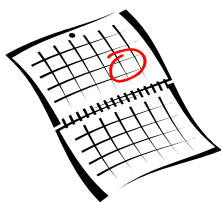


## K. CAPITAL ACCOUNTING RECORDS RECONCILIATION

Natasha Walker-Unit Chief Capital Phone: 212/669-7405  
E-mail: [capital@comptroller.nyc.gov](mailto:capital@comptroller.nyc.gov)

Fax: 212/815-8570  
Room 200 South



### Critical Date

- **July 15, 2016** – Last date to submit Capital Reconciliation Representation Certification

The City's financial statements are prepared from transactions recorded in the FMS Accounting by Agencies. As required in the Comptroller's Internal Control and Accountability Directive 1: Principles of Internal Control, Section 4.3 "Control activities should exist at all levels and functions of an Agency. They include a wide range of diverse activities such as approvals, authorizations, verifications, record reconciliations and the creation and maintenance of related records that provide evidence of the execution of these activities." All City Agencies must reconcile their internal capital accounting records with data shown in FMS Accounting. The reconciliation ascertains that there is no conflicting data between two independently maintained set of records that could result in inaccurate financial statements.

When discrepancies exist, Agencies are required to investigate and make necessary adjustments to rectify omissions or errors, by processing the required documents or budgetary modifications. Capital accounting adjustments to FMS Accounting deemed necessary, should be forwarded to the Mayor's Office of Management & Budget and/or the Comptroller's Office.

Agencies are required to reconcile their internal capital records to the City's FMS Accounting monthly reports in the following areas:

1. Unencumbered balance for each unit of appropriation  
Agencies should reconcile their internal capital records to the unobligated amount on FMS Accounting report CWA-CFEXPA-002 (Available Capital Funds Summary by Dept and Dept Type). Alternatively, Agencies may reconcile to the "available amount" on FMS Accounting Screens such as:
  - BQ94LV1 -Capital Inception-to-Date Appropriation Unit
  - BQ94LV2- Capital Inception-to-Date Budget Code \*
  - BQ94LV3 -Capital Inception-to-Date Object\*

**\* Utilized when differences exist at the Unit of Appropriation level.**

2. Contract Liability Reconciliations – Agencies should reconcile the contract liability for each Unit of Appropriation/Budget Code combination, per their internal records to FMS Accounting Report CWA-AGOENC-001 (Aged Open Agreements by Dept and Appr as of Acct Pd or Date). As an alternative, Agencies may reconcile to an appropriate FMS Accounting inquiry screen which will provide the open encumbrance amount by unit of appropriation and budget code, i.e., BQ94LV2

3. Agencies must utilize the proper capital project fund and detail objects to account for pollution remediation expenditures. The following detail objects should be used to record pollution remediation expenditures.
- Object 202 ..... Land Acquisition
    - ... Detail Object 2027 ..... Pollution Remediation Obligations-Capital Eligible
  - Object 211 ..... Construction Buildings
    - ... Detail Object 2111 ..... Pollution Remediation Obligations-Capital Eligible
  - Object 212 ..... Building Acquisition
    - ... Detail Object 2121 ..... Pollution Remediation Obligations-Capital Eligible
  - Object 220 ..... Capital Purchased Equipment
    - ... Detail Object 2201 ..... Pollution Remediation Obligations-Capital Eligible
  - Object 231 ..... IOTB Site Acquisition
    - ... Detail Object 2311 ..... Pollution Remediation Obligations-Capital Eligible
  - Object 232 ..... IOTB Construction
    - ... Detail Object 2321 ..... Pollution Remediation Obligations-Capital Eligible
  - Object 241 ..... Leasehold Imp Construction
    - ... Detail Object 2411 ..... Pollution Remediation Obligations-Capital Eligible



**NOTE:**

Agencies are responsible for maintaining proper internal capital accounting documents and records subject to review by the Office of the Comptroller and external auditors.

In compliance with the Comptroller's Internal Control and Accountability Directive 1 and to certify that the records for the above two areas have been reconciled to the relevant FMS Accounting report(s) or screen(s), a June 30, 2016 Capital Reconciliation Representation, signed by the Agency Fiscal Officer must be submitted to the Comptroller's Office by July 15, 2016. Names of the report(s) or screen(s) used to reconcile with the internal records should be stated in the Capital Internal Record Reconciliation form. All differences whether reconciled or not should be noted on the Schedule of Differences which can be downloaded from the Comptroller's website.

If there are any questions concerning the Capital Reconciliations or the Representation Certificate, please contact Natasha Walker at 212-669-7405 or [capital@comptroller.nyc.gov](mailto:capital@comptroller.nyc.gov)

**REPRESENTATION OF AGENCIES  
CAPITAL INTERNAL RECORD RECONCILIATION TO  
FMS ACCOUNTING CAPITAL SYSTEM**

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Date: \_\_\_\_\_

Leonel Ferreira CPA, Division Chief  
Bureau of Accountancy  
Capital Unit  
Municipal Building – Room 200 South  
One Centre Street  
New York, NY 10007

Dear Mr.Ferreira:

We represent to you that we have examined our Capital Projects Fund unencumbered balances for each Unit of Appropriation and contract liabilities for each Unit of Appropriation for the fiscal year ending June 30, FILL IN FISCAL YEAR . We found them to be in agreement with FMS except for the differences indicated on the attached schedule. We were able to reconcile all differences unless otherwise noted.

Date: \_\_\_\_\_  
Name: \_\_\_\_\_  
Agency Code No.: \_\_\_\_\_  
Agency Name: \_\_\_\_\_  
Tel No.: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

Cordially,

\_\_\_\_\_  
Signature

***Please indicate which report(s) or FMS table(s) were used to reconcile Agency records.***

**THIS FORM CAN BE DOWNLOADED FROM THE COMPTROLLER'S WEBSITE, COMPLETED AND RETURNED ELECTRONICALLY.**

**SCHEDULE OF DIFFERENCES BETWEEN AGENCIES CAPITAL RECORDS AND FMS ACCOUNTING  
FOR FISCAL YEAR ENDING JUNE 30, 2016**

TYPE	DIFFERENCES	FMS ACCOUNTING OUTPUT MODE UTILIZED	EXPLANATION OF DIFFERENCES
<b>UNENCUMBERED BALANCE</b>			
<b>CONTRACT LIABILITY</b>			

PLEASE SUBMIT ADDITIONAL SCHEDULE IF MORE SPACE IS NEEDED.

DATE:	
SIGNATURE:	
NAME AND TITLE:	
AGENCY CODE AND NAME:	
ADDRESS:	
TELEPHONE NUMBER:	
E-MAIL ADDRESS:	

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