

Construction-In-Progress (CIP)

Report the costs of real property construction projects. Include the cost of equipment that is installed as an integral part of the real property or that normally could not be removed without dismantling the property. Examples of such equipment include heating and air conditioning systems and elevators. Costs included in the CIP account are accumulated regardless of the source of funding. It include costs of direct labor, direct material, and overhead incurred in the construction of general property, plant, and equipment for which the DON will be accountable. Overhead may include costs for supervision and other indirect labor, supplies and materials, transportation, depreciation, etc. Construction overhead may be collected in cost pools and allocated to specific construction projects in proportion to the benefits received.

Beginning Balance

The beginning balance is automatically populated from the ending balance reported in the prior fiscal year. If the beginning balance is incorrect, adjustments should be reported in the "prior period adjustment" column.

Additional Costs

The dollar value of costs incurred to date during the current fiscal year. Sources of entries include, but are not limited to, billings under contracts for materials, supplies and equipment; documented assignments of costs accumulated in cost pools; issue and transfer documents; receiving and shipping reports; invoices; payment vouchers; payroll records; reports of completed construction projects; construction acceptance documents; accounting records; reports of survey; and documented losses. Progress payments on contracts and other types of payments such as cost reimbursements also are included in the CIP.

Transfers Out (Completed Construction)

The dollar value of the completed construction project being transferred out. Upon completion, if the accumulated costs equal or exceed the DoD capitalization threshold, the accumulated costs shall be transferred to the proper PP&E account as the recorded cost of the real property. Completed construction project shall be capitalized and recorded in the appropriate USSGL account upon placing the property in service, regardless of whether a certificate of occupancy has been issued.

Expensed (Broken Design)

The dollar value of broken design expensed during the current fiscal year to date. If the accumulated costs do not meet the DoD capitalization threshold, such costs shall be expensed when management determines that the capitalization threshold was not or will not be met.

Prior Period Adjustments

The dollar value of changes in CIP to correct valuation error(s) in prior period reporting or adjustments required by accounting policy changes. If data is entered in this field, an explanation in the narrative section is required.

Ending Balance

The CIP balance at the end of current reporting period. This value will be calculated based on the other data entered in the form. To perform the calculation, enter your data, then click on the save button at the bottom of the page. When you re-enter the form, the ending balance field will be populated.

% Change

The variation between the beginning balance and ending balance for the current reporting period. This field is automatically calculated after the form is saved