

NC Office of the State Controller - APPENDIX D, Part 1

New Accounts Added to Implement GASB Statement 87, Leases

Effective for fiscal year 2022

New NCAS Account #	Full Account Title Account Classification Definition	NCAS Account Title (25 Char) Financial Statement Caption DSS Financial Statement Rollup
1	115300 Lease Receivable Receivable (Current Asset) Definition: This account represents the present value of lease payments expected to be received within one year of the balance sheet date by a lessor in a leasing arrangement. This account is for use by governmental and proprietary lessors, including component units of the State.	LEASE RECEIVABLE rolls to new caption "Lease Receivable" in the Assets section on the balance sheet (DSS 11G/11P).
2	115301 Allowance for Doubtful Accounts - Leases Contra-Receivable (Current portion) To account for the current portion of lease payments the lessor assesses to be uncollectible.	ALLOW-DOUBT ACCTS-LEASES rolls to new caption "Lease Receivable" as a reduction of the asset in the Assets section on the balance sheet (DSS 11G/11P).
3	125300 Lease Receivable-Noncurrent Receivable (Noncurrent Asset) Definition: This account represents the present value of lease payments expected to be received at least one year or more subsequent to the balance sheet date by a lessor in a leasing arrangement. This account is for use by proprietary lessors, including component units of the State.	LEASE RECEIVABLE-NONCURRE rolls to new caption "Lease Receivable, Noncurrent" in the Noncurrent Assets section of the balance sheet for proprietary funds (DSS 11P). This is not valid on the DSS 11G for governmental funds.
4	125301 Allowance for Doubtful Accounts - Leases Contra-Receivable (Noncurrent portion) To account for the noncurrent portion of lease payments the lessor assesses to be uncollectible.	ALLOW-DOUBT ACCTS-LEASES rolls to new caption "Lease Receivable, Noncurrent" as a reduction of the asset in the Noncurrent Assets section of the balance sheet for proprietary funds (DSS 11P). This is not valid on the DSS 11G for governmental funds.
5	127001 Right to Use Lease Asset - Land and Permanent Easements Capital Assets Definition: This account represents the value of the intangible Right to Use lease asset for leased land and permanent easements accounted for under GASB Statement 87, Leases. The value in this account should include all capitalizable costs applicable under GASB Statement 87, Leases. See OSC Statewide Accounting Policy 105.7 and the GASB 87 Financial Reporting Update for further details.	RTU-LAND rolls to new caption under "Capital Assets" on the DSS 11P/11G.
6	127101 Right to Use Lease Asset - Buildings Capital Assets Definition: This account represents the value of the intangible Right to Use lease asset for leased permanent structures accounted for under GASB Statement 87, Leases. The value in this account should include all capitalizable costs applicable under GASB Statement 87, Leases. See OSC Statewide Accounting Policy 105.7 and the GASB 87 Financial Reporting Update for further details.	RTU-BUILDINGS rolls to new caption under "Capital Assets" on the DSS 11P/11G.

NC Office of the State Controller - APPENDIX D, Part 1

New Accounts Added to Implement GASB Statement 87, Leases

Effective for fiscal year 2022

	New NCAS Account #	Full Account Title Account Classification Definition	NCAS Account Title (25 Char) Financial Statement Caption DSS Financial Statement Rollup
7	127350	Right to Use Lease Asset - Machinery & Equipment Capital Assets Definition: This account represents the value of the intangible Right to Use lease asset for leased machinery and equipment accounted for under GASB Statement 87, Leases. This account includes leases for furniture, general equipment, motor vehicles, and motorized equipment. The value in this account should include all capitalizable costs applicable under GASB Statement 87, Leases. See OSC Statewide Accounting Policy 105.7 and the GASB 87 Financial Reporting Update for further details.	RTU-MACHINERY & EQUIPMENT rolls to new caption under "Capital Assets" on the DSS 11P/11G.
8	127295	Right to Use Lease Asset - General Infrastructure Capital Assets Definition: This account represents the value of the intangible Right to Use lease asset for leased general infrastructure accounted for under GASB Statement 87, Leases. The value in this account should include all capitalizable costs applicable under GASB Statement 87, Leases. See OSC Statewide Accounting Policy 105.7 and the GASB 87 Financial Reporting Update for further details.	RTU-GENL INFRASTRUCTURE rolls to new caption under "Capital Assets" on the DSS 11P/11G.
9	127970	Accumulated Depreciation-Leased Asset-Land Capital Assets, Depreciable	ACCUM DEPREC RTU-LAND rolls to new caption under "Accumulated Depreciation" within the Depreciable Capital Assets parent category on DSS 11P/11G.
10	127971	Accumulated Depreciation-Leased Asset-Buildings Capital Assets, Depreciable	ACCUM DEPREC RTU-BLDG rolls to new caption under "Accumulated Depreciation" within the Depreciable Capital Assets parent category on DSS 11P/11G.
11	127972	Accumulated Depreciation-Leased Asset-Machinery and Equipment Capital Assets, Depreciable	ACCUM DEPREC RTU-MACH&EQ rolls to new caption under "Accumulated Depreciation" within the Depreciable Capital Assets parent category on DSS 11P/11G.
12	127973	Accumulated Depreciation-Leased Asset-General Infrastructure Capital Assets, Depreciable	ACCUM DEPREC RTU-GEN INFR rolls to new caption under "Accumulated Depreciation" within the Depreciable Capital Assets parent category on DSS 11P/11G.

NC Office of the State Controller - APPENDIX D, Part 1

New Accounts Added to Implement GASB Statement 87, Leases

Effective for fiscal year 2022

	New NCAS Account #	Full Account Title Account Classification Definition	NCAS Account Title (25 Char) Financial Statement Caption DSS Financial Statement Rollup
13	229208	<p>Deferred Inflows of Resources for Lease Agreements</p> <p>Deferred Inflows of Resources</p> <p>Definition: For deferred inflows of resources defined by GASB Statement 87, Leases. Amounts reported in this account are amortized over the lease term. This account is for use by governmental and proprietary lessors, including component units of the State.</p>	<p>DEF INFLOWS LEASE AGMTS</p> <p>rolls to new caption under "Deferred Inflows of Resources" on the DSS 11P/11G.</p>
14	437128	<p>Lease Interest Revenue</p> <p>Nonoperating Misc. Revenue (11P) / Misc. Revenue (11G)</p> <p>Definition: This account represents interest revenue related to leases accounted for under GASB 87, Leases. This account is for use by governmental and proprietary lessors, including component units of the State.</p>	<p>LEASE INTEREST</p> <p>rolls to new caption under "nonoperating revenues" on the DSS 53P and existing caption "miscellaneous revenue" on the DSS 52G.</p>
15	534140	<p>Right to Use - Land and Permanent Easements</p> <p>Property, Plant & Equipment Expense/Expenditure</p> <p>Definition: This account represents capitalizable costs during the fiscal year related to lease agreements for land and permanent easements accounted for under GASB Statement 87, Leases. This account is for use by governmental and proprietary funds, including component units of the State of North Carolina. These costs must be capitalized as part of the 127001 Right to Use Lease Asset at year end.</p>	<p>RTU-LAND AND PERM EASE</p> <p>rolls under Expenditures, Other - Capital Outlay on the DSS 52G.</p> <p>For the DSS 53P, this account can be found under Unclassified/Invalid Accounts - Valid accts (must be 0 at year end).</p> <p>*This 534XXX account can be used by proprietary funds but should have a zero balance at year end.*</p>
16	534240	<p>Right to Use - Buildings</p> <p>Property, Plant & Equipment Expense/Expenditure</p> <p>Definition: This account represents capitalizable costs during the fiscal year related to lease agreements for permanent structures accounted for under GASB Statement 87, Leases. This account is for use by governmental and proprietary funds, including component units of the State of North Carolina. These costs must be capitalized as part of the 127101 Right to Use Lease Asset at year end.</p>	<p>RTU-BUILDINGS</p> <p>rolls under Expenditures, Other - Capital Outlay on the DSS 52G.</p> <p>For the DSS 53P, this account can be found under Unclassified/Invalid Accounts - Valid accts (must be 0 at year end).</p> <p>*This 534XXX account can be used by proprietary funds but should have a zero balance at year end.*</p>
17	534425	<p>Right to Use - General Infrastructure</p> <p>Property, Plant & Equipment Expense/Expenditure</p> <p>Definition: This account represents capitalizable costs during the fiscal year related to lease agreements for general infrastructure accounted for under GASB Statement 87, Leases. This account is for use by governmental and proprietary funds, including component units of the State of North Carolina. These costs must be capitalized as part of the 127295 Right to Use Lease Asset at year end.</p>	<p>RTU-GENL INFRASTRUCTURE</p> <p>rolls under Expenditures, Other - Capital Outlay on the DSS 52G.</p> <p>For the DSS 53P, this account can be found under Unclassified/Invalid Accounts - Valid accts (must be 0 at year end).</p> <p>*This 534XXX account can be used by proprietary funds but should have a zero balance at year end.*</p>
18	534560	<p>Right to Use - Machinery and Equipment</p> <p>Property, Plant & Equipment Expense/Expenditure</p> <p>Definition: This account represents capitalizable costs during the fiscal year related to lease agreements for machinery and equipment accounted for under GASB Statement 87, Leases. This account is for use by governmental and proprietary funds, including component units of the State of North Carolina. These costs must be capitalized as part of the 127350 Right to Use Lease Asset at year end.</p>	<p>RTU-MACH & EQUIP</p> <p>rolls under Expenditures, Other - Capital Outlay on the DSS 52G.</p> <p>For the DSS 53P, this account can be found under Unclassified/Invalid Accounts - Valid accts (must be 0 at year end).</p> <p>*This 534XXX account can be used by proprietary funds but should have a zero balance at year end.*</p>

NC Office of the State Controller - APPENDIX D, Part 2
Existing Accounts Modified to Implement GASB Statement 87, Leases
Effective for fiscal year 2022

OSC Action	NCAS Account #	Old Account Title: Account Classification Old F/S Caption; Old Definition	New NCAS Account Title Acct classification F/S caption; Definition
1 Caption Title Change, Modify Description	214100	Capital Leases Payable Current Liabilities Old F/S Caption: Capital Leases Payable Old Definition: This account is used to record the principal payments related to a capital lease due in the current period.	<u>New Account Title:</u> LEASE LIABILITY <u>Acct. Classification:</u> Current Liabilities <u>F/S Caption:</u> Lease Liability <u>New Definition:</u> This account is used to record the principal payments related to a lease due in the current period.
2 Caption Title Change, Modify Description	224100	Capital Leases Payable Noncurrent Liabilities Old F/S Caption: Capital Leases Old Definition: This account is used to record the principal payments related to a capital lease due at a future date at least one year or more subsequent to the balance sheet date.	<u>New Account Title:</u> LEASE LIABILITY-NONCURR <u>Acct. Classification:</u> Noncurrent Liabilities <u>F/S Caption:</u> Lease Liability <u>New Definition:</u> This account is used to record the principal payments related to a lease due at a future date at least one year or more subsequent to the balance sheet date. This is the value of the lease liability as calculated per GASB Statement 87 requirements, and is reduced by the current portion each year.
3 Caption Title Change.	437213	Proceeds - Capital Leases Other Financing Source Old F/S Caption: Other Debt Issued Old Definition: none.	<u>New Account Title:</u> PROCEEDS-LEASES <u>Acct. Classification:</u> Other Financing Source <u>F/S Caption:</u> Other Debt Issued <u>New Definition:</u> For use by governmental funds only.
4 Caption Title Change.	535313	Capital Lease Principal Payments Other Expenses & Adjustments Old F/S Caption: Principal Retirement Old Definition: none	<u>New Account Title:</u> LEASE PRINCIPAL PAYMENTS <u>Acct. Classification:</u> Other Expenses & Adjustments <u>New F/S Caption:</u> Principal Retirement (Expenditures DSS 52G) <u>New Definition:</u> This is a valid expenditure account for governmental funds. This is a valid nonoperating expense for proprietary funds and can be found under Unclassified/Invalid Accounts-Valid accts (must be 0 at year end). This account must have a 0 balance at year-end.
5 Caption Title Change.	535323	Capital Lease Interest Other Expenses & Adjustments Old F/S Caption: Interest and Fees (52G) or Debt Interest (53P) Old Definition: none	<u>New Account Title:</u> LEASE INTEREST PAYMENTS <u>Acct. Classification:</u> Other Expenses & Adjustments <u>New F/S Caption:</u> Interest and Fees (Expenditures DSS 52G) or Interest and Fees with subcaption of Debt Interest (Nonoperating Expenses DSS 53P) <u>New Definition:</u> none