

CHAPTER XI

HIGHER EDUCATION INTERFACING CAPITAL  
CONSTRUCTION ACTIVITY TO THE 461 FUND

## CHAPTER XI

### HIGHER EDUCATION INTERFACING CAPITAL CONSTRUCTION ACTIVITY TO THE 461 FUND

PURPOSE:

The purpose of this procedure is to describe how authorized higher education institutions can interface summarized accounting information, including encumbrances, from their internal accounting systems, to COFRS for state appropriated capital construction accounting. The use of this procedure eliminates the duplicate manual recording of transactions on the state agencies accounting systems and on COFRS.

PROCEDURAL STEPS:

Prior to interfacing summarized accounting and encumbrance data, the interface procedure to be used by the Institution must be approved by the state controller. A “Request for Exemption from Using COFRS Modules” (COFRS Alert 21) and a description of the procedures to be used for interfacing are submitted to SCO and approved before the actual interface process can begin.

The SCO and higher education institutions have agreed on a process to be followed to ensure consistent accounting treatment for capital construction activity. In general, higher education institutions will use their individual capital project subsidiary ledgers to track project detail information, including encumbrances, and will interface capital construction accounting data into the COFRS 37X and 461 funds in the same manner they interface data for the other funds.