

SAM—STANDARD ENTRIES

ENTRY NO. 17 – [PREPAYMENTS TO A CONSTRUCTION AGENCY] (Revised 10/2015)

10517

This entry is made to record the transfer of the estimated project cost to the fund under control of the department doing the work.

Information:

A State Controller's Office (SCO), Notice of Transfer is received relating to a document authorizing work to be performed for the department by the (1) Division of The State Architect, (2) Department of Transportation, or (3) Department of Water Resources. (This entry is recorded as of the date on the SCO journal entry.)

Upon receipt of an approved transfer request, the SCO transfers the estimated amount of the project cost to the fund under control of the agency doing the work. At this time the transaction is recorded as an appropriation expenditure and also as a fully-reserved prepayment.

The transfer will be accounted as an expenditure of the fiscal year in which the SCO journal entry is dated. Unless the transfer request was approved and encumbered prior to the June 30 on which the availability of the appropriation for encumbrance expired but the transfer is made in the following fiscal year.

Source Document:

SCO's Notice of Transfer and supported by an approved transfer request.

Register:

Controller's Transfer Register (if volume justifies.)

Journal Entry for transfer of estimated project cost:

Debit:

1730 Prepayments to Other Funds or Appropriations a/

Credit:

5330 Reserve for Prepaid Items b/

AND

Debit:

9000 Appropriation Expenditures c/

9893 Prior-Year Appropriation Adjustments d/

Credit:

1140 Cash in State Treasury a/

a/ amount transferred to the respective funds or appropriations.

b/ total amount of transfers.

c/ amount chargeable to appropriations currently available for encumbrance.

d/ amount chargeable to prior-year appropriations no longer available for encumbrance but not yet reverted.

(Continued)

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(Continued)

ENTRY NO. 17 – [PREPAYMENTS TO A CONSTRUCTION AGENCY] 10517 (Cont.1)
(Revised 10/2015)

Journal Entry to liquidate Encumbrance made by the transfer:

Debit:

5350 Reserve for Encumbrances e/

Credit:

6150 Encumbrances e/

e/ amount of encumbrance liquidated by the transfer.