



# Bulletin

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2011-08B

## **GASB 54 FUND BALANCE ACCOUNT CROSSWALK**

TO: Accounting Officials  
Accounting Practitioners

FROM: Gerard D. Perry, Director of Accounts

DATE: June, 2011

SUBJECT: GASB 54 Fund Balance Account Crosswalk

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This *Bulletin* provides a crosswalk from the current UMAS fund balance chart of accounts to the GASB 54 definitions. It was developed to provide guidance to local accounting officials in completing their audited financial statements according to generally accepted accounting principles (GAAP). UMAS does not require that local governmental entities convert their chart of accounts to conform to these changes.

GASB statement 54 altered the fund balance classifications for Governmental Funds. This statement replaced the designations and reservations of fund balance with several classifications based on the constraints on the use of the resources in the Governmental Funds.

Classifications in Proprietary and Fiduciary Fund types, memoranda (3700 series), budgetary control (3800 series), and actual (3900 series) fund balance accounts remain unchanged. Special provisions now apply to encumbrance accounts 3211 and 3212. Also, note that the classification of accounts 3280 and 3580 depends upon the fund that the balance is in.

This crosswalk was completed with the assistance of the Massachusetts Society of Certified Public Accountants' Governmental Accounting and Auditing Committee and should be used by local accounting officials as a guide. Review this information with your independent Certified Public Accounting firm annually prior to completing your GAAP financial statements for audit.

These changes are effective for FY2011 financial statements. (Revised 6/27/2011)

**GASB 54 Fund Balance Classifications (See GASB Statement 54 for additional details)**

Non-Spendable – Includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted – When constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants, grantors, contributors or laws or regulations of other governments) or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can only be spent for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority. Committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action it employed to previously commit those amounts.

Assigned – Amounts that are constrained by the government's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned – The residual classification for the General Fund. It represents fund balance which has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the General Fund. The General Fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance. If that occurs, amounts assigned to other purposes in that fund should be reduced to eliminate the deficit. If the remaining deficit eliminates all other assigned amounts in the fund, or if there are no amounts assigned to other purposes, the negative residual amount should be classified as unassigned fund balance. In the general fund, a similar negative residual amount would have been eliminated by reducing unassigned fund balance. A negative residual amount should not be reported for restricted, committed, or assigned fund balances in any fund.

<b>UMAS</b>		<b>Old</b>	<b>New</b>
<b>Acct. #</b>	<b>UMAS Fund Balance Account Name</b>	<b>Designation</b>	<b>Designation</b>
3211	Fund Balance Reserved for Encumbrances	Reserved	*
3212	Fund Balance Reserved for Prior Year Encumbrances	Reserved	*
3213	Fund Balance Reserved for Construction	Reserved	**
3230	Fund Balance Reserved for Assets Held for Resale	Reserved	Non-Spendable
3240	Fund Balance Reserved for Expenditures	Reserved	***
3241	Fund Balance Reserved for Open Space	Reserved	Restricted
3242	Fund Balance Reserved for Historic Resources	Reserved	Restricted
3243	Fund Balance Reserved for Community Housing	Reserved	Restricted
3250	Fund Balance Reserved for Petty Cash	Reserved	Unassigned
3260	Fund Balance Reserved for Inventories	Reserved	Non-Spendable
3270	Fund Balance Reserved for Debt Service	Reserved	Restricted
3280	Fund Balance Reserved for Special Purposes	Reserved	**
3291	Fund Balance Reserved for Endowment	Reserved	Non-Spendable
3292	Fund Balance Reserved for Employment Retirement	Reserved	Restricted
3293	Fund Balance Reserved for Advances	Reserved	Unassigned
3294	Fund Balance Reserved for Prepaid Expenses	Reserved	Non-Spendable
3295	Fund Balance Reserved for Continued Appropriations	Reserved	Committed
3296	Fund Balance Reserved for Reduction of Future Excluded Debt	Reserved	Restricted
3300	Fund Balance - Receipts Reserved for Appropriation	Reserved	Committed
3320	Fund Balance Reserved for Community Preservation Act	Reserved	Restricted
3350	Fund Balance Reserved for Teachers' Pay Deferral	Reserved	Unassigned
3510	Fund Balance Designated for Federal Grants	Designated	Restricted
3520	Fund Balance Designated for State Grants	Designated	Restricted
3560	Fund Balance - Revolving Funds	Designated	Restricted
3580	Fund Balance Designated for Other Purposes	Designated	**
3590	Undesignated Fund Balance	Undesignated	Unassigned
3592	Unreserved Fund Balance - Appropriation Deficit (Debit)	Unreserved	Unassigned
3593	Unreserved Fund Balance - Revenue Deficit (Debit)	Unreserved	Unassigned
3594	Unreserved Fund Balance - Unprovided Abatements and Exemptions (Debit)	Unreserved	Unassigned
3595	Unreserved Fund Balance - Final Court Judgments (Debit)	Unreserved	Unassigned
3597	Unreserved Fund Balance - Offset Receipts Deficit (Debit)	Unreserved	Unassigned
3599	Unreserved Fund Balance - Year End Adjustments (Debit)	Unreserved	Unassigned

\* Special rules now apply to encumbrances

\*\* Classification depends upon the fund and purpose

\*\*\* Further guidance from GASB has been requested