



State of North Carolina Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

February 12, 2002

MEMORANDUM NO. OSC-ADMIN-xxxx

TO: Chief Fiscal Officers
University Vice Chancellors
Community College Business Managers

FROM: Robert L. Powell
State Controller

SUBJECT: Recording Computer Networking Costs

The Office of the State Controller has added new accounts to the statewide chart of accounts in response to section 15.4(a) and 15.4(b) "Computer Networking Costs/ Telecommunications Service Billing for State Agencies" in the FY2001 Appropriations Bill. Computer networking is defined as wide area networking (WAN), video, and data connectivity services that are provided up to and including the router at a particular end user site, excluding Local Area Networks (LANs). Additionally, OSC has updated the title and/or definition of some existing accounts to make a clear distinction between WAN, video, and non-WAN related expenditures. Also, some existing accounts will become inactive on July 1, 2002, and will no longer be part of the statewide chart of accounts.

Beginning in next fiscal year, OSC will report expenditures against the new accounts in the IT Expenditures Report. Agencies must begin posting to the new accounts by July 1, 2002. Agencies may implement the new accounts earlier in order to assist staff training, update interfaces to NCAS, perform budget realignments, or maintain multiyear purchasing documents.

Although individual community colleges do not interface to NCAS, the community college chart of accounts should include the same level of detail as the statewide chart of accounts.

The attached document lists the new and/or updated accounts. Also attached is a copy of the December 14, 2001 interim report to the General Assembly. Please contact Teresa Shingleton at tshingle@mail.osc.state.nc.us if you need additional information.

cc: Mr. Ron Hawley, Chief Information Officer
Mr. David McCoy, State Budget Officer
NCAS Contacts
Chief Information Officers

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LOCATION
3512 Bush Street
Raleigh, NC

Account Adds/Changes/Deletes

532141 WAN Support Services - to record services purchased from independent contractors and/or external organizations for analyzing, designing, implementing, and/or supporting a wide area network.

532440 Maintenance Agreement for DP Equipment - **Inactive as of July 1, 2002.** Replace with new accounts 532443, 532444, and 532445.

532442 Maintenance Agreement for WAN Software - to record costs of a maintenance agreement on wide area network software.

532443 Maintenance Agreement for non-WAN DP Equipment - to record costs of a separate maintenance agreement on non-WAN DP equipment. The maintenance agreement is not part of an equipment lease agreement.

532444 Maintenance Agreement for WAN Equipment - to record costs of a separate maintenance agreement on wide area network equipment. The maintenance agreement is not part of an equipment lease agreement.

532445 Maintenance Agreement for Video Transmission Equipment - to record costs of a separate maintenance agreement on video transmission equipment. The maintenance agreement is not part of an equipment lease agreement.

532522 Rent/Lease of DP Equipment - **Inactive as of July 1, 2002.** Replace with new accounts 532530, 532531, 532532.

532523 Rent/Lease of Voice Communications Equipment - (**Title modification**) to record charges for voice based communications equipment including software and maintenance as set forth in a rent/lease agreement.

532530 Rent/Lease of non-WAN DP Equipment - to record charges for non-WAN data processing equipment including software and maintenance as set forth in a rent/lease agreement.

532531 Rent/Lease of WAN Equipment - to record charges for wide area network data processing equipment including software and maintenance as set forth in a rent/lease agreement.

532532 Rent/Lease of Video Transmission Equipment - to record charges for video transmission equipment including software and maintenance as set forth in a rent/lease agreement.

532812 Telecommunications Data Charge - (**Definition change**) to record data transmission costs (WAN charges) such as shared data charges, point-to-point data charges, and NCREN gateway internet fees.

532816 Video Transmission Charge - to record video transmission costs such as NCIH charges.

532817 Internet Service Provider Charge - to record dial-up or direct service link costs when the service is provided by a non-state entity (e.g. AOL, RoadRunner, GTE, Earthlink).

534522 Computer Equipment - **Inactive as of July 1, 2002.** Replace with new accounts 534530, 534531, and 534532.

534528 Voice Communications Equipment - (**Title modification**) to record charges for voice based communications equipment including bundled software.

534530 Non-WAN DP Equipment - to record charges for non-WAN data processing equipment including bundled software.

534531 WAN Equipment Purchases - to record charges for wide area network data processing equipment including bundled software.

534532 Video Transmission Equipment Purchases - to record charges for video transmission equipment including bundled software.

534710 Computer Software - **Inactive as of July 1, 2002.** Replace with new accounts 534711 and 534712.

534711 Non-WAN Computer Software - to record charges for software purchased separately from a non-WAN or video transmission equipment purchase.

534712 WAN Computer Software Purchases- to record charges for software purchased separately from a wide area network equipment purchase.