

ACCOUNTING REFERENCE – CASH TRANSFERS

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Interfund Transfers

Definition:

Flows of assets (such as cash, capital assets, or interfund loans) without equivalent flows of assets in return and with no requirement for repayment. Transfers must not be used where the transaction involves an exchange of goods or services. Exchange of goods and services create revenue for the receiving fund and an expenditure for the paying fund.

Cash Transfers

All interfund transactions are accounted for as transfers except interfund loans, interfund services provided and used, and reimbursements. Interfund transfer does not apply to interagency services billings nor to general fund overhead charges.

Example Types of Transactions

Legally authorized transfers from a fund receiving revenue to a fund through which the resources are to be expended such as:

- transfers from the General Fund to other funds
 - General Fund to PBOT for road maintenance
 - General Fund to setup fire Apparatus reserves
- transfers of resources from a fund to a Debt Service Fund
 - PBOT to Gas Tax Bond Redemption Fund
 - Individual funds transfer in support of the pension debt payments

1. Budgeted Cash Transfer

- Transfers of monies between funds. This refers to fund level budgeted cash transfers using the 640020 and the 650020 Commitment Items. These use the Funded Program that identifies the fund transferring cash and the fund receiving cash. Do not use the Capital Project Funded Program in these transactions. For budget purposes, it creates other financing sources and uses.
- use the Cash Transfer Form located at: <https://www.portlandoregon.gov/brfs/38900>

Example: Per R567637 (ORD 187370), the General Fund (100000) has been authorized to transfer \$247,633.00 to OMF (701000) in response to the housing emergency.

Entry to record Fund 10000 transferring cash to Fund 701000.

A	B	C	D	E	F	G	H	I	J	K	L
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Cash Transfer Request Form

Contact information	
Requesting bureau	OMF
Contact person	Sample
Phone number	x3-5707

Status
Okay
Recipient: nboxcashtransfers@portlandoregon.gov

Send to Central Accounting

Journal entry header data	
Posting Date:	4/30/2016
Header Text (max 25 characters):	Housing Emergency Len: 17
Describe the purpose of the cash transfer. Please be specific (there is no character limit).	This is a cash transfer request related to Portland's Housing Emergency, as authorized by ordinance 567637.
<i>This description must also be attached (as a note) to the FI document subsequent to the posting of the cash transfer.</i>	

Instructions
Please complete this form with as much detail as possible. The information provided here will be seen by many sets of eyes, so please be sure that someone outside of your organization will easily understand the purpose of the cash transfer.
All fields on this form are required.
Describe the purpose of <u>each line</u> in the cash transfer using the "Line Item Text" field (the last column on the right). If this is non-applicable to the transfer, at least copy and paste the "JE Document Header Text".

Sender (sends expenses to receiver) - INCREASE IN CASH - Funded Program 1xxxx2HERE				Other parameters			Receiver (receives expenses from sender) - DECREASE IN CASH - Funded Program 1HERE2xxxx				Other parameters
Cost Center	Fund	Functional Area	Grant	Element	Amount	Curr	Cost Center	Fund	Functional Area	Grant	Line item text
MFOP000060	701000	LAFAP0000000000GL	NOT-RELEVANT	650020	21,770.00	USD	MFFM000002	100000	LAFPBE0000000000GL	NOT-RELEVANT	Cash xfer for housing emergency auth by Ord 567637
MFOP000043	701000	LAFAP0000000000GL	NOT-RELEVANT	650020	225,863.00	USD	MFFM000002	100000	LAFPBE0000000000GL	NOT-RELEVANT	Cash xfer for housing emergency auth by Ord 567637

2. Noncash Transfer

- a. Capital Asset:
 - 1. Use T-Code **ZAS1** to complete the Capital Asset Disposal & Transfer Form
 - 2. Use T-Code **ABUMN** to transfer the asset to the purchaser's books
 - 3. Send Forms to **Inbox, SAP Capital Asset**
- b. Other: Mainly notes receivable. For example, Housing Bureau loan to low income home owners.