

TOPIC	GAAP REPORTING	SUB-SECTION 27.50.25
SECTION	CAPITAL ASSETS	ISSUANCE DATE June 25, 2009
SUB-SECTION	CONSTRUCTION IN PROGRESS	REVISED - 2019

CONSTRUCTION IN PROGRESS

The Construction in Progress schedule provides a summary of the changes in construction in progress (CIP) for the year. Proprietary and pension trust funds report CIP on their GAAP trial balance, while governmental funds do not. However, the CIP belonging to governmental funds is reported on the government-wide financial statements for the State. This schedule is used only for reporting governmental fund activity.

CIP represents a temporary capitalization of labor, materials, equipment, and overhead costs of a construction project. Additions to CIP include actual capital outlay expenditures and capital outlay payments made during the lapse period. Additions to CIP should be based on the GAAP reporting threshold for the type of asset being constructed.

CIP deletions occurs when a project is completed and the resulting capital asset is capitalized in MAGIC, project is completed but the asset will not become a part of the agency's inventory, project was cancelled, or the asset is reported to SPO but does not meet GAAP capitalization thresholds. When the project is completed, costs in CIP are reclassified to the appropriate asset class or classes.

Exhibit 27.50.25 contains reference numbers. The instructions for completing the schedule are as follows:

<u>REFERENCE</u>	<u>EXPLANATION</u>
1	The fund number reporting the expenses of the CIP.
2	The business area number and name.
3	The reporting date including month, day and year.
4	The person who prepared the schedule.
5	The name and a brief description of the project.
6	The total amount authorized to be spent on the project.
7	The general ledger account that the CIP should be posted to.
8	The balance for CIP at the end of the previous fiscal year.
9	The expenditures posted in the current fiscal year for the project
10	The lapse period accruals for the project
11	The prior year accruals for the project
12	Formula - Do not adjust The current year additions to CIP (Current year expenditures + current year accruals - prior year accruals)
13	The amount settled or to be settled to a final asset for the reporting period.
14	The MAGIC asset number and sub-number for the final asset placed in service for the reporting period.
15	The adjustment account for the class of assets placed in service
16	The date the assets were place in service
17	The amount to be expensed (i.e project cancelled, final value of the project was below the

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capitalization threshold, etc.)

- 18      Formula-Do not adjust The amount of deletions for the project (amount capitalized + amount expensed)
- 19      Formula-Do not adjust The ending balance in CIP for the project (beginning balance + additions – deletions).
- 20      The cost object for the transaction (either cost center, internal order, or WBS element)
- 21      The MAGIC grant number (enter NRGRANT if not grant related)

Exhibit 27.50.25

Form 27.50.25 (Rev. 7/16)

Construction in Progress

Fund: \_\_\_\_\_ (1)  
 Business Area #: \_\_\_\_\_ (2)  
 For the Period Ended: \_\_\_\_\_ (3)  
 Prepared by: \_\_\_\_\_ (4)

Business Area Name: \_\_\_\_\_ (2)

Project Name/Description	Authorized Amount	MAGIC Account	Beginning Balance	Current Year Expenditures	Current Year Accruals	Prior Year Accruals	Additions	Capitalized	Number/Sub-Number	Adjustment Account	Placed in Service Date	Amount Expensed	Deletions	Balance	Cost Center	Internal Order	WBS Element	Grant
(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(20)	(20)	(21)
							-						-					
							-						-					
							-						-					
Grand Total	-		-	-	-		-	-	-		-	-	(18)	-				

- 16050001 - CIP Adjustment
- 19902080 - OFR Capital Assets Asset Under Const (Reporting)
- 19902081 - OFR Capital Assets Infrast Under Const (Reporting)
- 19902020 - OFR Capital Assets Land (Reporting)
- 19902030 - OFR Capital Assets Buildings (Reporting)
- 19902040 - OFR Capital Assets Equipment (Reporting)
- 19902050 - OFR Capital Assets Software (Reporting)
- 19902060 - OFR Capital Assets Land Improvements (Reporting)
- 19902070 - OFR Capital Assets Infrastructure (Reporting)