

SEAN SCANLON
STATE COMPTROLLER



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STATE OF CONNECTICUT
OFFICE *of the* STATE COMPTROLLER
165 Capitol Ave.
Hartford, CT 06106

MEMORANDUM NO. 2023-18

July 6, 2023

TO THE HEADS OF ALL STATE AGENCIES

Attention: Agency Heads, Chief Administrative and Fiscal Officers, and Business Managers

Subject: Updated Annual Asset Management/Inventory Report/GAAP Reporting Form (CO-59)

I. PURPOSE

The Comptroller's Office Central Accounts Payable Division has modified the CO-59 to accommodate reporting required under GASB 96 (SBITAs). Agencies must perform a physical inventory and transmit, annually, to the State Comptroller on or before October 1st the CO-59 Report, using the current form version ([Rev. 7/2023](#)), reflecting the sum of real and personal property within the Agency as of June 30th. The Comptroller recommends transmitting before the October 1st deadline and will accept FY23 CO-59s on July 18th, 2023.

II. AUTHORITY

Connecticut General Statutes:

[Section 4-36](#): "Each state agency shall establish and keep an inventory account in the form prescribed by the Comptroller, and shall, annually, on or before October first, transmit to the Comptroller a detailed inventory, as of June thirtieth, of all of the following property owned by the state and in the custody of such agency: (1) real property, and (2) personal property having a value of one thousand dollars or more."

Office of the State Comptroller Memorandum:

[Memo 2015-05](#) New Asset Capitalization Threshold Effective July 1, 2015: "Personal property acquired prior to July 1, 2015, will have a capitalization threshold of one thousand dollars. Effective July 1, 2015, the capitalization threshold for personal property is five thousand dollars."

[Memo 2023-13](#) Annual Asset Management/Inventory Report/GAAP Reporting of all Real and Personal Property: "Agencies must perform a physical inventory and transmit, annually, to the State Comptroller on or before October 1st the CO-59 Report, using the current form [...], reflecting the sum of real and personal property within the Agency as of June 30th."

III. FORM UPDATES

The CO-59 form updates incorporate changes needed to separate GASB 96 reportable Subscription Based Information Technology Agreements (SBITAs) and make electronic workflow easier.

A. Header Updates

Agency name and address has been moved to the far left and now contains lines to separate address information. The Agency Acronym should be entered next, followed by the Fiscal Year being reported, and Inventory Date which is filled in like the previous Date of Physical Inventory. Agencies that conduct year-round or perpetual inventories should enter June 30, while agencies that conduct a single inventory event should enter the date that event concluded prior to June 30.

B. GAAP Group Personal Property Reporting Section Updates

The **GAAP Group Personal Property** section of the CO-59 Rev. 7/2023 has been updated in the following areas:

SOFTWARE SUBSCRIPTIONS (CAPITALIZED SBITA) – Enter sum of SBITAs that meet the \$5,000.00 threshold and are longer than 12-months. Subscription Based Information Technology Agreements less than 12-months are expensed and not tracked on the CO-59.

SOFTWARE PERPETUAL (CAPITALIZED) – Enter sum of software not identified as a SBITA that meets the capital threshold of \$5,000.00. This section was previously Software (Capitalized) Owned by State and should include all non-subscription capitalized software listed in an agency's software library.

SOFTWARE PERPETUAL (NON-CAPITAL) – Enter sum of software not identified as a SBITA and does not meet the capital threshold of \$5,000.00. This section was previously identified as Licensed Software. This should include all non-subscription and non-capital software listed in an agency's software library.

C. Footer Updates

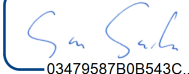
Prepared By and Authorized areas now have separation for printed name and title. This will allow for a PDF fillable form to accommodate electronic signatures.

The CO-59 must be reviewed and signed by the Agency Head or delegated manager level employee. The Prepared By signer must be different from the Authorized signer. Signed forms, along with supporting documentation, must be kept on file at each agency and made available for audit. Completed CO-59 forms should be sent to osc.assets@ct.gov.

(Please take notice that older versions of these forms will NOT be accepted.)

IV. QUESTIONS

Questions regarding the completion of the [CO-59](#) should be directed to osc.assets@ct.gov.

DocuSigned by:

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SEAN SCANLON
STATE COMPTROLLER

SS:KP

<http://www.osc.ct.gov>