

SAM—STANDARD ENTRIES

ENTRY NO. 19 - [A PROJECT IS COMPLETED BY A CONSTRUCTION AGENCY]

10519

(Revised 10/2015)

This entry is made to record any unexpended balance in the project prepayment that is returned to the department's appropriation. Concurrently the cost of the project now completed is entered in the capital asset accounts.

Information:

The Division of the State Architect, Department of Transportation, or the Department of Water Resources reports a project completed, and the State Controller's Office (SCO) returns by transfer the unexpended portion of prepayments to the department's appropriation. (This entry is recorded as of the date on the SCO journal entry.)

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 department'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](#), Improvements Other than Buildings.

Source Document:

SCO's Notice of Transfer and supported by a project completion report.

Journal Entry for unexpended and returned prepayments:

Debit:

5330 Reserve for Prepaid Items a/

Credit:

1730 Prepayments to Other Funds or Appropriation a/

AND

Debit:

1140 Cash in State Treasury b/

Credit:

9000 Appropriation Expenditures c/

9891 Refunds to Reverted Appropriations d/

9893 Prior-Year Appropriation Adjustments e/

a/ amount of prepayments still outstanding on the department's books for the particular project now completed.

b/ amount of prepayments unexpended and now returned.

c/ amount of "b" that is applicable to an appropriation still available for encumbrance.

d/ amount of "b" that is applicable to an appropriation that has reverted.

e/ amount of "b" that is applicable to an appropriation no longer available for encumbrance but not yet reverted.

(Continued)

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(Continued)

ENTRY NO. 19 - [A PROJECT IS COMPLETED BY A CONSTRUCTION AGENCY]

10519 (Cont.1)

Journal Entry to record capitalized property:

Debit:

2331 Improvements Other than Buildings f/

2341 Equipment g/

Credit:

2350 Construction Work in Progress h/

5200 Investment in Capital Assets i/

f/ total cost of improvements other than buildings now being capitalized, including preliminary planning costs as reported by The Division of the State Architect whether or not paid from an appropriation made to the construction agency.

g/ total cost of any equipment included in the project now being capitalized.

h/ amount previously accounted in this account and as a reduction of prepayments for the particular project now completed.

i/ amount of the difference between the amount previously accounted as Construction Work in Progress and the amount capitalized (f+g-h).

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SAM—STANDARD ENTRIES

(Continued)

ENTRY NO. 19A - [AN INTERNALLY GENERATED CAPITAL ASSET IS COMPLETED]

10519 (Cont.2)

(Revised 8/2015)

Information:

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

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](#) for information on Internally Generated Intangible Asset.

Source Document:

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

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