



# Office of the State Controller

## OFFICIAL MEMORANDUM

To: Fiscal Officers

From: Anne Godwin, Deputy State Controller

Date: May 1, 2017

Subject: 2017 Governmental Fund Capital Assets Reconciliation

The Office of the State Controller (OSC) is implementing a change effective for the 2017 fiscal year for the reconciliation of (GASB 5100) governmental fund capital assets. Issues in the Fixed Asset System (FAS) such as the use of incorrect expenditure accounts, entering incorrect asset cost, combining assets, and retiring the components of an asset have increased over the past several years. These issues have led to CAFR compilation problems with reporting assets correctly as well as depreciating the assets. The data recorded in the FAS must be accurate and complete.

To facilitate the year-end process for capital assets, agencies will be required to complete the attached capital asset package. This package includes a reconciliation certification of the activity in FAS as well as a modified worksheet for Changes in Capital Assets. Agencies will use available fixed asset reports in XTEND and/or XPTR to confirm the current year activity. This package must be completed by July 13, 2017 and emailed to [CAFR@osc.nc.gov](mailto:CAFR@osc.nc.gov).

All primary governmental agencies are required to record their ending capital asset balances in the North Carolina Accounting System (NCAS). In addition, agencies are required to complete CAFR worksheet 201-Changes in Capital Assets which is in the year-end CAFR package. Instructions to assist agencies in entering their capital asset ending balances in NCAS are attached.

Should you have any questions, please contact your financial analyst or Virginia Sisson at 919-707-0530 or [virginia.sisson@osc.nc.gov](mailto:virginia.sisson@osc.nc.gov).

Attachment 1 Attachment 2

SAD 17-35

DR. LINDA COMBS, STATE CONTROLLER

MAILING ADDRESS: 1410 Mail Service Center, Raleigh, North Carolina 27699-1410

STREET ADDRESS: 3512 Bush Street, Raleigh, North Carolina 27609

Phone (919) 707-0500 ~ Fax (919) 981-5444

<http://www.osc.nc.gov> ~ An EEO/AA/AWD Employer