026. The prior year PO can be copied to the voucher. Prior year PO's can be attached as long as the voucher Accounting Date is June 30, 2026 or prior.



2. If a voucher is entered in July for expenditures incurred in July 2026 that are associated with a prior year PO, do the following:

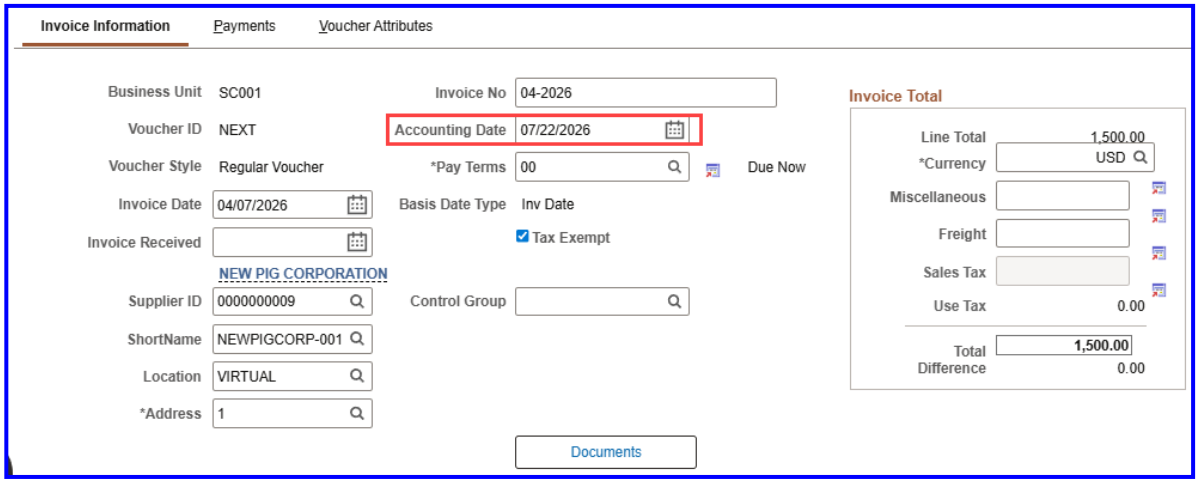
   If possible, hold the invoice until after the PO Encumbrance Roll is complete (7/20/2026).

   If it is not possible to hold the invoice, do the following:

   - Enter the Accounting Date - July 1, 2026 or later
   - DO NOT attach the prior year PO to the voucher
   - Enter the prior year PO number in the Packing Slip field
   - The referenced PO will be rolled forward to the new fiscal year
   - After the PO Roll on 7/17/2026, submit a FY26 requisition to reduce the PO for the amount of the payment. Be sure to use the "PO Encumbrance Release/Close" Req Type and include the Contract ID if applicable to ensure the Contract is updated.

Example: for PO 2500000668 Line 2 payment, the Packing Slip Field is PO 25-668-2.

- "25" represents the first two characters of the PO number
- omit the zeros and enter "668" (the last 3 or 4 numbers of the PO ID)
- The "2" represents the PO Line number. It is important that the correct line is referenced to correlate the voucher with the PO





Note: the process described above is for prior-year POs for expenses incurred after July 1, 2026. Any new fiscal year POs (2026-2027) that need to be paid after July 1st can be processed as usual.

B. What to do on or after July 1, 2026 for an expense tied to a PO and the expense is incurred on or before June 30, 2026 and there is no invoice for the expense:

See Accounts Payable section: EXPENSES TIED TO PURCHASE ORDERS – ADDITIONAL STEPS

KEY CUTOFF DATES

Noon June 19, 2026	➢ Last day to enter FY 25-26 **requisition for services or construction contracts, good or supplies.** ➢ Last day to submit new FY 25-26 contract encumbrance requests in June.
5pm June 24, 2026	➢ Last day to submit a voucher to be posted in June month-end ledgers.
Noon June 26, 2026	➢ Unapproved requisitions that are not turned into a PO will be canceled and closed after this date.
5pm July 6, 2026	➢ Last day to process prior year PO Change Order Requisitions to decrease or release and close encumbrances.
Noon July 16, 2026	➢ Last day to enter June 2026 vouchers. ➢ Last day to establish Accounts Payable (account 20300) for June 2026 expenses.
Noon July 14, 2026	➢ Last day to submit roll exception request for prior year POs with balances less than $1,000. POs without an exception request will be closed and not rolled into new fiscal year.

IMPORTANT REMINDER: Only PO Encumbrances with balances of $1,000 or greater, or that have a submitted exception request, will be rolled forward to FY 26-27.

SONOMA PUBLIC INFRASTRUCTURE DEPARTMENT – PURCHASING DIVISION
FY 25-26 YEAR-END CUTOFF QUICK REFERENCE

Type of Requisition	Determining Criteria	Final Submission Date
Goods	Any single line item or total requisition > **$75,000**	**May 1, 2026**
Goods	Any single line item or total requisition **$60,000–$75,000**	**May 29, 2026**
Goods	Any single line item or total requisition **$20,000–$60,000**	**June 5, 2026**
Goods	All remaining requisitions	**June 19, 2026**
Services	New Purchase Order service encumbrances	**June 19, 2026**
RFPs, RFQs, Construction Bids	All posting requisitions due at noon	**June 19, 2026**
General	Any requisition not converted to PO	**June 26, 2026**
Services	Prior year PO releases / decreasing PO encumbrances	**July 6, 2026**

Legend / Highlights

- **Critical early submission**
- **High-value requisitions**
- **Moderate-value requisitions**
- **Standard year-end cutoff**
- **Prior year adjustments**
- **Final EFS PO close-out**

Quick Notes

- Goods requiring **competitive sealed bidding**: submit **as early as possible**.
- All **service and change order requests** must be submitted via **EFS requisitions**—email submissions will **not** be accepted.
- Reductions to PO encumbrances: **submit individually**.
- Closing/releasing multiple POs: single requisition allowed but **list each PO on a separate line**; attached lists are **not accepted**.
- **Please forward a copy of this memorandum to all Department or Division personnel responsible for requesting or processing Purchase Requisitions.**
- Questions? Call **Purchasing: (707) 565-2550 or email Purchasing@sonomacounty.gov**

DUAL PERIOD AP VOUCHERS

Year-End Instructions - Fiscal Year 2025-2026

**** DEADLINE – Thursday, July 16, 2026, by Noon ****

ACTTC will post by end of day

Contact: Ilene Revheim (707) 565-3282

Beginning July 1, 2026, during the dual fiscal period **all** vouchers should be entered as follows:

- **Vouchers entered on or after July 1 for expenses incurred in FY 25-26 must have a June 30, 2026 accounting date to ensure expenses are recorded in the correct period**
  - The voucher entry and process are the same as usual even if invoice is related to a PO/Contract.

- **Expenses incurred in July 2026 should have a July accounting date**
  - The voucher entry and process are the same as usual if the invoice is NOT related to a Prior Year PO/Contract.
    - If applicable, you may attach new-year POs (**PO27**) to new-year vouchers on or after July 1, 2026.
  - If the invoice is related to a Prior Year PO/Contract, if possible, hold the invoice until after the PO Encumbrance Roll is complete (7/20/2026). If it is not possible to hold the invoice refer to the PO Encumbrance section of this packet for additional information and examples.

ACTTC reviews dual period AP Vouchers to ensure that payments are expensed in the correct fiscal year. If period is not clear there may be a delay in processing vouchers.

Instructions on how to prepare Accounts Payable and Prepaid Expense journals are included in this packet by section.

PREPAID EXPENSES

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE – Wednesday, June 24, 2026, by 5 PM ****

ACTTC will post by end of day June 30th

Contact: Ilene Revheim (707) 565-3282

Contact: Oscar Juarez (707) 565-1395

PREPAID EXPENSES - ACCOUNT 15200

When paying for an item in the current fiscal year that is applicable to a future fiscal year, it is necessary to set up a pre-paid expense in account 15200 to ensure the expense is recorded in the correct period.

Only applies to vouchers that will *post* in June, no prepayments for FY27 expenses should be entered after the 5 PM voucher deadline on June 24th because these can post in July.

If appropriate, given the pay terms, departments can wait until the July period is open to process a voucher as a normal new-year payment (FY27 expense) instead of the two-step process outlined below.

Since July isn't open until July 1st be mindful for payments such as rent, you will need to use this method to make sure the payment is received by the 1st.

This requirement is not enforced if a previously established agreement exists, and a full year of payments are already recorded in the current fiscal year. This is required for all new agreements entered to properly account for the expenses. If you have this circumstance, please provide a spreadsheet in the backup to show that.

This requirement will be enforced on all travel related expenses.

VOUCHER AND JOURNAL PREPARATION

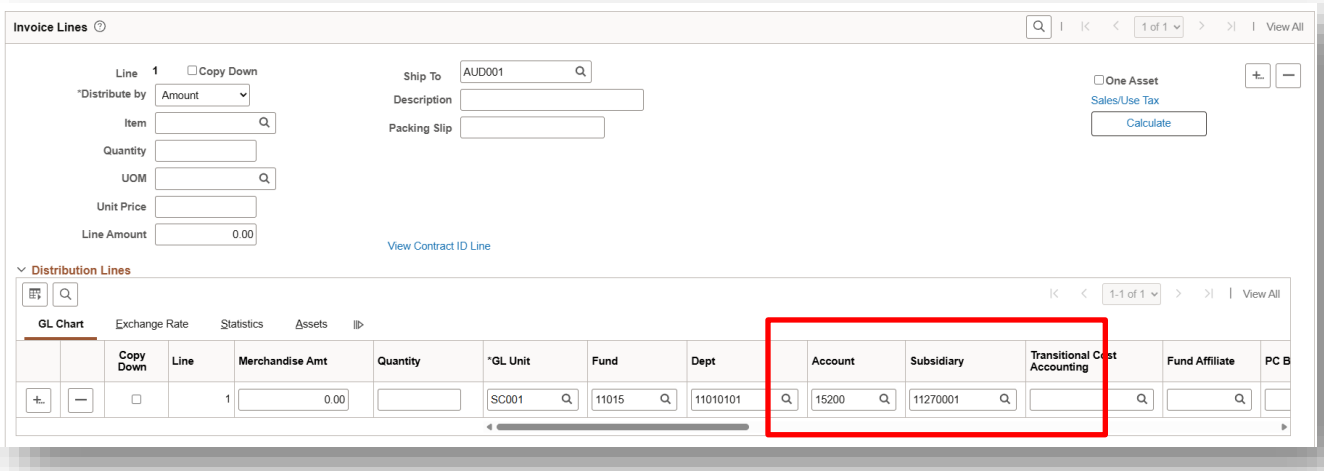
Both vouchers and journals must include sufficient support and detail for ACTTC review.

If the prepaid expense is applicable to multiple fiscal years, note the timeframe in the subsidiary description. Departments are responsible for recording the expense incurred each year.

Information on subsidiary number requests is included in this packet by section.

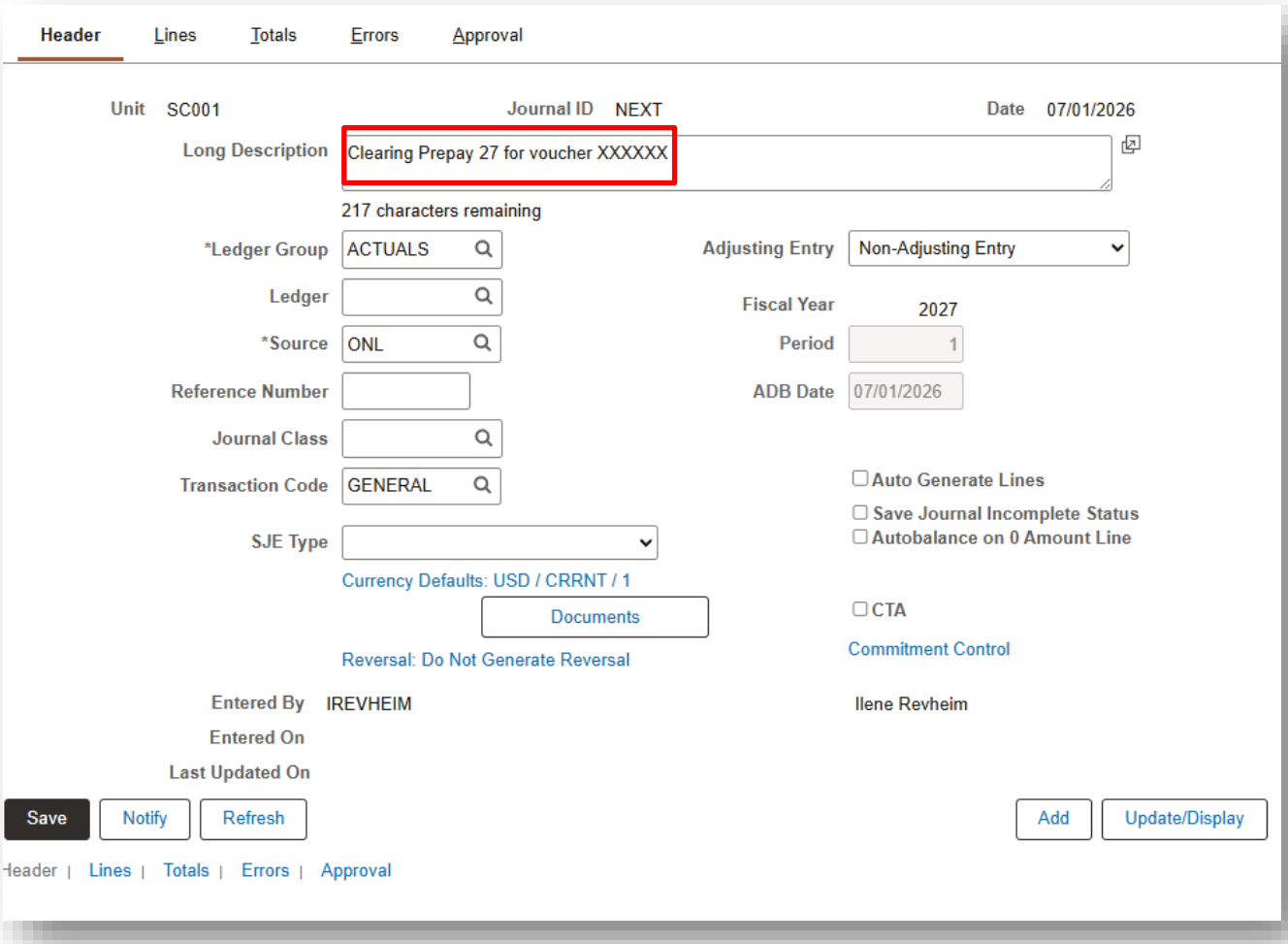
VOUCHER PREPARATION

Step 1 - Prepare the voucher using account 15200 and include the applicable subsidiary



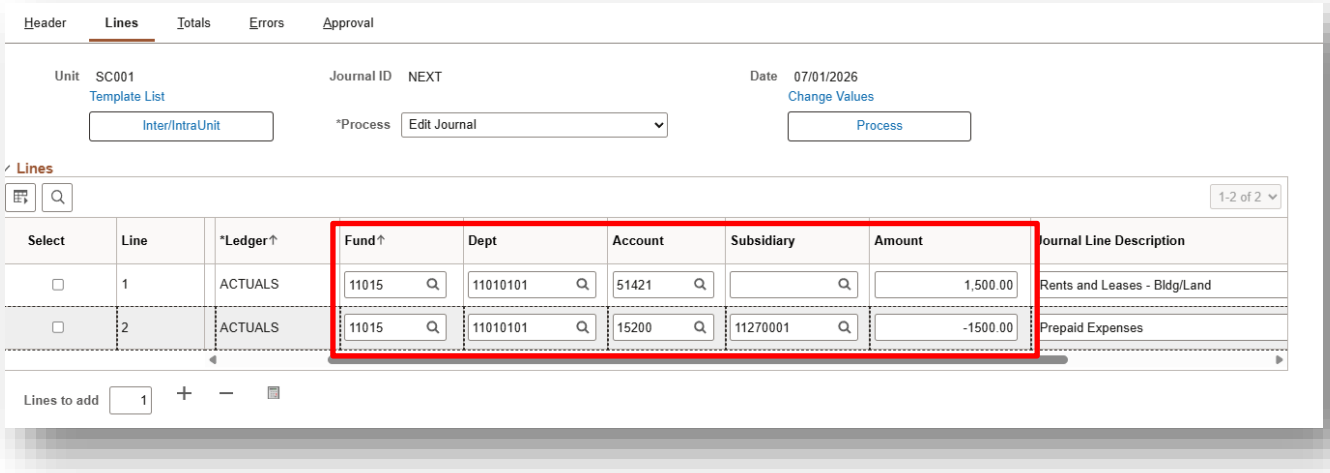
JOURNAL ENTRY

Step 2 - A journal entry is required to record the expense once it has been incurred (i.e. July Prepaid Rent can be expensed in the July Accounting Period). Reference the paid voucher number from the prior year.



Credit Account 15200 w/ Subsidiary

Debit the expense account



Capital Assets

Year-End Instructions - Fiscal Year 2025-26

****DEADLINE – Thursday, July 16th by Noon****

Contact: Joseph Cochrane (707) 565-3283

Capital assets are purchases with useful lives that extend beyond the current fiscal year and their costs meet or exceed specific cost thresholds that vary by asset category.

The purchase process takes one of two paths, depending on the nature of the asset:

- Direct capital outlay – typical for Machinery & Equipment. Usually, a single payment to a single vendor and the item is capitalized at time of purchase.
- Construction in Progress (CIP) or Work in Progress (WIP) – project costs with multiple payments, often to multiple vendors. Items are capitalized when the project is complete.

Direct capital outlay purchases require additional steps when creating the requisition and the voucher to ensure that the assets are properly recorded in the County's asset module (AM), and that they adhere to the County's asset policy.

- The requisition must be capitalized and include an AM Business Unit and asset profile
- A tag number is required prior to vouching any purchase using capital outlay accounts
- The asset must be received, by creating a PO receipt in PeopleSoft
- The voucher must be copied from a PO receipt, rather than directly from the PO
- A Fixed Asset Addition Form must be completed and attached as voucher support

CIP and WIP purchases do not require these steps. ACTTC reviews the use of these accounts as year-end approaches and will contact departments to confirm the status of each project. Completed projects are converted to assets, while incomplete projects retain their CIP or WIP status for annual reporting purposes. Please ensure that you are using the correct CIP or WIP account for the project as this will determine how these assets are reported when the project is complete.

The County's Capital Asset Policy contains information on the current thresholds. The current policy "FA-1 Accounting for Capital Assets" can be found in the Fiscal Policy Manual located at https://sonomacounty.gov/acttc/fiscal-policy-manual

SALES & USE TAX

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE – Thursday, July 16, 2026 by Noon ****

ACTTC will post by end of day

Contact: Joseph Cochrane (707) 565-3283

The County of Sonoma must pay sales tax and/or use tax on all taxable purchases and sales.

SALES TAX

California sales tax is imposed on the retail sale or the use of tangible personal property within the state. The term "sale" that tax applies to includes:

- Transfers of title or possession of tangible personal property
- Charges for altering, modifying, or treating consumer-furnished tangible property
- Leases of tangible personal property in any manner whatsoever, for consideration

As a seller, the County charges 10% tax on all invoiced exchanges within the City of Santa Rosa, and 9.25% in unincorporated areas. As a buyer, the County must pay these rates.

Rates within Sonoma County are as follows:

Rates as of 4/1/2026	
Unincorporated County	9.25%
Cloverdale	10.00%
Cotati	10.25%
Healdsburg	9.75%
Petaluma	10.25%
Rohnert Park	9.75%
Santa Rosa	10.00%
Sebastopol	10.50%
City of Sonoma	10.25%
Town of Windsor	9.25%

Note: the only variance from 4/1/25 rates is the .25% increase in Sebastopol's rate that was effective on October 1, 2025.

USE TAX

Like sales tax, use tax applies to the purchase of tangible personal property for storage, use, or other consumption in California. Anything that would qualify for sales tax, qualifies for use tax if sales tax was not invoiced/collected (or under-collected) at the time of sale. The difference between sales and use tax is who pays it: sales taxes are remitted by sellers, and use taxes are generally remitted by the buyer. As a holder of a seller's permit, the County is also required to report and remit district taxes that are uncollected by the vendor. The County remits district taxes along with use tax to the State.

SALES & USE TAX GUIDANCE - Invoices

- If shipping and handling is a *combined* amount – taxable
- If shipping/freight is a separate amount– tax exempt
- If handling charge is a separate amount – taxable (Regulation 1628)
- Downloaded software updates and upgrades – tax exempt
- Software updates/upgrades via hard-copy media (CD, flash drive, etc.) – taxable (Regulation 1502)

USE TAX VOUCHER AND JOURNAL PROCEDURES

PeopleSoft calculates the appropriate tax on voucher payments based on the physical address associated with the Ship To code. If the amount entered in the Sales Tax box on the voucher is less than the calculated amount due, use tax is applied. Note that use tax will not increase the amount of the voucher as it is not sent to the vendor. The County assumes liability and remits directly to the State.

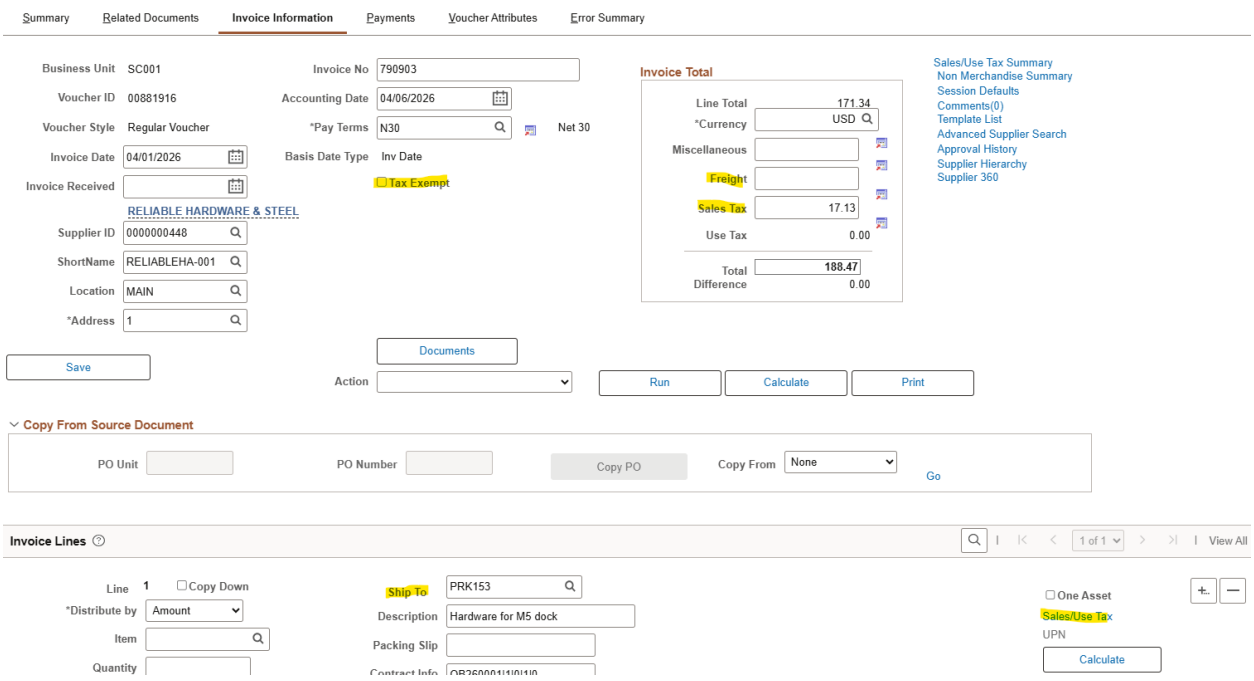
The Tax Exempt box on the voucher Invoice Information header may be used to exempt *all* distribution lines from use tax calculation. A separate journal referencing the voucher can then be submitted to detail the correct taxes. Note that Use tax journals are *required* for all taxable Cal Card purchases.

Vouchers with multiple lines that include taxable and non-taxable amounts can be marked tax exempt at the distribution line level to exclude those amounts from use tax calculation.

Correct use tax calculations require that:

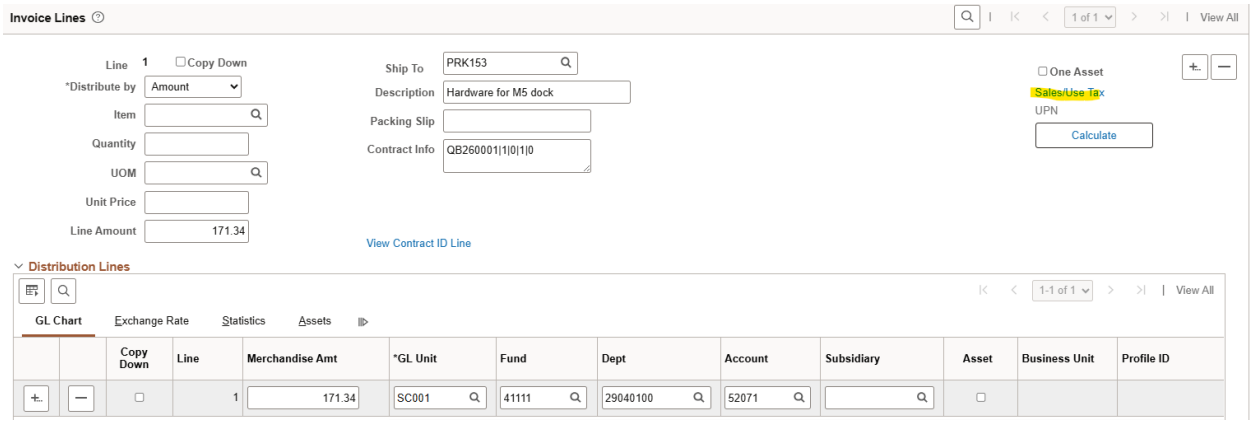
- Sales tax and applicable Freight charges are entered in appropriate fields
- The header Tax Exempt box is not checked unless *all* items are tax exempt
- The Ship To location code is correct

Use tax is the difference between calculated sales tax due based on the "Ship To" location applied to taxable amounts and what is entered in the Sales Tax field. Any non-taxable Miscellaneous, Freight, and Sales Tax amounts should be entered in the Invoice Total fields to exclude them from the calculation.

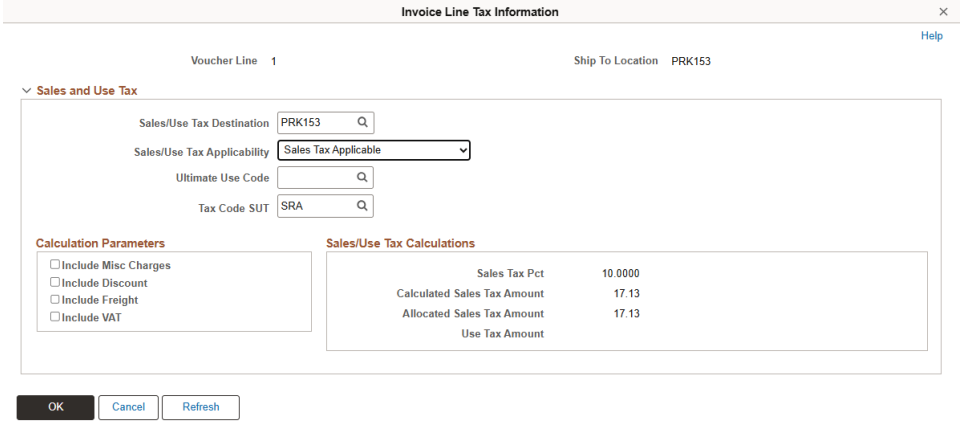


PEOPLESOFT CALCULATES MULTIPLE INVOICE LINES AND INVOICES

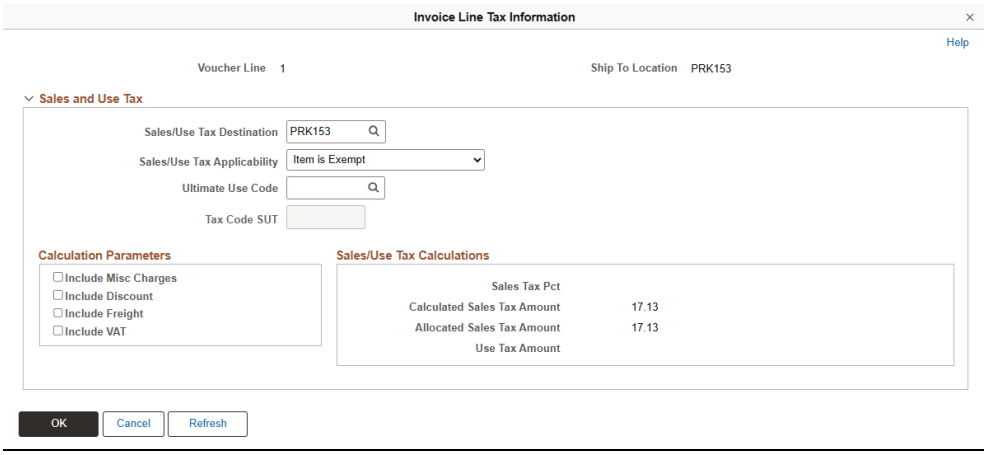
Note that this example is a single line voucher and could simply be marked Tax Exempt at the header level if needed. To exempt at the invoice line level (for a voucher with multiple lines), select the “Sales/Use Tax” link for that line.



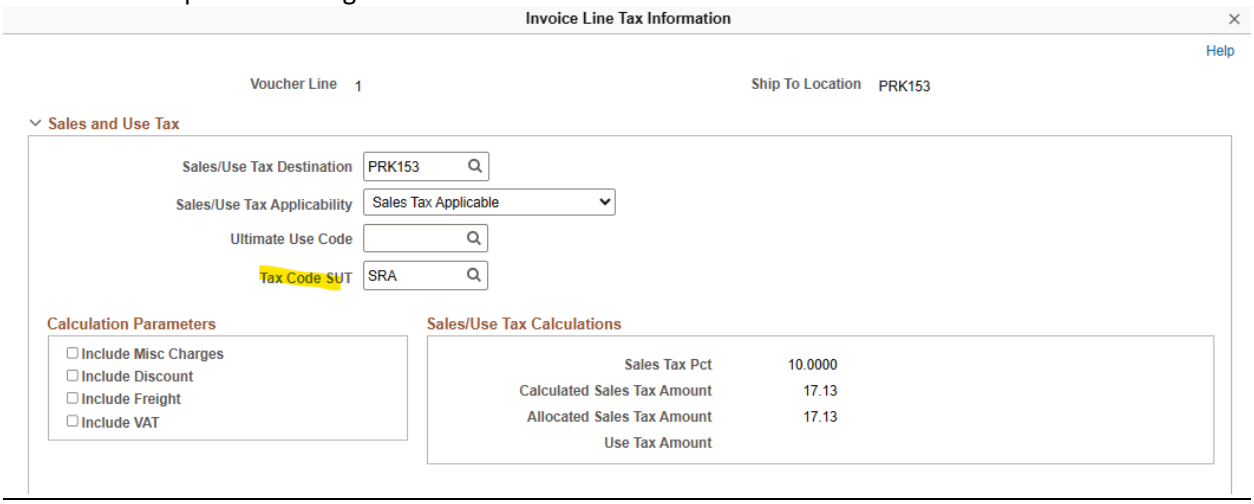
Then select “Item is Exempt” from the Sales/Use Tax Applicability drop-down.
Before:



After:



Any remaining lines would still be analyzed against the Sales Tax entry to determine if use tax applies. Also note the option to change the calculated rate at the line level.



Note that amounts recorded in PeopleSoft as “Sales Tax” are sent to the vendor.

Amounts recorded as “Use Tax” are a County liability and are remitted by the County to the CDTFA.

There are a limited number of Tax Code SUT options available in PeopleSoft, because they are based on Ship To locations that determine applicable district tax rates *within* the County. There are rare situations when we are invoiced *out of County*. An example would be a County vehicle that needed repair while traveling and the repair required taxable parts. In these rare situations it is best to mark the header as tax exempt and place the sales tax at the (correct) out of County rate in the Miscellaneous field or record it on a separate distribution line.

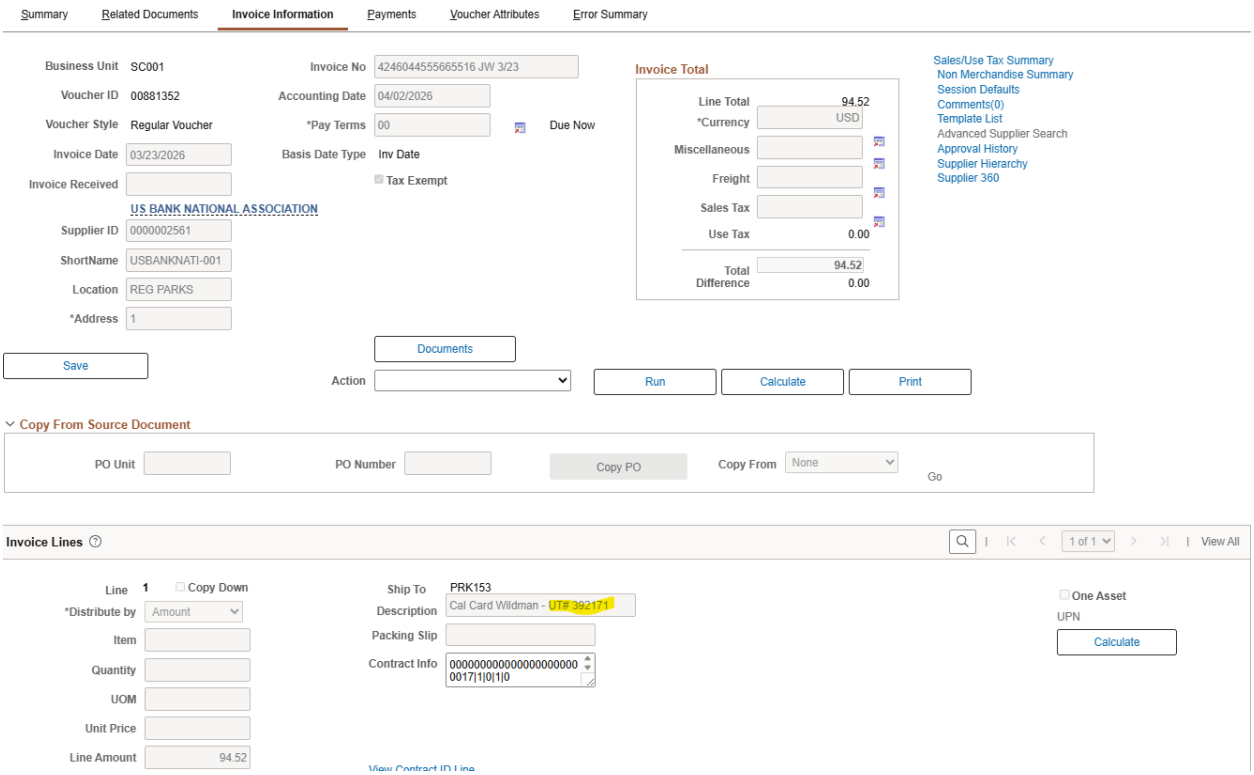
USE TAX JOURNAL PROCESS:

Create the journal at the same time as the associated voucher to record cross-reference information on each document for ease of audit.

On the Voucher:

- The Tax Exempt box is marked to prevent the system from calculating use tax
- The UT journal # is referenced in the Description field for the invoice line

–



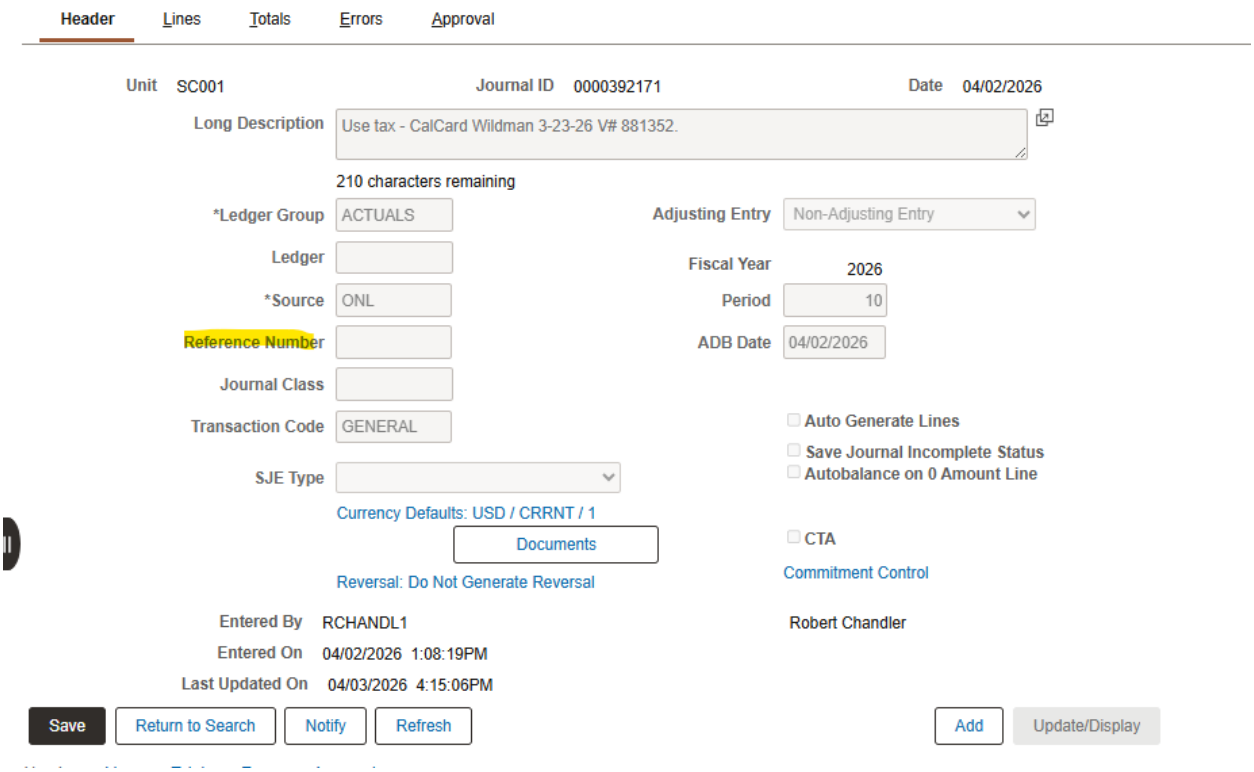
On the journal:

- Each invoice must have its own journal line
- Supporting documents include the applicable invoices
- Expenditure line's ChartField coding should mirror voucher payment
- Use tax payable line description: voucher id, incorrect tax rate applied on invoice / the correct rate, and the location

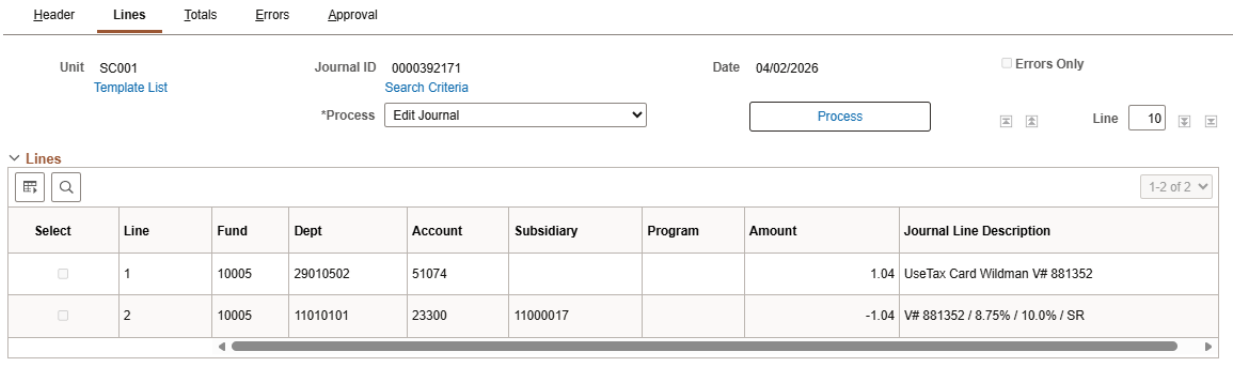
Fund	Dept ID	Account	Subsidiary	Description
10005	11010101	23300	11000017	Voucher ID, **applied sales tax rate / correct rate, location** e.g.: *185567, **0.0 / 10.00**, SRA*

This description format should be used on *all* liability lines of any use tax journal.

In this example, the voucher is referenced in the Description field. It could also be entered as a Reference Number.



This journal contains the necessary Description information on the liability line using account 23300:



Select	Line	Fund	Dept	Account	Subsidiary	Program	Amount	Journal Line Description
	1	10005	29010502	51074			1.04	UseTax Card Wildman V# 881352
	2	10005	11010101	23300	11000017		-1.04	V# 881352 / 8.75% / 10.0% / SR

Proper voucher entries are critical in ensuring that the County not only meets its obligation to remit the correct sales taxes due but also ensures that we are not overpaying our actual liability. Most sales tax invoicing is based on simple calculations of the appropriate rate to the correct taxable items, but there are exceptions. Please reach out if you have questions on rates, taxability, full or partial exemptions, voucher entries related to taxes, or use tax journaling.

SUBSIDIARY NUMBERS

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE – Tuesday, July 7, 2026****

See sections for applicable contacts.

SUBSIDIARY NUMBERS

Subsidiary codes are required for certain balance sheet Accounts including, but not limited to: Accounts Receivable, Prepaid Expense, Unearned Revenue, Unavailable Revenue and Deferred Inflows of Resources.

Subsidiary Numbering Convention

Subsidiaries must start with the two-digit department ID followed by the applicable two digit fiscal year. This numbering convention means new subsidiaries will need to be set-up each fiscal year. The department selects the last four digits.

REQUEST A SUBSIDIARY NUMBER

To set-up a subsidiary, please submit a Subsidiary Request Form prior to preparing a journal/voucher. The request form is available in the Shared ACTTC Forms folder.

Example for Accounts Receivable:

- Subsidiary Number (e.g. 21**26**xxxx)
  - Two digit fiscal year that the revenue is applicable to
- Subsidiary Name (e.g. FY 25-26 Other Receivables)

Example for Prepaid Expense, applicable to one future year:

- Subsidiary Number (e.g. 19**27**xxxx)
  - Two digit fiscal year that the expense is applicable to
- Subsidiary Name (e.g. EDB Exp. related to FY26-27)

Example for Prepaid Expense, applicable to multiple years:

- Subsidiary Number (e.g. 11**29**xxxx)
  - Two digit fiscal year of last year expense is applicable to (i.e. fiscal year prepaid balance will go to zero)
- Subsidiary Name (e.g. Prepaid Subscription - 3 yrs)
  - Include detail of applicable periods in the description

*** * Submit all subsidiary requests to ACTTC-Claims@sonomacounty.gov * ***

JOURNALS

Year-End Instructions - Fiscal Year 2025-26

**** NOON DEADLINES ****

ACTTC will post by end of day

ISD Billing, ERP billing and Fleet Interfaces – Wednesday, July 8, 2026

Disaster Reimbursement Journals – Thursday, July 9, 2026

Journals between Departments (including OTs) – Friday, July 10, 2026

Clean up Journals – Wednesday, July 22, 2026

Contacts: Imelda Padilla (707) 565-3261 & Oscar Juarez (707) 565-1395

Journal Requirements

- Accounting Description – include sufficient detail to be easily understood by ACTTC. Keep concise due to the 255 character limit of the Description field
- Entries recorded to the same Fund/Department ID/Account should consider consolidating the amount of lines. Show consolidations in support documents
- Corrections to previous transactions must reference the original Document ID in the Description field and include a scan, download, or screenshot of the line detail from the original journal or voucher
- Attach support that clearly and thoroughly supports the entry. If several pages of support are necessary for departmental approval include a separate summary page for ACTTC
- If clearing any GL balances, you **must** supply a copy of the report from Simpler or EFS Reporting Services to confirm the amount you are attempting to clear
- Providing good support means faster review and approval; fewer denials and hold ups

Cash and Budget Issues

Cash is affected by journals that cross funds for either interdepartmental billings or intradepartmental allocations involving different funds.

In order to prevent negative cash or budgetary problems, anticipate these charges when creating a journal. Once a journal is validated, available budget is reduced, so it is especially important to delete any journals that were created in error to release those budgeted amounts for other expenditures.

TIPS FOR IMPROVING JOURNAL PROCESSING

1. If new subsidiary numbers, TCAs, or other ChartField values are needed, ACTTC-Claims@sonomacounty.gov requires one week advance notice.

2. All journals require support that ties directly to the amounts on the journal lines. If you are summing amounts for a journal line, include a tape or spreadsheet to show these calculations; highlight totals to expedite ACTTC review.

3. Verify the Business Unit on the Header and all journal lines. If all lines are SC002, the Header BU should also be SC002.

4. If there are percentage based calculations in the worksheet using the JV Import function, the =ROUND function must be used. Before importing, double check to ensure there aren't decimal values beyond two digits (e.g. $10.014 should be $10.010).

5. If a document has not posted, there is no need to wait for posting and submit a correcting entry. Simply correct and re-submit the original.

6. There is a 30 character limit in the Journal Line Description field.

7. The time required for submissions to go through a fiscal approver, department manager, ACTTC, and additional ad-hoc approvers will increase at year-end due to volume of entries.

8. Department Employee Recognition Program (DERP) for NON GENERAL FUND DEPARTMENTS – Deadline is the same as journals between departments above.

    - Non GF Departments should initiate the journal to be reimbursed from Department 16020100-57012 (Community Development Commission will use 53501)
    - DERP OT's, only non-GF departments will get Operating Transfers In to receive reimbursement. These journals need to be completed at the same time as all other interdepartmental journals.
    - The journal amount should match the fiscal year total charged to account 52174. Supporting documentation should only include the signed DERP Acceptance Form and an EFS detail report of transactions in account number 52174
    - Note that DERP related payments processed by Voucher during dual period should follow the deadlines for vouchers, refer to the Dual Period AP Vouchers section.

9. Make any corrections as soon as identified, rather than waiting until year-end. Use EFS Reporting Services (EFSRS), Simpler EFS, or other resources available to help identify and correct any errors.

ACCOUNTS PAYABLE

Year-End Instructions - Fiscal Year 25-26

**** DEADLINE - Thursday July 16, 2026 by Noon ****

ACTTC will post by end of day

Contact: Oscar Juarez (707) 565-1395

ACCOUNTS PAYABLE - ACCOUNT 20300

Payables are amounts owed to outside vendors for goods or services received prior to fiscal year-end, June 30. In submitting a payable you are vouching for the receipt of those goods and services.

- Do not set-up interdepartmental payables, as they will be processed prior to year-end
- Do not set-up governmental payables, use 23100 due to Federal, 23200 due to State, or 23300 due to Other Government.
- Do not use subsidiaries. These only pertain to current year payables and are written off every year.
- Accounts payable for amounts less than $1,000 are not required
- **Reminder that any accounts payable account 20300 outstanding balance at May 31 are written off by ACTTC**
    - **Accounts payables which are still valid obligations must be re-established by the Department as part of the year-end close process and include supporting documentation**

ACCOUNTS PAYABLE JOURNAL PROCESSING

If an invoice is not received on or before June 30, but the goods or services were received, submit a journal to set up an accounts payable. Include the vendor's name in the Journal Line Description and **"AP 26"** in Journal Header Description. If exact amount of AP is not known, reasonable estimates are appropriate and may be based on supplier estimates, previous orders, or other reasonable calculations. These are required to be included as support.

EXPENSES TIED TO PURCHASE ORDER - ADDITIONAL STEPS

If the expense is tied to a purchase order, complete the following steps:

1. For FY 25/26, submit a change order via Requisition to liquidate the PO encumbrance for amount that will be expensed. This reduces the PO Encumbrance and makes budget available for processing the AP Journal (refer to PO Encumbrance Section for contact).
2. For FY 25/26, submit a 6/30 dated journal to record expenditure in the fund/department/account used on the PO and credit Account 20300-Accounts Payable. The expense will be charged against available budget. Reference the PO in the Journal Line Description.
    a. See Example 1.

3. For FY 26/27, after FYE close, if the invoice is received in the same amount that was estimated, when you are creating a voucher, use account 20300 in the Voucher Line, instead of an expense account. DO NOT ATTACH POs or CONTRACTS to voucher lines with account 20300, as Purchasing has already liquidated the PO in step 1 above. Instead, reference the PO in the Packing Slip field.

    a. See Example 2.

4. For 26/27, if your PO encumbrance was rolled over into the new fiscal year and if your amount due was under or over-estimated, enter voucher line 1 as described in step 3 above, then add a second voucher line for the expenditure amount that was under/over-estimated, and attach your PO to that second voucher line only.

    a. For under-estimated amounts, see Example 3.
    b. For over-estimated amounts, see Example 4.

5. If there is no associated PO or the PO Encumbrance wasn't rolled over, do not attach your PO to over/under-estimated amounts on voucher line 2. For over-estimated amounts, use account 46200 on voucher line 2 instead of an expenditure account,

    a. For under-estimated amounts, same as Example 3, **but do not attach PO**.
    b. For over-estimated amounts, see Example 5.

PURCHASED GOODS RECEIVED IN JULY

Purchased goods received in July 2026 may need to be accounted for as if they were received prior to year-end depending on the shipping terms. Shipping terms (FOB terms) are usually indicated on the invoice or shipping documents and note when ownership of the goods passed to the County.

If the FOB terms are FOB Destination, then ownership did not pass to the County until the goods were received in July and therefore no asset/expenditure and payable should be established at June 30.

If the terms are FOB Shipping Point, then ownership of the goods passed to the County on the day they were shipped from the vendor. In this situation, you need to know when the goods shipped, and if the ship date is prior to year-end, an asset/expenditure and a payable should be set up as of June 30.

Example 1

Ship Date: 06/29/26
Receipt Date: 07/06/26

	FOB Destination	FOB Shipping Point
Record asset/expenditures in June 2026?	No	Yes
Record accounts payable In June 2026?	No	Yes

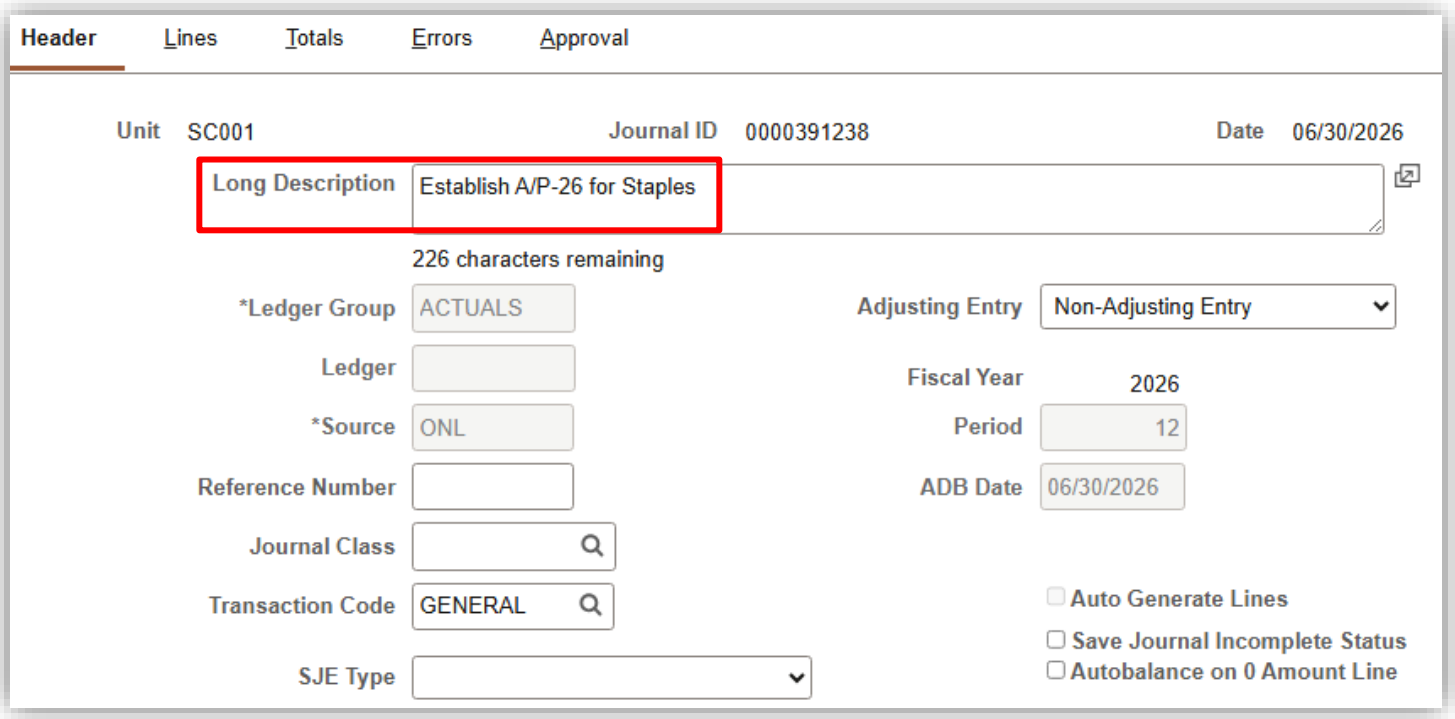
Example 2

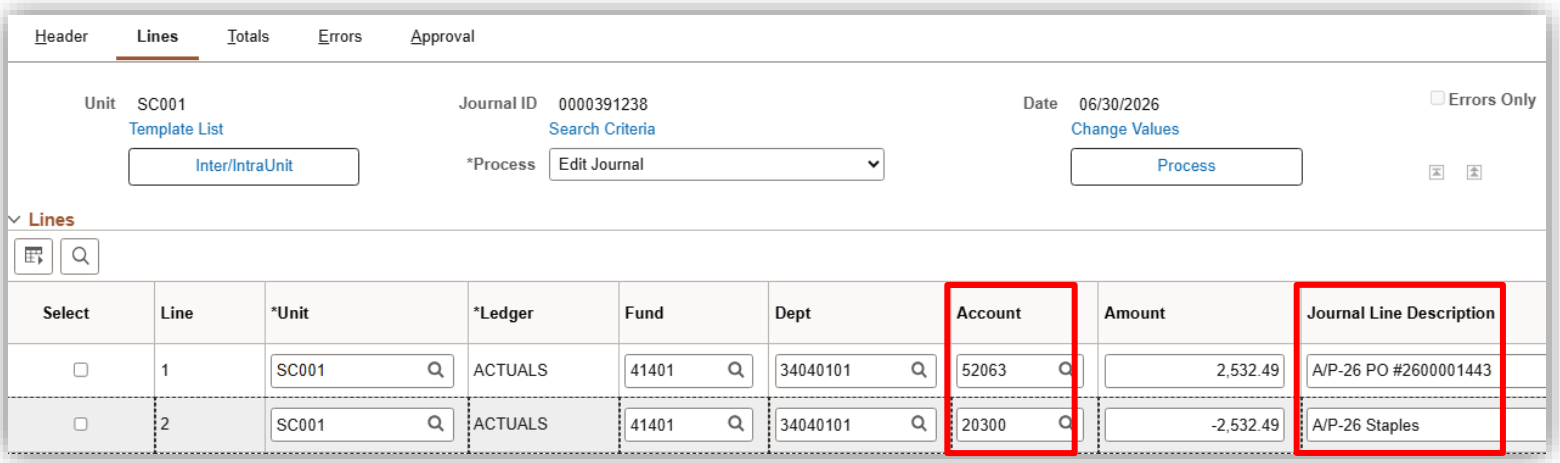
Ship Date: 07/06/26
Receipt Date: 07/08/26

	FOB Destination	FOB Shipping Point
Record asset/expenditures in June 2026?	No	No
Record accounts payable In June 2026?	No	No

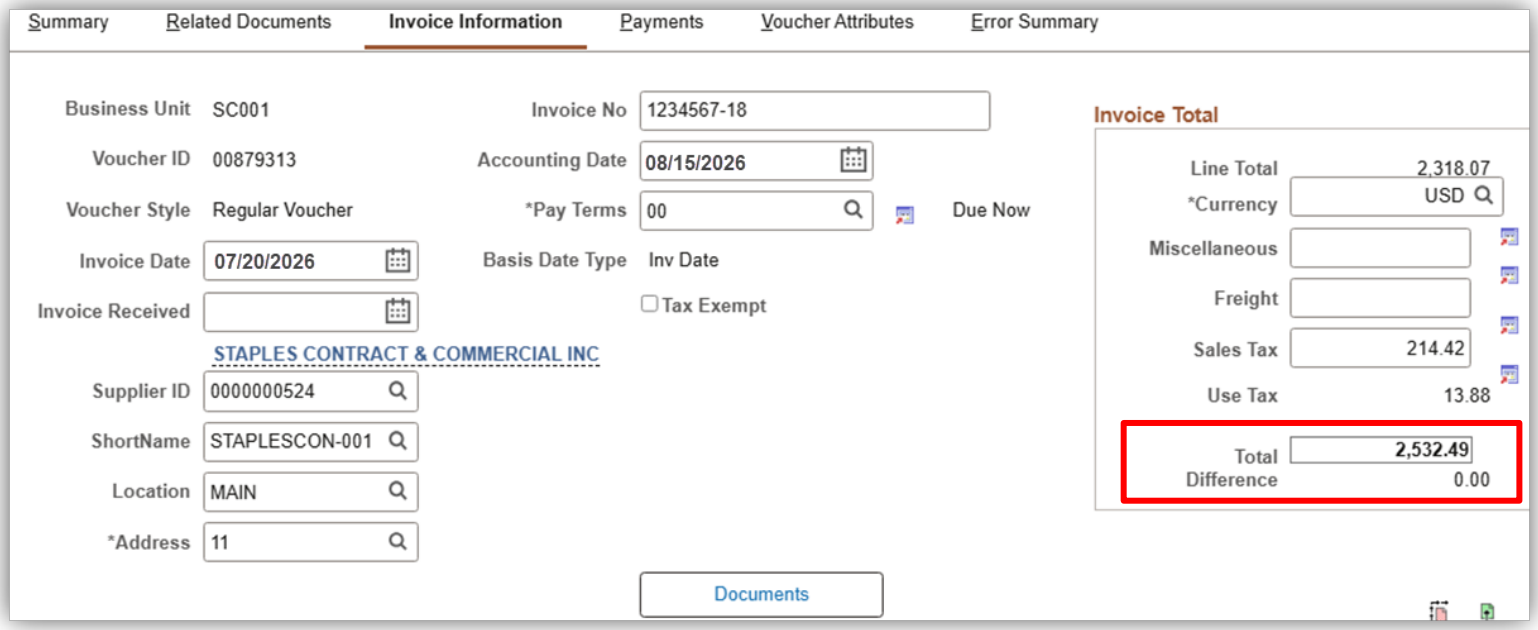
AP TRANSACTION EXAMPLES:

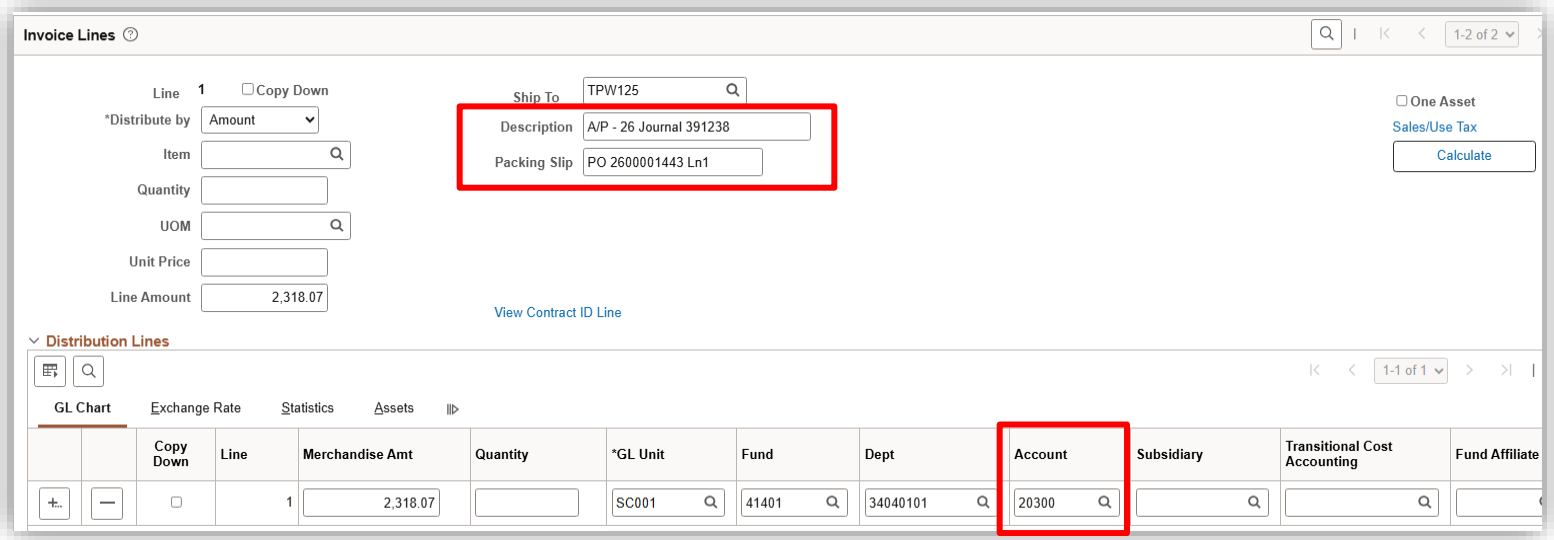
Example 1 – Journal Entry to establish A/P for outstanding invoice (if no PO, PO # reference in Journal Line Description isn't needed)





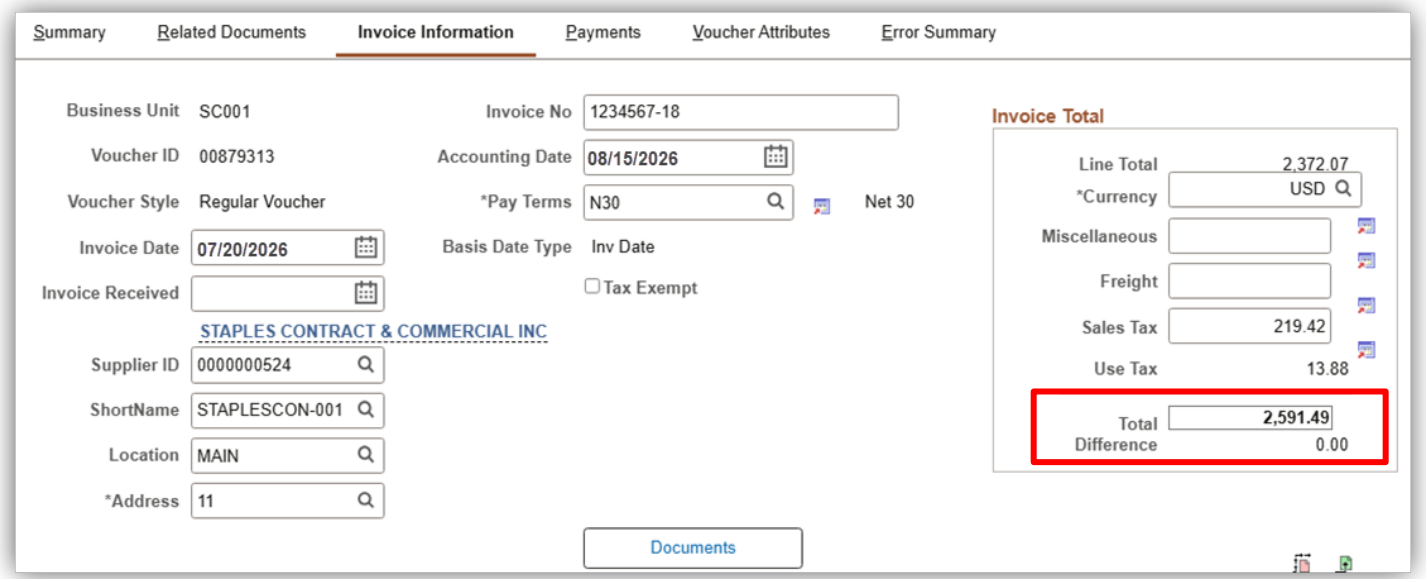
Example 2 – Voucher to pay established A/P in full (if no PO, PO# reference in the Packing Slip field isn't needed)

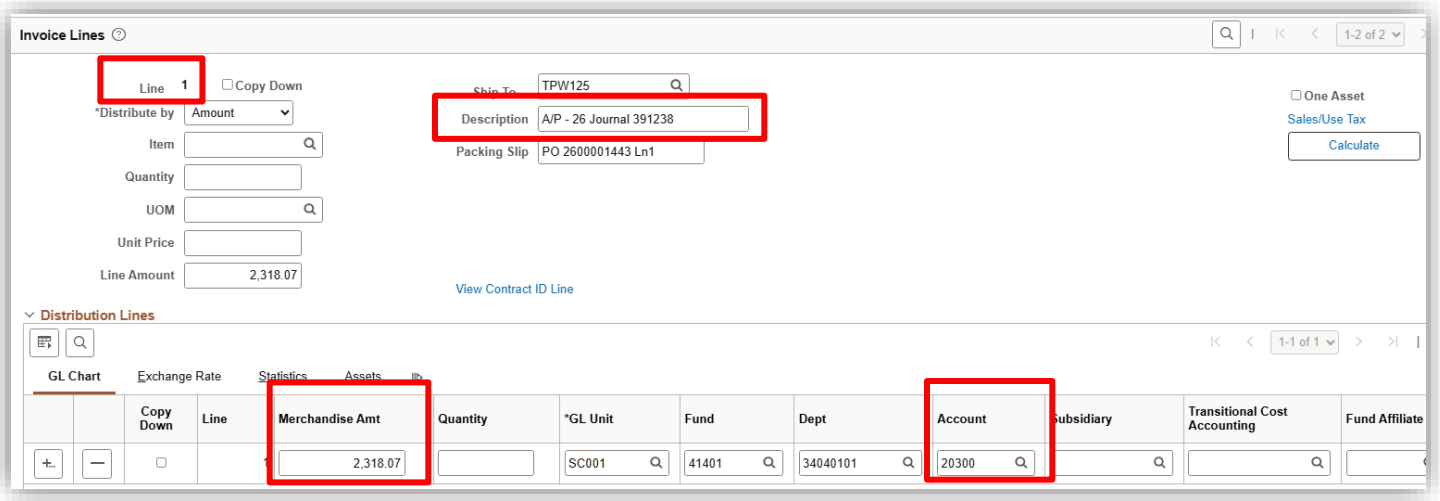


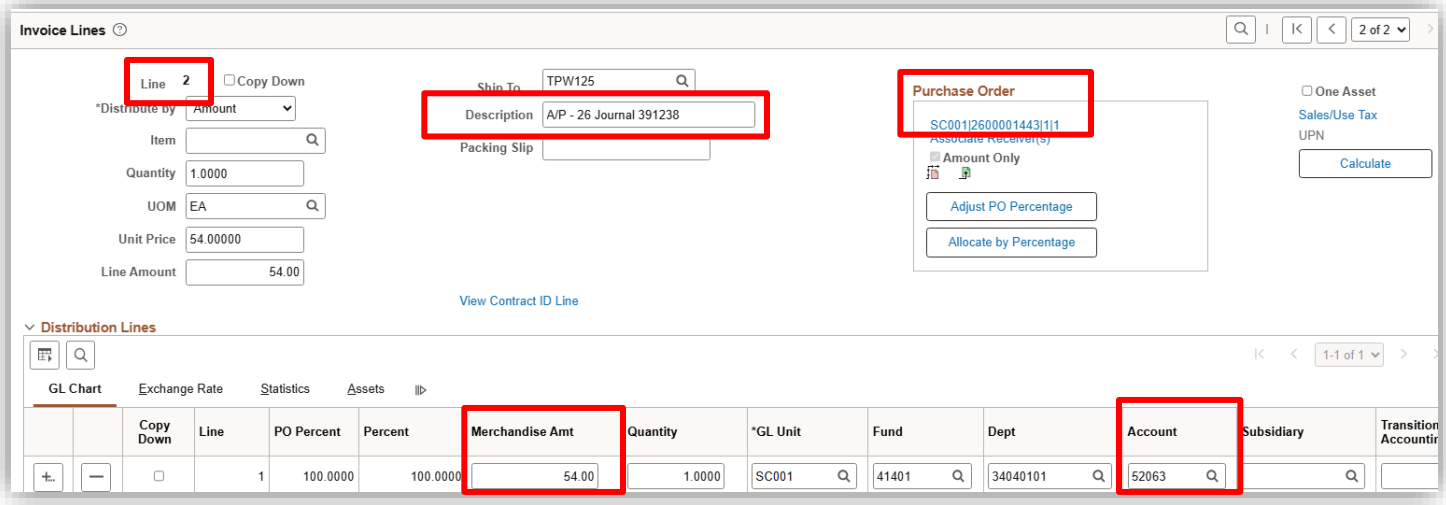


*Voucher Accounting Entries will code the sales tax amount with same coding as Distribution Lines, so total AP balance is cleared

Example 3 – Voucher to pay established A/P that was underestimated (if no PO, Line 1 reference in Packing Slip field and Line 2 attached PO aren't needed)

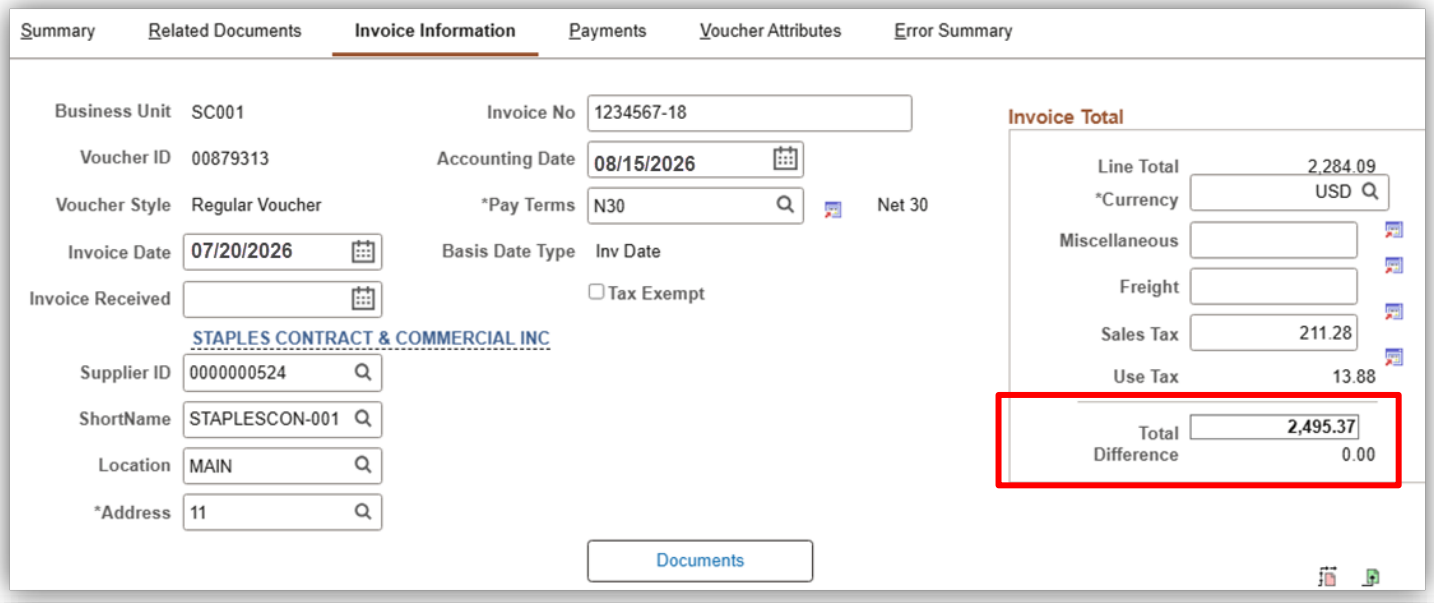


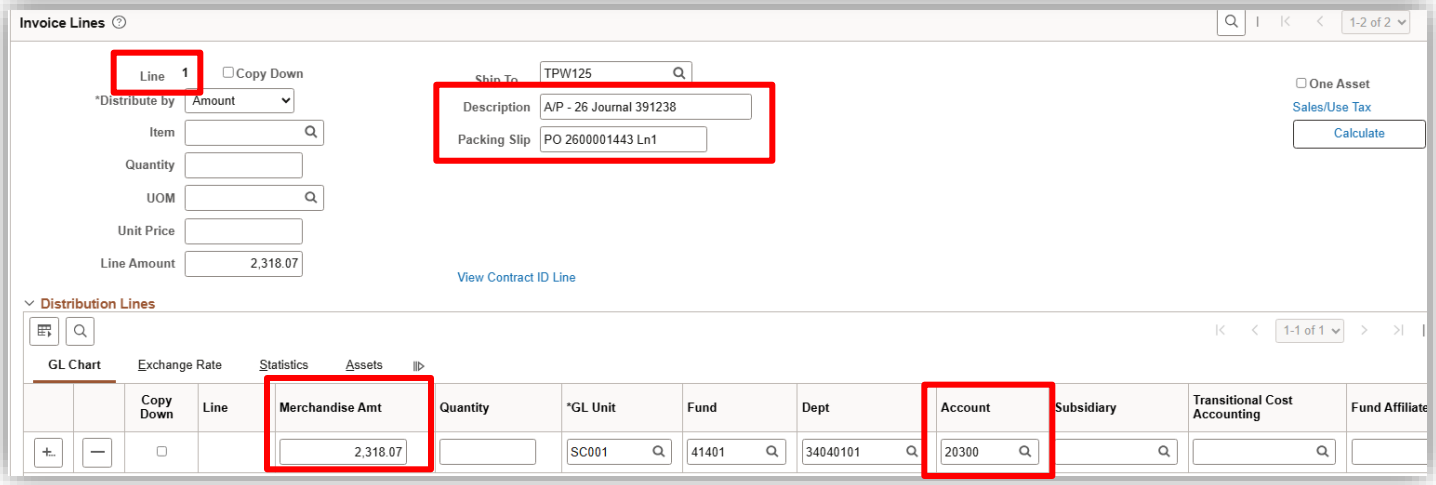




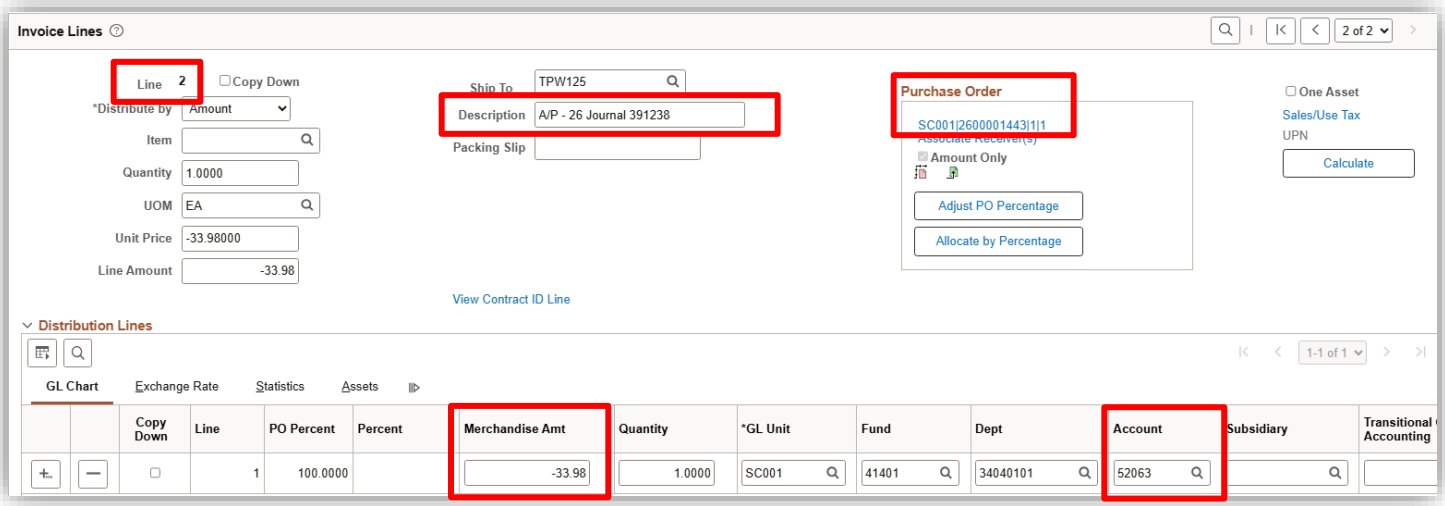
*Voucher Accounting Entries will split Sales Tax amount proportionately to the coding on Distribution Lines, so total AP balance is cleared and total amount expensed in CY is $59.

Example 4 – Voucher to pay on A/P that was overestimated and write off remaining balance (with a rolled PO Encumbrance only, see example 5 if no PO)



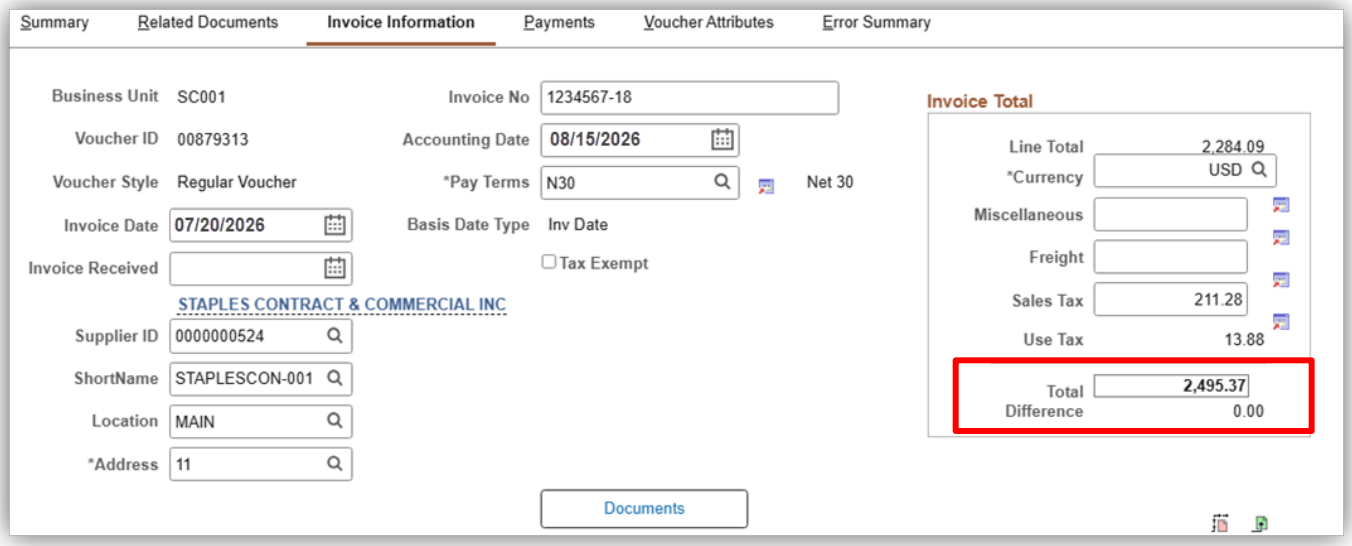


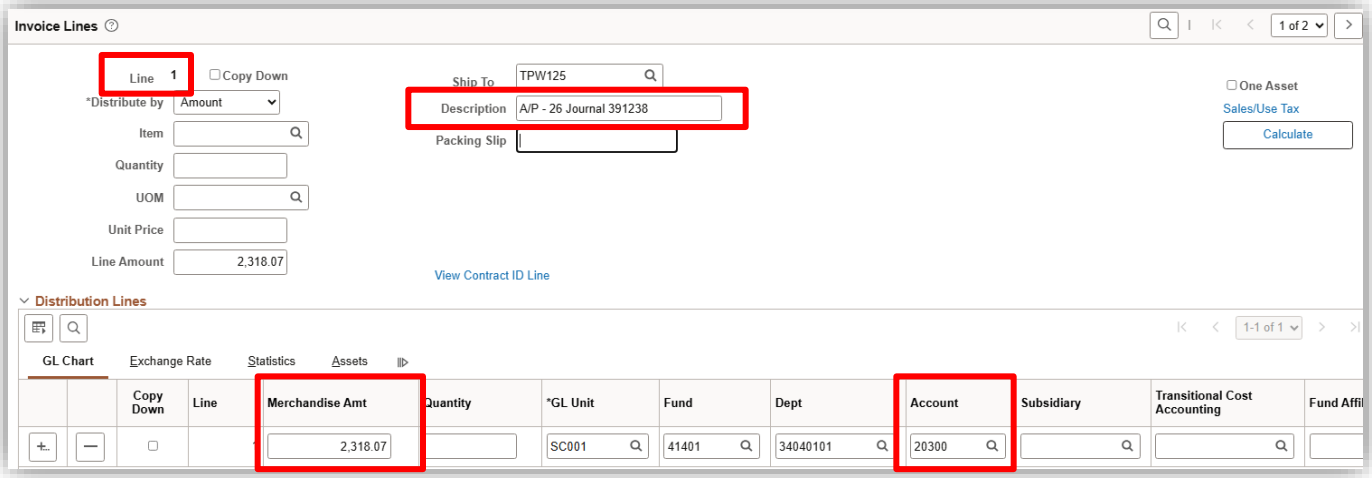
*As with Examples 2 and 3, sales tax is allocated proportionally, so A/P balance cleared includes applied tax and will equal the full amount estimated ($2,532.49). To limit the payment to the invoiced total, create a second voucher line to decrease the merchandise amount by over-estimated amount, net of tax.



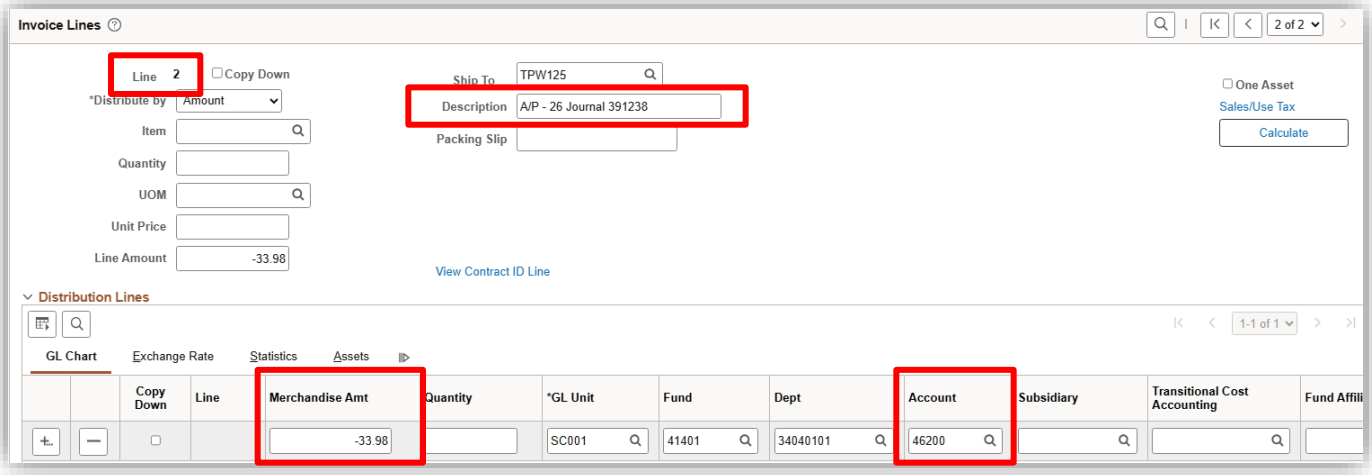
*With tax included in this example, the true-up (over-estimated amount) of $37.12 will be returned to the PO.

Example 5 – Voucher to pay on A/P that was overestimated and write off remaining balance (with no prior year PO)





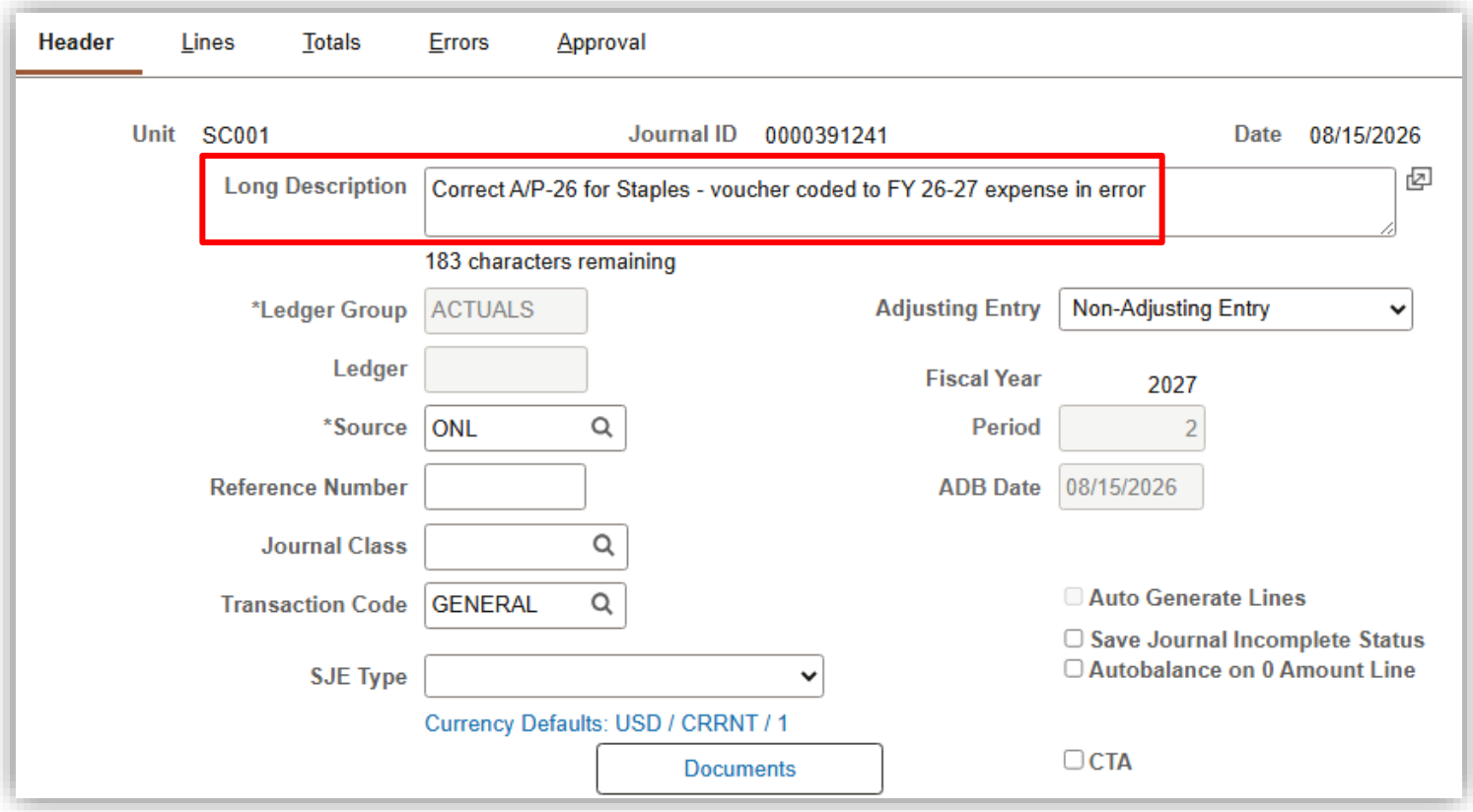
*As with Examples 2 thru 4, sales tax is allocated proportionally, so A/P balance cleared includes applied tax and will equal the full amount estimated ($2,532.49). To limit the payment to the invoiced total, create a second voucher line **<u>using account 46200</u>** to decrease the merchandise amount by over-estimated amount, net of tax.

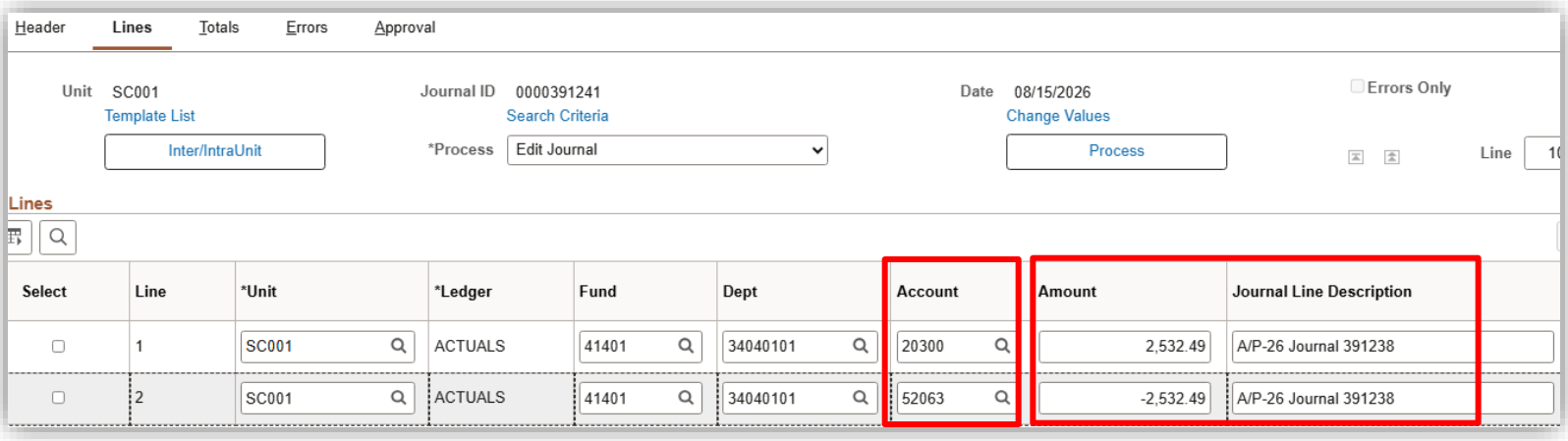


*With tax included in this example, the true-up (over-estimated amount) is $37.12. Because there is no PY PO in this example, an expenditure account should not be credited. Instead 46200 PY revenue is used.

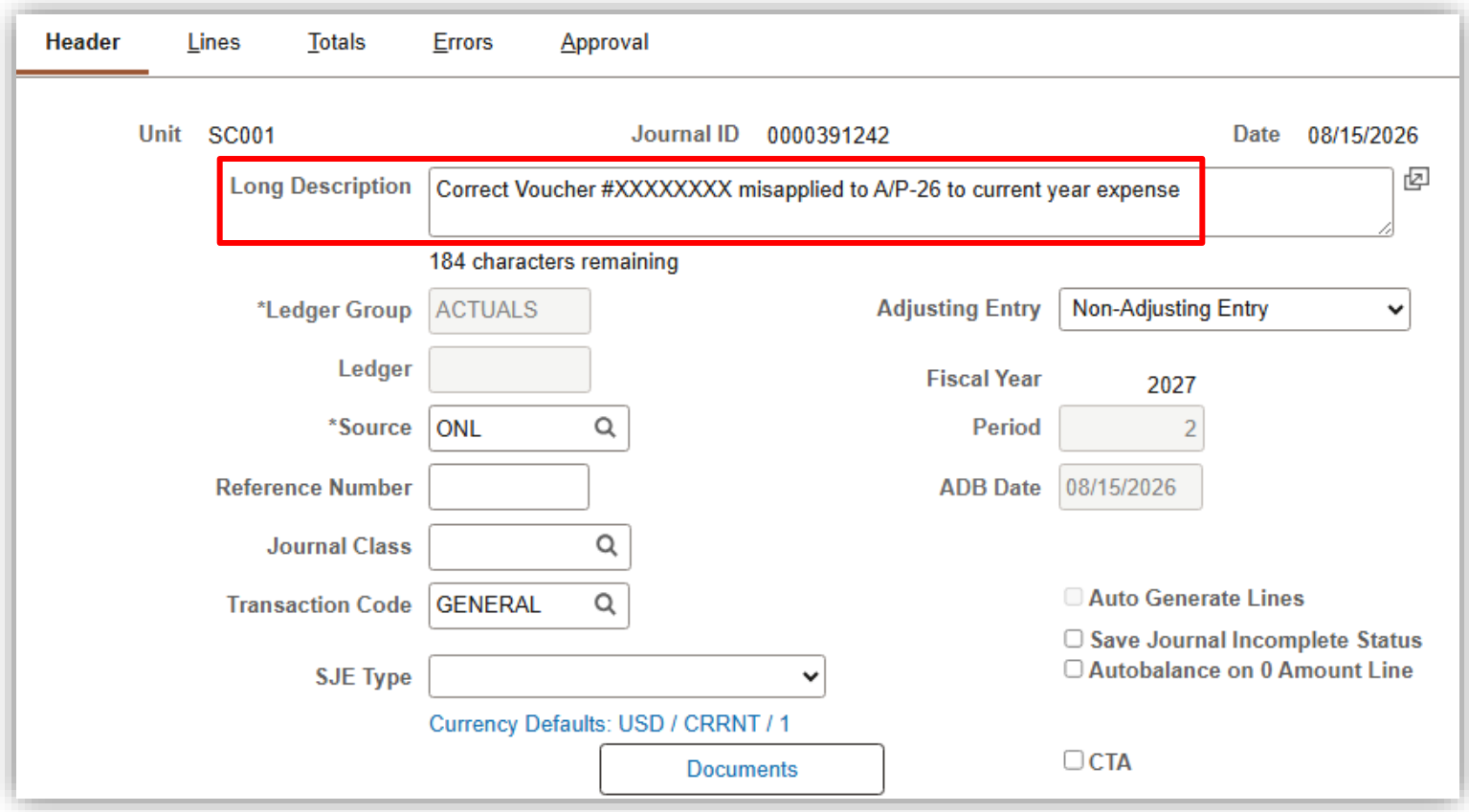
New Year common errors, and how to fix:

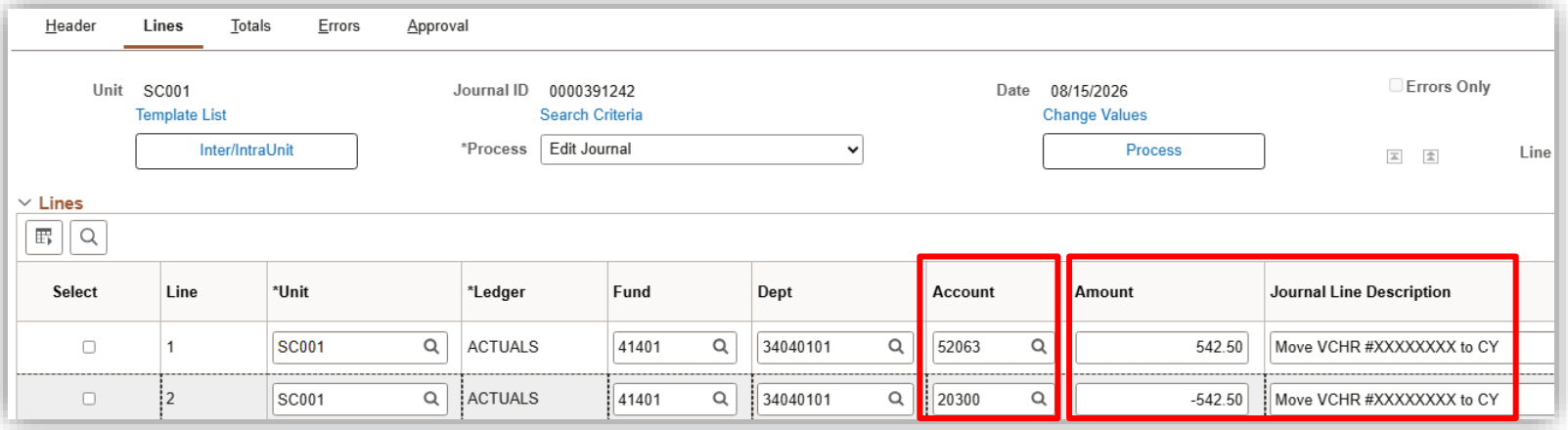
Example 6 – How to fix a voucher when I forgot to apply to an A/P set up in the old year





Example 7 – How to fix a voucher when I used an old year A/P but should have used a current year expense account





ACCOUNTS RECEIVABLE
Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE - Tuesday, July 21, 2026 by Noon ****
ACTTC will post by end of day

Account 12100
Contact: Eric Ritz
(707) 565-3259

Accounts 12115, 16100, 16200, 16210, 16300
Contact: Olivia Dondiego (707) 565-3258 or
Ted Lin (707) 565-3106

ACCOUNTS RECEIVABLE

A receivable is an amount that is legally owed to the County/District, but payment has not been received prior to the fiscal year-end (i.e., June 30th). All accounts receivable set-up journals must be dated June 30th or prior.

When payment is expected after June 30th for FY 25-26 an accounts receivable must be booked for the related revenue. This process ensures the revenue is recorded in the period in which it was earned and the proper effect on the fund balance is realized. To record a receivable, the amount must be known or estimated (measurable) and be reasonably sure of being collected (available) within one year to be in compliance with the County's revenue recognition policy.

The other side of the accounts receivable journal entry records the FY 25-26 revenue. Departments establishing receivables must include adequate support. Please highlight receivable amounts on the supporting documentation and clearly identify who owes the money to the County.

Do not establish receivables between County departments. If funds are owed between departments, a journal is required and must be processed prior to the year-end deadline to transfer the funds. For this reason, there should never be receivables for account 58XXX – Reimbursements.

Note: A receivable is not required for an amount less than $1,000.

Receivables should not be set-up and then reversed in the new fiscal year as a matter of course.

External auditors are required to review accounts receivables (AR) and supporting documentation. The ACTTC reviews ARs to ensure the County complies with generally accepted accounting principles (GAAP) and receivable/revenue classifications.

GENERAL

The County has six receivable accounts for recording intergovernmental revenues and other revenues when funds are not received by the close of the fiscal year, they are as follows:

- 12100 – Dual Period Receivables
- 12115 – Other Receivables

Non-Governmental

- 16100 – Due From Federal
- 16200 – Due From State
- 16210 – Due From State SB 90
- 16300 – Due From Other Governments

Intergovernmental

ACCOUNT 12100 – DUAL PERIOD RECEIVABLES

- **Account 12100 is used for all revenue sources except intergovernmental receivables when funds are received after June 30th but during the dual fiscal period. A subsidiary number is not required.**

- All prior year dual period receivables with outstanding balances in Account 12100 on May 31st are written off by the ACTTC.

- **Dual period receivables that are still valid for amounts due to the County/District must be reestablished by the Department as part of the year-end close process and include supporting documentation.**

- Account 12100 can be used for Treasury deposits processed no later than July 21st.

12100 (SET-UP) – Example 1

To set up a 12100 AR, submit a journal with adequate support (invoice, copy of check received, etc.) and highlight the receivable amounts on the supporting documentation. Include "AR26" in the Header's Long Description field in front of the description. This journal should be submitted simultaneously with the applicable deposit journal.

12100 (RECEIPT) – Example 2

The deposit journal should be submitted at the same time as the set-up journal (above). Reference the set-up journal number in the Header's Long Description field, as well as in the Journal Line Description field on Line 1 in the Lines tab, for simultaneous review. These transactions will net to zero so tracking is not required.

ACCOUNT 12115 - OTHER RECEIVABLES

- **Account 12115 is used for all revenue sources except intergovernmental receivables when money is owed to the County/District but the funds are not received by the close of the fiscal year. A subsidiary number is required.**

Refer to the Subsidiary Numbers Section of this packet for information on how to request a subsidiary number.

**** Email subsidiary requests to ACTTC-Claims@sonoma-county.org by Tuesday July 7th ****

12115 (SET-UP) – Example 3

To set up a 12115 AR submit a journal with adequate support and highlight the receivable amounts on the supporting documentation. Include "AR26" in the Header's Long Description field in front of the description.

12115 (RECEIPT) – Example 4

To record a deposit related to a 12115 Other Receivable submit a deposit journal with the appropriate support and coding. In general, the receipt of funds against account 12115 will be processed after the close of the fiscal year.

Reference the set-up journal's number in the Header's Long Description field for tracking purposes. Include a general ledger (GL) or trial balance (TB) inquiry report from EFS Reporting Services or Simpler EFS illustrating the transaction reduces the appropriate Fund, Department ID, account, and subsidiary. Please make sure deposit amount does not exceed receivable balance.

ACCOUNTS 16XXX - INTERGOVERNMENTAL RECEIVABLES

- **Accounts 16XXX are used to record all intergovernmental receivables (Federal/State/Other Governmental Revenues; 16100, 16200, 16210, and 16300 respectively). A subsidiary number is required.**

- **The government that is the original source of the funds to the County determines the appropriate 16XXX account to be used for intergovernmental transactions.**

Please note when a State or Other Governmental receivable/revenue account is incorrectly set-up when a Federal receivable/revenue should have been set-up/recorded it impacts the County's Single Audit and State Controller's Report.

ACCOUNT 16XXX (SET-UP) – Example 5

To set up a receivable using any 16XXX account, submit a journal with adequate support and highlight the receivable amount(s) on the supporting documentation. Include "AR26" in the Header's Long Description field in front of the description. The revenue account should agree with the receivable account (e.g., 16200 - Due from State agrees with revenue account 42360 - State Grant Revenue).

ACCOUNT 16XXX (RECEIPT) – Example 6

To record a deposit related to a 16XXX Due From account, submit a deposit journal with appropriate support and coding. Reference the set-up journal's number in the Header's Long Description field for tracking purposes. Include a general ledger (GL) or trial balance (TB) inquiry report from EFS Reporting Services or Simpler EFS illustrating the transaction reduces the appropriate Fund, Department ID, account, and subsidiary. These numbers should be obvious in the supporting documentation (i.e., in the GL or TB inquiry report provided). Please make sure the deposit amount does not exceed receivable balance.

ACCOUNTS RECEIVABLE & DEFERRED REVENUE

If the department, agency, or ACTTC determines revenue should be deferred, please refer to the instructions provided in the Deferred Revenue Section of this packet. This section provides guidance on how the deferred revenue should be classified as well as how the journal entry or deposit journal should be prepared, examples are also provided.

As the revenue is deferred there is no impact to the fund balance.

ACCOUNTS RECEIVABLE – AUDIT TRAIL

Include adequate support as required by the auditors for the testing of FY 25-26 AR transactions. Include a GL or TB inquiry report/analysis with the appropriate Fund, Department ID, account, and subsidiary number, and a deposit journal number if applicable. The auditors also need supporting documentation when a receivable is cleared to confirm the funds were received by the department.

DISCHARGE FROM ACCOUNTABILITY

The write off of an accounts receivable recorded from invoiced revenue cannot be processed until the discharge from accountability (DFA) process is completed. A Discharge from Accountability Request Form, requesting the discharge, must be emailed to ACTTC-GeneralAccounting@sonomacounty.gov for approval prior to submitting the journal that reverses the accounts receivable.

See DFA policy B-1 at https://sonomacounty.ca.gov/administrative-support-and-fiscal-services/auditor-controller-treasurer-tax-collector/divisions/general-accounting/fiscal-policy-manual

Visit https://sonomacounty.gov/acttc/accounting-forms to obtain a Discharge from Accountability Form.

ACCOUNTS RECEIVABLE – AR MODULE

Departments using the Accounts Receivable Module should refer to the year-end reconciliation document prepared by Cristian C. Castillo. There are unique general ledger accounts for this module and these accounts should not be used by departments not engaged in the use of this module.

Contact: Cristian C. Castillo at (707) 565-8320

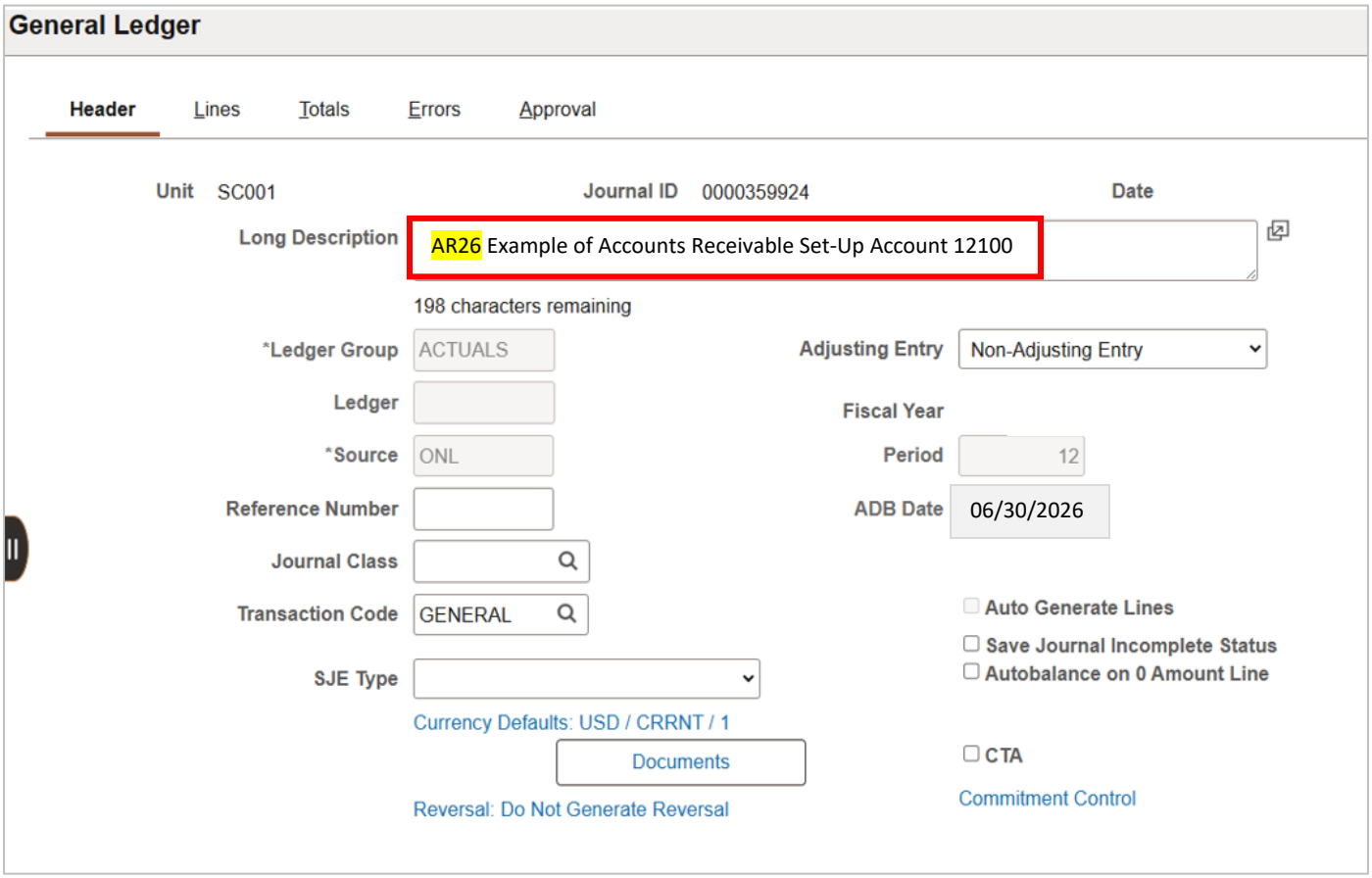
ACCOUNTS RECEIVABLE – CREDIT TO EXPENDITURE

Recording a receivable as a credit to an expenditure is rare and only used when there is a significant overpayment (error) to a vendor and the refund check was not received from the vendor prior to the year-end close.

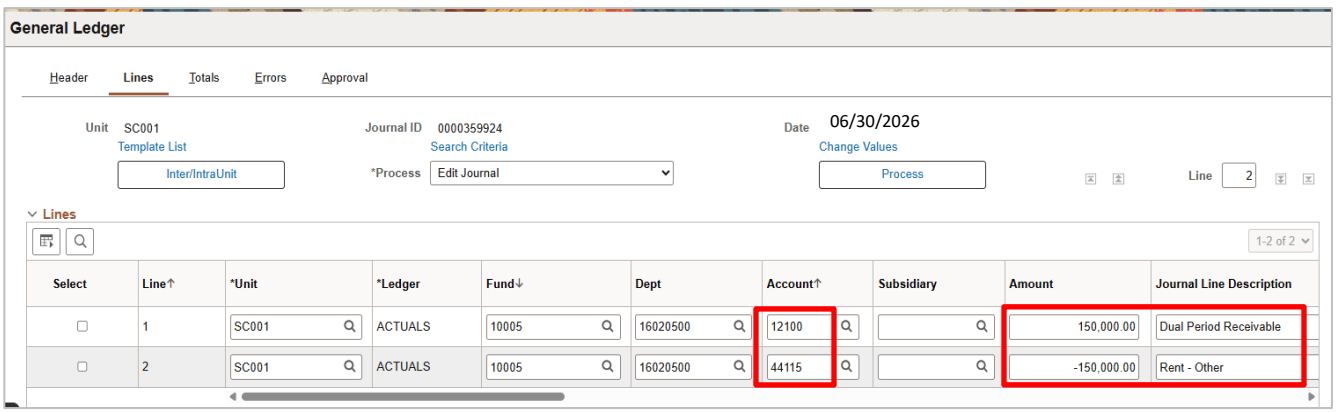
Contact: Olena Chandler at (707) 565-3293

AR TRANSACTION EXAMPLES:

Example 1.1 – Account 12100 Set-Up

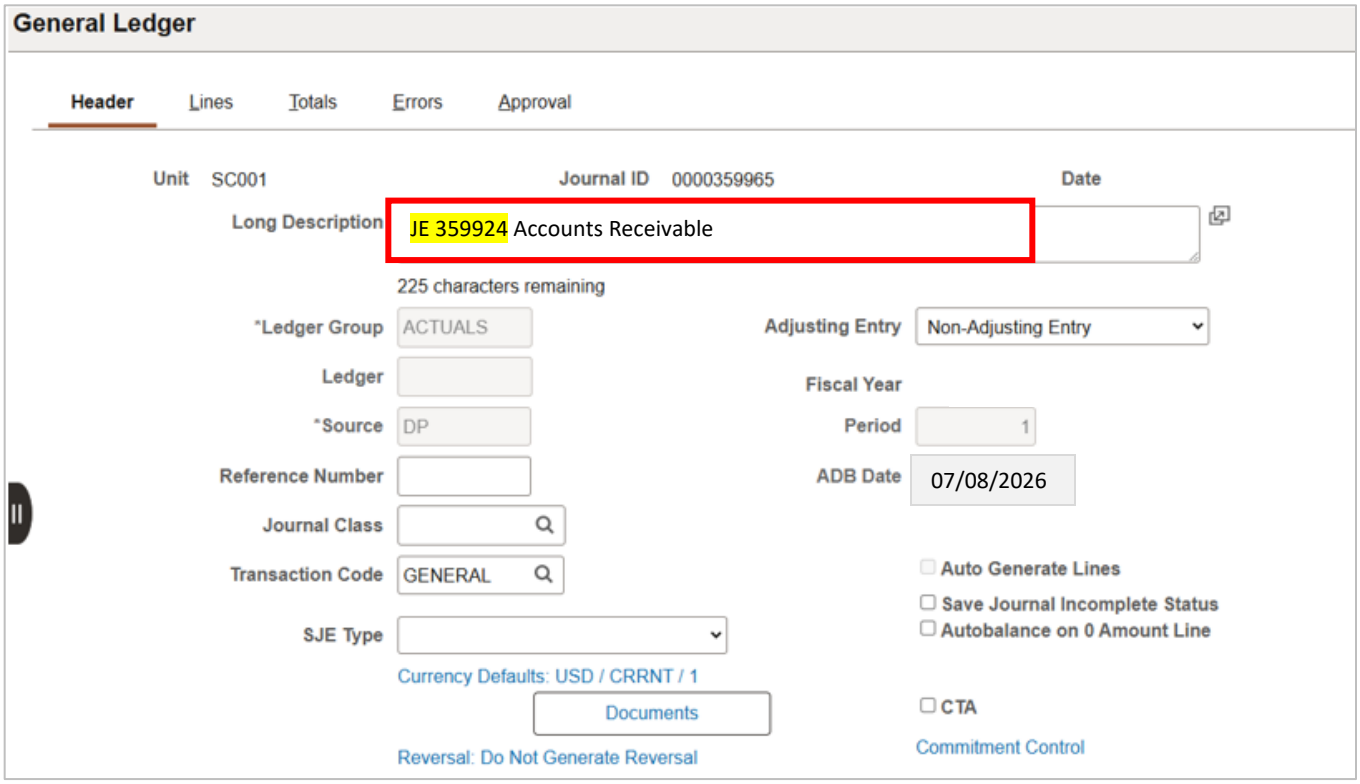


Example 1.2 – Account 12100 Set-Up Lines Tab

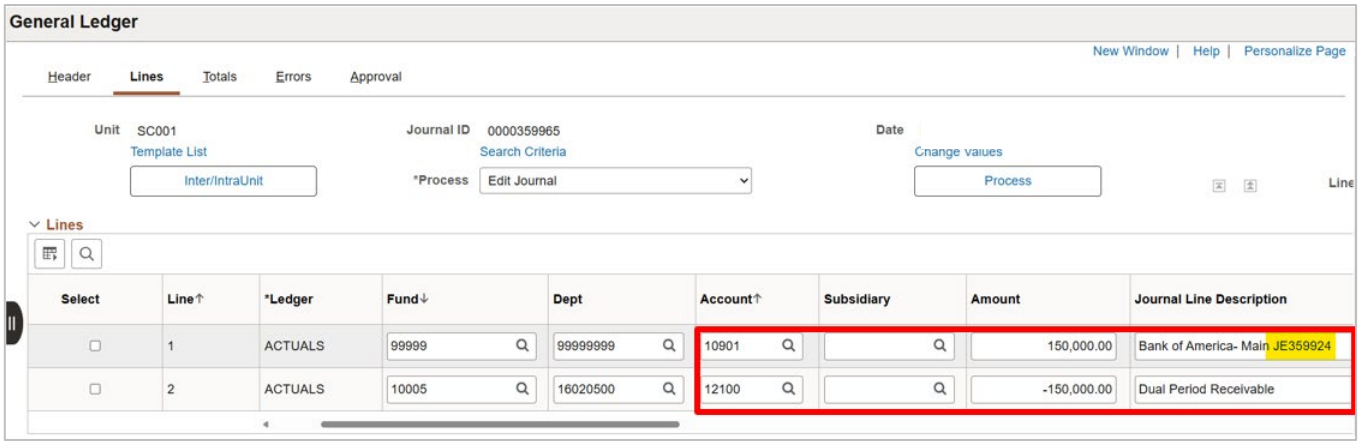


* Account 12100 is only used to record non-intergovernmental revenues after funds are received during the dual fiscal period

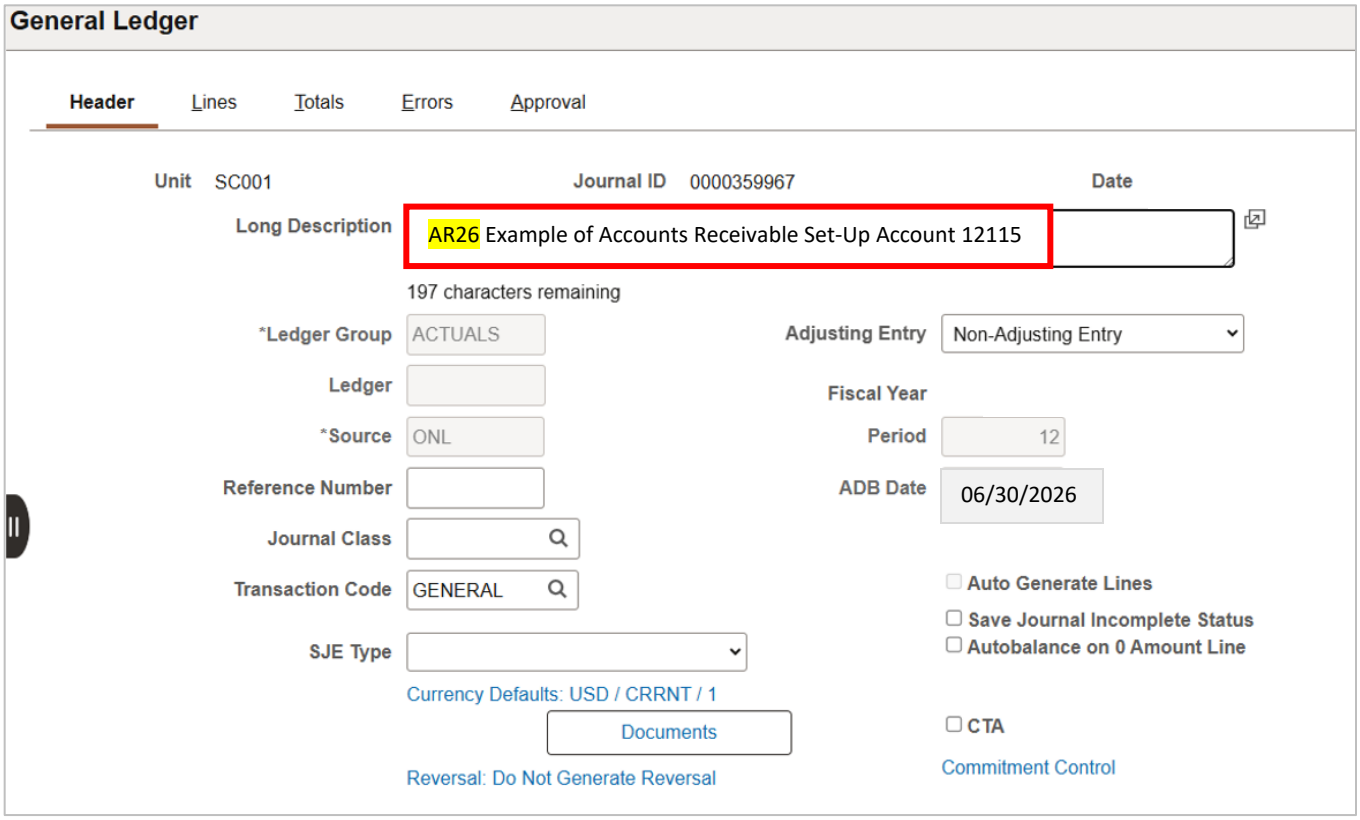
Example 2.1 – Account 12100 Receipt



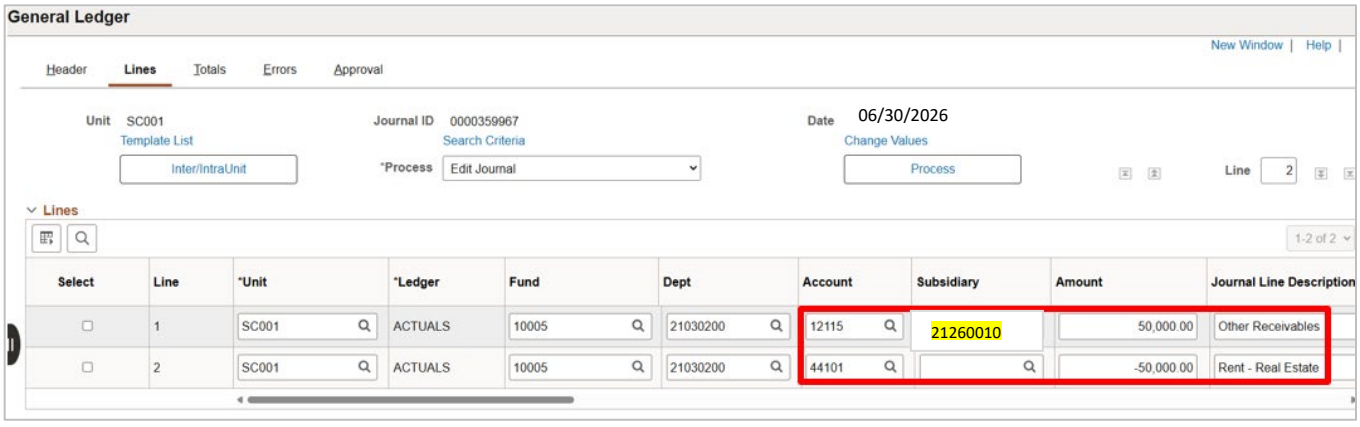
Example 2.2 – Account 12100 Receipt Lines Tab



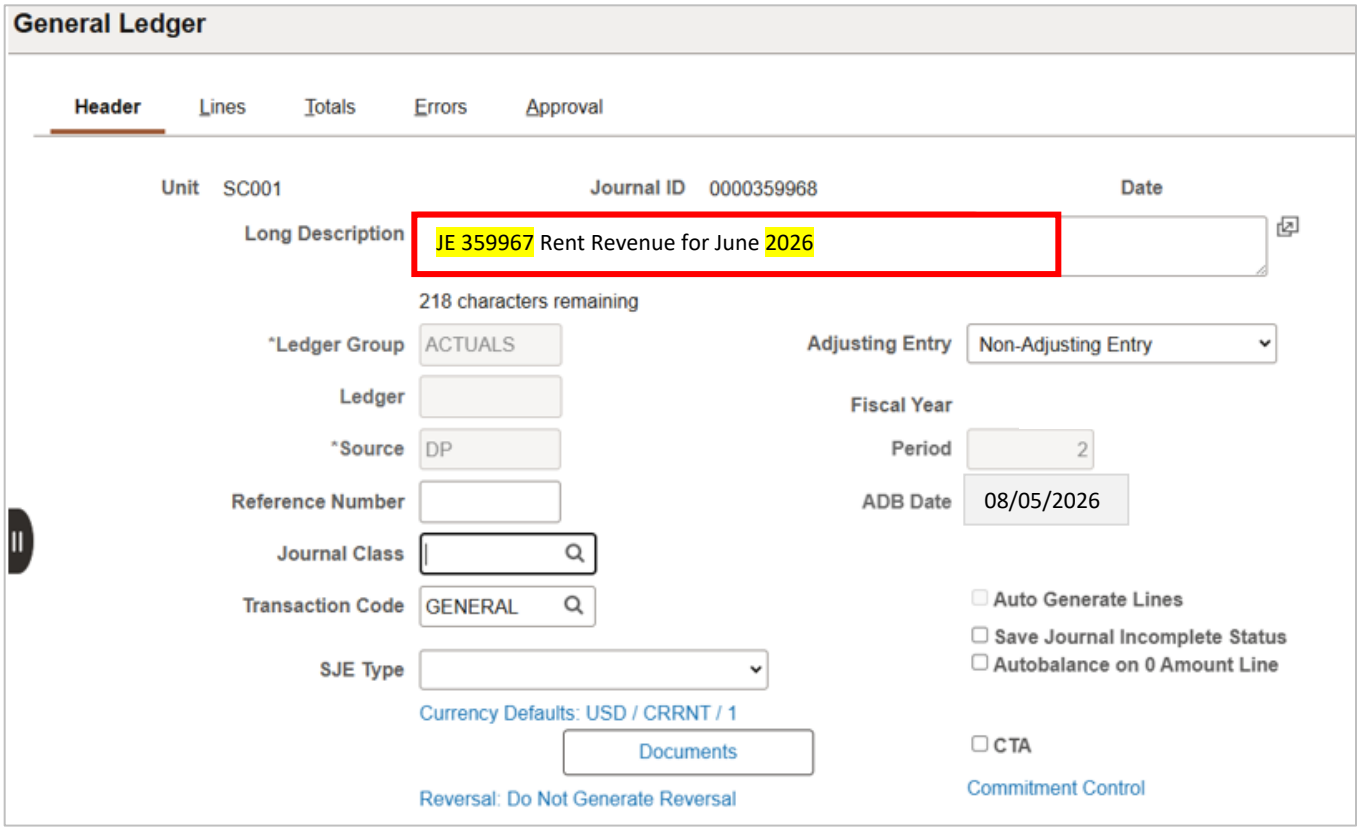
Example 3.1 – Account 12115 Set-Up



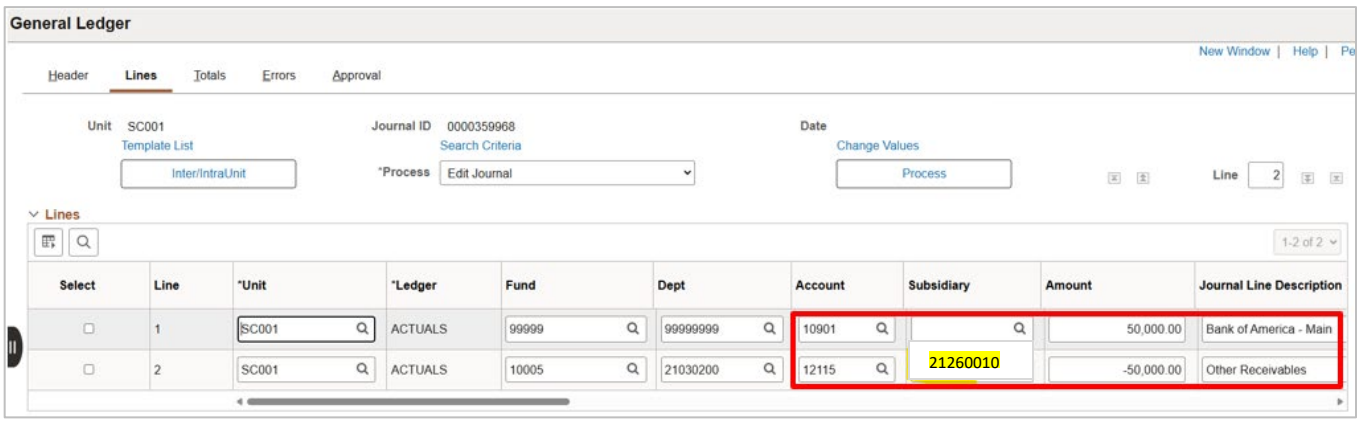
Example 3.2 – Account 12115 Set-Up Lines Tab



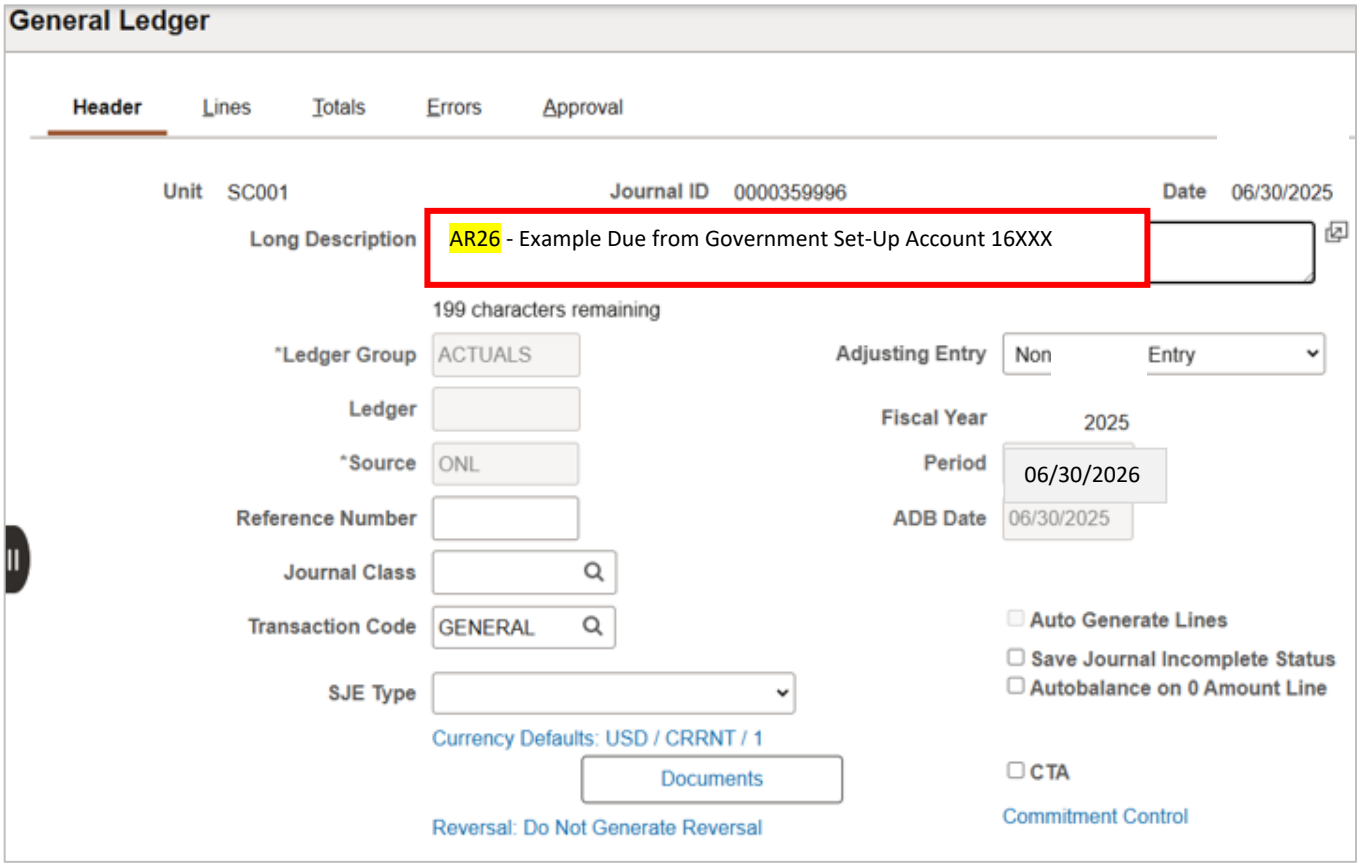
Example 4.1 – Account 12115 Receipt



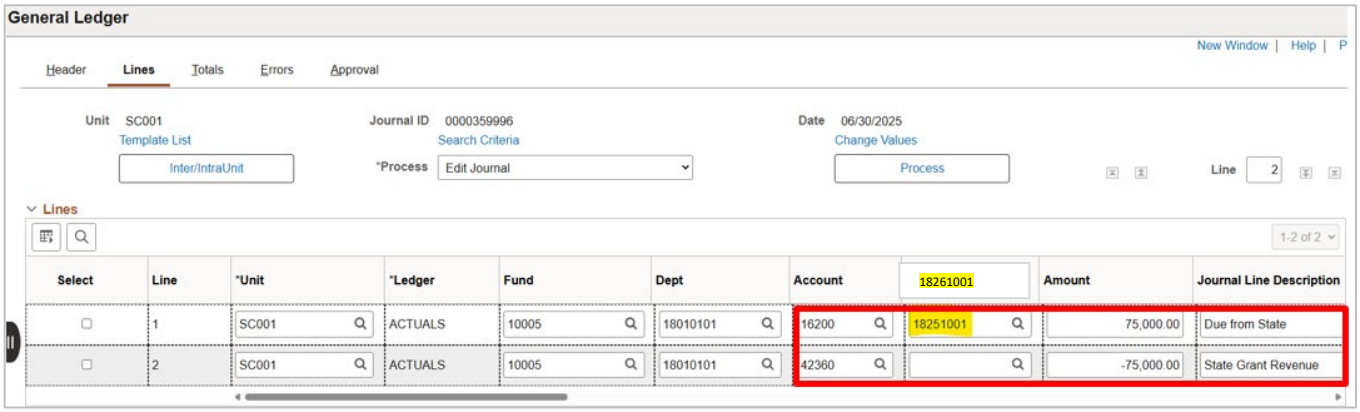
Example 4.2 – Account 12115 Receipt Lines Tab



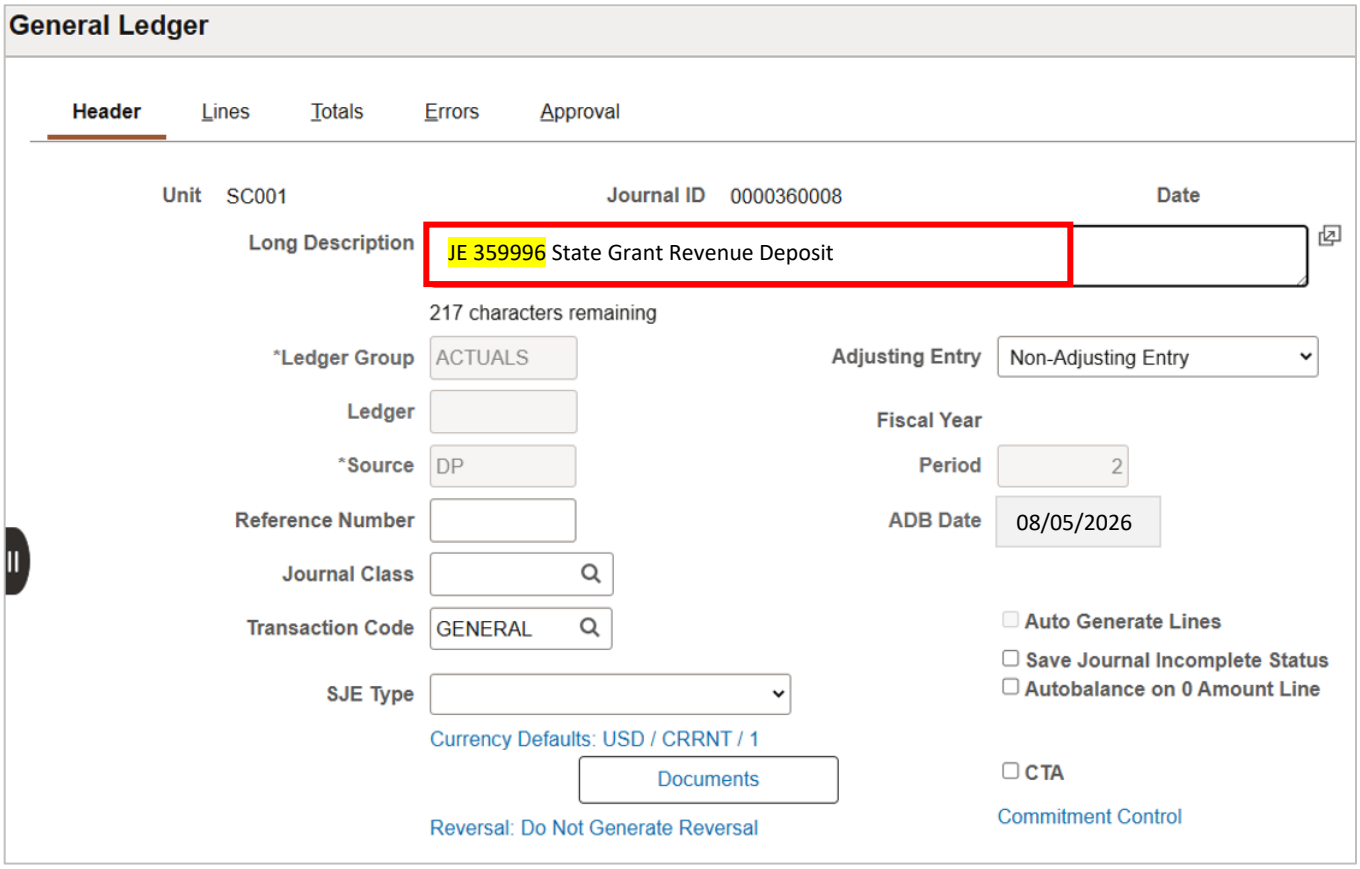
Example 5.1 – Account 16XXX Set-Up



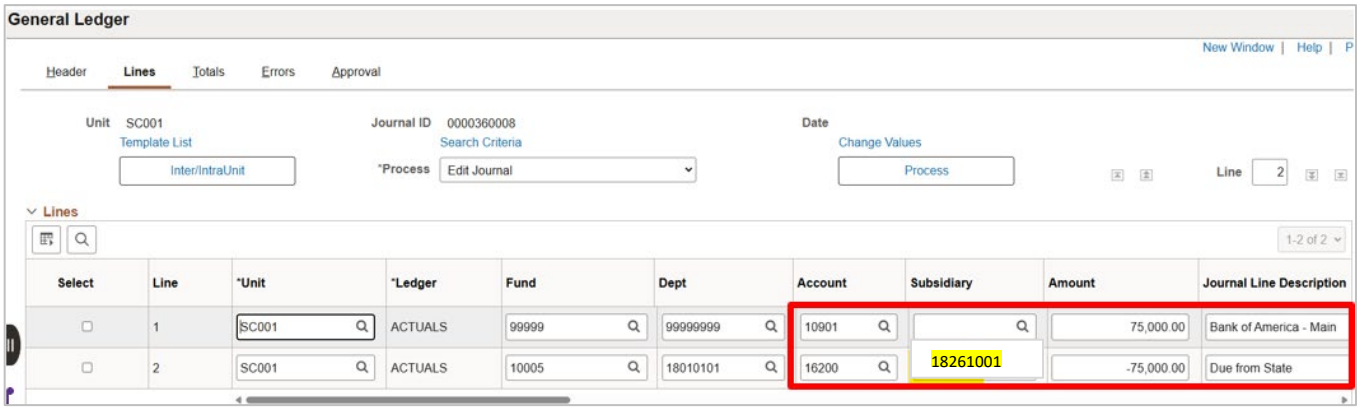
Example 5.2 – Account 16XXX Set-Up Lines Tab



Example 6.1 – Account 16XXX Receipt



Example 6.2 – Account 16XXX Receipt Lines Tab



Sample Receipt/Deposit Journal Support

EFS Simpler (recommended)

Trial Balance

As Of = 08/31/2025; Years = 1; Chart Fields = Fund,Department,Account,Subsidiary
Fund [10005] and Account [12115] and Subsidiary [11250102]
Run: 2026-04-09 03:54 PM

					FY 2026					
Business Unit	Fund	Department	Account	Subsidiary	Beginning Balance	Month-To-Date Actual	Year-To-Date Actual	Ending Balance	Deposit JE # xxxxxx	Adj'ed End Bal
SC001	10005	11010101	12115	11250102	46,921.56	-	-	46,921.56	46,921.56	-
SC001	10005	11010102	12115	11250102	4,588.64	-	(4,588.64)	-		
SC001	10005	11010104	12115	11250102	22,454.00	-	(22,454.00)	-		
SC001	10005	11010203	12115	11250102	316,992.57	-	(316,992.57)	-		
SC001	10005	11010400	12115	11250102	47,118.00	-	(47,118.00)	-		
					438,074.77	-	(391,153.21)	46,921.56		

Fund, Dept, Acct, and Subsidiary are shown, matching to deposit JE

Sufficient receivable balance for deposit JE amount

EFS Reporting Services

County of Sonoma Enterprise Financial System
Excellence in Financial Stewardship

General Ledger Account Inquiry

Parameters

Fund / Account	Description	Subsidiary	Description	Beginning Balance Aug 1st 2025	Debits Aug 2025	Credits Aug 2025	Ending Balance Aug 31st 2025	Deposit JE # xxxxxx	Adj'ed End Bal
10000	Governmental Funds								
10001	General Fund								
10002	General Fund								
10003	General Fund								
10005	General Fund								
12115	Other Receivables	11250102	ACTTC FY24-25 AR	46,921.56	0.00	0.00	46,921.56	46,921.56	-
Total: 12115	**Other Receivables**			**46,921.56**	**0.00**	**0.00**	**46,921.56**		
Total	**Total**			**46,921.56**	**0.00**	**0.00**	**46,921.56**		
Total 10005	**General Fund**			**46,921.56**	**0.00**	**0.00**	**46,921.56**		
Total 10003	**General Fund**			**46,921.56**	**0.00**	**0.00**	**46,921.56**		
Total 10002	**General Fund**			**46,921.56**	**0.00**	**0.00**	**46,921.56**		
Total 10001	**General Fund**			**46,921.56**	**0.00**	**0.00**	**46,921.56**		
Total 10000	**Governmental Funds**			**46,921.56**	**0.00**	**0.00**	**46,921.56**		

Fund, Acct, and Subsidiary are shown, matching to deposit JE; however, you will need to run a separate report (see below) for dept # used in original AR set-up

Sufficient receivable balance for deposit JE amount

In order to show department # for the A/R set-up, a separate Transaction Detail (EFS032) report needs to be run filtering to the specific Subsidiary number:

County of Sonoma Enterprise Financial System
Excellence in Financial Stewardship

Transaction Detail

arameters

Business Unit: SC001 - COUNTY OF SONOMA
Elapsed Time: 0:16

Subtotals Fiscal Year	Account	Period	Journal ID	Journal Header Descr Short	Journal Header Descr Long	Line	Journal Line Description	Journal Date	Journal Oper Id	Posted Date	Ledger	Department	Fund	Subsidiary	Source	Account	Amount
2025	12115 - Other Receivables	12	0000370150	FY24-25 Payment Plus Rebate Ac	FY24-25 Payment Plus Rebate Accrual	1	Pmt Plus Qtr End 06/30/25	6/30/2025	OCHANDLE	7/8/2025	ACTUALS	11010101	10005	11250102	ONL	12115 - Other Receivables	46,921.56
	Account Total - 12115 -																**46,921.56**
	Fiscal Year Total:																**46,921.56**
	Total Count: 1																**46,921.56**

Transaction Detail showing original dept # in AR set-up JE

UNEARNED REVENUE/DEFERRED INFLOWS OF RESOURCES

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE – Tuesday, July 21, 2026 by Noon****

ACTTC will post by end of day

Contact: Mawanis Khan (707) 565-3291
Ted Lin (707) 565-3106

Unearned Revenue and Deferred Inflows of Resources are related to timing differences between assets received (i.e. cash) or recorded (receivables) and related revenue recognition. Both defer the recognition of income to a future period.

UNEARNED REVENUE – ACCOUNT 25100

Unearned Revenue can apply to governmental and proprietary funds. Governmental accounting standards classify cash received before it is earned as unearned revenue, such as prepayments received in advance of services. After requirements are met, and services are provided, revenue is recognized and unearned revenue/liability is decreased.

- **Grants are recorded as Unearned Revenue when the grants are made before the recipient government has met all of the eligibility requirements.**

For example, a government receives a grant payment but has not yet met all of the requirements necessary to be eligible for the grant. That government owes that grant payment back to the grantor until the grant requirements are met. In this case the recipient records the unearned revenue in Account 25100.

DEFERRED INFLOWS OF RESOURCES – ACCOUNT 252XX-259XX

Deferred Inflows of Resources are defined as an acquisition of net assets by the government that are applicable to a future reporting period per the Governmental Accounting Standards Board (GASB 65). Deferred inflows are not considered a liability as there is no obligation to pay back the resources/cash received.

- **Grants are recorded as Deferred Inflows of Resources when a cash grant is received and all of the eligibility requirements are met except for a time requirement.**

For example, the grant may not be used until next fiscal year. Then there is no obligation to pay the cash back, in this case use Government Mandated/Voluntary Non-Exchange Transactions Account 25600.

The guidance is specific as to what items fall into the Deferred Inflows of Resources classification:

25200	Service Concession Arrangements
25300	Unavailable Revenues (measurable and unavailable)
25400	Gain on Refunding of Debt
25500	Imposed Non-Exchange Revenue Transactions (i.e. property taxes, etc.)
25600	Government Mandated/Voluntary Non-Exchange Transactions (i.e. SB90, grants, donations)
25700-25850	Pension related accounts
25910-25940	OPEB related accounts

UNAVAILABLE REVENUE – ACCOUNT 25300

This type of deferred revenue is tied to the modified accrual basis of accounting, used only in governmental funds. Under the modified accrual basis of accounting, revenues and financial resources are recognized in the accounting period in which they become both measurable and available. If accrued revenue is not yet available, the related receivable is matched by a deferred inflow of resources for unavailable revenue and revenue recognition occurs only when the revenue becomes available.

PERIOD OF AVAILABILITY

The County uses a 365 day period of availability for receivables. For claims filed with the State and if revenue is not expected until after June 30th of the following fiscal year (i.e. June 2027), both a receivable and an unavailable revenue are recorded.

Non-Exchange Transactions - Three types:

1. Imposed Non-Exchange Revenues – Account 25500 – includes revenues that do not result from exchanges of goods or services, such as property taxes and charges for delinquent taxes (not sales tax).

2. Government-Mandated Non-Exchange Transactions – Account 25600 – includes revenue provided by the State for imposed mandates such as SB90 or California Proposition mandates. Most of these resources are only available after certain requirements are met.

3. Voluntary Non-Exchange Transactions – Account 25600 – result from government grants and private donations. Like government mandated non-exchange transactions, these usually involve eligibility requirements. Therefore, the recording procedures are the same as that for government-mandated non-exchange transactions.

PENSION ACCOUNTS: 25700-25850 AND OPEB ACCOUNTS: 25910-25940

Pension and OPEB entries required by GASB 68*, Accounting and Financial Reporting for Pensions*, and GASB 75, *Accounting and Financial Reporting for OPEB,* are provided by ACTTC as soon as available.

UNEARNED REVENUE/DEFERRED INFLOWS OF RESOURCES

- **Subsidiary numbers are required.**

Information on subsidiary number requests are included in this packet by section.

*** * Subsidiary requests to ACTTC-Claims@sonoma-county.org by Tuesday July 7th * ***

UNEARNED REVENUE AND DEFERRED INFLOWS OF RESOURCES TRANSACTION EXAMPLES:

UNEARNED REVENUE – Account 25100

Example 1 - Record Cash Received as Unearned Revenue

Unearned revenue is cash received in advance of earning, record deposit of cash and credit Unearned Revenue. There is no Accounts Receivable set up.

Select	Line	Fund	Dept	Account	Subsidiary	Program	Amount	Journal Line Description
☐	1	99999	99999999	10901			30,000.00	Deposit Prepaid Acctg Service
☐	2	10005	11010101	25100	11261234		-30,000.00	Deposit Prepaid Acctg Service

Example 2 - Recognize Revenue Once Earned

Once revenues are earned, the unearned revenue (25100) is cleared to Revenue (GL 4xxxx). Reference the journal which established the original unearned revenue in the Header / Long Description field.

Select	Line	Fund	Dept	Account	Subsidiary	Program	Amount	Journal Line Description
☐	1	10005	11010101	25100	11261234		30,000.00	Record Acctg Service
☐	2	10005	11010101	45504			-30,000.00	Record Prepaid Acctg Service

UNAVAILABLE REVENUE – ACCOUNT 25300

Example 3 - Record Receivable not to be collected within the period of availability

Record a receivable that will not be collected within the County adopted period of availability, 365 days, the department should record journal entry to credit unavailable revenue Account 25300.

Select	Line	Fund	Dept	Account	Subsidiary	Program	Amount	Journal Line Description
☐	1	10005	11010101	16300	11261234		30,000.00	Rec > 365 days
☐	2	10005	11010101	25300	11261234		-30,000.00	Rec > 365 days

Example 4 Record Deposit and Recognize Unavailable Revenue

Unavailable revenue becomes available when cash is received. Therefore, when cash is received, process deposit journal to clear receivable and unavailable revenue.

Select	Line		Fund	Dept	Account	Subsidiary	Program	Amount	Journal Line Description
☐	1	LS	99999	99999999	10901			30,000.00	Deposit Acct Service
☐	2	LS	10005	11010101	25300	11261234		30,000.00	Record Acct Service
☐	3	LS	10005	11010101	16300	11261234		-30,000.00	Collection Acctg Service
☐	4	LS	10005	11010101	45504			-30,000.00	Record Rev

ACCOUNT REVENUE RECORDING GUIDANCE

Year-End Instructions - Fiscal Year 2025-26

Contact: Jocelin Padilla (707) 565-3284

This guidance is to establish consistent account usage for specific revenue reporting areas.

- **Record revenue based on why the County received the money rather than from whom it was received (i.e. Federal Grant (why) received from State (whom)).**

- **Other and Miscellaneous revenue accounts should not be the default accounts, including accounts**
  - **42358 - State Other Funding**
  - **42461 - Federal Other Funding**
  - **45301 - Charges for Services**
  - **46040 – Misc. Revenue**

State Intergovernmental Revenue (Accounts 42011-42372):

- Record revenue received from the State of California for providing County programs and services to the public. This area includes Realignment funds, Highway Users Tax, SB90 State Mandates.
- Do not include Federal revenue and Federal grant revenue passed through from the State. Federal revenue is usually assigned an ALN (formerly CFDA number).
- Do not include revenue received from State agencies for exchange of service provided by the County.

Federal Intergovernmental Revenue (Accounts 42401-42476):

- Record revenue received from the Federal Government for providing County Programs and services, to the public. Federal revenue is usually assigned an ALN (formerly CFDA number).
- Include direct Federal revenue (e.g., Account 42476 – Federal Direct Grant Revenue) and Federal grant revenue passed through from the State (e.g., Account #42472 - Fed Passthrough).
- Do not include revenue received from Federal agencies for exchange of services provided by the County.

Charges for Services (Accounts 45002-45600):

- Revenue collected from fees or charges for services provided by County departments. The revenue account used should be based on the activity that results in revenue earnings rather than the payer of the revenue.
- Do not include sales of goods, unless the sale of the good is incidental to the service provided, such as certified copies and transcripts, notary, and document fees.

Miscellaneous (Accounts 46002-46215 excluding 46200-46205):

- Includes monetary donations and payments from private agencies, persons, or other sources unrelated to other revenue areas; such as insurance proceeds, refunds and rebates.
- Do not record revenue from sales of capital assets. Use account 47002 Sale of Capital assets.
- Please refrain from using account 46040 (Miscellaneous Revenue) unless no other revenue account is applicable

PY Revenue (Accounts 46200-46205):

- Include adjustments to prior year overestimated accounts receivable and accounts payable. Also include unanticipated revenues received related to a prior year when a receivable was underestimated or not recorded.
- Follow the Discharge of Accountability policy and procedures when writing off uncollectable accounts receivable. Include the approved Discharge from Accountability Request Form in support for any account receivable discharges.
- Use corresponding PY revenue account, PY Federal, State, Other Intergovernmental, Charges for Services.
- Add which current year account would have been applicable to the journal line description. For example – if total anticipated account 42121 - State Public Assistance Admin revenue recorded with an A/R in the prior year is not received (AR overestimated), write off the receivable amount to 46203 PY Intergovmntl Rev - State and add account 42121 to the journal line description.

PETTY CASH ACCOUNTS

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE to ACTTC – Wednesday, July 1, 2026 by Noon ****

Contact: Oscar Juarez (707) 565-1395

As authorized, per Board Resolution No. 56853 dated 3-08-77 & No. 88-1739 dated 9-27-88, in accordance with CA Government codes 29320-29334, the County Auditor-Controller-Treasurer-Tax Collector has the authority to promulgate the general rules and regulations regarding the use of petty cash, including authority to establish, increase, reduce, or discontinue such funds.

In order to accurately report cash balances at June 30, Petty Cash accounts must be counted on the last business day in June and reconciled to the department's approved balance in GL Account 10105.

For information on how to establish, increase, reduce, or discontinue a Petty Cash account refer to Fiscal Policy C-1 *Policy for Petty Cash*. Refer to Fiscal Policy C-6 *Cash Handling Policy* for additional requirements.

Reconciliation at Fiscal Year-End – June 30

1. All Petty Cash (i.e. cash in the Department/Agency/District's possession and/or responsibility such as satellite locations with change drawers) must be counted and reconciled as of June 30.
2. If there is a shortage or overage, Department/Agency Heads are required to sign the Cash Difference Report and remit to ACTTC with reconciliation form.
3. The Petty Cash Fund Reconciliation Form is required for all accounts whether in balance or over/short. Include Fund and subsidiary number for each balance. Submit a voucher for all outstanding receipts at June 30. Complete and remit the reconciliation form to ACTTC, attention Oscar Juarez, by July 1st.
4. Deadline to submit petty cash reimbursement voucher for June 30th cash-basis is June 24, 2026 by 5pm.

OUTSIDE BANK ACCOUNTS – CASH WITH FISCAL AGENT

Year-End Instructions - Fiscal Year 2025-26

**** DEADLINE for journals to ACTTC –Wednesday, July 22, 2026 by Noon ****

Contact: Oscar Juarez (707) 565-1395

In order to accurately report cash balances at June 30, outside bank accounts must be reconciled to the department's balance in GL Account 10200. All activity needs to be recorded in EFS before the close, ACTTC will review June 30 bank reconciliations for all outside bank accounts and agreed reconciled balances to EFS after.

For information on how to establish an outside bank account refer to Fiscal Policy C-4 *Policy for Establishment of Outside Bank Accounts (excluding Water Districts)*. Refer to Fiscal Policy C-6 *Cash Handling Policy* for additional requirements such as reconciliations.

Reconciliation of Outside Bank Accounts **** Deadline August 3****

1. All outside bank accounts must be reconciled at least monthly. This activity must be recorded in EFS. EFS must be updated monthly with a journal entry that includes the gross (do not net) impact to all applicable accounts and updates the balance in Account 10200 – Cash with Fiscal Agent.
    a. Sufficient support must be included in the journal for audit, such as statement of activity, bank statement, or other document(s) supporting the changes to Account 10200
2. Send a copy of the June 30 bank reconciliation and supporting bank statement to ACTTC-Claims, attention Oscar Juarez, by August 3.

**** Submit all Bank Statements to ACTTC-Claims@sonomacounty.gov****



ACTTC extends its appreciation to all countywide accounting staff and wishes you a smooth and successful fiscal year-end close.

ACTTC Accounting Division