

970 CAPITAL OUTLAY

APPENDIX Q

Capital Outlay – This account is found in any fund of local units where fixed assets do not become a part of the fund. Normally this would include all funds except Enterprise, Intragovernmental Service, and other similar funds. It is used to record expenditures by the local unit for the acquisition of fixed assets. Such purchases are recorded, at cost, in the “General Fixed Assets Group of Accounts” either monthly or at the end of the year (unless transferred to an Enterprise or Intragovernmental Service Fund). A unit may record all capital outlay expenditures within this account, or may account separately for various types of capital outlay expenditures by utilizing Accounts #971 through #989. If separate accounting is maintained, this account becomes a control account, and its balance must at all times equal the combined totals of #971 through #989.

This account is:

DEBITED - with all fund expenditures for capital outlay and

CREDITED - with any adjustments, and when closing this account to fund balance or other surplus account.

NOTE: Capital outlay expenditures for General Fixed Assets are normally charged to the fund and activity to which they apply.

971 – 989 If these accounts are used, for additional breakdown of capital outlay, use the numbers as indicated in the chart of accounts index in the column headed “optional possibilities.”