

**SAM—STANDARD ENTRIES**

**ENTRY NO. 19 [A PROJECT IS COMPLETED BY A CONSTRUCTION AGENCY]**  
(Revised 09/10)

**10519**

**Nature of Transaction:**

The Office of the State Architect, Department of Transportation, or the Department of Water Resources reports a project completed, and the State Controller's Office returns by transfer the unexpended portion of prepayments to the agency's appropriation. (This entry is made as a transaction of the month indicated by the date of the Controller's Transfer.)

**Journal Entry for General Ledger Accounts:**

**Debit:**

1140	Cash in State Treasury	a/
2331	Improvements Other than Buildings	b/
2341	Equipment	c/
5330	Reserve for Prepaid Items	d/

**Credit:**

1730	Prepayments to Other Funds or Appropriation	d/
2350	Construction Work in Progress	e/
5200	Investment in Capital Assets	f/
9000	Appropriation Expenditures	g/
9891	Refunds to Reverted Appropriations	h/
9893	Prior-Year Appropriation Adjustments	i/

- a/ amount of prepayments unexpended and now returned.
- b/ total cost of improvements other than buildings now being capitalized, including preliminary planning costs as reported by the Office of the State Architect whether or not paid from an appropriation made to the agency.
- c/ total cost of any equipment included in the project now being capitalized.
- d/ amount of prepayments still outstanding on the agency's books for the particular project now completed.
- e/ amount previously accounted in this account and as a reduction of prepayments for the particular project now completed.
- f/ amount of the difference between the amount previously accounted as Construction Work in Progress and the amount capitalized (b+c-e).
- g/ amount of "a" that is applicable to an appropriation still available for encumbrance.
- h/ amount of "a" that is applicable to an appropriation that has reverted.
- i/ amount of "a" that is applicable to an appropriation no longer available for encumbrance but not yet reverted.

**Source:**

**Document:**

Controller's Transfer supported by a project completion report.

**Explanation:**

After a project is completed a report is issued by the construction agency and any unexpended balance in the project prepayment is returned to the client agency's appropriation. Concurrently the cost of the project now completed, including preliminary planning costs, if a capital improvement as distinguished from a maintenance or repair project, is entered in the capital asset accounts. The project completion report relating to such projects will be analyzed as to the amounts of (1) equipment and (2) improvements other than buildings included in the project. (See SAM Section 8613.)

(Continued)

## SAM—STANDARD ENTRIES

(Continued)

### **ENTRY NO. 19. [AN INTERNALLY GENERATED CAPITAL ASSET IS COMPLETED] 10519 (Cont. 1)** (Revised 06/11)

#### **Nature of Transaction:**

An internally generated tangible or intangible asset is completed and the development costs associated with that asset that were recorded as in progress in GLAN 2350 or 2430 are recorded in the appropriate property account.

#### **Journal Entry for General Ledger Accounts:**

##### **Debit:**

2321 Buildings  
2331 Improvements Other than Buildings  
2333 Utility Plant in Service  
2341 Equipment  
2361 Infrastructure-Non-depreciable  
2362 Infrastructure-Depreciable  
2411 Computer Software—Amortizable  
2412 Land Use Rights—Amortizable  
2413 Patents, Copyrights, Trademarks—Amortizable  
2414 Other Intangible Assets—Amortizable  
2422 Land Use Rights-Non-amortizable  
2423 Patents, Copyrights, Trademarks-Non-amortizable  
2424 Other Intangible Assets-Non-amortizable

##### **Credit:**

2350 Construction Work in Progress  
2430 Internally Generated Intangible Assets in Progress

#### **Source:**

##### **Document:**

Notification is received that an internally generated capital asset is complete.

#### **Explanation:**

After an internally generated tangible or intangible asset is complete, the project completion status and total cost is determined. Methods for determining total cost should be retained as a record of the asset value. (See SAM section 8635).