

# **STATE OF SOUTH CAROLINA ACCOUNTING GUIDANCE FOR INDIRECT COST RECOVERIES**

## **JOURNAL ENTRY EXAMPLES**



# Example of Journal Entry to Remit Indirect Recovery to the State

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Agency records expense against the federal fund and grant and records the revenue to the General Fund in fund 28230000 – INDIRECT COST RECOVERIES. Note that agencies use their own Business Area even when remitting to the State. That cash will be swept from agencies at year end.

G/L Acct	G/L Acct Description	D/C	Amount	Bus Area	Cost Center	Func Area	Fund	Grant
5210010000	IDC EXPENSE ACCOUNT	Debit	10,000.00	E120	E120000010	E120_0000	50550000	E12012TEST25
4300040000	IDC RECOVERY ACCOUNT	Credit	10,000.00	E120	E120000010	E120_0000	28230000	NOT RELEVANT



# Example of Journal Entry to Remit Indirect Recovery to the Agency

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Agency records expense against the federal fund and grant and records the revenue to an agency fund.

G/L Acct	G/L Acct Description	D/C	Amount	Bus Area	Cost Center	Func Area	Fund	Grant
5210010000	IDC EXPENSE ACCOUNT	Debit	10,000.00	E120	E120000010	E120_0000	50550000	E12012TEST25
4300040000	IDC RECOVERY ACCOUNT	Credit	10,000.00	E120	E120000010	E120_0000	30350000	NOT RELEVANT

