



# Office of the State Controller

## OFFICIAL MEMORANDUM

To: Fiscal Officers

From: Anne Godwin, Deputy State Controller

Date: April 26, 2018

Subject: 2018 Governmental Fund Capital Assets Reconciliation

To facilitate the year-end process for the 2018 Comprehensive Annual Financial Report (CAFR), all primary government agencies using the North Carolina Accounting System (NCAS) are required to complete the attached capital asset package. This package includes a reconciliation certification of the activity in the Fixed Asset System (FAS) as well as a worksheet for Changes in Capital Assets. Agencies will use available fixed asset reports in XTND and/or XPTR to confirm the current year activity. This package must be completed by July 13, 2018 and emailed to [CAFR@osc.nc.gov](mailto:CAFR@osc.nc.gov).

In addition to the above requirements, NCAS agencies are also required to record their ending capital asset balances in the accounting system and 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.

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.

Should you have any questions, please contact your financial analyst or Kim Battle at 919-707-0521 or [kim.battle@osc.nc.gov](mailto:kim.battle@osc.nc.gov).

Attachments

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