# State of Oklahoma

# COR415

## Asset Management –
## Asset Adjustments & Transfers Manual

Office of Management & Enterprise Services

OKLAHOMA

# Table of Contents

# Document History

| Document Revision | Date | Description |
|---|---|---|
| 1.0 | 04/25/2011 | Initial Document |
| 2.0 | 05/01/2014 | Upgrade Update |
| 3.0 | 08/15/2024 | Upgrade Update |

# Cost Adjustment and Transfer Overview

Once an Asset has been added to the Asset Management system through the Purchasing/Accounts Payable Interface or manually in Asset Management, any changes to Cost, Quantity, Asset Category, or Chartfields must be made through the **Asset Adjustment** features. These types of Adjustments are all categorized as Financial Adjustments.

Asset Adjustment will often be accompanied by depreciation adjustments and/or related accounting entries. All Adjustments are tracked within the system and the history of Adjustments can be viewed through the Review pages.

Due to the accounting implications of executing the Adjustment process, these features will only be granted to those state users demonstrating the ability to successfully manage the Adjustment process.

**Adjustment** is used when an asset's cost or quantity is incorrect. An incorrect cost can occur when a voucher is unposted, and the Asset amount is changed on the voucher after the Load Asset Request updates the Asset financial information in Asset Management. An incorrect quantity will occur when cost rows are added to an asset ID through Accounts Payable, and each cost row increases the quantity.

When an Asset's Cost or Quantity needs to be increased, use the **Cost Addition** features. In contrast to the Asset Adjustment features, the Asset Cost Addition features generally are used to reflect an increase in the Assets Cost during the life of the Asset. For example, a P-card purchase for an item that is part of an existing Asset could require that the Asset Cost to be increased.

**Do not use a Cost Addition when you need to correct an error made in the cost or quantity of an Asset. Use Asset Adjustment to correct entry errors in cost or quantity.**

When an Asset's Chartfield values are not correct or need to be changed to reflect movement of the Asset within the agency, an **Asset Transfer** action must be taken on the Asset. For example, if an Asset moves from one Department in an agency to another Department (and the agency tracks and reports by Department), an Asset Transfer must be completed to correctly reflect this move.

The Transfer action will 'Transfer' the Asset from the old Chartfield combination to the new Chartfield combination. In doing so, the system creates two transactions. The first takes the Asset out of the old Chartfield combination and the second puts the Asset into its new Chartfield combination

Changes to an Asset's Category are called **Recategorization** in the system. Typically, Recategorizations are done when the Asset's Category was entered incorrectly, or Cost Type needs to be changed (to reflect a change in ACFR reporting).

Like Asset Transfers, when an Asset Recategorization is done, the system creates two transactional rows. The first represents the transfer 'Out' of the original Asset Category; the second represents the transfer 'In' to the new Asset Category.

**All Financial Transactions will result in a pending transaction for Depreciation. Run the depreciation calculation process after each financial transaction to update the asset.**

# Key Terms

**Asset Management Business Unit:** Each agency has one Asset Management Business Unit. The Business Unit is the 3 digit agency code, plus 00. For example, Office of Management and Enterprise Services is 09000.

**Asset ID:** Each Asset in the system has a unique Asset ID assigned automatically when the asset is added. The Asset ID is the key number used by the system to track each individual asset. Use this number to search for a particular asset in the system and view or make changes.

**Tag Number:** All Assets in the Asset Management system can have a Tag Number that matches the physical tag on the asset. It is a 10-digit field that will take alphanumeric characters.

**Asset Financial Information:** An Assets Financial information includes cost, quantity, useful life, and ChartField values.

**Asset Physical Information:** An Assets Physical information includes tag number, location, custodian, serial number, and Manufacturer ID.

**Profile ID:** Profile ID is a "template" for the Asset that defaults values into the asset used for grouping and depreciation processing. This includes Asset Category, Asset Type, Useful Life, and Depreciation Method and Convention.

**Asset Category:** Groups assets together by major asset type for financial reporting purposes. Categories are Land, Land Improvements, Buildings, Infrastructure, Machinery and Equipment, IT Systems, Artifacts and Treasures. Asset category is required and included in the Profile ID.

**Asset Type:** Classifications to report assets within an asset category. Types are IT Hardware, IT Software, Equipment, Property, Fleet, Furniture, Facility, Intangibles, and Other. Asset type is required and included in the Profile ID.

**Asset Subtype:** Groups assets within Asset Types at a more granular level for internal reporting purposes. Subtypes are optional in Asset Management and are not included in the Profile ID.

**Asset Class:** Defines assets within Asset Categories for internal reporting purposes. Asset Classes are optional in Asset Management.

**ACFR Asset:** A capital asset with a cost of $25,000 or more reportable on the Annual Comprehensive Financial Report (ACFR). The cost of individual assets acquired as part of of a group to be used together, but can be used as a separate asset, must individually meet the $25,000 capitalization policy even though they are connected to other components of the group. Asset grouping is limited to individual components that cannot be used without being connected to other components. Refer to GAAP Package H, Reportable Capital Assets, under Key Terms for specific guidelines.

**Cost Type:** A Cost Type is used to differentiate between ACFR and non-ACFR assets. The cost type, in conjunction with category and asset transaction, will record the accounting entries needed by the ACFR group.

**IT Asset:** Telecommunication voice response systems and electronic information technology applications, including but not limited to mainframe computers, minicomputers, or microcomputers, word processing equipment, office automation systems, Internet, eGovernment, broadband, WI-FI or wireless networking, mobile radios, including the interoperable radio communications system for state agencies, radio towers, projectors, TV's used as IT monitors or part of audio visual conferencing systems or Global Positioning Systems (GPS).

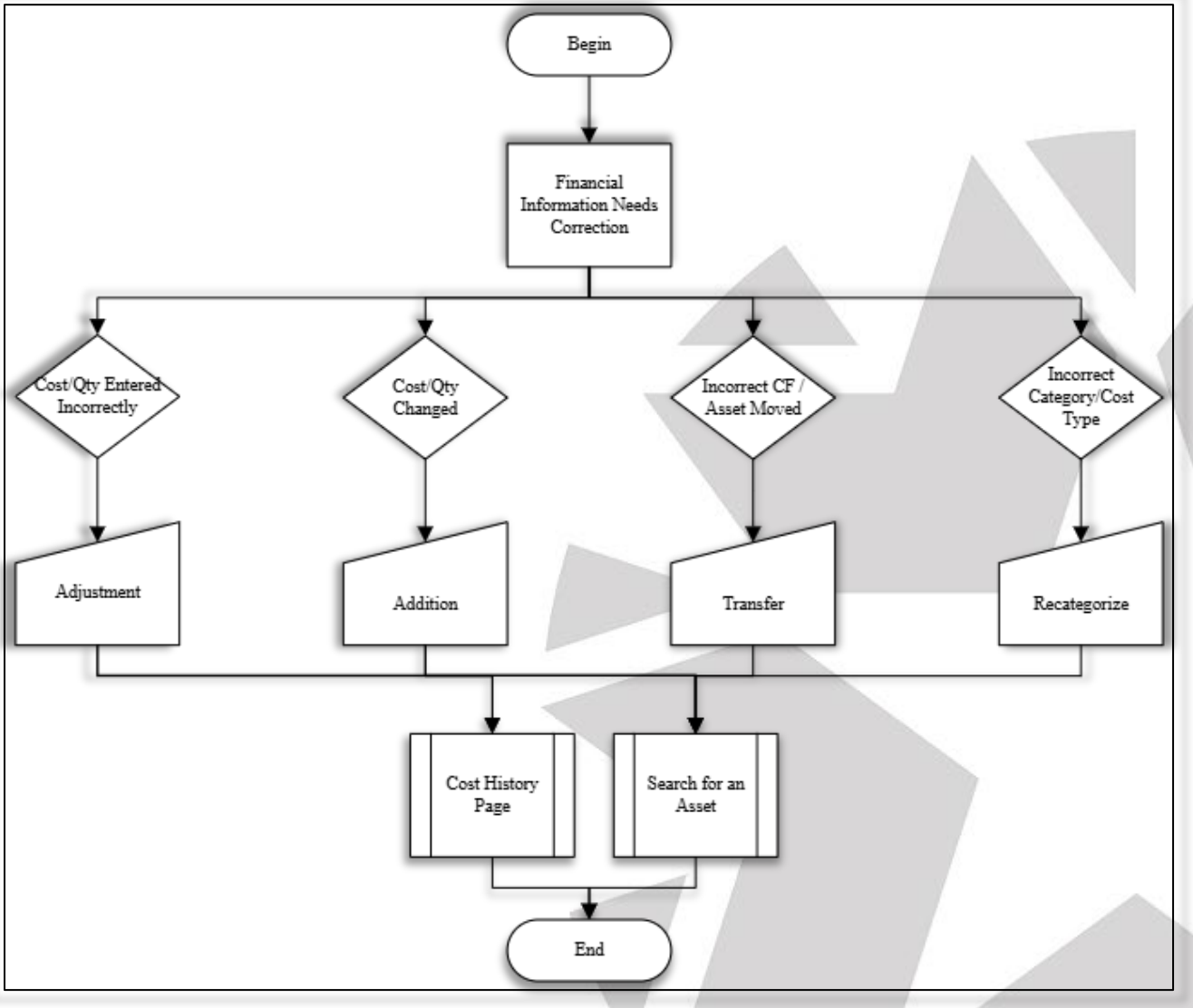
**Transaction Date:** Date on the Asset that reflects the actual date the Asset transaction took place. In the case of a new Asset addition, this is the date the Asset was Acquired.

**Accounting Date:** Date on the Asset that will determine when the Asset transaction will be posted to the General Ledger.

**Asset Management Books:** Asset Books store financial information about an asset including cost, depreciation rules and retirement rules. The state will support only one book called 'STATE'.

**Depreciation Calculation:** Depreciation must be run to account for every transaction performed on an Asset. Assets added in AM are eligible for depreciation when they are Capitalized, either by manually keying an Asset in AM or by loading a Voucher into AM. Other financial transaction performed on an Asset, such as Adjustment, Transfer, Retirement, Reinstatement, Re-categorization, and Book Adjustment (adjustment to depreciation life), require depreciation to be recalculated

# Process Flows



# Asset Cost Adjustment/Transfer Process Flows

Begin Process

Financial Transaction needs correction.

If an asset cost or quantity is incorrect, perform an **Adjustment**.

If an existing asset cost or quantity needs to be added and a Cost Row was not added through the voucher, perform an **Addition**.

If an asset has an incorrect Chartfield or was moved from one department to another department and the agency tracks and reports by department, perform a **Transfer**.

If an asset has an incorrect category or cost type, perform a **Recategorization**.

Use Asset Cost History or Search for an Asset pages to view updated Financial Information online.

Run the Deprecaiton Calculation Process after each Financial Transaction.

End

# Guidelines, Concepts, and Alternatives

## What is a Capital Asset?

The term *capital assets* include land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. (GASB S34, par. 19)

The State of Oklahoma's capitalization threshold for capital assets is $25,000.

## What Assets, in Addition to Capitalized Assets, Should be Included in Asset Management?

The Asset Management system will be used to track **"tangible assets" costing $2,500 or more** to meet Department of Central Services reporting requirements per the Administrative Rule OAC 260:110-1-3. "Tangible assets" mean machinery, implements, tools, furniture, livestock, vehicles and other apparatus that an agency may use repeatedly without material impairment of its physical condition and have a calculable period of service and a value exceeding the reporting threshold the OMES establishes for the entity. [74 O.S., Section 110.1]" [1]

The system will also be used to track **telecommunication and electronic information technology applications costing $500 or more** to meet the requirements specified in Title 62, § 34.12, Subsection 6. Telecommunication and electronic information technology applications "include but are not limited to the use of mainframe computers, minicomputers, or microcomputers, word processing equipment, office automation systems, Internet, eGovernment, broadband, WI-FI or wireless networking, mobile radios, including the interoperable radio communications system for state agencies, radio towers, projectors, TV's used as IT Monitors or part of audio visual conferencing systems or Global Positioning Systems (GPS).[2]

Asset Management can also be used to track items costing **less than $2,500 ($500 if an electronic information technology asset) if they are sensitive** for one or more of the following reasons:

- *Items that require special attention to ensure legal compliance.* Legal or contractual provisions may require a higher than ordinary level of accountability over certain capital-type items (e.g., items acquired through grant contracts).
- *Items that require special attention to protect public safety and avoid potential liability*. Some capital-type items by their very nature pose a risk to public safety and could be the source of potential liability (e.g., police weapons).
- *Items that require special attention to compensate for a heightened risk of theft ("walk away" items)*. Some capital-type items are both easily transportable and readily marketable or easily diverted to personal use (e.g., sound equipment). [3]

## What are the State's Major Asset Categories for Owned Assets?

The State of Oklahoma uses the following major categories:

**Art, Artifacts, and Treasures** – This includes collections of works of art, historical treasures, and similar items. For art or a collection to be categorized as Art, Artifact, or Treasure, its purpose must be to display or research, and the collection items must be adequately maintained and preserved. Additionally, proceeds from the sale of collection items must be used to purchase other items for the collections. Such collections are often considered to have an indefinite useful life and will generally appreciate; thus, assets in this category are not depreciated.

**Land** – "Land is often associated with some other asset (e.g., land under a building or road). Land should be treated separately; thus, the land purchased with an existing building should not be capitalized as part of the cost of the building. The cost of the land should include the acquisition cost and the cost of initially preparing land for its intended use, provided these preparations have an indefinite useful life, like the land itself. Ownership of land can include separable elements (e.g., mineral rights). These various elements should not be treated as separate assets in their own rights unless they are acquired separately. Land, unless compromised by use, has an indefinite life and is not depreciated." [4]

**Land Improvements** – This is used for permanent improvements that add value to the land but do not have an indefinite useful life. Examples include fences, retaining walls, parking lots, and most landscaping. Moveable items should be classified as furnishing and equipment.

**Buildings** – All permanent structures are included in the building category. The cost of an *improvement* will be treated as a separate asset in the Asset Management System but can be linked in a Parent-Child relationship.

**Infrastructure** – "Long-lived capital assets that normally are stationary in nature and normally can be preserved for a significantly greater number of years than most capital assets." [4] Examples include roads, bridges, tunnels, drainage systems, water and power systems, dams, and lighting systems.

**Machinery and Equipment** – This category is used for vehicles, furnishings, and similar moveable items, but does exclude assets included in the IT Systems category. It also can be used for collections that do not appreciate (e.g., general library collections).

**IT Systems** – This category was set up separately from machinery and equipment to satisfy the requirements of Title 62, § 34.12. Subsection 6. Assets include telecommunication voice response systems and electronic information technology applications. See the paragraph defining information technology assets in the question on the previous page addressing which assets are tracked in the Asset Management system.

**Construction in Progress** – Costs incurred to construct or develop a tangible or intangible asset before it is ready to be placed in service. Construction in Progress will be tracked in the PeopleSoft Projects Module and will be classified into the appropriate asset category when the asset is placed in service. If the Projects Module is not utilized, then Construction in Progress totaling $25,000 or more will be reported separately to the ACFR group until the asset is added to the Asset Management Module at the time the asset is placed in service.

## How Should a Donated Capital Asset be Valued?

Generally accepted accounting principles state that "donated capital assets should be reported at their estimated fair value at the time of acquisition plus ancillary charges, if any." [4] The appropriate fair value is the amount that the agency would have had to pay to acquire the asset, not the amount for which the donated asset might be resold.

## How Should Bundled Costs be Assigned to Individual Assets?

"Capital assets often are purchased or constructed in bundles (e.g., the purchase of a building and land). An appropriate portion of the cost must be assigned to each." [4]

## How Should Assets Obtained through Trade-Ins be Valued?

"If a capital asset is traded-in in the process of purchasing another similar capital asset, the newly acquired capital asset should be recorded at an amount equal to the book value of the asset that was surrendered plus any additional monetary consideration provided to seller." [4]

## What is the Acquisition Cost of Internally Generated Software?

Generally accepted accounting principles "prohibit the capitalization of any cost associated with the *preliminary project stage* of software development. Conversely, costs connected with the *application development stage* should be capitalized, but only if incurred after the completion of the preliminary project stage. Even then, capitalization is limited to situations where management authorizes and commits to funding, at least through the current period. Finally, costs incurred as part of the *post-implementation/operations* stage should never be capitalized." [4]

## How Should Significant Costs Incurred after the Asset is Acquired be Treated?

Significant costs incurred in connection with capital assets in periods after the initial acquisition need to be distinguished between improvements and repairs and maintenance.

"An **improvement provides *additional value***. Such added value is achieved either by 1) lengthening a capital asset's estimated useful life or 2) increasing a capital asset's ability to provide services (i.e., greater effectiveness or efficiency). In contrast to improvements, **repairs and maintenance *retain value*** rather than provide additional value." Improvements are capitalized and repairs and maintenance are expensed.

"Often a single project will have elements of both repair and an improvement. In that case, the relative cost of each should be determined and treated separately." [4]

The State will treat an improvement as a separate capital asset and depreciate it over its own estimated useful life. It can be linked in a Parent-Child relationship

## Which Items Should be Depreciated or Amortized and How?

Capital assets that have a definite useful life are depreciated. The State of Oklahoma uses the Straight Line depreciation method, the Half Year convention, and no salvage value to compute depreciation.

**How are the Useful Lives of Assets Estimated?**

Straight line depreciation is calculated by dividing the asset cost by the estimated useful life in years. Each agency determines the useful life of the assets and should be the period over which services are expected to be provided by the asset based on the agency's own experience. Factors to consider when estimating a life are materials and construction, specific use, physical environment, maintenance policies, and the risk of technological obsolescence. Refer to GAAP Package H, Reportable Capital Assets, Schedule A, for common life ranges for capital assets.

For assets not meeting the ACFR threshold of $25,000 or not subject to the federal capitalization threshold of $5,000 for purposes of federal reimbursement, a useful life of one year has been set up in Asset Management for all categories with assets that have a definite useful life.

Estimated useful lives selected for depreciation purposes must be reviewed regularly for reasonableness. "If a change in estimates proves necessary, it should be treated prospectively (i.e., as an adjustment to future charges)." [4]

1 DCS Administrative Rule 580:70-1-2

2 OSF Information Technology and Telecommunications Plan, Fiscal Year 2010, General Background

3 GFOA best practice on "Establishing Control over Non Capitalized Items" (2006)

4 GFOA Accounting for Capital Assets – A Guide for State and Local Governments (2008)

# Asset Groupings

**Asset Category**: (Required Field) Groups assets together by major asset type for financial reporting purposes.

**Asset Profiles**: (Required Field) A template containing default values for an Asset type. Default values include asset category, life (designated by the number in the profile ID), acquisition code, and asset type.

**Asset Type**: (Required Field and included in profiles) PeopleSoft delivered classification to report assets within an asset category. Types are IT Hardware (010), IT Software (020), Equipment (040), Property (050), Fleet (060), Furniture (080), Facility (090), and Intangibles (100).

**Useful Life**: Estimated Useful Life of the Asset used in deprecation calculations.

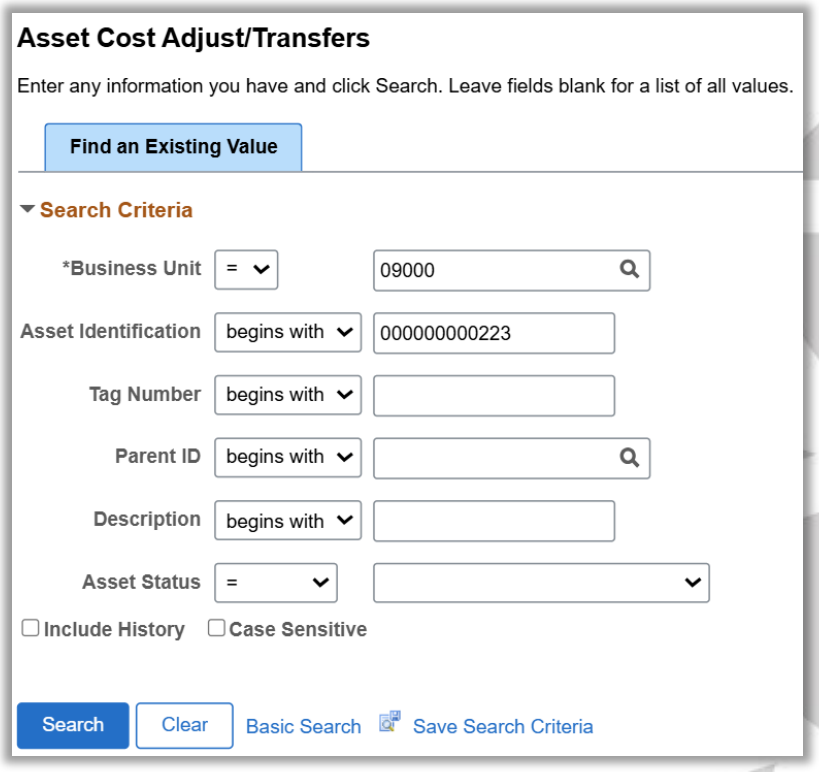
| Asset Category - Owned | Asset Profile | Asst Type | Useful Lives |
|---|---|---|---|
| ARTIF – Art and Artifacts | ART_ARTIF | Property | Non Depreciable |
| LAND - Land | LAND | Property | Non Depreciable |
| | ROW (Right of Way) | Property | Non Depreciable |
| LDIMP – Land Improvements | PROPERTYXX * | Property | 1, 5, 10, 15, 20, 25, 30, 40, 50 |
| INFRA – Infrastructure | INFRASTRUCTURE30 | Property | 30 |
| BLDG – Building | FACILITYXX | Facility | 1, 5, 10, 15, 20, 25, 30, 40, 50, 60 |
| ITSYS – IT Systems | HARDWAREXX | IT Hardware | 1, 3, 5, 10, 20 |
| | SOFTWAREXX | IT Software | 1, 3, 5, 8 |
| MA_EQ – Machinery & Equipment | EQUPXX | Equipment | 1, 4, 5, 6, 7,8, 10, 15, 20 |
| | FLEETXX | Fleet | 1, 3, 4, 5, 6, 7, 8, 10, 12, 15, 20 |
| | FURN_EQXX | Furniture | 1, 5, 7, 10, 12 |

* XX – represents multiple Useful Life values for a Profile ID.

# Adjust Asset Cost or Quantity

## Step 1 – Adjust an Asset's Cost

***Navigation: Asset Management > Asset Transactions > Financial Transactions > Cost Adjust/Transfer Asset > Find an Existing Value***

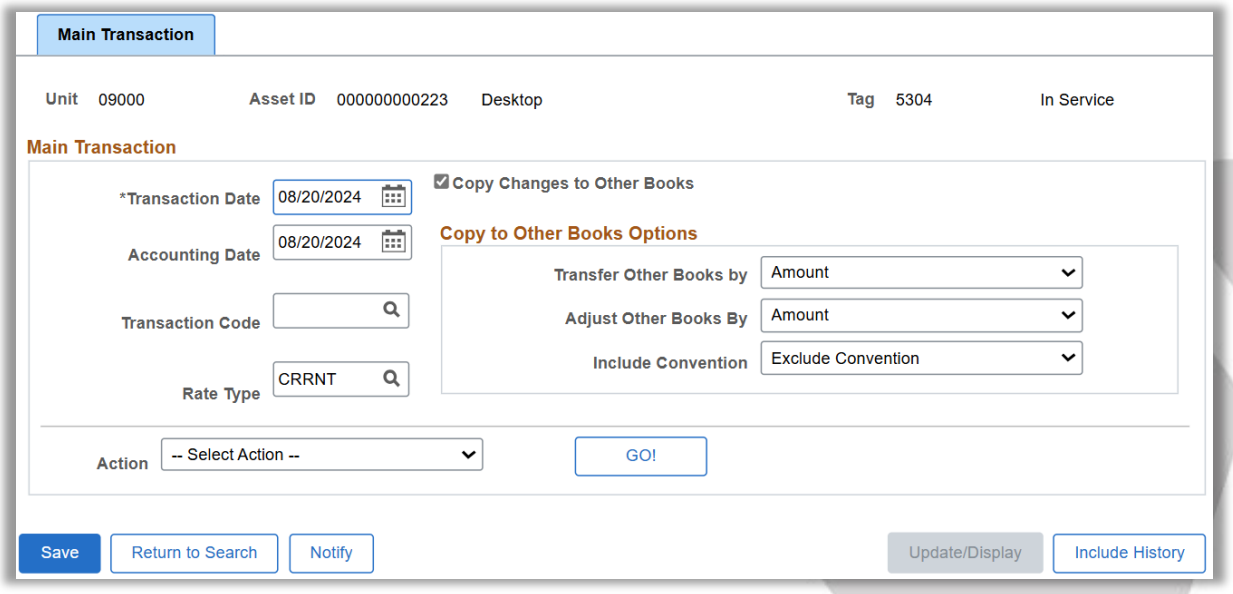



**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences setup for the person Adjusting the Asset.

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be Adjusted.

**Click** the **Search** button to **enter** the Asset Cost Adjust/Transfer pages.

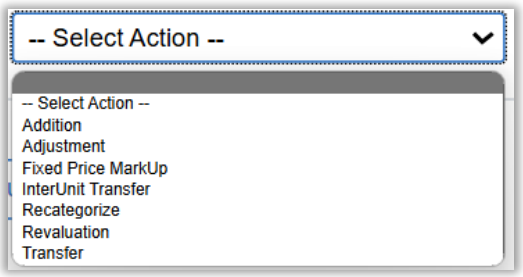
# Main Transaction Tab




**Transaction Date** – the Transaction Date will default to current date. This value should not be changed.

**Accounting Date** – the Accounting Date will default to current date. This value should not be changed.

**Action** - Adjustments can be done for **Cost Adjustments**, Cost **Additions**, **Transfers** of Chartfields and changes in Asset Category or Cost Type called **Recategorizations**.




Use the **Action** drop down to select the Action of **Adjustment**.

**Click** the **Go** button to initiate the Adjustment and view the Cost Information Page.

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**NOTE:** If the cost adjustment reduces the cost below $25,000, then the asset must be re-categorized to a non-ACFR asset. Likewise, if the Asset cost is adjusted to over $25,000.00, Cost Type 'C' is required.

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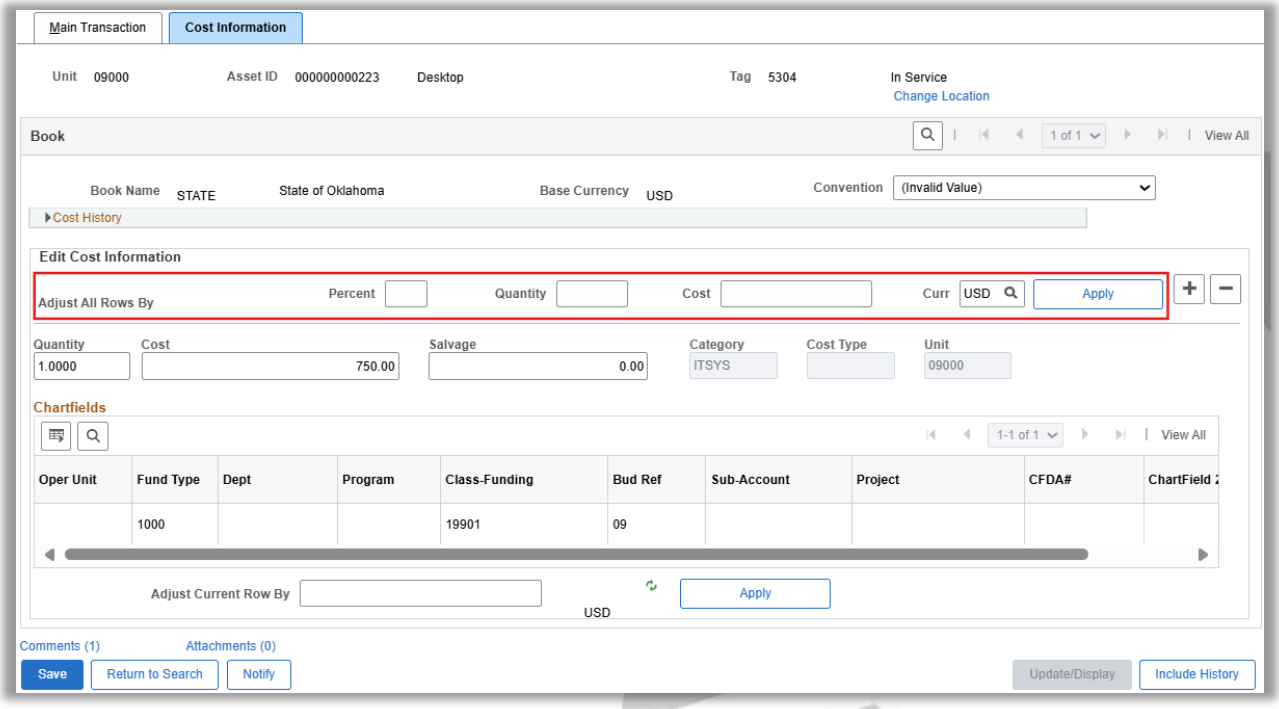
# Cost Information Tab




The Cost History can be expanded to review the Cost Rows and their associated chartfields for the Asset.

The Cost Information page allows you to define a Cost or Quantity Adjustment for the Asset. The Asset will be adjusted using the Cost information displayed in the Edit Cost Information section. The Asset can be adjusted by changing the **Quantity** or **Cost** fields directly, or by using the **Adjust Current Rows By** feature illustrated on the next page.

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**NOTE:** The Adjust All Rows By option **ONLY** needs to be used if the Asset has multiple Cost Rows. If the Asset has only one Cost row, simply adjust the Asset by using the Quantity or Cost fields on the Cost Line for the Asset or use the Adjust Current Row By feature.

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The **Adjust All Rows By** option allows you to adjust the Asset by:

- **Percentage** – define the Cost Asset adjustment by percent.
- **Quantity** – use this field to adjust the Assets Quantity.
- **Cost** – define the Cost adjustment by Amount.

If using **the Adjust All Rows By** feature, **click** the **Apply** button to apply the Adjustments to all rows.

**Quantity** – Adjust the Quantity to the desired Quantity value for the Asset.

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**NOTE:** When an asset is partially Retired or partially Transferred in the system, the Quantity value will decrease. When a cost row is added to an existing Asset through the Voucher, the Quantity value will exceed 1. Use Quantity Adjustment to increase or decrease the Quantity to 1.

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**Cost –** Populate the Cost with the desired Cost value for the Asset.

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**NOTE:** When updating the Cost directly, the Cost field should be populated with the Cost of the Asset that is desired, not the amount of the Adjustment. For example, if the Cost is 5,000.00 and the desired cost is 5,500.00, the Cost field should be populated with 5,500.00 rather than 500.00.

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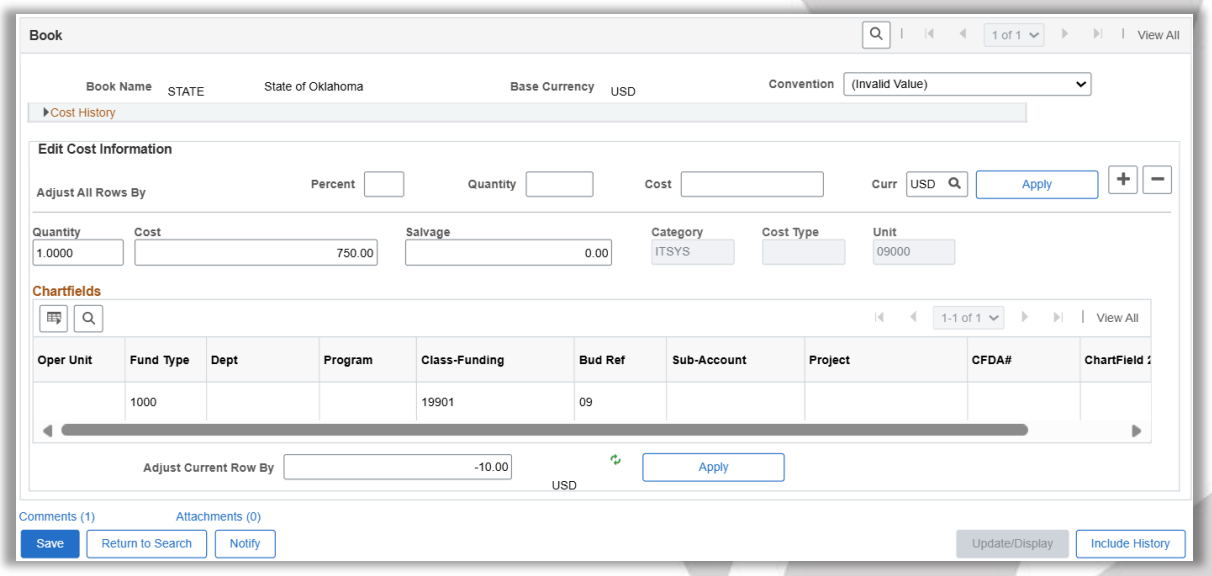
**Adjust Current Row By** – Alternatively, use the **Adjust Current Row By** feature to **enter** the 'Adjustment Amount' and have the system calculate the new Asset Cost, as shown below.




**Click** the **Apply** button to apply the adjustments to the Cost row and have the system calculate the new Asset Cost.

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**NOTE:** When using the **Adjust Current Row By** feature, populate the field with a Negative number to reduce the Cost of the Asset.

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**NOTE:** When the Asset Adjustment reduces the Cost of the Asset to below $25,000.00 (as illustrated above), an Asset Recategorization must be done to change the Asset Cost Type from 'C' to no Cost Type (blank). Likewise, if the Asset Cost Adjustment increases the Cost to over $25,000.00, the Cost Type should be Recategorized to 'C'.

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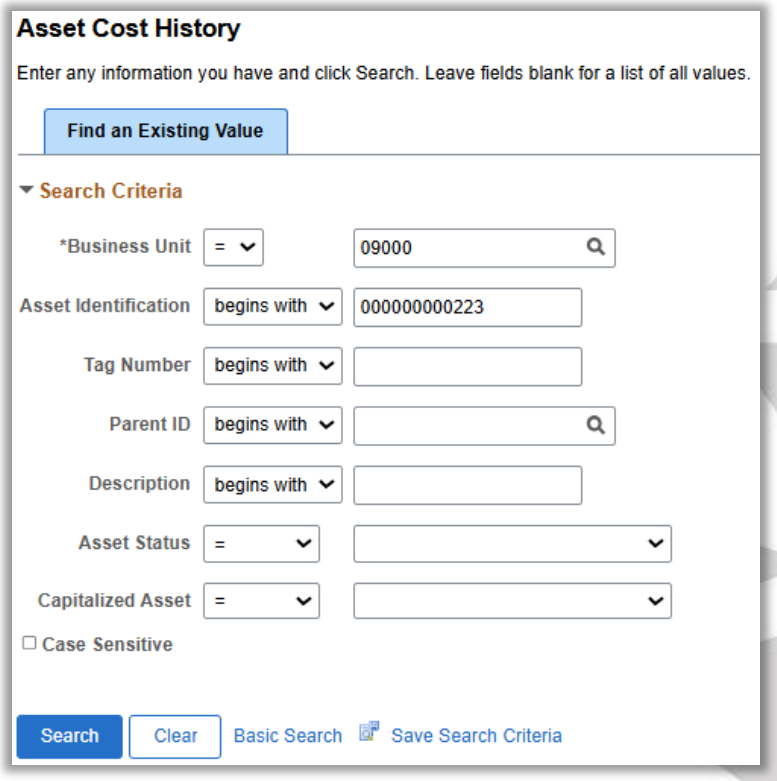
**Click** the **Save** button to Save your Adjustment.

# Step 2 – Review the Cost Adjustment

***Navigation: Asset Management >Asset Transactions > History > Review Cost > Find an Existing Value***




**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences setup for the person reviewing the Asset.

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be reviewed.

**Click** the **Search** button to **enter** the Asset Cost History pages.

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**NOTE: Cost and Quantity Adjustments are not updated in the Asset Basic Add page**. Users will need to use Asset Management reports and queries to report on Asset Financial Information. The Asset Cost History provides detail about a specific asset or transaction.

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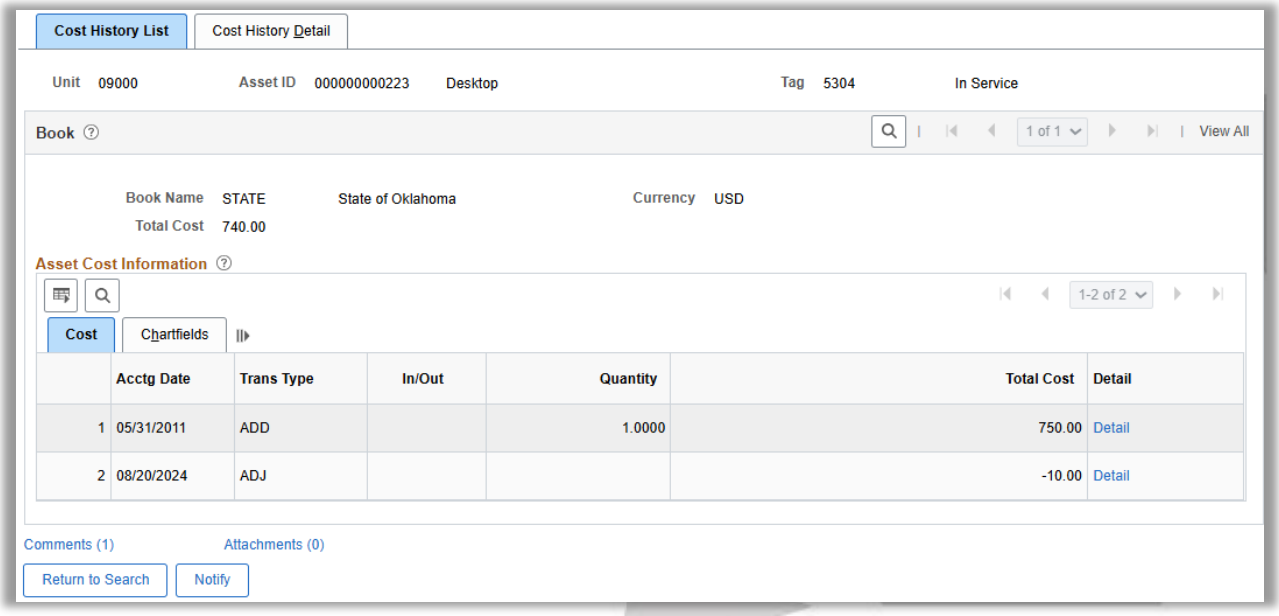
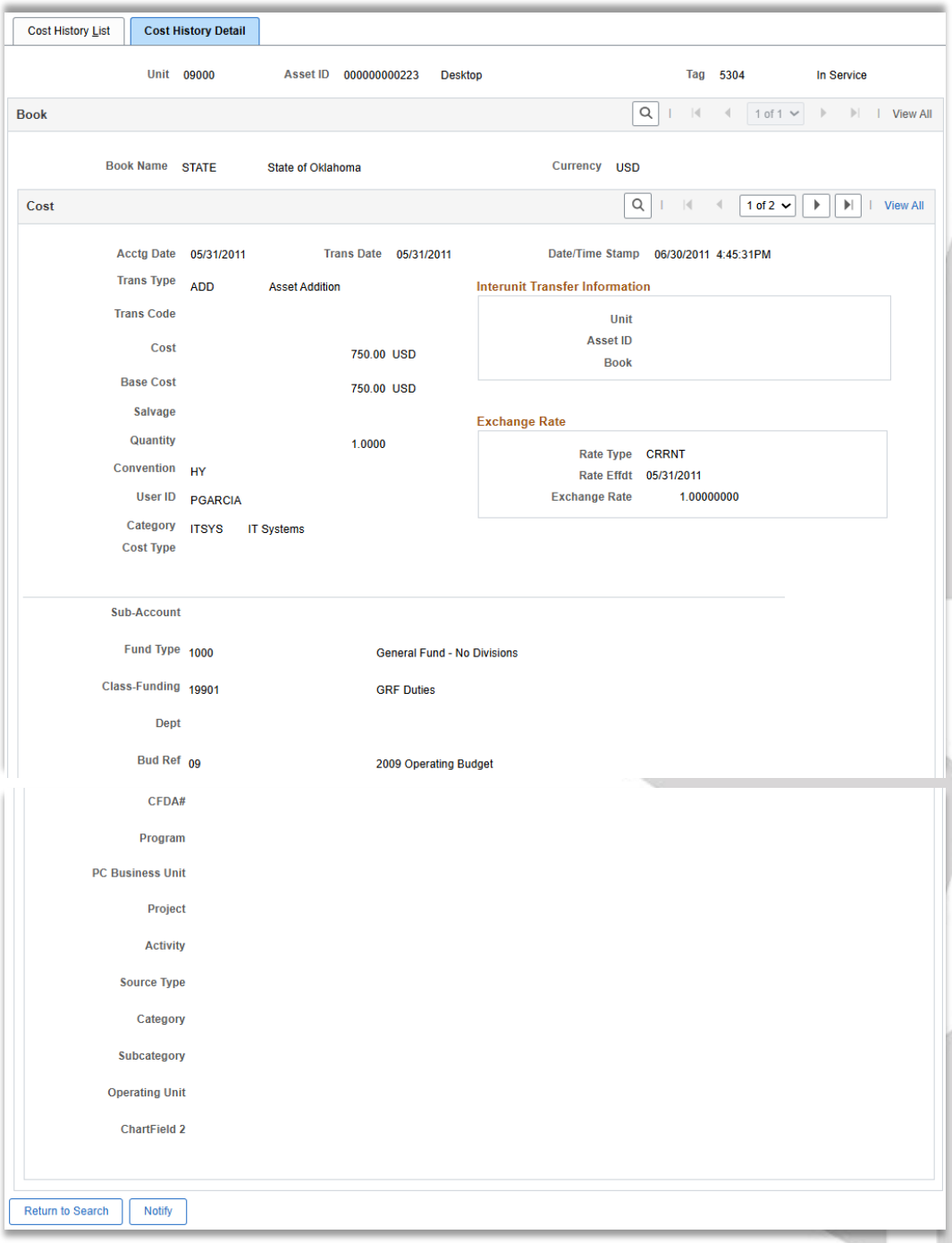
# Cost History List Tab




The **Cost History List** Tab displays the Cost History of the Asset. For the Adjustment, the **Transaction Type** is ADJ to represent Cost Adjustment. The **Total Cost** column should reflect the adjustment amount.

**Click** the **Cost History Detail** Tab to access the top of the **Cost History Detail** Tab or the Detail link to access the specific transaction row on the Cost History Detail page.

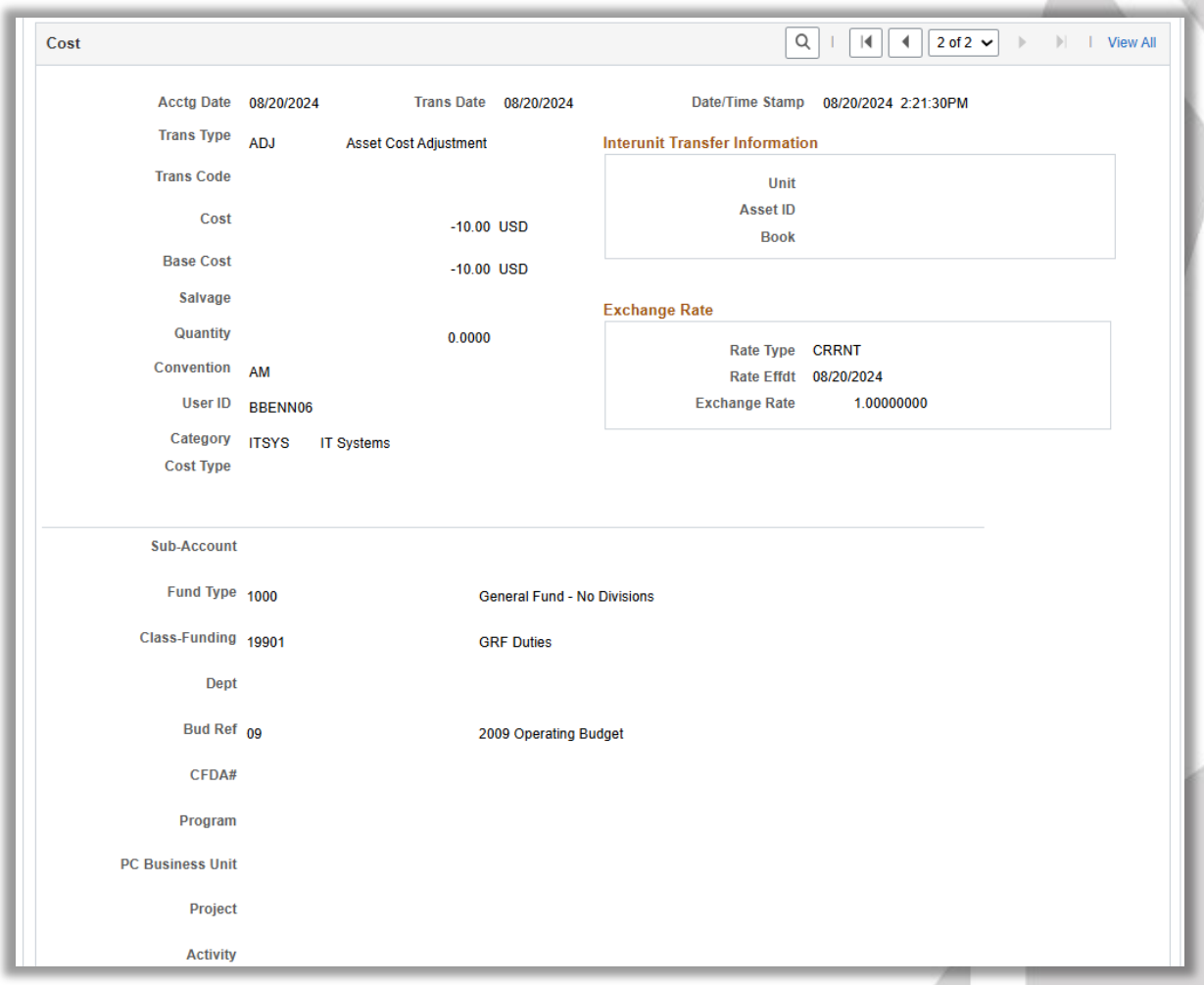
# Cost History Detail Tab




The **Cost History Detail** Tab shows the same Asset rows as are visible on the Cost History page, but with more details. The **Transaction Type** of ADD represents the original addition of the Asset.

**NOTE:** The row count indicates that multiple rows are available to view on this page. The page initially defaults to row 1 when selecting the Cost History Detail Tab. Row 1 will be the same row as is displayed at the top of the previous page. You will need to scroll through the rows to find the one applicable to your transaction.

**Click** the **right arrow** button to view the next row on the page.



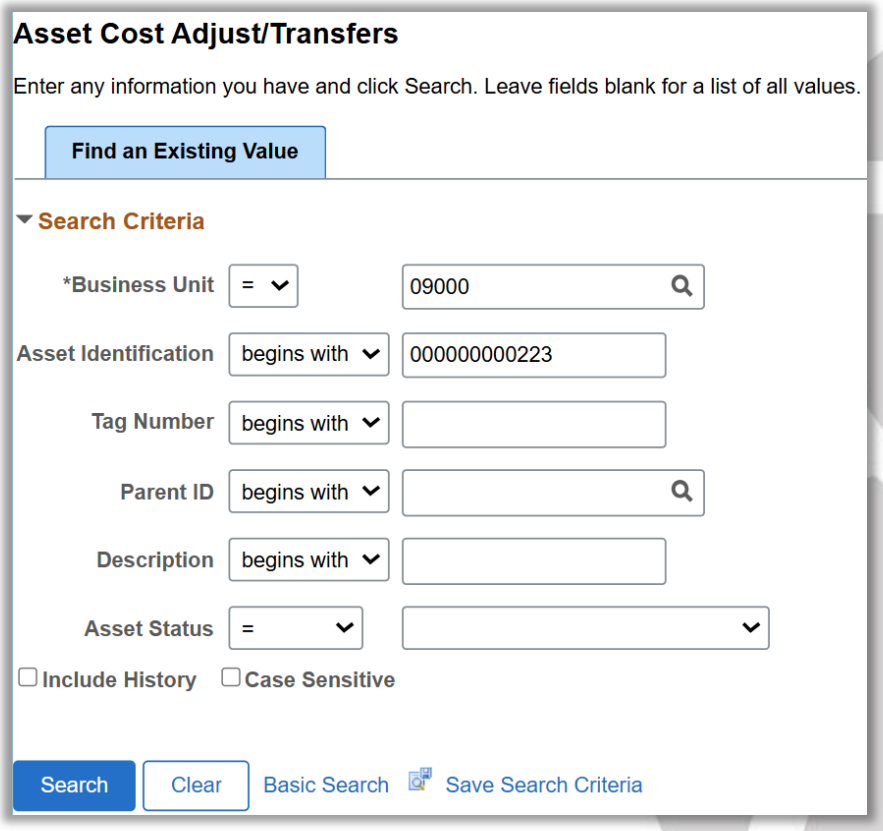

The Adjustment row on the page represents the adjustment done on the Asset. The **Transaction Type** indicates ADJ (Adjustment), and the Cost reflects the reduction in Cost.

**NOTE:** More detailed Asset information is available on this page including Transaction Date of the Adjustment, User ID who completed the Adjustment, and Chartfield information.

# Cost or Quantity Addition

## Step 1 – Add Cost to an Asset

***Navigation: Asset Management > Asset Transactions > Financial Transactions > Cost Adjust/Transfer Asset > Find an Existing Value***

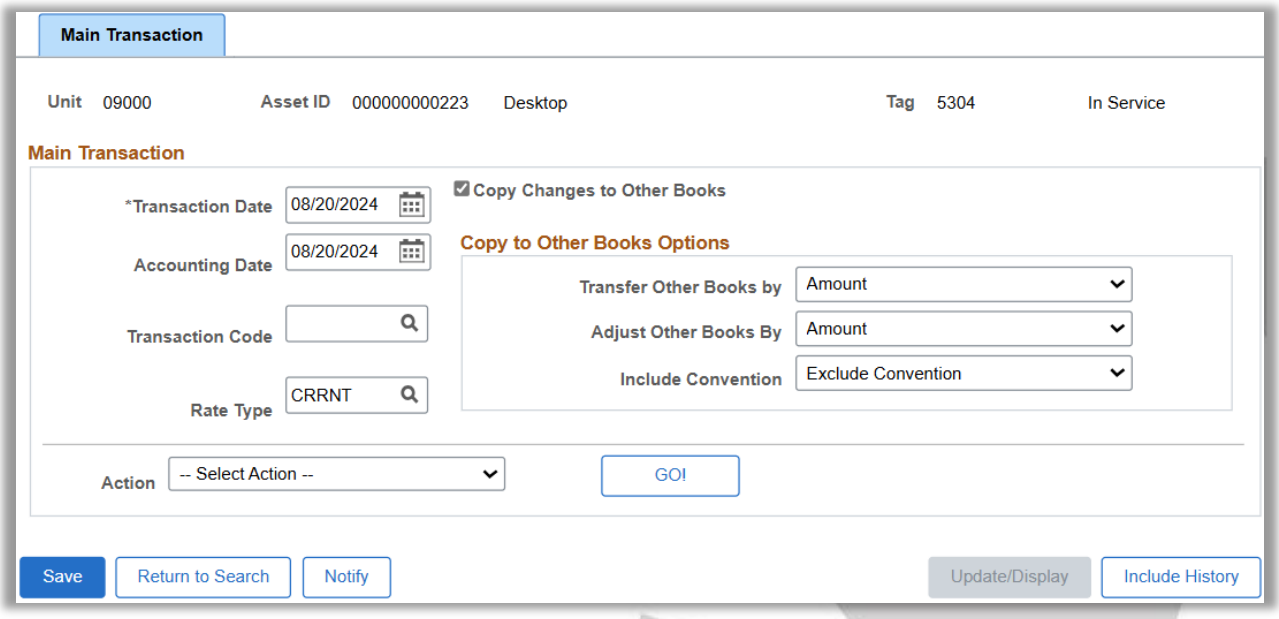



**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences setup for the person adding Cost to the Asset.

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be changed.

**Click** the **Search** button to **enter** the Asset Cost Adjust/Transfer pages.

# Main Transaction Tab



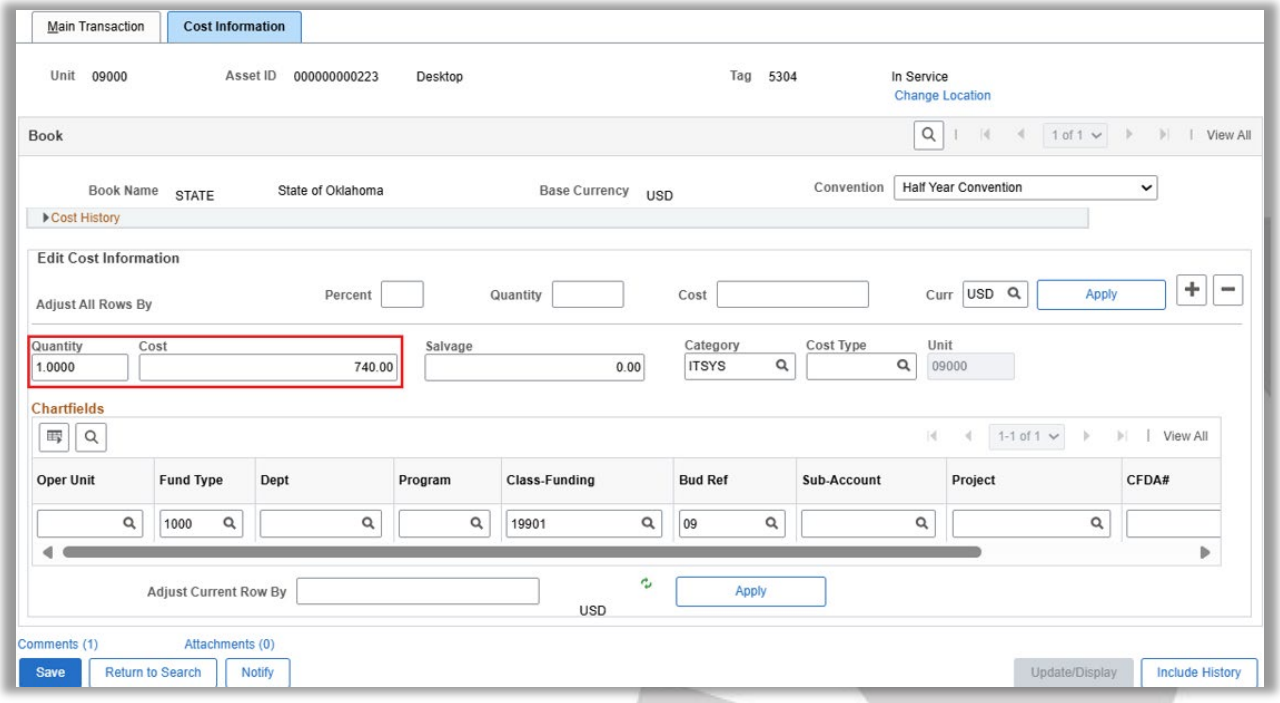

**Transaction Date** – the Transaction Date will default to current date. This value should not be changed.

**Accounting Date** – the Accounting Date will default to current date. This value should not be changed.

**Action** - Adjustments can be done for Cost **Adjustments**, Cost **Additions**, **Transfers** of Chartfields and changes in Asset Category called **Recategorizations**.

Use the **Action** drop down to select the Action of **Addition**.

**Click** the **Go** button to initiate the Cost Addition and view the Cost Information Page.




The Cost History section can be expanded to review the Cost Rows and their associated chartfields for the Asset.

The Cost Information page allows you to define a Cost or Quantity Addition for the Asset. The Asset will be changed using the Cost information in the Edit Cost Information section of the page. The Asset Cost can be increased by changing the **Quantity** or **Cost** fields directly as illustrated in the next page, or by using the **Adjust Current Rows By** feature.

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**NOTE:** The **Adjust All Rows By** option **ONLY** needs to be used if the Asset has multiple Cost Rows. If the Asset has only one Cost row, simply adjust the Asset by using the Quantity or Cost fields on the Cost Line for the Asset. Or use the **Adjust Current Row By feature**.

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The **Adjust All Rows By** option allows you to adjust the Asset by:

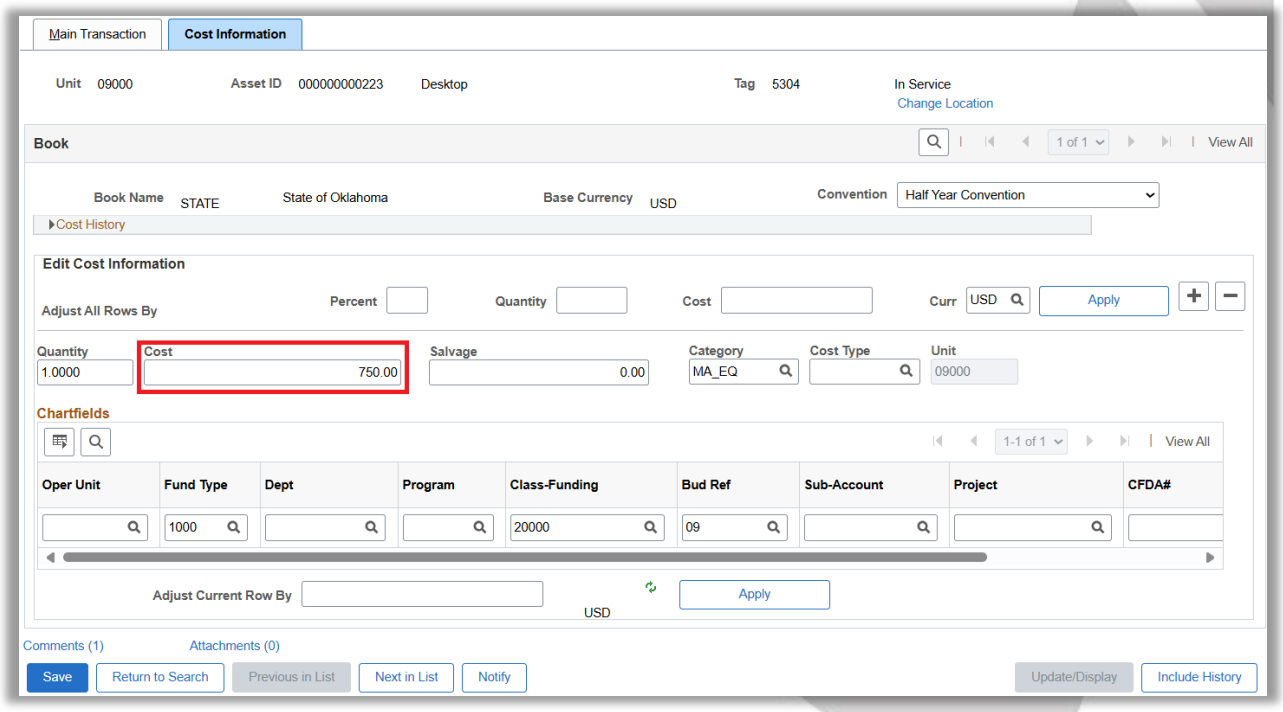
- **Percentage** – define the Cost Asset adjustment by percent.
- **Quantity** – use this field to adjust the Assets Quantity
- **Cost** – define the Cost adjustment by Amount.

If using the **Adjust All Rows By** feature, **enter** adjustment information and **click** the **Apply** button to apply the adjustments to all rows.

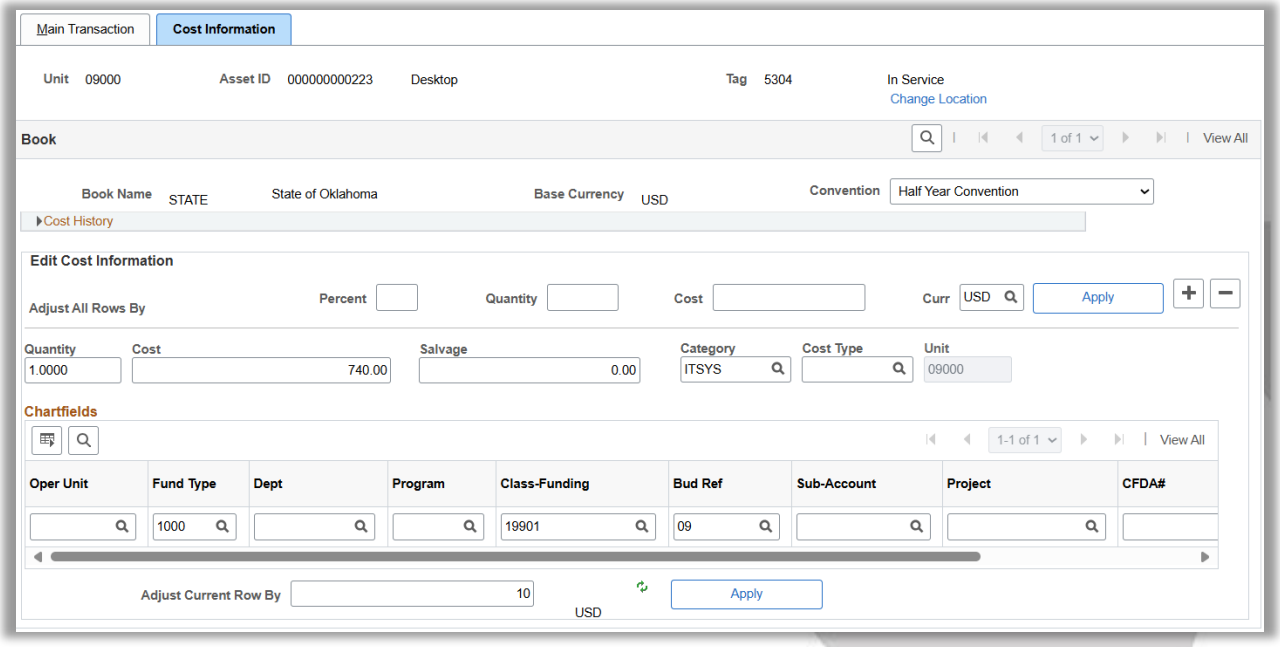
**Quantity** – Adjust the Quantity to the desired Quantity value for the Asset.

**Cost** – Populate the Cost with the desired Cost value for the Asset.

**NOTE**: When updating the Cost directly, the Cost field should be populated with the Cost of the Asset that is desired, not the amount of the Adjustment. For example, if the Cost is 5,000.00 and the desired cost is 5,500.00, the Cost field should be populated with 5,500.00 rather than 500.00.




The example above illustrates updating the Cost field directly to reflect the additional Asset Cost of 750.00.




**Adjust Current Row By** – **Alternatively**, use the "Adjust Current Row By" feature to **enter** the 'Addition Amount' and have the system calculate the new Asset Cost. In this example, you would **enter** 10.00 in the Adjust Current Row By field and **click** the **Apply** button.

**Click** the **Save** button to Save your Cost Addition.

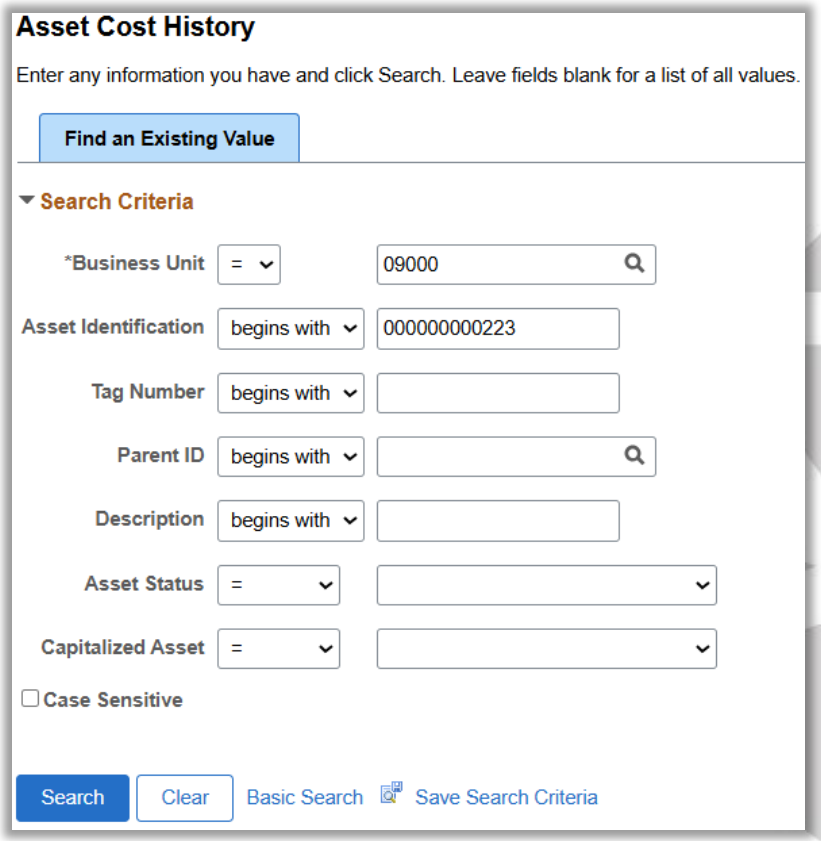
---

**NOTE:** It should be rare to use Cost Addition. Improvements incurred in connection with capital assets in periods after the initial acquisition will either be a separate asset and linked in a Parent-Child relationship, or additional Cost Rows will be added through the Voucher. Cost adjustments are used when asset costs are entered incorrectly.

---

# Step 2 – Review the Cost Addition

***Navigation: Asset Management > Asset Transactions > History > Review Cost > Find an Existing Value***




**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences set up for the person reviewing the Asset.

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be reviewed.

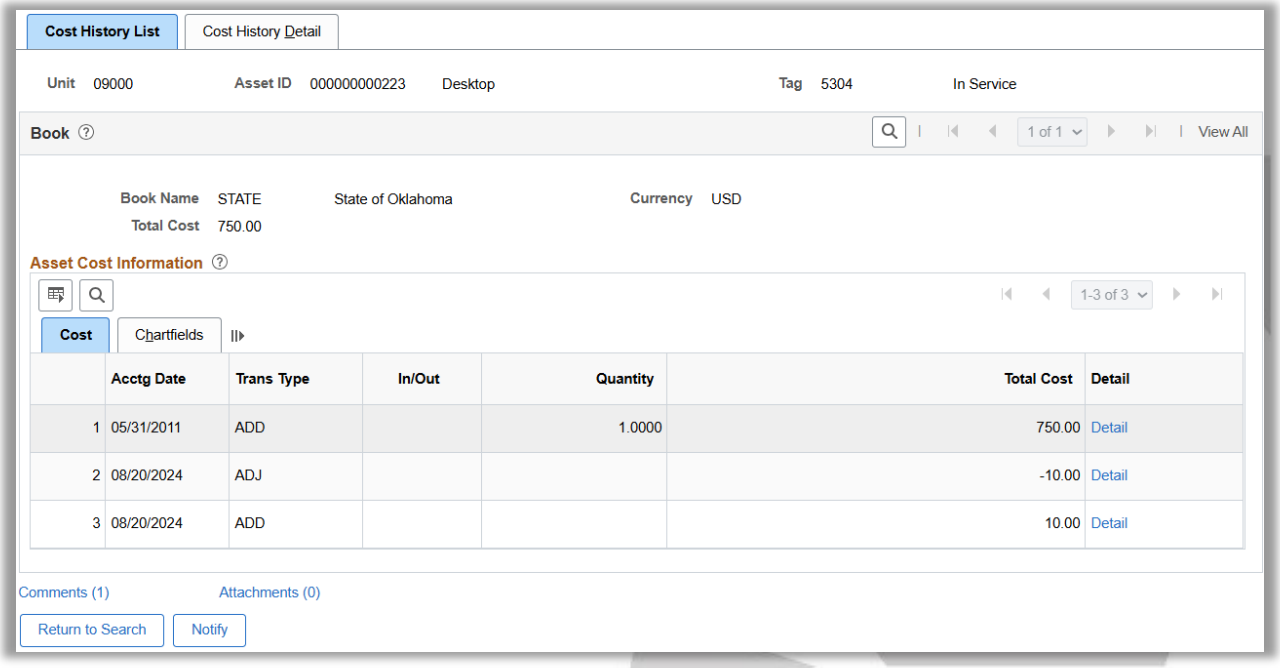
**Click** the **Search** button to **enter** the Asset Cost History pages.

---

**NOTE: Cost and Quantity Additions are not updated in the Asset Basic Add page**. Users will need to use Asset Management reports and queries to report on Asset Financial Information. The Asset Cost History provides details about a specific asset or transaction.

---

# Cost History List Tab




The Cost History List page displays the Cost History of the Asset. For the Asset Cost Addition, the **Transaction Type** is ADD to represent Cost Addition. The **Total Cost** column should reflect the Addition amount.

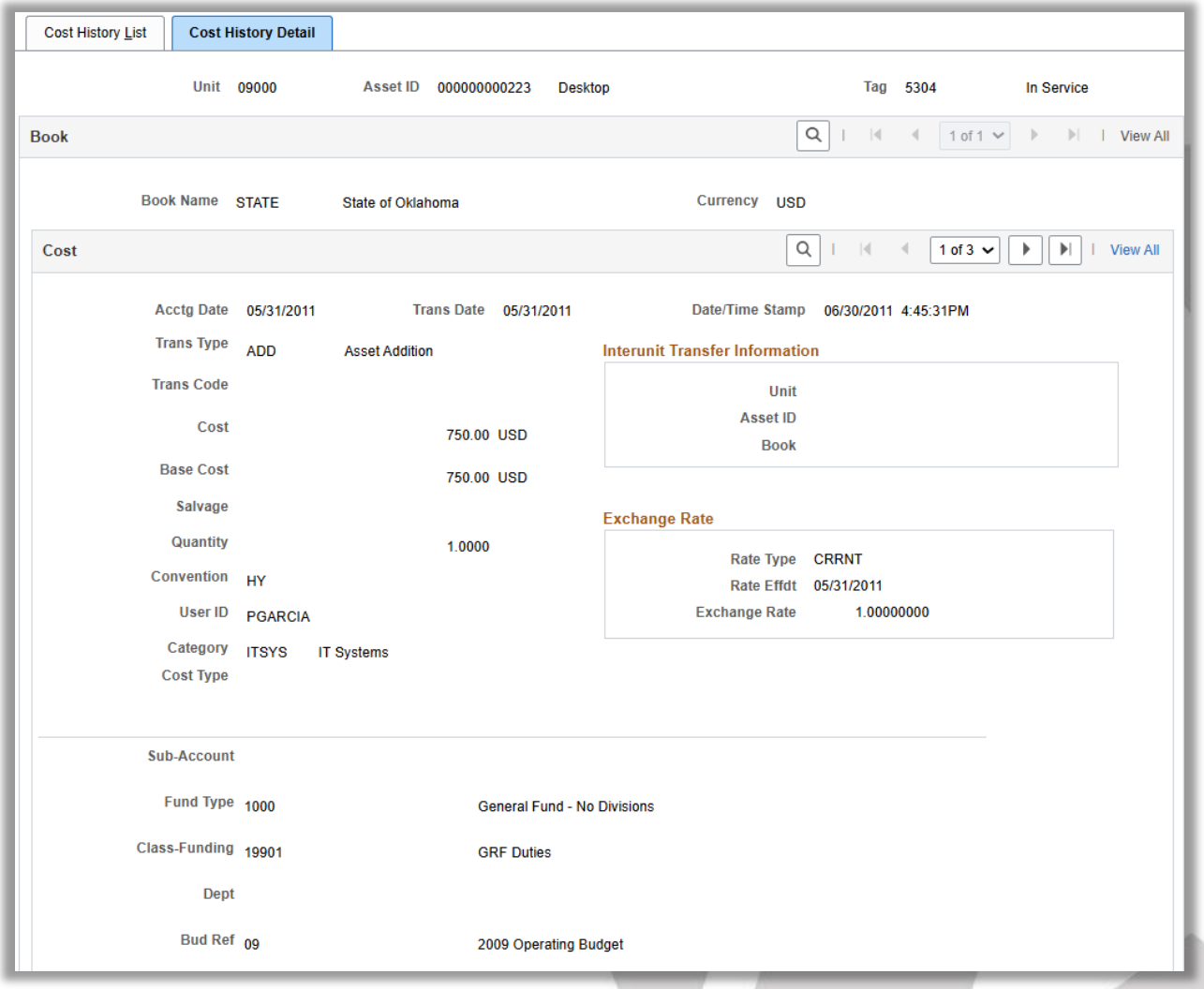
---

**NOTE:** The system has inserted an additional Cost row for the Cost Addition. This keeps the original 'ADD' row intact and the Cost Addition row separate.

---

**Click Cost History Detail** Tab to display the Cost History Detail page or the Detail Link to access the specific transaction row on the Cost History Detail page.

# Cost History Detail Tab



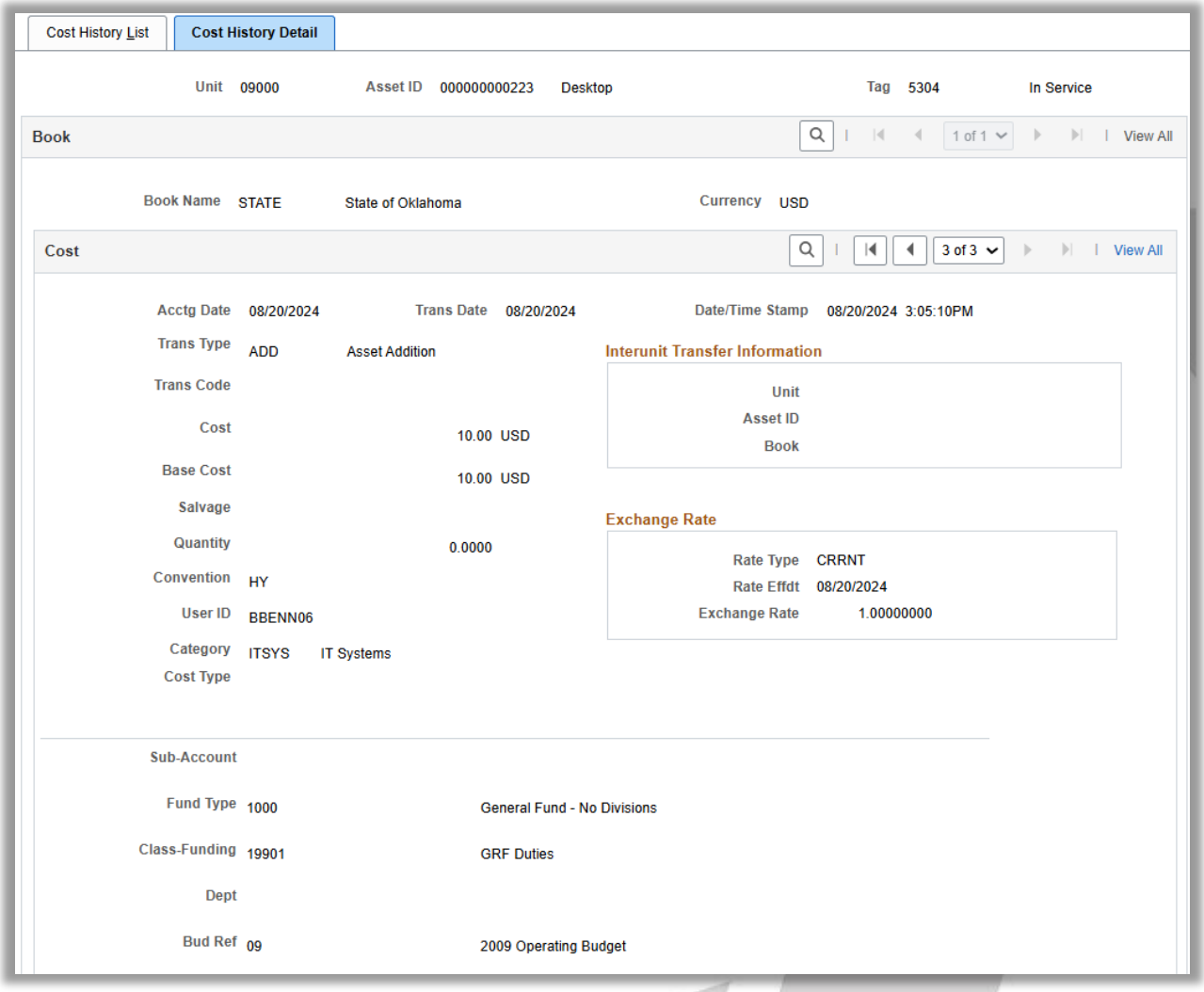

The Cost History Detail page shows the same Asset rows as are visible on the Cost History page, but with more details. The **Transaction Type** of ADD represents the original Addition of the Asset.

---

**NOTE:** The row count indicates that multiple rows are available to view on this page. The page initially defaults to row 1 when selecting the Cost History Detail Tab. Row 1 will be the same row as is displayed at the top of the previous page. You will need to scroll through the rows to find the one applicable to your transaction.

---

**Click** the **right arrow** button to view the next row on the page.




The Addition row on the page represents the addition done on the Asset. The **Transaction Type** indicates ADD (Addition) and the Cost reflects the increase in Cost.

---

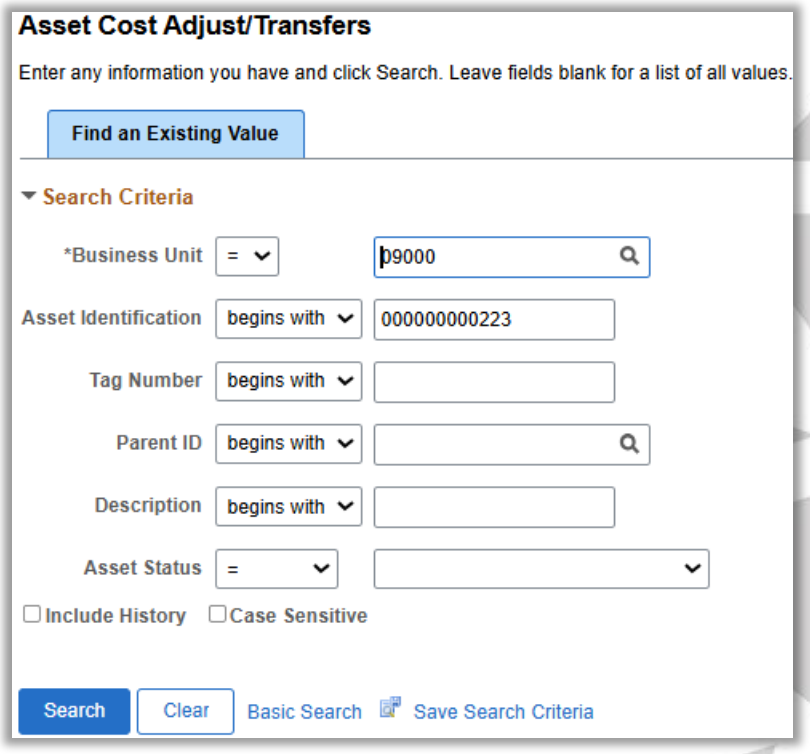
**NOTE:** More detailed Asset information is available on this page including Transaction Date of the Adjustment, User ID who completed the Adjustment, and Chartfield information.

---

# Asset Transfer

## Step 1 – Transfer an Asset

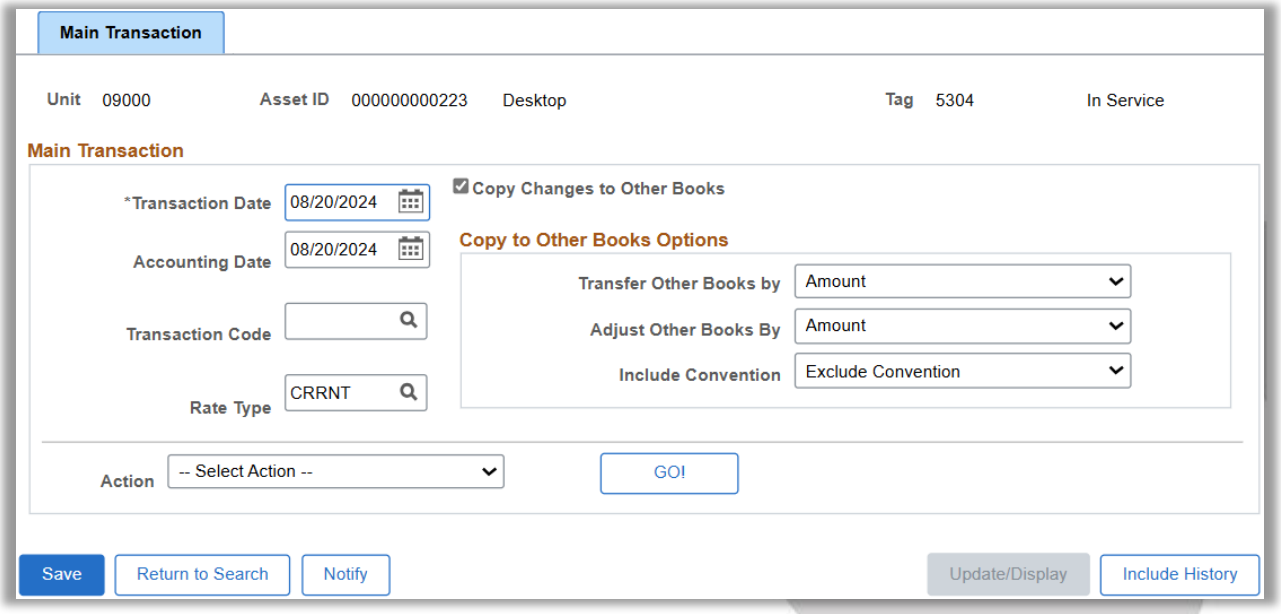
***Navigation: Asset Management > Asset Transactions > Financial Transactions > Cost Adjust/Transfer Asset > Find an Existing Value***




**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences set up for the person Transferring the Asset.

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be Transferred.

**Click** the **Search** button to **enter** the Asset Cost Adjust/Transfer pages.




**Transaction Date** – the Transaction Date will default to current date. This value should not be changed.

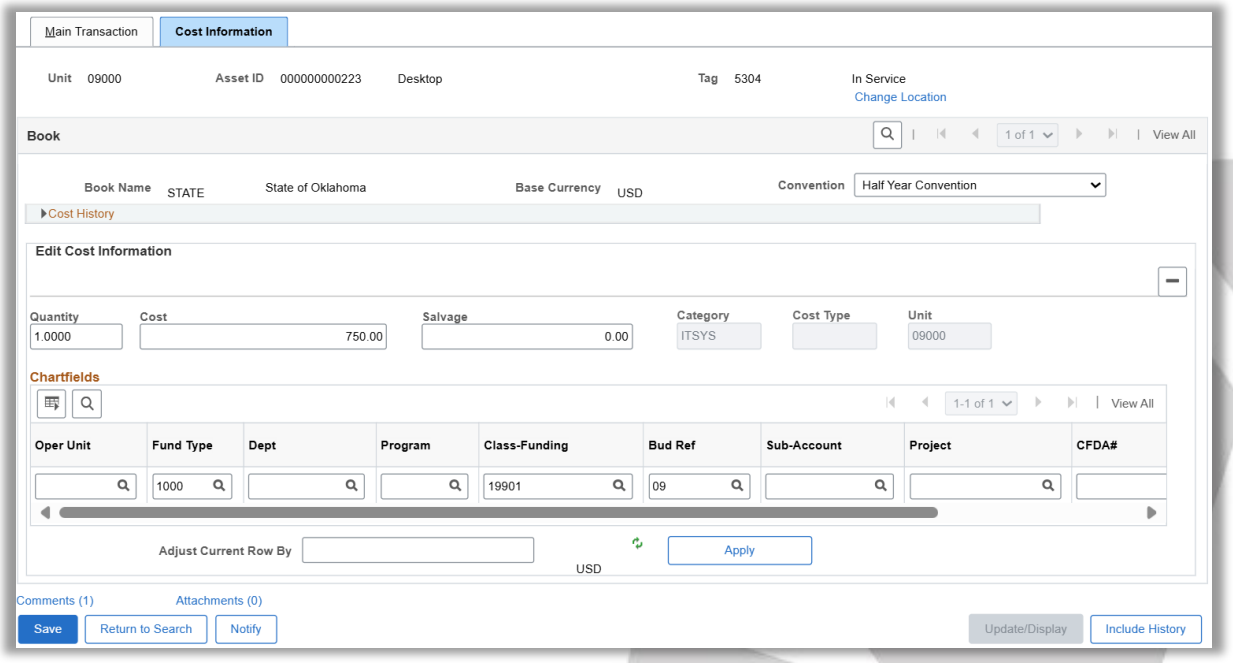
**Accounting Date** – the Accounting Date will default to current date. This value should not be changed.

**Action** - Adjustments can be done for Cost **Adjustments**, Cost **Additions**, **Transfers** of Chartfields and changes in Asset Category called **Recategorizations**.

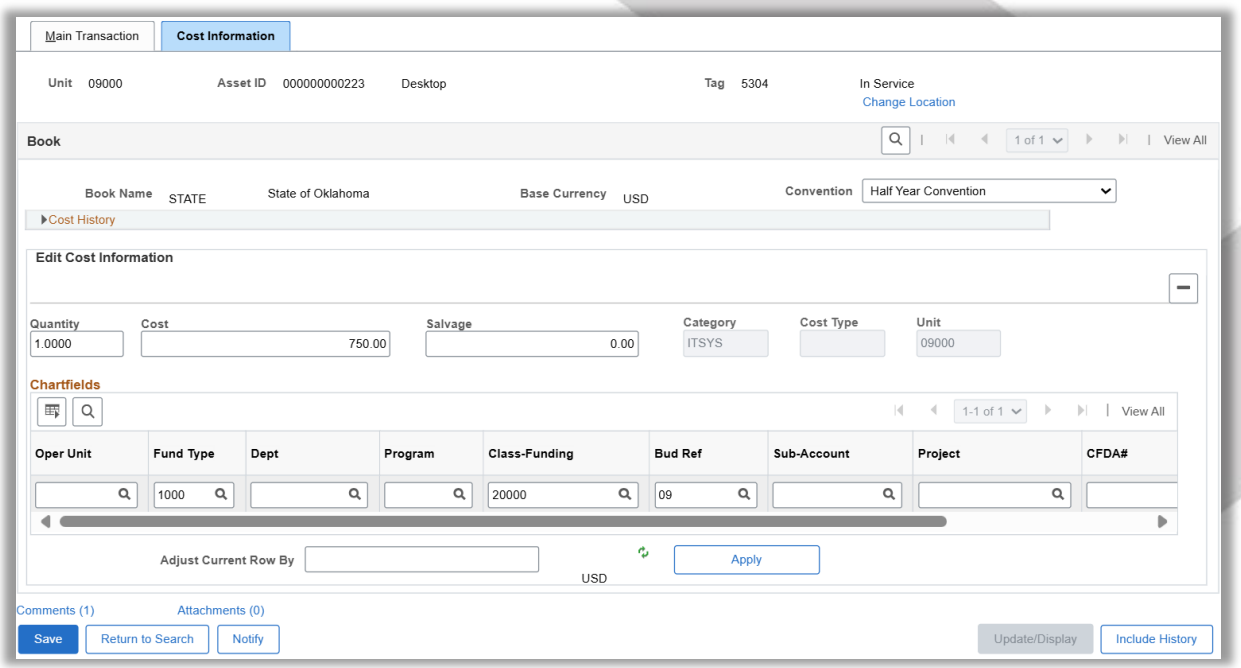
Use the **Action** drop down to select the Action of Transfer.

**Click** the **Go** button to initiate the Transfer and view the Cost Information Page.

# Cost Information Tab




The Cost Information page allows you to change any Chartfield values in the Edit Cost Information section of the page.

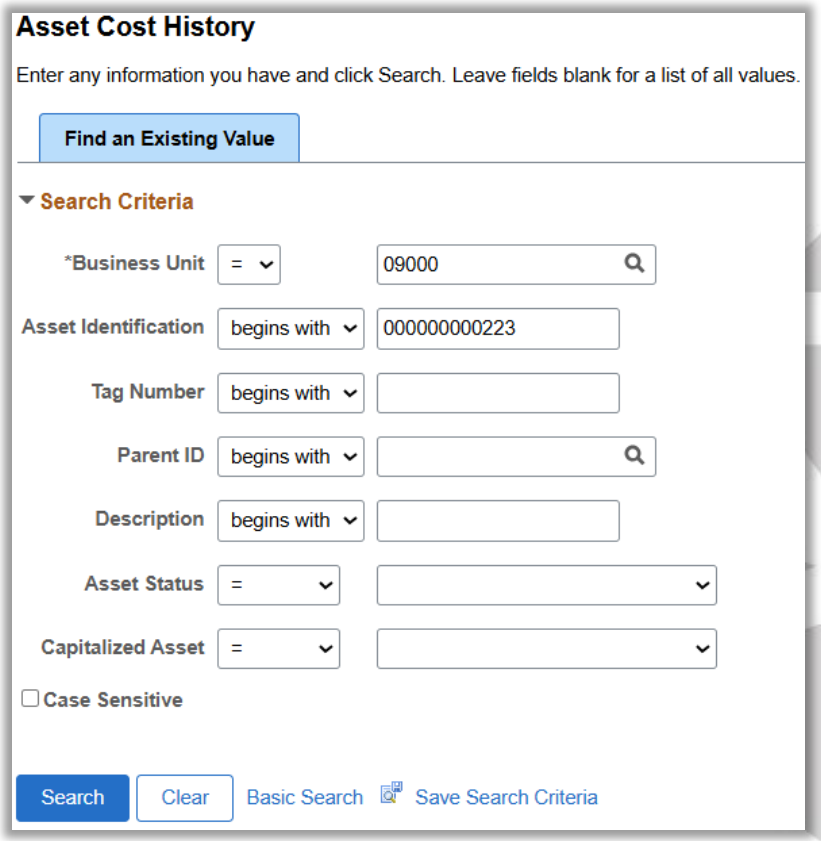



Make any necessary changes to the Chartfield information to initiate the Transfer. In this example, the Class Funding value has been changed from 19901 to 20000.

**Click** the **Save** button to Save your Transfer.

# Step 2 – Review the Asset Transfer

***Navigation: Asset Management > Asset Transactions > History > Review Cost > Find an Existing Value***




**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences setup for the person reviewing the Asset.

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be reviewed.

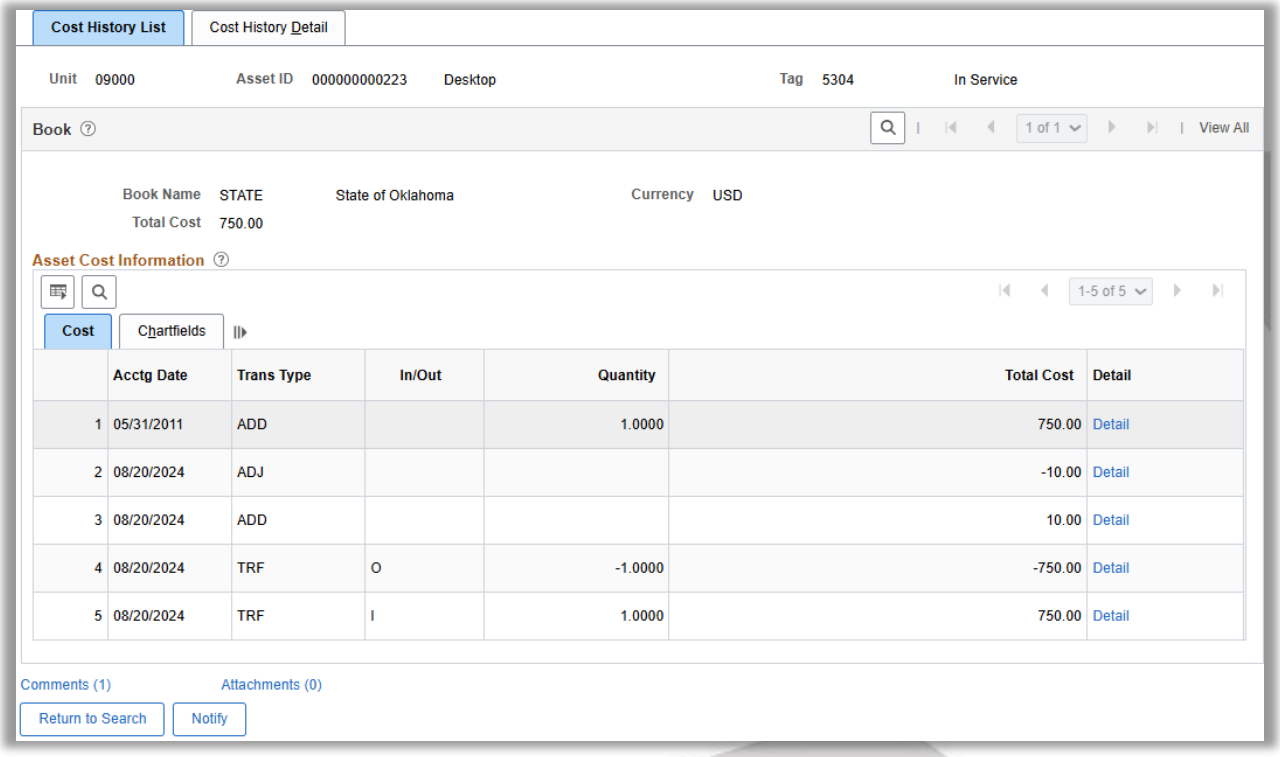
**Click** the **Search** button to **enter** the Asset Cost History pages.

---

**NOTE: Changes to the ChartField Information are not updated in the Asset Basic Add page**. Users will need to use Asset Management reports and queries to report on Asset Financial Information. The Asset Cost History provides details about a specific asset or transaction.

---

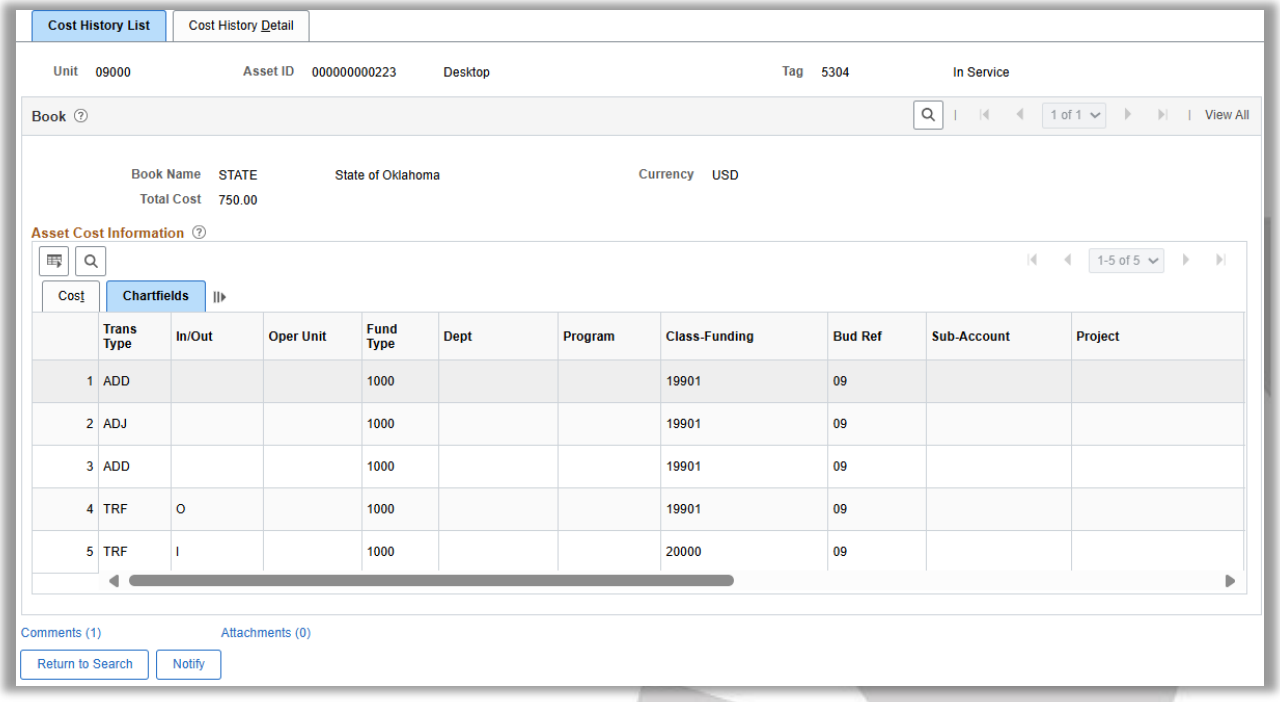
# Cost History List Tab




The **Cost History** Tab displays the history of all Cost changes made to an Asset. With a Transfer, the system creates two transactions. The first represents the transfer out (**In/Out** column = 'O') of the old Chartfield combination, the second represents the transfer in (**In/Out** column = 'I') to the new Chartfield combination.

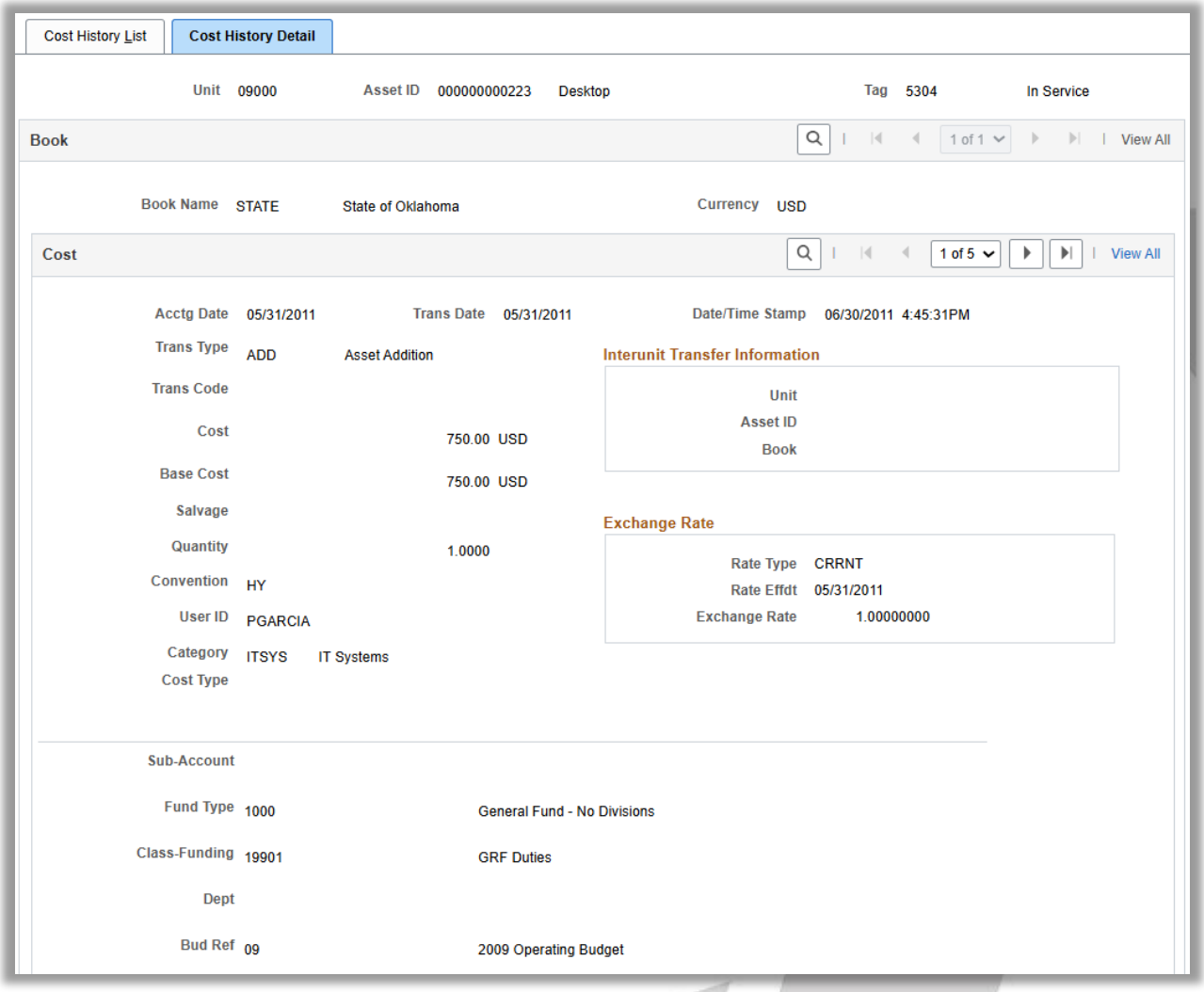
The Transaction Type is equal to TRF to reflect a Transfer of the Asset. The Quantity and Total Cost columns also reflect the "Out" and "In" rows for the transfer.

**Click** the **Chartfields** Tab to view the history of the Chartfield changes.




The **Chartfields** Tab show the "Out" transaction that represents the old Chartfield combination - in this case, the Asset has been transferred between Department's – and the "In" transaction representing the new Chartfield combination.

**Click** the **Cost History Detail** Tab to display the Cost History Detail page or the Detail Link to access the specific transaction row on the Cost History Detail page.



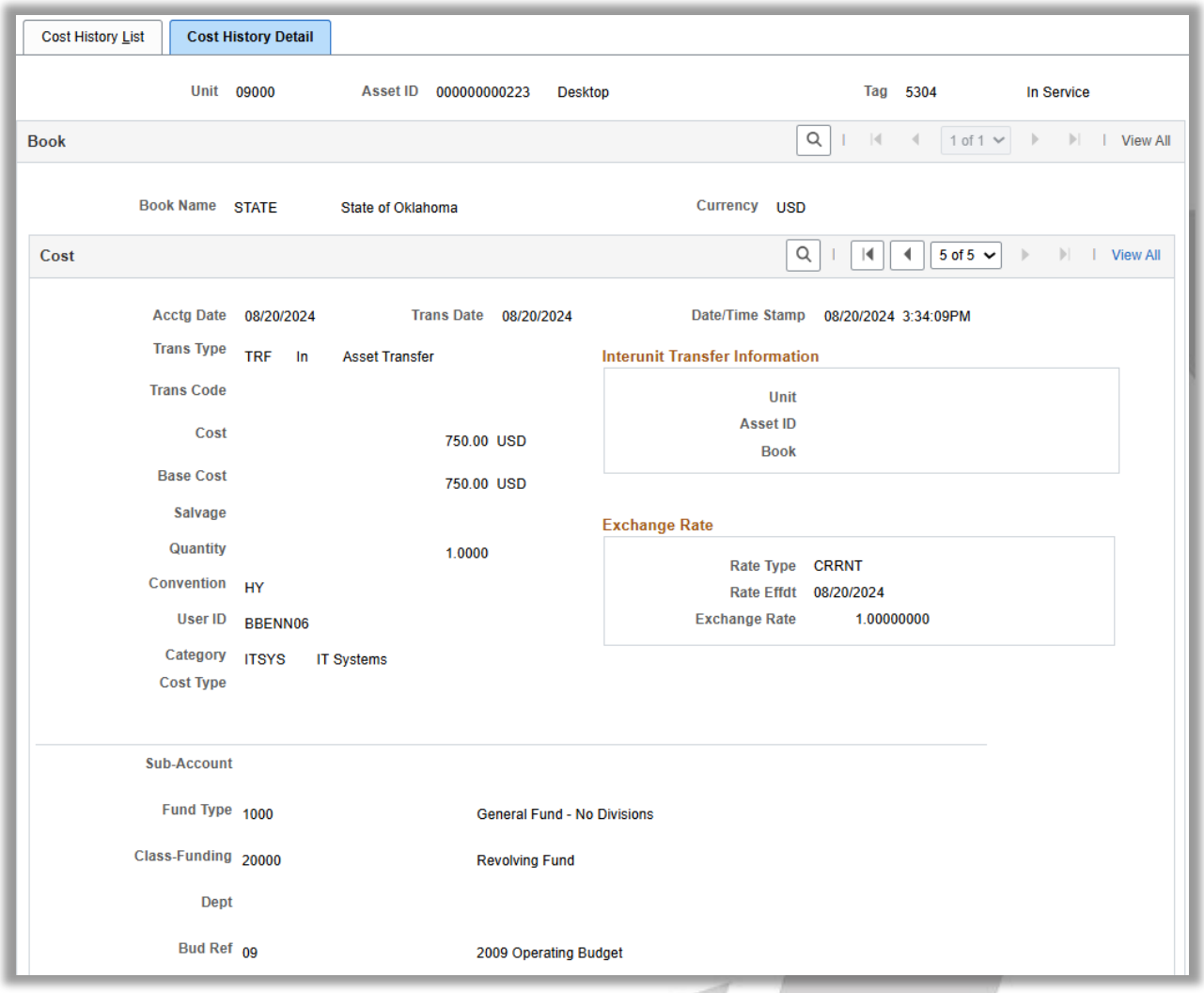

The **Cost History Detail** Tab shows the same Asset rows as are visible on the Cost History page, but with more details. The **Transaction Type** of ADD represents the original Addition of the Asset.

---

**NOTE:** The row count indicates that multiple rows are available to view on this page. The page initially defaults to row 1 when selecting the **Cost History Detail** Tab. Row 1 will be the same row as is displayed at the top of the previous page. You will need to scroll through the rows to find the one applicable to your transaction.

---

**Click** the **right arrow** button to scroll through the other rows on the page.




The Transfer row on the page represents the transfer into the new Department. The **Transaction Type** TRF (Transfer) reflects the transfer.

---

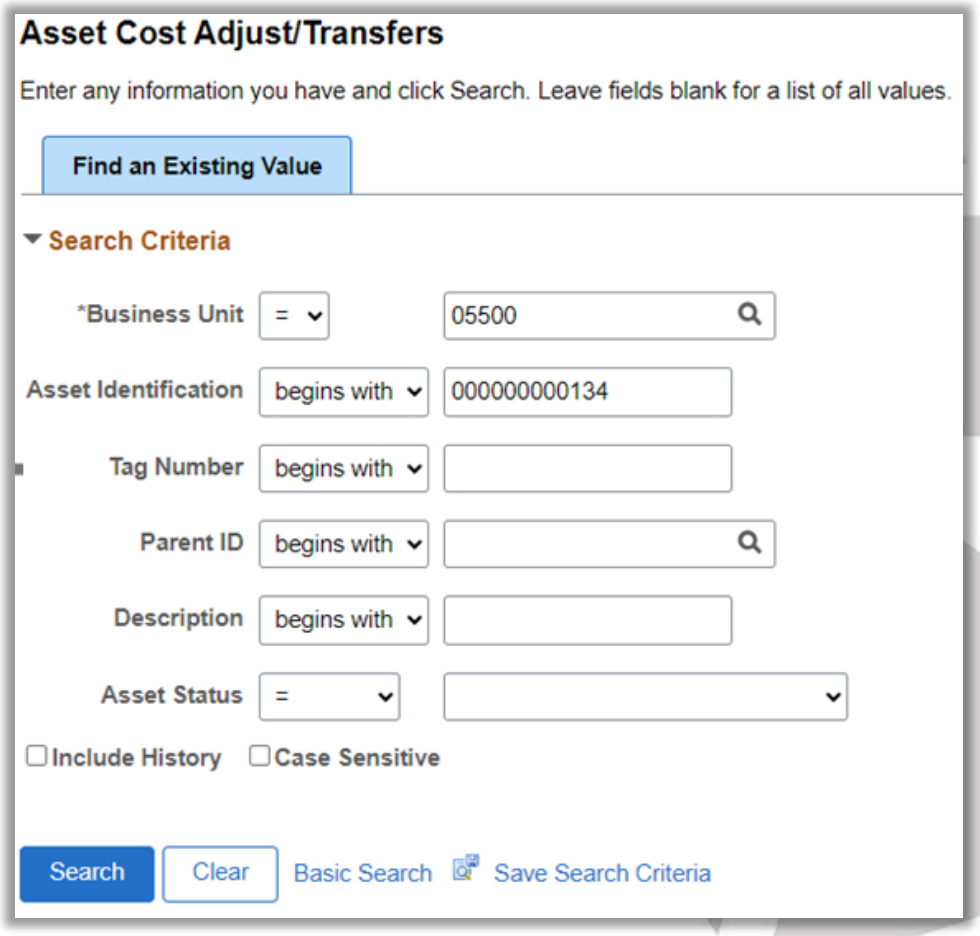
**NOTE:** More detailed Asset information is available on this page including Transaction Date of the Adjustment, User ID who completed the Transfer, and Chartfield information.

---

# Asset Recategorization

## Step 1 – Recategorize an Asset

***Navigation: Asset Management > Asset Transactions > Financial Transactions > Cost Adjust/Transfer Asset > Find an Existing Value***

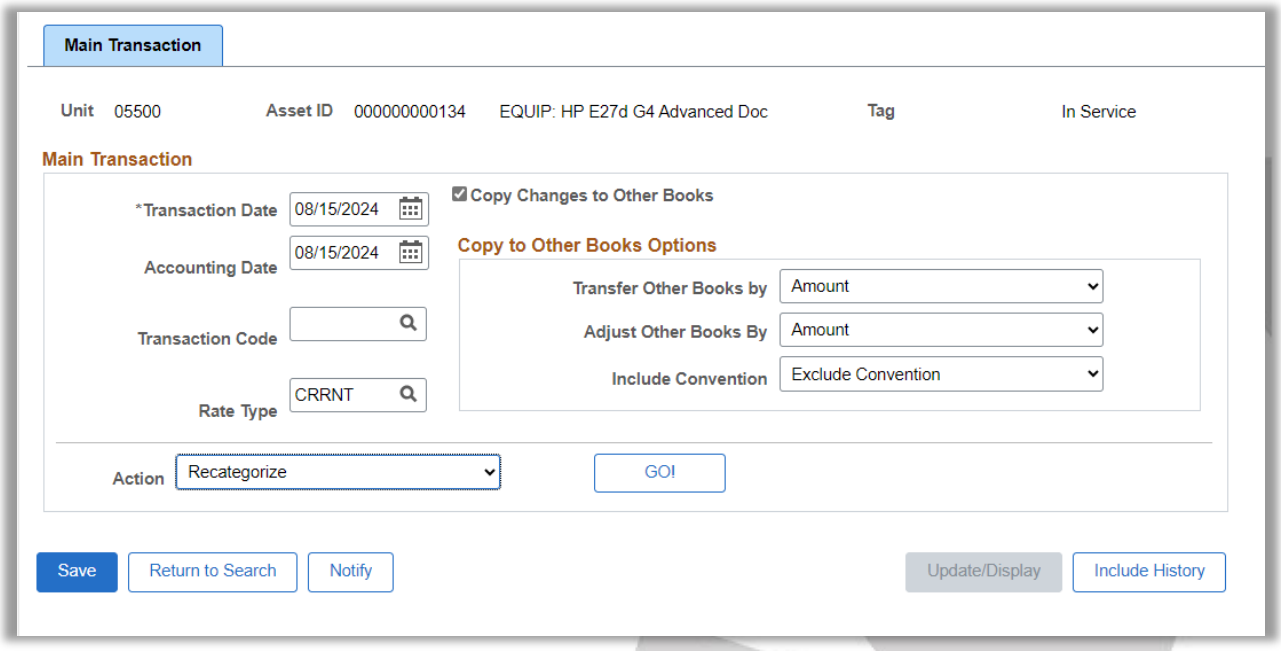



**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences set up for the person Recategorizing the Asset

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be Recategorized.

**Click** the **Search** button to enter the Asset Cost Adjust/Transfer pages.

# Main Transaction Tab




**Transaction Date** – the Transaction Date will default to current date. This value should not be changed.

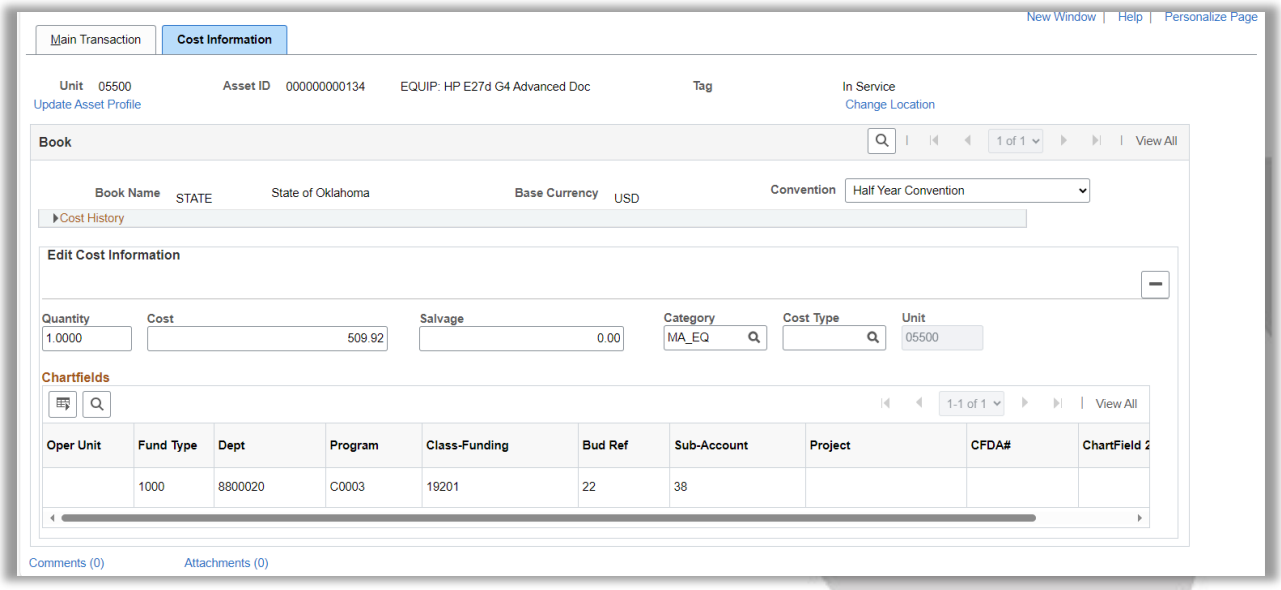
**Accounting Date** – the Accounting Date will default to current date. This value should not be changed.

**Action** - Adjustments can be done for Cost **Adjustments**, Cost **Additions**, **Transfers** of Chartfields and changes in Asset Category called **Recategorizations**.

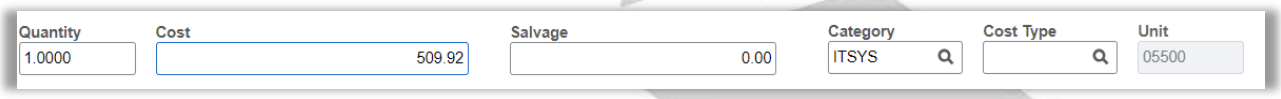
Use the **Action** drop down to select the Action of **Recategorize**.

**Click** the **Go** button to initiate the Recategorization and view the Cost Information Page.

# Cost Information Tab



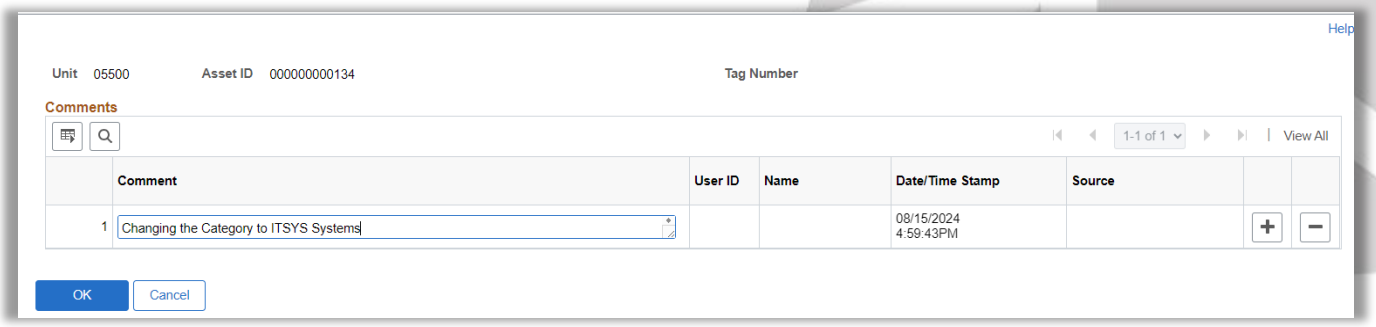

For a Recategorization transaction, the Cost Information page displays the Cost Row(s) for the Asset including the current Asset Category value.




**Category** – change the Category field to the correct value. In this example, the Asset Category value was changed from MA_EQ to ITSYS. Computers should be reported under the ITSY Category.

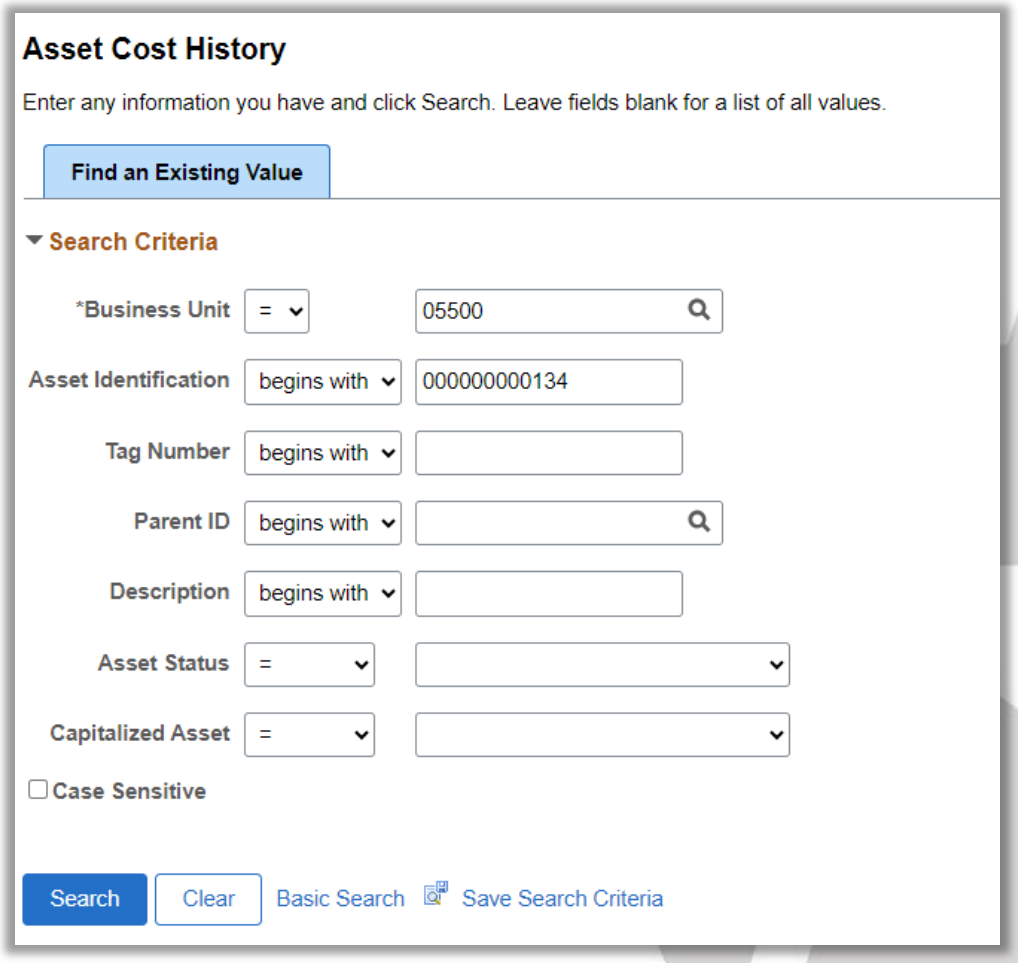
**Click** the **Save** button to Save your Recategorization.

**NOTE**: Click on the Comments Link to make a comment for the reason for the adjustment.



# Step 2 – Review the Asset Recategorization

***Navigation: Asset Management > Asset Transactions > History > Review Cost > Find an Existing Value***




**Business Unit** – is the Agency in which the existing Asset is housed. This should default based on the User Preferences setup for the person reviewing the Asset.

**Asset Identification, Tag Number, Parent ID, Description, Asset Status** – use these fields as search criteria to find the Asset that will be reviewed.

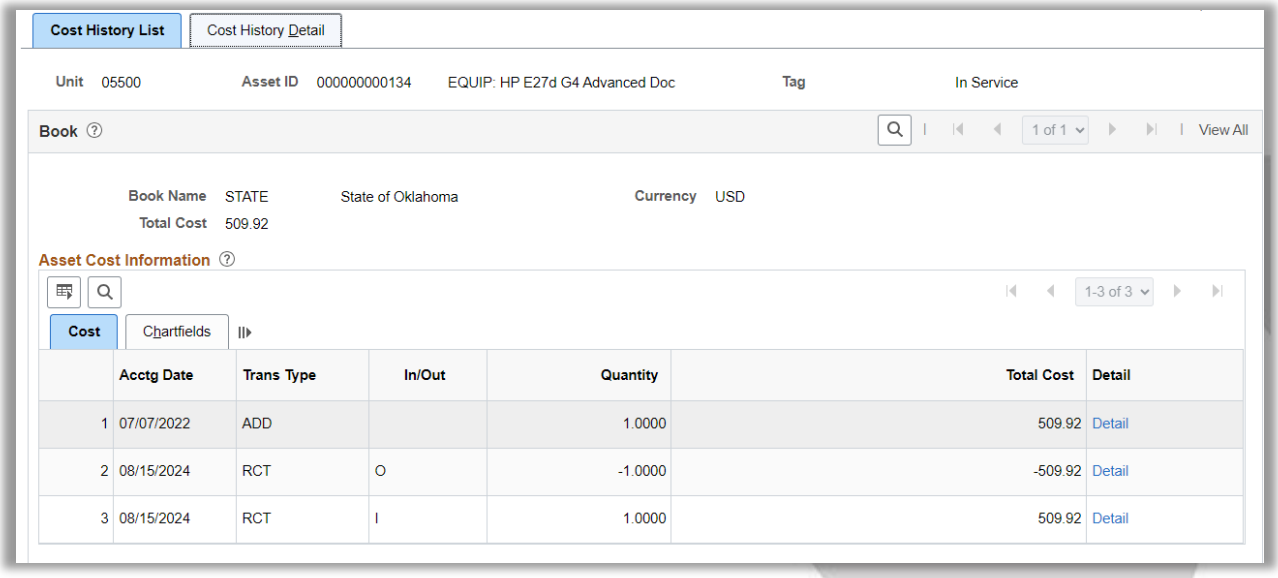
**Click** the **Search** button to **enter** the Asset Cost History pages.

---

**NOTE: Recategorizations are not updated in the Asset Basic Add page**. Users will need to use Asset Management reports and queries to report on Asset Financial Information. The Asset Cost History provides details about a specific asset or transaction.

---

# Cost History List Tab

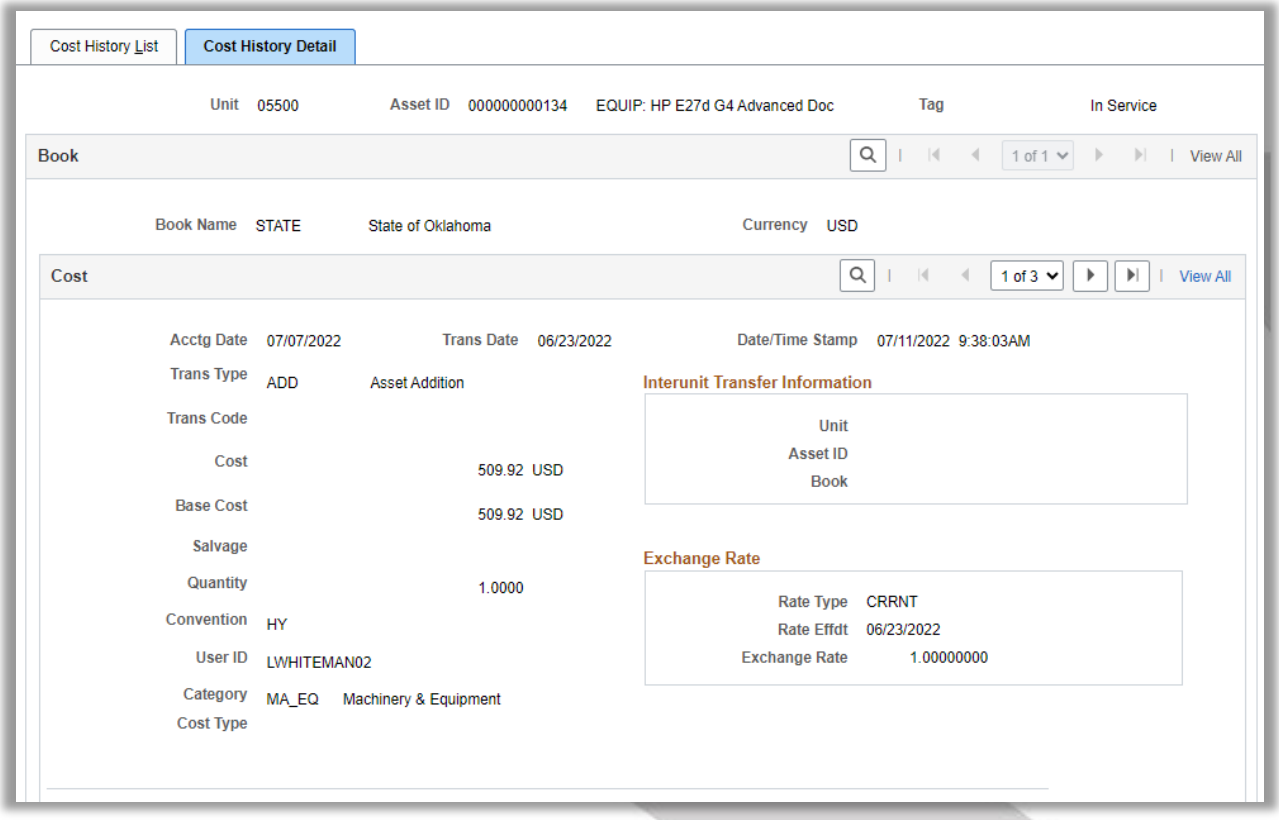



The **Cost History** Tab displays the history of all Cost changes made to an Asset. With a Recategorization, the system creates two transactions. The first represents the Recategorization out (**In/Out** column = 'O') of the old Asset Category value, the second represents the Recategorization in (**In/Out** column = 'I') to the new Asset Category value.

The **Transaction Type** will be equal to 'RCT' for Recategorization. The Quantity and Total Cost columns also reflect the "Out" and "In" rows for the transfer.

**Click Cost History Detail** Tab to display the **Cost History Detail** Tab or the Detail Link to access the specific transaction row on the **Cost History Detail** Tab.

# Cost History Detail Tab




The **Cost History Detail** Tab shows the same Asset rows as are visible on the Cost History page, but with more details. The **Transaction Type** of ADD represents the original Addition of the Asset.

---

**NOTE:** The row count indicates that multiple rows are available to view on this page. The page initially defaults to row 1 when selecting the **Cost History Detail** Tab. Row 1 will be the same row as is displayed at the top of the previous page. You will need to scroll through the rows to find the one applicable to your transaction.

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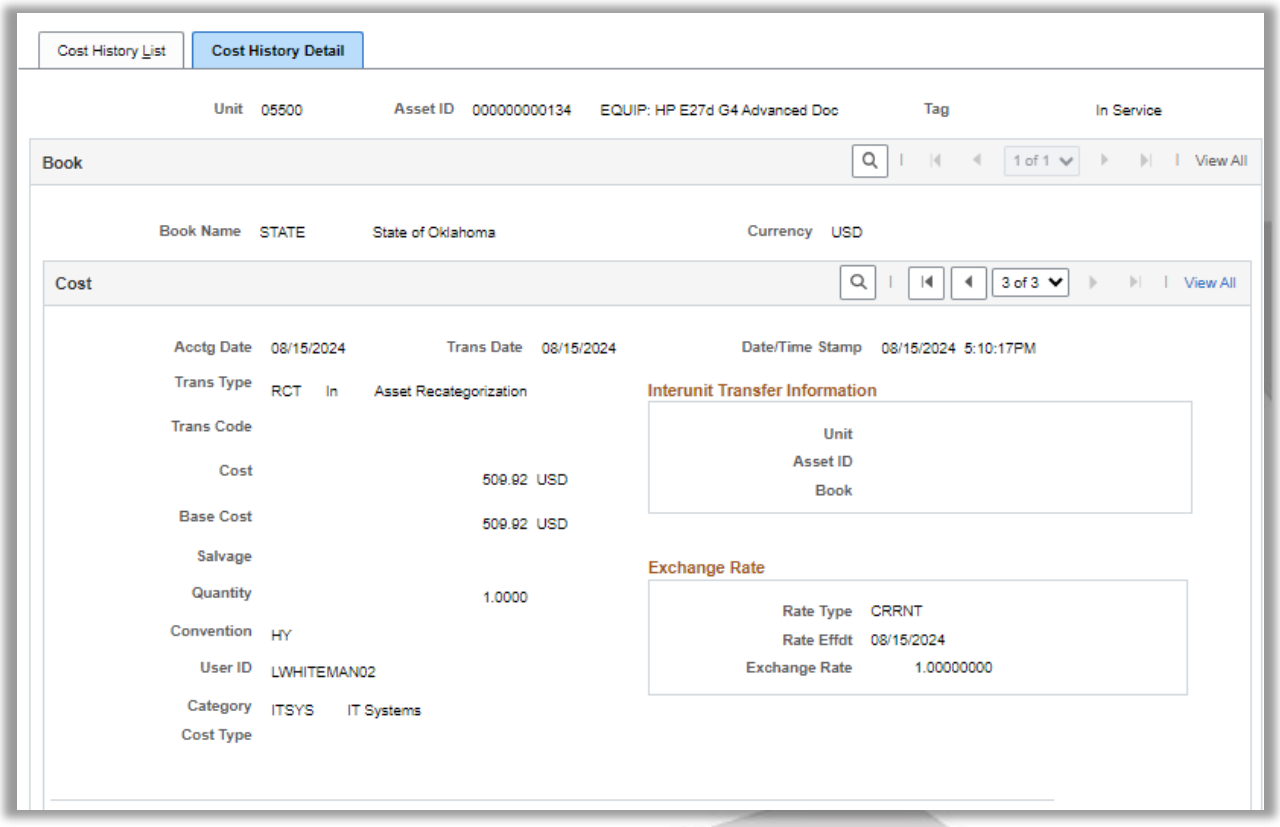
**Click** the **right arrow** button to scroll through the other rows on the page.




The Recategorization row on the page represents the change in the Assets Category. The **Transaction Type** indicates RCT (Recategorization), and the Cost reflects the transfer into the new Category value.

---

**NOTE:** More detailed Asset information is available on this page including Transaction Date of the Adjustment, User ID who completed the Adjustment, and Chartfield information.

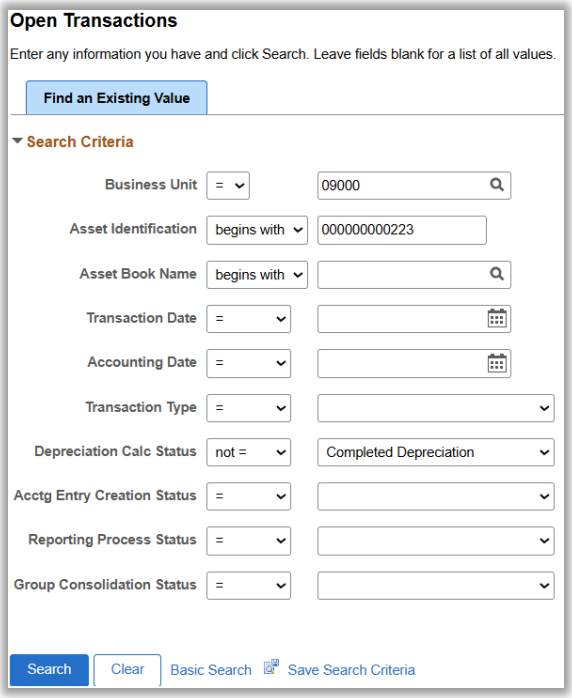
---

# Process Depreciation

The Depreciation Calculation (Depr_Calc) must be run to account for every transaction performed on an Asset. Assets added in AM are eligible for depreciation when they are Capitalized, either by manually keying an Asset in AM or by loading a Voucher into AM. Other financial transaction performed on an Asset, such as Adjustment, Transfer, Retirement, Reinstatement, Recategorization, and Book Adjustment (adjustment to depreciation life), require depreciation to be recalculated. The system creates an Open Transaction for each of these actions.

## Review Open Transactions

***Navigation: Asset Management > Depreciation > Open Transaction > Review Open Transactions > Find an Existing Value***




**Enter** the **Business Unit** and **search** for Open Transaction where the Depreciation Calc Status does not equal Completed Depreciation. Make note of the beginning and ending Asset ID.

---

**NOTE:** The Review Open Transaction page displays only the first 300 transactions. The query, OCP_ASSET_OPEN_TRANS_ROWS, can also be run to identify Open Transactions

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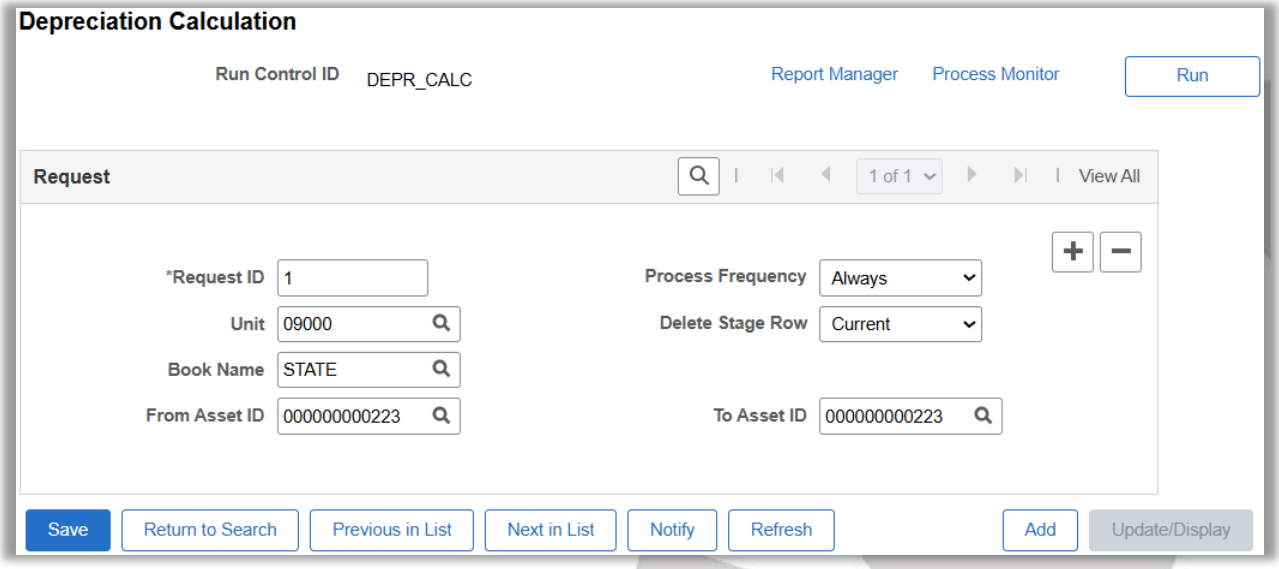
**NOTE:** Depreciation Calculation will need to be run on Pending Transaction.

---

# Run the Depreciation Calculation Process

***Navigation: Asset Management > Depreciation > Processing > Calculate Depreciation***




**Request ID** – Enter 1 since only one request at a time will be run

**Process Frequency** – Change to Always

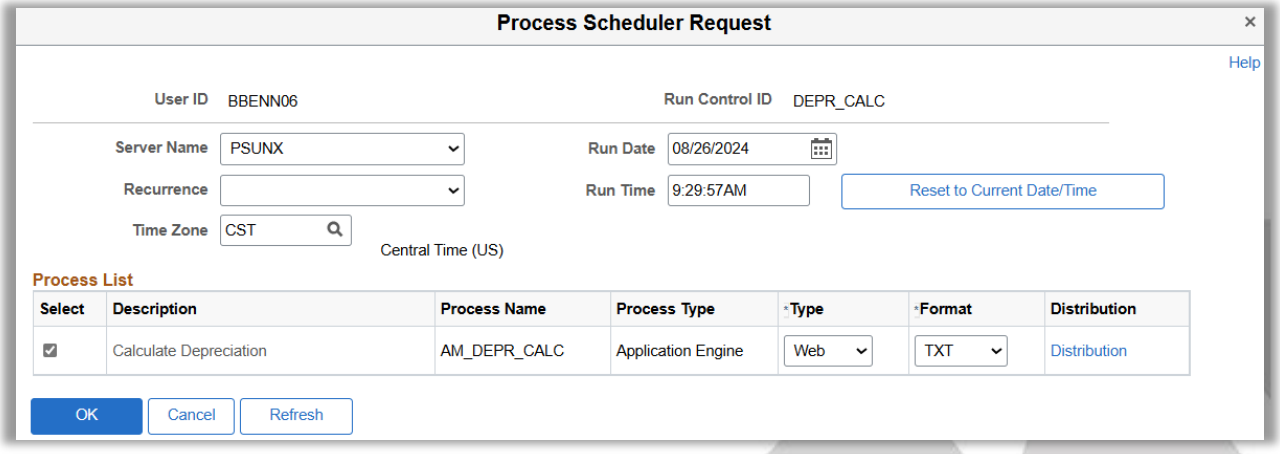
**Delete Stage Row** – Default is Current. Do not change.

**Unit** – Enter the Agency Business Unit

**Book Name** – Populate with the STATE book

**From Asset ID/To Asset ID** – Populate to run Depreciation for the range the Assets identified from searching the Open Transactions

**Click** the **Run** button to execute the job. Run on the PSUNX server or leave Server Name field blank.




**Click** the **OK** button to go back to the Depreciation Calculation page. **Click** on the Process Monitor to make sure the process goes to Success.