Fixed Assets

Release A7.3

JDEdwards ®

Where Do I Look?

Online Help
- Program
- Form
- Field

**CD–ROM
Guides**

Guides

**Technical
Foundation**

**System Administration
and Environment
Fundamentals**

- Understanding Your
  Environment
- Creating and Maintaining
  Environments
- Setting Up Security
- Upgrading Your System

**Common
Foundation**

**Prerequisite
J.D. Edwards
Software Fundamentals**

- Using Menus
- Getting Help
- Customizing Data
- Reporting

**Important Note for Students in
Training Classes**

This guide is a source book for
online helps, training classes, and
user reference. Training classes
may not cover all the topics
contained here.

Welcome

About this Guide

This guide provides overviews, illustrations, procedures, and examples for release A7.3 of J.D. Edwards software. Forms (screens and windows) shown are only examples. If your company operates at a different software level, you might find discrepancies between what is shown in this guide and what you see on your screen.

This guide includes examples to help you understand how to use the system. You can access all of the information about a task using either the guide or the online help.

Before using this guide, you should have a fundamental understanding of the system, user defined codes, and category codes. You should also know how to:

- Use the menus
- Enter information in fields
- Add, change, and delete information
- Create and run report versions
- Access online documentation

Audience

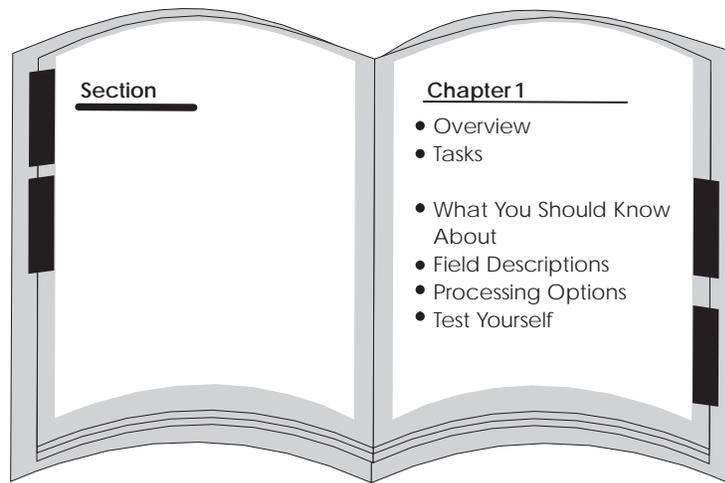This guide is intended primarily for the following audiences:

- Users
- Classroom instructors
- Client Services personnel
- Consultants and implementation team members

Organization

This guide is divided into sections for each major function. Sections contain chapters for each task or group of related tasks. Each chapter contains the information you need to accomplish the task, run the program, or print the

report. Chapters normally include an overview, form or report samples, and procedures.

Section

Chapter 1
- Overview
- Tasks

- What You Should Know About
- Field Descriptions
- Processing Options
- Test Yourself

When it is appropriate, chapters also might explain automatic accounting instructions, processing options, and warnings or error situations. Some chapters include self-tests for your use outside the classroom.

This guide has a detailed table of contents and an index to help you locate information quickly.

Conventions Used in this Guide

The following terms have specific meanings when used in this guide:

- *Form* refers to a screen or a window.

- *Table* generally means "file."

We assume an "implied completion" at the end of a series of steps. That is, to complete the procedure described in the series of steps, either press Enter or click OK, except where noted.

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Fixed Assets Overview

The J.D. Edwards Fixed Assets system is flexible. Many companies delay processing fixed asset information until they are ready to compute period depreciation. You can use Fixed Assets system integration and features, such as automated asset setup, to update asset information on a daily, monthly, quarterly, or annual basis, depending on the needs of your organization.

System Integration

The J.D. Edwards Fixed Assets system links to many of the other J.D. Edwards systems that your company uses. System integration helps ensure that asset information and account transactions are consistent. You need to enter fixed asset and account information only once throughout your company. This saves considerable time and money, especially when you need to record numerous and complex business transactions daily, and update or revise asset information, such as depreciation rates and account numbers.

The Fixed Assets system is integrated with the following J.D. Edwards systems:

Address Book

Fixed Assets accesses the Address Book system to retrieve up-to-date name and address information for:

- Tax authorities
- Lessors, financiers, and insurers
- Employees responsible for the asset

General Accounting

The Fixed Assets and General Accounting systems access and store detailed transaction information in the same table, the Account Ledger (F0911). To maintain integrity between the two systems, you process all transactions through both the general ledger (G/L) and fixed assets.

Purchasing

The Fixed Assets and Purchasing systems access and store information in both the Account Ledger table and the Item Master table (F1201) to keep company purchases and asset records concurrent and up-to-date. When you purchase assets, you must create asset master records in the Item Master table to identify the new assets in your system. The system creates the necessary general ledger accounts in the Account Ledger.

Accounts Payable   The Fixed Assets and Accounts Payable system are integrated through the Account Ledger table (F0911). You can enter charges associated with fixed assets through Accounts Payable. The system automatically enters the asset number from the purchase order to the accounts payable voucher and updates the Account Ledger table.

```
                          ┌─────────────┐
                          │   Address   │
                          │    Book     │
                          └─────────────┘
  ┌─────────────┐                              ┌─────────────┐
  │  Accounts   │         ┌─────────────┐      │  Purchasing │
  │   Payable   │         │   General   │      └─────────────┘
  └─────────────┘         │ Accounting  │
                          └─────────────┘
                               △
                              Fixed
                              Assets
  ┌─────────────┐                              ┌─────────────┐
  │    STAR     │                              │   World     │
  └─────────────┘                              │   Writer    │
                    ┌───────────────────┐      └─────────────┘
                    │  Equipment/Plant  │
                    │    Management     │
                    └───────────────────┘
```
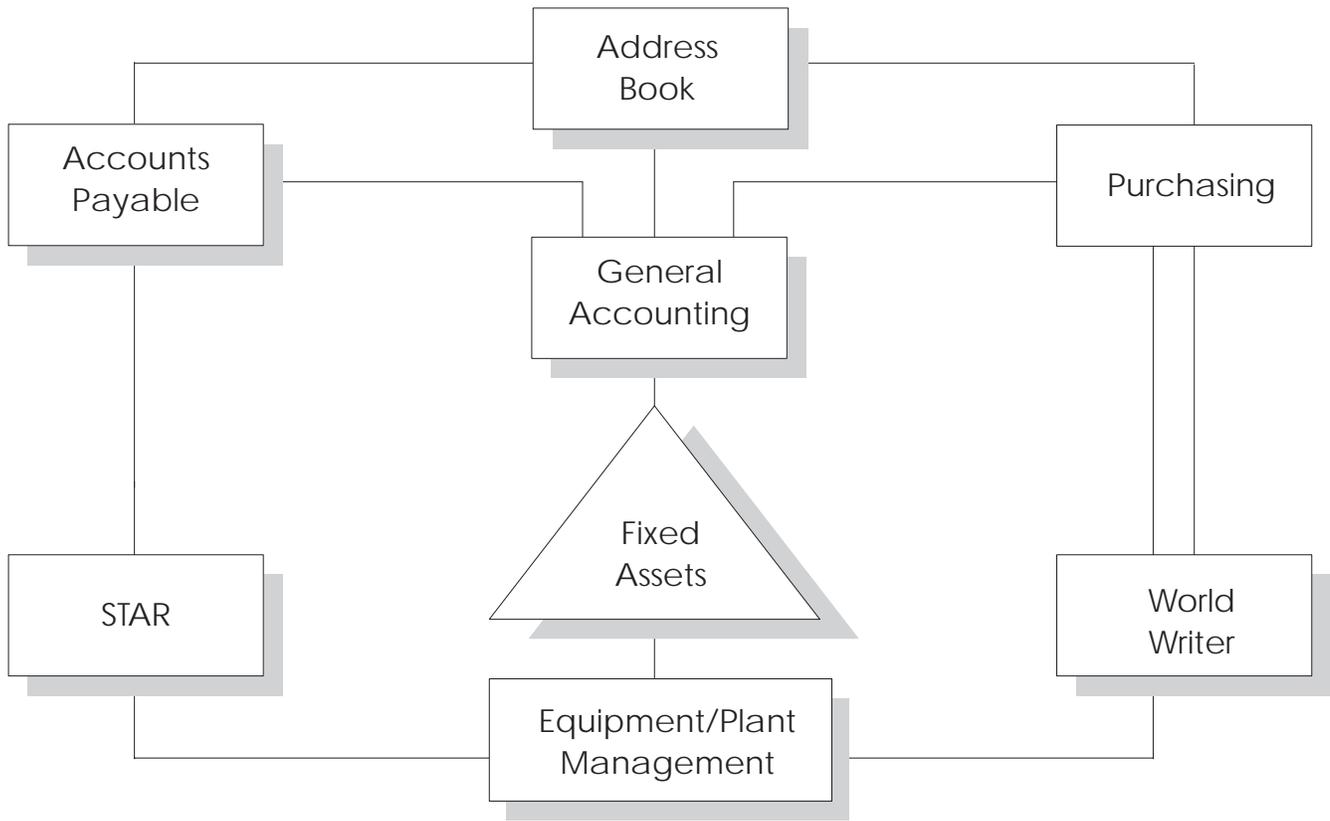
Fixed Assets Features

The Fixed Assets system includes the following features:

- Multiple depreciation books and methods

- Automated asset setup

- Asset search and location

- Insurance and financing information

- Asset transfers, splits, and disposals

- Asset reports (standard and user defined)

Multiple Depreciation Books and Methods

You can maintain multiple sets of depreciation books for an asset. You can depreciate assets in different ways for different purposes. For example, you might set up the books for an asset to reflect a three-year life for taxation purposes and a five-year life for financial statement purposes. Or, you might have a set of depreciation books for different currencies.

For each set of books that you maintain for an asset, you can assign either a user defined depreciation method or one of the following 18 predefined depreciation methods, in addition to null depreciation:

- Straight line
- Sum of the year's digits
- 125% declining balance to cross-over
- 150% declining balance to cross-over
- Double declining balance to cross-over
- Fixed percent on declining balance
- Accelerated cost recovery system (ACRS) standard
- ACRS optional
- Units of production
- Modified accelerated cost recovery system (MACRS) luxury cars — domestic
- Fixed percent of luxury cars — foreign
- MACRS standard
- MACRS alternative
- ACRS alternate real property
- Fixed percent of cost
- Fixed percent on declining balance to cross-over
- Alternative minimum tax (AMT) luxury autos
- Adjusted current earnings (ACE) luxury autos

You can calculate depreciation daily, weekly, monthly, quarterly, or annually. You can also base your depreciation calculations on a 4–4–5 fiscal pattern or a 13 period pattern.

User Defined Depreciation

Although the J.D. Edwards Fixed Assets system provides a wide range of depreciation rules, you might need a specific depreciation combination other than those provided with the standard depreciation rules. With user defined

depreciation, you can substitute various depreciation conventions, formulas, and spread patterns to define depreciation methods specific to your company without custom programming. For example, you can copy an existing rule and modify it to create a depreciation method for your specific needs.

You can set up user defined depreciation methods to establish:

- User-specific depreciation formulas without custom program modifications
- User-specific depreciation rules and conventions
- Depreciation methods for specific categories of assets
- Specific depreciation methods for assets placed in service during certain periods
- Specific depreciation methods for certain years

Automated Asset Setup

You can use default coding to define default depreciation instructions for individual asset cost accounts by company. When you add newly acquired assets to the Fixed Assets system, the information you establish in default coding is included automatically in the new asset records. You can override the defaults for special cases. Using default coding saves time, especially if you frequently add assets to the system. You can define default values for:

- Accounting class
- Equipment class
- Depreciation accounts
- Revenue accounts
- Depreciation information

Asset Search and Location

You can use the system's search capabilities to locate assets based on:

- Company
- Equipment status
- Description
- Responsible business unit
- Current location
- First 10 category codes

You can also track the history of an asset's movement from location to location.

Insurance and Financing Information

You can record and access the insurance information for an asset, such as insurance company, policy number, premium cost, value, and replacement cost. You can also account for leased and mortgaged assets and track monthly payments, purchase options, and contract information.

Asset Transfers, Splits, and Disposals

You can use the Fixed Assets system to record asset transfers, splits, and disposals in your accounting ledgers.

Asset transfers	You can transfer assets from one account to another or from one business unit and account to another. You can transfer assets individually or in groups. You can also use the transfer program to change asset information globally, without actually transferring assets.
Asset splits	You can split an asset into one or more new assets. The system prorates the asset's cost and accumulated depreciation to the new assets and creates the appropriate journal entries. Use asset splits when you want to dispose of or transfer part of an asset.
Asset disposals	You can dispose of assets individually or in groups. The system automatically creates the journal entries for each asset disposal based on your specifications.

Fixed Asset Reports

You can print two types of fixed asset reports:

Data Record Extraction and Management (DREAM) Writer	Use this report writer to select and sequence the data that you want to appear on a predefined report. You can use DREAM Writer to:

- Compile depreciation schedules and projections
- Report asset master information
- Print transaction ledgers, reconciliation, and retirement analyses
- Prepare property tax worksheets to use when calculating your property taxes
- Maintain integrity between the Fixed Assets and General Accounting systems

Spreadsheet Tool for Asset Reporting (STAR) Use this flexible report writer to retrieve any data from the Item Master table (F1201) and Item Balances table (F1202) that is not included in the predefined reports for the Fixed Assets system. In addition to the numerous user defined reports that you can create, STAR includes several additional fixed asset reports, such as the Additions and Retirements Report and the Disposal Analysis Report.

Fixed Assets Process

The process outlined and illustrated below follows an asset from its purchase to its disposal and includes the yearly close. Use this example as a guideline only. Specific steps and procedures vary from company to company.

Master and depreciation information Enter the master information for the newly acquired asset and verify the default depreciation information.

Voucher entry Enter an accounts payable voucher for the asset.

Post vouchers to the G/L and fixed assets Post the batch that contains the voucher for the asset.

Compute depreciation Compute depreciation in preliminary mode to review journal entries that will be posted to fixed assets and the G/L when you compute depreciation in final mode.

Transfer assets Transfer assets in preliminary mode to review journal entries that will be posted to fixed assets and the G/L when you transfer assets in final mode.

Asset split Split program automatically creates and posts journal entries to the G/L and then to fixed assets.

Asset disposal Dispose of asset in preliminary mode to review journal entries that will be posted to G/L and fixed assets when you dispose of assets in final mode.

Annual asset balance close Close asset balances on a yearly basis, after you run the final depreciation. The close program creates the balance records for the next year with cumulative and net balance forward amounts. The close program also carries forward depreciation information.
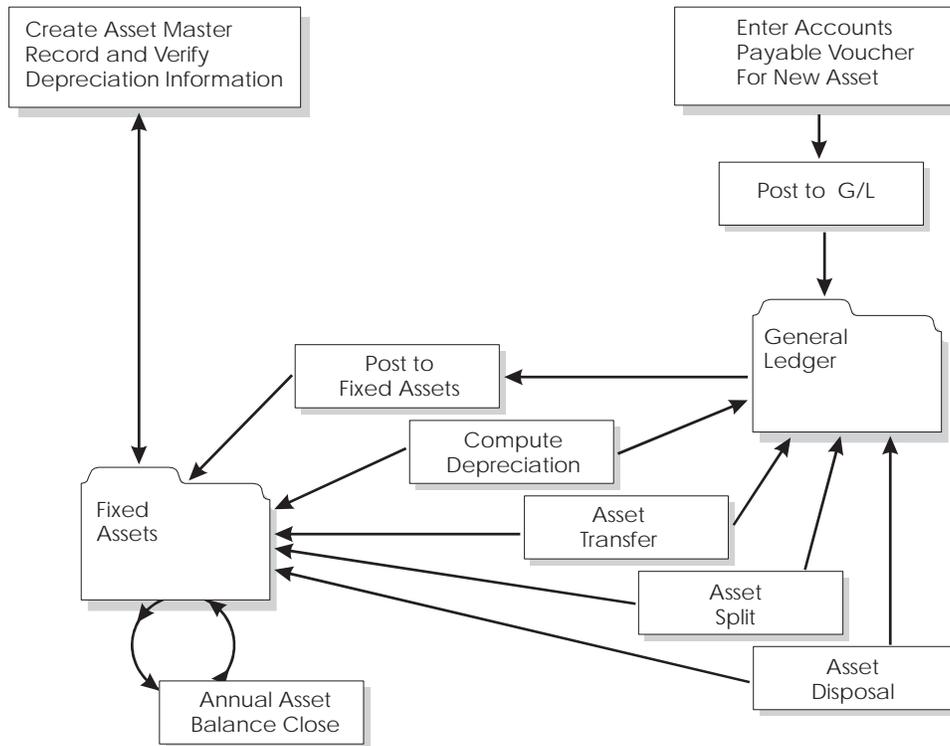
Fixed Assets Tables

Primary Tables

The J.D. Edwards Fixed Assets system stores asset and transaction information in three primary tables:

Item Master (F1201)	Stores basic information about each asset, such as:

- Asset number
- Asset description
- Account coding
- Category codes

Item Balances (F1202)	Stores the balance amount for each asset account by ledger type for each year. This table also stores the depreciation information for each asset.
Account Ledger (F0911)	Stores audit trails of general ledger journal entries for both the Item Balances table (F1202) and the Account Balances table (F0902).

Secondary Tables

The Fixed Assets system also accesses the following secondary tables:

- Location Tracking (F1204)
- Item Messages (F1205)
- Units of Production Schedule (F1208)
- Location History Text (F1210)
- Parent History (F1212)
- Default Depreciation Accounts (F12002)
- Depreciation Defaults by Ledger Type (F12003)
- User Defined Depreciation Rules (F12851)
- User Defined Depreciation Annual Rules (F12852)
- User Defined Depreciation Formulas (F12853)
- User Defined Depreciation Spread Formulas (F12854)
- User Defined Codes (F0005)
- Address Book Master (F0101)
- Account Master (F0901)
- Automatic Accounting Instructions (F0012)
- Business Unit Master (F0006)
- Supplemental Data (F12090, F12092, F12093)
- Specification Data (F1216)
- Specification Cross Reference (F1215)

Fixed Assets Menu Overview

```
                          ┌─────────────────┐
                          │  Fixed  Assets  │
                          │   Master Menu   │
                          │       G12       │
                          └─────────────────┘
```

Daily Operations

```
┌─────────────────────┐   ┌─────────────────────┐   ┌─────────────────────┐
│ Fixed Asset Master  │   │ Posting General Ledger │  │ Cost Information and │
│    Information       │   │    to Fixed Assets    │  │       Reports        │
│       G1211          │   │        G1212          │  │        G1213         │
└─────────────────────┘   └─────────────────────┘   └─────────────────────┘
```

Periodic Operations

```
┌─────────────────────┐   ┌─────────────────────┐   ┌─────────────────────┐
│    Depreciation      │   │   Transfer, Splits   │   │ Quarterly and Year to Date │
│       G1221          │   │    and Disposals     │   │        Reports       │
│                      │   │        G1222         │   │        G1223         │
└─────────────────────┘   └─────────────────────┘   └─────────────────────┘

          ┌─────────────────────┐   ┌─────────────────────┐
          │      Integrity       │   │  Year End Processes  │
          │      Reports         │   │        G1225         │
          │      G1224           │   │                      │
          └─────────────────────┘   └─────────────────────┘
```

Advanced & Technical Operations

```
                          ┌─────────────────┐
                          │    Advanced     │
                          │   Operations    │
                          │      G1231      │
                          └─────────────────┘

          ┌─────────────────────┐   ┌─────────────────────┐
          │ Set Up User Defined  │   │ Compute User Defined │
          │    Depreciation      │   │    Depreciation      │
          │       G1232          │   │       G1233          │
          └─────────────────────┘   └─────────────────────┘
```

System Setup

```
          ┌─────────────────────┐   ┌─────────────────────┐
          │      System          │   │    User Defined      │
          │      Setup           │   │       Codes          │
          │      G1241           │   │       G1242          │
          └─────────────────────┘   └─────────────────────┘
```

Daily

Asset Identification

Objectives

- To create asset master records
- To create other asset identification records
- To locate assets and exit to a desired program
- To track asset locations

About Asset Identification

You must identify every asset in the system before you can use the Fixed Assets system. Identifying assets consists of the following tasks:

❏ Creating an asset master record

❏ Verifying depreciation information

❏ Entering additional asset information

❏ Searching for asset information

❏ Locating parent and component information

❏ Tracking asset locations

Asset Identification Information

Asset identification consists of three types of information:

- Asset master record
- Supplemental data
- Message log

You must create an asset master record to identify each of your company's assets. You can also include supplemental data and message logs to further define the assets in the system.

Asset Master Record

The asset master record consists of the basic information that identifies an asset. You must create asset master records so you can:

- Manage asset depreciation
- Track asset costs
- Record asset splits, transfers, and disposals

Supplemental and Specification Information

You can enter supplemental information to record information that is important to your company but is not included on the asset master record. Enter specification data to record static information about assets. You define and maintain the databases for both supplemental and specification data. You can set up data types that use a columnar format, text format, or both. You can also set up security for supplemental and specification data by user identification.

Message Logs

Use message logs to record and track short informational messages about assets that the master record and supplemental data forms cannot accommodate. For example, you can use message logs to:

- Indicate the status and condition of an asset
- Record details about asset transfers or disposals
- Log problems or complaints about a specific asset

You can use paragraph, outline, or any other format you choose to enter information in message logs.

Category Codes

You set up category codes to classify assets for tracking, reporting, and DREAM Writer data selection throughout the Fixed Assets system. You can define up to 23 category codes to meet your company's information needs. Use these category codes in asset master records to describe assets and group similar asset types.

J.D. Edwards recommends setting up the first category code to group assets into accounting classes. In this case, the first category code is typically referred to as the Major Accounting Class. You can set up this category code with a one-to-one relationship with asset cost accounts in the general ledger. You might also select another category code to identify assets by the depreciation methods you assign each one.

If you use Fixed Assets with the J.D. Edwards Equipment/Plant Management system, the two systems access the same category code tables. The system displays the first 10 of 23 category codes on the Asset Information and Asset Search and Location forms. Equipment/Plant Management users frequently use the first ten category codes as selection criteria for multiple tasks, such as selecting equipment for updating meter readings, selecting equipment to enter location information, and so on. You should reserve as many of the first 10 category codes in the equipment master as you need for equipment maintenance purposes.

See Also

- *Setting Up User Defined Codes* for more information about how user defined codes are used to organize asset information

- *Setting Up Equipment* in the *Equipment Billing Guide* or the *Equipment/Plant Maintenance Guide* for more information about reserving the first 10 category codes for equipment and plant management

- *Mapping Category Codes* for more information about establishing relationships between category codes

Identification Numbers

You can use one of the following three numbers as the primary number to identify assets throughout your system:

- Item number

- Unit number

- Serial number

Different branches of your company might refer to assets in different ways. For example, accounting personnel might identify equipment by item number. Maintenance personnel might refer to equipment by unit number or the manufacturer's serial number.

Every asset master record in your system must include an item number. You can enter unit and serial numbers if you need to. You must define which of these numbers is used as the primary number for identifying assets in your system. Any identification number that you assign to an asset on the asset master record must be unique throughout your entire system.

See Also

- *Setting Up Fixed Asset Constants* for information about using asset identification numbers

Parent and Component Relationships

You can set up parent and component relationships to group individual assets. For example, when you create master records, you can identify a computer as a parent item. You can identify the monitor, keyboard, and mouse as components of the computer. Those components, in turn, might be the parents of still other components, and so on.

Parent assets can be physical assets or "pseudo" assets. You can set up pseudo assets to group assets under a parent that does not directly incur costs or generate revenue. For example, you might set up departments as parent pseudo assets. Each department might have a certain number of cubicles as component assets. Each cubical might be the pseudo parent of real assets, such as computers, telephones, and so on.

You can establish up to 25 hierarchical levels of a parent item. The system assigns a number to each component according to its level in the hierarchy. This is particularly useful for tracking complex assets.

Create an Asset Master Record

```
┌─────────────────────────────────────┐
│ G12      Fixed Assets               │
│          Choose Fixed Asset Master  │
│          Information                │
└─────────────────────────────────────┘
                │
                │         ┌───────────────────────────────────────┐
                └────────▶│ G1211    Fixed Asset Master Information│
                          │          Choose Master Information     │
                          └───────────────────────────────────────┘
```
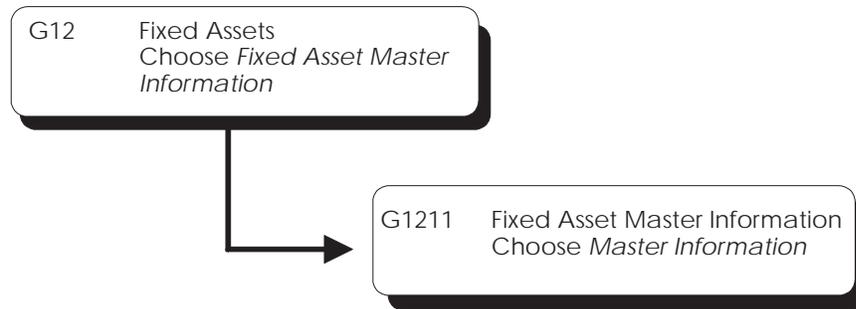
Creating an Asset Master Record

You must create an asset master for every asset that you want to manage throughout the Fixed Assets system. When you create master records, you establish basic information about each asset, such as:

- Asset numbers to uniquely identify the asset

- The department or profit center that is responsible for the asset

- The cost account for the asset

- The date you acquired the asset

- User defined category code descriptions of asset status, class, and so on

- Textual descriptions or remarks to help you locate the asset

When you create master records for an asset, the system automatically creates:

- Ledgers in the Item Balances table (F1202)

- Depreciation information, based on default values you define during system setup, including the depreciation start date (the asset's acquisition date)

- General ledger account information, based on default values you define during system setup

The system stores asset master records in the Item Master table (F1201). When you request specific asset transactions, the system accesses or updates the information in this table.

Before You Begin

❑ Verify that all system setup activities are complete. See *System Setup* for more information about setting up the Fixed Assets system.

▶ **To create an asset master record**

On Master Information

1. Complete the following fields:

    - Description 01

    - Company

    - Responsible Business Unit

    - Asset Cost Business Unit/Object/Subsidiary

    - Date Acquired

2. Complete the following optional fields:

    - Description 02–03

    - Unit Number

    - Serial Number

- Parent Number

- Location/Start Date

- Equipment Status

- Current Quantity

- Address Book Number (Employee)

- Remark

- AFE Number

3. Do one of the following:

- On WorldSoftware, use the Add action code and choose Update with Redisplay.

- On WorldVision, click on the Add/Inquiry button.

4. Choose Item Description Translation.

```
[12ID] - Item Description Translation                    _ □ ✕
Functions  Tools  Help

     Item Number        1300  Backhoe, Caterpillar 426

            Language                    Description
      G  German              Bagger, Caterpillar 426
      S  Spanish             Retroexcavadora, Caterpillar




     ✓   ✗                                              ⬆
            F4=Fold Area  F24=More                      ⬇
```
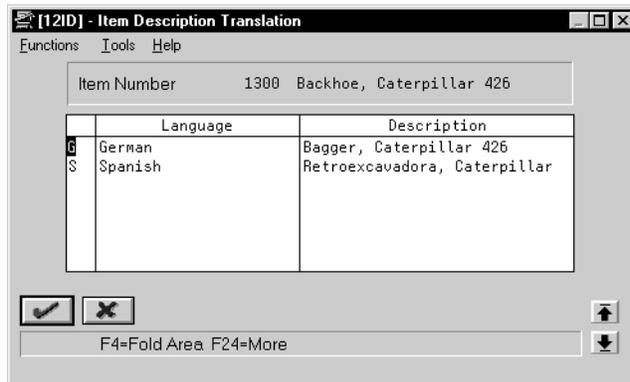
5. On Item Description Translation, complete the following fields to add or revise the non-domestic descriptions for the asset:

- Language

- Description

6. Return to Master Information.

7. Choose Item Master – Category Codes.

```
[12010] - Item Master - Category Codes                          _ □ ✕
Functions  Tools  Help

  Item Number. . . .      1300            Backhoe, Caterpillar 426

  Accounting Class     30        Heavy Equipment
  Equipment Class      3TX       WHEEL LOADERS
  Manufacturer         CAT       Caterpillar
  Model Year           96        1996
  Usage                HR        Hours
  Category Code 6                                          .
  Category Code 7                                          .
  Category Code 8                                          .
  Category Code 9                                          .
  Rate Group           HOE       Backhoe

  State                CO        Colorado
  Tax Entity               5071  Denver City & County Tax
  Financing Method     L         Capitalized Lease
  New or Used          N                         Cat Code 21
  ITC                                            Cat Code 22
                                                 Cat Code 23

   ✓  ✗          ⟰/i  ⟰/i          .i   .▲   .⊕   .▬    ⬆
  F5=Update with Redisplay   F15=Additional Codes   F24=More Keys    MW  ⬇
```

8. On Item Master – Category Codes, complete the following optional fields:

   - Category Codes 01–23

   - State

   - Tax Entity

   - Financing Method

   - ITC

   The system can automatically complete the fields on the Item Master – Category Codes form, depending on how you map the category codes for your system.

   See *Mapping Category Codes* for more information.

9. Choose Program Exit to return to Master Information.

10. On Master Information, choose Depreciation & Accounting Values to review default depreciation information.

```
┌─────────────────────────────────────────────────────────────────────────┐
│ 🖳 [1202] - Depr & Accounting Values                          _ □ ×       │
│ Functions   Tools   Help                                                  │
│                                                                           │
│                                      Fiscal Year            98            │
│  Item Number. . . . . .      1300    Backhoe, Caterpillar 426             │
│                                      Company Number         00050         │
│  G/L Account            Bus. Unit    Obj.      Sub                        │
│  Asset Cost Account         50       2030              Heavy Equipment    │
│  Accum Depreciation         50       2130              Accum Depr - Equipment │
│  Depre Expense              YARD     8441             Depreciation        │
│  Revenue Credit             YARD     8421             Ownership Portion   │
│                                                                           │
│               . . . . Depreciation By Method . . . .                      │
│   ┌──┬────────────────┬──┬──────────────────┬────┬───┬─┬─────┬─────────┐  │
│   │Bk│ Book Description│De│                  │Life│Dep│M│Meth │Method 9 Sch│ │
│   │  │                │Me│                  │Mths│Inf│C│  %  │   No    │  │
│   │AA│General Ledger  │01│Straight Line Depre│ 60 │ 0 │R│     │         │  │
│   │D1│Federal Tax  -Book1│12│MACRS Standard Depr│ 84 │ Y │C│     │         │  │
│   │D3│Earn. & Profit-Book3│13│MACRS Alternative D│120 │ Y │I│     │         │  │
│   │D4│Alter. Minimum-Book4│04│150% Declining Bal │120 │ Y │I│     │         │  │
│   │D5│Adjusted Current Ear│01│Straight Line Depre│120 │ Y │I│     │         │  │
│   │  │                │  │                  │    │   │ │     │         │  │
│   │  │                │  │                  │    │   │ │     │         │  │
│   └──┴────────────────┴──┴──────────────────┴────┴───┴─┴─────┴─────────┘  │
│                                                                           │
│  ✓  ✗                                        i   ▲   ➕  ➖    ⬆           │
│  F14=Master Info F16=Asset Search F8=Defaults F4=Full Detail F24=More  MW ⬇│
└─────────────────────────────────────────────────────────────────────────┘
```

11. On Depreciation & Accounting Values, update or complete any fields to revise depreciation or account information.

See *Verify Depreciation Information* for more information about default depreciation and account information.

Field	Explanation
Item Number	An 8–digit number that uniquely identifies an asset.
Description 01	A user defined name or remark that describes a field.
	. . . . *Form-specific information* . . . .
	The system displays the first line of the user defined description on all forms and reports. You can use any part of the description line when you locate an asset using the query search on the Search and Location form.
Unit or Tag Number	A 12-character alphanumeric code used as an alternate identification number for an asset. This number is not required, nor does the system assign a number if you leave the field blank when you add an asset. If you use this number, it must be unique. For equipment, this is typically the number stenciled on the equipment.
Serial Number	A 25-character alphanumeric number that you can use an alternate asset identification number. You can use this number to track assets by the manufacturer's serial number. You are not required to use a serial number to identify an asset. Every serial number you enter must be unique.

Field	Explanation
Parent Number	An identification code for an asset that you can enter in one of the following formats: 1 Item number (a computer-assigned, 8-digit, numeric control number) 2 Unit number (a 12-character alphanumeric field) 3 Serial number (a 25-character alphanumeric field) Every asset has an item number. You can use unit number and serial number to further identify assets as needed. If this is a data entry field, the first character you enter indicates whether you are entering the primary, or default, format that is defined for your system, or one of the other two formats. A special character (such as "/" or "*") in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the system constants form. . . . . *Form-specific information* . . . . A number that identifies the immediate parent asset in a parent/component relationship. For example, a car phone and radar detector are components that belong to a car. If you leave this field blank, the system uses the asset's primary identification number. If you change the parent number, the system displays a window so you can enter the date on which you assigned the asset a new parent.
Company Number	A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use Company Numbers and Names to define the companies in your system. NOTE: Use Company 00000 only for default values, such as dates and Automatic Accounting Instructions (AAIs). You cannot use Company 00000 when entering transactions.
Asset Cost Account – Business Unit	The business unit to which the system charges original acquisition cost and any supplemental capital additions. The system uses a default value for this field based on the value you specify on the Master Information form when you create a new asset master record. You can change this default value on Depreciation Information only if you have not entered any transactions for the account.

Field	Explanation
Business Unit	The accounting entity (business unit) that is responsible for the asset's cost or expense. You assign a business unit to an asset. The responsible business unit is used for responsibility reporting purposes.
	NOTE: You can enter numbers and characters in this field. The system right-justifies them (for example, CO123 appears as _ _ _ CO123). You cannot inquire on business units for which you have no authority.
	. . . . *Form-specific information* . . . .
	If you want the asset or accumulated depreciation business units to use the default value for the responsible business unit, the responsible business unit and company number must be in the same company. You set up the default business unit on the Fixed Assets Constants form.
Asset Cost Account – Object	The object account to which the original acquisition cost and any supplemental capital additions have been charged.
	If the asset is a non-capitalized lease, this should be the expense account that lease payments are charged to. This expense account should have default coding instructions set up for method 00 (no depreciation method used).
Asset Cost Account – Subsidiary	The subsidiary account to which the original acquisition cost and any supplemental capital additions have been charged.
Date Acquired	Enter the date your company acquired the asset. The system uses this date as the date on which to start depreciation for the asset. If you want the system to calculate depreciation from a date other than the date acquired, you can change the start depreciation date on Depreciation and Accounting Values. You can also change the depreciation start date on the Depreciation Information form.
Equipment Status	A user defined code (system 12, type ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.
	. . . . *Form-specific information* . . . .
	The system automatically updates the value in this field when you run the Asset Disposal program to dispose of the asset.

Field	Explanation
Current Item Quantity	This is the current number of units for an asset. It is used in conjunction with the original quantity. This field should always reflect the current or remaining amount of units.
	. . . . *Form-specific information* . . . .
	The default value for this field is 1. If you dispose of a portion of an asset's original quantity, you should adjust the current quantity downward to reflect the amount actually remaining. If you change the current quantity for an asset, a window appears so that you can enter a location and effective date for the quantity change. If you split an asset, the system automatically updates this field.
Employee	A number that identifies an entry in the Address Book system. Enter the Address Book number of the employee assigned to the asset or the employee responsible for the asset.
	You can change the soft coding description on this field to another valid Address Book entry type. For example, to track where assets are purchased, you can change the field name to Supplier and enter supplier Address Book numbers for individual assets.
	. . . . *Form-specific information* . . . .
	This is the address book number of the employee assigned to the equipment or the employee responsible for the equipment.
AFE Number	Authorization for Expenditure unit number. This number is used for informational purposes only.
Tax Entity	The address number of the tax authority to which property taxes are paid.
Financing Method	A user defined code (system 12, code FM) that designates how a fixed asset was acquired, for example, financed or purchased outright.
Amount – Investment Tax Credit	The amount of Investment Tax Credit (ITC) to be considered in depreciation calculations. This amount is only used with Accelerated Cost Recovery System (ACRS) Depreciation (Method 07) and Depreciation Information code "4," which requires basis reduction to cost minus 1/2 of ITC amount.

What You Should Know About

Category codes

You assign category codes to assets when you create master records. You can use the Category Code Mapping program to set up your system to use default values for the category codes that you assigned assets.

Deleting asset master records

You can delete asset master records only under the following circumstances:

- Transactions have not posted to the fixed assets Item Balances table (F1202). After transactions have posted to fixed assets, you cannot delete an asset even if the balance amounts are zero.
- The asset does not have associated amounts in Beginning Balance Setup. You must delete any asset amounts in Beginning Balance Setup before you can delete the asset master record.
- Any transactions that have not been posted to the Account Balances table (F0902) are deleted.
- Any transactions that have been posted to the Account Balances table (F0902) are voided. (You cannot delete transactions that are posted to Account Balances.)

Changing location information in asset master records

You can enter location and start date information for an asset when you create the asset master record. After you create the asset master record, you must use the Asset Transfer or Location Transfer programs to add or revise location and start date information.

Creating asset master records automatically

If you set up the FA range for cost accounts in the automatic accounting instructions (AAIs), the system can automatically create asset master records. The system creates the records based on the default information you specify when you set up the Fixed Assets system.

See *Setting Up Automatic Accounting Instructions* for more information.

Changing the parent number for an asset

You can change the parent number for an asset on the Master Information form. You might want to change parent numbers to update or establish parent and component relationships. If you change a parent number, you must specify the date the parent number changed for the asset.

Changing the status of an asset   If you use the Equipment/Plant Management system with the Fixed Assets system, you can change the status of an asset on the Master Information form. If you change the status of an asset, you must indicate the date and time the status of the asset changed, and whether you want the system to update all the children of the asset to the same status.

See Also

- *Setting Up User Defined Codes (P00051)* for more information about using category codes to classify assets
- *Mapping Category Codes (P1391)* for more information about setting up category code default values for your system

Processing Options for Item Master Information

```
DEFAULT OPTIONS:
 1. Enter a '1' to default the cost                    _____
    account information from the parent
    item when adding children items.

 2. Enter a '1' to default the location               _____
    from the responsible business unit.

 3. Enter a '1' to default the Start                  _____
    Effective from the Date Acquired
    if left blank.  Leave blank to
    default to the system date.

 4. Enter a '1' to require the entry of               _____
    a Unit Number when doing an add.
```

Verify Depreciation Information

G12   Fixed Assets
           Choose *Fixed Asset Master*
           Information

G1211   Fixed Asset Master Information
           Choose *Depreciation*
           Information
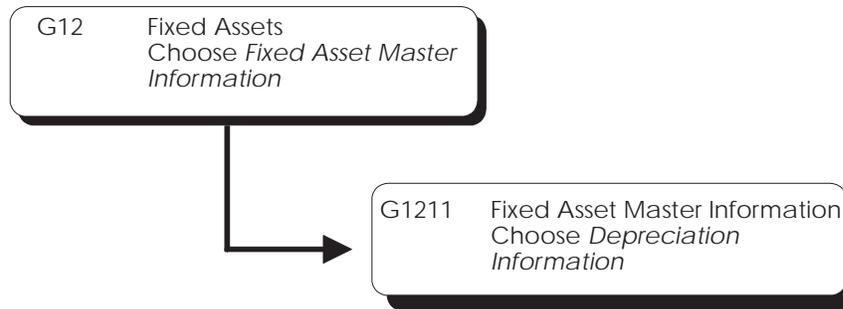
Verifying Depreciation Information

When you create asset master records, the system automatically assigns
depreciation information to each asset. You define the default values that the
system assigns to new assets when you set up the constants and depreciation
default coding for your system.

Every asset that you set up in the system has one master record. In addition, the
asset can have several different ledgers. Each ledger is represented by a separate
balance record in the Item Balances table (F1202). You can assign a different
depreciation method to each ledger.

Depreciation Default Coding
Account Number
Depreciation Information

AA–Record
D1–Record
D2–Record
D3–Record

Item
Master

Item Balance
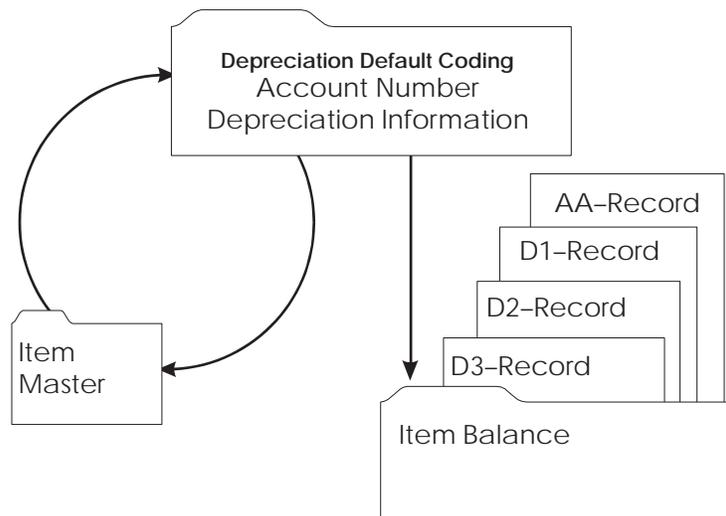
After you set up asset master records, you can review both master information and balance information on the Depreciation Information form. You might want to review the Depreciation Information form to verify that the depreciation default values that you have set up for the system are correct for individual assets. For example, you might want to verify the following default information:

- Master record information, such as the business unit, object, and subsidiary accounts that the system uses to create journal entries

- All the ledgers assigned to the asset, such as budget and depreciation ledgers

- Depreciation methods for the asset

You can review default depreciation information as you enter master records for individual assets or from the Fixed Assets menu. Access depreciation information when you want to:

- View depreciation information for an asset for any fiscal year

- Override an asset's default depreciation information for current or future fiscal years

- Add new ledger types and depreciation methods to individual assets

▶ **To verify depreciation information**

On Depreciation Information

```
[1202] - Depreciation Information                                    _ □ ×
Functions   Tools   Help

                                           Fiscal Year              98
Item Number. . . . .       1300            Backhoe, Caterpillar 426
                                           Company Number          00050
G/L Account             Bus. Unit    Obj.       Sub
Asset Cost Account           50     2030             Heavy Equipment
Accum Depreciation           50     2130             Accum Depr - Equipment
Depre Expense              YARD     8441             Depreciation
Revenue Credit             YARD     8421             Ownership Portion

                    . . . . Depreciation By Method . . . .
   Bk  Book Description   De                      Life Dep M  Meth  Method 9 Sch
                          Me                      Mths Inf C   %       No
   AA General Ledger      01 Straight Line Depre    60 0  R
   D1 Federal Tax   -Book1 12 MACRS Standard Depr    84 Y  C
   D3 Earn. & Profit-Book3 13 MACRS Alternative D   120 Y  I
   D4 Alter. Minimum-Book4 04 150% Declining Bal    120 Y  I
   D5 Adjusted Current Ear 01 Straight Line Depre   120 Y  I

   ✓   ✗                              i    ▲    ✚    ▬    ↥
   F14=Master Info  F16=Asset Search  F8=Defaults  F4=Full Detail  F24=More    MW  ↧
```

1. Complete the following field to locate an asset:

   - Asset Number

2. Complete the following field to indicate the year for which you want to change depreciation information:

   - Fiscal Year

3. Complete the following fields to revise default account information:

   - Asset Cost Account

   - Accumulated Depreciation

   - Depreciation Expense

   - Revenue Credit

4. Complete the following fields to revise depreciation information:

   - Book

   - Depreciation Method

   - Life Months

   - Depreciation Information

   - Method of Computation

   - Method Percent

   - Method 09 Schedule Number

5. Choose Full Detail.

6. Complete the following fields:

- Date Depreciation Started
- Salvage Value

Field	Explanation
Asset Cost Account – Business Unit	The business unit to which the system charges original acquisition cost and any supplemental capital additions. The system uses a default value for this field based on the value you specify on the Master Information form when you create a new asset master record. You can change this default value on Depreciation Information only if you have not entered any transactions for the account.
Accumulated Depreciation Account – BU	The business unit to which the system charges accumulated depreciation amounts.
Depreciation Expense – BU	The business unit to which the system charges depreciation expense.
	. . . . *Form-specific information* . . . .
	The system uses a default value for this field from the responsible business unit you enter on the asset master record or the default value you set up in Depreciation Default Coding. You determine which value the system uses when you set up Fixed Asset Constants. You can change this default value on Depreciation Information only if you have not entered any transactions for the account.
Asset Revenue – BU	The business unit that the system credits for revenue amounts that originate in Equipment/Plant Management billing programs.
	. . . . *Form-specific information* . . . .
	The system uses a default value for this field from the responsible business unit you enter on the asset master record or the default value you set up in Depreciation Default Coding. You determine which value the system uses when you set up Fixed Asset Constants. You can change this default value on Depreciation Information only if you have not entered any transactions for the account.

Field	Explanation
Book	The user defined ledger type code (system 09, type LT) that identifies the account ledger, or book, for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.
	. . . . *Form-specific information* . . . .
	If you leave this field blank, the system uses the default value you set up on the Item Setup Default Coding form.
Depreciation Method	The user defined code (system 12, type DM) that indicates the method of depreciation for the specified book. In addition to any user defined depreciation methods you set up for your company, the following standard depreciation methods are available in the Fixed Assets system:

00	No depreciation method used
01	Straight Line Depreciation
02	Sum of the Year's Digits
03	125% Declining Balance to Cross-Over
04	150% Declining Balance to Cross-Over
05	Double Declining Balance to Cross-Over
06	Fixed % on Declining Balance
07	ACRS Standard Depreciation
08	ACRS Optional Depreciation
09	Units of Production Depreciation
10	MACRS Luxury Cars – Domestic
11	Fixed % Luxury Cars – Foreign
12	MACRS Standard Depreciation
13	ACRS Alternatative Depreciation
14	ACRS Alternate Real Property
15	Fixed % of Cost
16	Fixed % on Declining Balance to Cross-Over
17	AMT Luxury Auto
18	ACE Luxury Auto

NOTE: Any additional depreciation methods you create for your organization must have an alpha code.

Field	Explanation
Life Months	The life of an asset in months or periods. The system uses months or periods only to express the life of an asset. For example, if your company uses a 12–month calendar, then a five–year ACRS asset has a 60–month life. If your company uses a 13–month calendar, then a five–year ACRS asset has a 65–month life, and so on. You must specify a life month value for all user defined depreciation methods, and for all standard depreciation methods, except the standard methods 00, 06, 09, 11, and 15.

Field	Explanation
Depreciation Information	A code for additional depreciation information. This code is used for Investment Tax Credit (ITC) and averaging conventions. The system validates the code you enter in this field against user defined code table 12/AC. Valid codes are:

0	No ITC Taken
1	Three Year Method (3 1/3%)
2	Five Year Method (6 2/3%)
3	Seven Year Method (10%)
4	ACRS Method with Basis Reduction (10% ITC)
5	ACRS Method without Basis Reduction (2% ITC or No ITC)
A	Actual Date of Depreciation Start Period
M	Mid-Month Convention
Q	Mid-Quarter Convention
Y	Mid-Year Convention
P	Middle of Period
F	First–half/Second–half
W	Whole Year

To determine the date for F (First–half/Second–half), use the following guidelines:

- If the asset was placed in service in the first half of the year then the adjusted depreciation start date is the first day of the year.
- If the asset was placed in service in the second half of the year then the adjusted depreciation start date is the first day of the succeeding year.
- The first half of the year expires at the close of the last day of the calendar month which is closest to the middle of the tax year.
- The second half of the year begins the day after the expiration of the first half of the tax year.

Field	Explanation
Method of Computation – ITD or Rem	A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.
	Valid codes are:
	C Current year to date. Calculates only the current year's depreciation.
	I Inception to date. Recalculates the entire depreciation amount from the start date through the current period. Year-to-date and prior-year depreciation are then subtracted to determine current period depreciation. This method results in a one-time current period correction for any errors in prior period depreciation.
	F Inception to date. Calculates the first year only.
	P Current period. Calculates depreciation by dividing cost by life months. Any depreciation calculated for the current period will be subtracted.
	R Remaining months. Depreciates the net book value as of the beginning of the current tax year over the remaining life of the asset. This results in the amortization of prior period calculation errors over the remaining life of the asset.
	. . . . *Form-specific information* . . . .
	Some depreciation methods require specific methods of computation. If you enter methods that are not compatible, the system displays an error message. You must specify either computation method C, or a choice between methods I and R for all depreciation methods. You can use method P instead of I or R for methods 01, 06, 13, and 15 only.
Method %	Enter the percentage you want the system to use when calculating depreciation. Use whole numbers. For example, enter 10 for 10%. The system uses a percentage when computing the following methods of depreciation:
	06 Fixed % on Declining Balance. (This method of depreciation is commonly used by Canadian and utility companies.)
	11 Fixed % Luxury Car – Foreign.
	15 Fixed % of Cost.
	16 Fixed % on Declining Balance to Cross-Over.
	The system also uses this field to compute any user defined depreciation method in which you specify a percentage.

Field	Explanation
Schedule #/Method 9	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.
Date Depreciation Started	The date when the depreciation computations start for an asset. This date can be different from the date the asset was acquired.
Salvage Value	The amount you expect to receive in cash or trade-in allowance when you dispose of an asset at the end of its useful life.

What You Should Know About

Revising general ledger information

You can revise general ledger information only if you have not posted transactions to the accounts.

If you want to revise cost account or accumulated depreciation account information after posting to the accounts, you can use the asset transfer programs.

See *Transferring Fixed Assets* for more information.

Exercises

See the exercises for this chapter.

Enter Additional Asset Information

```
G12        Fixed Assets
           Choose Fixed Asset Master
           Information
```

```
G1211      Fixed Asset Master Information
           Choose an option
```
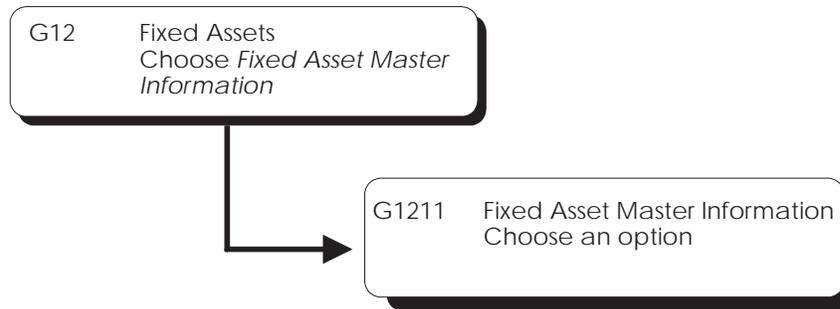
Entering Additional Asset Information

You can enter additional details to further define the assets in your system. The Fixed Assets system stores detailed asset information in user defined databases. Use this additional information to report and track information that is important to your company, but is not included on the asset master record.

Entering additional asset information includes the following tasks:

❏ Entering supplemental information

❏ Entering specification information

❏ Entering insurance information

❏ Entering financing information

❏ Entering description translations

❏ Working with message logs

Entering Supplemental Information

Enter supplemental information to track, review, and report on additional information that is not contained in the asset master record. You can define and maintain any type of supplemental data you need by asset class. For example, you might set up supplemental data for motor graders. The data might include vibration readings, oil readings, condition reports, and so on.

When supplemental data has been entered for a particular data type, the OP (Option) field for that data type is highlighted. You can set up supplemental data security to limit the number of users who are authorized to view the data.

You can use a narrative text format or one of two types of columnar data text formats to enter and display supplemental data:

Narrative (N)	Use this data type to access the Supplemental Text Entry form. You can use this text format to enter unlimited text information about assets.
Columnar (C)	Use this data type to access the Supplemental Code Entry form. When you set up supplemental data forms using this data type, you can define the columns into which you enter information.
Columnar–Message (M)	Use this data type to access the Supplemental Code Entry form. You can use this data type in the same way as the columnar type.

Before You Begin

❑ Set up data types for supplemental information. See *Setting Up Supplemental Data*.

▶ **To enter supplemental information**

On Data Entry
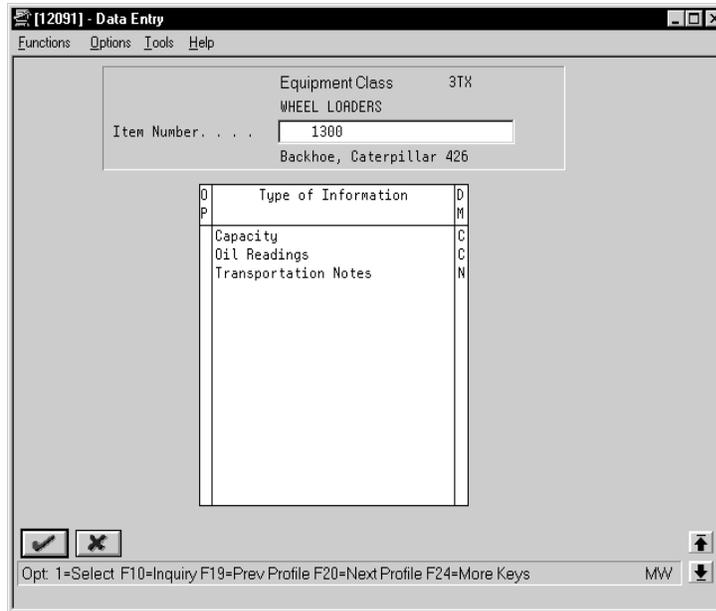
1. Complete the following field to display a list of valid supplemental data types specific to an asset:

   - Asset Number

2. Choose one or more types of information.

   The following example shows the format for data formats C and M.

```
[12092] - User Def Code Entry - Fx Asset                          _ □ ×
Functions   Options   Tools   Help

                          Capacity              Display Mode     C
                                                Type Data        CP
         Item Number. . . .      1300           Backhoe, Caterpillar 426

           02      Characters
           Capacity Descriptions
         O  Capacity  Date     Description  Gallons
            FU        10/15/96 Fuel Capacit    28.00
            OL        10/15/96 Oil Reserve      2.20  engine oil




         ✔  ✖                              ₁i  ₂▲  ₄✚  ₉▬   ⬆
         Opt: 1=Text 2=Generic Msg. F4=Detail F16/17/18=Sort by Key/Date F24=More    MW  ⬇
```
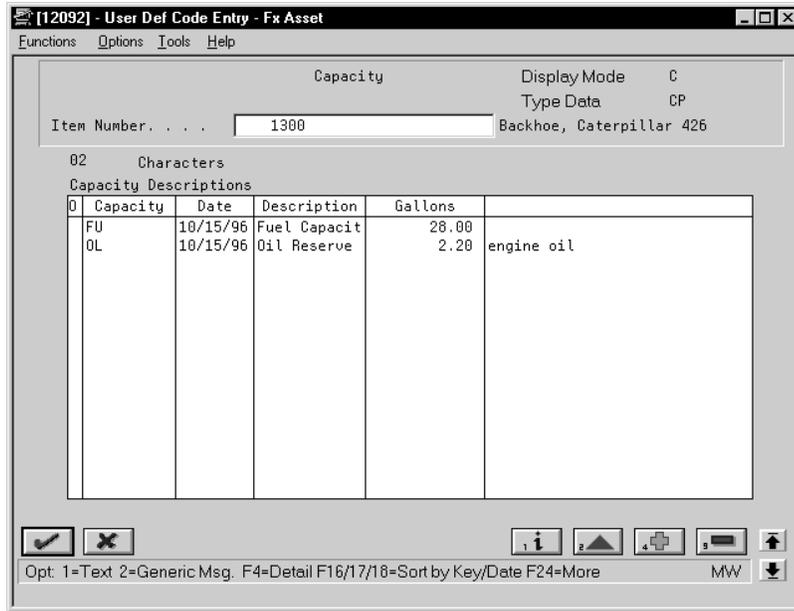
3. On User Defined Code Entry – Fixed Asset, complete the appropriate fields.

4. Select the Text option to enter text for a specific line of code (C and M display formats only).

```
[12093] - Text Entry - Fixed Assets                              _ □ ×
Functions   Options   Tools   Help

                          Capacity              Type Data        CP
                          Oil Reserve Capacity  Efftv Dt      10/15/96
         Item Number. . . .      1300           Backhoe, Caterpillar 426

                                                              O
                                                              P
         Oil usage is variable based on load.  Check oil levels in accordance to
         maintenance schedule.













         ✔  ✖                              ₁i  ₂▲  ₄✚  ₉▬   ⬆
         Opt: 1=Insert Line 9=Delete Line 6=Copy Text  F24=More Keys    MW  ⬇
```
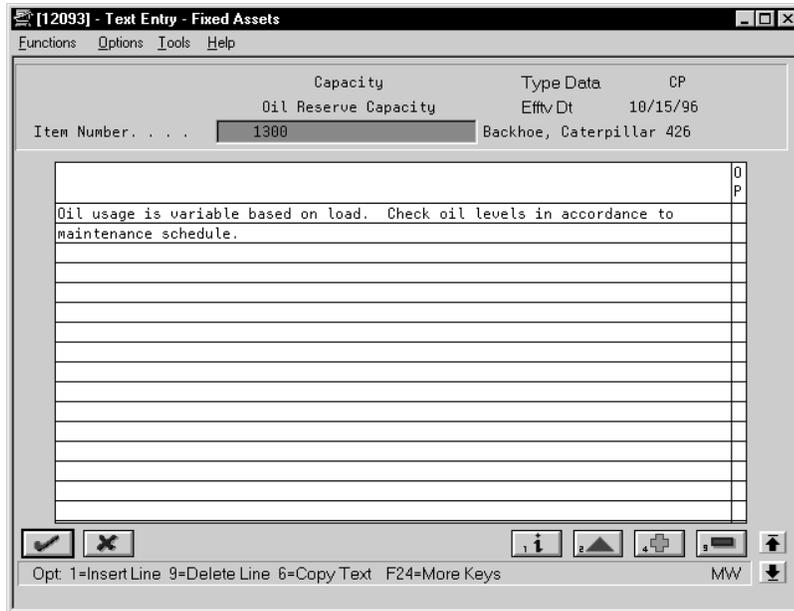
5. Select Generic Message (M display mode only) to review or change the standard message.

Field	Explanation
Asset Number–Input	An identification code for an asset that you can enter in one of the following formats: 1 Item number (a computer-assigned, 8-digit, numeric control number) 2 Unit number (a 12-character alphanumeric field) 3 Serial number (a 25-character alphanumeric field) Every asset has an item number. You can use unit number and serial number to further identify assets as needed. If this is a data entry field, the first character you enter indicates whether you are entering the primary, or default, format that is defined for your system, or one of the other two formats. A special character (such as "/" or "*") in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the system constants form.
Display Mode – Code or Narrative	The format of a data type. This code determines the display mode for supplemental data. Valid codes are: C Code format, which displays the form for entering code-specific information. The system edits these codes against the User Defined Codes table (F0005). N Narrative format, which displays the form for entering narrative text. P Program exit, which instructs the system to exit to the program you specified in the Pgm ID field. M Message format, which displays the form for entering code-specific information. However, the system can edit the code values you enter against values in the Generic Rates and Messages table (F00191). This code is not used by the Human Resources System.

What You Should Know About

Entering additional text   You can use the Text option to enter additional information for assets using the text format. This is especially helpful if you want to enter text on a supplemental data form that you have defined as columnar.

Choosing Specification Sheets   If you choose Specification Sheets (SP) from Data Entry, the system displays the Specification Data Entry form.

See *Entering Specification Information* for more information about using specification sheets.

See Also

- *Setting Up Supplemental Data* for more information about Supplemental Data Security

Entering Specification Information

You can use the supplemental data type *SP* to enter specification information for your assets. Use specification information to report on static asset information. For example, you might set up this supplemental data type to record and report on the information from asset nameplates and specification sheets.

Nameplate information   A nameplate is the metal plate attached to an asset. The nameplate often includes information about the asset, such as:

- Model number
- Power requirements
- Manufacture date

Specification sheets   Specification sheets come from the asset manufacturer. Specification sheets include specific information about an asset, such as:

- Operating instructions
- Safety information
- Power
- Dimensions

You set up and access the specification database as one of your supplemental data types. You can define what specification information you want to track, in which positions the data is entered, and the length of the data fields. You can also set up the specification database so that the system will edit specification information against user defined code tables.

Before You Begin

❏ Set up specification types for specification information. See *Setting Up Supplemental Data* for more information.

▶ **To enter specification information**

On Specification Data Entry

1. Complete the following field to locate a piece of equipment with SP as a valid supplemental data type:

   • Asset Number

2. Complete all appropriate fields.

3. Choose next page if there are more than 16 specification fields.

Entering Insurance Information

You can record insurance information for an asset. The Fixed Asset system does not require insurance information, but this information can be helpful if you want to track the insurance company, policy number, renewal month, and so on, for an asset. The data you enter on the Insurance Information form is informational only.

▶ **To enter insurance information**

On Insurance Information

1. Complete the following field to locate an asset:

   • Asset Number

2. Complete any of the fields to record insurance information.

Entering Financing Information

You can record financing information for an asset. The Fixed Asset system does not require finance information, but this information can be helpful if you want to track the financier, type of financing, monthly payments, purchase options, and so on, for an asset. You can also track contract and expiration dates. The data you enter on the Financing Information form is informational only.

▶ **To enter financing information**

On Financing Information

1. Complete the following field to locate an asset:

    • Asset Number

2. Complete any of the fields to record financing information.

Entering Description Translations

You can assign descriptions to assets in languages other than your domestic language. After you enter the non-domestic descriptions for your assets, you can review them on the Asset Search and Location form.

The system stores non-domestic asset descriptions in the Master Information – Alternate Description table (F1201D).

▶ **To enter description translations**

On Item Description Translation

```
[12015] - Item Description Translation                          _ □ ✕
Functions   Tools   Help

                                   Company          [      ]

                                      .....Language.....
         Skip to Item Number    [  1300 ]  From    [ ]  Domestic Langua
                                           To       G  German

   Item Num │      From Description      │        To Description
      1300 │ Backhoe, Caterpillar 426    │ Bagger, Caterpillar 426
      1311 │ Truck, Flatbed, Ford        │ Laster, Ladekipper, Ford
      1329 │ Truck, Pickup,  Ford        │ Laster, Lastwagen mit Aufbau
      1337 │ Scaffolding                 │
      1345 │ Saws, Circular              │
      1353 │ Drill Motors                │
      1361 │ CAD/CAM                     │
      1370 │ Plotter                     │
      1388 │ Scrapper, Auger, CAT 651E   │
      1396 │ Caterpillar Crawler, 1997   │
      1409 │ Forms, Curb                 │
      1417 │ Motor Grader                │

   ✔  ✖                        i  ▲  ⊕  ▬  ↑
         F24=More Keys                            MW  ↓
```

1. Complete the following fields:

   - Asset Number

   - Language To

2. Complete the following field to enter the non-domestic description:

   - To Description

3. Choose Details.

```
[12015] - Item Description Translation                              _ □ X
Functions   Tools   Help

                                    Company              [        ]

                                        .....Language.....
      Skip to Item Number    [   1300 ]  From   [   ]
                                            To     [G ]

     ┌─────────┬──────────────────────┬────────────────────────────┐
     │Item Num │     From Description  │        To Description       │
     │    1300  Backhoe, Caterpillar 426  Bagger, Caterpillar 426    │
     │Heavy Duty Bucket                   Hochleistungsschaufel       │
     │Extendable Stick                    Ausfahrbarer Pflug          │
     │                                                                │
     │    1311  Truck, Flatbed, Ford      Laster, Ladekipper, Ford    │
     │2 1/2 Ton                           2 1/2 Tonner                 │
     │                                                                │
     │                                                                │
     │    1329  Truck, Pickup,  Ford      Laster, Lastwagen mit Aufbau│
     │3/4 Ton, 4x4                        Ford                        │
     │                                    3/4 Tonner, 4x4             │
     └─────────┴──────────────────────┴────────────────────────────┘


  [ ✔ ] [ ✖ ]                    [ i ] [ ▲ ] [ ✚ ] [ ▬ ] [ ⬆ ]
        F24=More Keys                                    MW    [ ⬇ ]
```

4. Complete the following fields to enter additional descriptions:

- Description 02

- Description 03

Field	Explanation
Language From	The language you want to use to print reports or documents, or to view information on the form.
	. . . . *Form-specific information* . . . .
	Enter the user defined code for the language you want to see in the From Description field. If you leave this field blank, the system uses the code you set up for the domestic language as the default value.
To Language	A user defined code (UDC table 01/LP) that specifies a language to use in forms and printed reports. If you leave the Language field blank, the system uses the language you specify in your user profile. If you do not specify a language in your user profile, the system uses the default language for the system.
	Before any translations can appear, a language code must exist at either the system level or in your user profile.
	. . . . *Form-specific information* . . . .
	Enter the code for the language you want to use in the To Description field.

Working with Message Logs

You can use the message log to enter short text messages that pertain to an asset, such as the notification of a particular problem with the asset. You can also set up tickler dates or units on which you want to receive a reminder message for the asset.

For example, you can indicate a unit meter reading, such as miles or hours, or a specific date when you want to remember to make an appointment for the scheduled maintenance of an asset.

The system stores tickler dates and units in the account you define for the AT00 automatic accounting instruction.

Working with asset messages includes the following tasks:

- Entering an asset message
- Viewing asset messages

▶ **To enter an asset message**

On Master Information

1. Complete the following field to locate an asset:
   - Asset Number

2. Choose Message Log Entry.

```
[1205] - Log Entry                                            _□×
Functions   Tools   Help

                                          Msg Type      P
                                          Tickler M/H   [        ]
                                          Tickler Dte   [        ]
Item Number. . . .   1300
Message From         [                              ]

    Message :
    ┌─────────────────────────────────────────────┐
    │                                             │
    │                                             │
    │                                             │
    │                                             │
    │                                             │
    └─────────────────────────────────────────────┘

  [✔]  [✖]   Oper :   BF5619540   Date :   04/20/96  Time :    10:31:29        [▲]
       F10=Master Information  F24=More Keys                              MW   [▼]
```

3. On Log Entry, complete the following fields:

- Asset Number

- Message From

4. Type a message.

5. Complete the following optional fields:

- Message Type

- Tickler Miles/Hours

- Tickler Date

Field	Explanation
Equipment Message Type	A user defined code (system 12, type EM) that identifies the type of message, such as A for Actual Maintenance or T for Lease Terms. You use different message types for reporting and control purposes.
Tickler Miles/Hours (Units)	The meter reading, in units such as miles or hours, at which you want to receive a reminder message about an asset. If you use this field, you must run the Update Message Log program on a regular basis.
Tickler Date	The date that you want to receive a reminder message about an asset. This is the future date on which the scheduled maintenance is due. You can enter a service interval based on the schedule date and service days.

What You Should Know About

Displaying asset messages	To display asset messages, use Asset Search and Location in the Equipment/Plant Management format. The system highlights the asset number of any asset that has an existing message. See *Searching for Asset Information* for more information about alternate formats on the Asset Search and Location form.
Printing asset messages	To print the existing messages for an asset, you must run the Maintenance Log program. This program is available in the Equipment/Plant Management system on the Equipment/Plant Maintenance menu.

▶ **To view asset messages**

If a message exists for an asset, the system highlights the asset number in the Item Number/Description field. After you view an asset message, the system no longer highlights the asset number.

On Master Information

1. Choose Asset Search and Location.

```
[1204] - Asset Search & Location                              _ □ ×
Functions   Options   Tools   Help

                                          Company       [      ]
                                          Depr Cat Cd   [*]
  Description          [BACKHOE          ]  Lng [ ]  Equip Status  [*]
  Responsible BU       [                ]      Children Y/N   [Y]
  Location             [                ]      Dspsd. Y/N/D   [Y]
  Skip to Item Number. [                ]
  Inventory Number     [                ]
  Category Codes       Acc [*]  Eqm [*]  Mfg [*]  Yr [*]  Use [*]
  (* = All)            CC6 [*]  CC7 [*]  CC8 [*]  CC9 [*]  Grp [*]

  O  Acc        Item Number / Description     Job Number   Loc   Eq
  P  Cls                                                   Start  St
     30    2277  Backhoe bucket, 36"
     30    2053 Backhoe, Caterpillar 416         SHOP 09/20/93 WK
     30    1300 Backhoe, Caterpillar 426         5003 06/03/93


   ✓    ✗

  Opt: 1=Master 2=History 4=Return # 5=Log Entry 10=Transfer F24=More    MW
```

2. Complete the following field to locate an asset:

   • Asset Number

3. Choose Review Message Log.

```
[12216] - Review Message Log                              [_][□][X]
Functions   Options   Tools   Help

                                          Through Date  04/22/96
                                          Message Type  [ ]
      Item Number. . . . . .    [   1300      ]
                                Backhoe, Caterpillar 426
  O                                                              M
  P          From                        Message                T
      Site Mechanic          Completed standard oil and lubrication cycle mai A
      Mechanical Service     The operator ran over a piece of scrap galvanize P




  [✓] [✗]                                                        [↑]
  Opt: 1=View Message 9=Clear  F5=Display History F24=More Keys   MW [↓]
```

4.   Choose View Message.

```
[12216-2] - View/Send Message                            [_][□][X]
Functions   Tools   Help

                                          Tickler M/H    [        ]
                                          Schedule Da    04/05/95
  Send to Item Number. .    [              ]
                            Backhoe, Caterpillar 426
  Message From             [Site Mechanic        ]
  Equipment Msg Type        A    Actual Maintenance


      Message :
      Completed standard oil and lubrication cycle maintenance.  New filters installed
      all around.  Work performed on 11/15/97






  [✓] [✗]  Oper:   DEMO      Date:   04/05/95   Time:   13:18:40  [↑]
  Opt: 1=View Message 9=Clear  F5=Display History F24=More Keys   MW [↓]
```

What You Should Know About

Using tickler miles or hours   If you use tickler miles or hours, you must run the global Update Message Log program as often as you update meter readings.

See Also

- *Searching for Asset Information (P1204)* for more information about locating assets

Search for Asset Information

```
┌──────────────────────────────────────┐
│ G12      Fixed Assets                │
│          Choose Fixed Asset Master   │
│          Information                  │
└──────────────────────────────────────┘
                    │
                    │      ┌──────────────────────────────────────┐
                    │      │ G1211   Fixed Asset Master          │
                    └─────►│         Information                  │
                           │         Choose Asset Search and     │
                           │         Location                     │
                           └──────────────────────────────────────┘
```
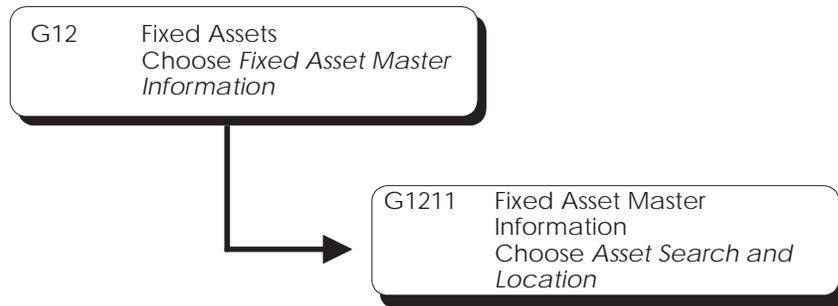
Searching for Asset Information

You can use Asset Search and Location to locate any asset that you need to access within the Fixed Assets system. For example, if you need to review the cost summary for an asset, but you do not know its asset number, you can find the number by entering the description of the asset on Asset Search and Location. You can also use the other asset identification information you know, such as company and responsible business unit, to search for all the assets in the system that share the same attributes.

Use Asset Search and Location to complete multiple tasks with a single asset. For example, after you locate an asset, you can access the cost summary program directly from Asset Search and Location without returning to the Fixed Assets menu. Some of the tasks you can perform from Asset Search and Location include:

- Updating asset master records

- Entering asset messages

- Reviewing component relationships

- Accessing cost summary information

- Creating location transfer records

- Revising supplemental data

- Reviewing parent and component history records

If you use the Equipment/Plant Management system with the Fixed Assets system, you can also:

- Enter permit and license information

- Complete PMs

The following illustration shows the different programs that you can access from Asset Search and Location.
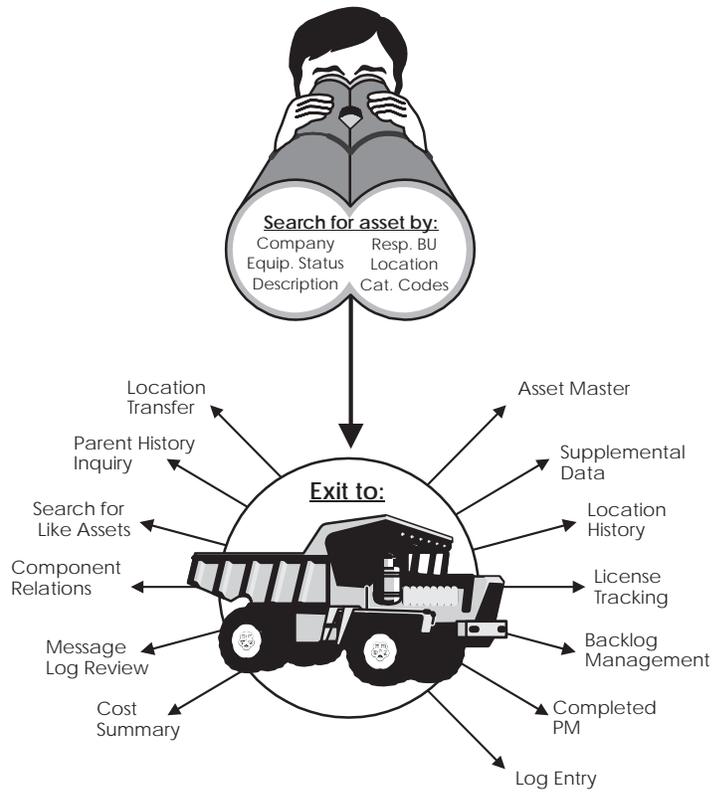
Searching for asset information includes the following tasks:

❑ Searching for assets by field

❑ Searching for assets by query

What You Should Know About

Alternate formats   Use the function keys to toggle your view of asset information on Asset Search and Location. One format displays location information and is most helpful for Equipment/Plant Management users. The other format displays description information that is most helpful for Fixed Assets users.

Query search mode   Use the function keys to toggle between the search and query search modes.

Parent and component relationships   Component assets appear indented on the Asset Search and Location form. Depending on your search criteria, indented assets are not necessarily the components of the preceding asset.

Using an asterisk in a search field   When you enter an asterisk (*) in one of the category code fields or the Equipment Status field, the system locates all assets with any value in those fields.

Searching for Assets by Field

When you search for assets by field, you can locate groups of similar assets or individual assets. Complete multiple fields to narrow your search to an individual asset.

For example, to review a list of all of your company's backhoes, you can enter as much information as you know about the backhoes on the Asset Search and Location form. The system searches the asset information databases and displays all assets that meet the criteria you enter in the fields.

▶   **To search for assets by field**

On Asset Search and Location

1. Complete any combination of the following fields to locate a specific asset:

   - Company

   - Depreciation Category Code

   - Equipment Status

   - Description

   - Responsible Business Unit

   - Location

   - Inventory Number

   - Category Codes 01–10

2. Choose Full Detail to review more information.

Searching for Assets by Query

You can perform a query search using characters that represent only partial information. Use an asterisk (*) to perform a wildcard query. For example, if you enter CAT* as the query, the system searches the Asset Master and Supplemental database. The system retrieves all assets that include a word that begins with CAT in the Description fields, or the first 10 category code fields, such as Category, Caterpillar, and so on.

Before You Begin

❑ You must build a search word table to perform a query search. See *Updating the Search Word Table* for more information about the search word table.

▶ **To search for assets by query**

On Asset Search and Location

1. Complete the following field:

   • Description

   Enter characters that might exist in any of the Description, Category Code, AFE Number, and Remark fields on Equipment Master or User Defined Code, Narrative Text, and Remark fields on Supplemental Data.

2. Choose Query Search.

You remain in the query search mode until you toggle back to the regular search mode.

Processing Options for Item Search and Location

```
FORMAT CONTROL:
1. Enter a '1' to display the Equipment          _____
   Management screen format.  Leave
   blank (default) to display the
   Fixed Asset screen format.

DW VERSION SELECTIONS:
2. Enter the DREAM Writer version of the         _____
   Scheduling Workbench (P48201) to call
   when the related option exit is used.
   Leave blank to call version ZJDE0001.

3. Enter the DREAM Writer version of the         _____
   Component Cost and NBV (P12011)
   screen to call when the related
   option exit is used.  Leave blank
   (default) to call version ZJDE0001.

DEFAULT VALUES:
Enter the default for the Category Code
selections.  Blanks will select all.

4.    Major Accounting Class                     _____
5.    Major Equipment Class                      _____
6.    Manufacturer                               _____
7.    Category Code 4                            _____
8.    Category Code 5                            _____
9.    Category Code 6                            _____
10.   Category Code 7                            _____
11.   Category Code 8                            _____
12.   Category Code 9                            _____
13.   Category Code 10                           _____
```

Locate Parent and Component Information

```
G12        Fixed Assets
           Choose Fixed Asset Master
           Information
```

```
G1311      Fixed Asset Master Information
           Choose Asset Search and
           Location
```
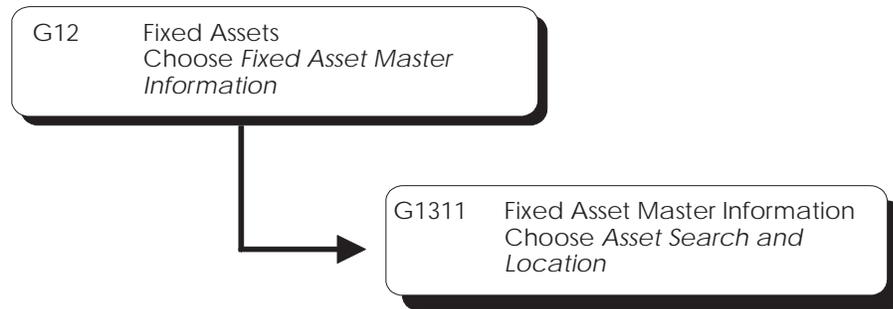
Locating Parent and Component Information

After you establish parent and component relationships for your assets on Master Information, you can view all the components for a specific asset. View parent and component relationships so you can:

- Track asset costs at the parent or component level

- Review up to 25 levels of parent and component relationships

Locating parent and component information includes the following tasks:

❑ Reviewing parent and component history

❑ Reviewing current asset components

What You Should Know About

Changing equipment parent and component relationships
You can make changes to asset parent and component relationships by changing the parent number for an asset on Asset Master.

Displaying parent information
Select Display Parent to display a component's immediate parent.

Displaying the next component level
Select Next Level to to display all of the components of a specific asset. The component for which you select Next Level moves to the first display level, and its components display beneath it, according to the display level you choose.

Searching for similar assets by category codes
You can search for all the assets with category codes that match those of a specified parent or component by selecting Search Like Equipment. When you select this option, the system displays the Asset Search and Location form completed with category code values identical to those of the selected asset.

NOTE: If you access the Item Component form from a menu rather than from Asset Search and Location, this feature is not available.

Reviewing Parent and Component History

You can toggle between parent and component history to display all current and previous parents for a component. You can also toggle to display all current and previous components for a parent. Use date fields to limit your inquiry to selected dates or leave the date fields blank to review the entire history of a component or parent.

▶ **To review parent and component history**

On Asset Search and Location

1. Complete the steps to locate a specific asset.

    See *Searching for Assets by Field* or *Searching for Assets by Query*.

2. Choose Parent History Inquiry for the asset.

```
[12212] - Parent/Component History                        _ □ ☓
Functions   Options   Tools   Help

   Item Number. . .       10823            Exhaust Fan, 500hp
   Date From                    Thru

   O    Parent Number          Description          Begin    Ending
   P                                                 Date     Date
      10891               Production Line 1         05/05/94
       1224               Maintenance Shops         04/07/94 05/04/94
       1252               Production Line 2         03/15/93 04/06/94
       1226               Stores Inventory          02/02/93 03/14/93






   ✔   ✖                              ₁ⁱ   ₂▲  ₄✚  ₉▬   ⬆
 Opt: 1=Master 2=Next 3=Cost Info  F2=Toggle  F12=Prev Asset  F24=More      MW  ⬇
```

3. On Parent/Component History, toggle to alternately display component history.

Reviewing Current Asset Components

You can display current component information for a selected parent.

▶   **To review current equipment components**

On Asset Search and Location

1.   Complete the steps to locate a specific asset.

     See *Searching for Assets by Field* or *Searching for Assets by Query*.

2.   Choose Component Cost and Net Book Value (NBV).

```
[12011] - Item Components                                  _ □ ✕
Functions   Options   Tools   Help

                                      Ledger Type          AA
Item Number. . . . .      1210        Subledger (*=All)    *
            JDE Manufacturing Limited Display Level        2

    O Level      Item Number              Description
    P
    1     1210            JDE Manufacturing Limited
    .2    1215            Modesto Distribution Center
    .2    1218            Valley Forge Distr  Center
    .2    1220            Chicago Mfg. Plant
    .2    10903           Pittsburgh Plant
    .2    11172           Rochester Plant




Opt: 1=Master 2=Loc Inq 7=Nxt F4=Dtls F5=Update F15=Alt Format F24=More    MW
```

3.   On Item Components, use options to access the level of component
     information you need.

Track Asset Locations

```
G12       Fixed Assets
          Choose Fixed Asset Master
          Information
```

```
G1211     Fixed Asset Master Information
          Choose Location Inquiry
```
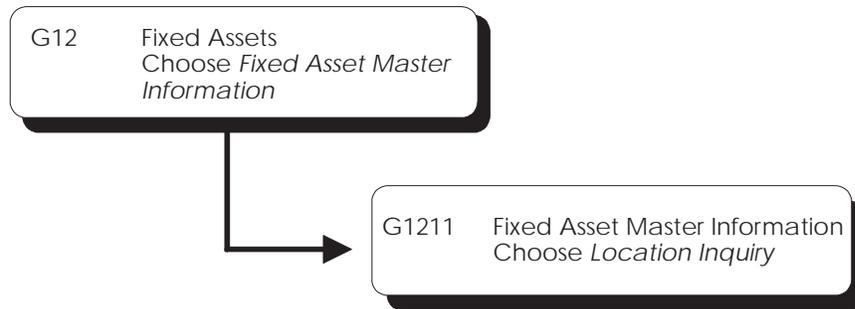
Tracking Asset Locations

You can track physical asset movements and perform asset relocations. You can review planned, current, and historical asset locations in ascending or descending date order. You can also associate text with location records and create new location records to relocate assets.

For example, if you want to know where an asset is scheduled to be on a certain date, you can review all the location information for the asset. You can also make any necessary changes to an asset location record or enter new location records. Finally, you can enter details about any of your revisions by entering location tracking text for the location information.

Tracking asset locations includes the following tasks:

- ❏ Entering location information

- ❏ Reviewing location information

- ❏ Revising location information

Entering Location Information

```
G12        Fixed Assets
           Choose Transfers, Splits, and
           Disposals
```

```
G1222      Transfers, Splits, and Disposals
           Choose Location Transfer
```
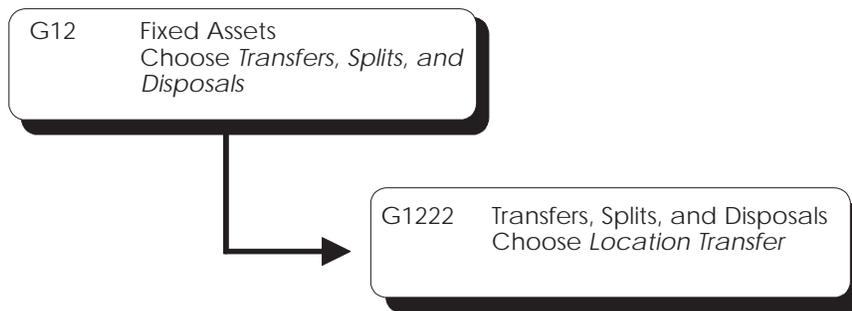
You can enter location information to track asset relocations. If you have multiple quantities of an asset, such as computers, you can also:

- Relocate quantities of the same asset to more than one current location

- Relocate quantities of the same asset to a single location from more than one current location

An asset can be in multiple locations based on its quantity. For example, you might have an asset called computers. The computers might be in many different locations throughout your office building. Later, you might rearrange your office building so that you have one central location for all your computers. The computers that were once at different locations are now consolidated into one location. The system automatically transfers all components that are at the same location as the parent.

When you enter location information for an asset, the system updates the Item Master (F1201) and the Location Tracking (F1204) tables.

```
F1201
Item Master
Location 501
Quantity   10
```

```
                          H–Historical
                            H–Historical
                              C–Current
                                C–Current
                                  P–Planned
                                    P–Planned
```

```
F1204
Location Tracking
```
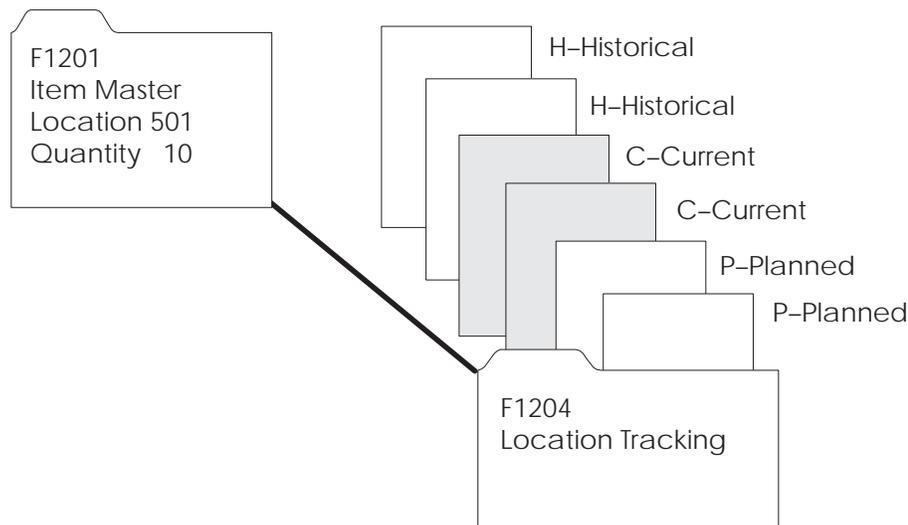
You can use the following methods to enter location information:

- Entering location information with inquiry
- Entering location information without inquiry

Enter location information with inquiry	Use this method when you want to review asset location information before you create a new location record. This method is especially helpful when you need to relocate assets with more than one current location.
	For example, before you relocate a certain quantity of scaffolding to a new jobsite, you need to know where that quantity of scaffolding is currently located. You might also want to know of any other planned locations for the scaffolding.
Enter location information without inquiry	Use this method when you want to create location records without reviewing location information first. When you use this method, you must enter all the required location information from a blank form.
	For example, you might use this method if you need to relocate several assets and you do not want to search for the individual location records of each one.

What You Should Know About

Updating fields in the Item Master table (F1201)	When you update the location information for an asset, the system automatically updates the following fields in the Item Master table (F1201):

- Equipment Status
- Location and Start Date (if the current transfer beginning date is greater than the existing location/start date and you have only one current location)

You can assign beginning location and start dates to assets only when you create master records or relocate the asset. After you create the master record, you can make changes to the location and start date fields using the Transfer Processing program only.

Location dates	When you specify the dates for location information, note the following guidelines:
	• The system prevents you from entering location information if the relocation date is after the asset disposal date.
	• Any location information that you enter with a date after the system date must have a location code of Planned (P).
Multiple current locations	When the asset has multiple current locations, the Location and Start Date fields in the master record are blank. The system displays the message *Multiple Current Locations* in the location description line.
Consolidating assets to one location	The system automatically consolidates location records when you enter location information for multiple assets with identical billing information. For example, if you enter location information with identical relocation dates, times, and billing information for assets that are currently in multiple locations, the system creates one location record for all the assets.
Relocating partial quantities	When you relocate partial quantities of an asset, the system modifies the original location record to a history record for the full quantity. The system also creates a new current record to show the quantity that remains at the original location and a new current record for the quantity you relocated.
Entering location information out of sequence	You enter location information out of sequence when you record the relocation of an asset from a location where it does not currently reside. The system issues a warning message. If you do not change the From Location field, the system sorts out the location records by date and determines whether to create a new location tracking line or update an existing location record.
	For example, you might need to create location records out of sequence if the paperwork for the asset relocation is delayed. In this case, the paperwork might be entered after the asset is actually moved to the most current location.
Parent and component relationships	When you enter location information for an asset that is the parent of components, the system automatically relocates all components that are at the same location as the parent to the new location.

```
[12115] - Location Transfer                                    _ □ ✕
Functions  Options  Tools  Help

              Location Code          |*|
                    Item Number         Location      Transfer No    Date    Time
    SEARCH |    1300          |     |          |    |          | 06/03/93  07:00
    TRNSFR From Loc |          |  To |          |    |          | |        | |      |

    O        Item Number      Begin / End  L Eq Rt    Quantity    Unit Amount
    P                         Date   Time  C St Cd
         1300                06/03/93 07:00 C     NB      1.00  HR
         1300                05/13/93 08:00 H WK NB       1.00  HR
         1300                04/05/93 11:15 H WK NB       1.00  HR
         1300                03/01/93 07:00 H WK NB       1.00  HR
         1300                02/25/93 14:00 H AV NB       1.00
         1300                02/19/93 07:00 H WK NB       1.00  HR
         1300                01/15/93 10:00 H WK NB       1.00  HR
         1300                01/01/93 07:00 H WK HR       1.00
         1300                07/15/98 07:00 P WK NB       1.00  HR


    ✔  ✖                                                              ⬆
    Opt: 1=Text 2=Trans F4=Details F5=Update F6=Clear F10=Meter Upd F24=More   MW  ⬇
```

▶ **To enter location information with inquiry**

On Location Transfer

1. Complete any of the following fields to locate a specific asset:

   • Asset Number

   • Location

   • Transfer Number

2. Complete the following field to specify the type of location tracking records that you want to review:

   • Location Code

   The form displays the location information for the asset. After you review the location information, you do not have to create a new location record. You can locate another asset or return to Transfers, Splits, and Disposals.

3. Complete the following fields:

   • To (Location)

   • Date

   • Time

4. Choose Clear.

The system clears the Beginning Date and Time, Ending Date and Time, Remark fields, and related Equipment/Plant Management billing fields.

5. Complete the following optional fields:

- Begin Date

- Begin Time

- Location Code

- Equipment Status

- Rate Code

- Quantity

- Unit Amount

- Action

6. Complete the following optional fields to specify a different billing account:

- Business Unit

- Object

- Subsidiary

7. Choose Transfer for each asset that you want to relocate.

Field	Explanation
Location Code	A code that indicates the type of location record. You can enter the following valid values: C Current. Displays only the current location for an asset. H Historical. Displays all previous locations for an asset. P Planned or scheduled. Displays only the planned location dates for an asset. You enter planned locations for an asset in the Equipment/Plant Management system. * Displays all locations (current, planned, and historical) that meet your search criteria. The default value for this field is C. NOTE: You cannot change historical (type H) location records. The system automatically updates location records to type H when you change the location and start date of an asset.

Field	Explanation
Transfer Number	A number that identifies a transfer record for an asset or group of assets. You can assign this number to new transfer records. If you leave this field blank when you perform a location transfer, the system assigns the transfer record a number from Next Numbers.
Date – Beginning Effective	The date on which an address, item, transaction, or table becomes active or the date from which you want transactions to display. The system uses this field depending on the program. For example, the date you enter in this field might indicate when a change of address becomes effective, or it could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, and so on. . . . . *Form-specific information* . . . . Enter the date on which you want to transfer an asset to a new location. If you transfer an asset with location inquiry, the system automatically fills in the date from the asset's location tracking line. You can override this date. If you clear the date in this field, the system uses the date in the Transfer Date field. If you leave the transfer date field blank as well, the system uses the system date. NOTE: To transfer an asset to a new current location, the beginning date must be greater than the start date of the existing current location.
Begin Time	The time that the asset is transferred to a new location. . . . . *Form-specific information* . . . . Transfer Time: If you leave this field and the Begin Time field blank, the system uses the beginning standard hours you set up for the job on Rental Rules. Begin Time: If you transfer an asset with location inquiry, the system automatically fills in the time from the asset's location tracking line. You can override this time. If you clear the time in this field, the system uses the time in the Transfer Time field. If you leave this field blank, the system uses the beginning standard time you set up on Rental Rules.

▶ **To enter location information without inquiry**

On Location Transfer

1. Complete the following fields:

    - To (Location)

    - Asset Number

2. Complete the following optional fields:

- Date

- Time

- From (Location)

- Transfer Number

3. Complete the following optional fields to enter location information:

- Equipment Status

- Beginning Date

- Beginning Time

4. Choose Details to enter additional location information.

```
[12115] - Transfer Processing                              _ □ ×
Functions    Options   Tools   Help

            Location Code          C
                    Item Number        Location      Transfer No    Date     Time
  SEARCH
  TRNSFR From Loc              To   501

  O       Item Number       Begin / End  L Eq Rt      Quantity   Unit Amount
  P                          Date  Time  C St Cd
     1300                    06/15/98
     Dsc                     07/01/98       Remark
        Bus. Unit            Obj        Sub.          Subledger
     Action   Column         Row            Curr Meter Reading
     Loc.          Transfer Num.              Orig Meter Reading

     Dsc                                   Remark
        Bus. Unit            Obj        Sub.          Subledger
     Action   Column         Row            Curr Meter Reading
     Loc.          Transfer Num.              Orig Meter Reading

     Dsc                                   Remark
        Bus. Unit            Obj        Sub.          Subledger
     Action   Column         Row            Curr Meter Reading
     Loc.          Transfer Num.              Orig Meter Reading

  ✔  ✖
  Opt: 1=Text 2=Trans  F4=Details F5=Update F6=Clear F10=Meter Upd F24=More
```

Processing Options for Transfer Processing

```
FIELD DISPLAY CONTROL:
1. Enter a '1' to suppress the display          _____
   of the meter reading fields.  Leave
   blank (default) to display them.

UPDATE OPTION:
2. Enter a '1' to NOT update the child's        _____
   Rate Code when transferring the
   parent.  Leave blank to update the
   child's Rate Code with the parent's
   Rate Code when transferring the
   parent.
```

Reviewing Location Information

Use Location Inquiry to view all of the recorded location changes for a particular asset, location, transfer number, or date.

▶ **To review location information**

On Location Inquiry

1. Complete the following field:

   - Asset Number

2. For more specific location information, complete any of the following fields:

   - Sequence

   - Location Code

   - Location

   - Transfer Number

   - Date From

   - To Date

3. Choose Details to review additional location information.

Field	Explanation
Sequence (A/D)	A code that indicates in what order the system displays location history records. The system displays location records based on the value in the Beginning Date field. Valid values are: A Ascending. System displays the oldest location record first and the most current record last. D Descending. System displays the most current location record first and the oldest record last. This is the default order.
Location Code	A code that indicates the type of location record. You can enter the following valid values: C Current. Displays only the current location for an asset. H Historical. Displays all previous locations for an asset. P Planned or scheduled. Displays only the planned location dates for an asset. You enter planned locations for an asset in the Equipment/Plant Management system. * Displays all locations (current, planned, and historical) that meet your search criteria. The default value for this field is C. NOTE: You cannot change historical (type H) location records. The system automatically updates location records to type H when you change the location and start date of an asset.

Field	Explanation
Transfer Number	A number that identifies a transfer record for an asset or group of assets. You can assign this number to new transfer records. If you leave this field blank when you perform a location transfer, the system assigns the transfer record a number from Next Numbers.
Date From	The beginning date in the date range. This is the date starting with which you want the system to display information.
Date To	This identifies an ending date after which you do not want to include information.

What You Should Know About

Printing location records

You can print the Location Tracking Report to review current, historical, and planned locations for selected assets. This report prints the same information from the Location Tracking table (F1204) that you see online on Location Inquiry.

The Location Tracking Report is a DREAM Writer. You can use processing options to specify the asset number (Item Number, Unit Number, or Serial Number) that prints on the report. You can also print the tracking text associated with location records.

Revising Location Information

You can make revisions to individual asset location records. For example, you can change the asset's status, meter readings, or transfer number.

If your company uses Location Billing to bill for asset use, the location record might include location billing information. You can use Location Revisions to make changes to location billing information if you have not yet billed for the asset. After you bill for the asset's use, you cannot change location billing information.

▶ **To revise location records**

On Location Inquiry

1. Complete the following fields to locate an individual location record:

   - Asset Number

   - Location

   - Location Code

   - Beginning Date

2. Choose Location Revisions.

3. On Location Revisions, complete any of the following fields to revise the location record:

- Ending Date

- Ending Time

- Transfer Number

- Equipment Status

- Remark

- Current Meter Reading

- Original Meter Reading

- Aisle

- Bin

4. Complete any of the following fields to revise location billing information:

- Transfer Action

- Equipment Rate Code

- Business Unit

- Subledger

- Subledger Type

- Billing Amount

Field	Explanation
Beginning Date	The date on which an address, item, transaction, or table becomes active or the date from which you want transactions to display. The system uses this field depending on the program. For example, the date you enter in this field might indicate when a change of address becomes effective, or it could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, and so on. . . . . *Form-specific information* . . . . The date that the asset started at the location.
Ending Date	The date that the asset was removed or returned from a particular location.
Ending Time	The time that the asset was transferred from the job or will no longer be at a specified location.

What You Should Know About

Entering location tracking text

Choose Text to enter a text message for individual location records. For example, you might want to note specific instructions or explanations for a transfer. When you enter a text message for an asset, the system highlights the Option field next to the asset on Asset Search and Location.

Informational fields

The system displays the following fields only for your information on Location Revisions:

- Quantity
- Rate Table
- Rate Group

Revising location billing information

You can revise only location billing information that has not been billed.

Processing Options for Location Revisions

```
OPTIONAL EDIT:
1. Enter a '1' to allow modifications              _____
   to future records only.  Enter a '2'
   to allow modifications to current
   records only.  Leave blank (default)
   to allow modifications to all records
   (history, current, and future).
```

Test Yourself: Asset Identification

1. List the five fields that you are required to complete in order to create an asset master.

   _____

   _____

   _____

   _____

   _____

2. When you create a new asset master, the system assigns some category codes default values. Where does the system access this default category code information?

   _____

3. If you do not complete the Location and Location Start Date when you create an asset master, where can you enter the information?

   _____

4. How do you establish or change parent and component relationships for an asset?

   _____

   _____

5. When you create an asset master you also create books or ledgers for depreciation. Where does the system access this default depreciation information?

   _____

   Can you change default depreciation information?

   _____

6. Supplemental data:

    A   is used to record asset information that is not included in the asset master

    B   has a narrative text format

    C   has a columnar format

    D   is kept track of by asset number

    E   all of the above

7. What are the two general purposes of the Asset Search form?

    _____

    _____

8. True or False

    The fields in the upper portion of the Asset Search form can be used in combination.

The answers are in *Appendix A*.

Process G/L to Fixed Assets

Objectives

- To understand how costs and expenses are associated with fixed assets
- To revise G/L journal entries before they are posted with fixed assets
- To split G/L journal entries
- To post G/L journal entries to fixed assets

About Processing G/L to Fixed Assets

Fixed asset journal entries can be generated through any J.D. Edwards system that creates entries in the G/L transaction table, the Account Ledger (F0911). Systems that frequently generate journal entries that affect the Fixed Assets system include:

- Accounts Payable
- General Accounting
- Inventory
- Purchasing
- Equipment Management

The system identifies fixed asset journal entries based on the fixed asset range of accounts you set up in the automatic accounting instructions (AAIs). Accounts that fall within the FX range of the AAIs include:

- Asset cost accounts
- Accumulated depreciation accounts
- Operating expense accounts
- Asset disposal accounts

After the system creates journal entries for the asset transactions that you enter, you must post the entries first to the general ledger, and then to fixed assets. When you post to the general ledger, the system updates the Account Balances table (F0902). When you post to fixed assets, the system updates the Item Balances table (F1202). You can manually post journal entries to fixed assets, or you can set up your system to post the journal entries to fixed assets when you post the entries to the general ledger.

Before posting journal entries to fixed assets, the system verifies that each entry includes the following:

- A general ledger post code of P, which means the journal entry has been posted to the Account Balances table (F0902)

- An account that falls within the fixed asset range of accounts set up in automatic accounting instructions (AAIs)

- A fixed asset post code of blank to indicate that the system can post the journal entry to the Item Balances table (F1202)

- A valid asset number

- A hold code of blank

When you post journal entries to fixed assets, the system updates the Item Balances table and marks each transaction as posted.

The following graphic shows the type of journal entries that affect fixed assets, and how those entries are assigned to the Fixed Assets system:
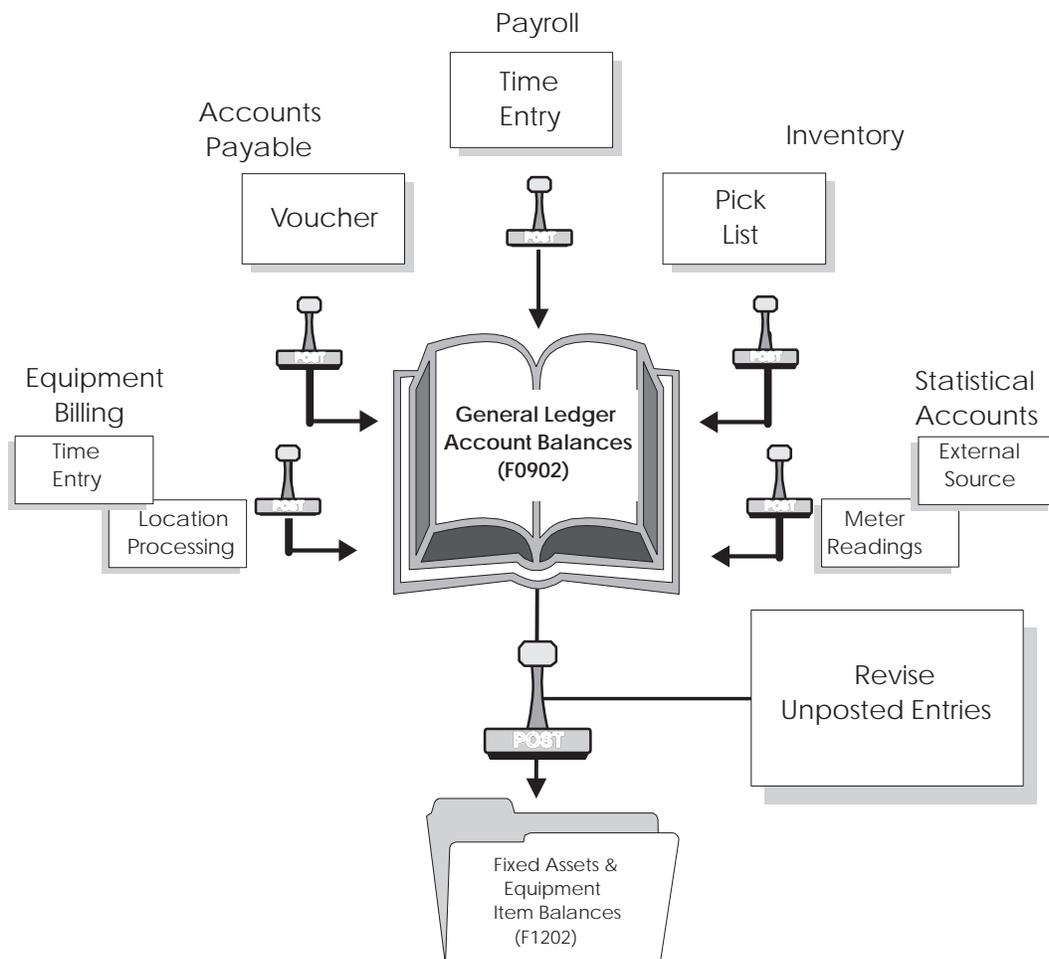
Processing general ledger journal entries to fixed assets includes the following tasks:

❏ Working with G/L journal entries

❏ Posting G/L journal entries to fixed assets

❏ Making corrections to fixed asset balances

❏ Reviewing fixed asset costs

Exercises

See the exercises for this chapter.

Work with G/L Journal Entries

```
G12        Fixed Assets
           Choose Posting G/L to Fixed Assets
```

```
G1212      Posting G/L to Fixed Assets
           Choose Revise Unposted Entries
```
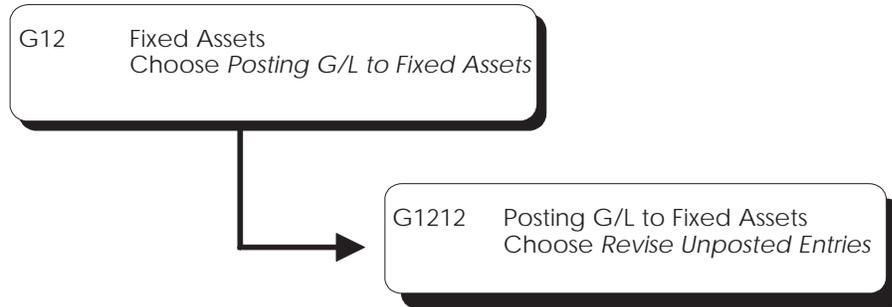
Working with G/L Journal Entries

You can revise fixed asset journal entries that are posted to the general ledger before they post to fixed assets. For example, you might want to review journal entries to ensure that all of the fixed asset information is included, such as asset numbers. You also work with G/L journal entries if you want to keep any transactions that fall with in the fixed asset (FX) range of AAIs from posting to fixed assets. An example of this type of journal entry would be for transactions that you record to make corrections to the general ledger.

Working with G/L journal entries includes the following tasks:

❑ Revising unposted journal entries

❑ Splitting unposted journal entries

❑ Printing a journal entries report

Revising Unposted Journal Entries

Use Revise Unposted Entries to make specific changes to journal entries before they are posted to fixed assets. For example, you can:

- Revise or add an asset number to a journal entry

- Revise or add a description to further explain a journal entry

- Create a master record for journal entries that include an asset cost account for an asset that is new to the system

- Revise the hold or pass code on a journal entry to temporarily or permanently prevent it from posting to fixed assets

- Post individual journal entries immediately (interactively) to fixed assets rather than in a batch job
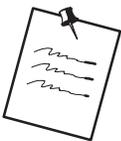
To ensure the integrity of your transaction records and audit trails, the system prevents changes to account information that has already been posted to the general ledger, such as:

- G/L account number

- Amount

- G/L date

▶ **To revise unposted journal entries**

On Revise Unposted Entries

1. Complete any of the following fields to locate a journal entry:

   - Company

   - Account number

   - Business unit/Object

   - Object

   - Batch/Batch Type

   - Document/Document Type

   - Hold code

   - Ledger type

2. Complete the following field to change or add a transaction description:

   - Explanation

3. Complete the following field to change the hold code for a transaction:

   - Hold Code

4. Complete the following field to prevent a transaction from posting:

   - Pass Code

5. Leave the following field blank to automatically create a new asset master record when you run Post G/L Entries to Assets:

   - Asset Number

6. Choose Master Information to create a new asset master record or review an existing record.

   See *Creating an Asset Master Record*.

7. Choose Original Source of Entry to review individual transactions.

8. Choose Post to post individual journal entries immediately to fixed assets.

Field	Explanation
FA Pass Code – Batch Rear End Posted Code	The valid post codes for fixed asset transactions are as follows:
	blank Unposted. Transaction has not yet been posted to the Item Balances table (F1202).
	P Pass. Transaction does not fall within the FX range of accounts as set up in automatic accounting instructions (AAIs) and will not post to fixed assets. You can manually update this field to P through the Revise Unposted Entries program (P12102). Use P in this field when the account number is within the fixed asset range of accounts, but you do not want the transaction to post to fixed assets. You can change this field from blank to P or from P to blank.
	* Posted. Transaction has been posted to the Item Balances table.You cannot change this value.
	. . . . *Form-specific information* . . . .
	This field appears twice on the Revise Unposted Entries form.
	FA Pass Code. Enter a value in this field to locate specific transactions. Transactions with an asterisk (*) in this field have already been posted to fixed assets. These transactions do not appear on Revise Unposted Entries. To view all fixed asset transactions, regardless of post code, enter @ in this field.
	PC. Use this field to manually update a transaction to a P status.
FA Hold Code – G/L Posting Code	Enter a character in this field to temporarily keep a transaction from posting to the Fixed Assets system. You can update this code to any character other than X, *, or @. The X code is reserved for Fixed Assets Time Entry. The * and @ codes are reserved for selection of all hold codes in the Revise Unposted Entries program (P12102).
	When you run the Post Unposted F/A Entries program, the system only posts transactions with a "batch rear end" value of blank, a G/L post code value of P, and a hold code value of blank.

Field	Explanation
Account Number	A field that identifies an account in the general ledger. You can use one of the following formats for account numbers: • Structured account (business unit.object.subsidiary) • 25-digit unstructured number • 8-digit short account ID number • Speed code The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program (P000909). . . . . *Form-specific information* . . . . To limit your search to transactions with amounts distributed to a specific account, enter an account number. If you enter an account number in this field, do not enter information in the Business Unit or Object Account fields.
Document Type	A user defined code (00/DT) that identifies the origin and purpose of the transaction. J.D. Edwards reserves several prefixes for document types, such as vouchers, invoices, receipts, and time sheets. The reserved document type prefixes for codes are: P Accounts payable documents R Accounts receivable documents T Payroll documents I Inventory documents O Order processing documents J General ledger/joint interest billing documents The system creates offsetting entries for these document types when you post batches.

Field	Explanation
Item Number	An identification code for an asset that you can enter in one of the following formats:
	1 Item number (a computer-assigned, 8-digit, numeric control number)
	2 Unit number (a 12-character alphanumeric field)
	3 Serial number (a 25-character alphanumeric field)
	Every asset has an item number. You can use unit number and serial number to further identify assets as needed.
	If this is a data entry field, the first character you enter indicates whether you are entering the primary, or default, format that is defined for your system, or one of the other two formats. A special character (such as "/" or "*") in the first position of this field indicates which asset number format you are using. You assign special characters to asset number formats on the system constants form.
	. . . . *Form-specific information* . . . .
	If you leave this field blank and the account falls within the cost account (FA) range in the AAIs, the system automatically creates a new asset master record when you run the batch Fixed Asset Post.

What You Should Know About

Viewing the results of an interactive post

When you post journal entries interactively, the system does not automatically generate the Journal Entries report. You can run the Journal Entries report to review the results of your interactive post, or review the results on online using the Cost Summary form.

Processing Options for Revise Unposted Entries

```
DISPLAY OPTION:
 1. Enter a '1' to display amounts to                    _____
    billions without commas. Leave blank
    to display amounts to millions with
    commas.

UPDATE OPTION:
 2. Enter '1' to allow posting of cost                   _____
    to a different account than defined
    in the Asset Master. Leave blank
    (default) to prevent posting of cost
    to a different account than Asset
    Master.
```

Splitting Unposted Journal Entries

You can use Revise Unposted Entries to split a journal entry into two or more entries before you post to fixed assets. For example, you might split unposted journal entries when an accounts payable invoice for multiple assets is distributed to one account, but you need to capitalize each asset separately.

For example, an invoice for computers can be distributed in the full amount to the G/L asset account for computers. However, you might want to capitalize each computer separately in fixed assets. You can split the original journal entry for computers into several assets, such as central processing unit, printer, monitor, and keyboard.

After you split a journal entry, you can review the transactions on Revise Unposted Entries.

▶   **To split unposted journal entries**

On Revise Unposted Entries

1. Complete any of the following fields to locate a journal entry:
   - Company
   - Account number
   - Business Unit/Object
   - Batch Number/Batch Type
   - Document Number/Document Type
   - Hold code
   - Ledger type

2. Choose Split Journal Entry.

3. On Split Journal Entry, complete the following fields:
   - Asset Number
   - Amount
   - Units (if applicable)
   - Explanation–2

4. Use the Change action.

```
GUI/400 RTS Pro                                              _ □ ✕
File  Edit  Help

   121021                    Split Journal Entry                    ▲

  Doc No/Type/Co . .     1505  PV
  G/L Date . . . . . 06/20/98  Explanation. . . IBM Corporation
  Account Number . .        75.2070            Ledger Type. .  AA

    Item                                                    H
     Number        Amount       Units      Explanation - 2  D
    00011535       1,436,000                IBM Laptop
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]
    [        ]   [         ]   [         ]  [              ] [ ]    ▼
```
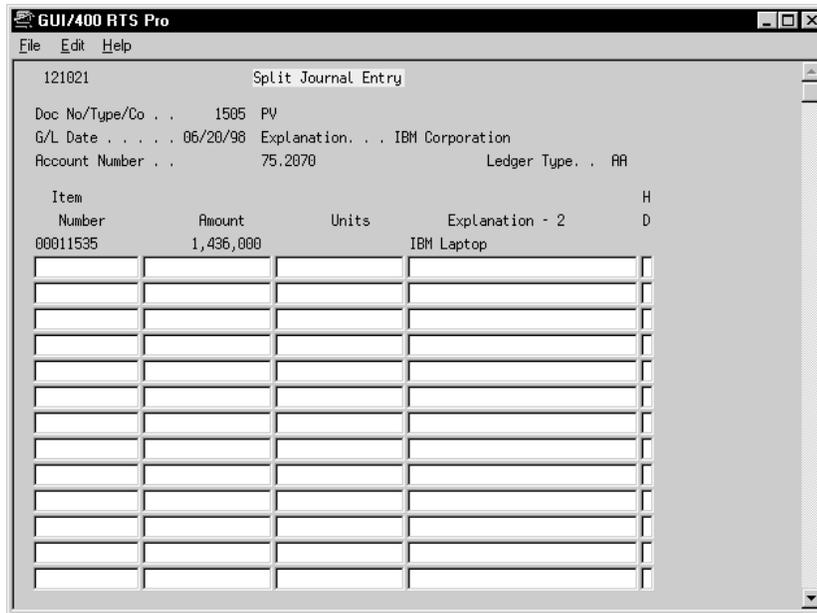
Field	Explanation
Explanation–2	A name or remark that describes an element in the J.D. Edwards systems.
	. . . . *Form-specific information* . . . .
	Enter a remark to describe the journal entry split. If you leave this field blank, the system uses the description of the original journal entry as the default value.

What You Should Know About

Splitting a portion of a journal entry

You cannot split a portion of a journal entry. When you split G/L journal entry into two or more entries, the new totals must add up to the total amount of the original journal entry.

Printing a Journal Entries Report

You can print a journal entries report to view a list of all transactions that have been posted to the general ledger but not to fixed assets. The FX range identifies the beginning and ending range of asset accounts that can post to fixed assets. This report is a printed version of Revise Unposted Entries.

```
  12301                                J.D. Edwards & Company                    Page     -      2
                                       Unposted F/A Transactions                 Date     -   6/30/98


Do Document   G/L       Account, Description,                              Item                          Line  H
Ty Number     Date          Subledger/Type      LT     Amount     Units   Number  Description/Explanation Number D
_ ____ ____ _____ _ _____ _____- ____ _____ ___ -
PV     538 06/15/98          50.2070.           AA     2,000.00                    * No Item Master Record   6.0 H
                    Capital Improvements                                    Electrical Units
                                                                             A&B Electric Motor Ser
PV     568 06/15/98          50.2040.           AA     8,925.64                    * No Item Master Record  13.0
                    Vehicles                                                Invoice 79860
                                                                             Tenco Tractor, Inc.
PV     568 06/15/98          50.2040.           AA     4,000.00                    * No Item Master Record  14.0 H
                    Vehicles                                                Invoice 821347
                                                                             Tenco Tractor, Inc.
                                                       _____    _____

A Model Construction Mgmt Co                          14,925.64
                                                       _____    _____
                                                      14,925.64
```

What You Should Know About

Report messages   If you post a journal entry that does not include an asset number, the message *No Item Master Record* appears on the report.

You should create a master record for the asset and attach the new asset number to the journal entry.

Processing Options for Unposted F/A Transactions

```
PRINT SELECTION:
1) Identify how to print Asset Number.                    _____
     1 = Item Number           (DEFAULT)
     2 = Unit Number
     3 = Serial Number

2) Identify how to print the Amount.                      _____
     blank = Amount w/ commas   (DEFAULT)
     1     = Amount w/o commas
```

Post G/L Journal Entries to Fixed Assets

```
┌─────────────────────────────────────┐
│ G12      Fixed Assets               │
│          Choose Posting G/L to Fixed│
│          Assets                     │
│                                     │
└─────────────────────────────────────┘
                    │
                    │
                    └──────────┐
                               ▼
            ┌──────────────────────────────────────────┐
            │ G1212      Posting G/L to Fixed Assets   │
            │            Choose Post G/L Entries to    │
            │            Fixed Assets                  │
            └──────────────────────────────────────────┘
```
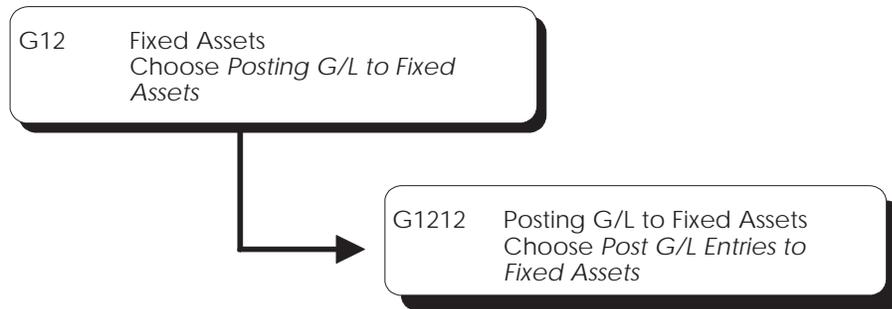
Posting G/L Journal Entries to Fixed Assets

After you verify the information in the unposted fixed asset journal entries, you must post the entries to the Item Balances table (F1202). All journal entries that are within the fixed asset (FX) range of AAIs must be posted to the Item Balances table to update the Fixed Assets system with current transaction records.

Posting G/L journal entries to fixed assets consists of the following tasks:

❑ Posting a batch of journal entries

❑ Verifying the post process

Posting a Batch of Journal Entries

Before posting G/L journal entries to fixed assets, the system verifies that each entry includes:

- A G/L post code of P (posted to the Account Ledger table)

- An account within the FX range you set up in the AAIs

- A fixed asset post code of blank

- A valid equipment number or an account within the cost account (FA) range of the AAIs

- A hold code of blank

When you run the Post G/L Entries to Assets program, the system posts all fixed asset journal entries to the Item Balances table. The post program updates the Item Balances table and marks each transaction as posted.

Verifying the Post Process

After the post process is complete, the system generates a Post Unposted Fixed Asset Entries report. You can review this report to verify the results of the post. The report indicates all journal entries that were not posted and why. It also notes any automatic processes that might have occurred during the post.

```
   12800                              J.D. Edwards & Company                            Page       2
                                      Post Unposted F/A Entries                   Date    6/15/98

Do Document   G/L     Account Description                     Item Number
Ty Number     Date      and Explanation    LT      Amount     Units       Description    Message Area . . . . . . .
 _ ____ ____ _____ _ _____ _____ _____ _____
PV      572 06/15/98         50.2030.    AA    19,785.60         10663          Item Master record created.
                        Heavy Equipment                     Heavy Equipment     Item number assigned.
                        Trailer                             Tenco Tractor, Inc.
                        Tenco Tractor, Inc.                  Trailer
PV      573 06/15/98         50.2030.    AA   675,795.80         10671          Item Master record created.
                        Heavy Equipment                     Heavy Equipment     Item number assigned.
                        Tractor                             Digger, Inc.
                        Digger, Inc.                         Tractor
PV      574 06/15/98         50.2030.    AA    25,782.55         10680          Item Master record created.
                        Heavy Equipment                     Heavy Equipment     Item number assigned.
                        Steel Platform                      Edwards & Edwards
                        Edwards & Edwards                    Steel Platform
```

Three messages can appear in the Message Area column on this report:

Unable to Post — The record is not in the Item Master Table	This message indicates that you did not assign an asset number to an unposted journal entry and the system was unable to assign a number automatically.
Item Number Assigned	If you did not assign an asset number to an unposted journal entry, this message indicates that the system has automatically assigned an asset number based on the FA range in the AAIs.
Item Master Record Created	This message indicates that the system created an asset master record and its corresponding balance record for a posted transaction. If you do not create these records for an asset before running the post program, the system automatically creates them under the following circumstances:

- The asset number is blank in the Account Ledger table (F0911)
- The object account falls within the FA range of AAIs
- You use the Post G/L Entries to Assets program to run the post

The system creates asset masters and balance records based on the values you enter in Item Setup Default Coding.

You can also verify the results of the post to fixed assets online. To review posted fixed asset transactions and the effects of the post on other account information, access the following forms:

Asset Search and Location	Review new assets and corresponding master records that are generated by the post. This is particularly useful if you split a general ledger transaction before running Post G/L Entries to Assets.
Cost Summary	Review how the new transactions affect cost accounts and balances.
Assembly Components and NBV	Review how parent/component relationships are affected by the post. You can also see any changes to the net book value of an asset.

Processing Options for Fixed Asset Post and Journal

```
PRINT SELECTION:
 1. Identify how to print Asset Number.            _____
     1 = Item Number           (DEFAULT)
     2 = Unit Number
     3 = Serial/Tag Number

 2. Identify how to print the Amount.              _____
     blank = Amount w/ commmas (DEFAULT)
     1     = Amount w/o commas

UPDATE OPTIONS:
 3. Enter a '1' to use the asset number            _____
    from the subledger type 'E' when the
    G/L asset number is blank.  Leave
    blank to use the G/L asset number
    only when posting to Fixed Assets.

 4. Enter '1' to allow the posting of              _____
    cost to a different account than
    defined in the Asset Master. Leave
    blank (default) to prevent posting
    of cost to a different account
    defined in the Asset Master.
```

Make Corrections to Fixed Asset Balances

Making Corrections to Fixed Asset Balances

Any corrections that you make to journal entries that are created by the Fixed Assets system to update the Item Balances (F1202) table must be posted to the general ledger. For example, if you make an error when you split an asset, and create out of balance journal entries, you must make the appropriate adjusting journal entries, and post them to the general ledger.

Making corrections to fixed asset balances consists of the following tasks:

❑ Correcting general ledger balances

❑ Correcting fixed asset balances

❑ Correcting depreciation entries

See Also

- *Running Integrity Reports* for more information about out of balance records in the general ledger or fixed assets
- *Working with G/L Journal Entries* for more information about creating journal entries

Correcting General Ledger Balances

If the balance in the Item Balances table for fixed assets is correct, but the balance in the general ledger is incorrect, you must create a journal entry to update the general ledger.

▶ To correct general ledger balances

1. Enter the adjusting journal entry to correct the balance in the general ledger.

2. On Revise Unposted Entries, complete the following field to keep the transaction from posting to Fixed Assets:

   - Pass Code

Correcting Fixed Asset Balances

If the balance in the general ledger is correct, but the balance in the fixed asset Item Balances table is not, you must post an adjusting journal entry to both the general ledger and fixed assets. Then, you must void the entry in the general ledger.

▶ **To correct fixed asset balances**

1. Enter a journal entry to correct the Fixed Asset balance.

2. Post the adjusting journal entry to the general ledger.

3. Post the adjusting journal entry to the Fixed Assets system.

4. Void the general ledger entry to return the general ledger to the correct balance.

5. On Revise Unposted Entries, complete the following field to pass the transaction and keep the adjusting journal entry from posting to Fixed Assets again:

   - Pass Code

Correcting Depreciation Entries

The programs that compute depreciation in the Fixed Assets system are self-correcting. If you enter an adjusting journal entry to correct a depreciation error, the journal entry might correct the depreciation in the current period, but the error will re-occur when you run the programs to calculate depreciation in the next period.

You can use journal entries to correct depreciation errors only when the Method of Computation is P or C. If you use Method of Computation P, the system calculates depreciation only for the current period. If you use Method of Computation C, the system allows journal entry corrections at the end of the fiscal year, after depreciation has be calculated.

To correct errors for final depreciation that has been posted to the general ledger, you must void the depreciation post to the general ledger and then post the void to Fixed Assets.

To correct final depreciation that has not been posted to the general ledger, you must void the general ledger entry and then post the void to both the general ledger and fixed assets.

Do not void summarized journal entries. If you need to make corrections to summarized journal entries, you must enter a detailed journal entry and post the entry to the G/L and fixed assets. You can also use a STAR report to reverse these amounts, or, you can use backup information to restore the fixed asset balance records that were on the system before the depreciation computation.

Exercises

See the exercises for this chapter.

Review Asset Costs

G12   Fixed Assets
         Choose *Cost Information and*
         Reports

G1213   Cost Information and Reports
         Choose *Cost Summary*
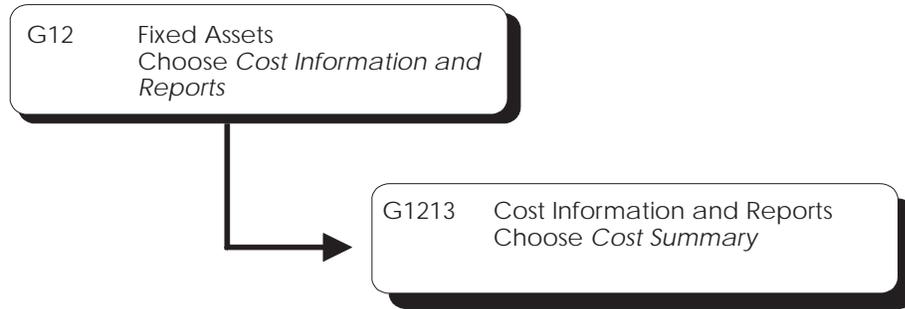
Reviewing Asset Costs

Review asset costs when you want to see inception-to-date, year-to-date, and month-to-date account balances for individual assets. You can also review the detailed general ledger transactions (F0911 records) that have been posted to the Item Balances table (F1202) for an individual account balance.

Cost accounts, or object accounts, each represent a type of cost. Examples of costs accounts include:

- Labor
- Parts
- Materials

When you review costs by cost accounts, you get a financial perspective of business costs. View costs by cost account when you want to access:

- All account balances relating to a specific asset
- Asset acquisition costs, depreciation amounts, revenue, maintenance expense, operating expense, and so on for a specific period
- Abbreviated income statement and balance sheet information for an asset

▶   **To review asset costs**

On Cost Summary

```
[122101] - Cost Summary                                    _ □ ×
Functions   Options   Tools   Help

                                    From Date/Period       [        ]
Item Number          [    1300   ]  Through Date/Period    [06/30/98]
Skip to Account      [        ]     Ledger Type            [AA]
Backhoe, Caterpillar 426            Detail/Summary (D/S/O) [D]
                                    Units/Unit Cost (Y/A/B)[N]
                                    Subledger/Type(*=All)  [*]

   O  Acct   Account Description   Incep to Date  Year to Date  Month to Date
   P
      2030  Heavy Equipment         46,108.00
      2130  Accum Depr - Equipment  16,137.87-     4,610.82-       768.47-
            Net Book Value          29,970.13      4,610.82-       768.47-
      8421  Ownership Portion        2,780.00-     2,780.00-       935.00-
      8422  Operating Portion        5,560.00-     5,560.00-     1,870.00-
      8423  Maintenance Portion      5,560.00-     5,560.00-     1,870.00-
            Revenue Earned          13,900.00-    13,900.00-     4,675.00-
      8441  Depreciation             4,610.82      4,610.82        768.47
            Ownership Costs          4,610.82      4,610.82        768.47
      8482  Regular Time - Brake Sy    117.56        117.56
      8482  Regular Time               19.75         19.75         19.75
      8486  Parts - Brake System      127.50        127.50
            Maintenance Costs         264.81        264.81         19.75
      Total . . . . . . . . .      20,945.76     13,635.19-     4,655.25-

   ✔   ✖                                                          ↑

Option: 1=Item Transaction Inquiry   F4=Full Detail  F24=More Keys    MW   ↓
```

1. Complete the following field to locate a specific asset:

   - Asset Number

2. Complete the following optional fields to specify the costs that you want to review:

   - From Date/Period

   - Through Date/Period

   - Ledger Type

   - Detail/Summary

   - Units/Unit Cost

   - Subledger/Type

3. Choose Full Detail to review more information.

```
┌─────────────────────────────────────────────────────────────────────────┐
│ 📄 [122101] - Cost Summary                                    _ □ X       │
│ Functions  Options  Tools  Help                                           │
│                                                                           │
│                                       From Date/Period      [        ]    │
│  Item Number         [    1300    ]   Through Date/Period   [06/30/98]    │
│  Skip to Account     [        ]       Ledger Type           [AA]          │
│  Backhoe, Caterpillar 426             Detail/Summary (D/S/O) [D]          │
│                                       Units/Unit Cost (Y/A/B) [N]         │
│                                       Subledger/Type(*=All)  [*]          │
│                                                                           │
│   ┌O┬─────┬──────────────────┬──────────────┬──────────────┬───────────┐ │
│   │P│Acct │ Account Description│Incep to Date │ Year to Date │Month to Date│
│   │ │2030 │ Heavy Equipment   │  46,108.00   │              │           │ │
│   │Account No.       50.2030  │              │Subledger/Ty  │           │ │
│   │ │2130 │ Accum Depr - Equipment│16,137.87- │   4,610.82-  │  768.47-  │ │
│   │Account No.       50.2130  │              │Subledger/Ty  │           │ │
│   │     │ Net Book Value    │  29,970.13   │   4,610.82-  │  768.47-  │ │
│   │ │     │                   │              │              │           │ │
│   │ │8421 │ Ownership Portion │   2,780.00-  │   2,780.00-  │  935.00-  │ │
│   │Account No.      YARD.8421 │              │Subledger/Ty  │           │ │
│   │ │8422 │ Operating Portion │   5,560.00-  │   5,560.00-  │ 1,870.00- │ │
│   │Account No.      YARD.8422 │              │Subledger/Ty  │           │ │
│   │ │8423 │ Maintenance Portion│  5,560.00-  │   5,560.00-  │ 1,870.00- │ │
│   │Account No.      YARD.8423 │              │Subledger/Ty  │           │ │
│   │     │ Revenue Earned    │  13,900.00-  │  13,900.00-  │ 4,675.00- │ │
│   └─────┴───────────────────┴──────────────┴──────────────┴───────────┘ │
│   [✓] [✗]                                                         [⬆]     │
│   Option: 1=Item Transaction Inquiry  F4=Full Detail F24=More Keys  MW [⬇]│
└─────────────────────────────────────────────────────────────────────────┘
```

4. Select Item Transaction Inquiry to review the posted transactions for an individual account balance.

```
┌─────────────────────────────────────────────────────────────────────────┐
│ 📄 [12211] - Item Transaction Inquiry                         _ □ X       │
│ Functions  Tools  Help                                                    │
│                                                                           │
│  Item Number. . . .  [     1300     ]   From Date/Period   [01/01/98]     │
│                      Backhoe, Caterpillar 426  Thru Date/Period [06/30/98]│
│  Account Number      [    50.2130   ]   Book (Ledger Ty)   [AA]           │
│                      Accum Depr - Equipment    Subldgr/Ty(*=All) [    ]   │
│                                                                           │
│   ┌──┬────────┬────────┬─────────────┬──────────┬────────────┬──┐        │
│   │DT│Document│  Date  │ Explanation │  Debit   │   Credit   │P │        │
│   │DP│     85 │01/31/98│Backhoe, Caterpillar│   │    768.47- │P │        │
│   │DP│     89 │02/28/98│Backhoe, Caterpillar│   │    768.47- │P │        │
│   │DP│     93 │03/31/98│Backhoe, Caterpillar│   │    768.47- │P │        │
│   │DP│     97 │04/30/98│Backhoe, Caterpillar│   │    768.47- │P │        │
│   │DP│    101 │05/31/98│Backhoe, Caterpillar│   │    768.47- │P │        │
│   │DP│    105 │06/30/98│Backhoe, Caterpillar│   │    768.47- │P │        │
│   │  │        │        │             │---- Account│Balances ----│ │       │
│   │  │        │        │Ledger Total │          │  4,610.82- │  │        │
│   │  │        │        │Y-T-D  Period End│      │  4,610.82- │  │        │
│   │  │        │        │Cumul  Period End│      │ 16,137.87- │  │        │
│   └──┴────────┴────────┴─────────────┴──────────┴────────────┴──┘        │
│   [✓] [✗]                                                         [⬆]     │
│   F4=Full Detail F24=More Keys                                  MW  [⬇]   │
└─────────────────────────────────────────────────────────────────────────┘
```

Field	Explanation
From Date/Period	The beginning date of the range in a search. If you do not specify a beginning date, the system uses the current date. . . . . *Form-specific information* . . . . The Cost Summary programs are date-sensitive. If you do not specify a beginning date, the system uses the first day of the current fiscal year.
Through Date/Period	A number that identifies either the period number or date upon which you want to inquire. If you leave this field blank, the system uses the ending date of the current period for the company that contains the business unit. Valid period numbers are from 1 through 14. . . . . *Form-specific information* . . . . The Cost Summary programs are date-sensitive.
Detail or Summary	Enter the following values: D for no summarization O for object account level of summarization when sequencing by object R for subsidiary account level of summarization when sequencing by subsidiary S for complete summarization by Automatic Accounting Instruction object account. When sequencing by object account, D and O are valid values. S is valid only for Fixed Assets. When sequencing by subsidiary account, D is a valid value. R is valid only for Equipment Management. NOTE: If you wish to see the transaction ledger for a particular account, you cannot summarize. If you are displaying miles or units, these amounts are always summarized. You define how the system summarizes accounts by setting up the AT automatic accounting instructions.

Field	Explanation
Unit/Unit Cost	A code that determines whether the system displays amounts or statistical units. You can use statistical units to track equipment information for a piece of equipment. Valid values are: N Display currency amounts. This is the default value. Y Display statistical units such as hours. The statistical units you define for this code are stored in the AT00 automatic accounting instruction. A Display statistical units such as those used to indicate fuel consumption. The statistical units you define for this code are stored in the FMA automatic accounting instruction. B Display statistical units such as miles. The statistical units you define for this code are stored in the FMB automatic accounting instruction. Equipment can accumulate usage amounts based on hours, miles, fuel, and so on. When you display equipment costs by units or unit cost, the first account listed shows the number of units that have accumulated for that piece of equipment. The remaining account balances reflect actual amounts divided by the total units or a per unit cost for each account.
Ledger Type	A user defined code (09/LT) that specifies the type of ledger, such as AA (Actual Amount), BA (Budget Amount), or FE (Field Estimate). You can set up multiple, concurrent accounting ledgers within the general ledger to establish an audit trail for all transactions. . . . . *Form-specific information* . . . . The default for this field is the AA (Actual Amounts) ledger.
Subledger	A code that identifies a detailed auxiliary account within a general ledger account. A subledger can be an equipment item number, an address book number, and so forth. If you enter a subledger, you must also specify the subledger type. . . . . *Form-specific information* . . . . You can identify work orders as subledgers in your system. Work orders are often the most common subledgers in the Fixed Assets and Equipment/Plant Management systems.

Field	Explanation
Subledger Type	A user defined code (00/ST) that is used with the Subledger field to identify the subledger type and subledger editing. On the User Defined Codes form, the second line of the description controls how the system performs editing. This is either hard-coded (as shown in the second line of description) or can be user defined. For example:
	A Alphanumeric field, do not edit
	N Numeric field, right justify and zero fill
	C Alphanumeric field, right justify and blank fill

What You Should Know About

Detailed transactions

The system displays detailed transactions (F0911 records) only under the following circumstances:

- Account balances were not updated directly by a conversion program that did not create detailed transactions to support the balances.
- Transactions are not summarized by the G/L Summarization program.

Processing Options for Item Cost Summary

```
DISPLAY SEQUENCE SELECTION:
1) Enter a '1' to display Asset in              _____
   Repair Code (Subsidiary) sequence.
   Leave blank (default) to display in
   Account Code (Object) sequence.

FORMAT CONTROL:
2) Enter a '1' to display amounts to            _____
   billions without commas. Leave blank
   to display amounts to millions with
   commas.

3) Enter a '1' to display larger amount         _____
   fields and the account number in the
   fold area only.  Leave blank to
   display the account and smaller
   amount fields.
```

Test Yourself: Process G/L to Fixed Assets

1. In order for costs and expenses to post to an asset, each entry must include:

   _____

   _____

   _____

   _____

   _____

2. True or False

   Transactions that relate to more than one asset can be split using Revise Unposted Entries.

3. In order to maintain integrity between the General Ledger and the Fixed Assets system, the Account Ledger table (F0911) transaction updates which of the following tables:

F0901	Account Master
F0902	Account Balances
F1201	Item Master
F1202	Item Balances
F1204	Location Tracking

4. If you did not enter an asset number on an original transaction, where can you assign an asset number to the transaction?

   _____

5. True or False

   Corrections to Fixed Assets are made in the Fixed Assets system only, they do not go through the General Ledger.

   The answers are in *Appendix A*.

Periodic

Depreciation

Objectives

- To understand how depreciation is calculated
- To enter units of production, if required
- To calculate depreciation

About Depreciation

After you set up depreciation rules and establish master information, depreciation information, and account balances for the assets in your system, you can calculate asset depreciation.

Asset depreciation consists of the following tasks:

❏ Understanding depreciation methods

❏ Entering units of production (optional)

❏ Calculating depreciation

Enter units of production only if your organization uses units of production to compute depreciation (Method 09). If you do not use units of production to compute depreciation, you do not need to enter units of production.

Understand Depreciation Methods

About Depreciation Methods

You can calculate asset depreciation using the standard depreciation methods defined in the Fixed Assets system, using user defined depreciation methods, or both. You assign depreciation methods to an asset when you create a master record. The system performs depreciation calculations based on the established depreciation rules for each depreciation method.

Standard Depreciation Methods

The Fixed Assets system includes the following standard depreciation methods:

- Method 01 – Straight Line Depreciation
- Method 02 – Sum of the Year's Digits
- Method 03 – 125% Declining Balance to Cross-Over
- Method 04 – 150% Declining Balance to Cross-Over
- Method 05 – Double Declining Balance to Cross-Over
- Method 06 – Fixed Percent on Declining Balance
- Method 07 – ACRS Standard Depreciation
- Method 08 – ACRS Optional Depreciation
- Method 09 – Units of Production Depreciation
- Method 10 – MACRS Luxury Cars — Domestic
- Method 11 – Fixed Percent of Luxury Cars — Foreign
- Method 12 – MACRS Standard Depreciation
- Method 13 – MACRS Alternative Depreciation
- Method 14 – ACRS Alternate Real Property
- Method 15 – Fixed Percent of Cost
- Method 16 – Fixed Percent on Declining Balance to Cross-Over
- Method 17 – AMT Luxury Auto
- Method 18 – ACE Luxury Auto

The following rules apply to the predefined depreciation methods included in the Fixed Assets system:

- The system does not allow accumulated depreciation to exceed the depreciable basis. The depreciable basis for an asset is the asset's original cost minus its salvage value. When the total of an asset's current depreciation and accumulated depreciation is greater than the depreciable basis, the system calculates current depreciation by subtracting the accumulated depreciation from the depreciable basis.

- The system calculates a full period's depreciation for the initial period that you acquire an asset. If you do not want to calculate depreciation for the month you dispose of an asset, you should run the disposal *before* you run the depreciation. Exceptions to this rule are the mid-month, mid-quarter, and mid-year conventions.

The examples used throughout this chapter are based on the following information, unless otherwise noted:

Cost	100,000.00
Salvage value	0.00
Life months	60
Acquisition date	08/01/97

Standard Depreciation Calculation — Process Flow

The system calculates depreciation for the asset cost based on the standard depreciation method you assign to an asset.

```
Asset Master
Records
                          Calculate
                          Standard
                          Depreciation
Asset Item                                    Depreciation
Balance                                        Journal Report


                    G/L
                    Depreciation
                    Journal Entries
```
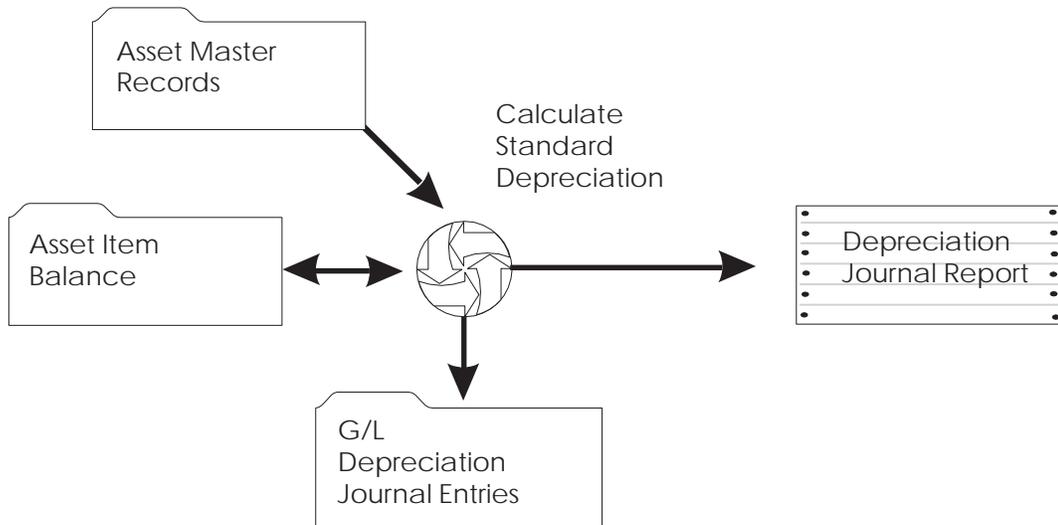
What You Should Know About

Life months	Life months are not required for predefined depreciation methods 06, 09, 11, and 15. If you enter life months for any of these methods, it is informational only. The system depreciates assets you assign these methods until the cost is fully depreciated or you dispose of the them.
	Life months are required for all user defined depreciation methods.
Depreciating an asset after disposal	When you dispose of an asset, the disposal program zeros out the cost and accumulated depreciation amounts in the AA ledger for the asset. When the AA ledger uses a mid-year convention for the asset's depreciation and the asset is not fully depreciated at the time of disposal, the depreciation program cannot calculate the final depreciation amount (cost and accumulated depreciation amounts both being zero as a result of the disposal program).
	To depreciate an asset after disposal, you must put a disposal date in the asset master record, compute depreciation, remove the date from the master record, and finally, run the disposal program to actually dispose of the asset.

Short years	A short year is a year where the normal number of periods is greater than the number of period ending dates set up in the Company Fiscal Date table (F0008). Use remaining life (R) for all the assets that your organization acquires before or during a short year. For example, if the first year for the depreciation of an asset is a short year, use the remaining life (R) method of computation.
Depreciation methods that use the mid-year convention (Y)	The system begins depreciation calculations for all methods that use the mid-year convention at the mid-point of a regular tax year. For example, if you place an asset in service in April of a calendar year and assign MACRS depreciation with the mid-year convention, the system will only calculate depreciation for one-half year beginning in July.

Method 00 — Null Depreciation

No depreciation is calculated.

Method 01 — Straight Line

The system depreciates the asset's cost (less salvage value) in equal amounts over the estimated useful life (life periods) of the asset.

When you use the straight line depreciation method, you can designate a mid-month, mid-quarter, or mid-year averaging convention. If you do not designate a convention, the system depreciates the full month for the period you place the asset in service.

When you use straight line depreciation, you must indicate one of the following computation methods:

Inception-to-date (I)	(((Cost − Salvage Value) / life months) * elapsed months) − accumulated depreciation = period depreciation.
	For example, depreciation for January 1998 would be calculated as follows:
	(((100,000.00 − 0) / 60) * 6) − 8,333.00 = 1,667.00

| **Remaining life (R)** | (((Net book value − salvage) / Remaining life periods) * months elapsed year-to-date) − year-to-date depreciation = period depreciation. |

For example, depreciation for January 1998 would be calculated as follows:

$$(((91{,}667.00 - 0) / 55) * 1) - 0 = 1{,}667.00$$

The following rules apply to this calculation:

- The cost less prior years' accumulated depreciation equals the net book value (NBV).
- If the NBV less salvage value is greater than zero, it is divided by the remaining life months as of the beginning of the current fiscal year.

| **Current period (P)** | Adjusted cost / life months = period depreciation. |

For example, depreciation for January 1998 would be calculated as follows:

$$(100{,}000.00 - 0) / 60 = 1{,}667.00$$

Method 02 — Sum of the Year's Digits

The system applies changing fractions each year to the adjusted cost of the asset. When you use this depreciation method, you must indicate the current year-to-date (C) computation method:

Current year-to-date (C)   (Cost − salvage value) * remaining useful life / sum of the years = year's depreciation. Year's depreciation / number of normal periods in the year = period depreciation.

The following rules apply to this depreciation calculation:

- The system converts life periods into years. For example, 36 life months / 12 months = 3 years.
- The denominator is the sum-of-the-years digits (SYD), calculated as follows:

    SYD = n * ((n + 1) / 2) where n = useful life in years.

    For example, if life months equals 36 (3 years), the SYD is 6:

    3 * ((3 + 1) / 2) = 6.
- The numerator is the remaining useful life at the beginning of the year.
- The system makes allocations throughout the useful life of the asset. For example, if you purchase an asset during the eighth month of the year, 5/12 of the first full year's depreciation is deductible in that year. In the second year, 7/12 of the first full year's depreciation, and 5/12 of the second year's depreciation are allowed. These allocations are followed for the entire life of the asset.
- If you want to accommodate the mid-year convention for an asset, you must change the depreciation start date to the midpoint of the year.

Methods 03, 04, and 05 — Declining Balance to Cross-Over

The declining balance to cross-over methods use the following percentages:

Method 03   125%

Method 04   150%

Method 05   200%

Although the system does not consider the salvage value of an asset during the depreciation calculation, it will not depreciate an asset below its salvage value.

When you use a declining balance to cross-over method to depreciate an asset, you must indicate one of the following methods of computation:

Inception-to-date (I)   ((NBV * percentage) / life periods * elapsed periods) – Accumulated Depreciation = period depreciation.

For example, using method 05, yearly depreciation would be calculated as follows:

1997: ((100,000.00 * 200%) / 60) * 17) – 16,667.00 = 40,000.00

1998: ((100,000.00 – 16,667.00) * 200% / 60) * 12 = 33,333.00

The following rules apply to this depreciation calculation:

- The cost less prior years' accumulated depreciation equals the net book value (NBV).
- Calculate NBV at the beginning of the year.
- When the NBV divided by remaining life months is greater than the depreciation for the period, you have reached "cross-over" for the asset. At this point, the depreciation for the period will equal the NBV divided by the remaining life months.

Remaining life (R)   NBV (if greater than zero) * percentage / remaining life periods = period depreciation.

For example, yearly depreciation would be calculated as follows:

1997: 100,000.00 * 200% / 60 * 5 = 16,667.00

1998: 83,333.00 * 200% / 60 * 12 = 33,333.00

The following rules apply to this depreciation calculation:

- When NBV divided by the remaining periods is greater than the period depreciation, you have reached "cross-over" for the asset.
- The cost is reduced by the accumulated depreciation for purposes of calculating NBV at the end of each fiscal year.

Alternative minimum tax (AMT)   You can use Method 04 (150% Declining Balance to Cross-over) for alternative minimum tax purposes.

Method 06 — Fixed Percent on Declining Balance

When you use the fixed percent on declining balance depreciation method, you must indicate one of the following methods of computation:

Current year-to-date (C) ((Cost − accumulated depreciation) * fixed percent) / number of normal periods = period depreciation.

Current period (P) The current period method of computation is the same as current year-to-date except that it does not "catch up" depreciation amounts within the year. If you run your first depreciation in March, the system calculates depreciation for March only. The system does not calculate depreciation for January and February.

Method 07 — ACRS Standard

You can use the Accelerated Cost Recovery System (ACRS) method to compute the tax depreciation deduction for most tangible depreciable property that you place in service after 1980 but before 1987. Cost recovery methods and period are the same for both new and used property. The system does not use the asset's salvage value to compute ACRS allowances.

ACRS standard depreciation uses only one method of computation:

Current year-to-date (C) (Cost − accumulated depreciation) * fixed percent based on ACRS IRS table) / number of normal periods = period depreciation.

Personal Property

The ACRS statutory recovery percentage for personal property that is placed in service after 1980 and before 1987 is determined by an IRS-prescribed table. The table takes into account the type of property (3-year, 5-year, 10-year, or 15-year) and the year you placed the property in service.

Real Property

Generally, the adjusted basis of real property is recovered over a period of 19 years for real property that is placed in service after May 8, 1985, but before 1987. For real property that is placed in service after March 15, 1984, but before May 9, 1985, the unadjusted basis is recovered over a period of 18 years. A 15-year recovery period applies to real property that is placed in service after 1980 but before March 16, 1984, and to low-income housing. The recovery

percentages for such property other than low-income housing is similar to the use of the 175% declining balance method with a later-year switch to the straight line method.

You can use the following conventions with the ACRS depreciation method:

Full-month	Can be used for real property that you place in service before March 16, 1984, and for low-income housing. With the full-month convention, the system handles real property that you place in service at any time during a particular month as being placed in service on the first day of that month. This allows a full month's cost recovery for the month that you placed the property in service. If you dispose of the property anytime during a particular month, but before the end of a recovery period, you are not allowed cost recovery for the month you disposed of the property.
Mid-month	Can be used for real property that you place in service after March 15, 1984. With the mid-month convention, the system handles real property that you place in service anytime during a particular month as being placed in service at the middle of that month. This allows a one-half month's cost recovery for the month you placed the property in service. If you dispose of the property during a month, but before the end of a recovery period, you are allowed cost recovery for one-half of the month you disposed of the property.
Mid-year	With the regular method of ACRS standard depreciation, the mid-year convention is mandatory and built into the applicable tables. You are not allowed any deduction for the year you dispose of an asset.

Method 08 — ACRS Optional

If you prefer a slower recovery on the cost of ACRS property than the percentages provided, you might elect to use a straight line recovery method. This method provides a longer recovery period.

The ACRS optional depreciation method uses one of two methods of computation:

Inception-to-date (I)   (((Cost − Salvage Value) / life months) * elapsed months) − accumulated depreciation = period depreciation.

For example, depreciation for January 1998 would be calculated as follows:

(((100,000.00 − 0) / 60) * 6) − 8,333.00 = 1,667.00

Remaining life (R)   (((Net book value − salvage) / Remaining life periods) * months elapsed year-to-date) − year-to-date depreciation = period depreciation.

For example, depreciation for January 1998 would be calculated as follows:

(((91,667.00 − 0) / 55) * 1) − 0 = 1,667.00

The following rules apply to this calculation:

- The cost less prior years' accumulated depreciation equals the net book value (NBV).
- If the NBV less salvage value is greater than zero, it is divided by the remaining life months as of the beginning of the current fiscal year.

The calculation for ACRS Optional is the same as Straight Line except for the following:

- The system bases the depreciation calculation on the cost, rather than the adjusted cost (cost less salvage value).

- The system use the mid-year convention for personal property.

- The system calculates a full month of depreciation in the month that you acquire the property and no depreciation in the month that you dispose of it for 15-year real property.

- The system calculates one-half month of depreciation in the months that you acquire and dispose of 18- and 19-year real property.

- If depreciation information is 04 (ACRS method with Basis Reduction), the system reduces the cost by one-half of the Income Tax Credit (ITC) amount assigned on Master Information.

Method 09 — Units of Production

When you use the units of production depreciation method, you must indicate the current year-to-date method of computation:

Current year-to-date (C) (Year-to-date production / depreciable unit base * (asset cost – accumulated depreciation).

The system calculates the depreciable unit base as follows:

Original units +/– revisions to estimate – prior year's production = depreciable unit base.

You must run the Units of Production Close procedure to roll current year information forward into the following year.

Method 10 — MACRS Luxury Cars – Domestic

You must apply the following rules to this method of depreciation:

- Method of computation must be current year-to-date
- Life months must be 60
- Convention must be mid-quarter (Q) or mid-year (Y)

You can take only a limited amount of annual depreciation on a passenger automobile for tax purposes:

After	**12/31/86**	1st year	2,560.00
Before	**01/01/89**	2nd year	4,100.00
		3rd year	2,450.00
		4th year	1,475.00
After	**12/31/88**	1st year	2,660.00
Before	**12/31/90**	2nd year	4,200.00
		3rd year	2,550.00
		4th year	1,475.00

After	**12/31/90**	1st year	2,660.00
Before	**12/31/91**	2nd year	4,300.00
		3rd year	2,550.00
		4th year	1,575.00
After	**12/31/91**	1st year	2,760.00
Before	**12/31/92**	2nd year	4,400.00
		3rd year	2,650.00
		4th year	1,575.00
After	**12/31/92**	1st year	2,860.00
Before	**01/01/94**	2nd year	4,600.00
		3rd year	2,750.00
		4th year	1,675.00
After	**12/31/93**	1st year	2,960.00
Before	**01/01/95**	2nd year	4,7000.00
		3rd year	2,850.00
		4th year	1,675.00
After	**12/31/94**	1st year	3,060.00
Before	**01/01/96**	2nd year	4,900.00
		3rd year	2,950.00
		4th year	1,775.00

Method 11 — Fixed Percent Luxury Cars – Foreign

Calculation: NBV * fixed percent = year's depreciation. Year's depreciation / number of normal periods = period depreciation.

The following rules apply to this method of depreciation:

- You must use the current year-to-date (C) method of computation.

- The depreciation amount for a year is limited to 2,000.00.

Method 12 — MACRS Standard

You must depreciate most tangible property that you place in service after 1986 using MACRS, for tax purposes. Depending on the type of property, you will recover the cost over a 3-, 5-, 7-, 10-, 15-, 20-, 27 1/2-, 31 1/2-, or 39-year period. You recover the cost using the applicable depreciation method, the applicable recovery period, and the applicable convention.

MACRS calculations use the following statutory recovery methods and conventions:

3-, 5-, 7-, and 10-year period calculations	The system calculates depreciation using the 200% declining balance method and the mid-year or mid-quarter convention, with a switch to the straight line method in later years.
27 1/2-, 31 1/2 , and 39-year period calculations	The system calculates depreciation using the straight line method and the mid-month convention.

To compute depreciation, the system uses MACRS depreciation tables which contain the annual percentage depreciation rates to be applied to the adjusted basis of property in each tax year. The tables include the appropriate convention and a switch from the declining balance method to the straight line method in the appropriate year.

Use one of the following conventions with this depreciation method:

Mid-month	You can apply this convention to residential and nonresidential real property. Based on this convention, the system calculates one-half month's depreciation for the month you acquired or disposed of the property.

Half-year	Apply this convention to property other than residential and nonresidential property. Based on this convention, the system calculates one-half year's depreciation for the year you acquire or dispose of the property.
Mid-quarter	You can apply this convention to all property other than nonresidential real property and residential rental property, if more than 40 percent of the total basis of such property is placed in service during the last three months of the tax year. Based on this convention, the system calculates depreciation at the midpoint of the quarter that you acquire or dispose of the property. The system computes the MACRS deduction for the first year by determining the depreciation for the full tax year and then multiplying it by one of the following percentages, depending on the quarter you placed the property in service:

- First quarter   87 1/2%
- Second quarter 62 1/2%
- Third quarter   37 1/2%
- Fourth quarter   2 1/2%

Method 13 — MACRS Alternative

You can use the MACRS alternative depreciation method for the following categories of property:

- Tangible property used outside the U.S.

- Property that is tax exempt

- Property that is tax exempt and bond financed

- Property that is imported from a foreign country for which an Executive Order is in effect because the country maintains trade restrictions or engages in other discriminatory acts

- Property for which you have made an alternative MACRS election

If you use the MACRS Alternative depreciation method, you must indicate the inception-to-date (I), current period (P), or remaining life (R) method of computation. You must also indicate a mid-month, half-year, or mid-quarter convention.

Method 14 — ACRS Alternate Real Property

You can use this depreciation method to recover costs by using a straight line method over the regular recovery period or a longer recovery period. You must make this election on your tax return for the year that you placed the property in service. The ACRS straight line depreciation tables contain the annual percentage depreciation rates. The rates are applied to the unadjusted basis of property in each tax year.

You must indicate the current year-to-date method of computation with the ACRS Alternate Real Property depreciation method.

Method 15 — Fixed Percent of Cost

The system calculates the fixed percent of cost depreciation method as follows:

Cost * fixed percent = year's depreciation. Year's depreciation / number of normal periods = period depreciation.

You must indicate the current year-to-date (C) or current period (P) method of computation with this depreciation method. The current period method is the same as the current year-to-date with the exception that it does not "catch up" depreciation amounts within the year. If you run your first depreciation in March, the system calculates depreciation for the month of March only. The system does not calculate depreciation for January and February.

Method 16 — Fixed Percent on Declining Balance to Cross-Over

You must indicate one of the following methods of computation with the fixed percent on declining balance to cross-over depreciation method:

Remaining life (R)   NBV (if greater than zero) * fixed percent / life months = period depreciation.

You must apply the following rules to this calculation:

- You have reached "cross-over" when the NBV divided by the remaining period is greater than the period depreciation. At this point, the period depreciation equals the NBV divided by the remaining periods.
- The cost is reduced by accumulated depreciation for purposes of calculating NBV at the end of each fiscal year.

Inception-to-date (I)   NBV * fixed percent / number of life months = period depreciation.

Apply the following rules to this calculation:

- After each full year an asset is in service, the cost is reduced by the accumulated depreciation to determine the NBV.
- You have reached "cross-over" when the NBV divided by remaining life months is greater than the period depreciation. At this point, the depreciation for the period will equal the NBV divided by the remaining life months.

Method 17 — AMT Luxury Autos

Apply the following rules to the AMT luxury autos method of depreciation:

- Method of computation must be inception-to-date (I) or remaining life (R).

- Life months must be 36 or 60.

- Depreciation information must be mid-quarter convention (Q) or mid-year convention (Y).

- The annual deduction is the amount calculated from 150% declining balance method (Method 04), subject to the cost recovery ceilings for passenger automobiles.

You can take only a limited amount of annual depreciation on a passenger automobile for tax purposes.

See Also

- *Method 10 — MACRS Luxury Cars – Domestic* for the table of annual depreciation limits

Method 18 — ACE Luxury Autos

Apply the following rules to ACE Luxury Autos method of depreciation:

- Method of computation must be inception-to-date (I) or remaining life (R)

- Life months must be 36 or 60

- Depreciation information must be mid-quarter convention (Q) or mid-year convention (Y)

The annual depreciation is the amount calculated from the straight line method (Method 01), subject to the cost recovery ceilings for passenger automobiles.

See Also

- *Method 10 — MACRS Luxury Cars – Domestic* for the table of annual depreciation limits

User Defined Depreciation Methods

Although the J.D. Edwards Fixed Assets system provides a wide range of standard depreciation rules, you might need a specific depreciation algorithm other than those provided with the standard depreciation rules.

An organization that operates in a multi-site, multi-national, and/or multi-currency environment is likely to require a broad sample of the variations of the elements of depreciation. With user defined depreciation, you have access to all the elements of the depreciation equation. You can use these elements to define depreciation methods to meet your unique depreciation needs.

Elements of Depreciation

Use user defined depreciation to control how the system processes the following elements of depreciation equations:

Cost	Costs occur in different dimensions for different assets according to the nature of the costs, such as buildings, equipment, vehicles, and so on. Cost also occurs for a single asset in multiple books or ledgers for such purposes as financial accounting, consolidated reporting, management and cost accounting and regulatory purposes.

Cost can affect depreciation in many different ways. For example:

- Several elements of asset cost may exist in a single book or ledger
- Several elements of cost might exist at one specific time, or spread out over time
- Cost might exist concurrently in multiple currencies
- Cost in one dimension might be a function of the cost in another dimension

Salvage value and depreciable basis

At the end of the life of an asset, when it is no longer suitable for use within your organization, there might still be some residual value. This value, whether it is realized from the market, or from scrapping and salvaging, is referred to as the salvage value. Typically, the amount that is amortized over the life of an asset excludes this amount.

The salvage value is used in the depreciation process to arrive at the depreciable basis of that asset, or the cost less the salvage value.

Life years

The life of an asset is represented in the depreciation process as a subdivision of time. Different depreciation methods might use different subdivisions of time. For example, the subdivision of time might be:

- The same as the fiscal year of your organization
- Related to the date the cost for the asset is incurred
- Related to the year of a political or regulatory entity

Dates

Depreciation takes place over time. Consequently, there are many instances in the depreciation process in which different dimensions of time are important. Dates that might especially affect the depreciation process include:

- Asset acquisition dates
- Depreciation start dates
- Asset disposal dates
- Cost expiration date

Frequently, depreciation conventions require a modification of one or more of these dates.

Reporting years

The reference points in time can be a variable in the depreciation process. For example, a single legal entity might be required to determine and report depreciation according to different patterns of dates. Also, the fiscal years of entities might change.

Formulas	The depreciation formula might be as simple as a single percentage of the cost that applies to each year throughout the life of the asset. Or, the formula might relate to the utilization of the asset. The potential for formula variations is virtually infinite. For example: • Salvage value can be a factor in the depreciation formula. • The formula might provide occasions where the depreciation stops, and then resumes. • Multiple depreciation formulas can relate to the same cost.
Limits and bases	The amount you depreciate an asset can be subject to limits and bases. The limits and bases might be sensitive to particular dates. For example, the entire depreciation formula might be appropriate to a specific period of time, or a specific portion of the life of the asset.
Depreciation accounts	Two accounts are especially important in the depreciation process: • Depreciation Expense – As you compute depreciation for the basis of an asset, the result is recorded as an expense of each of the years benefited by the cost. • Accumulated Depreciation – It is important to know the original cost of an asset. The expiration of the cost is recorded in an account that can be considered a part of the cost account. This contra account is called the Accumulated Depreciation account. In some cases, the depreciation mechanism might require multiple accumulated depreciation and depreciation expense accounts.

User Defined Depreciation Concepts

The Fixed Assets system uses account rules and depreciation rules. Account rules define the association between cost accounts and the related accumulated depreciation and depreciation expense accounts. Depreciation rules define the algorithm that the system applies to the cost of an asset over the course of the asset's life every time you run a program to compute depreciation.

Depreciation rules are the key to user defined depreciation. To understand depreciation rules, it is important to understand the following concepts:

Dates
Depreciation rules are date sensitive. When you set up depreciation rules, you must specify the dates that rule is effective.

Cost
The cost for an asset is the focal point of the depreciation equation. The system uniquely identifies each cost for an asset.

Apportionment – periodic and cumulative
The system stores the apportionment of a cost over time as a cumulative balance in Accumulated Depreciation Item Balance records. The system stores the periodic apportionment of the cost in Depreciation Expense Item Balance records. Each depreciable cost has at least one periodic and one cumulative record for each year of the life of the asset.

General ledger accounts
Each Item Balance record is associated with an asset master record. The nature of an account refers to the type of cost. Asset costs are typically classified into categories, such as Real Property, Machinery, Equipment and so on. The balance sheet business unit includes the cost and accumulated depreciation for the asset. For depreciation expense, the business unit might be an operating department, a project, or a location.

Item balance character
The system uses a character code to uniquely identify each Item Balance record that is related to depreciation. The character code indicates whether a record is a cost, accumulated depreciation or depreciation expense. Other accounts that are not related to the depreciation process, but are important to the depreciation equation, such as disposal accounts, are also identified by the system with an Item Balance Character code. Item Balance Character codes enable the system to identify and access specific records easily.

Asset
The system associates cost with an asset. You use category codes to classify assets within an accounting category and a depreciation category.

Annual depreciation amount

The system accesses various depreciation rules for an asset by codes in the Item Balances table. The codes identify depreciation method, computation direction, and so on for each depreciation rule you use. Based on the specific depreciation rule, the system calculates depreciation on an annual basis. The system stores the annual depreciation amount for an asset in the associated Item Balance Accumulated Depreciation record. Once the system calculates the annual depreciation amount. any special conventions related to the initial apportionment of the depreciation the first year are accomplished based on the options you define for the specific rule.

Periodic depreciation journal entries

The annual depreciation amount is subject to spread patterns of percentages that determine how the annual depreciation is to be apportioned to periods within a year. Any conventions that relate to special apportionment during the first, last, and disposal year are applied. The system creates general ledger journal entries based on the rules established for each ledger. The Item Balance records for the depreciation expense and accumulated depreciation expense are updated based on the account rules.

User Defined Depreciation Calculation — Process Flow

Depreciation calculation is the dominate process in user defined depreciation. The system calculates depreciation for an asset cost based on the depreciation rules you define. The rules are related to the category of the asset cost. The system determines which depreciation rule to use by associating accounting and depreciation categories in the asset master record and the cost account in the "cost" Item Balance record with the corresponding information in the depreciation rule.

```
Accounting and              Asset Master
Depreciation Rules          Records

                                         Asset Item
                                         Balance

                       Calculate
                       User  Defined
                       Depreciation

Depreciation
Journal Report         G/L
                       Depreciation
                       Journal Entries
```

Enter Units of Production

G12   Fixed Assets
       Enter *27*

G1231   Advanced Operations
         Choose *Units of Production
         Schedule*
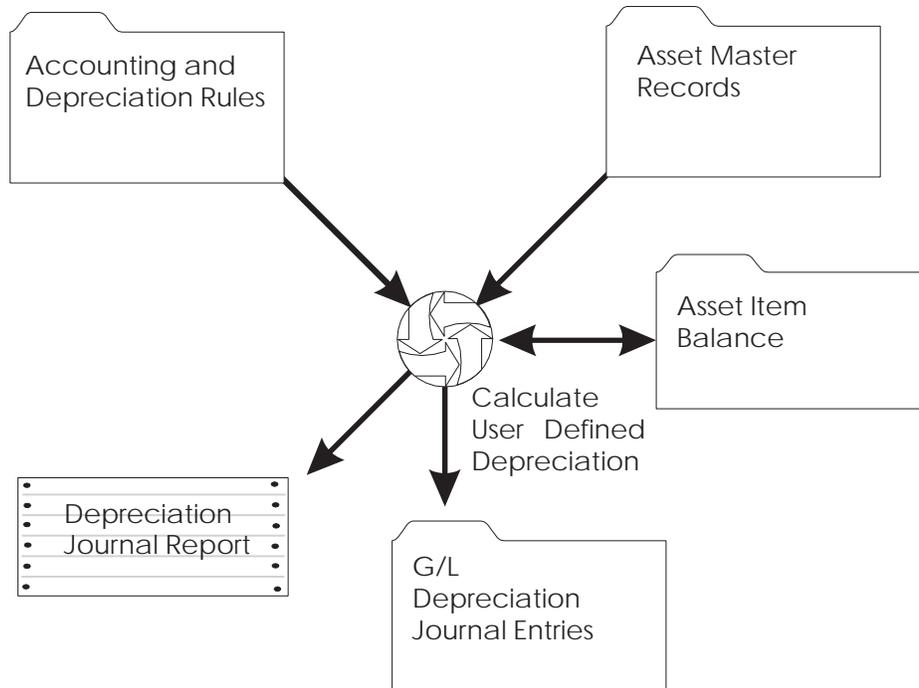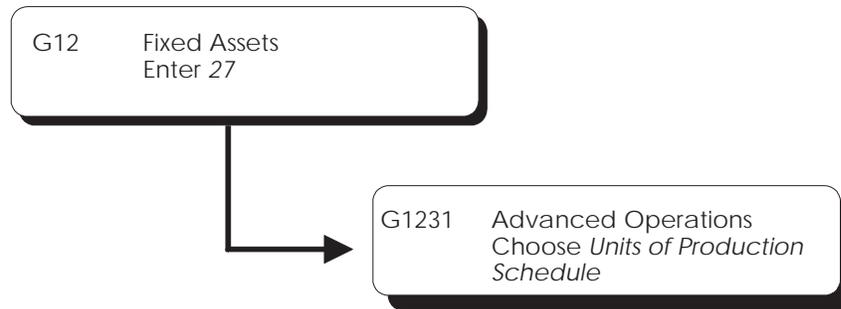
Entering Units of Production

Enter units of production only if your company uses units of production to compute depreciation (Method 09). If you do not use units of production to compute depreciation, you do not need to enter units of production.

You enter units of production to provide the system with the current production information it needs to compute depreciation based on the units of production method (Method 09).

You can use the Units of Production Schedule form to track your original estimate of the total number of units in the reserve base, the total of your prior year revisions to the original estimate, and current year revisions to the original estimate. You can change these amounts as your estimates for production change throughout the year. When you run the annual close, the system automatically rolls the totals to prepare for the new year of estimates and revisions.

You must enter units of production *before* you run the Compute Depreciation program. The system calculates the units of production depreciation for a period only if you update the year-to-date production amount for the period.

Before You Begin

☐ Set up the units of production schedule

▶   **To enter units of production**

On Units of Production Schedule


```
[1208] - Units of Production Schedule                        _ □ ✕
Functions    Tools    Help

  Schedule Number                          GRAVEL
  Ledger Type                       AA

  Description                       Tons of Gravel
  Unit of Measure                   TN  Ton
  Units - Original                          200,000.00
        - Prior Year Revisions               50,000.00
        - Current Year Revisions             20,000.00
  Prior Years Production                     15,000.00

  Depreciable Unit Base                     255,000.00

  Y-T-D Production                           21,550.00

  Current Unit of Production Factor        .08450980


   ✔  ✘                          ₁i  ₂▲  ₄✚  ₅▬   ↑
     F24=More Keys                                MW   ↓
```

1. Complete the following fields to locate a unit of production schedule:

   • Schedule Number

   • Ledger Type

2. Complete the following field to update the schedule:

   • Year-to-Date Production

Field	Explanation
Schedule #/Method 9	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.

Field	Explanation
Ledger Type	The user defined ledger type code (system 09, type LT) that identifies the account ledger, or book, for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values.
	. . . . *Form-specific information* . . . .
	Each schedule you create is a combination of a unique schedule number and a ledger type.
Units – Produced Year to Date	Units that were produced year-to-date. You must manually update this field. The system uses the value in this field to calculate the Current Unit of Production Factor.

See Also

- *Understand Depreciation Methods* for more information about the units of production method of depreciation

- *Setting Up Units of Production (P1208)*

Calculate Depreciation

Calculating Depreciation

Use the Fixed Assets system to calculate depreciation year-to-date, through the "as of" date that you specify. You can compute asset depreciation each period, quarterly, or annually.

The Fixed Assets system includes two depreciation calculation programs. Run the Compute Depreciation program to calculate depreciation for assets to which you assign J.D. Edwards standard depreciation methods (Methods 01–18). Run the Compute User Defined Depreciation program to calculate depreciation for assets to which you assign user defined depreciation methods.

You can run both depreciation programs in Preliminary or Final mode. J.D. Edwards strongly recommends that you run a preliminary depreciation for proofing purposes before you run the actual, or final, depreciation.

Calculating depreciation consists of the following tasks:

- ❑ Calculating standard depreciation

- ❑ Calculating user defined depreciation

- ❑ Reviewing the depreciation journal

- ❑ Posting depreciation to the G/L

Running Preliminary Depreciation

Preliminary depreciation does not create journal entries or update any tables. You can run preliminary depreciation as many times as you need.

The preliminary depreciation process does the following:

- Edits the information you enter in the processing options.
- Edits the accounts to which the system will post the depreciation journal entries.
- Prints a report that shows the amounts that will post to each depreciation account when you run the final depreciation. This report also shows cost, resulting accumulated depreciation, depreciation information, and year-to-date depreciation for the assets you specify.

If the system finds any errors during the preliminary depreciation, an error message prints on the preliminary report. You should correct any errors that appear on the report and rerun the preliminary depreciation.

Access the depreciation information you have set up for individual assets or asset classes to correct the errors that show on the preliminary depreciation report. You can review and revise this information whenever you need to make changes to depreciation computations.

Running Final Depreciation

When you run a depreciation program in final mode, the system creates depreciation journal entries and posts them to the Item Balances table (F1202). The system also submits the depreciation journal entries to the general ledger post program to update the Account Ledger table (F0911).

The final depreciation process does the following:

- Edits the information that you enter in the processing options.

- Edits the accounts to which the system will post the depreciation journal entries.

- Prints a report that shows the amounts posted to the depreciation accounts for each asset number. If there is an error, the depreciation process does not create journal entries for that particular asset and an error message prints on the report.

- Creates fixed asset journal entries for the accumulated depreciation and depreciation expense accounts affected by the depreciation. These journal entries have a document type of DP (Depreciation) and a batch type of X.

- Updates the Item Balances table (F1202).

- Can submit depreciation journal entries for batch processing in order to post to the general ledger using the version specified in the processing options.

Before You Begin

- ❑ You must run the annual close for the previous year account balances before the system can generate depreciation journal entries for a new fiscal year.

See Also

- *Verifying Depreciation Information (P1202)* for more information about reviewing and revising depreciation information

- *Setting Up Depreciation Rules (P12851)* for more information about user defined depreciation

Calculating Standard Depreciation
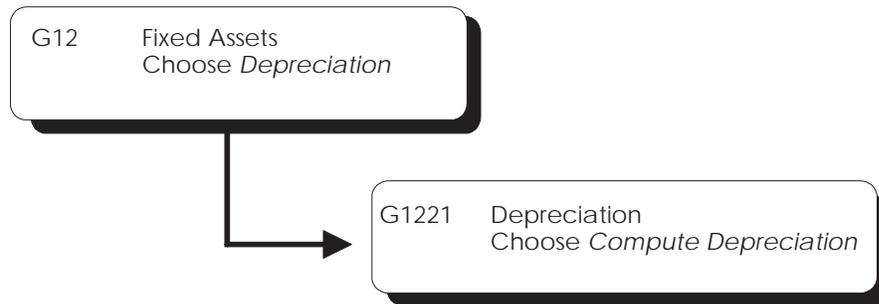
```
G12      Fixed Assets
         Choose Depreciation
```

```
G1221    Depreciation
         Choose Compute Depreciation
```

Use the Compute Depreciation program to calculate depreciation for assets to which you assign J.D. Edwards standard depreciation methods (Methods 01–18).

When you select Compute Depreciation, the system displays a DREAM Writer versions list. The DREAM Writer version list includes DEMO versions that you can run or copy and modify to suit your needs. When you run a version, the system displays Processing Options Revisions before submitting the job for processing.

When you run Compute Depreciation in final mode, the system creates depreciation journal entries. The system automatically posts the journal entries to fixed assets and submits the journal entries to the general ledger post program for posting.

You can post the depreciation journal entries to the Account Balances table (F0902), or you can set up your system to automatically post the entries. In order for the system to automatically post depreciation journal entries to the general ledger, you must:

- Set Management Approval of Input to No (N) in General Accounting Constants

- Indicate a post version in the processing options for the Compute Depreciation program

Generating the Depreciation Journal Report

You can verify the results of the depreciation post. After each preliminary and final depreciation computation, the system generates a Depreciation Journal report. The report includes the following information:

Percentage/Cross-over (%/XO)	Two asterisks (**) appear in this field if the asset has reached crossover for the declining depreciation methods (methods 03, 04, 05, or 16). The asset reaches crossover when straight line depreciation produces a larger expense than declining depreciation. The system then starts calculating deprecation based on straight line computations.
	A percent appears in this field if you use methods 06, 11, or 15. This number is entered in the Method % field on Depreciation Information. If you use method 16, which uses a fixed percent and crossover, a percent appears in this field instead of two asterisks.
Depreciation cost	The original acquisition cost of an asset plus any additional costs.
Accumulated depreciation	The ending accumulated depreciation amount of the asset. The amount is cumulative. The system calculates the amount according to the "as of" date for the report.

Depreciation Journal

12850

```
                                          J.D. Edwards & Company                        Page      -    3
                                           Depreciation Journal                         Date      -    06/30/98
                                                                                        As of. . . -  06/30/98
Preliminary
A Model Construction Mgmt Co
Depr Exp Acct -     YARD.8315.
```

Parent No./ Item No.	Description/ Accum Depr Account	Start Depr	LT	De Me	D %/ I	M XO	C	Lif Mos	Cost	. . . . . . Accumulated	Depreciation . Year to Date	. . . . Current	Salvage Value	Meth 9 Sch No	Sub Ledger/Ty
1006	Office Building														
1006	50.2120.	07/15/96	AA	01	0		R	360	75,364.72	5,024.34	1,256.10				
		07/15/96	D1	12	M		C	378	75,364.72	4,685.79	1,196.40				
		07/15/96	D3	13	M		I	480	75,364.72	3,689.73	941.93				
		07/15/96	D4	01	M		I	480	75,364.72	3,689.73	941.93				
		07/15/96	D5	01	M		I	450	75,364.72	3,935.78	1,187.98				
		07/15/96	AA	01	0		R	360	1,325.01	23.22	23.22	23.22			00001901 W
		07/15/96	D1	12	M		C	378	1,325.01	21.06	21.06	21.06			00001901 W
		07/15/96	D3	13	M		I	480	1,325.01	64.86	64.86	64.86			00001901 W
		07/15/96	D4	01	M		I	480	1,325.01	64.86	64.86	64.86			00001901 W
		07/15/96	D5	01	M		I	450	1,325.01	69.09	69.09	69.09			00001901 W
Total Depr Exp Account . . .			AA						76,689.73	5,047.56	1,279.32	23.22			
			D1						76,689.73	4,706.85	1,217.46	21.06			
			D3						76,689.73	3,754.59	1,006.79	64.86			
			D4						76,689.73	3,754.59	1,006.79	64.86			
			D5						76,689.73	4,004.87	1,257.07	69.09			

12850

```
                                          J.D. Edwards & Company                        Page      -    4
                                           Depreciation Journal                         Date      -    06/30/98
Preliminary
A Model Construction Mgmt Co
Depr Exp Acct -     YARD.8320.
```

Parent No./ Item No.	Description/ Accum Depr Account	Start Depr	LT	De Me	D %/ I	M XO	C	Lif Mos	Cost	. . . . . . Accumulated	Depreciation . Year to Date	. . . . Current	Salvage Value	Meth 9 Sch No	Sub Ledger/Ty
1035	Executive Desks														
1035	50.2160.	10/15/96	AA	01	0		R	60	9,617.47	3,366.11	961.74				
		10/15/96	D1	12	Y		C	84	9,617.47	4,570.73	841.08				
		10/15/96	D3	13	Y		I	120	9,617.47	1,923.60	480.98				
		10/15/96	D4	04	Y		I	120	9,617.47	2,622.83	566.61				
		10/15/96	D5	01	Y		I	120	9,617.47	1,923.60	480.98				
Total Depr Exp Account . . .			AA						9,617.47	3,366.11	961.74				
			D1						9,617.47	4,570.73	841.08				
			D3						9,617.47	1,923.60	480.98				
			D4						9,617.47	2,622.83	566.61				
			D5						9,617.47	1,923.60	480.98				

```
12850                              J.D. Edwards & Company               Page    -      6
                                     Depreciation Journal                 Date    - 06/30/98
                                                                          As of. . .  06/30/98
Preliminary
A Model Construction Mgmt Co
Depr Exp Acct -        YARD.8421.

Parent No./  Description/           Start    De D %/ M Lif       . . . . . . . Depreciation . . . . . . .    Salvage      Meth 9    Sub
   Item No.  Accum Depr Account     Depr     LT Me I XO C Mos         Cost   Accumulated Year to Date  Current      Value      Sch No   Ledger/Ty
------------ -------------------------- -------- -- -- - -- - ---  ------------ ------------ ------------ ------------   ------------ ------------ ----------
             Total Company. . . . . .050          AA        325,535.03    33,142.91     11,332.77     1,635.57-
                                                  D1        181,255.94    51,391.03     10,863.04        20.32
                                                  D3        181,255.94    23,233.83      6,235.22        64.86
                                                  D4        181,255.94    30,431.18      7,317.69        64.86
                                                  D5        181,255.94    23,484.11      6,485.50        69.09

                    Summary Totals by Account, Ledger Type
                    Accumulated Depre. Account       Amount  LT Subldgr/Ty
                    -------------------------- -------------- -- ----------
                              50.2120.            23.22- AA 00001901 W
                              50.2120.            21.06- D1 00001901 W
                              50.2120.            64.86- D3 00001901 W
                              50.2120.            64.86- D4 00001901 W
                              50.2120.            69.09- D5 00001901 W
                              50.2130.              .74  D1
                              50.2130.           1,658.79 AA
                    Depre. Expense Account           Amount  LT Subldgr/Ty
                    -------------------------- -------------- -- ----------
                              YARD.8315.           23.22  AA 00001901 W
                              YARD.8315.           21.06  D1 00001901 W
                              YARD.8315.           64.86  D3 00001901 W
                              YARD.8315.           64.86  D4 00001901 W
                              YARD.8315.           69.09  D5 00001901 W
                              YARD.8421.             .74- D1
                              YARD.8421.          1,658.79- AA
```

```
12850                              J.D. Edwards & Company               Page    -      7
                                     Depreciation Journal                 Date    - 06/30/98
                                                                          As of. . .  06/30/98
    Preliminary
    A Model Construction Mgmt Co
Depr Exp Acct -        YARD.8421.

Parent No./  Description/           Start    De D %/ M Lif       . . . . . . . Depreciation . . . . . . .    Salvage      Meth 9    Sub
   Item No.  Accum Depr Account     Depr     LT Me I XO C Mos         Cost   Accumulated Year to Date  Current      Value      Sch No   Ledger/Ty
------------ -------------------------- -------- -- -- - -- - ---  ------------ ------------ ------------ ------------   ------------ ------------ ----------
             Grand Total. . . . . . . .          AA        325,535.03    33,142.91     11,332.77     1,635.57-
                                                  D1        181,255.94    51,391.03     10,863.04        20.32
                                                  D3        181,255.94    23,233.83      6,235.22        64.86
                                                  D4        181,255.94    30,431.18      7,317.69        64.86
                                                  D5        181,255.94    23,484.11      6,485.50        69.09
```

What You Should Know About

Date selection   You must choose to use either processing option 2 or processing option 3.

Use processing option 2 to run depreciation for a specific period and fiscal year based on the fiscal date patterns you have set up for your system.

Use processing option 3 if you want to calculate through a specific date, as in 4-4-5 accounting. If you use processing option 3, the system calculates the actual number of days to use in the depreciation method for each asset.

See *Setting Up Asset Acquisition Years* for more information about fiscal date patterns and 4-4-5 accounting.

Convention selection   If you budget your assets with a mid-year convention, and a legal stipulation requires that you change the convention for all your first year assets to a mid-quarter convention, you can use processing options 4 and 5. You can use STAR to determine whether or not you need to change the convention for your first year assets.

G/L selections   Processing option 11 works only when:

- You run the depreciation program in final mode
- You have Management Approval set to No (N) on System Constants

See Also

- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Calculate Depreciation

```
Processing Mode:
1) Enter "P" for Preliminary or "F" for        _____
   Final.  (DEFAULT is Preliminary.)

Date Selection:
2) Enter through period and fiscal year.
   Leave blank to use current period and
   fiscal year.                    Period:    _____
                                   Year:      _____
3) Enter through date.                        _____
   Leave blank to use period number and
   fiscal year. Use for 4/4/5 accounting
   and daily depreciation. NOTE: Read
```

Depreciation Help instructions for
date pattern set up rules.

Convention Selection:
4) Update first year assets using   _____
   Depreciation Methods 10, 12, 13, 17,
   and 18 with selected convention.
    N = Mid-Year Convention   (DEFAULT)
    Y = Mid-Quarter Convention
5) Enter up to three additional ledgers   _____
   (AMT, ACE, E&P) for updating first   _____
   year assets using Depreciation   _____
   Methods 01, 03, 04, and 05 with
   convention selected in option 4.

Record Selection:
6) Identify ledger type selection.   _____
   Leave blank to select all ledgers.
7) Identify asset print selection.   _____
    blank = assets with current period
            calculated depreciation.
    1   = all assets where deprecia-
            tion method is not 00 and
            asset is set up in fiscal
            year selected. No current
            period calculated depre-
            ciation is required.

Print Selection:
8) Identify how to print asset number.   _____
     1 = Item Number   (DEFAULT)
     2 = Unit Number
     3 = Serial Number
9) Identify how to print all Amounts.   _____
     blank = Amounts w/ commas (DEFAULT)
     1   = Amounts w/o commas
10) Enter a '1' to print alternate   _____
    format with enlarged Amount fields.
    Leave blank to print regular
    format (DEFAULT).

G/L Selections:
11) Enter a G/L Post version to be   _____
    executed automatically if processing
    in Final Mode (i.e. ZJDE0016).
12) Transaction (F0911) summarization   _____
    selection for Accumulated Depre-
    ciation and Depreciation Expense
    Accounts.
     blank = no summarization
     1   = summarize
    NOTE: If you summarize, there will
    be no detail by item number to
    support the Item Balances. You can
    not then use the F/A Repost program.

13) Transaction (F0911) creation   _____
    selection for 'AA' ledger.
    blank = create
    1   = do not create
    NOTE: If you do not create trans-
    action records for the AA ledger,
    you will not have detail to support
    the Item Balances. You can not then
    use the F/A Repost program. This is

```
                 generally used at implementation
                 where the Account Balances have
                 already been updated and only the
                 Item Balance requires updating.
```

Calculating User Defined Depreciation

```
┌─────────────────────────────────┐
│ G12      Fixed Assets           │
│          Type 27                │
│                                 │
└─────────────────────────────────┘
         │
         │      ┌─────────────────────────────────┐
         └─────▶│ G1231    Advanced Operations    │
                │          Choose Compute UDD     │
                │          Depreciation           │
                └─────────────────────────────────┘
                         │
                         │      ┌─────────────────────────────────┐
                         └─────▶│ G1233    Compute User Defined   │
                                │          Depreciation           │
                                │          Choose an option       │
                                └─────────────────────────────────┘
```
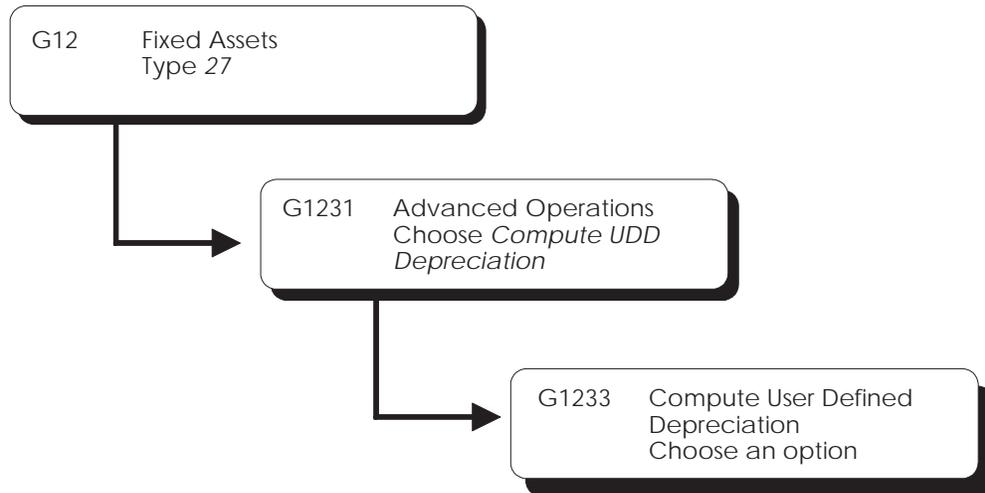
Use the Compute User Defined Depreciation program to calculate depreciation
for assets to which you assign user defined depreciation methods. The program
refers to the special handling code in the depreciation methods you set up for
the user defined codes table for Depreciation Methods (12/DM) to determine
whether or not the deprecation method is user defined.

When you run the Compute User Defined Depreciation program, the program
calculates and stores the annual depreciation amount for each asset in the Item
Balances table (F1202). The program refers to the Spread Pattern table that
relates to the depreciation rule and applies the Year-to-Date Percentage to the
annual depreciation amount. The resulting calculation is the depreciation amount
for the current period.

When you select Compute User Defined Depreciation, the system displays a
DREAM Writer versions list. The DREAM Writer versions list includes DEMO
versions that you can run or copy and modify to suit your needs. When you run
a version, the system displays Processing Options Revisions before submitting
the job for processing.

When you run Compute User Defined Depreciation in final mode, the system
creates fixed asset and general ledger journal entries. The system automatically
posts the fixed asset journal entries and then submits the general ledger journal
entries for posting.

You can approve and post the general ledger journal entries, or you can set up your system to automatically post the entries when you run the depreciation program. In order for the system to automatically post depreciation journal entries to the general ledger, you must:

- Set Management Approval of Input to No (N) in General Accounting Constants

- Indicate a post version in the processing options for the Compute User Defined Depreciation program

Generating the User Defined Depreciation Journal Report

You can verify the results of the user defined depreciation calculation program. The system generates a User Defined Depreciation Journal report for each preliminary and final depreciation computation you run. You can use processing options and data selections in combination to control the amount of detail information that prints on the report. You can use the report as an audit tool for determining whether user defined rules and formulas reflect accurate asset depreciation information.

The User Defined Depreciation Journal report prints each user defined depreciation method on a separate page and includes three types of information:

Account class and depreciation information	Identifies account classes and the user defined depreciation methods you assigned to each class in Depreciation Default Coding. Use this section of the report to review how the program made specific depreciation calculations.
Asset numbers and journal entry amounts	Lists each asset that you assigned to the account class and the depreciation for the period calculated by the specific user defined method.
	Depending on the processing options and data selections you choose, you can review the specific depreciation formulas and element values that the depreciation calculation program used to arrive at the final depreciation amount for an individual asset.
Company totals	Prints the total amounts for accumulated depreciation and depreciation expense accounts by ledger and company. This section of the report also lists account numbers and subledger information.

User Defined Depreciation Journal

```
 12855                                     J.D. Edwards & Company                          Page:       -        3
                                            Depreciation Journal                           Date:       -   5/23/96
Preliminary    :                                                                           As of:      -  12/31/96
Company        :    50 A Model Construction Mgmt Co    Ledger Type:   AA
Account Category: 30    Heavy Equipment               Depr Category:      Computer Equipment
Cost Account    :         50.2030                     Subled/Type:
Accum Depr Acct :         50.2130                     Description:   Straight Line - 5 year
Deprec. Method : 01    Straight Line Depreciation     Life Periods:    60 Initial Term:   1st Day of 1st Month          Patt: - R
Compute Direct. : R      Remaining months             In Service  :   01/01/00 -               Effective: 01/01/00 -
                                          * Start Dates *  Life                 Annual            YTD   Journal Entry
Item No.       Description / Account      Actual  Modified Year      Cost       Accum Depr     Percent    Amount
-------------- -------------------------- -------- -------- ---- --------------- ---------------- -------- ----------------
     444       444                        10/15/96 10/01/96 001                                  100.0000
               Depreciation                       YARD.8441
```

```
 12855                                     J.D. Edwards & Company                          Page:       -        4
                                            Depreciation Journal                           Date:       -   5/23/96
Preliminary    :                                                                           As of:      -  12/31/96
Company        :    50 A Model Construction Mgmt Co    Ledger Type:   AA
Account Category: 30    Heavy Equipment               Depr Category:      Computer Equipment
Cost Account    :         50.2030                     Subled/Type:
Accum Depr Acct :         50.2130                     Description:   Straight Line - 3 year
Deprec. Method : 01    Straight Line Depreciation     Life Periods:    36 Initial Term:   1st Day of 1st Month          Patt: - R
Compute Direct. : I      Inception to date            In Service  :   01/01/00 -               Effective: 01/01/00 -
                                          * Start Dates *  Life                 Annual            YTD   Journal Entry
Item No.       Description / Account      Actual  Modified Year      Cost       Accum Depr     Percent    Amount
-------------- -------------------------- -------- -------- ---- --------------- ---------------- -------- ----------------
     500       test 500-char code w/depr  01/01/96 01/01/96 001     6,000.00       2,000.00    100.0000          0.04
               Depreciation                       50.8441                                                        0.04-
```

User Defined Depreciation Journal with Details

```
12855                                       J.D. Edwards & Company                         Page:       –       3
                                             Depreciation Journal                           Date:       –    5/23/96
Preliminary    :                                                                            As of:      –   12/31/96
Company        :    50 A Model Construction Mgmt Co    Ledger Type:   AA
Account Category: 30    Heavy Equipment                Depr Category:      Computer Equipment
Cost Account   :        50.2030                        Subled/Type:
Accum Depr Acct :       50.2130                        Description:   Straight Line – 5 year
Deprec. Method : 01    Straight Line Depreciation      Life Periods:   60 Initial Term:   1st Day of 1st Month          Patt: – R
Compute Direct. : R    Remaining months                In Service :  01/01/00 –            Effective: 01/01/00 –
                                           * Start Dates * Life                 Annual            YTD   Journal Entry
Item No.      Description / Account        Actual  Modified Year     Cost     Accum Depr     Percent    Amount
-------------  --------------------------- -------- -------- ---- ---------------- ----------------- -------- ----------------
    444      444                           10/15/96 10/01/96 001                              100.0000
             Depreciation                           YARD.8441
   DETAIL:      Depreciation           Basis                  Base            Limit            Salvage         Multiply
    Rule 1  SL (Remaining Days)   Remaining Basis
               -------------------- -------------------- -------------------- -------------------- -------------------- ---------
               Element                                                 Amount
             -------------------------------------------------------- -------------------------
    15  Asset Life Days Remaining to Beginning of Current Year         1,827.000000
    16  Asset Life Days to Depreciate – Current Year                      92.000000
```

```
12855                                       J.D. Edwards & Company                         Page:       –       4
                                             Depreciation Journal                           Date:       –    5/23/96
Preliminary    :                                                                            As of:      –   12/31/96
Company        :    50 A Model Construction Mgmt Co    Ledger Type:   AA
Account Category: 30    Heavy Equipment                Depr Category:      Computer Equipment
Cost Account   :        50.2030                        Subled/Type:
Accum Depr Acct :       50.2130                        Description:   Straight Line – 3 year
Deprec. Method : 01    Straight Line Depreciation      Life Periods:   36 Initial Term:   1st Day of 1st Month          Patt: – R
Compute Direct. : I    Inception to date               In Service :  01/01/00 –            Effective: 01/01/00 –
                                           * Start Dates * Life                 Annual            YTD   Journal Entry
Item No.      Description / Account        Actual  Modified Year     Cost     Accum Depr     Percent    Amount
-------------  --------------------------- -------- -------- ---- ---------------- ----------------- -------- ----------------
    500      test 500-char code w/depr     01/01/96 01/01/96 001     6,000.00      2,000.00  100.0000       0.04
             Depreciation                           50.8441                                                 0.04-
   DETAIL:      Depreciation           Basis                  Base            Limit            Salvage         Multiply
    Rule 1  SL("I" – 1st Year)    Basis(Cost-Salvage)
               -------------------- -------------------- -------------------- -------------------- -------------------- ---------
                     2,000.00            6,000.00
               Element                                                 Amount
             -------------------------------------------------------- -------------------------
    01  Asset Cost-Inception Through Current Year                      6,000.00000000
    03  Asset Life in Periods        (Rounded to Whole Periods)           36.000000
    10  Basis Amount                 (as Calculated in Annual Rule)     6,000.00000000
    49  Normal Number of Periods     (Company/LT Rule)                    12.000000
    50  Initial Year Apportionment %                                      1.000000
```

See Also

- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Compute User Defined Depreciation

```
Processing Mode:
1) Enter 'P' for Preliminary or 'F' for          _____
   Final.      (DEFAULT is Preliminary)

Date Selection:
2) Enter the Thru Date.                           _____

Print Selections:
3) Identify how to print Asset Number.            _____
     1 = Item Number          (DEFAULT)
     2 = Unit Number

4) Identify how to print Amounts.                 _____
     blank = Amounts w/ commas (DEFAULT)
     1     = Amounts w/o commas
5) Identify Asset print selection.                _____
     blank = Assets where depreciation
             method is not 00 and Asset
             is set up in Fiscal Year
             selected. No current period
             calculated Depreciation is
             required.

6) Enter a '1' to print Rule Details.             _____

7) Enter a '1' to print totals without            _____
   Subledgers (summarized to Account).

8) Enter a '1' to display Formula                 _____
   Element Amounts.

G/L Selections:
9)  Enter a G/L Post Version to be                _____
    executed automatically if processing
    in Final Mode.  (i.e. ZJDE0020)

10) Transaction (F0911) summarization             _____
    selection for Accumulated Depre-
    ciation and Depreciation Expense
    Accounts.
     blank = no summarization
     1     = summarize
    NOTE:  If you summarize, there will
    be no detail by Item Number to
    support the Item Balances.  You can
    not then use the F/A Repost program.
11) Transaction (F0911) creation                  _____
    selection for 'AA' ledger.
     blank = create
     1     = do not create
    NOTE:  If you do not create trans-
    action records for the AA ledger,
    you will not have detail to support
    the Item Balances.  You can not then
    use the F/A Repost program.  This is
```

```
generally used at implementation
where the Account Balances have
already been updated and only the
Item Balance requires updating.
```

Reviewing the Depreciation Journal

After you run the depreciation programs in final mode, you can approve depreciation batches that did not post during the depreciation process.

If you run the depreciation in preliminary mode first and correct any errors, you need to review and approve the final depreciation journal entries only under the following circumstances:

- Management Approval of Input is set to Yes (Y) in General Accounting Constants.

- You did not indicate a post version in the processing options for Compute Depreciation.

▶ **To review the depreciation journal**

On Depreciation Journal Review

1. Complete any of the following fields to locate a batch:

    - User ID

    - Batch Status

    - Batch Number

2. Complete the following field to approve the batch to post:

    - Approved

Posting Depreciation to the G/L

You must manually post any depreciation journal entries to the general ledger that you approve on Depreciation Journal Review. Use the Depreciation Post to G/L to submit these batches for posting.

What You Should Know About

Posting a specific batch   If you specify a batch number, date, or user ID and do not clear the batch selection field after you run the post, the next time the system automatically submits a depreciation batch for posting, the batch will not post unless the data matches the information in the batch selection field.

Processing Options for Post General Ledger

```
Batch Selection:
1. Enter Batch Number                                    _____
    or   Batch Date                                      _____
    or   Batch User ID                                   _____

Print Selection:
2. Identify how to print amount fields
   on Post Journal:
   '1' = to Millions (w/ commas)                         _____
   '2' = to Billions (w/o commas)
   Blank (Default) = No Journal Printed.

3. Identify which account number to
   print on report:
   '1' = Account Number                                  _____
   '2' = Short Account ID
   '3' = Unstructured Account
   '4' = (Default) Number Entered
         During Input

Fixed Assets:
4. Enter a '1' to post F/A entries                       _____
   to Fixed Assets.
   NOTE:  DREAM Writer version ZJDE0001
   of Post G/L Entries to Assets(P12800)
   is executed when this option is
   selected.  All transactions selected
   from that DREAM Writer will be posted
   rather than just the current entries
   being posted to G/L.
5. Enter a 'Y' if you wish to explode                    _____
   parent item time down to the
   assembly component level.  Component
   billing rates will be used.  (This
   applies to batch type 'T' only.)

Cash Basis Accounting:
6. Enter a '1' to create and post Cash                   _____
   Basis accounting entries.  (Applies
```

to batch type G, K, M, W, & R only.)

7. Enter units ledger type for Cash
   Basis Accounting entries. (Default   _____
   of blank will use "ZU" ledger type.)

Accounting For 52 Periods:
8. Enter a '1' for 52 Period Post.   _____
   NOTE: DREAM Writer data selection is
   used for 52 period posting ONLY. It
   is NOT used for the standard post to
   the F0902. Additionally, 52 period
   date patterns must be set up.

Tax File Update:
9. Identify when to update the Tax Work
    file (F0018):
    '1' = V.A.T. or Use Tax only   _____
    '2' = for All Tax Amounts
    '3' = for All Tax Explanation Codes
    Blank (Default) = No Update to File.
10. Adjust VAT Account for Cash Receipt
    Adjustments and Write Offs.   Tax
    explanation must be a 'V'.
    '1' = update VAT amount only   _____
    '2' = update VAT amount, extended
          price and taxable amount

11. Adjust VAT Account for Discount
    Taken. The Tax Rules file must be
    set to Calculate Tax on Gross
    Amount, including Discount and
    Calculate Discount on Gross Amount,
    including Tax. Tax explanation must
    be a 'V'.
    '1' = update VAT amount only   _____
    '2' = update VAT amount, extended
          price and taxable amount

Property Management:
12. Enter DREAM Writer version of   _____
    Property Management G/L Transaction
    Creation to be executed. Default
    is version ZJDE0001. (This applies
    to batch types '2' and '/'.)

Update Option:
13. Enter '1' to update short ID number,   _____
    company, fiscal year/period number,
    century, and fiscal quarter in
    unposted transaction records
    selected for posting. (May be
    required for custom input programs.)

Report Format:
14. Enter a '1' to print the Posting   _____
     Journal in a 198 character format.
     The default of blank will print
     the format with 132 characters.

Detailed Currency Restatement:
15. Enter a '1' to create currency   _____
     restatement entries.   This
     creates records in the XA, YA,
     and/or ZA ledgers depending on the

version you are running.

16. Enter the version of the Detailed
    Currency Restatement (P11411) to
    execute. Default of blank will
    execute ZJDE0001.

Batch Type Selection: _____
  NOTE: This option should NOT be
  changed by User.

Exercises

See the exercises for this chapter.

Test Yourself: Depreciation

1. What is the difference between computing depreciation in preliminary and final mode?

   _____

   _____

The answers are in *Appendix A*.

Fixed Asset Journal Entries

Objectives

- To split an asset into one or more new assets
- To transfer an asset from one account to another account
- To globally change category codes using the asset transfer program
- To dispose of assets

About Fixed Asset Journal Entries

You can use the Fixed Assets system to record asset splits, transfers, and disposals in your accounting ledgers. When you indicate what assets you want to affect by a split, transfer, or disposal, the system automatically creates the necessary journal entries.

After the system creates the fixed asset journal entries, you must post the entries to the Account Ledger (F0911) and the Item Balances (F1202) tables.

Creating fixed asset journal entries includes the following tasks:

❑ Splitting fixed assets

❑ Transferring fixed assets

❑ Disposing of fixed assets

Split Fixed Assets

```
G12      Fixed Assets
         Choose Transfers, Splits and
         Disposals
```

```
                                G1222    Transfers, Splits and Disposals
                                         Choose Asset Split
```
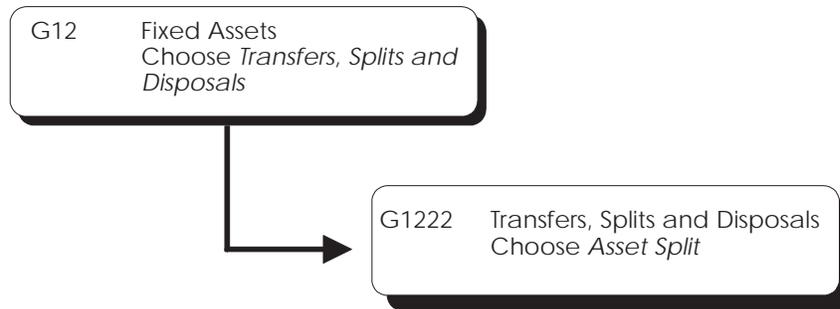
Splitting Fixed Assets

You can split an existing asset into one or more new assets. The asset does not have to have a quantity greater than one. You can split assets by units, dollars, or percentage. For example, use the Asset Split program to perform the following tasks:

- Split an asset entered as a bulk quantity into smaller lots or units

- Remove a portion of an asset to create two independent assets

- Dispose of a component (part) of an asset

- Transfer a component (part) of an asset

- Correct an asset that was entered as one item which should have been entered as multiple assets

When you complete the asset split process, the system automatically updates and creates the necessary asset records and accounts, as follows:

- Creates Item Master records for the new assets generated during the split based on the original asset master record.

- Updates the Current Item Quantity field on the original asset's master record.

- Creates location tracking records for the new assets based on the original asset master record.

- Updates the Quantity field on the original asset's location tracking record.

- Creates Item Balances records for the depreciation methods and ledger types for the new assets based on the original asset record.

- Creates journal entries for both the original asset and the new assets based on the original asset's costs and accumulated depreciation account numbers. The system creates these entries for each ledger type and posts them to the general ledger.

- Submits the journal entries for posting to the Item Balances table for document type Asset Split (AS).

The following graphic illustrates how the Asset Split program works:
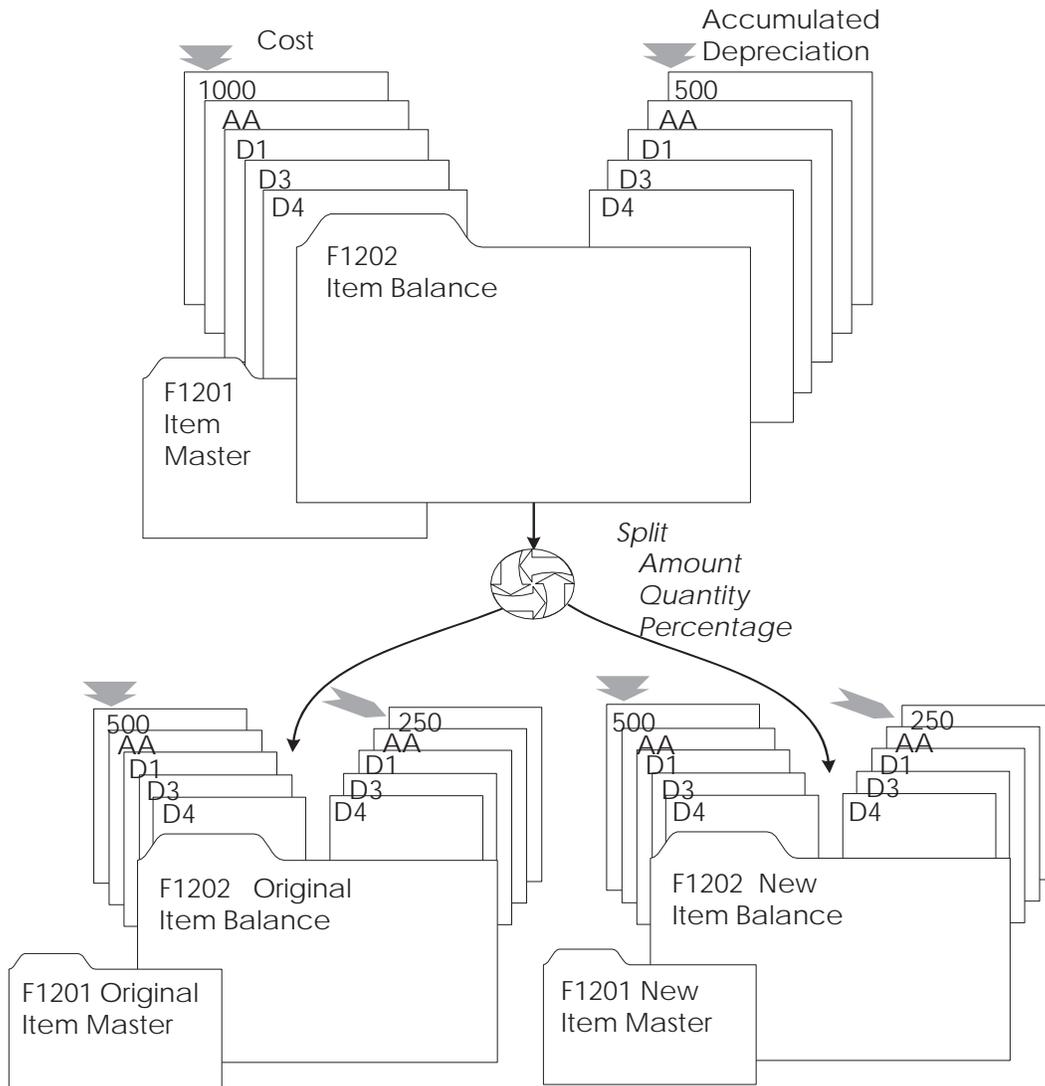
Splitting fixed assets consists of the following tasks:

❑ Entering asset split information

❑ Posting journal entries for asset splits

Entering Asset Split Information

You must enter asset split information to indicate to the system what assets you want to divide and what accounts should be affected by the split transaction.

▶ **To enter asset split information**

On Asset Split

```
[12106] - Asset Split                                            _ □ ✕
Functions  Tools  Help

Document Number/Type  [      ]  AS  Explanation   [split desks                    ]
G/L Date              [63098 ]      Batch Number
Method(A/U/%)         [U]
Item Number. . .   [1035]
            . . . . Beginning . . . .              . . . . Remaining . . . .
        Item Cost        Item Quantity        Item Cost          Item Quantity


┌─────────────────┬───────────────┬──────┬──────────────────────┬──────────┐
│   Item Cost     │ Item Quantity │ Pcnt │  New Item Description │ Item No. │
├─────────────────┼───────────────┼──────┼──────────────────────┼──────────┤
│                 │               │      │                      │          │
│                 │               │      │                      │          │
│                 │               │      │                      │          │
│                 │               │      │                      │          │
│                 │               │      │                      │          │
│                 │               │      │                      │          │
│                 │               │      │                      │          │
│                 │               │      │                      │          │
└─────────────────┴───────────────┴──────┴──────────────────────┴──────────┘

 [ ✓ ] [ ✗ ]                             [ i ] [ ▲ ] [ ✦ ] [ ▬ ]   [ ↥ ]
 F4=Full Detail  F11=Transfer Processing  F14=Item Master  F24=More Keys    MW  [ ↧ ]
```

1. Complete the following fields to create a batch for the split journal entries:

   - Explanation

   - G/L Date

   - Asset Number

   - Method

   NOTE: The batch number assigned by the system remains the same until you leave the Asset Split program. You can include journal entries related to multiple asset splits in a single batch.

   The system displays the current information for the asset.

2. Complete the following fields to establish information for the new asset:

    - Item Cost
    - Item Quantity
    - Percent, if necessary
    - New Item Description

3. Choose Full Detail.

4. Complete the following optional fields:

- Unit Number

- Serial Number

The system updates the Remaining Item Cost and Quantity based on the asset cost and quantity amounts you enter. The system displays a verification message on Asset Split.

```
[12106] - Asset Split                                              _ □ X
Functions   Tools   Help

Document Number/Type      12417  AS  Explanation    split desks
G/L Date                  06/30/98     Batch Number    6067052
Method(A/U/%)                 U
Item Number. . .   00001035                    Executive Desks
            . . . . Beginning . . . .                    . . . . Remaining . . . .
        Item Cost            Item Quantity          Item Cost            Item Quantity
            9,617.47              5.00                  5,770.49              3.00
       Is this information correct? (Y/N) .        (No Change After Acceptance])

   Item Cost      | Item Quantity | Pcnt  |  New Item Description  | Item No.
       1,923.49   |       1.00    | 20.00 | Executive Desk         | 00020765
       1,923.49   |       1.00    | 20.00 | Executive Desk         | 00020773




F4=Full Detail  F11=Transfer Processing  F14=Item Master  F24=More Keys     MW
```

5. Enter Y to accept the transaction.

The program edits the information and clears the form. The system automatically posts the journal entries for the split to the Account Ledger table (F0911) and submits the batch for posting to fixed assets with the document type AS (Asset Split).

Field	Explanation
Method of Split	A code that tells the system which method to use when it allocates costs and units during an asset split. Valid codes are:
	$ Assigns the dollar, or currency, amount that you enter for the new assets. The system creates a ratio based on the amount that you enter for the new assets and the amount that remains for the original asset. The ratio determines the number of units that will be distributed to the new and original assets.
	U Assigns the unit amount that you enter for the new assets. The system creates a ratio based on the units that you enter for the new assets and the units that remain for the original asset. This ratio determines the dollar, or currency, amount distributed to the new and original assets.
	% Distributes the cost and units based on the percentage amount you enter.
	Blank Distributes the cost and units based on the cost and unit amounts you enter. The system does not perform any ratios.
Amount – Asset Original Cost	The original acquisition cost of an asset.
Asset Item Original Quantity	The original number of units for an asset. If assets are purchased and accounted for in quantities (more than one), you can specify the original quantity purchased. For example, if you purchased 100 office chairs, you would set up one asset item with an original quantity of 100. Then, as you disposed of office chairs, you would adjust the current quantity to reflect the current balance. This allows you to track assets purchased in bulk quantity on one master record.
	. . . . *Form-specific information* . . . .
	The number of units to be split to the new item or asset. If the value in the Method field is U or blank, enter a unit amount. If the value is $ or %, leave this field blank. The system calculates the amount and percentage based on the current item quantity you enter.
Percentage of Cost	The percentage relationship of the cost of an asset to the total cost of the asset from which it is being split.

What You Should Know About

Deleting asset splits	After you accept an asset split transaction, you cannot delete the split.
Using an asset split to transfer asset costs	When you split an asset, the journal entries for the split post to the same cost and accumulated depreciation accounts as the original asset.
Splitting an asset into another existing asset number	To maintain the integrity of your fixed asset records, the system prevents an asset from being split into an existing asset number. When you split an asset, the system assigns the new asset a number from Next Numbers, or you can assign a unique asset number to the new asset.
Splitting assets after the disposal date	To maintain the integrity of your fixed asset records, the system prevents asset splits after the date you dispose of the asset. You can split an asset only *before* its disposal date.
Splitting assets with multiple current locations	You can perform an asset split only if the asset has a single current location.
Updating the salvage value	You must manually change an asset's salvage value after an asset split. The salvage value remains the same for the original asset and is blank for the new assets. You can change these amounts on the Depreciation Information form.
Fully depleting an original asset	Use the percentage method to fully deplete an original asset cost and split it into one or more new assets. When you deplete the original asset 100%, you prevent it from having any remaining balance amounts due to rounding.
Postal rounding	The system uses a percentage to calculate cost and accumulated depreciation for the split information you enter on the Asset Split form. It calculates this percentage regardless of the method of split you specify. When you exit the program, the system updates asset records based on the percentage. If you review the asset split journal entries the system automatically creates, you might notice a rounding difference between the amounts you entered and the amounts actually posted to cost and accumulated depreciation.

Posting Journal Entries for Asset Splits

When you accept the asset split transaction, the system automatically posts the asset split journal entries to the Account Balances table (F0902).

You must post the journal entries generated by the split program to the Item Balances table (F1202). The system includes a separate version of the Item Balances post program that posts journal entries with the document type AS (Asset Split).

See Also

- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version
- *Processing Options for Post General Ledger*

Processing Options for Asset Split

```
FIXED ASSET POST:
1) Enter the DREAM Writer version number            _____
   of the F/A Post to be executed at
   completion of this session.  If left
   blank, version ZJDE0002 will be
   executed.

 NOTE: It is recommended that you only
 post transactions created by the Asset
 Split program.  Set up a version of the
 F/A Post where Document Type EQ "AS"
 is part of the selection criteria.
```

Transfer Fixed Assets

```
G12      Fixed Assets
         Choose Transfers, Splits and
         Disposals
```

```
G1222    Transfers, Splits and Disposals
         Choose an option under the
         Asset Transfer heading
```
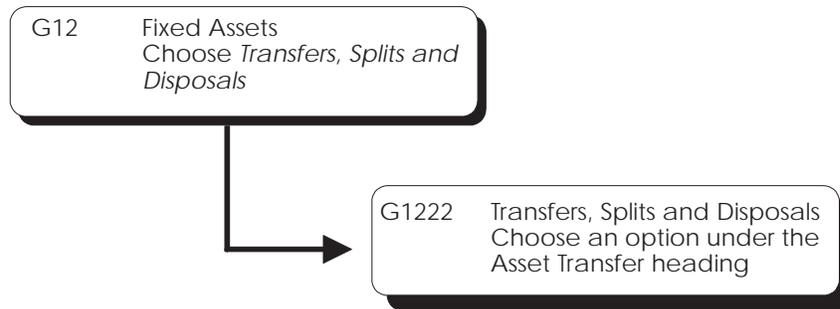
Transferring Fixed Assets

You can use the transfer procedure to record asset transfers from one business unit or account to another. You can transfer assets based on the entire account structure (business unit, object, subsidiary) or a portion of the account structure. For example, if you move a computer from one department to another department in you company, you use the transfer program to create the journal entries that reflect the move.

You can also use the transfer program to make global changes to asset information with or without transferring the assets. You can use the transfer program to change the following asset information:

- Responsible business unit

- Property tax entity

- Property state tax

- Category codes 01–10

- Location (if the asset has only one current location)

For example, use the transfer procedure to change a specific category code value for all the assets within a company or asset class without having to change each master record individually.

When you complete the asset transfer process, the program automatically creates the appropriate journal entries with a document type of Asset Transfer (AT). The program then submits the batch to post to the Item Balances table (F1202) and the Account Ledger table (F0911).
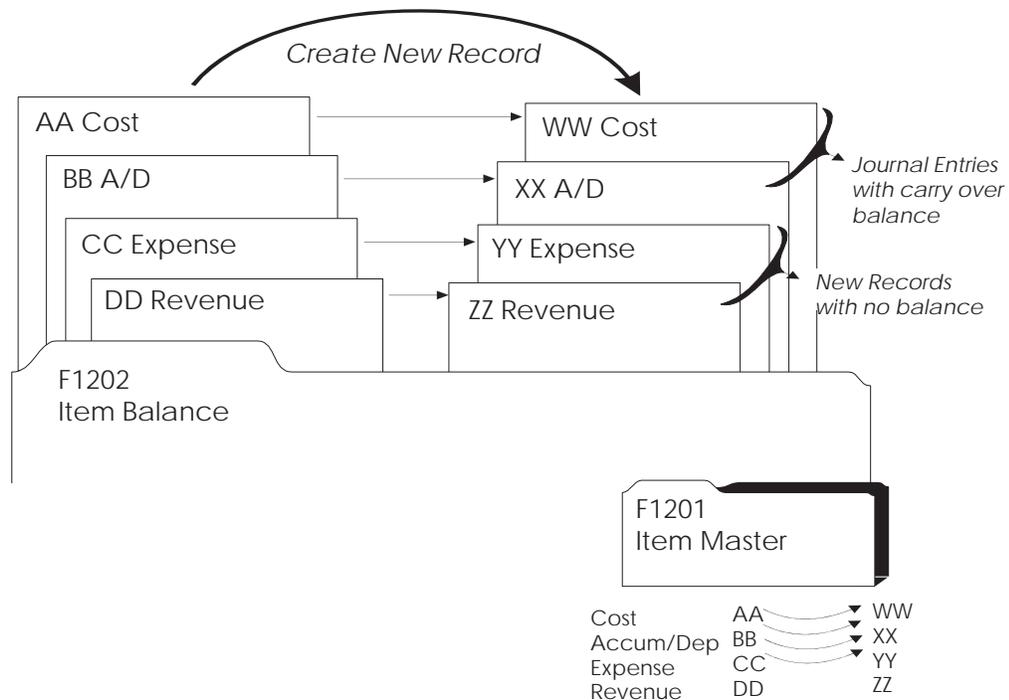
You can transfer assets individually or in mass quantities. The transfer program is the same DREAM Writer for both single and mass transfers. You use processing options to indicate to the system whether you are performing a mass or single transfer.

Verify Transfer Journal Entries Before the Post

The transfer process has two modes: preliminary and final. You should run a preliminary transfer to verify the transfer journal entries that the system creates for the transaction before you run the final transfer. The preliminary transfer does not update accounts.

Preliminary asset account transfer	A preliminary asset account transfer performs the following tasks:

- Edits the "transfer to" information you enter in the processing options
- Prints a report that shows the journal entries that the system will create when you run the final transfer

Preliminary asset information change
A preliminary asset information change performs the following tasks:

- Edits the new item master information you entered in the processing options
- Prints a report that shows the original item master information and the new information that the system will create when you run the final transfer

After you run the preliminary transfer and correct any errors that appear on the report, you can run the final transfer. The final transfer updates the accounts that are affected by the transfer.

Final asset account transfer
A final asset account transfer performs the following tasks:

- Edits the "transfer to" information you enter in the processing options
- Creates journal entries for the asset accounts that are affected by the asset transfer
- Prints a report showing the journal entries
- Updates the item master information in the Item Master table (F1201)
- Posts the journal entries to the appropriate Item Balances (F1202) ledgers, depending on the type of transfer

Final asset information change
A final asset information change performs the following tasks:

- Edits the new asset information you enter in the processing options
- Prints a report that shows the original asset master information and the new asset information that the system creates
- Updates the asset master information records in the Item Master table (F1201)

What You Should Know About

Using *blank as a valid value
When you make global changes to asset information using the Asset Transfer program, you enter new values only in the fields for the values that you want to change. Any fields you leave blank are not affected by a change. If you want to change the value for a field to blank, you must enter "*blank" in the field.

Automatic update	When you transfer an asset in final mode, the Asset Transfer program automatically updates the records in the Item Balances table (F1202). You must then post the transfer journal entries to the general ledger. If the transfer journal entries are in error, you must correct the errors through the general ledger.
	See *Making Corrections to Fixed Asset Balances* for more information.
Transferring assets by subledger	J.D. Edwards recommends that you transfer an asset from one subledger to another only at the fiscal year end unless one of the following conditions apply:

- The asset does not have any accumulated depreciation.
- All ledgers for the asset are depreciated using the Inception to Date method of calculation.

To transfer assets from one subledger to another, you must first run a final depreciation through the fiscal year end. Run the transfer for the asset in final mode. After the transfer entries post, run the fixed asset annual close.

Transferring depreciation expense and revenue	You can use the transfer program to change depreciation expense and revenue information in the asset master. The program can update this information, but it does not move the balances or create journal entries. To transfer depreciation expense and revenue, you must use journal entries.
Transferring assets for billing purposes	Do not use the Mass Asset or Single Asset Transfer programs to enter asset location information for billing purposes. Use only the Location Transfer program to transfer assets with associated billing information.
Transferring an asset after the disposal date	To maintain the integrity of your fixed asset records, the system prevents asset transfers after the date you dispose of the asset. You can transfer an asset only *before* its disposal date.
Posting transfer journal entries	The Asset Transfer program posts the journal entries for asset transfers to fixed assets Item Balances table (F1202) *before* posting the Account Ledger table (F0911).
Mass or single asset transfer	Use processing options to specify whether you are transferring a single asset or multiple assets.

G/L selections   The processing option for DREAM Writer version
                        selection works only under the following conditions:

- You run the depreciation program in final mode
- You have Management Approval set to No (N) on
  System Constants

See Also

- *Technical Foundation Guide* for information about running, copying, and
  changing a DREAM Writer version

Processing Options for Asset Transfer

```
PROCESSING MODE:
1. Enter "P" for Preliminary or "F" for         _____
   Final.  (Default is preliminary.)

DATE SELECTION:
2. Enter the Transfer (GL) Date.                _____
   (Final Depreciation must be posted
   through this date.)

SINGLE/MASS TRANSFER SELECTION:
3. Enter the Asset Number for Single            _____
   Asset Transfer.  Leave blank for
   Multiple Asset Transfer using DREAM
   Writer data selection.

TRANSFER INFORMATION:
  New Accounts:  Leave blank for same
  account.  (*BLANK changes subsidiary
  and/or subledger to blank.)

4. Asset Cost Account .... Bus. Unit            _____
                           Object               _____
                           Subsidiary           _____

5. Accum Depr Account .... Bus. Unit            _____
                           Object               _____
                           Subsidiary           _____

6. Cost and A/D Account... Subledger            _____
                           Subledger Ty.        _____
7. Depreciation Expense .. Bus. Unit            _____
                           Object               _____
                           Subsidiary           _____
                           Subledger            _____
                           Subledger Ty.        _____

8. Asset Revenue ........ Bus. Unit             _____
                           Object               _____
                           Subsidiary           _____

9. Enter an override explanation to be          _____
   put in the journal entry explanation
   field.
```

```
10. Enter Item Master Info. changes.
    Leave blank (default) for no change.
    a. Responsible Business Unit            _____
    b. Property Tax Entity                  _____
    c. Property Tax State                   _____
    d. Category Code 01                     _____
    e.      "        "    02                _____
    f.      "        "    03                _____
    g.      "        "    04                _____
    h.      "        "    05                _____
    i.      "        "    06                _____
    j.      "        "    07                _____
    k.      "        "    08                _____
    l.      "        "    09                _____
    m.      "        "    10                _____
    n. Location                             _____

DW VERSION SELECTION:
11. Enter a G/L Post version number         _____
    to be executed automatically if
    processing in Final Mode
    ('ZJDE0028' for example).

PRINT OPTIONS:
12. Identify how to print asset number.     _____
    '1' = Item Number (default)
    '2' = Unit Number
    '3' = Serial/Tag Number

13. Enter a '1' to suppress page            _____
    breaking on Asset Number.
```


Exercises

See the exercises for this chapter.

Dispose of Fixed Assets

G12   Fixed Assets
Choose *Transfers, Splits and Disposals*

G1222   Transfers, Splits and Disposals
Choose an option under the Asset Disposal heading
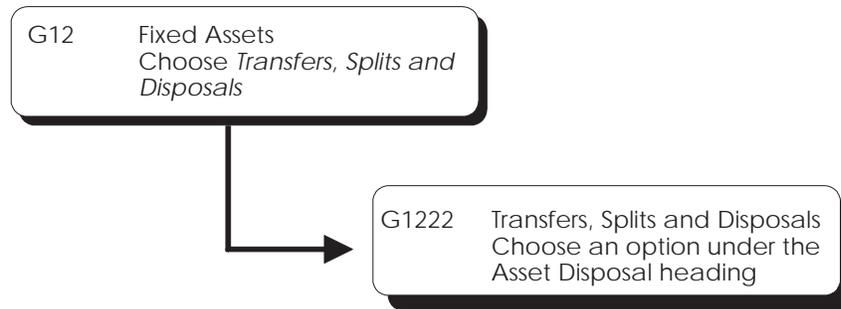
Disposing of Fixed Assets

You can use the disposal programs in the Fixed Assets system to record asset disposals. You can also record new asset costs in the event of a trade-in.

When you dispose of an asset, you can indicate a specific method of disposal, such as scrapped, theft, or charity. The system updates the asset master record with the disposal date and indicates the method of disposal in the Equipment Status field. The system also creates the journal entries for the disposal. You must post the disposal journal entries to the general ledger and fixed assets.

Disposing of fixed assets consists of the following tasks:

❑ Performing single asset disposals

❑ Performing mass asset disposals

Before You Begin

❑ Verify that the following tasks are complete:

- Depreciation is recorded through the disposal date of the asset.
- Cash receipts from disposal proceeds are posted to fixed assets.
- Accounts payable vouchers for trade-ins are posted to fixed assets.

What You Should Know About

Accessing accounts for disposal journal entries

When you dispose of an asset, the system must access the following accounts in order to create the appropriate journal entries:

- Accumulated Depreciation and Cost — You set up these accounts when you create the asset master record
- Net Book Value, Cash Clearing, Cash Proceeds — You set up these accounts when you define the FDS AAIs

Disposal journal entries

The system creates disposal journal entries only for the Actual Amounts (AA) ledger.

Voiding disposal entries

You can void disposal entries. Use the Single Asset Disposal program to void disposal journal entries the system creates in the Mass Disposal program

When you void disposal journal entries, the system automatically updates the Disposal Date and Equipment Status in the Item Master table (F1201).

Performing Single Asset Disposals

You can use Single Asset Disposals to dispose of assets individually. Dispose of assets individually when you need to record the gains and losses that result from a disposal, and to record the new asset cost if there is a trade-in. You can also use Single Asset Disposals to void or delete a disposal entry for a particular asset whether it was disposed of by the Mass Disposals or Single Asset Disposals procedures.

The system creates disposal journal entries based on the disposal type you specify when you enter disposal information. You can use Single Asset Disposals to perform four types of disposals:

Simple disposal (with no proceeds)

Use simple disposal when the disposal does not involve proceeds. For example, use this disposal type if you dispose of an asset and do not receive cash for the asset because it was destroyed, given to charity, and so on.

The system uses the business unit in the Net Book Value account that you set up in the AAIs. If the business unit in that AAI range is blank, the system uses the responsible business unit from the asset's master record.

Disposal with cash proceeds

Use a disposal with cash proceeds when you receive cash for an asset. When you specify this disposal type, the system debits the Cash/Clearing account and credits the Proceeds from Sale account. If you use this disposal type, you must attach the asset item number to the cash receipt entry for the Cash/Clearing Account.

The system uses the business unit from the respective AAI for Net Book Value, Cash/Clearing, or Proceeds from Sale accounts. If the business unit in any of these AAIs is blank, the system uses the responsible business unit from the asset's master record.

Disposal with trade-in

Use a disposal with trade-in when you trade an asset in for another asset and there are no cash proceeds. When you use this type of disposal, you must enter the new asset's master information *before* you run the Single Asset Disposals program to dispose of the asset you trade in.

Disposal with cash proceeds and trade-in

Use a disposal with cash proceeds and trade-in when a disposal involves a combination of both cash and trade-in on an asset. Before you run the Single Asset Disposals program to dispose of the asset you traded in, you need to:

- Enter the master record information for the new asset
- Post the accounts payable entry to the general ledger and fixed assets if you paid additional cash for the new asset

When you receive cash for an asset, you debit the cash account and credit the Cash/Clearing account. Then, when you dispose of the asset using the Single Asset Disposals program, the system debits the Cash/Clearing account and credits the Proceeds from Sale account.

Performing single asset disposals consists of the following:

- Entering disposal information
- Reviewing and revising disposal entries
- Posting the disposal entries

```
[12105] - Single Asset Disposals                              _ □ ×
Functions   Tools   Help

                                      Batch No        6067055
                                      Void (Y/N)      □
    Document Type/Number    AD  □     Sub Ledger      *      □
    G/L Date                063098

    Disposed Item Number . .  1001
    Disposal Method           10
    Date Disposed or Retired  061598
    Type of Disposal          2
    New Item No if Trade In.  □


    Bus. Unit  Object  Sub      Amount       Explanation      P
    ...........


    ✓  ✗                          ₁i  ₂▲  ₄✚  ₉▬   ⬆
    F4=Full Detail  F13=Account Master  F16=Asset Search  F24=More Keys    MW  ⬇
```

▶   **To enter disposal information**

On Single Asset Disposals

1. Compete the following fields to add a new batch for the disposal journal
    entries:

    - G/L Date

    - Subledger/Subledger Type

    - Disposed Asset Number

    - Disposal Method

    - Date Disposed or Retired

    - Type of Disposal

    - New Asset Number if Trade In

    NOTE: The batch number assigned by the system remains the same until
    you leave the asset disposal program. You can include journal entries
    related to multiple asset disposals in a single batch.

    The system displays the journal entries with AA ledger amounts from the
    Item Balances table (F1202) and a verification message on Single Asset
    Disposals.

```
[12105] - Single Asset Disposals                          _ □ ✕
Functions   Tools   Help

                                          Batch No        6067055
                                          Void (Y/N)      ▢
Document Type/Number    AD    17070       Sub Ledger      *        ▢
G/L Date               06/30/98

Disposed Item Number . .       1001       AA9 Motor Grader
Disposal Method        10                 Disposed - Outright Sale
Date Disposed or Retired 06/15/98
Type of Disposal       2                  Disposal w/cash proceeds
New Item No if Trade In.

Is this Information Correct? (Y/N)        ▢

   Bus. Unit  Object   Sub      Amount          Explanation       P
         50   2030            57,443.21- Heavy Equipment
         50   2130            20,105.14  Accum Depr - Equipment
       YARD   9112            37,338.07  Debit NBV to Cost of Dispo
       YARD   9113                       Debit Cash/Clearing Accoun
       YARD   9111                       Credit Proceeds from Dispo

  ✓  ✗                                 i    ▲  ✚  ▬    ⬆
  F4=Full Detail F13=Account Master F16=Asset Search F24=More Keys   MW  ⬇
```

2. Complete the following field to accept the transactions:

    •   Is this Information Correct (Y/N)

    The system clears the form and creates the disposal journal entries.

Field	Explanation
Disposal Method	A user defined code (system 12, type ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.
Type of Disposal	The type of disposal determines what journal entries the system creates. There are four types of disposals. Valid codes are: 1 Simple disposal, no trade in and no cash proceeds 2 Disposal with cash proceeds 3 Disposal with trade-in 4 Disposal with trade-in & cash proceeds

What You Should Know About

Using a subledger and subledger type If you specify a subledger and subledger type in the disposal information, the asset disposal updates only the specified subledger.

▶ **To review and revise disposal entries**

On Single Asset Disposals

1. Complete the following fields to locate a single disposal journal entry:

   - Document Number

   - G/L Date

2. Complete the following field to void disposal journal entries:

   - Void

▶ **To post the disposal entries**

You must manually post single disposal journal entries to the general ledger and fixed assets. To perform this task, run the following posts:

- Disposal Post to G/L

- Post G/L Entries to Assets

See Also

- *Posting Journal Entries to the G/L* in the *General Accounting I Guide*

- *Posting a Batch of Journal Entries to Fixed Assets (P12800)*

- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Performing Mass Asset Disposals

Use Mass Asset Disposals when you want to:

- Dispose of multiple assets instead of a single asset.

- Use data selections to indicate the assets that you want to dispose of.

- Post the disposal entries to the general ledger automatically. The Mass Asset Disposals program performs this post automatically unless you specify Batch Approval in your system's setup.

The system creates disposal journal entries based on the disposal type that you specify when you enter disposal information. You can use Mass Asset Disposals to perform two types of disposals:

Simple disposal (with no proceeds)

Use simple disposal when the disposals do not involve proceeds. For example, use this disposal type if you want to dispose of assets and do not receive cash for them because they were destroyed, given to charity, and so on.

The system uses the business unit in the Net Book Value account that you set up in the FDS03 range of the AAIs. If the business unit in that AAI range is blank, the system uses the responsible business unit from the asset master records.

Disposal with cash proceeds

Use a disposal with cash proceeds when you receive cash for disposed assets. When you specify this disposal type, the system debits the Cash/Clearing account and credits the Proceeds from Sale account. If you use this disposal type, you must attach asset numbers to the cash receipt entries for the Cash/Clearing account.

The system uses the business unit from the respective AAI for Net Book Value, Clearing, or Proceeds from Sale accounts. If the business unit in any of these AAIs is blank, the system uses the responsible business unit from the asset master records.

You can use processing options to run a preliminary or final mass disposal. The preliminary disposal does not create disposal journal entries. Run a preliminary disposal for proofing purposes before you run the final disposal.

Preliminary Disposal

The preliminary disposal performs the following tasks:

- Edits the disposal information you selected in the DREAM Writer
- Prints a report that shows the journal entries that the system will create when you run a final disposal

Final Disposal   The final disposal performs the following tasks:

- Edits the disposal information you selected in the DREAM Writer
- Creates journal entries for the accounts affected by the disposals
- Prints a report that shows the journal entries
- Updates the Date Disposed and Equipment Status fields in master records for the disposed assets
- Shows a zero cost basis for the disposed assets
- Submits the journal entries for posting to the general ledger

NOTE: If the system finds any errors during the final disposal process, it does not create journal entries for the assets in error. Instead, the system prints an error message on the final report. Correct these errors and rerun the final disposal.

Performing mass disposals consists of the following tasks:

- Entering mass disposal information
- Posting mass disposal entries

▶ **To enter mass disposal information**

On Mass Disposals

Select a DREAM Writer version and complete the appropriate processing options on Processing Options Revisions. Use Data Selections to indicate what accounts you want to affect by the disposal. Company and item number are mandatory data sequence items for the mass disposal procedure.

▶ **To post journal entries for mass disposals**

If your system requires batch approval, you must post the disposal journal entries manually to the general ledger before you run Post G/L Entries to Assets.

If your system does not require batch approval, it automatically performs the post to the general ledger. You must run only the Post G/L Entries to Assets to post journal entries for mass disposals to fixed assets.

What You Should Know About

G/L selections   The processing option for the G/L post submittal works only under the following conditions:

- You run the depreciation program in final mode
- You have Management Approval set to No (N) on System Constants

See Also

- *Posting G/L Journal Entries to Fixed Assets (P12800)*

- *Posting Journal Entries to the G/L* in the *General Accounting I Guide*

- *Technical Foundations Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Mass Item Disposal

```
PROCESSING MODE:
1) Enter "P" for Preliminary or "F" for          _____
   Final.  (DEFAULT is Preliminary.)

DATE SELECTION:
2) Enter Disposal Date.                           _____
3) Enter G/L Date for journal entry if           _____
   different than Disposal Date.

DISPOSAL METHOD:
4) Enter Disposal Method.  (See User             _____
   Defined Codes for system 12, record
   type ES)

DESCRIPTION OVERRIDE:
5) Enter description to be used for the           _____
   journal entry explanation.

PRINT SELECTION:
6) Identify how to print asset number.            _____
      1 = Item Number  (DEFAULT)
      2 = Unit Number
      3 = Serial Number

G/L POST SUBMITTAL:
7) Enter a G/L Post version number to be          _____
   executed automatically if processing
   in Final Mode (i.e. ZJDE0029).
```

Exercises

See the exercises for this chapter.

Test Yourself: Fixed Asset Journal Entries

1. True or False

   You must create a new asset master for the split portion before you can use the Asset Split program.

2. You have one asset master with a quantity of 5 and an amount of 10,000. What method of split would you use to split 1 unit with an amount of 4,000?

   _____

3. How do you let the Asset Transfer program know that you are doing a single or mass transfer?

   _____

4. The Asset Transfer program updates the asset master record with the new account number and creates the journal entry to transfer amounts for which of the following accounts:

   A   Asset Cost
   B   Accumulated Depreciation
   C   Depreciation Expense
   D   Revenue Credit
   E   all of the above

5. What values would you enter in the processing option to transfer an asset from cost account YARD.2030.123 to 50.2030?

Business Unit	
Object	
Subsidiary	

6. True or False

   When you dispose of an asset the program updates the master record and creates journal entries that must be posted to both the general ledger and fixed assets.

7. True or False

   You can use the single or mass disposal program to do a simple disposal, disposal with cash, or a disposal with trade-in (with or without cash).

The answers are in *Appendix A*.

Year-End Processes

Objectives

- To close annual account balances in preparation for the new fiscal year
- To close units of production in preparation for the new fiscal year

About Year-End Processes

The Fixed Assets system includes annual processing programs that you can run at the end of the fiscal year. Use these programs to create new records for a new fiscal year.

If your company uses depreciation method 09 to depreciation assets by units of production, you must run the Units of Production Close after you close your annual account balances. Do not run this close program unless you use method 09 to calculate depreciation.

Run year-end processing programs after you run your final depreciation for the year. You must run the annual close for current year account balances before you can run depreciation calculations for the next fiscal year.

Closing the year includes the following tasks:

❑ Closing annual account balances

❑ Closing units of production (optional)

Close Annual Account Balances

```
┌─────────────────────────────────────┐
│ G12      Fixed Assets               │
│          Choose Year End Processes  │
│                                     │
└──────────────┬──────────────────────┘
               │
               │        ┌─────────────────────────────────────┐
               │        │ G1225    Year End Processes         │
               └───────▶│          Choose Asset Account       │
                        │          Balance Close              │
                        └─────────────────────────────────────┘
```
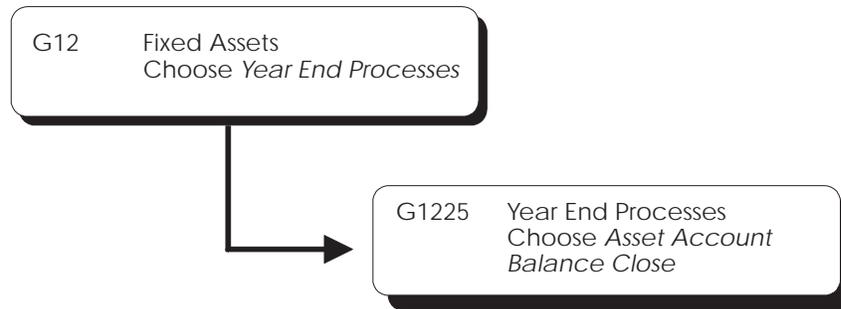
Closing Annual Account Balances

Run Asset Account Balance Close to create the next year's balance records with cumulative and net balance forward amounts. The program also carries forward depreciation information to the next fiscal year.

When you run the close, new balance records are created in the Item Balances table (F1202) for each of the following:

- Asset

- Fiscal year

- Ledger type

- Subledger

- Account (business unit/object/subsidiary)

You can use Asset Account Balance Close to perform the following tasks:

Close fixed assets   You can run the annual close program to close fixed assets any time, before or after you close the general ledger.

Rerun the annual close   You can run the Asset Account Balance Close as many
times as you need to. The first time that you run the
annual close, the program creates Item Balances records
for the next year. If you rerun the close, the program only
creates records if they do not already exist in the system.
If the records do exist, the program updates balance
information to reflect any new information. Rerunning
the close does *not* update depreciation information.

For example, after you close fixed assets, you might find
that you have more transactions to enter. You can enter
those transactions and run the close again. The system
processes only those transactions that you enter since the
previous close.

Close more than one   You can close a specific company, range of companies, or
year at a time   all companies during the same annual close. You can also
close a specific ledger or any other data selection field
that is in the Item Balances table.

The asset account balance close is separate from the general ledger annual
close. When you run Asset Account Balance Close, the program:

- Carries forward fixed asset beginning balance records for the next year by
  updating the amounts in the following Item Balance fields:

    - Prior Year Net Postings

    - Prior Year End Balance

- Creates depreciation information records for the next year. You cannot
  run depreciation for the next fiscal year until you run the annual close.
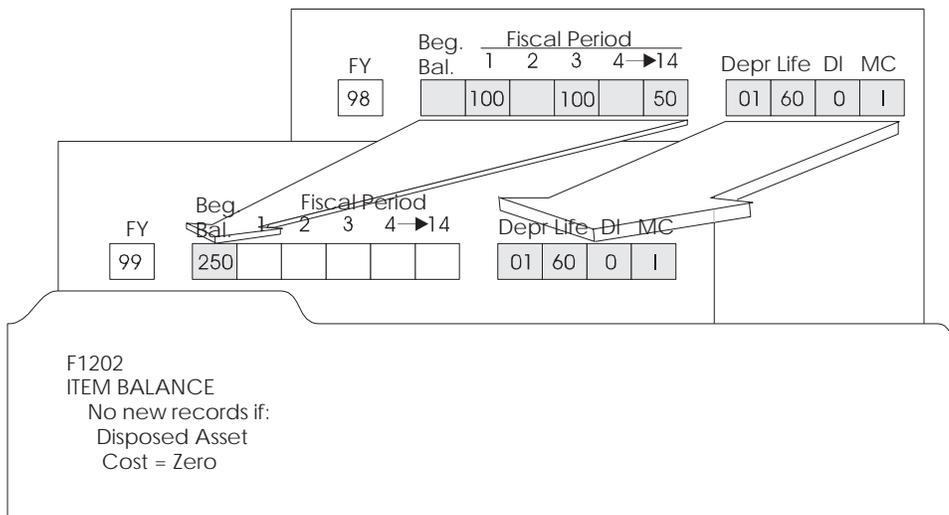
Be sure to specify a century and year when you run the Asset Account Balance Close program.

Before You Begin

❏ Verify that all transactions have been posted for the fiscal year you plan to close.

❏ Verify that no one accesses the fixed asset tables while you run the Asset Account Balance Close. The program is unable to close records that are locked by other system applications. Records that a user accesses elsewhere in the system are not affected by the close.

What You Should Know About

Depreciation entries for the next fiscal year	You must run Asset Account Balance Close for the current year before the system can generate depreciation journal entries for the next fiscal year.
Closing assets with accounts in several companies	If you have assets with accounts in several companies, include all appropriate accounts and companies when you make your DREAM Writer selections. If you close only some accounts for the asset, or if you do not close all of an asset's companies, the close information might be inaccurate.
Running the close for a range of companies	If you want to include a range of companies in your annual close, ensure that they share the same fiscal year pattern.
Carrying balances forward	If you want to track cost and unit information for disposed assets, you can use the "Disposed Asset Begin Balance Creation" processing option to specify the ledgers in which you want to carry balances forward. If you do not want to carry balances for disposed assets forward, leave the processing option blank.

Processing Options for Item Balance Annual Close

```
DISPOSED ASSET BEGIN BALANCE CREATION:
1) For disposed assets with non Cost
    and Accumulated Depre Accounts that
    continue to carry beginning balances,
    (i.e. Expense and Revenue Accounts)
    Enter:
     1 = carry these balances forward for
          the 'AA' Ledger only.
     2 = carry these balances forward for
          the 'AA' and 'AU' ledgers.
     3 = carry these balances forward for
          all ledgers.
    Leave blank (default) to not carry
    forward any balances for assets that
    have been disposed.
```

_____

Close Units of Production
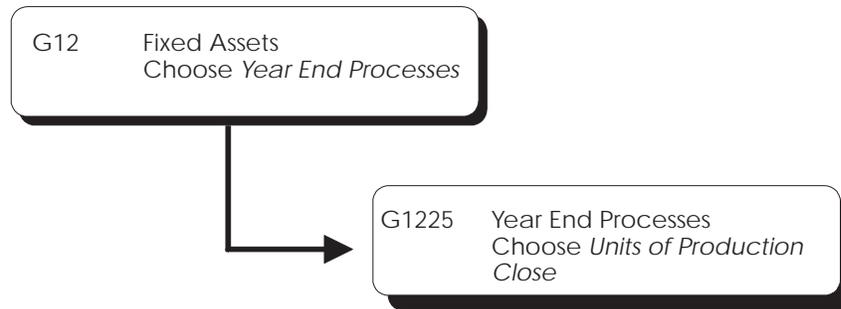
Closing Units of Production

Run the Units of Production Close program only if your organization uses units of production to compute depreciation.

Use the Units of Production Close to update the schedules that you have set up for the units of production method of depreciation (method 09). When you run the units of production close, the system makes the following adjustments:

- Rolls the year-to-date production amount into the Prior Year's Production field

- Clears the prior year's production amount

- Rolls the current year revisions amount into the Prior Year's Revisions field

- Clears the prior year's revisions amount

When you select Units of Production Close, the system submits the job to batch.

Before You Begin

- ❑ Verify that your current year revisions and year-to-date production amounts are accurate

- ❑ Run the final depreciation for the year

- ❑ Run the Asset Account Balance Close program for fixed assets

Test Yourself: Year-End Processes

1. True or False

   The first time you run the annual close program, new records are created that contain the balance from the prior year and the depreciation information. If you run the annual close again, only the beginning balance is updated.

2. True or False

   The Units of Production close is used only if you are using method of depreciation 9, Units of Production.

The answers are in *Appendix A*.

Fixed Asset Reports

Objectives

- To identify the DREAM Writer reports available in the Fixed Assets system
- To use DREAM Writer reports for controlling and reporting fixed assets

About Fixed Asset Reports

Print and review fixed asset reports to access the information that you need to manage your company's fixed assets.

Printing fixed asset reports consists of the following tasks:

❏ Printing asset information reports

❏ Printing depreciation reports

❏ Printing integrity reports

❏ Printing quarterly and year-to-date reports

See Also

- *Technical Foundation Guide* for information about running, copying, and changing DREAM Writer versions

Print Asset Information Reports

```
┌─────────────────────────────────────┐
│ G12      Fixed Assets               │
│          Choose Cost Information     │
│          and Reports                │
└─────────────────────────────────────┘
              │
              │
              └──────────►┌─────────────────────────────────────┐
                          │ G1213    Cost Information and Reports│
                          │          Choose an option           │
                          └─────────────────────────────────────┘
```
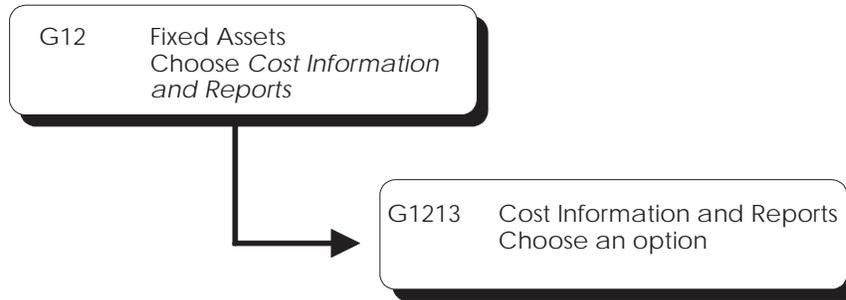
Printing Asset Information Reports

You can print asset information reports at any time with the DREAM Writer versions included in the Fixed Assets system. Use asset information reports to verify the fixed asset information that the system stores in the Item Master table (F1201).

Printing asset information reports consists of the following tasks:

❑ Printing the Master List report

❑ Printing the Assets by Finance Method report

❑ Printing the Asset Cost Analysis report

❑ Generating STAR reports

❑ Printing supplemental data reports

Printing the Master List Report

You can print the Master List report to see a printed version of the information that you enter on the Master Information form when you create asset master records. For each asset that you specify, the report lists the following information:

- First three category codes

- Parent

- Item, unit, and serial numbers

- Responsible business unit

- Date acquired

- Property tax information

```
12410                                    J.D. Edwards & Company                          Page      -      2
                                      Item Master Schedule : By Company                    Date     -  4/26/96
                                    By Major & Sub Class, Parent & Item Nos.
       Acc Eqm Mfg Mdl Use  Parent    Item      Unit        Description/        Responsible   Date        Tax
Co     Cls Cls     Yr  M/H  Number    Number    Number      Serial Number       Bus. Unit     Acquired ST  Auth      Name
-----  --- --- --- --- ---  --------  --------  ------------ ------------------------  ------------  -------- ---  --------  -------------
  50 20                     1006      1006                  Office Building                  50 07/15/96
                                                            123 Elm Street
                                                             50,000 sq ft
  50 20              M      1006      1054 11-15             Air Conditioner                 50 07/15/96
  50 20              M      1054      1062 31-75             Compressor                      50 07/15/96
  50 20              M      1054      1071 113-881           Filters, Air Conditioner        50 07/15/96
  50 20              M      1054      1100 21-31             Fan, Air Conditioner            50 07/15/96
  50 20              M      1062      1097 88-16             Pump, Compressor                50 07/15/96
  50 20  01          M      1100      1089 41-6681           Motor, Fan                      50 07/15/96
  50 30                     1300      2277                  Backhoe bucket, 36"            YARD 09/30/96
                                                             Heavy Duty
  50 30              B      1409      1409                  Forms, Curb                    YARD 01/01/95
  50 30  3AE         B      1353      1353                  Drill Motors                   YARD 11/15/97
  50 30  3S          B      1345      1345                  Saws, Circular                 YARD 04/17/96
  50 30  3T  CAT 97  HR     1042      1042 853-1            Caterpillar Crawler, 1997      YARD 06/15/98
                                                             Diesel Engine, Model D8
                                                              With Ripper
                                                             46A8890
  50 30  3T  CAT 97  HR     1396      1396 7-239            Caterpillar Crawler, 1997      YARD 06/15/97 CO     5071 Denver City &
                                                             Diesel Engine, Model D8
                                                              With Ripper
                                                             97A3590
  50 30  3TM CAT 96  HR     1001      1001 AA9              AA9 Motor Grader                 50 10/15/96
                                                             Ripper, Power Assist, Pu
                                                              Block, Scarifier, Encl
                                                             96U4825
  50 30  3TM CAT 96  HR     1425      1425 9-385            Grader, Cat 140G               YARD 05/15/96 CO     5071 Denver City &
                                                             Variable Horsepower
                                                             96G228-3912
  50 30  3TM CAT 97  HR     1417      1417 9-447            Motor Grader                   YARD 10/07/97 CO     5071 Denver City &
                                                             Cat 12G
                                                             13L427-6585
  50 30  3TM CAT 98  HR     1040      1040 851-3            Caterpiller Grader, 140G       YARD 06/15/98
                                                             Diesel Engine, Model 140
                                                             72V9610
  50 30  3TS         HR     1001      1013 ED5533           Engine, Diesel, Cummins          50 11/17/97
                                                             458 BHP
                                                             E1-85430-4320-578003-0357
  50 30  3TS         HR     1001      1034 HB3315           ESCO High Alloy Blade            50 01/05/97
                                                             12 ft, Carbon edge
                                                             S35DD0-F2505
```

Printing the Assets by Finance Method Report

You can print the Assets by Finance Method report to see a printed version of the information that you enter for assets on the Financing Information form. The report includes the following information:

- Asset and parent number

- Description

- Lessor, renter, or mortgager

- Monthly amount owed

```
12421                                    J.D. Edwards & Company                          Page    -      2
                                         Item by Finance Method                          Date    -  4/26/96
L - Capitalized Lease
    Parent       Item                         Lessor                    P     Monthly      Date
    Number       Number      Description      Address        Name       O     Amount       Expired    Remark
  -----------  -----------  --------------- --------  ----------------- - ---------------- --------  -------------
         1001         1001 AA9 Motor Grader      1002 Edwards & Edwards  Y          995.00 10/15/01
                           Ripper, Power Assist, P                                                   Low maintenanc
                           Block, Scarifier, Encl
         1300         1300 Backhoe, Caterpillar 426  1002 Edwards & Edwards  N      1,015.37 09/15/01
                           Heavy Duty Bucket
                           Extendable Stick
```

Processing Options for Items by Finance Method

```
PRINT SELECTION:
1) Identify how to print Asset Number.              _____
     1 = Item Number           (DEFAULT)
     2 = Unit Number
     3 = Serial/Tag Number

2) Identify how to print the Amount.                _____
     blank = Amount w/ commas   (DEFAULT)
     1     = Amount w/o commas
```

Printing the Asset Cost Analysis Report

You can print the Cost Analysis report to review the various costs that are associated with an asset. Use the Cost Analysis report to measure the operating efficiency and effectiveness of assets, such as equipment. You can analyze these amounts in month-to-date, year-to-date, or inception-to-date increments. The Cost Analysis report includes asset information, such as:

- Net book value

- Revenue earned

- Ownership costs

- Disposals

Two columns on the report require further explanation:

Amount Month-to-date (MTD)	The amount, in currency or units, charged to the asset in the month you designate in the Through Date/Period for the report.
Amount/Hour MTD	The amount in hours charged to the asset in the month you designate in the Through Date/Period for the report.

Cost Analysis Report

```
12424                                          J.D. Edwards & Company                              Page -      2
                                             Equipment Cost Detail                               Date - 06/30/98
                                                                               Through Date/Period - 06/30/98
```

Item Number / Account Number	Sub Ledger	S T	Cost Account Description	Amount ITD	Amount YTD	Amount MTD	Amount/Hour ITD	Amount/Hour YTD	Amount/Hour MTD
1001 AA9 Motor Grader									
Ripper, Power Assist, Pus									
Block, Scarifier, Encl C									
			Hours or Miles	4.00	4.00	4.00			
			Net Book Value						
50.2030.			Heavy Equipment	57,443.21			14,360.80		
50.2130.			Accum Depr -Equipmen	20,105.14-	5,744.34-	5,744.34-	5,026.29-	1,436.09-	1,436.09-
			Net Book Value	37,338.07	5,744.34-	5,744.34-	9,334.51	1,436.09-	1,436.09-
			Revenue Earned						
YARD.8411.			Ownership Portion	200.00-	200.00-	200.00-	50.00-	50.00-	50.00-
YARD.8412.			Operating Portion	140.00-	140.00-	140.00-	35.00-	35.00-	35.00-
YARD.8413.			Maintenance Portion	190.00-	190.00-	190.00-	47.50-	47.50-	47.50-
YARD.8414.			Other Portion	20.00-	20.00-	20.00-	5.00-	5.00-	5.00-
			Revenue Earned	550.00-	550.00-	550.00-	137.50-	137.50	137.50
			Ownership Costs						
YARD.8421.			Depreciation	5,744.34	5,744.34	5,744.34	1,436.09	1,436.09	1,436.09
			Ownership Costs	5,744.34	5,744.34	5,744.34	1,436.09	1,436.09	1,436.09
			Operating Costs						
50.8451.			FOG	49.25	49.25	49.25	12.31	12.31	12.31
50.8452.			Tires	8,925.45	8,925.45	8,925.45	2,231.36	2,231.36	2,231.36
			Operating Costs	8,974.70	8,974.70	8,974.70	2,243.67	2,243.67	2,243.67
			Maintenance Costs						
50.8481.			Brake System	12.96	12.96	12.96	3.24	3.24	3.24
50.8482.			Drives/Differentials	321.33	321.33	321.33	80.33	80.33	80.33
50.8485.			Labor	150.96	150.96	150.96	37.74	37.74	37.74
			Maintenance Costs	485.25	485.25	485.25	121.31	121.31	121.31
			Total	51,992.36	8,909.95	8,909.95	12,998.08	2,227.48	2,227.48
A Model Construction Mgmt Co				51,992.36	8,909.95	8,909.95	12,998.08	2,227.48	2,227.48
				51,992.36	8,909.95	8,909.95	12,998.08	2,227.48	2,227.48

Processing Options for Cost Analysis

```
REPORT SELECTION:
1) Identify how to print report.          _____
    D = Detail Report  (DEFAULT)
    O = Total by Object Account
    S = Summary Report

DATE SELECTION:
2) Enter through period or through         _____
   fiscal date.  Leave blank to use
   current period.

LEDGER TYPE SELECTION:
3) Enter a single ledger type.  Leave      _____
   blank (default) for "AA" ledger.

UNITS SELECTION:
4) Enter a "1" to suppress units from      _____
   printing on report.  Leave blank to
   print units (default).

5) Identify what Automatic Accounting      _____
   Instruction to use for units.
    Y = 'AT00' AAI  (DEFAULT)
    A = 'FMA ' AAI
    B = 'FMB ' AAI

PRINT SELECTION:
6) Enter a "1" to omit printing assets     _____
   with zero cost.  Leave blank to print
   all assets (DEFAULT).

7) Identify how to print asset number.     _____
    1 = Item Number            (DEFAULT)
    2 = Unit Number
    3 = Serial Number

8) Identify how to print the amounts.      _____
    blank = Amounts w/ commas (DEFAULT)
    1     = Amounts w/o commas
```

Generating STAR Reports

If you need to access fixed asset information from your system that is not
included in the predefined DREAM Writer reports provided in the Fixed Assets
system, you can use the J.D. Edwards Spreadsheet Tool For Asset Reporting
(STAR). STAR is similar in setup to DREAM Writer. Use STAR when you need
more flexibility in specifying the format of a fixed asset report.

When you generate STAR reports, you can specify any of the following:

- Data fields and specific selections that you want to include in the report
  from the Item Master and Item Balances tables

- The sequence of the data on the report

- The location of totals on the report

- Column headings

- Size of columns

- Sequence of columns

STAR reports on data from only the Item Master (F1201) and Item Balances (F1202) tables. You can use STAR to create reports that show balances or activity for fixed assets, or that print only the data that meets your specified tolerance limit. For example, you can create a report that lists only assets that have a depreciation expense greater than 1,000 dollars. In addition to the numerous user defined reports that you can create, STAR includes several other fixed asset reports, such as the Additions and Retirements Report and the Disposal Analysis Report.

See Also

- *The STAR Guide* for more information about using STAR

Printing Supplemental Data Reports

G12	Fixed Assets
	Choose *Fixed Asset Master Information*

G1211	Fixed Asset Master Information
	Choose an option under the Supplemental Data or Specification Data headings
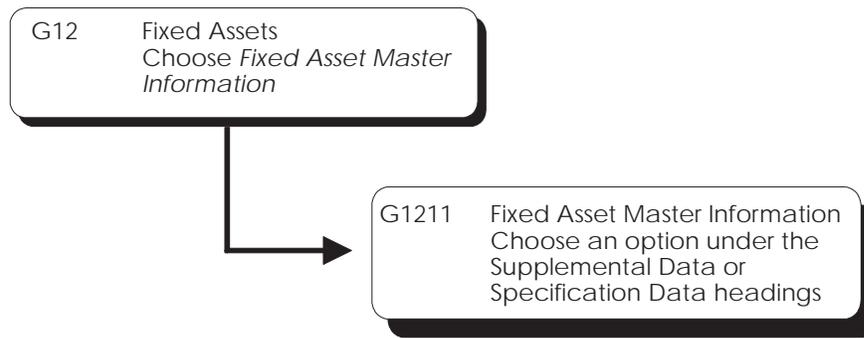
You can print supplemental data reports to review the additional information that you have recorded in the system for your assets. Printing supplemental data reports consists of the following tasks:

❑ Printing the Data by Item report

❑ Printing the Data by Data Type report

❑ Printing the Specification Data report

What You Should Know About

Processing time   The processing time for supplemental data reports depends on the amount of history that you retain in the fixed asset tables.

Printing the Data by Item Report

The Data by Item Supplemental Data report lists the supplemental information that you assigned to individual assets. Print this report to review the asset information that the system stores in the Supplemental Data tables (F12090, F12092, F12093) and the Item Master table (F1201).

```
12400                                      J.D. Edwards & Company                       Page Number        2
                                      Fixed Assets Suppl Data - By Item Number           Date        4/22/96


Item Number. . . . .                   1300  Backhoe, Caterpillar 426
                                             Heavy Duty Bucket
                                             Extendable Stick
Parent Number. . . .      1300
Company Number . . .      50        A Model Construction Mgmt Co
Location . . . . . .            5003  Airport Access Road

Capacity
==============================
              Effective
  Capacity    From   Through                                               Gallons
----------  -------- --------                                            ------------
FU          10/15/96                                                          28.00
 Fuel Capacity                    Tickler Date . . .
                                  Address Number . .
OL          10/15/96    engine oil                                             2.20
 Oil Reserve Capacity             Tickler Date . . .
                                  Address Number . .
              Oil usage is variable based on load.  Check oil levels in accordance to
              maintenance schedule.
                                                                        ------------
                                                             Total          30.20
```

Processing Options for Fixed Assets Supplemental Data Profile Report

```
PRINT SELECTION:
1) Enter a 'N' to bypass printing text            _____
   information on the report.  Leave
   blank (default) to print the text.

2) Choose which asset number to print:           _____
   '1' = Item Number (default).
   '2' = Unit Number.
   '3' = Serial Number.
```

Printing the Data by Data Type Report

The Data by Data Type Supplemental Data report lists supplemental data information by data type. Print this report to review the address book supplemental data information for assets by data type.

```
12440                                       J.D. Edwards & Company                      Page Number      2
                                       All Item Numbers by Data Type - Item #            Date        4/23/96



Capacity
================================
                                                        Effective Date
        Item Number            Name                     From    Through                           Gallons
------------------------
------------------------  ------------------------ -------- --------                         -------------


 Capacity . . . . . FU                    Fuel Capacity
              1001  AA9 Motor Grader        10/15/96                                               100.00
                    Tickler Date . . .              Address Number . .
              1300  Backhoe, Caterpillar 426 10/15/96                                               28.00
                    Tickler Date . . .              Address Number . .
                                                                                             -------------
                                                        Total for: Fuel Capacity                   128.00


 Capacity . . . . . OL                    Oil Reserve Capacity
              1001  AA9 Motor Grader        10/15/96            Engine oil                           7.25
                    Tickler Date . . .              Address Number . .
                     The oil usage is variable based on amount of loads being moved.  Check oil
                     levels on a regular basis.

              1300  Backhoe, Caterpillar 426 10/15/96          engine oil                            2.20
                    Tickler Date . . .              Address Number . .
                     Oil usage is variable based on load.  Check oil levels in accordance to
                     maintenance schedule.
                                                                                             -------------
                                                        Total for: Oil Reserve Capacity              9.45
                                                                                             -------------
                                                        Total for: Capacity                        137.45
```

Processing Options for Fixed Assets by Data Type Report

```
PRINT SELECTION:
1) Enter a 'N' to bypass printing text                    _____
   information on the report.  Leave
   blank (default) to print the text.

2) Choose which asset number to print:                    _____
    '1' = Item Number (default).
    '2' = Unit Number.
    '3' = Serial Number.
```

Printing the Specification Data Report

Print the Specification Data report to review specification data for a piece of equipment. You can print the report as a blank template for someone to complete at the equipment location, or as a report with complete data.

```
12416                                 J.D. Edwards & Company                      Page            2
                                     Specification Data Report                    Date        4/22/96


    Item Number. . . . . . . . .    11236                    Motor, 500hp GE
    Page No. . . . . . . . . . . 01


    Unit Number              01.151                  Motor, 500hp GE
                             ------------------------
                             ------------------------
    Description              EXHAUST FAN MOTOR
                             ------------------------
    Horsepower              500.00
                             ------------------------
    Phase                   3
                             ------------------------
    Voltage                                                      .
                             ------------------------
    RPM                     1800
                             ------------------------
    Enclosure               EXPLOSION
                             ------------------------
    Frame                   509LL
                             ------------------------
    Frequency (HZ)          60
                             ------------------------
    Type                    K
                             ------------------------
    NEMA Design             B
                             ------------------------
    Manufacturer            GE                    General Electric
                             ------------------------
    Model                   5K509RN204AE
                             ------------------------
    Serial Number           5K509RN204
                             ------------------------
    Manager                    8414               O'Malley, James P.
                             ------------------------
    Work Order
                             ------------------------
```

Processing Options for Specification Data Report

1. Enter a '1' to display Specification   _____
   Template. Leave blank to display
   Specification Data.

Print Depreciation Reports

Printing Depreciation Reports

The Fixed Assets system includes depreciation reports that you can use to review selected depreciation information.

Printing depreciation reports consists of the following tasks:

❏ Printing the Depreciation Schedule

❏ Printing Depreciation Projection Reports

Printing the Depreciation Schedule

G12   Fixed Assets
Choose *Cost Information and Reports*

G1213   Cost Information and Reports
Choose *Depreciation Schedule*
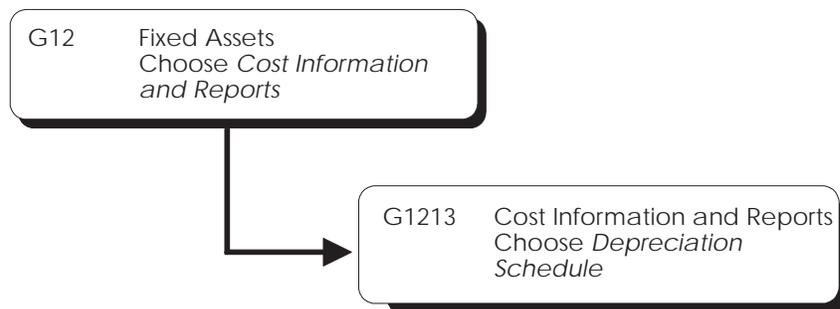
You can print the Depreciation Schedule report to review a list of assets and their corresponding depreciation expense and net book value amounts for each ledger. You can specify the sequence of this report by depreciation expense account or by accumulated depreciation account as of any date.

The Depreciation Schedule report shows the balances in the Item Balances table (F1202) without computing depreciation.

You can also use the Depreciation Schedule report after you enter the beginning balances for assets during the conversion process to the Fixed Assets system. You can use this report as a tool to review your entries and help you reconcile differences between the Item Balances table (F1202) and the Account Balances table (F0902).

The Depreciation Schedule report includes the following information:

Cost	The original acquisition cost of the asset.
Accumulated depreciation	The accumulated depreciation amount of the asset. This is a cumulative amount that is calculated according to the depreciation method that you specify for the asset.
Depreciation expense year to date	The amount of depreciation charged to the asset thus far this year.
Depreciation expense current	The amount of depreciation charged to the asset since the last final depreciation. This amount is based on the date that you specify for the report.
Net book value	The difference between the asset's cost and its accumulated depreciation.
Remaining (Rem) life	The periods remaining until the asset is fully depreciated. If the disposal date of the asset is prior to the date the asset will be fully depreciated, the system uses the month and year to determine the remaining periods that print on the report.

Depreciation Schedule – Cost and Accumulated Depreciation By Ledger Type

```
12411                                      J.D. Edwards & Company                      Page    –      3
                                             Depreciation Schedule                       Date    –  6/06/98
                                         By Accumulated Depreciation Account             As of   –  06/30/98
A Model Construction Mgmgt Co                        50.2120

Parent No./      Description           Start      De D M Life                 Accumulated    . .Depreciation Expense. .   Net Book      Salvage      Meth 9    Sub-
  Item No.   Depreciation Expense Acct.  Depr   LT Me I C Mths   Cost          Depreciation   Year to Date   Current      Value         Value        Sch No    Ledger/Ty
-----------  --------------------------  ------  -- -- - - ----  -------------  -------------  ------------  -----------  -------------  ------------  ---------  ----------
   1035 Executive Desks             10/15/96 AA 01 0 R  60   9,617.47      3,366.11        961.74       961.74      6,251.36
   1035        YARD.8320.           10/15/96 D1 12 Y C  84   9,617.47      4,570.73        841.08       841.08      5,046.74
                                    10/15/96 D3 13 Y I 120   9,617.47      1,923.60        480.98       480.98      7,693.87
                                    10/15/96 D4 04 Y I 120   9,617.47      2,622.83        566.61       566.61      6,994.64
                                    10/15/96 D5 01 Y I 120   9,617.47      1,923.60        480.98       480.98      7,693.87

                                                            -------------  -------------  ------------  -----------  -------------
             Accumulated Depreciation Tota     AA            9,617.47      3,366.11        961.74       961.74      6,251.36
                                               D1            9,617.47      4,570.73        841.08       841.08      5,046.74
                                               D3            9,617.47      1,923.60        480.98       480.98      7,693.87
                                               D4            9,617.47      2,622.83        566.61       566.61      6,994.64
                                               D5            9,617.47      1,923.60        480.98       480.98      7,693.87
```

Depreciation Schedule – Totals by Ledger Type

```
12411                              J.D. Edwards & Company              Page     –      3
                                    Depreciation Schedule              Date     –   6/06/98
                              By Accumulated Depreciation Account      As of    –  06/30/98
A Model Construction Mgmgt Co                   YARD.2130

Parent No./    Description          Start   De D M Life                Accumulated   . .Depreciation Expense. .   Net Book      Salvage       Meth 9     Sub-
  Item No.     Depreciation Expense Acct.  Depr   LT Me I C Mths    Cost            Depreciation   Year to Date   Current      Value         Value         Sch No     Ledger/Ty
------------   ------------------------   -------  -- -- - - ----  -------------  -------------  -------------  -----------  -------------  -------------  ---------  ----------
       1018 Ace Truck, 3/4 Ton Panel     06/15/98 AA 01 0 R  60    13,879.19         231.32         231.32        231.32       13,647.87
       1018 Chevrolet - 1991 361 CID     06/15/98 D1 12 Y C  84    13,879.19                                                   13,879.19
            Tommy Lift, A/C, Autotrans   06/15/98 D3 13 Y I 120    13,879.19                                                   13,879.19
                 YARD.8421.              06/15/98 D4 04 Y I 120    13,879.19                                                   13,879.19
                                         06/15/98 D5 01 Y I 120    13,879.19                                                   13,879.19
                                                                 -------------  -------------  -------------  -----------  -------------  -------------
            Accumulated Depreciation Tota      AA                 13,879.19         231.32         231.32        231.32       13,647.87
                                               D1                 13,879.19                                                   13,879.19
                                               D3                 13,879.19                                                   13,879.19
                                               D4                 13,879.19                                                   13,879.19
                                               D5                 13,879.19                                                   13,879.19
                                                                 -------------  -------------  -------------  -----------  -------------  -------------
            Company Total. . . . . . . .       AA                325,535.03      34,778.48      15,284.76     15,284.76      290,756.55
                                               D1                348,699.28      51,370.71      10,842.72     10,842.72      297,328.57
                                               D3                348,699.28      23,168.97       6,170.36      6,170.36      325,530.31
                                               D4                348,699.28      30,366.32       7,252.83      7,252.83      318,332.96
                                               D5                348,699.28      23,415.02       6,416.41      6,416.41      325,284.26
                                               AU                    15.00                                                       15.00
                                                                 -------------  -------------  -------------  -----------  -------------  -------------
            Grand Total. . . . . . . .         AA                325,535.03      34,778.48      15,284.76     15,284.76      290,756.55
                                               D1                348,699.28      51,370.71      10,842.72     10,842.72      297,328.57
                                               D3                348,699.28      23,168.97       6,170.36      6,170.36      325,530.31
                                               D4                348,699.28      30,366.32       7,252.83      7,252.83      318,332.96
                                               D5                348,699.28      23,415.02       6,416.41      6,416.41      325,284.26
                                               AU                    15.00                                                       15.00
```

Processing Options for Depreciation Schedule

```
AS-OF PERIOD SELECTION:
1) Enter the "as-of" period.  Leave          _____
   blank (default) to use each company's
   current fiscal period.
2) Enter the "as-of" fiscal year.  Leave     _____
   blank (default) to use each company's
   current fiscal year.

LEDGER TYPE SELECTION:
3) Enter a single ledger type.  Leave        _____
   blank (default) for all ledger types.

PRINT OPTIONS:
4) Choose one of the following for           _____
   report sequence:
   '1' = sequence by Accumulated
         Depreciation Account (Default).
   '2' = sequence by Depreciation
         Expense Account.
   (NOTE: DREAM Writer sequencing must
   be consistent with this selection.)

5) Choose one of the following to print      _____
   on the report:
   '1' = Item Number (Default).
   '2' = Unit Number.
   '3' = Serial Number.
6) Enter a '1' to print all assets.          _____
   Leave blank (default) to omit
   printing assets with zero cost.

7) Enter a '1' to suppress commas on         _____
   all Amount fields.  Leave blank
   (default) to print with commas.

8) Enter a '1' to print Month and Year       _____
   asset will be fully depreciated.
   Leave blank (default) to print
   Remaining Periods.
```

Printing Depreciation Projection Reports

```
G12      Fixed Assets
         Choose Year End Processes
```

```
G1225    Year End Processes
         Choose Depreciation
         Projections
```
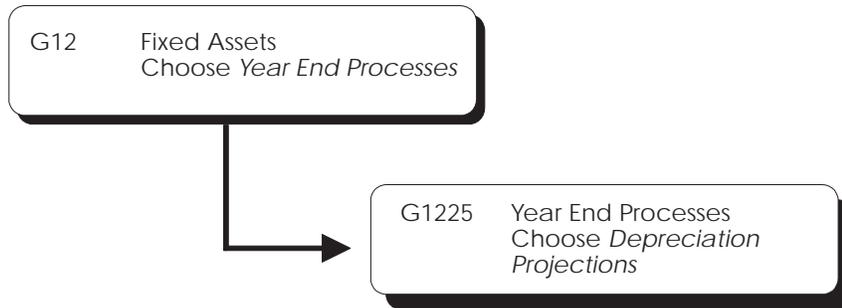
You can print the Depreciation Projections report to see a list of annual depreciation amounts for an asset. Use the Depreciation Projections report to:

- Compare two depreciation ledgers. For example, you can compare the book and tax ledgers to determine the tax deferral that arises when you compute depreciation using one method for tax purposes and another method for your general ledger.

- View the depreciation projections for one ledger.

- Forecast annual depreciation amounts for up to 41 years. You can forecast for existing assets that have cost in the current year and a depreciation start date in the current or prior year.

The Depreciation Projections report is based on the cost that exists in the beginning fiscal year you enter for the report. The report does not include future costs.

You can select the level of detail that you want to print on the Depreciation Projections report. Each level of detail that you select shows the depreciation expense by year for a specific ledger type. You can also use the level of detail to see the difference in annual depreciation when you compare two ledger types. The report includes the following levels of detail:

- Summary by company

- Summary by depreciation expense account and company

- Detail by asset and summary by depreciation expense account and company

The report includes the following information:

Cost	The original acquisition cost of the asset.
Fiscal year (Fs Yr)	The fiscal year associated with the information that appears on this line of the report.
Depreciation for actual amounts (Depreciation AA)	The depreciation expense amount for ledger type AA.
Depreciation for D1 (Depreciation D1)	The accumulated depreciation amount for a user defined ledger type, such as D1.
Book/Tax difference	The difference between the depreciation expense amounts in the two ledgers. For example, the difference between the book ledger (AA) and a tax ledger (D1).

What You Should Know About

Selecting a fiscal year to begin depreciation projections	You must select the current or prior fiscal year. The fiscal year that you select to begin your depreciation projections must be a year for which your assets have records in the Item Balances table (F1202).
Assets that are included in the projections report	Only assets with a current year cost record and depreciation start date in the current or prior year are included in the projection.
Depreciated or disposed assets	The projections report does not include assets that you have fully depreciated or disposed of.

Depreciation Projections Report

```
12860                                J.D. Edwards & Company              Page    -       3
                                  Depreciation Projections - Detail       Date    -  4/26/96
A Model Construction Mgmt Co
Depr Exp Acct -        50.8860
Parent No./                                Salvage     Start  De D M Life Fs . . . . . .Depreciation . . . . . .   Book/Tax       Subledger/
Item No.       Description     LT    Cost     Value     Depr   Me I C Mons Yr         AA               D1          Difference     Type
-----------  --------------------  --  ----------------  -------------  --------  -- - - ---- --  ----------------  ----------------  ----------------  ----------
   1361     CAD/CAM               AA     8,914.07               10/22/97 01 0 R  60 98       1,782.84         2,852.50         1,069.66-
      1361  Autotrol              D1     8,914.07               10/22/97 12 Y C  60 99       1,782.84         1,711.50            71.34
                                                                           00       1,782.84         1,026.90           755.94
                                                                             ----------------  ----------------
                                                                                   5,348.52         5,590.90

   1370     Plotter              AA    17,348.72               09/15/97 01 0 R  60 98       3,469.80         5,551.59         2,081.79-
      1370                        D1    17,348.72               09/15/97 12 Y C  60 99       3,469.68         3,330.95           138.73
                                                                           00       3,469.80         1,998.57         1,471.23
                                                                             ----------------  ----------------
                                                                                  10,409.28        10,881.11
12860                                J.D. Edwards & Company              Page    -       4
                                  Depreciation Projections - Detail       Date    -  4/26/96
A Model Construction Mgmt Co
Depr Exp Acct -        50.8860
                                          Fs . . . . . .Depreciation . . . . . .    Book/Tax
               Description                 Yr         AA               D1          Difference
            ------------------------------  --  ----------------  ----------------  ----------------
               50.8860                     98       5,252.64         8,404.09         3,151.45-
                                           99       5,252.52         5,042.45           210.07
                                           00       5,252.64         3,025.47         2,227.17
12860                                J.D. Edwards & Company              Page    -       5
                                  Depreciation Projections - Detail       Date    -  4/26/96
A Model Construction Mgmt Co
Depr Exp Acct -        SHOP.8441
Parent No./                                Salvage     Start  De D M Life Fs . . . . . .Depreciation . . . . . .   Book/Tax       Subledger/
Item No.       Description     LT    Cost     Value     Depr   Me I C Mons Yr         AA               D1          Difference     Type
-----------  --------------------  --  ----------------  -------------  --------  -- - - ---- --  ----------------  ----------------  ----------------  ----------
   2053     Backhoe, Caterpillar 416  AA    35,627.00            05/15/97 01 0 R  60 98       7,125.36         8,725.05         1,599.69-
      2053  24" Extreme Service Bucket  D1    35,627.00            05/15/97 12 Y C  84 99       7,125.48         6,231.16           894.32
            4WD                                                             00       7,125.36         4,449.81         2,675.55
                                                                             ----------------  ----------------
                                                                                  21,376.20        19,406.02
```

Processing Options for Depreciation Projections

```
LEDGER SELECTION:
1) Enter the book ledger.                        _____
    Default is 'AA' ledger.
2) Enter the tax ledger.                         _____

FISCAL YEAR SELECTION:
3) Enter the begin fiscal year.                  _____
    Default is current fiscal year for
    company '00000'.
4) Enter the number of years to project          _____
   depreciation.
    Default is 3.  Maximum is 41 or
    life of asset, if less.

PRINT SELECTION:
5) Enter report summarization level.             _____
    1 = Summary by Company      (DEFAULT)
    2 = Summary by Depreciation Expense
        Account and Company
    3 = Detail by Asset, and Summary by
        Depre Expense Acct and Company.
6) Identify how to print asset number.           _____
    1 = Item Number             (DEFAULT)
    2 = Unit Number
    3 = Serial/Tag Number
7) Identify how to print Amount fields.           _____
    blank = Amounts w/ commas  (DEFAULT)
    1     = Amounts w/o commas
```

Run Integrity Reports

G12   Fixed Assets
Choose *Fixed Asset Integrity Reports*

G1224   Fixed Asset Integrity Reports
Choose an option
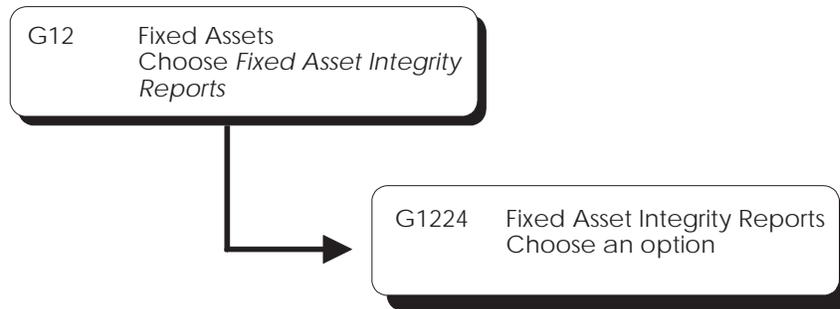
Running Integrity Reports

Run integrity test programs to supplement your internal balancing procedures by locating potential balancing problems and data inconsistencies. Integrity test programs generate reports to help ensure that your J.D. Edwards systems remain in balance. For example, the fixed asset Item Balances (F1202) might be out of balances with the general ledger under the following circumstances:

- Journal entries are posted to the general ledger but not to fixed assets (or vice versa)

- You made changes to the fixed asset (FX) range of accounts in the automatic accounting instructions (AAIs) and did not include an account which might have been previously included in the FX range, or vice versa

- You made changes to the general ledger account numbers and have not run the Update Company Number, Business Unit/Object/Subsidiary program

- Asset account records have been purged from Account Balances (F0902), but not from fixed asset Item Balances (F1202), or vice versa

Running integrity reports consists of the following tasks:

❑ Printing the Fixed Assets to G/L Integrity report

❑ Printing the Unposted to Fixed Asset Transactions report

❑ Printing the Fixed Asset Transaction report

When to Run Integrity Reports

You can use integrity reports to identify and correct balance errors immediately. J.D. Edwards recommends that you run integrity reports at least once a week during the conversion process at new installation sites or during a learning period for new users. All other users should run integrity reports on a monthly basis, at a minimum.

Before You Begin

❏ Post all fixed asset transaction batches. The system performs integrity tests only on posted records.

Printing the Fixed Assets to G/L Integrity Report

You can use the Fixed Assets to G/L Integrity report to compare account records in the fixed asset balance table to the records in the general ledger balance table. The system prints any records that are not in balance on the report.

```
127011                          J.D. Edwards & Company                    Page      2
                                F/A to G/L Integrity                      Date    4/26/96
         Account Number         Amount - G/L          Amount - F/A         Difference
    _____    _____    _____   _____
          50.2020                                           75364.72            75364.72
          50.2030                    106960.27             996675.09           889714.82
          50.2040                                           23439.63            23439.63
          50.2050
          50.2060                                            9617.47             9617.47
          50.2070                      1342.51              27587.80            26245.29
          50.2120                      1279.32-              5047.56-            3768.24-
          50.2130                    101368.79-            245143.56-          143774.77-
          50.2140                      1171.98-              1171.98-
          50.2160                       961.74-              3366.11-            2404.37-
          50.2170                      2626.32-              4228.63-            1602.31-
          50.8421                      3645.00-              3645.00-
          50.8422                      7290.00-              7290.00-
          50.8423                      5832.00-              5832.00-
          50.8424                      1458.00-              1458.00-
          50.8451                       297.16               297.16
          50.8452                     18294.39              9368.75             8925.64-
          50.8481                        12.96                12.96
          50.8482                       321.33               321.33
          50.8483                      1612.01              1612.01
          50.8484                      4337.61               337.61             4000.00-
          50.8485                       966.62               966.62
          50.8860                      2626.32              2626.32
        SHOP.8421                      1155.00-              1155.00-
        SHOP.8422                      2310.00-              2310.00-
        SHOP.8423                      2310.00-              2310.00-
        SHOP.8441                      3562.68              3562.68
        SHOP.8482.230                   287.25               287.25
        SHOP.8486.230                    50.00                50.00
        YARD.2030                     13879.19             189221.48           175342.29
        YARD.2130                       231.32-               231.32-
        YARD.8315                      1279.32              1279.32
        YARD.8320                       961.74               961.74
        YARD.8421                      9998.24-              9998.24-
        YARD.8422                     28358.97-             28358.97-
        YARD.8423                     20768.98-             20768.98-
        YARD.8424                      3794.99-              3794.99-
        YARD.8441                    110791.53             110791.53
        YARD.8482.110                   117.56               117.56
        YARD.8482.140                    43.00                43.00
        YARD.8486                      1098.80              1098.80
        YARD.8486.110                   127.50               127.50
        YARD.8486.140                    36.00                36.00
        YARD.9111                     10000.00-             10000.00-
        YARD.9112                     11582.13             11582.13
        YARD.9113
        6001.8400                      1897.50              1897.50
                                    _____    _____   _____
                                      77924.73            1113173.62          1035248.89
```

Processing Options for Integrity Test – F/A to G/L

```
        REPORTING SELECTION:
        1) Enter a '1' to ONLY print those                      _____
           accounts where the Item Balance
           (F1202) net postings do not equal
           the Account Balance (F0902) net
           postings.  Leave blank to print
           all accounts.
```

Printing Unposted Fixed Asset Transactions

Print the Unposted Fixed Asset Transactions report to review the transaction
ledger table. Any fixed asset transactions that are within the FX range in the
AAIs and are are posted to the general ledger, but not to fixed assets, appear on
this integrity report.

```
12301                                    J.D. Edwards & Company                        Page    -      2
                                         Unposted F/A Transactions                      Date    - 4/26/96
Do Document  G/L      Account, Description,                              Item                       Line   H
Ty Number    Date       Subledger/Type     LT     Amount        Units   Number  Desc/Explanation   Number D
-- --------  -------- -------------------------- -- ----------------- --------------- ------------ -------------------- -------- -
BE    1635 06/15/98          50.2070        AA        17.50-                          * No Item Master Rec    1.0
                      Computer                                                          Ceiling Materials
                                                                                       A&B Electric Motor
PV     538 06/15/98          50.2070        AA        17.50                           * No Item Master Rec    6.0 H
                      Computer                                                          Ceiling Materials
                                                                                       A&B Electric Motor
PV     568 06/15/98          50.8452        AA      8,925.64                          * No Item Master Rec   13.0 H
                      Tires                                                             Invoice 79860
                                                                                       Tenco Tractor, Inc
PV     568 06/15/98          50.8484        AA      4,000.00                          * No Item Master Rec   14.1 H
                      Safety Equipment                                                  Invoice 79860
                                                                                       Tenco Tractor, Inc
BE    1635 06/15/98          50.2070        AA        17.50                    1006 Office Building           2.0
                      Computer                                                          Ceiling Materials
                      00001901 W                                                        A&B Electric Motor
                                                                   ---------------- ---------------
          A Model Construction Mgmt Co                                 12,943.14
```

See Also

- *Processing Options for Unposted F/A Transactions*

Printing the Fixed Asset Transaction Report

Print the Fixed Asset Transaction report to review all the transactions in the
Account Ledger table (F0911) for a specific account during the current fiscal
year. The current fiscal year is based on the company associated with a
particular account. Use this transaction report to identify problems and
discrepancies between the Item Balances table (F1202) and the Account
Balances table (F0902).

The Fixed Asset Transaction report includes only those transactions that you
have posted to the general ledger or fixed assets. The report lists the following
totals for each account:

- Total of all transactions

- Total of all transactions posted to the general ledger and posted to fixed
  assets

- Total of all transactions posted to the general ledger and unable to post to fixed assets

- Total of all transactions posted to the general ledger and not yet posted to fixed assets

- Total of all transactions not posted to the general ledger, but posted to fixed assets

- Total of all transactions not posted to the general ledger and unable to post to fixed assets

The Fixed Asset Transaction report prints one line per Account Ledger record. Use data selections to print only the transactions that you need to review for specific accounts and to keep the size of the report manageable.

The Fixed Asset Transaction report includes the following information:

General ledger posted code (G/L P C)	A code that indicates whether a transaction has been posted to the general ledger.
Fixed asset pass code (F/A P C)	A code that indicates whether a transaction has been posted to fixed assets.

Before You Begin

❑ Post any transactions to the general ledger that have not yet been posted

❑ Post any transactions to fixed assets that have not yet been posted

What You Should Know About

Beginning balances	The Fixed Asset Transaction report includes only Account Ledger transactions that you have posted to the general ledger or fixed assets. The report does not include fixed asset balances that you entered through Beginning Balances Setup if you did not specify supporting transactions.
Summarized depreciation transactions	The Fixed Asset Transaction report does not include summarized depreciation transactions. You can specify summarized transactions when you run the final depreciation for your assets.

F/A Pass Code of P

The system does not post transactions with a F/A Pass Code of P to fixed assets. A transaction can have a F/A Pass code of P for the following reasons:

- The transaction has an account number that is not included in the FX range of AAIs. The Identify New Entries program assigns P only to transactions that do not fall within the FX range of the AAIs.
- You changed the pass code manually to P on Revise Unposted Entries so that the transaction would not post to the Item Balances table (F1202).

```
127012                                      J.D. Edwards & Company                          Page – . . .    2
                                      F/A Transaction Integrity Report                       Date – . . .  4/26/96
                            Document    G/L                                G/L F/A
    Account Number          Number   Ty  Date    Asset Number             P C P C      Amount
    -------------------------- -------- -- -------- -------------------------- --- --- --------------------
          50.2070                538 PV 06/15/98 00001006                  P    *            60.00
          50.2070                538 PV 06/15/98 00001006                  P    *            51.59
          50.2070                538 PV 06/15/98 00001006                  P    *            69.00
          50.2070                538 PV 06/15/98 00001006                  P    *         1,042.00
          50.2070                538 PV 06/15/98 00001006                  P    *            26.42
          50.2070                538 PV 06/15/98                           P                 17.50
          50.2070                538 PV 06/15/98 00001006                  P    *            60.00
          50.2070                538 PV 06/15/98 00001006                  P    *            16.00
          50.2070               1635 BE 06/15/98                           P                 17.50-
          50.2070               1635 BE 06/15/98 00001006                  P                 17.50
                                                                                   ---------------------
                                                                                          1,342.51

          Posted to G/L, Posted to F/A                      1,325.01
          Posted to G/L, Unable to Post to F/A
          Posted to G/L, Not Posted to F/A                     17.50
          Not Posted to G/L, Posted to F/A
          Not Posted to G/L, Unable to Post to F/A
```

Print Quarterly and Year-to-Date Reports

```
G12        Fixed Assets
           Choose Quarterly and
           Year-to-Date Reports
```

```
G1223      Quarterly and Year-to-Date
           Reports
           Choose an option
```
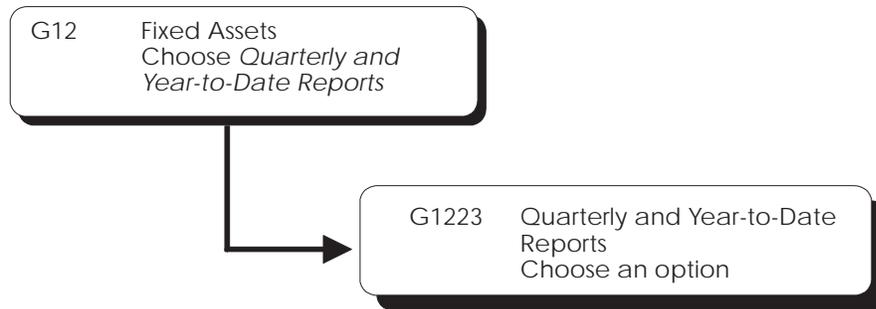
Printing Quarterly and Year-to-Date Reports

The Fixed Assets system includes quarterly and year-to-date reports that you can print to review selected fixed asset information.

Printing quarterly and year-to-date reports consists of the following tasks:

❑ Printing the Fixed Asset Item Reconciliation report

❑ Printing the Fixed Asset Account Reconciliation report

❑ Printing the Fixed Asset Retirements report

❑ Printing the Sale of Business Property report

❑ Printing the Depreciation and Amortization report

❑ Printing the Depreciation Expense report

❑ Printing the Property Tax Worksheet

Printing the Fixed Asset Item Reconciliation Report

You can run the Fixed Asset Item Reconciliation report to help you reconcile a specific asset or all assets for a company. Run this report by asset to review the account activity for an asset's cost and accumulated depreciation. You can use the report to reconcile activity for a particular quarter or the entire fiscal year.

The Fixed Asset Item Reconciliation report includes the following information:

Beginning balance
The beginning balance for the asset cost, accumulated deprecation, and net book value of an asset. The beginning balance for the asset cost and accumulated depreciation amounts are as of the end of the period prior to the quarter or the year you request for the report. The beginning balance for the net book value equals the asset cost beginning balance less the accumulated depreciation beginning balance.

Ending balance
The ending balance for the asset cost, accumulated depreciation, and net book value of an asset. The ending balance for the asset cost and accumulated depreciation amounts equals the beginning balances plus any additions and transfers in, less any transfers out and disposals. The ending balance for the net book value is the difference between the ending balances for the asset cost and accumulated depreciation.

Fixed Asset Item Reconciliation Report

```
12431                        J.D. Edwards & Company                                      Page  -      3
                            F/A Reconciliation Report                                    Date  - 4/26/96
                                                                                         As of - 12/31/98

Item                                      Beginning       YTD         Transfers   Transfers      YTD         Ending
Number     Description         LT           Balance    Additions          In         Out      Disposals      Balance
------     -----------         --         ---------    ---------      ---------   ---------    ---------      -------
1006 Office Building        AA Asset Cost  75,364.72    1,325.01                                            76,689.73
                              Accum Depr    3,768.24-   1,279.32-                                            5,047.56-
                              NBV          71,596.48                                                        71,642.17
                            .
                                           75,364.72    1,325.01                                            76,689.73
                                            3,768.24-   1,279.32-                                            5,047.56-
                                           71,596.48                                                        71,642.17

20   Buildings             AA Asset Cost  75,364.72    1,325.01                                            76,689.73
                              Accum Depr    3,768.24-   1,279.32-                                            5,047.56-
                              NBV          71,596.48                                                        71,642.17

1001 AA9 Motor Grader      AA Asset Cost  57,443.21                                                        57,443.21
                              Accum Depr  14,360.80-   5,744.34-                                           20,105.14-
                              NBV          43,082.41                                                        37,338.07

3TM  MOTOR GRADERS            Asset Cost  57,443.21                                                        57,443.21
                              Accum Depr  14,360.80-   5,744.34-                                           20,105.14-
                              NBV          43,082.41                                                        37,338.07

1013 Engine, Diesel, Cummins AA Asset Cost 9,549.12                                                         9,549.12
                              Accum Depr     318.30-     954.90-                                            1,273.20-
                              NBV           9,230.82                                                        8,275.92

1014 Earthwork Scraper     AA Asset Cost  23,164.25                                         23,164.25-
                              Accum Depr   9,265.70-   2,316.42-                            11,582.12
                              NBV         13,898.55

1034 ESCO High Alloy Blade AA Asset Cost   4,792.16                                                         4,792.16
                              Accum Depr     958.43-     479.22-                                            1,437.65-
                              NBV           3,833.73                                                        3,354.51

3TS  SCRAPERS                 Asset Cost  37,505.53                                         23,164.25-     14,341.28
                              Accum Depr  10,542.43-   3,750.54-                            11,582.12       2,710.85-
                              NBV         26,963.10                                                        11,630.43

30   Heavy Equipment          Asset Cost  94,948.74                                         23,164.25-     71,784.49
                              Accum Depr  24,903.23-   9,494.88-                            11,582.12      22,815.99-
                              NBV         70,045.51                                                        48,968.50

1022 Honda Accord          AA Asset Cost               23,439.63                                           23,439.63
                              Accum Depr                1,171.98-                                           1,171.98-
                              NBV                                                                          22,267.65

40   CARS & SMALL TRUCKS                               23,439.63                                           23,439.63
                                                        1,171.98-                                           1,171.98-
                                                                                                          22,267.65

40   Vehicles                                          23,439.63                                           23,439.63
                                                        1,171.98-                                           1,171.98-
                                                                                                          22,267.65
```

What You Should Know About

Quarterly reports   You can print quarterly reports only for the Actual
                             Amounts (AA) ledger type. Other ledgers do not
                             necessarily have the transaction detail that is needed to
                             determine the disposal, transfer in, and transfer out
                             amounts on a quarterly basis.

Asset disposals   You perform disposals only for the AA ledger type. As a
                             result, you do not see an amount in the Year-to-Date
                             Disposals field for a non-AA ledger type.

Processing Options for Fixed Asset Reconciliation Report

```
Fiscal Year And Quarter Selection:
1) Enter the fiscal year you wish to              _____
   report activity.  Leave blank to
   use current fiscal year.

2) Identify the quarter you wish to              _____
   report activity.
      1    = First Quarter
      2    = Second Quarter
      3    = Third Quarter
      4    = Fourth Quarter
    blank = Year to Date
   NOTE: Values of 1, 2, 3, and 4 are
   only allowed with Ledger Type 'AA'
   selection for option 3.

Ledger Type Selection:
3) Enter the Ledger Type you wish to             _____
   report activity.  If left blank,
   the 'AA' Ledger Type will be used.
   NOTE:  If a Ledger Type other than
   'AA' is entered, option 2 should be
   left blank to report Year to Date.

Print Selection:
4) Identify how to print asset number.           _____
      1 = Item Number  (DEFAULT)
      2 = Unit Number
      3 = Serial Number

5) Identify how to print the Amounts.            _____
   blank = Amounts w/ commas (DEFAULT)
   1     = Amounts w/o commas
```

Printing the Fixed Asset Account Reconciliation Report

You can print the Fixed Asset Account Reconciliation report to help you reconcile the activity of a specific account or all accounts for a company. Run this report by account to review each item number within an account. You can use this report to reconcile the account's activity for a particular period, quarter, or fiscal year.

Fixed Asset Account Reconciliation Report

```
12435                                          J.D. Edwards & Company                    Page     -      3
                                             F/A Account Reconciliation Report           Date     -   4/26/96
                                                                                         As Of    -  12/31/98
Account Number                                       Beginning          YTD          Transfers       Transfers         YTD             Ending
Item Number                Description         LT     Balance        Additions          In              Out          Disposal         Balance
-------------------------  ----------------    --  ---------------  ---------------  ---------------  ---------------  ---------------  ---------------
        50.2020            Buildings
        1006               Office Building      AA      75,364.72                                                                          75,364.72
                                                   ---------------  ---------------  ---------------  ---------------  ---------------  ---------------
Total Account                                          75,364.72                                                                          75,364.72
        50.2030            Heavy Equipment
        1001               AA9 Motor Grader     AA      57,443.21                                                                          57,443.21
        1013               Engine, Diesel, Cummins AA    9,549.12                                                                           9,549.12
        1014               Earthwork Scraper    AA      23,164.25                                                         23,164.25-
        1018               Ace Truck, 3/4 Ton Panel AA                 13,879.19                        13,879.19-
        1034               ESCO High Alloy Blade AA      4,792.16                                                                           4,792.16
        1040               Caterpiller Grader, 140G 1 AA               99,527.54                                                          99,527.54
        1042               Caterpillar Crawler, 1997  AA               30,596.98                                                          30,596.98
        1300               Backhoe, Caterpillar 426 AA   46,108.00                                                                        46,108.00
        1311               Truck, Flatbed, Ford AA      23,746.57                                                                          23,746.57
        1329               Truck, Pickup,  Ford AA      17,395.00                                                                          17,395.00
        1388               Scrapper, Auger, CAT 651E AA 237,419.00                                                                       237,419.00
        1417               Motor Grader         AA     217,358.16                                                                         217,358.16
        1425               Grader, Cat 140G     AA     197,842.35                                                                         197,842.35
        2049               Truck, Pickup,  Ford AA      19,270.00                                                                          19,270.00
        2053               Backhoe, Caterpillar 416 AA  35,627.00                                                                         35,627.00
                                                   ---------------  ---------------  ---------------  ---------------  ---------------  ---------------
Total Account                                         889,714.82       144,003.71                       13,879.19-       23,164.25-      996,675.09
        50.2040            Vehicles
        1022               Honda Accord         AA                     23,439.63                                                          23,439.63
                                                   ---------------  ---------------  ---------------  ---------------  ---------------  ---------------
Total Account                                                          23,439.63                                                          23,439.63
        50.2060            Furniture & Office Equipme
        1035               Executive Desks      AA       9,617.47                                                                          9,617.47
                                                   ---------------  ---------------  ---------------  ---------------  ---------------  ---------------
Total Account                                           9,617.47                                                                          9,617.47
        50.2070            Computer
        1006               Office Building      AA                      1,325.01                                                           1,325.01
        1361               CAD/CAM              AA       8,914.07                                                                          8,914.07
        1370               Plotter              AA      17,348.72                                                                         17,348.72
                                                   ---------------  ---------------  ---------------  ---------------  ---------------  ---------------
Total Account                                          26,262.79        1,325.01                                                         27,587.80
        50.2120            Accum Depr - Buildings
        1006               Office Building      AA       3,768.24-      1,256.10-                                                          5,024.34-
        1006               Office Building      AA                         23.22-                                                            23.22-
                                                   ---------------  ---------------  ---------------  ---------------  ---------------  ---------------
Total Account                                           3,768.24-       1,279.32-                                                          5,047.56-
```

Processing Options for F/A Account Reconciliation Report

```
FISCAL YEAR AND PERIOD SELECTION:
1) Enter the fiscal year you wish to          _____
   report activity.  Leave blank to
   use current fiscal year.
2) Identify the period you wish to
   report activity.                           _____
    01 - 14 = Specific Period
       A    = First Quarter
       B    = Second Quarter
       C    = Third Quarter
       D    = Fourth Quarter
     blank = Year to Date
   NOTE: Specific period and quarterly
   reporting are only allowed with 'AA'
   ledger type selection for option 3.

LEDGER TYPE SELECTION:
3) Enter the Ledger Type you wish to          _____
   report activity.  If left blank,
   the 'AA' Ledger Type will be used.
   NOTE:  If a Ledger Type other than
   'AA' is entered, option 2 should be
   left blank to report Year to Date.

PRINT SELECTION:
4) Identify how to print Asset Number.        _____
     1 = Item Number  (DEFAULT)
     2 = Unit Number
     3 = Serial Number

5) Identify how to print the Amounts.         _____
     blank = Amounts w/ commas  (DEFAULT)
     1     = Amounts w/o commas
```

Printing the Fixed Asset Retirements Report

You can print the Fixed Asset Retirements report to review the gain or loss on the disposal of an asset for any ledger. You can print asset disposal information for actual amounts for a particular quarter or the entire year. You can also print and compare asset disposal information for two ledger types for an entire year, or any time after depreciation is fully calculated for non-AA ledger type.

The Fixed Asset Retirements report includes the following information:

Cost	The original asset cost plus any additional costs for the asset through the as of date that you specify for the report.
First ledger less second ledger	The difference between the gain/loss amount of two ledgers, if you are comparing two ledgers on this report. For example, you can compare your book and federal tax gains and losses.

What You Should Know About

Quarterly reports	You can print a Fixed Asset Retirements quarterly report for ledger type AA. You cannot print a quarterly report for non-AA ledger types unless the ledger type's depreciation is fully calculated for the year.

Fixed Asset Retirements Report

```
12432                          J.D. Edwards & Company                                    Page        -     3
                             Fixed Asset Retirements Report                              Date        -  4/26/96
                                                                                         As of       - 12/31/98
Item                        Start   Disp    Disposal                 Accumulated    Net Book    Disposal        1st Ledger less
Number       Description  LT Depr   Date    Proceeds       Cost      Depreciation   Value       Gain/Loss       2nd Ledger
------ ------------------ -- ------- ------- ----------- ----------- ------------- ----------- ------------    --------------
  1014 Earthwork Scraper  AA 01/17/96 06/26/98 10,000.00  23,164.25  11,582.12-   11,582.13   1,582.13-
                                              ----------- ----------- ------------- ----------- ------------
 3TS   SCRAPERS           AA             10,000.00  23,164.25  11,582.12-   11,582.13   1,582.13-
                                              ----------- ----------- ------------- ----------- ------------
 30    Heavy Equipment    AA             10,000.00  23,164.25  11,582.12-   11,582.13   1,582.13-
                                              ----------- ----------- ------------- ----------- ------------
    50 General Accounts   AA             10,000.00  23,164.25  11,582.12-   11,582.13   1,582.13-
                                              ----------- ----------- ------------- ----------- ------------
 00050 A Model Construction Mgmt AA      10,000.00  23,164.25  11,582.12-   11,582.13   1,582.13-
                                              ----------- ----------- ------------- ----------- ------------
                          AA             10,000.00  23,164.25  11,582.12-   11,582.13   1,582.13-
```

Processing Options for Fixed Assets Retirement Report

FISCAL YEAR AND QUARTER SELECTION:
1) Enter the fiscal year you wish to   _____
   report activity. Leave blank to
   use current fiscal year.

2) Identify the quarter you wish to   _____
   report activity.
     1   = First Quarter
     2   = Second Quarter
     3   = Third Quarter
     4   = Fourth Quarter
  blank = Year to Date

LEDGER TYPE SELECTION:
3) Enter the Ledger Type you wish to   _____
   report activity. If left blank,
   the 'AA' Ledger Type will be used.

4) Enter a second comparison Ledger   _____
   Type. If left blank, no comparison
   reporting will be done.

PRINT SELECTION:
5) Identify how to print Asset Number.   _____
    1 = Item Number (DEFAULT)
    2 = Unit Number
    3 = Serial Number

6) Identify how to print the Amounts.   _____
    blank = Amounts w/ commas (DEFAULT)
    1   = Amounts w/o commas

Printing the Sale of Business Property Report

You can print the Sale of Business Property report to review information about disposed assets. You can print the Sale of Business Property report for personal property or real property. You might want to use these reports when you prepare your taxes. The information in the Sale of Business Property report can be especially helpful if you need to prepare an IRS Form 4797.

The personal property version of the report includes the following information:

Disposal proceeds	The amount received on the sale of the asset. The system determines this amount by the account that you set up in the FDS05 range of AAIs.
Cost	The original cost plus any additional costs for the asset through the fiscal year-end date that you specify for the report.
Section 1245 recapture amount	The accumulated depreciation or disposal gain amount, whichever is less (but not less than zero).
Section 291	This field does not apply to personal property.
Section 1231 gain/loss	The disposal gain or loss less the recapture amount for assets disposed of after the year.
Ordinary gain/loss	The disposal gain or loss less the recapture amount for assets disposed of in the first year.

If you select to report on Personal Property, the system calculates the last four amount fields as follows:

- Recapture Amount is Accumulated Depreciation or Disposal Gain or Loss, whichever is less, but not less than zero

- Nothing prints in the Section 291 column

- Section 1231 Gain/Loss is Disposal Gain or Loss minus the Recapture Amount for assets not disposed of in the first year

- Ordinary Gain/Loss is Disposal Gain or Loss minus the Recapture Amount for assets disposed of in the first year

If you select to report on Real Property, the system calculates the last four amount fields as follows:

- Recapture Amount is Accumulated Depreciation less what accumulated depreciation would have been if using straight-line, Inception-to-Date method, or Disposal Gain or Loss, whichever is less, but not less than zero

- Section 291 is the amount that would go into Recapture Amount if Personal Property less what did go into Recapture Amount for Real Property multiplied by 20%

- Section 1231 Gain/Loss is Disposal Gain or Loss minus the Recapture Amount and minus Section 291 for asset not disposed of in the first year

- Ordinary Gain/Loss is Disposal Gain or Loss minus the Recapture Amount and minus Section 291 for assets disposed of in the first year

Sale of Business Property Report – Personal Property

```
12434                                        J.D. Edwards & Company                     Page - . . .    2
                                           Sale of Business Property                    Date - . . .  4/26/96
                                               Personal Property                        As of. . . . 12/31/98
 Item                                   Start   Disp   Disposal                Accumulated      Disposal      Sec. 1245                        Sec. 1231       Ordinary
 Number       Description          LT   Depr    Date   Proceeds       Cost    Depreciation     Gain/Loss    Recapture Amt     Sec. 291        Gain/Loss       Gain/Loss
-------------- -------------------- -- ------- ------- -------------- ---------------- -------------- -------------- -------------- -------------- -------------- --------------
       1014 Earthwork Scraper      AA 01/17/96 06/26/98    10,000.00       23,164.25       11,582.12      1,582.13-                                               1,582.13-
                                                       -------------- ---------------- -------------- -------------- -------------- -------------- -------------- --------------
 3TS          SCRAPERS                                    10,000.00       23,164.25       11,582.12      1,582.13-                                               1,582.13-
                                                       -------------- ---------------- -------------- -------------- -------------- -------------- -------------- --------------
 30           Heavy Equipment                            10,000.00       23,164.25       11,582.12      1,582.13-                                               1,582.13-
                                                       -------------- ---------------- -------------- -------------- -------------- -------------- -------------- --------------
        50  General Accounts                             10,000.00       23,164.25       11,582.12      1,582.13-                                               1,582.13-
                                                       -------------- ---------------- -------------- -------------- -------------- -------------- -------------- --------------
 00050        A Model Construction Mgmt Co               10,000.00       23,164.25       11,582.12      1,582.13-                                               1,582.13-
                                                       -------------- ---------------- -------------- -------------- -------------- -------------- -------------- --------------
                                                         10,000.00       23,164.25       11,582.12      1,582.13-                                               1,582.13-
```

The real property version of the report includes the following information:

Disposal proceeds	The amount earned on the sale of the asset. The system determines this amount by the account that you set up in the FDS05 range of AAIs.
Cost	The original cost plus any additional costs for the asset through the fiscal year-end date that you specify for the report.
Accumulated depreciation	The amount depreciated for the asset through the fiscal year-end date on the report.
Disposal gain/loss	The difference between the asset's disposal proceeds and its net book value.
Section 1250 recapture amount	The lesser of one of the following:

- Accumulated depreciation less the depreciation that would have been available under the straight line method
- Gain

Section 291	Twenty percent of the excess of:

- The amount that would be recaptured as ordinary income if such property was Section 1245
- The amount recaptured under Section 1250

Section 1231 gain/loss	The disposal gain or loss less the recapture amount and less Section 291 for assets not disposed of in the first year.
Ordinary gain/loss	The disposal gain or loss less the recapture amount for assets disposed of in the first year.

Processing Options for Sale of Business Property (IRS Form 4797–Section 1245/1250)

```
FISCAL YEAR SELECTION:
1) Enter the fiscal year.  If you leave         _____
   this option blank, the current fiscal
   year for the asset will be used.

LEDGER TYPE SELECTION:
2) Enter the ledger type.  If you leave         _____
   this option blank, the 'AA' ledger
   will be used.

VERSION SELECTION:
3) Choose type of property to report on.        _____
     1 = Personal Property
     2 = Real Property  (DEFAULT)

PRINT SELECTION:
4) Identify how to print asset number.          _____
     1 = Item Number           (DEFAULT)
     2 = Unit Number
     3 = Serial Number

5) Identify how to print amount fields.         _____
     blank = Amounts w/ commas   (DEFAULT)
     1      = Amounts w/o commas
```

Printing the Depreciation Expense Report

Print the Depreciation Expense report to review an asset's current cost, depreciation expense, and net book value for a specific fiscal period, quarter, or year. The report also includes the status and depreciation information for each asset. You can use processing options to specify the ledger types, fiscal years, and fiscal periods that print on the report.

Depreciation Expense Report

```
12430                              J.D. Edwards & Company                    Page     -      3
                                 Depreciation Expense Report                  Date     -  4/26/96
                                                                              As of    -  06/30/98

 Item                         Eq                Accumulated    . . . Depreciation Expense . . .    Current       Net Book      Start     De D M Lif
 Number      Description      St LT    Cost     Depreciation   Year to Date    Qtr to Date       Depreciation      Value       Depr      Me I C Mos
------------ --------------   -- --  ---------- ------------  -------------- -------------       -------------  -----------   --------   -- - - ---
        1006 Office Building      AA  76,689.73     5,047.56       1,279.32         651.27            232.57     71,642.17   07/15/96   01 0 R 360
                                     ---------- ------------  -------------- --------------     --------------  ------------
                                 AA  76,689.73     5,047.56       1,279.32         651.27            232.57     71,642.17
                                     ---------- ------------  -------------- --------------     --------------  ------------
 20          Buildings           AA  76,689.73     5,047.56       1,279.32         651.27            232.57     71,642.17
        1001 AA9 Motor Grader    AA  57,443.21    20,105.14       5,744.34       2,872.17            957.39     37,338.07   10/15/96   01 0 R  60
                                     ---------- ------------  -------------- --------------     --------------  ------------
 3TM         MOTOR GRADERS       AA  57,443.21    20,105.14       5,744.34       2,872.17            957.39     37,338.07
        1013 Engine, Diesel, Cummins AA 9,549.12   1,273.20         954.90         477.45            159.15      8,275.92   11/17/97   01 0 R  60
        1014 Earthwork Scraper   1O AA                             2,316.42       1,158.21            386.07                01/17/96   01 0 R  60
        1034 ESCO High Alloy Blade  AA   4,792.16     1,437.65         479.22         239.61             79.87      3,354.51   01/05/97   01 0 R  60
                                     ---------- ------------  -------------- --------------     --------------  ------------
 3TS         SCRAPERS            AA  14,341.28     2,710.85       3,750.54       1,875.27            625.09     11,630.43
                                     ---------- ------------  -------------- --------------     --------------  ------------
 30          Heavy Equipment     AA  71,784.49    22,815.99       9,494.88       4,747.44          1,582.48     48,968.50
        1022 Honda Accord        AA  23,439.63     1,171.98       1,171.98       1,171.98            390.66     22,267.65   04/23/98   01 0 R  60
                                     ---------- ------------  -------------- --------------     --------------  ------------
 40          CARS & SMALL TRUCKS AA  23,439.63     1,171.98       1,171.98       1,171.98            390.66     22,267.65
                                     ---------- ------------  -------------- --------------     --------------  ------------
 40          Vehicles            AA  23,439.63     1,171.98       1,171.98       1,171.98            390.66     22,267.65
        1361 CAD/CAM             AA   8,914.07     1,337.13         891.42         445.71            148.57      7,576.94   10/22/97   01 0 R  60
        1370 Plotter             AA  17,348.72     2,891.50       1,734.90         867.45            289.15     14,457.22   09/15/97   01 0 R  60
                                     ---------- ------------  -------------- --------------     --------------  ------------
                                 AA  26,262.79     4,228.63       2,626.32       1,313.16            437.72     22,034.16
                                     ---------- ------------  -------------- --------------     --------------  ------------
 70          Computer Equipment  AA  26,262.79     4,228.63       2,626.32       1,313.16            437.72     22,034.16
                                     ---------- ------------  -------------- --------------     --------------  ------------
          50 General Accounts    AA 198,176.64    33,264.16      14,572.50       7,883.85          2,643.43    164,912.48
        2053 Backhoe, Caterpillar 41 WK AA 35,627.00  8,312.92    3,562.68       1,781.34            593.78     27,314.08   05/15/97   01 0 R  60
                                     ---------- ------------  -------------- --------------     --------------  ------------
 3TX         WHEEL LOADERS       AA  35,627.00     8,312.92       3,562.68       1,781.34            593.78     27,314.08
                                     ---------- ------------  -------------- --------------     --------------  ------------
 30          Heavy Equipment     AA  35,627.00     8,312.92       3,562.68       1,781.34            593.78     27,314.08
                                     ---------- ------------  -------------- --------------     --------------  ------------
        SHOP Shop                AA  35,627.00     8,312.92       3,562.68       1,781.34            593.78     27,314.08
        1042 Caterpillar Crawler, 19  AA 30,596.98     509.95         509.95         509.95            509.95     30,087.03   06/15/98   01 0 R  60
        1396 Caterpillar Crawler, 19 AV AA 175,342.29 37,990.81    17,534.22       8,767.11          2,922.37    137,351.48   06/15/97   01 0 R  60
                                     ---------- ------------  -------------- --------------     --------------  ------------
 3T          TRACTORS & EARTHMOVING EQ AA 205,939.27 38,500.76   18,044.17       9,277.06          3,432.32    167,438.51
        1417 Motor Grader        WK AA 217,358.16   32,603.76      21,735.84      10,867.92          3,622.64    184,754.40   10/07/97   01 0 R  60
        1425 Grader, Cat 140G    WK AA 197,842.35   52,098.44      25,719.48      12,859.74          4,286.58    145,743.91   05/15/96   01 0 R  60
```

Processing Options for Depreciation Expense Report

```
DATE SELECTION:
1) Enter the period number and fiscal
   year.  Leave blank to use current
   period or fiscal year.      Period:              _____
                               Year  :              _____

LEDGER TYPE SELECTION:
2) Enter the ledger type.  If you leave                   _____
   this option blank, the 'AA' ledger
   will be used.

PRINT SELECTION:
3) Identify how to print Asset Number.                    _____
     1 = Item Number          (DEFAULT)
     2 = Unit Number
     3 = Serial Number

4) Enter a '1' to print all assets.                       _____
   Leave blank to omit printing assets
   with no activity.

5) Identify how to print the Amounts.                     _____
   blank = Amounts w/ commas (DEFAULT)
   1     = Amounts w/o commas
```

Printing the Depreciation and Amortization Report

You can print the Depreciation and Amortization report to review asset cost and year-to-date depreciation as of the fiscal year that you specify for the report. You might use this report when preparing your taxes. The information in the Depreciation and Amortization Report can be especially helpful if you need to prepare an IRS Form 4562.

Print the Depreciation and Amortization report for each ledger type that you use. The fiscal year you select should be the year for which you want to report depreciation taken. For example, if you are preparing your tax report for 1998, you would select fiscal year 98.

The Depreciation and Amortization report includes the following information:

Depreciation information (DI)	A code you use to specify additional depreciation information. The system uses this code for Investment Tax Credit (ITC) and averaging conventions, such as mid-month (M), mid-quarter (Q), and mid-year (Y).
Cost	The original cost plus any additional costs for the asset through the as of date you specify for the report.

Depreciation and Amortization Report

```
12433                                   J.D. Edwards & Company                    Page - . . .    3
                                   Depreciation and Amortization Report           Date - . . .  4/26/96
                                                                                  As of. . . .
   Item                          De  Start  Lif D                  Year to Date
   Number   Description          LT Me  Depr  Mos I      Cost      Depreciation
------------- ------------------------------ -- -- -------- --- - -------------------- --------------------
        1013 Engine, Diesel, Cummins    D1 12 11/17/97  84 Y           9,549.12            1,169.28
        1417 Motor Grader              D1 12 10/07/97  84 Y         217,358.16           26,615.52
        1396 Caterpillar Crawler, 1997 D1 12 06/15/97  84 Y         175,342.29           21,470.64
        1388 Scrapper, Auger, CAT 651E D1 12 05/31/97  84 Y         237,419.00           29,071.98
        2053 Backhoe, Caterpillar 416  D1 12 05/15/97  84 Y          35,627.00            4,362.54
        1329 Truck, Pickup,  Ford      D1 12 03/19/97  84 Y          17,395.00            2,130.00
        2049 Truck, Pickup,  Ford      D1 12 03/17/97  84 Y          19,270.00            2,359.62
        1034 ESCO High Alloy Blade     D1 12 01/05/97  84 Y           4,792.16              586.80
                                                            -------------------- --------------------
             Total Depre Start Yr/Life Months -   97      84         716,752.73           87,766.38
```

What You Should Know About

Transferred assets	If you transfer an asset to another company during the year, the entire depreciation expense amount for the year is reflected on the new company.

Processing Options for Depreciation & Amortization Report (IRS Form 4562)

```
PRINT SELECTION:
1) Identify how to print asset number.                    _____
     1 = Item Number  (DEFAULT)
     2 = Unit Number
     3 = Serial Number
```

Printing the Property Tax Worksheet

G12   Fixed Assets
         Choose *Year-End Processes*

G1225   Year End Processes
         Choose *Property Tax Worksheet*
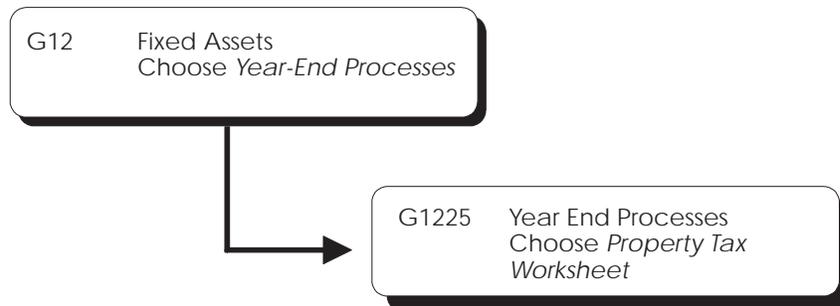
You can print the Property Tax Worksheet to review summarized totals for assets by tax entity and year acquired. You can use the Property Tax Worksheet to prepare your property taxes for local governing authorities. The worksheet includes a work area for the tax preparer's notes.

The Property Tax Worksheet shows the following asset information:

- Company number and name
- Tax entity address book number and mailing information
- Accounting and equipment classes
- Asset number
- Description
- Date acquired
- Cost

Before You Begin

❑ Run the Update Property Tax State/Entity program to reflect any asset
location changes on the worksheet

```
12422                                 J.D. Edwards & Company                         Page              9
                                      Property Tax Worksheet                         Date       4/26/96
     50  A Model Construction Mgmt Co
         Invalid Taxing Authority No.
Acc  Eqm                                             Date
Cls  Cls   Item Number                Description    Acquired     Cost             Extension
---  ---   ----------------------     ------------------------   --------   --------------   --------------------------
30   3TS                       1034   ESCO High Alloy Blade      01/05/97      4,792.16
                                      12 ft, Carbon edge
                                                                                              --------------------------
70                             1370   Plotter                    09/15/97     17,348.72
                                                                                              --------------------------
70                             1361   CAD/CAM                    10/22/97      8,914.07
                                      Autotrol
                                                                                              --------------------------
30   3AE                       1353   Drill Motors               11/15/97
                                                                                              --------------------------
30   3TS                       1013   Engine, Diesel, Cummins    11/17/97      9,549.12
                                      458 BHP
                                                                                              --------------------------
                                      Total by Date Acquired. .                40,604.07
```

What You Should Know About

Worksheet detail

The Property Tax Worksheet is a simple informational
worksheet. It does not compute detail rates at the tax
authority level.

Worksheet organization

The Property Tax Worksheet is organized by company and
tax entity. The Total by Date Acquired amount is a
summary amount for the year.

Processing Options for Property Tax Worksheet

```
DATE SELECTION:
1) Enter acquisition cut-off date.                    _____
   If you leave this option blank,
   assets acquired after its company's
   current period will not be included
   on the report.

2) Enter cost "As Of" date.  If you                   _____
   leave this option blank, cost will
   be "As Of" the current period for
   each asset's company.

ADDITIONAL COST LEDGER SELECTION:
3) Enter an additional ledger type for                _____
   cost.  If you leave this option
   blank, only the 'AA' ledger type
   will be used to determine cost.

PRINT SELECTION:
4) Enter a '1' to omit printing assets                _____
   with zero cost.  If you leave this
   option blank, all selected assets
   will appear on report.
5) Identify how to print asset number.                _____
     1 = Item Number          (DEFAULT)
     2 = Unit Number
     3 = Serial Number
```

Setup

System Setup

Objectives

- To set up the Fixed Asset system to meet specific business needs

About System Setup

Before you use the Fixed Assets system, you must define fixed asset information that you want the system to use during processing procedures. Set up this information to customize the Fixed Assets system for your specific business needs.

Setting up Fixed Assets consists of the following tasks:

- ❏ Setting up fixed asset constants
- ❏ Setting up user defined codes
- ❏ Setting up automatic accounting instructions
- ❏ Setting up next numbers
- ❏ Setting up depreciation default values
- ❏ Mapping category codes
- ❏ Setting up supplemental data
- ❏ Setting up asset acquisition years
- ❏ Setting up units of production schedules
- ❏ Setting up user defined depreciation
- ❏ Setting up beginning balances

What Do these Setup Features Do?

Fixed Assets constants   Establish system basics, such as:

- The default business units for asset cost, accumulated depreciation, depreciation expense, and revenue accounts for an asset
- The number of category codes that display on the asset master record and other data entry forms
- The symbols that identify the three types of asset identification numbers, including your company's primary number
- The category code number that you use to define the asset class for use in the supplemental database

User defined codes   Define customized codes, such as:

- Asset category codes, including major accounting class and major asset class
- Finance methods
- Asset status codes
- Asset message types

Automatic accounting instructions   Define accounting information and general ledger relationships when the Fixed Assets system interacts with the General Accounting system

Next numbers   Enable the system to automatically assign numbers to various items in the system that require unique numbers

Asset acquisition years   Define date patterns in the system for every fiscal year in which assets are acquired and each year thereafter for any asset that you want to depreciate

Depreciation default values   Simplify the creation of new asset master records by establishing default values for the Master Information form, such as:

- Major accounting class
- Major equipment class
- Depreciation accounts
- Revenue account
- Depreciation information

Category code mapping   Map specific business unit category codes to specific asset category codes

Supplemental data	• Define the types data that you want to track
	• Determine which data type will appear for groups of assets with Data Type Cross Reference
	• Define specification sheets, such as asset nameplate information
	• Establish security to limit user access to supplemental data
Units of production schedules	Establish units of production schedules so the system can calculate depreciation by the measurements of production you track and record in the system for your company
User defined depreciation	Specify user defined depreciation rules and formulas to expand your depreciation options beyond the 18 standard methods that are hard coded in the Fixed Assets system
Beginning balances	Simplify the initial conversion to the Fixed Assets system by recording beginning balances for assets in the Item Balances table (F1202)

Set Up Fixed Asset Constants

```
G12       Fixed Assets
          Enter 29
```

```
G1241     Fixed Asset System Setup
          Choose Fixed Asset Constants
```
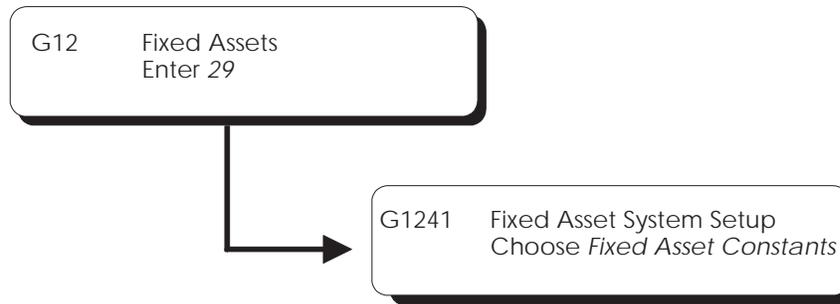
Setting Up Fixed Asset Constants

You set up fixed asset constants to control how your business environment uses the features in the Fixed Assets system. For example, when you define a default business unit for depreciation expense on Fixed Asset Constants, the system automatically transfers the value to the Depreciation Information form whenever you add a new asset to the system. You can also specify the business unit that appears as a default value for the asset accounts when you create a master record for a new asset.

Set up fixed asset constants only one time for the entire Fixed Assets system. You set up constant values for company 00000 so that all the companies in your organization that access the Fixed Assets system use the same constant values.

You should not change the constant values that you set up for your system. However, there are some situations in which you might need to change them. If you change the fixed asset constants, you should understand the consequences. For example, if you change the default business unit for asset accounts, the change affects only the assets that you add to the system after the change.

The values you set up for the Fixed Assets system on Fixed Asset Constants also affect the Equipment/Plant Management system.

▶   **To set up fixed asset constants**

On Fixed Asset Constants

Complete the following fields:

- Default Asset Cost Business Unit
- Default Depreciation Expense Business Unit
- Default Accumulated Depreciation Business Unit
- Default Revenue-Billing Business Unit
- Display first 10 category codes
- Symbol to Identify Item Number
- Symbol to Identify Unit Number
- Symbol to Identify Serial Number
- Depreciation Category Code
- Supplemental Category Code

Field	Explanation
Default Asset Cost Business Unit	This code determines where the business unit for the asset cost account comes from when you add a new asset. When you add a new asset, the system uses the business unit that this value represents on Depreciation Information. Valid codes are: Y Responsible Business Unit. The system uses the business unit from the responsible business unit on the Master Information form. N Company. The system uses the business unit from the company number on the Master Information form. NOTE: Typically the business unit and company share the same number. For example, business unit 50 usually contains general accounts for company 50.
Default Depreciation Expense Business Unit	This code determines where the business unit for the depreciation expense comes from when you add a new asset. When you add an asset, the system uses the business unit that this value represents on Depreciation Information. Valid codes are: Y Responsible business unit. The system uses the business unit from the responsible business unit on the Master Information form. N Default. The system uses the business unit from the Item Setup Default Coding form.
Default Accumulated Depreciation Business Unit	This code determines where the business unit for accumulated depreciation comes from when you add a new asset. When you add an asset, the system uses the business unit that this value represents on Depreciation Information. Valid codes are: Y Responsible business unit. The system uses the business unit from the responsible business unit on the Master Information form. N Default. The system uses the business unit from the Item Setup Default Coding form.
Default Revenue–Billing Business Unit	This code determines where the business unit for revenue and billing comes from when you add a new asset. When you add an asset, the system uses the business unit that this value represents on Depreciation Information. Valid codes are: Y Responsible business unit. The system uses the business unit from the responsible business unit on the Master Information form. N Default. The system uses the business unit from the Item Setup Default Coding form.

Field	Explanation
Display 10 Class Codes (Y/N)	This code controls the number of category code fields the system displays on various forms. Examples of these fields might include Accounting Class, Equipment Class, and so on. Valid codes are: Y Display first 10 category codes N Display only the first five category codes Set the number of category codes that appear on your forms to accommodate the number of category codes you use in your system. You can change the value in this field at any time.
Symbol Used to Identify Item Number	You can assign one of three different numbers to an asset. These numbers are: • Item Number—an eight-digit, computer assigned number • Serial Number—a twenty-five digit model or serial number • Unit Number—a twelve-digit, alphanumeric, user defined number When you enter an asset number, you may use a prefix or symbol to designate the number you enter. If you use this number most often, you should leave the symbol blank so that you just need to enter the number. If it is not the number you use most often, you should define a symbol, such as / or *, that you will type before you enter the number so that the system knows which number you are representing. NOTE: You can leave only one asset number blank. The other two must have a symbol so that all three numbers are unique. Verify that the symbols you use are not significant for any other purposes of data entry, for example, a period or comma.
Depreciation Category Code	Use this Fixed Asset category code to group assets into "depreciation" categories. Inquiries, reports, journals, and other processes that depend on the depreciation category will make reference to the value in this category code. NOTE: You must set up a default value for this category code.

Field	Explanation
Supplemental Data Category Code	Enter the number of the equipment category code that controls which supplemental data types the system displays on the Equipment Management supplemental data forms.
	When you set up supplemental data, you use Data Type Cross Reference to specify which types of data appear on supplemental data forms. For example, on Equipment Constants, you can specify equipment category code 2 (Major Equipment Class) as the supplemental data category code. Then, on Data Type Cross Reference, you can specify which data types are appropriate for each class of equipment you set up under Major Equipment Class, such as specification sheets and transportation notes for heavy equipment.

What You Should Know About

Changing fixed asset constants	J.D. Edwards recommends that you do not change your fixed asset constants. If you do, you need to be aware that for some fixed asset constants, you must perform an additional process to update the system with your latest change. For example, if you change the symbol for your primary asset number of the Fixed Asset Constants form, you must also run the Refresh Item Number program in the Fixed Assets Global Updates.

Set Up User Defined Codes

```
G12        Fixed Assets
           Enter 29
```

```
G1241      Fixed Asset System Setup
           Choose User Defined Codes
```

```
G1242      User Defined Codes
           Choose an option
```
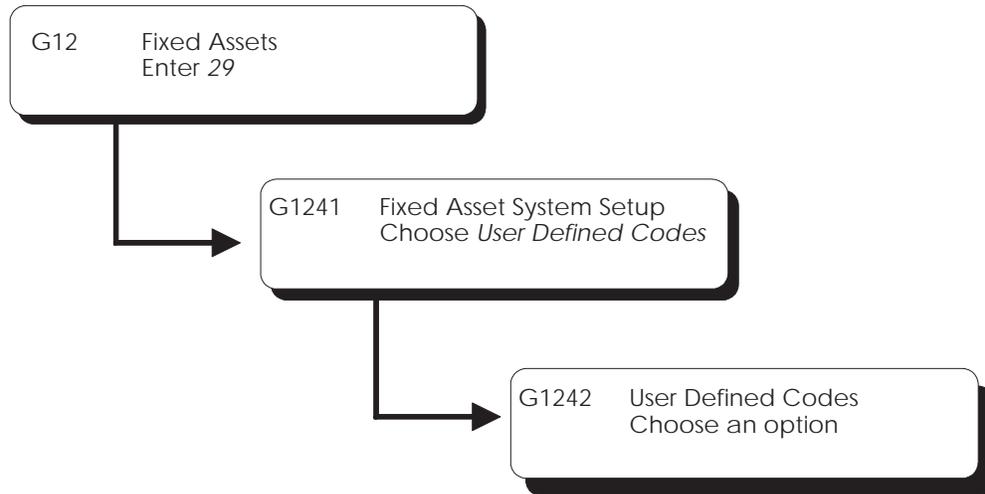
Setting Up User Defined Codes

Many fields throughout the Fixed Assets system accept only user defined codes. You can customize the Fixed Assets system by setting up user defined codes to meet the needs of your business environment.

User defined codes are stored in tables related to a specific system and code type. For example, 12/FM represents system 12 (Fixed Assets) and user defined code list FM (Finance Methods). User defined code tables determine what codes are valid for the individual fields in your system. If you enter a code that is not valid for a field, the system displays an error message. For example, you can only enter codes in the Major Accounting Class Code field on the Master Information form that exist in the user defined code table for system 12 and code type C1.

You can access all user defined code tables through a single user defined code form. After you select a user defined code form from a menu, change the System Code field and the User Defined Codes field to access another user defined code table.

! User defined codes are central to J.D. Edwards systems. You must be thoroughly familiar with user defined codes before you change them. The effort you put into designing the user defined codes your company uses can greatly affect your overall satisfaction with the system.

The following user defined codes are the primary codes for the Fixed Assets system:

Major accounting class (system 12, type C1)

Use to group assets into categories, such as office equipment, furniture, heavy equipment, plant equipment, and so on.

J.D. Edwards recommends that you set up a one-to-one relationship with major accounting class and the asset cost account to aid in running user defined depreciation.

Major equipment class (system 12, type C2)

Use to further divide assets into subclasses. For example, set up codes to divide office equipment into groups, such as copiers, computers, printers, and so on.

Additional classification codes (system 12, types C3–C10 and types F1–F0, F21–F23)

The Fixed Assets system includes additional classification codes that make up eight of the codes that can appear on the Master Information form. You can use the following codes for any additional business requirements that you may have:

- Manufacturer (Class Code 3)
- Model Year (Class Code 4)
- Equipment Usage (Class Code 5)
- Class Code 6
- Class Code 7
- Class Code 8
- Class Code 9
- Class Code 10

Finance methods (system 12, type FM)

Use to specify how an asset was acquired, such as leased or purchased outright. Finance method information is stored in the Item Master table (F1201).

Ledger types for fixed asset journal entries (system 12, type LT)

Use to specify ledger types that you want to function in a manner out of the normal system design. For example, you might want special ledgers for the following journal entries:

- Entries that represent amounts you do not want to copy from the AA ledger for asset cost accounts, such as entries that represent alternate currency amounts
- G/L journal entries that you create to post to non-AA ledgers
- Entries that you want to post to fixed assets but not the G/L
- Entries that you do not want to post to fixed assets, even though they meet all of the normal posting criteria

NOTE: Set up these ledger only for exceptions. Any ledger that you set up in this table you must also define for the General Accounting Ledger Types table (system 09, type LT).

Use special handling codes indicate how you want the system to process data for these additional ledgers. Valid codes for this table's special handling codes are as follows:

- 1 – Disconnect AA ledger so that entries are not copied from the ledger to asset cost accounts, as is the case for an alternate currency ledger
- 2 – Post to fixed assets but not to the general ledger, as is the case for adjustments to tax ledgers (potential integrity issues are involved)
- 9 – Never post ledger to fixed assets, as is the case for a BA (Budget Amount) ledger
- blank – Create journal entries for this ledger, as is the case for a NI (Net Insider) ledger

Depreciation methods (system 12, type DM)

Use to define depreciation methods. In addition to the standard depreciation methods 00–18, you can define your own depreciation methods with user defined depreciation. Standard depreciation methods use numeric code identifiers. You must use alphabetic code identifiers for any user defined depreciation methods you set up.

Both standard and user defined depreciation methods are stored in user defined code table 12/DM. When you run depreciation computation programs, the system distinguishes user defined depreciation methods from standard methods by a 1 in the Special Handling Code field.

Equipment status codes (system 12, type ES)	Use to specify types of disposals, such as sold, scrapped, or charity. Status and disposal information is stored in the Item Master table (F1201).

You can also use this category code to specify the operational status of equipment status, such as available, working, down, or disposed. |
| **Equipment message type codes (system 12, type EM)** | Use to define and group different types of messages, such as planned maintenance, problem reporting, lease terms, and so on. |

What You Should Know About

Predefined classification code	The Fixed Assets system includes two classification codes that are hard-coded and cannot be changed or deleted. These codes are DP (type of disposal) and DM (depreciation method).
Integrating with the Equipment/Plant Management system	The Equipment/Plant Management system uses many category codes from the Fixed Assets system. Depending on how you set up your constants, the system displays only the first five or ten codes on most forms such as Asset Master and Asset Search and Location. J.D. Edwards recommends that you assign specific equipment needs to as many of the first ten category codes as you need. This will help you perform online searches for equipment. You can use the remaining codes for fixed asset reporting needs.

▶ **To set up user defined codes**

On any user defined codes form

1. Complete the following fields to locate the user defined code table that you want to set up or revise:

   - System Code

   - User Defined Codes

2. Complete the following fields to revise the user defined code table:

   - Character Code

   - Description

What You Should Know About

Defining blank as a valid user defined code value	To define blank as a valid value in a user defined code table, leave the Character Code field blank and enter at least one character in the Description field. J.D. Edwards recommends that you type a period in the last position of the field.
Deleting a user defined code	To delete a user defined code, use the field exit key to delete the information in the Character Code and Description fields.

See Also

- *Technical Foundation Guide* for more information about setting up user defined codes

Set Up Automatic Accounting Instructions

```
G12      Fixed Assets
         Enter 29
```

```
G1241    Fixed Asset System Setup
         Choose Automatic
         Accounting Instructions
```
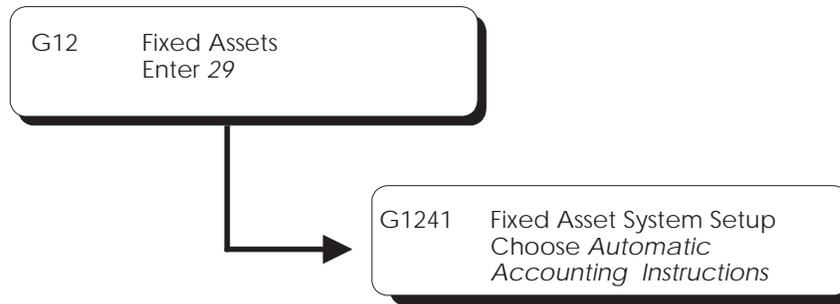
Setting Up Automatic Accounting Instructions

Many J.D. Edwards programs need information about your account structure and specific account values in order to process business transactions properly. You define your account structure and specific account values using automatic accounting instructions (AAIs). The system stores the AAI values you define for your company in the Automatic Accounting Instructions table (F0012). Whenever a program performs an accounting function, it accesses this table.

You set up AAIs by company, based on ranges of account numbers. The system includes predefined ranges. You must specify the business unit, object, and subsidiary accounts for the ranges as necessary.

You must set up the following AAI ranges for the Fixed Assets system:

FX	Identifies accounts that post to fixed assets and equipment
FA	Identifies accounts for which the system can automatically create any necessary asset master records when you run a post to fixed assets
FC	Identifies asset cost accounts
FD	Identifies accumulated depreciation accounts

AT	Identifies accounts and descriptive text that define totals for summary reporting
FDS	Identifies accounts that are reserved for asset disposal journal entries
SDA	Identifies the secondary accumulated depreciation account
SDE1	Identifies the secondary depreciation expense account
SDE2	Identifies the tertiary depreciation expense account
DS1 – DS4	Identifies depreciation statistics accounts

Many programs in the Fixed Assets system use specific AAIs and AAI ranges. You should be thoroughly familiar with the use of an AAI or AAI range before you make any changes to the AAI values.

What You Should Know About

AAI ranges	The system uses single AAI values to find individual accounts and AAI ranges to find account ranges. When you set up AAI ranges, you must note the following guidelines:

- You can set up a maximum of 49 account ranges for a single company.
- The maximum number of account ranges you can set up for all your companies combined is 200.
- Do not skip AAI ranges. For example, do not set up FX range 01–02 and FX05–06, leaving FX03–04 blank for later use. If the system searches the AAIs for an account and finds a gap in a range, it stops the search.
- You must set up your AAI ranges consecutively, but you are not required to set up your object accounts in numerical order.

FX Range

The system uses the FX range of accounts to determine which journal entries in the general ledger must be posted to fixed assets. You must specify all fixed asset accounts within the FX range of accounts. For example:

FX01–FX02   Beginning and ending range for asset cost accounts

FX03–FX04   Beginning and ending range for accumulated depreciation accounts

FX05–FX06   Beginning and ending range for depreciation expense accounts

When you set up the FX range of AAIs, you must apply the following rules:

- Define up to 49 FX ranges per company, starting with FX01–FX02 and ending with FX97–FX98 for each company.

- Use even number for ending ranges, such as FX02 and FX98.

- Set up company-specific FX ranges, or use the default company 00000 to set up the FX range for all your companies at one time. If you set up a company-specific FX range for one company, you must set up the FX ranges (starting with FX01–FX02) for all companies.

- Specify an object account for each FX range.

- Include subsidiary accounts as needed. Subsidiary accounts are optional. If you want to include all subsidiaries in the FX range, include .99999999 in the ending range. For example, if you use subsidiary accounts, you might have a range of accounts that includes accounts 3000–4000.99999999. Then, if you add other subsidiaries to your chart of accounts at a later time, you do not have to change your AAIs.

FA Range

The system uses the FA range to identify which asset cost accounts allow the system to create necessary asset master records when you run a post to fixed assets. If you post a transaction with a cost account in the FA range for an asset, and you do not identify an asset with the transaction, the fixed asset post program automatically creates a master record for the unidentified asset.

The system creates master records using the default information specify for accounts and depreciation. The description of the asset is derived from the following sources:

- Line 1 – Explanation 1 from the Account Ledger table (F0911)
- Line 2 – Explanation 2 from the Account Ledger table (F0911)
- Line 3 – Account Description from the Account Master table (F0901)

If you set up the FA range and you enter a general ledger transaction without a value in the Asset Number field, the system automatically creates a new master record. If you have two transactions that are related to the same asset, the system creates duplicate records.

When you set up the FA range of AAIs, you must apply the following rules:

- Define up to 49 FA ranges, starting with FA01–FA02 and ending with FA97–FA98 for each company.
- Define only asset cost accounts for this AAI range.
- Set up Depreciation Default Coding for the asset cost account. The system uses the default values on the Depreciation Default Coding form to create asset master records.
- Set up company-specific FA ranges, or use the default company 00000 to set up the FA range for all your companies at one time. If you set up a company-specific FA range for one company, you must set up the FA ranges (starting with FA01–FA02) for all companies.

J.D. Edwards recommends that you do not set up the FA ranges until you have finished converting to the Fixed Assets system.

FC Range

The system uses the FC range in the AAIs to determine which account ranges are reserved for asset cost accounts.

When you set up the FC range of AAIs, you must apply the following rules:

- Define up to 49 FC ranges.
- Define account ranges for all asset cost accounts.
- Set up FC account ranges for company 00000 only. The FC range is not company-specific.

FD Range

The system uses the FD range in the AAIs to determine which account ranges are reserved for accumulated depreciation accounts.

When you set up the FD range of AAIs, you must apply the following rules:

- Define up to 49 FD ranges.

- Define account ranges for all accumulated depreciation accounts.

- Set up FD account ranges for company 00000 only. The FD range is not company-specific.

AT AAIs

The system uses the AT AAIs to determine which general ledger accounts are included in the summary lines on the Cost Summary form. Use AT01–AT99 to specify these interim total accounts and wording that the system displays for each total on the Cost Summary form.

For example, you might specify that your balance sheet accounts are in account range 1000–3999 and your income and expense accounts are in the 4000–8999 range. You could set up your AT AAIs as follows:

AT01	Object account 4000. This interim total sums all object accounts below 4000, or accounts 0–3999. The system does not include object account 4000.
AT02	Object account 9000. This interim total sums all object accounts between 4000–8999. The system does not include object account 9000.

The system automatically creates a grand total on the Cost Summary form. You do not need to specify an interim total for the Cost Summary grand total.

Using the AT AAIs is optional. If you set up the AT AAIs, you must apply the following rules:

- Define interim totals between AT01–AT99.

- Use AT00 to define the account number that stores statistical information, such as hours or miles.

FDS AAIs

The system uses the FDS AAIs to determine which accounts the disposal program uses for disposal journal entries. You set up the FDS AAIs to direct the disposal journal entries to the appropriate offsetting account.

J.D. Edwards recommends that you set up the FDS AAI accounts as follows:

FDS03	Use to specify the account for the asset net book value (NBV). The system calculates NBV as the difference between the cost and accumulated depreciation.
FDS04	Use to specify the cash clearing account. The FDS04 account represents the debit portion of a disposal when you run the single or mass disposal programs.
FDS05	Use to specify the account for the proceeds from the sale of an asset. The FDS05 account represents the offset credit account for the FDS04 account when you run the single or mass disposal programs.

The system rolls up the three accounts that you specify for FDS03, FDS04, and FDS05 into the Gain/Loss on Sale of Fixed Assets account when you use the level of detail feature. The account level of detail you choose in General Accounting causes these accounts to roll up to show the gain or loss.

When you set up the FDS range of AAIs, you must apply the following rules:

- Specify unique accounts for FDS03 and FDS05.

- Set up company-specific FDS AAIs, or use the default company 00000 to set up the FDS AAIs for all your companies at one time. You can set up separate FDS03, FDS04, and FDS05 AAIs for each company. If you set up one FDS AAI for a company, you must set up all the FDS AAIs for that company.

In addition, J.D. Edwards recommends that you:

- Set up FDS04, the cash clearing account, as a third, separate account. This allows you to track disposal entries. If all entries are completed properly, the cash clearing account balance is zero.

See Also

- *Appendix B – Understand the FDS AAIs*

AAIs for User Defined Depreciation

If you set up user defined depreciation for your assets, you must set up the following AAIs:

SDA AAI

The system uses the SDA AAI to determine which account to use as the secondary accumulated depreciation account.

SDE AAIs

The system uses the SDE AAIs to determine which accounts to use as the secondary and tertiary depreciation expense accounts. J.D. Edwards recommends that you set up the SDE AAIs as follows:

SDE1	Use for the secondary depreciation expense account.
SDE2	Use for the tertiary depreciation expense account.

DSxxx AAIs

The system uses the DSxxx AAIs (where xxx is the depreciation category code that you specify on Fixed Asset Constants) to determine which accounts to use for depreciation statistical amounts. You must specify accounts for the following DSxxx AAIs:

DS1xxx	Use for original value depreciation statistic.
DS2xxx	Use for base value depreciation statistic.
DS3xxx	Use for general ledger depreciation statistic.

Using AAI Forms

The Automatic Accounting Instructions form shows an index, or list, of the AAIs used in the J.D. Edwards systems. Select Automatic Accounting Instructions from the Fixed Assets setup menu (G1241) to view the AAIs for Fixed Assets.

```
[00121] - Automatic Accounting Instruct.                        _ □ ×
Functions   Options   Tools   Help

              Skip to Sequence Number          12.105

O  Sequence                          Company                    Item
P  Number                            Bus. Unit   Object   Sub
    12.105 Begin Range 1 (1st Account)                          FX01
           - Asset Cost Accounts                    2000

    12.110 End   Range 1 (Last Account)                         FX02
           -----------------------------          2099   99999999

    12.120 Begin Range 2                                        FX03
           - Accum. Depreciation Accounts           2100

    12.130 End   Range 2                                        FX04
           -----------------------------          2199   99999999

    12.140 Begin Range 3                                        FX05
           - Equipment Expense Accounts             8400

    12.150 End   Range 3                                        FX06

Opt: 1=AAI Rev  F5=Acct Struct by BU  F15=AAI Rev  F21=Print F24=More Keys    MW
```

The system uses the Sequence Number field only to determine where AAIs appear in the list. Programs are set up to search for specific AAI names, such as FX or FA, in the Item field. AAI names are hard-coded and cannot be changed.

You can use the roll keys to move through the screens and view all the AAIs, or you can skip to a specific AAI by entering its sequence number in the Skip to Sequence Number field.

```
[0012] - Single AAI Revisions                                   _ □ ×
Functions   Tools   Help


   Item Number              FX01
   Company                  00000

   Sequence Number              12.105
   System Code              12

   Account Codes                      Option         Options:
    Business Unit                       N            O = Optional
    Object Account          2000        R            R = Required
    Subsidiary                          O            N = Not Used

   Account Use Description   Begin Range 1 (1st Account)
                            - Asset Cost Accounts




   F21=Print Automatic Accounting Instructions     F24=More Keys     MW
```

You can access other AAI entry forms to make either single or multiple AAI revisions. For example, use the Single AAI Revisions form to revise any AAI for a particular company. Use the Multiple AAI Revisions form to revise or add more than one AAI for a company or specific AAIs for multiple companies.

See Also

- *Technical Foundation Guide* for more information about setting up automatic accounting instructions

Processing Options for Automatic Acctg Instructions

Enter the starting sequence number.   _____

Set Up Next Numbers

G12   Fixed Assets
       Enter *29*

G1241   Fixed Asset System Setup
         Choose *Next Numbers*
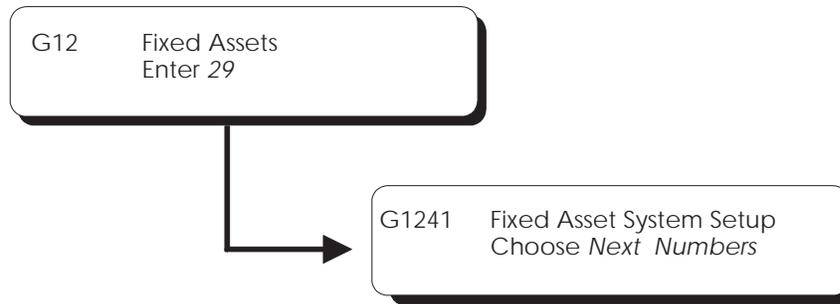
Setting Up Next Numbers

When you set up next numbers, you enable the system to automatically assign numbers to various items in your system that must have unique numbers. The Fixed Assets system automatically assigns unique numbers to the following items:

Item number	Used to identify the assets in your system by a unique number.
Fixed asset documents	Used to identify documents that the system creates when you run various Fixed Assets programs including:

- Compute Depreciation
- Single/Mass Asset Transfer
- Single/Mass Asset Disposal
- Enter Beginning Balances
- Asset Splits

Location information and associated text	Used to identify individual lines of location information and associated text. The system assigns every location tracking record a text number, whether you enter text for the record or not. Various programs in the system use the text key number internally.

Location tracking information	Used to group location tracking records. The transfer number can include multiple location information lines for multiple pieces of equipment. For example, when you enter location tracking information for several pieces of equipment on one form, the system generates a transfer number to group each line of information together as one transfer order.

You set up next numbers only once for the entire system. The system stores the next available number for each program in the Next Numbers table (F0002). When you enter a new asset, transfer an asset, enter message text, or run a fixed asset program that generates a new document, the system automatically assigns the next available number to the new item.

You must specify the first next number for the Asset ID Number. The number must be a value of 1 or greater.

If you convert to the Fixed Assets system, you must specify an Asset ID Number that is greater than your highest asset identification number. Other next number specifications are optional.

▶ To set up next numbers

On Next Numbers

1. Complete the following field to locate next numbers for a specific system:

   - System Code

2. Complete the following fields for each number that you want to set up:

   - Next Number
   - Check Digit

Field	Explanation
Next Number	The number that the system will use next when assigning numbers. Next numbers can be used for many types of entries, including voucher numbers, invoice numbers, journal entry numbers, employee numbers, address numbers, contract numbers, and so on. You must use the next numbers already established, unless custom programming has been provided.
Check Digit	A code that specifies whether the system adds a number to the end of each next number assigned. For example, if you are using check digits and the next number is 2, the system will add a check digit such as 7, making the last two numbers 27. Check digits provide a method of randomly incrementing numbers to prevent the assignment of transposed numbers. In the example above, the system would never assign next number 72 while check digits are activated.
	Valid codes are:
	Y Yes, add a check digit to this next number
	N No, do not add a check digit

What You Should Know About

Changing a next number	J.D. Edwards recommends that you do not change a next number. If you must change a next number, change it to a greater value only.
Deleting a next number	If you delete a next number value, you might get unpredictable results. J.D. Edwards recommends that you do not delete next number values.
Next numbers by company and fiscal year	You can assign next numbers for the Fixed Assets system by company or by company and fiscal year for selected original documents. See the *Technical Foundation Guide* for more information about next numbers.

Check digits   The system uses check digits to prevent the assignment of transposed numbers. Check digits help reduce typing errors during data entry by adding a random digit to the end of a next number. J.D. Edwards recommends that you use the check digit for item numbers, but not for document, transfer, and text key numbers.

Set Up Depreciation Default Values

```
G12        Fixed Assets
           Enter 29
```

```
G1241      Fixed Asset System Setup
           Choose Depreciation Default
           Coding
```
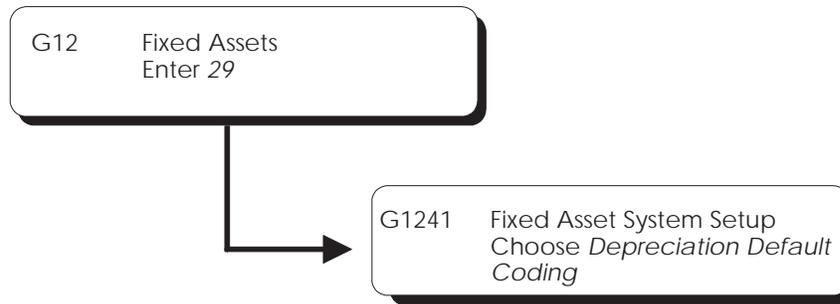
Setting Up Depreciation Default Values

You can control the accounts and depreciation values that the system inserts into asset master and balance records when you add a new asset to the system. You simplify the entry process of new asset master records when you set up the following default values:

- Accounting class
- Equipment class
- Depreciation accounts
- Revenue accounts
- Depreciation information

⚠️ You must set up depreciation default values for every asset cost account in every company. Be sure that you set up depreciation default values for any new cost accounts or companies that you add to your system at a later time. If you make any changes to depreciation default values, you should verify that the defaults are correct before you enter new asset master records.

▶ **To set up depreciation default values**

On Depreciation Default Coding

1. Complete the following fields:

    - Company

    - Asset Cost Object

    - Asset Cost Subsidiary (if applicable)

    - Accumulated Depreciation

    - Depreciation Expense

    - Ledger Type

    - Depreciation Method

    - Life Months

    - Depreciation Information

    - Method of Computation

2. Complete the following optional fields:

    - Major Accounting Class

    - Major Equipment Class

    - Revenue Credit

3. Complete the following field for fixed % depreciation methods:

    - Method Percent

4. Complete the following field only if the depreciation method is Units of Production:

    - Method 9 Schedule Number

Field	Explanation
Company Number	A code that identifies the company that owns or is assigned to an asset or group of assets. You set up companies in the system to represent a reporting level that has a complete balance sheet and any intercompany transactions with other companies. You can define a specific organization, entity, partnership, and so on, as a company. You use Company Numbers and Names to define the companies in your system.
	NOTE: Use Company 00000 only for default values, such as dates and Automatic Accounting Instructions (AAIs). You cannot use Company 00000 when entering transactions.
Asset Cost Object Default	The general ledger account (object number) used to record a fixed asset's acquisition cost. Within each company, you define default coding instructions for asset cost accounts. Then, based on these default codes, when you set up a new asset, the system automatically assigns the following: • Major and subclass codes • G/L accounts for depreciation and revenue • Depreciation books
Asset Account Subsidiary Default	The subsidiary account used in conjunction with the asset cost account.
Major Accounting Class	A user defined code (system 12, type C1) that determines the accounting class category code. You use this accounting category code to classify assets into groups or families, for example, 100 for land, 200 for vehicles, and 300 for general office equipment.
	J.D. Edwards recommends that you set up major class codes that correspond to the major general ledger object accounts in order to facilitate the reconciliation to the general ledger.
	NOTE: If you do not want to use the major accounting class code, you must set up a value for blank in the user defined code table.
Major Equipment Class	A user defined code (system 12, type C2) that is used to classify assets into groups or families. You use the equipment category code as a subclass to further define the accounting class, for example, 310 for copy equipment, 320 for projectors, and 330 for typewriters within the accounting class for general office equipment.
	NOTE: If you do not want to use the major equipment class, you must set up a value for blank in the user defined code table.

Field	Explanation
Accumulated Depreciation – BU	The business unit to which the system charges accumulated depreciation amounts. . . . . *Form-specific information* . . . . Enter the number of the account to which you want the system to charge accumulated depreciation. When you create new asset master records, you can use this default account number or the responsible business unit for the accumulated depreciation account. On Fixed Assets Constants (P001012), you specify which of these two accounts you want the system to use.
Depreciation Expense – BU	The business unit to which the system charges depreciation expense. . . . . *Form-specific information* . . . . Enter the number of the account to which you want the system to charge depreciation expense. When you create new asset master records, you can use this default account number or the responsible business unit for the depreciation expense account. On Fixed Assets Constants (P001012), you specify which of these two accounts you want the system to use.
Asset Revenue – BU	The business unit that the system credits for revenue amounts that originate in Equipment/Plant Management billing programs. . . . . *Form-specific information* . . . . Enter the number of the account to which you want the system to credit for asset revenue. When you create new asset master records, you can use this default account number or the responsible business unit for the asset revenue account. On Fixed Assets Constants (P001012), you specify which of these two accounts you want the system to use.

Field	Explanation
Computation Method – ITD or Rem	A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.
	Valid codes are:
	C Current year to date. Calculates only the current year's depreciation.
	I Inception to date. Recalculates the entire depreciation amount from the start date through the current period. Year-to-date and prior-year depreciation are then subtracted to determine current period depreciation. This method results in a one-time current period correction for any errors in prior period depreciation.
	F Inception to date. Calculates the first year only.
	P Current period. Calculates depreciation by dividing cost by life months. Any depreciation calculated for the current period will be subtracted.
	R Remaining months. Depreciates the net book value as of the beginning of the current tax year over the remaining life of the asset. This results in the amortization of prior period calculation errors over the remaining life of the asset.

Field	Explanation
Depreciation Information	A code for additional depreciation information. This code is used for Investment Tax Credit (ITC) and averaging conventions. The system validates the code you enter in this field against user defined code table 12/AC. Valid codes are:

0	No ITC Taken
1	Three Year Method (3 1/3%)
2	Five Year Method (6 2/3%)
3	Seven Year Method (10%)
4	ACRS Method with Basis Reduction (10% ITC)
5	ACRS Method without Basis Reduction (2% ITC or No ITC)
A	Actual Date of Depreciation Start Period
M	Mid-Month Convention
Q	Mid-Quarter Convention
Y	Mid-Year Convention
P	Middle of Period
F	First–half/Second–half
W	Whole Year

To determine the date for F (First–half/Second–half), use the following guidelines:

- If the asset was placed in service in the first half of the year then the adjusted depreciation start date is the first day of the year.
- If the asset was placed in service in the second half of the year then the adjusted depreciation start date is the first day of the succeeding year.
- The first half of the year expires at the close of the last day of the calendar month which is closest to the middle of the tax year.
- The second half of the year begins the day after the expiration of the first half of the tax year.

Field	Explanation
Method %	Enter the percentage you want the system to use when calculating depreciation. Use whole numbers. For example, enter 10 for 10%. The system uses a percentage when computing the following methods of depreciation:

06	Fixed % on Declining Balance. (This method of depreciation is commonly used by Canadian and utility companies.)
11	Fixed % Luxury Car – Foreign.
15	Fixed % of Cost.
16	Fixed % on Declining Balance to Cross-Over.

The system also uses this field to compute any user defined depreciation method in which you specify a percentage.

Field	Explanation
Schedule #/Method 9	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.

What You Should Know About

Existing assets	Any modifications that you make to the depreciation default values for an asset cost account or company affect only the new assets that you add to the system after making the changes. The modifications do not affect existing assets.
Minimum requirements for non-depreciating assets	You must set up the AA ledger type as a minimum for all your assets. Use depreciation method 00 with the AA ledger for non-depreciating equipment.
	If you use the depreciation method 00, you are not required to define a depreciation default value for the accumulated depreciation and depreciation expense accounts.
Asset company numbers	The company number that you associate with the asset cost and accumulated depreciation accounts must be the same as the company number that you assign to the asset.
User defined code C1	J.D. Edwards recommends that you establish a one-to-one relationship between the asset cost account and the Major Accounting Code (C1).

Exercises
See the exercises for this chapter.

Map Category Codes

```
G12      Fixed Assets
         Enter 29
```

```
G1241    Fixed Asset System Setup
         Choose Category Code
         Mapping
```
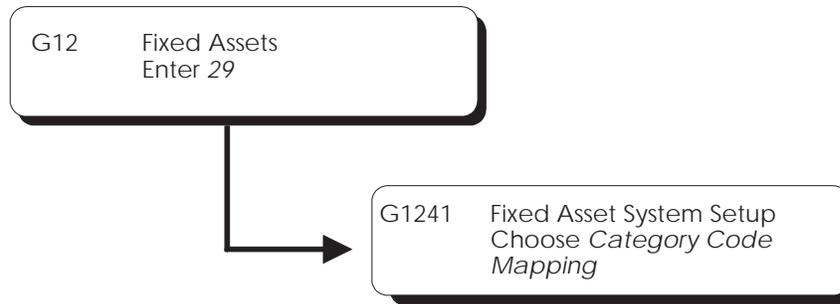
Mapping Category Codes

When you set up the responsible business units that you want to use throughout your system, you assign category codes to each unit. You can set up category codes for your business units that would also be helpful for tracking and reporting on assets. If you do, you can assign category code default values by associating, or mapping, the category codes that you set up for individual business units to the category codes you use for fixed assets. The system uses the default category code values when you create master records for new assets.

▶   **To map category codes**

On Category Code Mapping

```
[1391] - Category Code Mapping                           _ □ ×
Functions   Tools   Help

              Mapping Type      1  Business Unit to Equipment

    Map to        Description      Map From         Description
    Category                       Category
  06           Category Code 6    09          BU Reporting Code 9
  08           Category Code 8    11          Division (Energy)
  11           Category Code 11   19          Plan (Job Cost)
  13           Category Code 13   15          Field    (Energy)




   ✓    ✗              ♦/i   ♦/i        i    ▲    ♦    ━    ▲
      F5=Update with Redisplay    F24=More Keys              MW   ▼
```
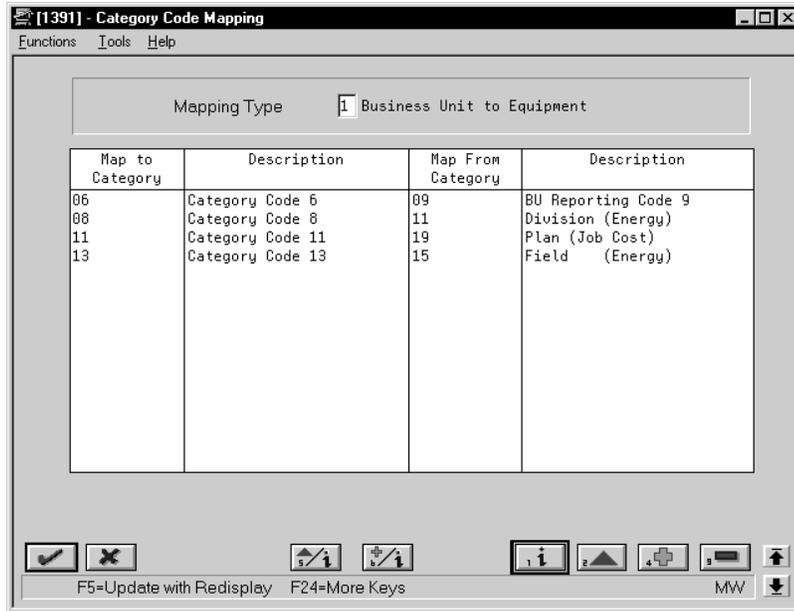
1. Complete the following field to indicate how you want to map the category codes:

    - Mapping Type

2. Complete the following fields:

    - Map to Category Code

    - Map From Category Code

Field	Explanation
Mapping Type	Enter a 1 in this field to map Business Unit Category Codes to Equipment Category Codes.
	Enter a 2 in this field to map Equipment Category Codes to Work Order Category Codes.
Map To Category Code	Use this field to specify defaults for your category codes. If the mapping type is 1, the equipment category code number in this field receives its default value from the Business Unit category code you specify in the Map From Category Code field on this form. If the mapping type is 2, the Work Order category code in this field receives its default value from the Equipment category code you specify in the Map From Category Code field.

Field	Explanation
Map From Category Code	Use this field to set up defaults for your category codes. If the mapping type is 1, the Business Unit category code value you enter in this field is the default value for the Equipment category code you specify in the Map To Category Code field on this form. If the mapping type is 2, the Equipment category code value you enter in this field is the default value for the Work Order category code you specify in the Map To Category Code field.

What You Should Know About

Mapping category codes with different values	The default values that you set up on Category Code Mapping appear on the Asset Master form only if the values are valid for the business unit and the asset. For example, if you assign the default value for category code 05 from the Business Unit Master form to category code 08 on the Asset Master form, the values in both category code tables must match.
Mapping category codes with different character lengths	The system truncates any category codes that you assign from a business unit category code which is longer than three characters into a three-character category code field on the Asset Master form.
Changing the responsible business unit for an asset	The system uses the responsible business unit that you enter on the Asset Master record to determine from which business unit to assign default category codes. If you change the responsible business unit for an asset, the system uses the default category codes based on the new business unit.

Set Up Supplemental Data

```
G12        Fixed Assets
           Enter 29
```

```
G1241      Fixed Asset System Setup
           Choose an option under the
           Supplemental Data Setup heading
```
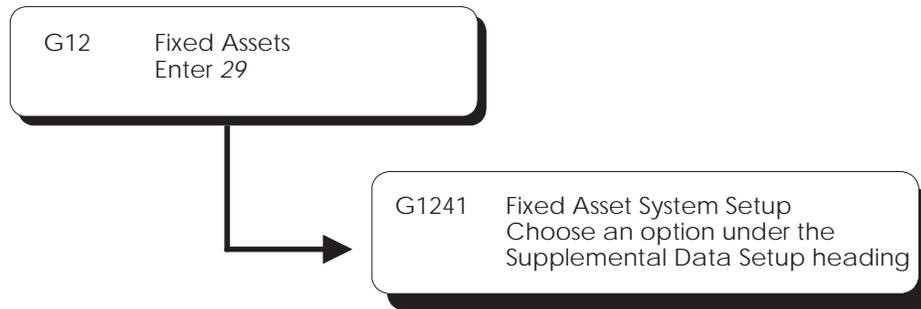
Setting Up Supplemental Data

You can use supplemental data to further define the assets in your system. The system stores detailed asset information as supplemental data. After you set up supplemental data, you can use it to report and track asset details that are important to your company, but are not included on the asset master record. You can define as many types of supplemental data as you need. You can also control which users have access to specific supplemental data types.

You define and maintain supplemental data by asset class. For example, you might set up supplemental data for an asset class that includes motor graders. The data might include fuel capacities, horsepower, oil readings, and so on. You can also use supplemental data types to define specification sheets. Use specification sheets to track nameplate data and other static asset information.

Setting up supplemental data consists of the following tasks:

❑ Setting up supplemental data types

❑ Setting up specification sheets

❑ Assigning data types to assets

❑ Setting up supplemental data security

Setting Up Supplemental Data Types

Use supplemental data to further define the assets in your system. You can define as many types of supplemental data as you need. If you use supplemental data, you must set up the types of data that you want to maintain. The Fixed Assets system includes three supplemental data formats:

Narrative (N) — Use this data type to access the Supplemental Text Entry form. You can use this text format to enter unlimited text information about equipment.

Columnar (C) — Use this data type to access the Supplemental Code Entry form. When you set up supplemental data forms using this data type, you can define the columns into which you enter information. The system edits the values you enter in the columns against the user defined code table you set up on the Data Type Definition form.

Columnar–Message (M) — Use this data type to access the Supplemental Code Entry form. You can use this data type in the same way as the columnar type. The only difference is that the system edits the values you enter in the columns of this data type against the generic rates and messages that you set up in the Generic Rates and Messages table (F00191).

The system stores the supplemental data types you set up in the Supplemental Data Types table (F12090).

▶ **To set up supplemental data types**

On Data Type Definition

```
╔════════════════════════════════════════════════════════════════════╗
║ 🖳 [12090] - Data Type Definition                          _ □ ×     ║
║ Functions   Tools   Help                                             ║
║                                                                      ║
║                                                                      ║
║       Skip To Type        ☐                                          ║
║                                                                      ║
║       ┌──┬─────────────────────────┬─┬─────────┬─────────┬────┬─┐    ║
║       │Ty│      Description         │D│Code Title│Amt Title│Edit│W│   ║
║       │Dt│                         │M│         │         │ on │S│    ║
║       │  │                         │ │         │         │SY│RT│ │    ║
║       │CP│Capacity                 │C│ Capacity│ Gallons │12│CP│N│   ║
║       │DD│Detailed Description     │N│         │         │  │  │N│   ║
║       │DN│Drawing Number           │C│Drawing No│        │  │  │N│   ║
║       │HI│Heights                  │C│  Height │Feet/Inchs│12│HI│N│  ║
║       │LN│Lengths                  │C│  Length │Feet/Inchs│12│LN│N│  ║
║       │LP│Lease Payment Terms      │C│  Terms  │ Payment │  │  │N│   ║
║       │LT│Lease Taxation Terms     │C│         │         │  │  │N│   ║
║       │MA│Manufacturer             │C│  Brand  │   Cost  │12│C3│N│   ║
║       │MD│Model Year               │C│  Name   │  Amount │12│C4│N│   ║
║       │MS│Material Safety Data Sheet│C│ Material│ Quantity│  │  │N│  ║
║       │OR│Oil Readings             │C│   Oil   │ Readings│12│OR│N│   ║
║       │SP│Specification Sheets     │C│         │         │  │  │N│   ║
║       │TN│Transportation Notes     │N│         │         │  │  │N│   ║
║       │VB│Vibration Readings       │C│Vibration│ Readings│12│VB│N│   ║
║       │WD│Widths                   │C│  Width  │Feet/Inchs│12│WD│N│  ║
║       └──┴─────────────────────────┴─┴─────────┴─────────┴──┴──┴─┘    ║
║                                                                      ║
║   ┌──┐ ┌──┐                          ┌──┐ ┌──┐ ┌──┐ ┌──┐    ┌─┐      ║
║   │✔ │ │✘ │                          │ᵢi│ │▲ │ │⊹ │ │▬ │    │▲│      ║
║   └──┘ └──┘                          └──┘ └──┘ └──┘ └──┘    └─┘      ║
║   F4=More Details  F5=User Defined Codes  F6=Generic Messages  F24=More Keys   MW  ▼  ║
╚════════════════════════════════════════════════════════════════════╝
```

1. Complete the following fields:

   • Type Data

   • Description

   • Display Mode

2. Complete the following optional fields:

   • Code Title

   • Amount Title

   • System Code (SY)

   • System Code (RT)

   • Word Search

Field	Explanation
Type Data	A user defined code (system 12, type RT) used to group data. This code is alphanumeric and is typically an abbreviation, such as PT for lease payment terms, TX for lease taxation terms, and so on.

Field	Explanation
Display Mode	The format of a data type. This code determines the display mode for supplemental data. Valid codes are: C Code format, which displays the form for entering code-specific information. The system edits these codes against the User Defined Codes table (F0005). N Narrative format, which displays the form for entering narrative text. P Program exit, which instructs the system to exit to the program you specified in the Pgm ID field. M Message format, which displays the form for entering code-specific information. However, the system can edit the code values you enter against values in the Generic Rates and Messages table (F00191). This code is not used by the Human Resources System. . . . . *Form-specific information* . . . . Display Mode P is not used by the Equipment/Plant Management or Fixed Assets systems.
Code Title	The heading for a column on Supplemental Data Entry that relates to user defined codes. Enter the user defined codes for the supplemental data type in this column. For example, if the supplemental data type relates to the educational degrees of employees (BA, MBA, PHD, and so on), the heading could be DEGREE.
Amount Title	The heading for a column on Supplemental Data Entry that relates to an amount. This column contains statistical or measurable information. For example, if the data type relates to bid submittals, the heading could be BID AMOUNTS.
System Code (SY)	A user defined code (system 98, type SY) that identifies a J.D. Edwards system. . . . . *Form-specific information* . . . . A system code (system 98, type SY), such as 12 for Fixed Assets. The system uses this code for verification when you enter a value in a Type Data field. If you enter a value that is not in the table, the system displays an error message. The Edit on SY field works with the Edit on RT field. It is available for data types with user defined codes, but is not required. If you do not enter values in the Edit on SY and Edit on RT fields, the Type Data field is free form and no cursor-sensitive help is available. NOTE: The Edit On function is not available for data types with narrative text.

Field	Explanation
System Code (RT)	Identifies the table which contains user defined codes. The table is also referred to as a code type.
	. . . . *Form-specific information* . . . .
	A user defined code, such as PT for lease payment terms, that the system uses for verification when you enter a value in a Type Data field. If you enter a value that is not in the table, the system displays error message. The Edit On function is available for data types with user defined codes, but it is not required. If you do not enter values in the Edit on RT and Edit on SY fields, the Type Data field is free form and no cursor-sensitive help is available.
	NOTE: The Edit On function is not available for data types with narrative text.
Word Search (Y/N)	This field determines whether you want to include the data stored under a particular supplemental data type in a word search of the supplemental database. The fields included in the word search are User Defined Code, Remark, Remark 2, and Narrative Text. To rebuild the data into the word search file, you must run the Build Search File for Fixed Assets program (P12BDWRD). This allows you to use the query search function on the Asset Search and Location form (P1204) for the data in Supplemental Data. Valid codes are: Y Include in word search N Do not include in word search
	Note: You can enter 1 for yes or 2 for no.

What You Should Know About

Defining user defined codes as valid values for a data type

Use the following guidelines to define user defined codes as valid values for a data type:

- The user defined code table must be set up before you can set up the data type.
- To assign a user defined code table to a data type, specify the install system and code type in the Edit on SY and Edit on RT fields.
- If your specification data type does not relate to an existing user defined code or generic message code, you can set up a new user defined code table. J.D. Edwards recommends that you define the new tables for install systems 55–59. System 55–59 are reserved for client use. User defined code tables that you create for these systems will not be damaged during any reinstall processes.

See the *Technical Foundation Guide* for more information about user defined codes.

Defining Specification Sheets as a supplemental data type

If you want to use specification sheets, you must define Specification Sheets as a type of supplemental data. Enter SP as the data type.

See also *Defining Specification Data Types*.

Setting Up Specification Sheets

Use specification sheets to define the types of static data that you want to record for a particular asset class, such as nameplate information. For each asset class, you can create up to 99 pages of data with as many as 16 data fields per page. You can set up the sequence in which the data displays, and specify the names for the various data fields.

Before You Begin

❑ Define Specification Sheets as a supplemental data type. See *Setting Up Supplemental Data Types*.

▶   **To set up specification sheets**

On Specification Cross Reference

```
[1215] - Specification Cross Reference
Functions  Tools  Help

                                        Page No          01

        Major Equipment Class. .   3TM  MOTOR GRADERS
        Language                        Domestic Language
```

Sequence Number	Description	Field Number	Field Type	Item Size	D D	R L	Syst Code	Us Cd	File Name	R Y
1	HP	12	N	3	1	R				Y
2	Size	05	A	3		L	12	C9		N
3	Work Order Numb	11	N	8	0	R			F4801	N
5	Unit Number	03	A	12		L			F1201LB	N
6	Manager	07	N	8	0	R			F0101LA	N
7	Purchase Order	10	N	8	0	R			F4301	N
8	Inventory	15	A	25		L			F4101LB	N
10	Holiday	01	D	6		L				N
14	Number	02	N	5	0	R				N
15	Description	08	A	25		L				N
16	branch	16	A	12	0	R			F4801LW	N

```
F5=Update with Redisplay  F19=Previous Key  F20=Next Key  F24=More Keys        MW
```

1. Complete the following fields:

   - Category Code

2. Complete the following fields for each type of specification data that you want to define:

   - Sequence Number

   - Description

   - Field Number

   - Field Type

   - Item Size

   - Display Decimals

   - Right or Left

   - System Code

   - User Defined Code

   - File Name

   - Required Field

3. Complete the following field to create a new page if an equipment class requires more than 16 specification data types:

   - Page Number

Field	Explanation
Major Equipment Class	A user defined code (system 12, type C2) that is used to classify assets into groups or families. You use the equipment category code as a subclass to further define the accounting class, for example, 310 for copy equipment, 320 for projectors, and 330 for typewriters within the accounting class for general office equipment. NOTE: If you do not want to use the major equipment class, you must set up a value for blank in the user defined code table.
Sequence Number	A number that is used to sequence specification data. For any item of specification data, enter the number in the order you want it to appear on the Specification Data Entry form (V1216).
Field Number	This number defines which field in the Specification Data table you are setting up. For this field number, you can define a description, the sequence in which it will display, and any editing rules that you want to apply to the data.
Field Type	Enter the type of data that the user will enter in the field on the Specification Data Entry form. Valid values are: A Alpha Numeric N Numeric D Date T Time
Item Size	The field size of the data item. NOTE: All amount fields should be entered as 15 bytes, 0 decimals, and the data item type should be P (packed). . . . . *Form-specific information* . . . . Enter the size of the data item. The lowest value you can enter is 1 character and the highest value is 99,999 characters.
Data Display Decimals	Use this parameter to designate the number of decimals in the currency, amount, or quantity fields the system displays. For example, U.S. Dollars would be 2 decimals, Japanese Yen would be no decimals, and Cameroon Francs would be 3 decimals.
System Code	A user defined code (system 98, type SY) that identifies a J.D. Edwards system.

Field	Explanation
File Name	The identification (such as program number, table number, and report number) that is assigned to an element of software.

<div align="center">. . . . . Form-specific information . . . .</div>

Enter the number of the table you want the system to edit specification data values against. You can choose any table within any J.D. Edwards system to edit against. However, the following tables have special features within the Equipment/Plant Management system:

- Work Order Master (F4801)
- Equipment Master by Item Number (F1201LA)
- Equipment Master by Unit Number (F1201LB)
- Short Address Book Number (F0101LA)
- Purchase Order Master (F4301)
- Inventory Master by Short Part Number (F4101LA)
- Inventory Master by Long Part Number (F4101LB)

If you specify one of these tables, the cursor-sensitive help forms for that field display a search form or window for the table specified. In addition, the description of the data contained in the table appears as the description of the field on Specification Data Entry (V1216).

What You Should Know About

Defining the Item Size field	The Item Size must equal the field size of the information that you want to display on the specification sheet. For example, if you want the asset serial number to display on the specification sheet, the Item Size must be 25.
Specification sheet versions	If you define multiple versions of specification sheets that include the same data types, J. D. Edwards recommends that you assign the same field numbers to the data types that are included in more than one version. For example, you might set up specification sheets for two equipment classes. Both versions of the specification sheets might include Capacity as a data type. If you want to report on all equipment by the capacity information that you store in the supplemental database, you must set up the Capacity data type in the same field for both versions of the specification data.

Assigning Data Types to Assets

Use Data Type Cross Reference to define which types of supplemental data the system displays for a specific asset. When you assign supplemental data types to assets, you prevent the system from displaying data types that do not apply to the assets when you review the supplemental data. For example, you might want to track different supplemental data types for different asset classes, such as electrical equipment and diesel-powered equipment. You can specify that the supplemental data types you set up for voltage, amperage, and so on, appear only for the assets in the asset class you set up for electrical equipment. If you choose not to use the Data Type Cross Reference feature, all the supplemental data types that you define appear for all assets.

Before You Begin

❏ Define supplemental category codes on Equipment Constants

❏ Set up supplemental data types

▶ **To assign supplemental data types to assets**

On Data Type Cross Reference
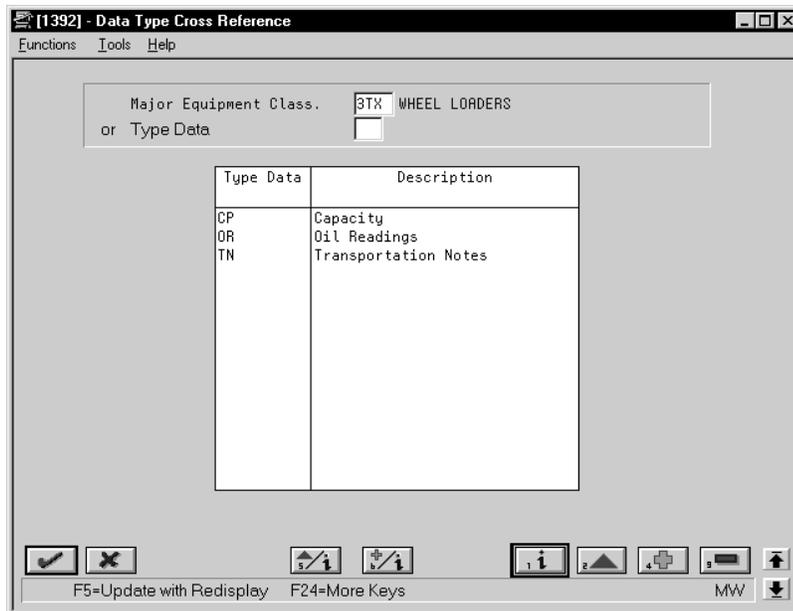
1. Complete the following field to locate a specific asset category code value:

   • Category Code Value

2. Complete the following field to assign all the supplemental data types that you want to associate with the asset type:

- Data Type

Setting Up Supplemental Data Security

```
G12         Fixed Assets
            Enter 29
```

```
G1241       Fixed Asset System Setup
            Choose Supplemental Data
            Security
```
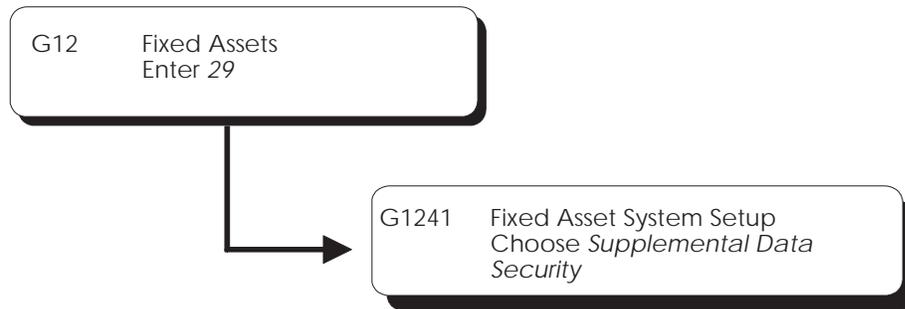
You can set up supplemental data security to prevent or permit access to some or all supplemental data types according to individual user IDs. For example, you can allow a user to access all data types except the data type for lease payment terms (PT). Supplemental data security allows you to maintain sensitive information about equipment.

Setting up supplemental data security includes the following tasks:

- Establishing security by user ID

- Establishing security for all users

▶ To establish security by user ID

On Supplemental Data Security

```
[0083] - Supplemental Data Security                          _ □ X
Functions   Tools   Help


               Skip To User ID          [            ]

          ┌──────────┬─┬───────────────────────┬────────┐
          │ User ID  │ │   Type of Data        │ Allow  │
          │          │ │                       │        │
          │          │ │                       │        │
          │          │ │                       │        │
          │          │ │                       │        │
          │          │ │                       │        │
          │          │ │                       │        │
          │          │ │                       │        │
          │          │ │                       │        │
          └──────────┴─┴───────────────────────┴────────┘




   ┌───┐ ┌───┐                          ┌───┐ ┌───┐ ┌───┐ ┌───┐   ↑
   │ ✔ │ │ ✘ │                          │ i │ │ ▲ │ │ ⊕ │ │ ▬ │
   └───┘ └───┘                          └───┘ └───┘ └───┘ └───┘   ↓
     F21=Print      F24=More Keys                          MW
```
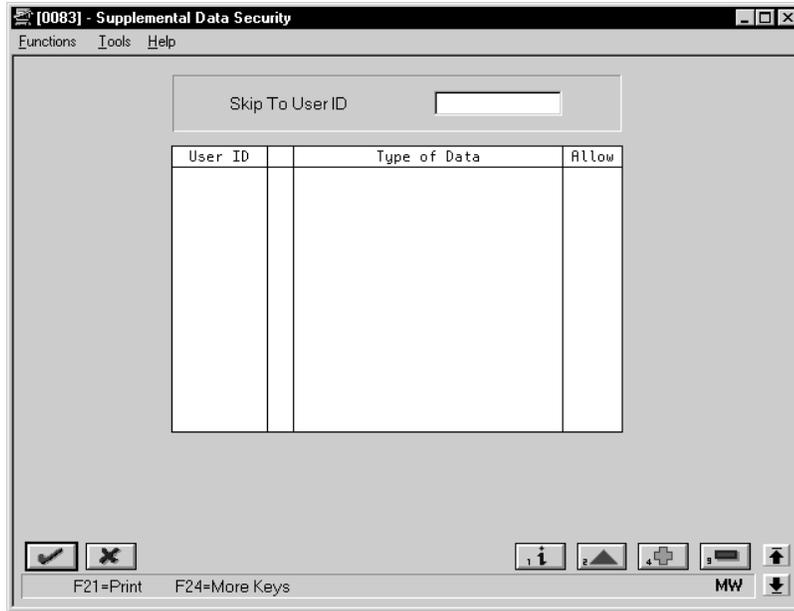
1. Complete the following fields:

    - User ID

    - Type of Data

2. Complete the following field to allow or prevent access to the data type:

    - Allow

Field	Explanation
Allow	A code that indicates whether a user is allowed access to the function key or selection. Valid codes are: Y Yes, allow access. N No, prevent access. blank Allow access. This is the default.

▶ **To establish security for all users**

On Supplemental Data Security

1. Complete the following field to specify data types:

    - Type of Data

2. Complete the following field with *PUBLIC:

    - User ID field

3. Complete the following field to allow or prevent access to the data types:

    ●   Allow

What You Should Know About

Using *Public   When you enter N in the Allow field for *Public, you prevent all users from accessing the supplemental data type that you specify except those for whom you individually permit access.

Exercises

See the exercises for this chapter.

Set Up Asset Acquisition Years

G12   Fixed Assets
          Enter *29*

G1241   Fixed Asset System Setup
          Choose *Asset Acquisition Years*
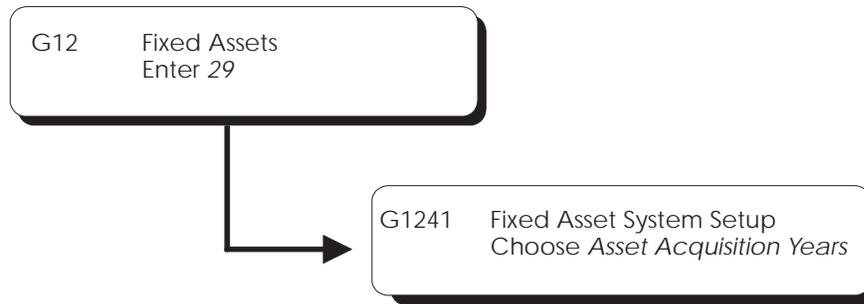
Setting Up Asset Acquisition Years

The system uses date patterns and asset acquisition years to compute depreciation. Date patterns define the beginning date and all period-ending dates for a designated fiscal year. When you run the depreciation program, the system generates depreciation journal entries only for assets that have a date pattern set up for their year of acquisition and every year thereafter.

You must define asset acquisition years for every company. You must also define the date patterns for every asset acquisition year and each year thereafter for any asset that you are still depreciating. For example, if you have assets in the system that you acquired in 1945, you must set up 01/01/45 as an asset acquisition year and the date patterns for all the years from 1945 throughout the current fiscal year defined in the system.

If you use 4-4-5 or daily accounting to compute depreciation, you must define date patterns at least one year into the future for the expected life of your longest-lived asset.

See Also

- *Setting Up Fiscal Patterns* in the *General Accounting I Guide* for more information about date patterns

▶ **To set up asset acquisition years**

On Asset Acquisition Years
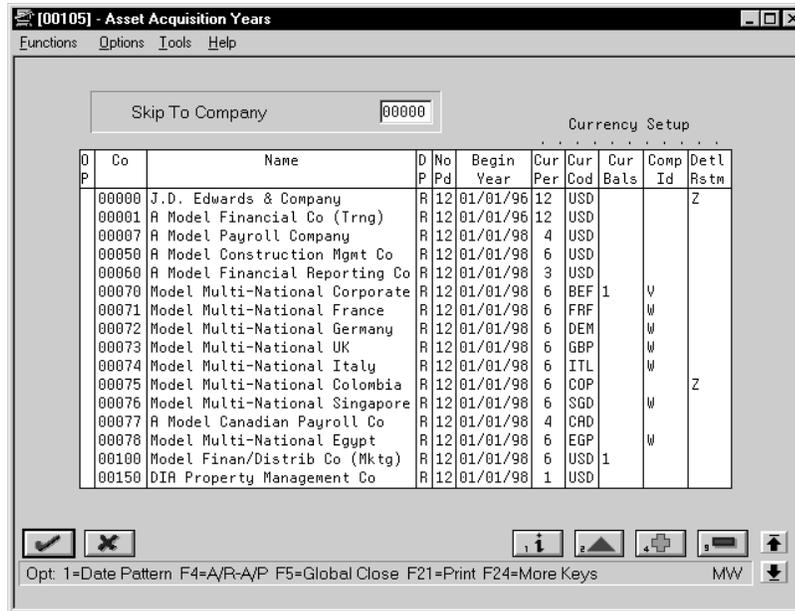
1. Complete the following fields to define the fiscal year that assets were acquired and each year thereafter for every company:

    -   Company
    -   Date Pattern
    -   Number of Periods
    -   Beginning Year
    -   Current Period Number

2. Choose Date Pattern Revisions.

3. On Date Pattern Revisions, complete the following fields to set up new date patterns:

- Fiscal Date Pattern Code

- Fiscal Year Beginning

- Date – End of Period

- Century

Field	Explanation
Fiscal Date Pattern Code	A code that identifies date patterns. You can use one of 15 codes. You must set up special codes (letters A through N) for 4-4-5, 13 period accounting, or any other date pattern unique to your environment. An R, the default, identifies a regular calendar pattern.

Field	Explanation
Number of Periods	The system uses this field is to determine the normal number of accounting periods for annual budgeting and fixed asset depreciation.
	In budgeting, this is used to spread the annual budget to equal amounts for each accounting period when a budget pattern code has not been defined.
	The system calculates depreciation for each accounting period as the annual amount divided by the normal number of periods if the Depreciation Information code is not "C". (The system uses the "C" Depreciation Information code when depreciation amounts are calculated based on monthly tables, which the IRS only provides for 12 accounting periods.)
	NOTE: If you have 12 accounting periods and you are using the 13th period for audit adjustments, normal number of periods is 12.
Date – Fiscal Year Begins	The first day of the fiscal year. A fiscal year spanning 1998 – 1999 and beginning September 1 would be entered as 090198 (US date format).
Period Number – Current	A number that identifies the current accounting period (from 1 to 14). The system uses this number to generate error messages, such as PBCO (Posted Before Cut Off) and PACO (Posted After Cut Off).
End of Period Date	The month end date in 12 period (monthly) accounting. The period end date in 13 period, 52 period, or 4-4-5 period accounting.
	. . . . *Form-specific information* . . . .
	You can use period 13 for audit adjustments in 12-period accounting by setting up period 12 to end on December 30 and period 13 to end on December 31. You can set up period 14 in the same way for 13 period or 4-4-5 accounting. The system validates the dates you enter.
End of Period Century	This is the century associated with the period ending date. The century number is the first two digits of the year. For example, if the year is 1998, the century is 19. If the year is 2003, the century is 20.

Set Up Units of Production Schedules

```
G12      Fixed Assets
         Enter 27
```

```
G1231    Advanced Operations
         Choose Units of Production
         Schedule
```
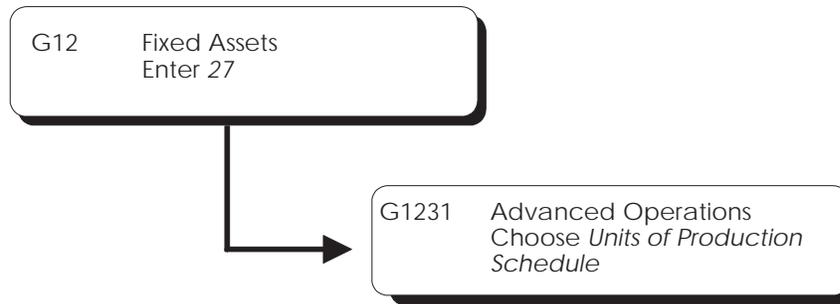
Setting Up Units of Production Schedules

Set up units of production schedules only if you use the Units of Production method of depreciation (method 09). You can set up schedules by ledger for as many different units of measure that your company uses, such as tons or miles.

The system performs two calculations based on the schedule information that you enter:

Depreciable Unit Base	Original Units + Prior Year Revisions + Current Year Revisions − Units Produced in the Prior Year = Depreciable Unit Base
Current Units of Production	Units Produced Year-to-Date / Depreciable Unit Base = Current Units of Production

After you set up the units of production schedules for your system, you can print the Unit of Production report.

▶   **To set up a units of production schedule**

On Units of Production Schedule

Complete the following fields:

- Schedule Number

- Ledger Type

- Description

- Units of Measure

- Units – Original

- Units – Prior Year Revisions

- Units – Current Year Revisions

- Year-to-Date Production

Field	Explanation
Schedule #/Method 9	The alphanumeric code you assign to a units of production schedule. You must set up the schedules you want to use for method 09 (Units of Production Depreciation) in advance on the Units of Production Schedule form.

Field	Explanation
Ledger Type	The user defined ledger type code (system 09, type LT) that identifies the account ledger, or book, for the asset. You can maintain as many sets of depreciation books (ledger types) for an asset as you need so you can depreciate an asset in different ways for different purposes. For example, an asset might have a three-year life for tax purposes, but a five-year life for financial statement purposes. Each set of books can have different depreciation methods and depreciation values. . . . . *Form-specific information* . . . . Each schedule you create is a combination of a unique schedule number and a ledger type.
Units – Total	The original estimate of the total number of units in the reserve base. The system uses this number to calculate the depreciable unit base.
Amount – Prior Year Revisions	The cumulative prior year revisions to the estimate of total units in the reserve base (Units-Original). The system uses this number to calculate the depreciable unit base.
Current Year Revisions	The current year revisions to the estimate of the total number of units in the reserve base (Units-Original). The system uses this number to calculate the depreciable unit base.
Units – Produced Prior Year	The number of units produced in all prior years. This number determines when an asset is fully depreciated. The system uses this number to calculate the depreciable unit base.
Units – Produced Year to Date	Units that were produced year-to-date. You must manually update this field. The system uses the value in this field to calculate the Current Unit of Production Factor.

What You Should Know About

Creating master records	You must set up units of production schedules *before* you create master records for assets that use the Units of Production depreciation method (Method 09).
Running the Units of Production Close program	Be sure that you run the Units of Production Close program. Units of Production Close rolls the current information into prior year fields and clears the current year fields for next year's revisions and current production amounts.

Printing the Units of Production Report

You can print the Units of Production report to view all of the schedules that you have set up for the Units of Production depreciation method. You can use this report at the jobsite as a worksheet. For example, you can complete the production and revised unit reserves for your assets and then return the information to the main office.

You can run the units of production report by one of the following:

- Schedule number
- Ledger type
- Unit of measure

Run the Units of Production report to review the following information:

Original Units	The original estimate of the total number of units in the reserve base
Prior Year Revisions	The cumulative prior-year adjustments to the original estimated units
Current Year Revisions	The current year adjustments to the original units
Units of Production Prior Year	The number of units produced in all prior years
Depreciable Units	An amount used to calculate the Current Unit of Production Factor. The system calculates this number using the following formula: Original Units + Prior Year Revisions + Current Year Revisions − Units of Production Prior Year = Depreciable Units
Units of Production Year-to-Date	The number of units that were produced year-to-date is used to calculate the Current Unit of Production Factor

8–65

```
12428                                    J.D. Edwards & Company                    Page      -       2
                                           Unit of Product                         Date      -   6/07/98


     Schedule                          Original      Prior Y       Curr Y      Units P Depreciable        Unit
     Sch No  LT    Description     UM    Units        Revisio      Revisi     Prior Y        Unit     Prod Y-   Factor
  ----------- --  --------------------- -- ----------- ----------- ----------- ----------- ----------- ----------- ----------
     GRADER AA Motor Grader Hours  HR   10,000.00                              4,500.00    5,500.00             .00000000
     GRAVEL AA Tons of Gravel      TN  200,000.00   70,000.00                 36,550.00  233,450.00             .00000000
```

Set Up User Defined Depreciation

```
G12       Fixed Assets
          Enter 27
```

```
G1231     Advanced Operations
          Choose Set Up User Defined
          Depreciation
```

```
G1232     Set Up User Defined
          Depreciation
          Choose an option under the
          User Defined Rules heading
```
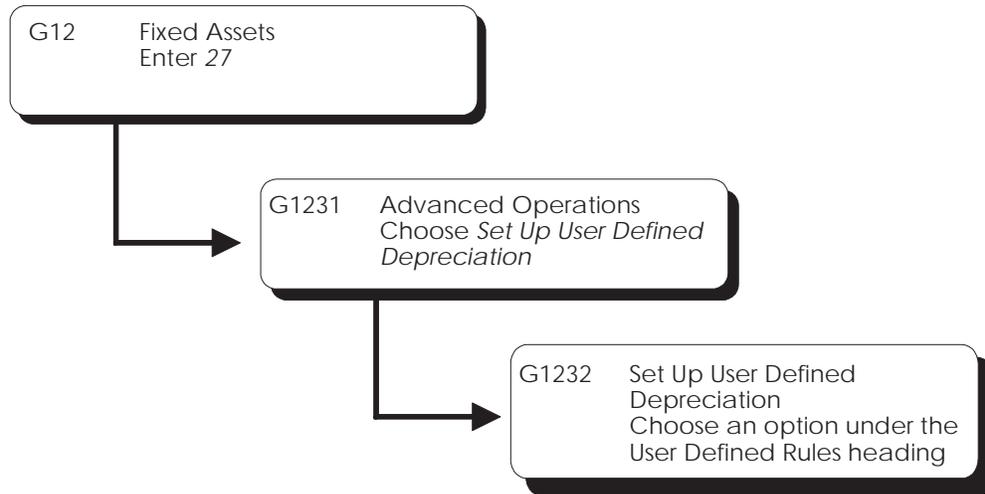
Setting Up User Defined Depreciation

You can set up user defined depreciation methods to define as many specific depreciation methods as your company needs without custom programming. Set up user defined depreciation when you need specific depreciation algorithms other than the standard depreciation rules that are included in the Fixed Assets system. For example, you can copy an existing straight-line rule and insert the appropriate life period information to create a depreciation method for your specific needs.

The system computes depreciation using depreciation rules. When you set up user defined depreciation methods, you must define the depreciation rules, formulas, and date spreads that you want the system to use to calculate depreciation for your fixed assets.

The system stores both standard and user defined depreciation methods in the User Defined Code table 12/DM. When you run the program to compute user defined depreciation, the system distinguishes user defined methods from standard methods by a special handling code.

Setting up user defined depreciation consists of the following tasks:

❏ Setting up depreciation rules

❏ Setting up depreciation formulas

❏ Setting up depreciation spread patterns

Setting Up Depreciation Rules

Depreciation rules control how the system computes depreciation for an asset. You must specify the rules that you want the system to incorporate when making calculations for user defined depreciation methods. When you set up rules for a depreciation method, you define a hierarchy of conventions that you want the system to apply to the cost of an asset.

The Fixed Assets system includes the base rules for computing standard depreciation methods in user defined depreciation. You cannot change the standard rules that are included in the Fixed Assets system, but you can copy and modify these rules to define depreciation methods specific to your company. For example, if you want to set up a depreciation rule for straight-line depreciation with a life period combination that is not included in the Fixed Assets system, you can use Depreciation Rule Revisions to copy an existing straight-line rule and change the life periods.

User defined depreciation rules must have alphabetic identifiers to distinguish them from J.D. Edwards base depreciation rules. When you set up depreciation rules, the system stores the information in the Depreciation Rule Header table (F12851) and the Annual Depreciation Rule table (F12852).

At the highest level, you can set up depreciation rules to apply to the entire period of time over which you want cost of an asset to be apportioned. Or, you can define rules for the period in which the asset was placed in service.

A depreciation rule consists of four parts:

Header — Information that references the depreciation method in which the rule is to be used, such as:

- The code that identifies the method
- Special characteristics of the rule
- Period over which the asset cost is to be apportioned
- Placed in service date for the asset
- Date through which the method is effective

You use the information in the header to tie a specific depreciation rule to an asset.

Rule conventions

Rule conventions dictate how the system calculates depreciation based on the life year rules and formulas you specify for the rule. These conventions apply to the entire apportionment period referenced by the rule. You can set up rule conventions to:

- Override of the business unit destination of the depreciation expense.
- Spread the first and last year of cost apportionment. For example, you can designate a rule to spread depreciation throughout the year, or spread the depreciation proportionate beginning with the depreciation start or end date.
- Allow the utilization of a second annual rule.
- Use the asset's life periods or the fiscal year as the beginning reference point in determining the current life year of an asset.
- Depreciate more cost than exists for an asset.
- Allow negative depreciation amounts to be computed in the formula during the life of an asset.

Life year rules

The basic equation for computing depreciation for a life year consists of a multiplier that is applied to a cost or basis. The resulting amount is subject to a minimum (base) and a maximum (limit). The basis amount that is multiplied might be subject to an overall floor or salvage value. The same rule might apply to multiple life-years, or it might apply to a single life year of a cost.

You can define a rule for any asset life year. You can also define a separate rule for the disposal year of an asset.

Formulas

The formulas that are used by the life year rules can be applied to any element in the depreciation equation, such as:

- Multiplier
- Depreciable basis
- Base
- Limit
- Salvage value

When you set up user defined depreciation rules, you must address each part of the rule.

Setting up user defined depreciation rules includes:

- Referencing the rule (by specifying header information)
- Specifying conventions for the rule
- Setting up the life year rules
- Defining formulas that apply to the depreciation equation
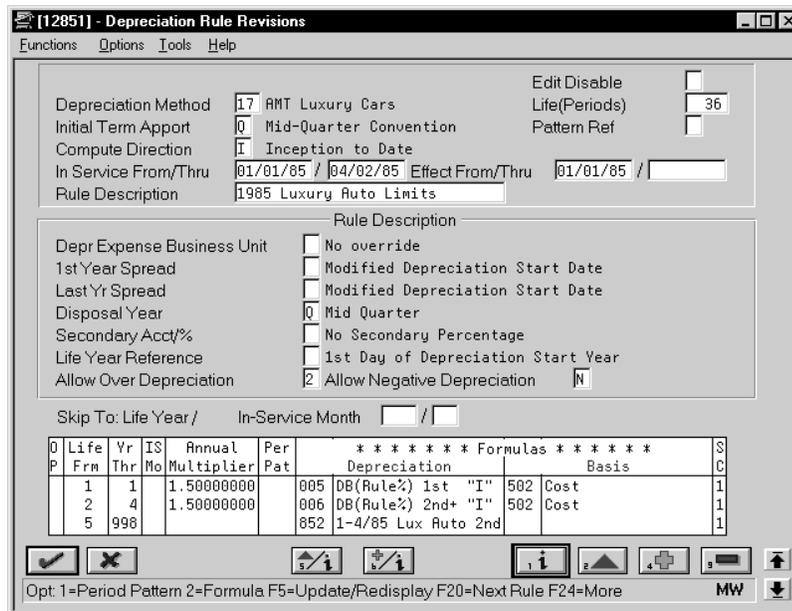
▶ **To reference the rule**

On Depreciation Rule Revisions

1. Complete the following fields to reference the depreciation rule:

   - Life (Periods)
   - Initial Term Apportionment
   - Compute Direction
   - In Service From/Thru
   - Effective From/Thru
   - Pattern Reference

2. Choose Field Help for the following field to add a user defined method to the user defined codes table Depreciation Methods (12/DM):

   - Depreciation Method

3. Choose Exit to User Defined Codes Maintenance.

```
[00051] - User Defined Code Revisions                          _ □ ×
Functions   Tools   Help

                                    System Code              12
                                    User Defined Codes       DM
                                    Skip To Code       [        ]
                                    Depreciation Method

       02 Character
        Code          Description                    Description-2
       CT        Test Pattern
       00        No Depreciation Method Used   Hard Coded Depreciation Method
       01        Straight Line Depreciation     "     "      "          "
       02        Sum of the Year's Digits       "     "      "          "
       03        125% Declining Bal w/Cross Ovr "     "      "          "
       04        150% Declining Bal w/Cross Ovr "     "      "          "
       05        200% Declining Bal w/Cross Ovr "     "      "          "
       06        Fixed % on Declining Balance   "     "      "          "
       07        ACRS Standard Depreciation     "     "      "          "
       08        ACRS Optional Depreciation     "     "      "          "
       09        Units of Production Method     "     "      "          "
       10        MACRS Luxury Cars              "     "      "          "
       11        Fixed % Luxury Cars            "     "      "          "
       12        MACRS Standard Depreciation    "     "      "          "

  ✓   ✗                                    i    ▲    ✚    ▬    ▲
 F5=Code Types  F14=Memo  F15=Where Used  F18=Translate  F21=Print  F24=More   MW  ▼
```

4. On User Defined Code Revisions, complete the following fields to add an alphabetic, two-character depreciation method to the table:

  • Code

  • Description

  • Description – 2

5. Access the fold area.

```
[00051] - User Defined Code Revisions                          _ □ ×
Functions   Tools   Help

                                    System Code              12
                                    User Defined Codes       DM
                                    Skip To Code       [        ]
                                    Depreciation Method

       02 Character
        Code          Description                    Description-2
       CT        Test Pattern
       Special Handling Code      1        Hard Coded Y/N    N
       00        No Depreciation Method Used   Hard Coded Depreciation Method
       Special Handling Code               Hard Coded Y/N    Y
       01        Straight Line Depreciation    "     "      "          "
       Special Handling Code               Hard Coded Y/N    N
       02        Sum of the Year's Digits      "     "      "          "
       Special Handling Code               Hard Coded Y/N    N
       03        125% Declining Bal w/Cross Ovr "     "      "          "
       Special Handling Code               Hard Coded Y/N    N
       04        150% Declining Bal w/Cross Ovr "     "      "          "
       Special Handling Code               Hard Coded Y/N    N
       05        200% Declining Bal w/Cross Ovr "     "      "          "
       Special Handling Code               Hard Coded Y/N    N

  ✓   ✗                                    i    ▲    ✚    ▬    ▲
 F5=Code Types  F14=Memo  F15=Where Used  F18=Translate  F21=Print  F24=More   MW  ▼
```

6. Complete the following field to identify the depreciation method as a user defined method:

  • Special Handling Code

7. Choose Exit Program to return to Depreciation Rule Revisions.

8. On Depreciation Rule Revisions, complete the following field with the code for the depreciation method to which you want to add the rule:

  • Depreciation Method

▶ **To specify conventions for the rule**

On Depreciation Rule Revisions

Complete any of the following fields to define the conventions of the depreciation rule:

  • Depreciation Expense Business Unit

  • First Year Spread

  • Last Year Spread

  • Disposal Year

  • Secondary Account/%

  • Life Year Reference

  • Allow Over Depreciation

  • Allow Negative Depreciation

▶ **To set up life year rules**

On Depreciation Rule Revisions

1. Complete the following fields:

  • Life Year–From

  • Life Year–Thru

  • In Service Month

  • Annual Multiplier

2. Choose the Period Pattern option.

```
[12854] - Depreciation Spread Patterns                          _ □ ×
Functions  Tools  Help

        Budget Pattern Code    QTR  Desc    Quarter  Spread

        Period 01                          [            ]
        Period 02                          [            ]
        Period 03                          [ 25.0000    ]
        Period 04                          [            ]
        Period 05                          [            ]
        Period 06                          [ 25.0000    ]
        Period 07                          [            ]
        Period 08                          [            ]
        Period 09                          [ 25.0000    ]
        Period 10                          [            ]
        Period 11                          [            ]
        Period 12                          [ 25.0000    ]
        Period 13                          [            ]
        Period 14                          [            ]
        Total                              [ 100.0000   ]

 [ ✓ ] [ ✗ ]                     [ ₁i ] [ ₂▲ ] [ ₄⊞ ] [ ₉▬ ] [ ⬆ ]
 F21=Print Budget Pattern Codes   F24=More Keys              MW   [ ⬇ ]
```

3. On Depreciation Spread Pattern Revisions, complete the following fields to add a new spread pattern:

   - Budget Pattern Code

   - Description

   - Period 01 – 14

4. Choose Exit Program.

5. On Depreciation Rule Revisions, complete the following field to attach the spread pattern to the rule:

   - Period Pattern

▶ **To define formulas for the rule**

On Depreciation Rule Revisions

1. Access Depreciation Formula Revisions.
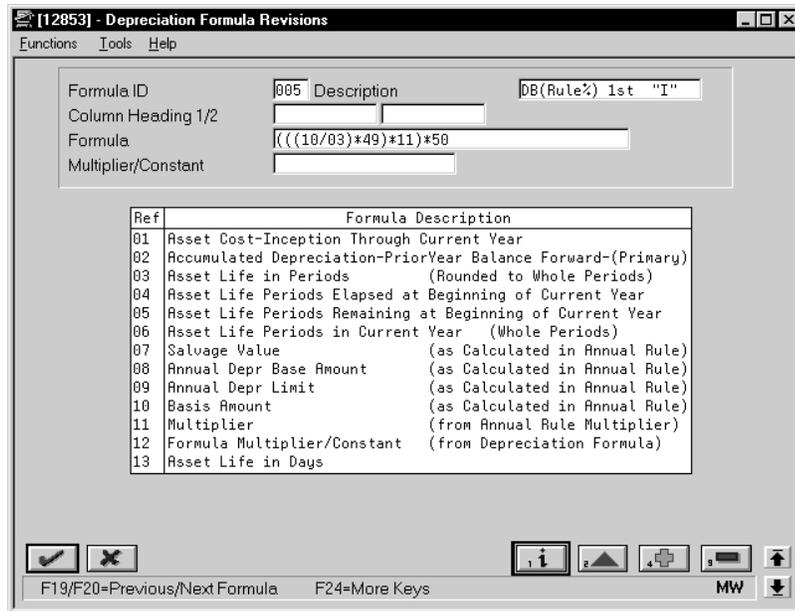
2. On Depreciation Formula Revisions, complete the following fields to define a new formula:

  - Formula ID

  - Description

  - Formula

  - Multiplier/Constant

3. Choose Exit Program.

4. On Depreciation Rule Revisions, complete the following fields with the codes for the formulas that you want the system to use for each element of the depreciation equation:

  - Depreciation Formula–Multiplier

  - Depreciation Formula–Basis

  - Secondary Percentage Continuation

5. Access the fold area.

6. Complete any of the following optional fields for additional formula specifications:

- Depreciation Formula–Base

- Depreciation Formula–Limit

- Depreciation Formula–Salvage Value

Field	Explanation
Life (Periods)	The life of an asset in months or periods. The system uses months or periods only to express the life of an asset. For example, if your company uses a 12–month calendar, then a five–year ACRS asset has a 60–month life. If your company uses a 13–month calendar, then a five–year ACRS asset has a 65–month life, and so on. You must specify a life month value for all user defined depreciation methods, and for all standard depreciation methods, except the standard methods 00, 06, 09, 11, and 15.

Field	Explanation
Initial Term Apportionment	A code for additional depreciation information. This code is used for Investment Tax Credit (ITC) and averaging conventions. The system validates the code you enter in this field against user defined code table 12/AC. Valid codes are:

<table>
<tr><td>0</td><td>No ITC Taken</td></tr>
<tr><td>1</td><td>Three Year Method (3 1/3%)</td></tr>
<tr><td>2</td><td>Five Year Method (6 2/3%)</td></tr>
<tr><td>3</td><td>Seven Year Method (10%)</td></tr>
<tr><td>4</td><td>ACRS Method with Basis Reduction (10% ITC)</td></tr>
<tr><td>5</td><td>ACRS Method without Basis Reduction (2% ITC or No ITC)</td></tr>
<tr><td>A</td><td>Actual Date of Depreciation Start Period</td></tr>
<tr><td>M</td><td>Mid-Month Convention</td></tr>
<tr><td>Q</td><td>Mid-Quarter Convention</td></tr>
<tr><td>Y</td><td>Mid-Year Convention</td></tr>
<tr><td>P</td><td>Middle of Period</td></tr>
<tr><td>F</td><td>First–half/Second–half</td></tr>
<tr><td>W</td><td>Whole Year</td></tr>
</table>

NOTE: Numeric codes apply to standard depreciation methods only.

To determine the date for F (First–half/Second–half), use the following guidelines:

- If the asset was placed in service in the first half of the year then the adjusted depreciation start date is the first day of the year.
- If the asset was placed in service in the second half of the year then the adjusted depreciation start date is the first day of the succeeding year.
- The first half of the year expires at the close of the last day of the calendar month which is closest to the middle of the tax year.
- The second half of the year begins the day after the expiration of the first half of the tax year.

Field	Explanation
Compute Direction	A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.
	Valid codes are:
	C Current year to date. Calculates only the current year's depreciation.
	I Inception to date. Recalculates the entire depreciation amount from the start date through the current year. Prior-year depreciation is then subtracted to determine current year depreciation. This method results in a one-time current period correction for any errors in prior period depreciation.
	F Inception to date. Calculates inception to date for the first rule (if there are two rules) and uses a C for the second rule.
	P Current period. Calculates depreciation for the current period and then extrapolates the annual amount based on the cumulative percent from the period pattern and year-to-date posting. Any depreciation calculated for the current period is subtracted.
	R Remaining months. Depreciates the net book value as of the beginning of the current tax year over the remaining life of the asset. This results in the amortization of prior period calculation errors over the remaining life of the asset.
In Service From	The beginning date for which the transaction or code is applicable.
	. . . . *Form-specific information* . . . .
	The date the asset is placed in service or the modified depreciation start date. The system validates this date against the company date patterns. If you leave this field blank, the system uses a default value of 01/01/00 (January 01, 1900). If only the date differentiates two or more depreciation rules, the system will not allow overlapping dates.
In Service Thru	The ending date for which the transaction or code is applicable.

Field	Explanation
Effective From	The date on which an address, item, transaction, or table becomes active or the date from which you want transactions to display. The system uses this field depending on the program. For example, the date you enter in this field might indicate when a change of address becomes effective, or it could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, and so on.
	. . . . *Form-specific information* . . . .
	The date from which a depreciation rule is effective. The system validates this date against the company date patterns. If you leave this field blank, the system uses a default value of 01/01/00 (January 01, 1900). If only the dates differentiate two or more depreciation rules, the system will not allow overlapping dates.
Effective Thru	The date on which the item, transaction, or table becomes inactive or through which you want transactions to display. This field is used generically throughout the system. It could be a lease effective date, a price or cost effective date, a currency effective date, a tax rate effective date, or whatever is appropriate.
	. . . . *Form-specific information* . . . .
	The date through which a depreciation rule is effective. The system validates this date against the company date patterns. If you leave this field blank, the system uses a default value of 01/01/00 (January 01, 1900). If only the dates differentiate two or more depreciation rules, the system will not allow overlapping dates.
Pattern Reference	A code that identifies date patterns. You can use one of 15 codes. You must set up special codes (letters A through N) for 4-4-5, 13 period accounting, or any other date pattern unique to your environment. An R, the default, identifies a regular calendar pattern.
	. . . . *Form-specific information* . . . .
	Use this field to reference a date pattern that is specific to the initial term for asset depreciated under the rule. This is particularly useful if the date patterns your company uses now are different from previous years due to mergers or short years. The system refers to this pattern in order to adjust the depreciation start date.

Field	Explanation
Depreciation Method	The user defined code (system 12, type DM) that indicates the method of depreciation for the specified book. In addition to any user defined depreciation methods you set up for your company, the following standard depreciation methods are available in the Fixed Assets system:
	00 No depreciation method used
	01 Straight Line Depreciation
	02 Sum of the Year's Digits
	03 125% Declining Balance to Cross-Over
	04 150% Declining Balance to Cross-Over
	05 Double Declining Balance to Cross-Over
	06 Fixed % on Declining Balance
	07 ACRS Standard Depreciation
	08 ACRS Optional Depreciation
	09 Units of Production Depreciation
	10 MACRS Luxury Cars – Domestic
	11 Fixed % Luxury Cars – Foreign
	12 MACRS Standard Depreciation
	13 ACRS Alternatative Depreciation
	14 ACRS Alternate Real Property
	15 Fixed % of Cost
	16 Fixed % on Declining Balance to Cross-Over
	17 AMT Luxury Auto
	18 ACE Luxury Auto
	NOTE: Any additional depreciation methods you create for your organization must have an alpha code.
Depreciation Expense Business Unit	A code that allows an override of the destination of the depreciation expense. Valid codes are: Blank No Override 1 Responsible Business Unit 2 Location Business Unit
1st Year Spread Convention	A code that designates how you want the system to apportion the first year of depreciation for an asset. Valid codes are: Blank Modified Depreciation Start Date 1 Entire Year 2 Actual Depreciation Start Date
Last Year Spread Convention	A code that designates how you want the system to apportion the last year of depreciation for an asset. Valid codes are: Blank Modified depreciation end date 1 Entire year

Field	Explanation
Disposal Year	A code that designates how you want the system to apportion depreciation when you dispose of the asset. Valid codes are: Blank To End of Disposal Period A Actual Disposal Date Y Mid-Year Q Mid-Quarter M Mid-Month P Middle of Period F First-Half / Second-Half N None
Secondary Account/Percent Convention	A code that designates how the system uses the amount calculated by the Secondary Account/Percent rule when determining the annual depreciation amount. Valid codes are: Blank No secondary percentage 1 Greater of amounts calculated by Rule 1 or Rule 2 2 Lesser of amounts calculated by Rule 1 or Rule 2 6 Amount from Rule 1 to Accumulated Deprecation Account 1; amount from Rule 2 to Accumulated Depreciation Account 2 7 Amount from Rule 1 to Accumulated Depreciation Account 1 plus Depreciation Expense Account 1 equals Rule 1 amount; amount from Rule 2 to Accumulated Depreciation Account 2 plus Depreciation Expense Account 2 equals Rule 2 amount 8 Two Amounts – Two A/D Accounts and Three D/E Accounts The system uses this field in conjunction with the Secondary Percent Continuation field.
Life Year Reference Convention	A code that designates the beginning reference point from which you want the system to determine the current life year of an asset. Valid codes are: Blank 1st day of depreciation start year 1 Depreciation start date (modified)

Field	Explanation
Allow Over Depreciation	A code that indicates whether you want the system to allow over depreciation for an asset. Use this field when you want the system to allow depreciation in excess of the basis, or when you want to allow depreciation beyond the period you define as the life of the asset, as in the ACRS Luxury Autos depreciation method. Valid values are: Blank Over depreciation NOT allowed during asset life, take remaining basis at end of asset life 1 Accumulated depreciation may EXCEED adjusted basis during asset life, take remaining basis at end of asset life 2 Over depreciation NOT allowed during asset life, allow depreciation beyond asset life 3 Accumulated depreciation may EXCEED adjusted basis during and beyond asset life The default for this field is blank. The system uses this field in conjunction with the Allow Negative Depreciation field.
Allow Negative Depreciation	A code that indicates whether you want to allow depreciation formulas to calculate negative amounts. Valid codes are: N Negative depreciation not allowed Y Accumulated depreciation may be less than adjusted basis You can enter a 1 for yes (Y) or a 2 for no (N). The default value is N.
Asset Life Year – Start	The first asset life year to which the rule pertains. You must set up detail annual rules for a depreciation rule, beginning with year 1 and extending through every year in the life of the asset. The system does not allow "gaps" between years. You can set up the detail annual rules beyond the life of the asset. A single record may represent several contiguous years, but the system does not allow duplicate years. Valid values are 1 through 998, and 999. Use 999 only to set up a specific rule for the disposal year of an asset.
Asset Life Year – Through	The last year in the life of an asset to which the rule pertains. You can set up the detail annual rules beyond the life of the asset. Each rule must have a rule for contiguous years beginning with 1. A single record can represent several contiguous years, but the system does not allow duplicate years.

Field	Explanation
Placed In Service Month	This field refers to the month the asset is placed in service. You can specify rules by inclusive ranges. When you use the value of blank, the system continues to use the annual rule for the last specified placed in service month until it finds a higher placed in service month value.
	The system uses the values you enter in this field as follows:
	• First, the system searches for an exact match. (For example, if an asset is placed in service in month 01, the system looks for a Placed In Service Month value of 01 for that year.)
	• If an exact match does not exist, the system searches for a value of blank.
	• If a value of blank does not exist, the system continues to use the annual rule for the last specified placed in service month for a range of months until it finds the next highest month you specify.
	For example, if you set up annual rules for the Placed In Service Months of 01, 03, 06, and 09, the system uses the rule you specify for 01 during the first and second months, the rule you specify for 03 during the third, fourth, and fifth months, the rule you specify for 06 during the sixth, seventh, and eighth months, and the rule you specify for 09 for the remaining months.
	Valid values are blank, 01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 11, and 12.
Annual Multiplier	A percentage that you can use as an element within a formula, or by itself. The system applies this percentage to the basis of an asset to derive depreciation. If no basis is defined for the asset, then the system applies this percentage to the cost.
	Enter a value in this field as a decimal. For example, enter 10% as .10 and 150% as 1.5.
Period Pattern	The code for a specific depreciation spread pattern. A pattern determines how the annual depreciation amount is to be apportioned to periods within a year. You can designate spread patterns for individual years, or for a group of years.
Secondary % Continuation	Use this code to indicate whether an annual depreciation rule is a primary or secondary rule.

What You Should Know About

J.D. Edwards base depreciation rules	The User Defined Depreciation program includes a basic rule set that represents all of the rules used by the 18 standard depreciation methods. You can identify the standard depreciation methods and base depreciation rules by numeric identifiers.
	All numeric methods and formulas are reserved for the use of J.D. Edwards. Numeric rules can be refreshed from the JDFDATA environment, which will be periodically updated for changes to the depreciation rules.
	You can inquire on the numeric rules and methods and use them as the basis for creating modified user-defined depreciation rules with alpha identifiers.
Locating an existing depreciation method	Use function keys to help you locate the depreciation method you are looking for. For example, if you enter values in as many of the fields as you can to identify a depreciation method and press enter, you can use function keys to skip to the first depreciation method that most closely matches your criteria. Then, use function keys to scroll through all existing methods with similar values. This is particularly helpful when you have numerous depreciation methods.
	After you locate the depreciation methods that you are looking for, you can also use a function key to skip directly to the rules portion of the form.
Protecting user defined depreciation methods	After you set up the user defined depreciation methods you want to use, use the Edit Disable field to protect them from further revision.

Processing Options for Depreciation Rule Revisions

```
EDIT OPTIONS:
 1. Enter a '1' to protect the rule if            _____
    there is a "1" in the Edit Disable
    field.
```

Exercises

See the exercises for this chapter.

Setting Up Depreciation Formulas

You can define or revise depreciation formulas. You can then attach the formulas to the elements of the depreciation equation in a life year rule. Use the four basic mathematical functions (+ − * /) and parentheses for nesting amounts or quantities to construct depreciation formulas in algebraic format. The Fixed Assets system includes codes that you can use to represent the elements that the system uses to retrieve the related amounts or quantities from the Item Balance table, Item Master table, Date Pattern table, and so on. For example, you can define a depreciation method that is based on a formula that you create to subtract salvage value from cost.

A comprehensive list of the elements that you can use to define formulas to include in depreciation rules appears in Appendix C.

You can access the Depreciation Formula Revision form directly from the menu, or you can access the form from Depreciation Rule Revision. For example, if you are revising depreciation rules, and you want to update a formula associated with the rule, you can access Depreciation Formula Revision to review and revise formulas you have previously defined without exiting from the Depreciation Rule Revision program.

User defined depreciation formulas must have alphabetic identifiers to distinguish them from J.D. Edwards base depreciation formulas. You can modify only the alpha formulas, but you can use the numeric formulas as a starting point to create your own formulas with alphabetic identifiers.

▶ **To set up depreciation formulas**

On Depreciation Formula Revision

```
[12853] - Depreciation Formula Revision                    _ □ ×
Functions   Tools   Help

  Formula ID               007  Description          % Declining Balance
  Column Heading 1/2       [        ] [        ]
  Formula                  ((10*47)/49)*06
  Multiplier/Constant      [                   ]


  Ref|              Formula Description
  01 |Asset Cost-Inception Through Current Year
  02 |Accumulated Depreciation-PriorYear Balance Forward-(Primary)
  03 |Asset Life in Periods         (Rounded to Whole Periods)
  04 |Asset Life Periods Elapsed at Beginning of Current Year
  05 |Asset Life Periods Remaining at Beginning of Current Year
  06 |Asset Life Periods in Current Year   (Whole Periods)
  07 |Salvage Value               (as Calculated in Annual Rule)
  08 |Annual Depr Base Amount     (as Calculated in Annual Rule)
  09 |Annual Depr Limit           (as Calculated in Annual Rule)
  10 |Basis Amount                (as Calculated in Annual Rule)
  11 |Multiplier                  (from Annual Rule Multiplier)
  12 |Formula Multiplier/Constant (from Depreciation Formula)
  13 |Asset Life in Days


  [✔] [✖]                         [ i] [▲] [✚] [▬] [⬆]
  F19/F20=Previous/Next Formula      F24=More Keys         MW [⬇]
```

1. Complete the following field to set up or locate an existing formula:

   • Formula ID

   Choose the field sensitive help for Formula ID to review a list of valid formulas or to search for a specific formula by code or description.

2. Complete the following fields to revise or define the formula:

   • Description

   • Formula

   • Multiplier/Constant

Field	Explanation
Formula	The system uses the formula you enter in this field to calculate an amount for an associated formula ID. You can attach the formulas you define on Formula Revisions to the Depreciation Rule Revisions form. You can define the following depreciation formulas: • Multiplier • Basis • Base • Limit • Salvage value Formulas can include a combination of formula elements listed on the Depreciation Formula Revisions form, the four basic mathematical functions, and parentheses for nesting amounts or quantities. Use the following valid symbols for these basic mathematical functions: + Addition − Subtraction * Multiplication / Division ( ) Left and right parentheses
Multiplier/Constant	A percentage or amount that can be incorporated into a formula as an element to derive depreciation.

Exercises

See the exercises for this chapter.

Setting Up Depreciation Spread Patterns

When you run depreciation, the system calculates an annual depreciation amount. Then, the system calculates depreciation for a particular period based on a percentage. You set up period pattern spread rules to specify how you want to recognize the annual deprecation amount within a year. If you do not set up a spread pattern for your depreciation rule, the system spreads the annual depreciation amount equally among the normal number of periods that you set up for your organization.

You can enter spread amounts for periods 01 through 14. The total of the spread percentages that you enter must sum to 100 before the system will allow the pattern to be added or an existing pattern changed.

The system stores depreciation spread patterns in the Depreciation Spread Pattern table (F12854).

▶ **To set up depreciation spread patterns**

On Depreciation Spread Patterns

```
[12854] - Depreciation Spread Patterns                    _ □ ×
Functions  Tools  Help

    Budget Pattern Code    IRR  Desc    Irregular Spread

    Period 01                        5.0000
    Period 02                        3.0000
    Period 03                        4.0000
    Period 04                        7.0000
    Period 05                        6.0000
    Period 06                       11.0000
    Period 07                       14.0000
    Period 08                       17.0000
    Period 09                        7.0000
    Period 10                        3.0000
    Period 11                       13.0000
    Period 12                       10.0000
    Period 13
    Period 14
    Total                          100.0000

  ✔  ✘                          i   ▲   ⊕   ▬   ↑
 F21=Print Budget Pattern Codes   F24=More Keys        MW  ↓
```

1. Complete the following field to set up or locate a depreciation pattern code:

   - Budget Pattern Code

2. Complete any of the following fields to define or revise a depreciation pattern code:

   - Period 01–14

Field	Explanation
Period 01	Enter the percentage of depreciation you want to record for the asset in the first period. You can enter spread percentages as: • Whole numbers (such as 20 for 20%) • Zero or blank, for no percentage You can enter spread percentages for up to 14 periods. The total of the spread percentages must sum to 100. NOTE: You set up the default periods for the fiscal year on Date Pattern Revisions for company 00000.

Exercises

See the exercises for this chapter.

Set Up Beginning Balances

G12 Fixed Assets
    Enter *29*

G1241 Fixed Asset System Setup
     Choose *Beginning Balance*
      Setup
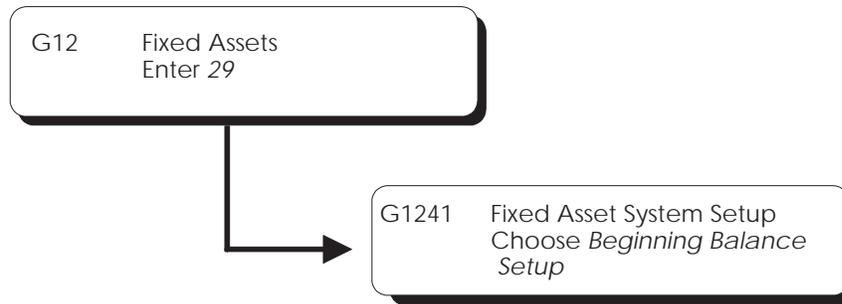
Setting Up Beginning Balances

You can use Beginning Balance Setup to establish beginning balances for your assets in the Item Balance table (F1202) without having to enter and post journal entries. You can use the program to set up beginning balances for assets individually or in groups of assets that share the same cost and accumulated depreciation accounts.

Beginning Balance Setup

Fiscal Period

FY	Beg Bal	1	2	3	4	→ 14
98	10,000	10,000				

F1202
Item Balance
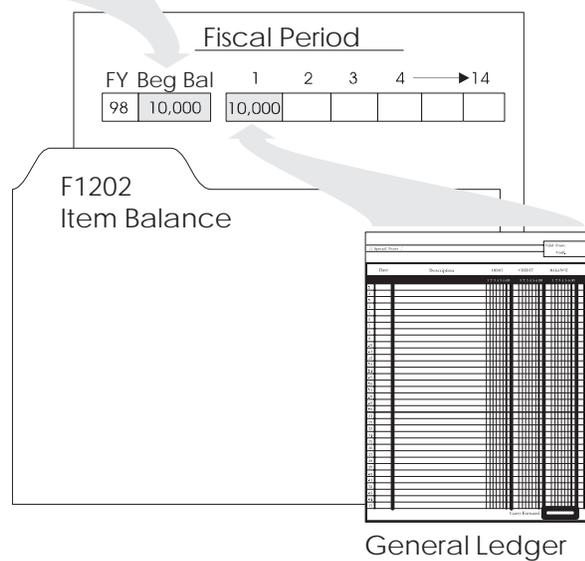
General Ledger

Use Beginning Balance Setup to complete the following tasks:

- Enter beginning balances at system setup or during a conversion after general ledger balances have already been converted

- Change the cost basis of a ledger, other than the Actual Amounts (AA) ledger

When you create beginning balances, you must first enter the master information for each asset in the system. Next, you must enter the cost amount and accumulated depreciation amount, as of the last day of the previous fiscal year, for each asset. When you enter these amounts, the Beginning Balance Setup program automatically posts the entries to fixed assets. Finally, run the depreciation program to calculate depreciation for each month to update asset depreciation amounts to the current date.

After you finish setting up beginning balances, you can run the Fixed Assets to G/L Integrity test to verify that the cost and accumulated depreciation amounts in the Item Balances table (F1202) match the amounts in the Account Balances table (F0902).

Setting up beginning balances consists of the following:

- Setting up beginning balances for an individual asset

- Setting up beginning balances for a group of assets

Before You Begin

❏ Create master records for each asset in the system

❏ Verify that the amounts that you want to enter on the Beginning Balance Setup form are already posted to the general ledger

What You Should Know About

Assets with multiple subledgers	If you want to set up beginning balances for an asset with multiple subledgers, you must enter a unique subledger in the Subledger/Type field when you first locate the asset. Enter the beginning balances for that subledger and then repeat the process for any remaining subledgers.

Changing amounts for the cost or accumulated depreciation

The following rules apply if you want to change amounts for the cost or accumulated depreciation accounts:

- If you entered balances using Beginning Balance Setup, the system displays the beginning balance amount for an asset when you locate the asset on Beginning Balance Setup. You can change the cost or the accumulated depreciation amounts by entering the full new amount.
- If you entered the beginning balances as journal entries and then posted the entries to fixed assets, the system does not display the beginning balance amount on Beginning Balance Setup. You must enter the change in the amounts (the difference) instead of entering the new amount.

Updating amounts throughout the Fixed Assets system

The amounts you enter on Beginning Balance Setup are updated in the Balance Forward field of the Item Balances table (F1202) for each asset.

Using the DUP key to enter beginning balances

You can save time when entering beginning balances by using the DUP key to copy the amount on the preceding line. When you use the DUP key, the system displays a row of characters, such as asterisks. When you refresh the form, you will see the actual repeated amounts.

Entering accumulated depreciation amounts

You must enter the accumulated depreciation amount for the asset as of the end of the prior fiscal year. This is because the Compute Depreciation program calculates depreciation for each month as of the beginning of the fiscal year. For example, you might plan to start using the Fixed Assets system in July. If you enter year-to-date amounts on Beginning Balance Setup in the Accumulated Deprecation Amount field, and then run depreciation, the system will double the accumulated depreciation amounts.

General ledger balance

You affect only the balances in fixed asset Item Balances (F1202) table when you use the Beginning Balance Setup program. The program does not affect the balance in the general ledger, regardless of the processing options you choose.

```
[12130] - Beginning Balance Setup                              _ □ ×
Functions   Tools   Help

                                            Batch No      06067069
                                            Fiscal Yr        98
                                Explana   Beginning Balance Adjustments
        Item Number. .      1300
     or Cost & A/D Acct          50.2030              50.2130
        Subledger/Type  [    ] [  Skip To Item. .  [              ]

  ┌──────────┬──────────────────┬─────────────┬─────────────────┬────┐
  │ Item     │ Item Description │   Amount    │ Accum Depre     │ LT │
  │ Number   │                  │             │ Amount          │    │
  ├──────────┼──────────────────┼─────────────┼─────────────────┼────┤
  │     1300 │ Backhoe, Caterpillar │ 46,108.00 │      11,527.05 │ AA │
  │          │                  │   46,108.00 │      17,880.72  │ D1 │
  │          │                  │   46,108.00 │       6,916.14  │ D3 │
  │          │                  │   46,108.00 │       9,855.54  │ D4 │
  │          │                  │   46,108.00 │       6,916.14  │ D5 │
  │          │                  │             │                 │    │
  └──────────┴──────────────────┴─────────────┴─────────────────┴────┘

  [✔] [✖]                        [ i] [ ▲] [ ✚] [ ▬]  [↑]
  F24=More Keys                                         MW [↓]
```

▶   **To set up beginning balances for an individual asset**

On Beginning Balance Setup

1. Complete the following field to locate an asset:

    -   Asset Number

2. Complete the following field to specify a fiscal year:

    -   Fiscal Year

3. Complete the following fields to specify a subledger:

    -   Subledger

    -   Subledger Type

4. Complete the following fields to set up or revise balance information:

    -   Cost Amount

    -   Accumulated Depreciation Amount

◣ **To set up beginning balances for a group of assets**

1. Complete the following fields to locate a specific group of assets:

   - Cost Account

   - Accumulated Depreciation Account

2. Complete the following field to specify a fiscal year:

   - Fiscal Year

3. Complete the following fields to specify a subledger:

   - Subledger

   - Subledger Type

4. Complete the following fields to set up or revise balance information:

   - Cost Amount

   - Accumulated Depreciation Amount

Processing Options for Beginning Balance Adjustments

```
JOURNAL ENTRY CREATION:
1) Enter a '1' if you do NOT want to          _____
   create journal entries for the
   beginning balances you will be
   entering.  Leave blank (default) to
   create journal entries.
```

Test Yourself: System Setup

1. True or False

   The Fixed Assets Constants affect the entire fixed assets and equipment systems.

2. True or False

   Setting the default Business Unit in the Fixed Assets Constants only affects asset masters that are created after that time, not all the assets in your system.

3. Match the Fixed Assets AAI with the most appropriate description:

FX	A	asset cost accounts
FA	B	secondary depreciation expense account
AT	C	all fixed asset accounts
FC	D	optional summary totals
FDS	E	automatic asset masters
SDE1	F	asset disposals

4. If you set up the FX AAIs by company, you must set them up for _____ company and each company must begin with _____.

5. User defined depreciation methods (12/DM) must use _____ code identifiers and must have a_____ in the special handling code.

6. True or False

   Asset Acquisition Years must be set up back to the oldest depreciating asset for all users and must also include at least one year into the future for 4–4–5 or daily accounting users.

7. True or False

   Units of production is set up by ledger type.

8. Which of the following is NOT true concerning Depreciation Default Coding?

    A   must be set up for each cost account

    B   can be used to assign default values for category codes 1 and 2 when you create a new asset master

    C   defines depreciation values for all assets when computing depreciation

    D   defines depreciation values for all assets when computing depreciation

    E   all of the above

9. True or False

You can use Depreciation Rule Revisions to change standard depreciation rules.

10. In the Asset Life Year, 999 defines the _____year.

11. True or False

Using the Beginning Balances Setup program or a journal entry as the first day of the year updates the same fields within the Item Balances Table (F1202).

The answers are in *Appendix A*.

Advanced & Technical

Fixed Asset Global Updates

Objectives

- To make changes to multiple fixed asset records
- To identify what each global update program does
- To determine when each global update program should be used

About Fixed Asset Global Updates

You can make system-wide changes to fixed assets using global update processes.

Fixed asset global updates consist of the following tasks:

❑ Updating asset information

❑ Updating accounts and ledgers

❑ Purging and archiving asset data

Update Asset Information

Updating Asset Information

You can update certain asset information globally to reduce the amount of processing time it takes to maintain current information in the Fixed Assets system and throughout your organization.

Updating asset information consists of the following tasks:

❑ Running the Update Message Log program

❑ Updating the Search Word table

❑ Updating state and tax entity information

❑ Updating depreciation values

❑ Running the Update Location Code Batch program

❑ Updating the Balance Character Code

Running the Update Message Log Program

```
G12        Fixed Assets
           Enter 27
```

```
G1231      Advanced Operations
           Choose Update Message Log
```
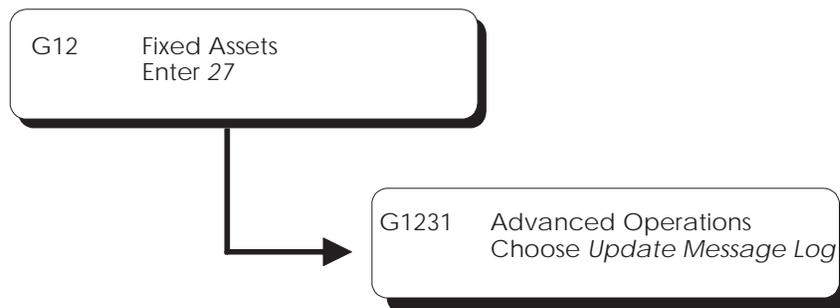
You should run this program only if you use the Tickler Miles/Hours field in the message log.

Run the Update Message Log program to keep tickler dates and units current in the message log. For example, if you set up a reminder message to appear every 3,000 miles for a piece of equipment, you use this update to ensure that the message appears when the equipment reaches the 3,000-mile mark.

Update Message Log compares tickler dates with the system date and tickler units (for example, miles or hours) to the current unit reading you record for the corresponding piece of equipment. The program updates all of the units that have reached or exceeded the tickler amounts you post in the AT00 automatic accounting instruction. When the update is complete, the corresponding equipment number on Asset Search and Location is highlighted to indicate that a message exists for the equipment.

When you select Update Message Log, the system submits the job directly to batch. You should update the message log frequently to keep message tickler units current. J.D. Edwards recommends running Update Message Log as part of your unattended operations.

See Also

- *Working with Message Logs* for more information about using tickler dates and units

- *Technical Foundation Guide* for more information about running unattended operations (SLEEPER).

Updating the Search Word Table

```
G12        Fixed Assets
           Enter 27
```

```
G1231      Advanced Operations
           Choose Build Search Word File
```
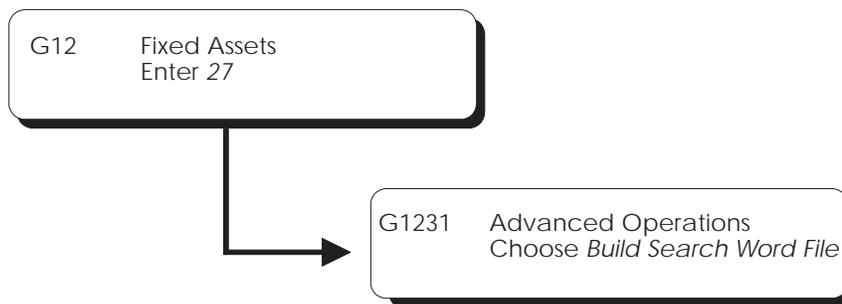
You must build a search word table before you can perform a query search for an asset on the Asset Search form. For example, you might perform a query search if you need to locate the master record for an asset, but you do not know the asset number. The Search Word table consists of possible words that you might use on a search form to access the asset information you need.

Build Search Word File scans the asset information that you store in the system and creates a Search Word table on all the words found in the following places:

- Item Master table (F1201)

    - Asset description fields

    - Any remark fields

    - Any of the first ten category code fields

- Supplemental Data tables (F12090, F12092, F12093)

    - User defined code values

    - Remark fields

    - Narrative text

When you select Update Search Word File, the system submits the job directly to batch. You should run this update to maintain and refresh the Search Word table as you add, change, and delete assets in your system. J.D. Edwards recommends running Update Search Word File as part of your unattended operations.

What You Should Know About

Using uppercase and lowercase descriptions for assets	The Build Search Word File procedure is not case sensitive. The procedure locates and retrieves words in the asset description fields regardless of whether they are uppercase or lowercase.

See Also

- *Searching for Asset Information (P1204)* for more information about performing a query search to locate assets

- *Technical Foundation Guide* for more information about running unattended operations (SLEEPER)

Updating State and Tax Entity Information

G12   Fixed Assets
           Choose *Year End Processes*

G1225   Year End Processes
            Choose *Update Property
            Tax State/Entity*
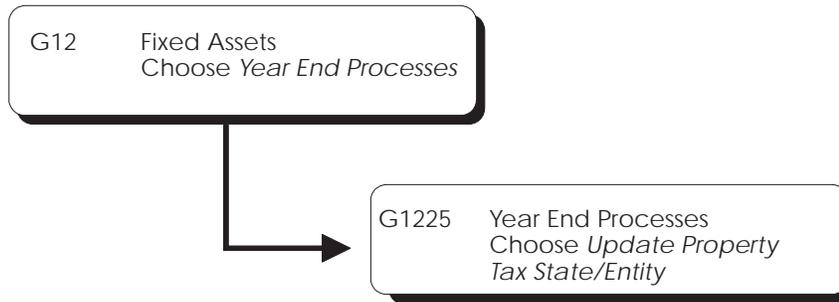
You should run this program only if you use J.D. Edwards Job Cost system. The program updates tax entity information based on the information in Job Master records.

You can run the Update Property Tax State/Entity program to update the state and tax entity information for assets that change location from one tax entity to another. The program updates the Property Tax State and Tax Entity fields on the asset's Master Information form based on the information in the State and Tax Entity fields on Job (Business Unit) Master Revisions.

The Update Property Tax/State Entity program accesses the following information to perform the update:

- "As of" date that you enter in the processing options

- Business unit (job) of the asset from Master Information if there is only one current location

- Business unit (location) of the asset from the Location Tracking table if there are multiple current locations or previous locations

- "To" (or more current) location if the asset changes location on the "As of" date

Update Property Tax State/Entity updates the Item Master table (F1201) based on the location of the asset as of the date that you enter in the processing options. If the asset changes location on this date, the system uses the more current location.

The following graphic illustrates how the Update Property Tax State/Entity program works:

The system locates the key that links the two files

F0006
Job Master
Job 501 ———— Location 501
F1201
Item Master

Then

The system updates the two items in the Item Master

F0006
Job Master
State VA
Tax Entity – Property Tax 1234

Update
Update

F1201
Item Master
Property Tax State VA
Tax Entity 1234
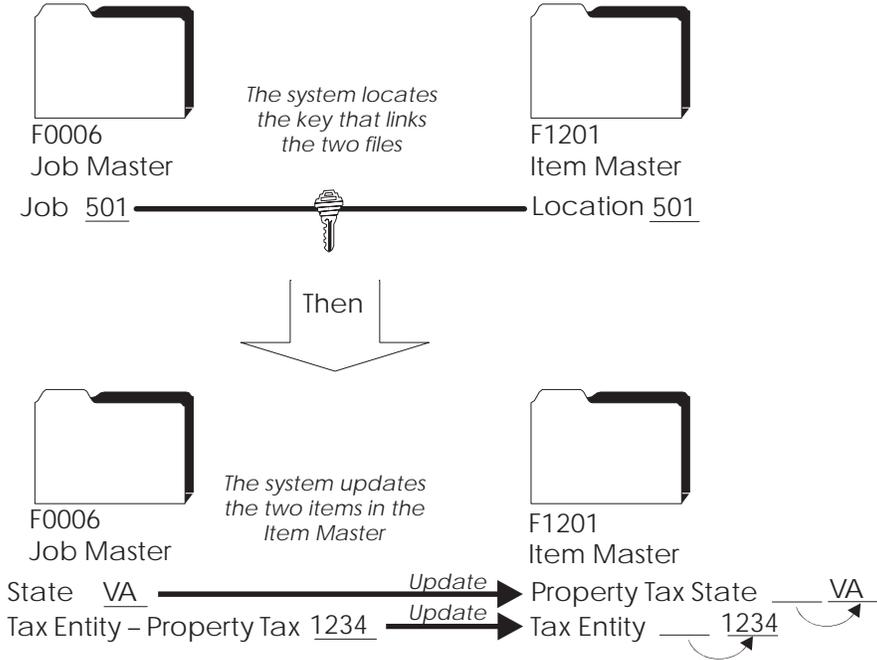
When you select Update Property Tax State/Entity, the system displays a DREAM Writer version list. The version list includes a DEMO version that you can run or copy and modify to suit your needs. When you run a version, the system displays Processing Options Revisions before submitting the job for processing.

Processing Options for Update Property Tax State and Tax Entity

```
DATE SELECTION:
1) Enter the "As of" date. (MM/DD/YY)         _____
   The property tax state and tax entity
   of the asset's location on this date
   will be used to update the Item
   Master File.  If the location is
   changed on this date, the "to"
   location, or more current location
   will be used.
```

Updating Depreciation Values

```
┌─────────────────────────────────┐
│ G12      Fixed Assets           │
│          Enter 27               │
│                                 │
└─────────────────────────────────┘
                │
                │
                └──────────►┌──────────────────────────────────┐
                            │ G1231    Advanced Operations      │
                            │          Choose Update Depreciation│
                            │          Values                   │
                            └──────────────────────────────────┘
```
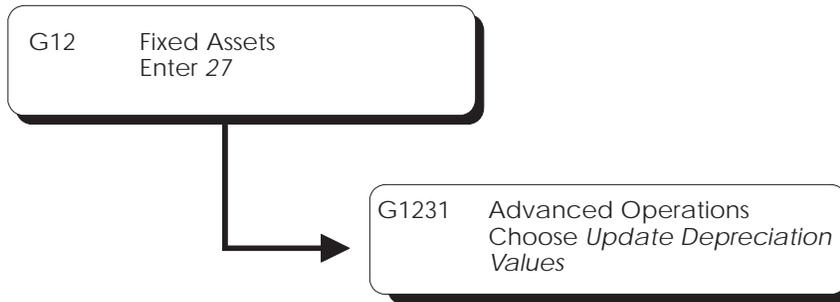
If you change depreciation values for a cost account, the system automatically updates all depreciation records in the Item Balances table (F1202) for the asset, ledger type, and current fiscal year. If you want to update the depreciation records for prior fiscal years, you must run Update Depreciation Values. The program updates every item that you select that uses the asset cost account with the new depreciation information.

You should run Update Depreciation Values only under the following circumstances:

- You change the depreciation values for a specific asset cost account or group of assets in Item Setup Default Coding.

- Item Balances records for an asset, ledger type, and fiscal year are not the same.

- Depreciation amounts in the system are corrupted.

The DREAM Writer version list includes DEMO versions that you can run or copy and modify to suit your needs. When you run a version, the system displays Processing Options Revisions before submitting the job for processing.

Be sure you make data selections to specify only the depreciation records that you want to update.

Before You Begin

❏ Back up the Item Balances table (F1202)

❏ Verify that no one accesses the fixed assets files while you run the update

What You Should Know About

Choosing an update method

Use the Depreciation Information Update Method processing options to control what depreciation information the program updates. You can choose one of the following options:

blank — Use this selection to update only current year records. The system uses the information in the cost records to update the depreciation information for records in the Item Balances table (F1202).

1 — Use this selection if you want to specifically update records for other years, in addition to the current year. The system uses the information in the cost records to update the depreciation information for records in the Item Balances table (F1202).

2 — Use this selection if you want the system to update records based on the information you set up on Depreciation Default Coding. The program updates all records for all the years that you specify in data selection.

Processing Options for Update of Depreciation Values

```
LEDGER TYPE SELECTION:
1) Enter the ledger you want to update.          _____
   Leave this option blank to update all
   ledgers.

FISCAL YEAR SELECTION:
2) Enter the fiscal year you want to             _____
   update.  Leave this option blank to
   update all fiscal years.

DEPRECIATION INFORMATION UPDATE METHOD:
3) Choose the method of update to the            _____
   depreciation information values.
    blank = use respective year's cost
            account depreciation values.
     '1'  = use current fiscal year's
            cost account depreciation
            values.
     '2'  = use the default values.
EXAMPLE:  If option is blank, 1997
records will be updated with 1997 cost
record values, 1998 records will be
updated with 1998 cost record values,
etc..  If current fiscal year is 1998
and option is set to '1', all records,
regardless of fiscal year, will be
updated with values from 1998 cost
record.  If option is set to '2', all
records selected will be updated with
the default values as set up in Item
Setup Default Coding.

4) Choose the method of update to the            _____
   Depreciation Start Date.  This only
```

```
            applies if option 3 is set to '2'.
            blank = Do not change/update.
             '1'  = Update to Date Acquired.
             '2'  = Globally update Depreciation
                    Start Date to date entered in
                    option 5.
        5) Enter the date to globally update
           Depreciation Start Date in all
           records selected.  This only applies
           if option 4 is set to '2'.  If this
           option is left blank and option 4 is
           set to '2', no change/update to the
           Depreciation Start Date will happen.
```

Exercises

See the exercises for this chapter.

Running the Update Location Code Batch Program

```
┌─────────────────────────────────┐
│ G12      Fixed Assets           │
│          Enter 27               │
│                                 │
└─────────────────────────────────┘
              │
              │   ┌────────────────────────────────────┐
              └──▶│ G1231    Advanced Operations       │
                  │          Choose Location Code Update│
                  │                                    │
                  └────────────────────────────────────┘
```
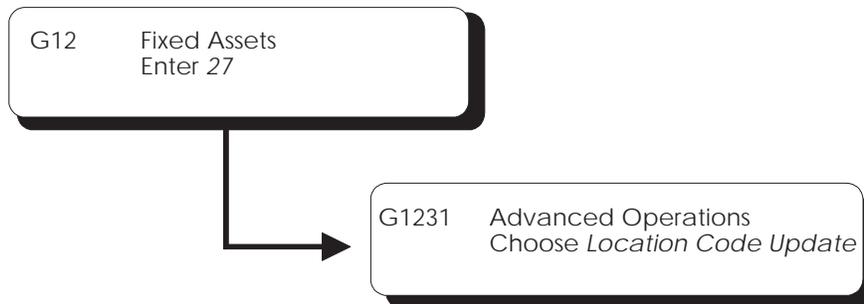
You can update asset locations from a planned location to a current location. Run Update Location Code Batch to change planned asset locations to current asset locations when the system date reaches the "As of" date that you enter in the processing options.

For example, if you plan to distribute a fleet of trucks to a new location as of a certain date and enter that information into the system, you can run this program to automatically change the location information from a planned location status to a current location status. The program updates all planned locations that fit the criteria you select in the DREAM Writer selection list.

Update Location Code Batch updates the Location Tracking table (F1204) and the Item Master table (F1201).

The DREAM Writer version list includes DEMO versions that you can run or copy and modify to suit your needs. When you run a version, the system displays Processing Options Revisions before submitting the job for processing.

! Be sure you make data selections to specify only the assets for which you want to update location information.

Processing Options for Location Code Batch Update

```
DATE SELECTION:
1. Enter the 'as of' date to use to       _____
   update the planned status in the
   Location History file (F1204).
```

Updating the Balance Character Code

```
G12        Fixed Assets
           Enter 27
```

```
G1231      Advanced Operations
           Choose Set Up User Defined
           Depreciation
```

```
G1232      Set Up User Defined Depreciation
           Choose Balance Character
           Code Update
```
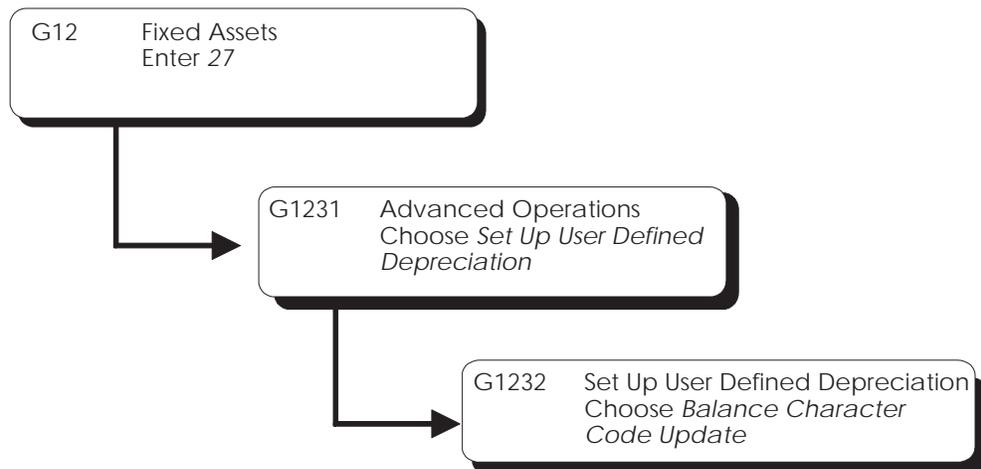
Run the Balance Character Code Update program to identify Item Balance (F1202) records that are key to the user defined depreciation process among the other records that may exist for an asset, such as maintenance and other expense accounts. The system uses a Balance Character Code to identify the Item Balance records for the following accounts:

- Cost

- Accumulated depreciation

- Secondary accumulated depreciation

- Depreciation expense

- Depreciation expense – Secondary

- Depreciation expense – Tertiary

- Net book value

- Disposal clearing

- Disposal proceeds

The Balance Character Code Update program flags these records in the Item Balances table with a code. When you run Calculate User Defined Depreciation, the program uses the balance character code to recognize records in the Item Balances table (F1202) as belonging to cost, accumulated depreciation, and so on.

Run Balance Character Code Update when you:

- Set up your Fixed Assets system with user defined depreciation methods for the first time

- Make a change in the AAIs that affects the cost and accumulated depreciation ranges (FC and FD)

You do not need to run this update for Item Balances records that are created internally. The system automatically updates the Balance Character Code field when creating Item Balance records through programs, such as Beginning Balance Setup, Fixed Asset Post, and Asset Split.

When you select Balance Character Code Update, the system submits the job directly to batch.

Update Accounts and Ledgers

Updating Accounts and Ledgers

You need to update the accounts and ledgers in your system if you change your chart of accounts, frequently add new asset master records, add new ledgers or depreciation books for your assets, and so on for your organization.

Updating accounts and ledgers consists of the following tasks:

❑ Running the Identify New Entries program

❑ Adding new ledgers to assets

❑ Updating company numbers and accounts

❑ Running the Repost Ledger program

❑ Updating the item number in the account ledger

Running the Identify New Entries Program

G12   Fixed Assets
Choose *Posting G/L to Fixed Assets*

G1212   Posting G/L to Fixed Assets
Choose *Identify New Entries*
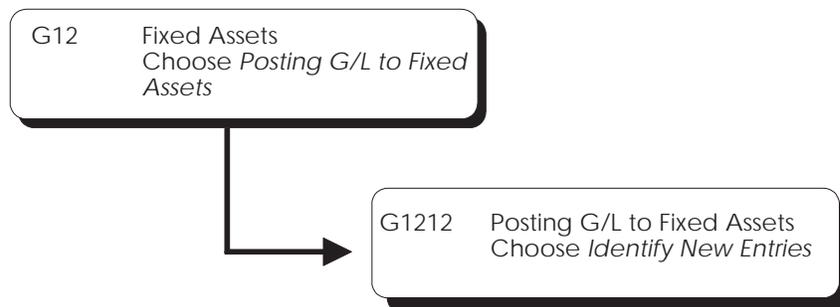
Run Identify New Entries before you use the Revise Unposted Entries program or post new general ledger transactions to the fixed asset item balances table. Run this program frequently to reduce the time it takes the system to post journal entries to the general ledger or fixed assets.

J.D. Edwards Fixed Assets and General Accounting systems share the same transaction table, the Account Ledger (F0911). The Account Ledger contains many journal entries that do not affect fixed asset accounting. When you run Identify New Entries, the system flags all non-fixed asset transactions. Flagged transactions are not processed in the Fixed Assets system. The Revise Unposted Entries program can processes journal entries much faster because it does not have to search through all general ledger transactions to locate fixed asset journal entries.

The following graphic illustrates how the Identify New Entries program sorts and marks transactions in the system:

The System Sorts...

Transactions in the
Account Ledger (F0911)

... and Then Updates

Which Means Faster
Processing For

BRE=P means Passed Records
BRE=__ means Records Not Updated

P12102
Revise
Unposted
Entries

and

P12800
Post General
Ledger Entries
to Assets
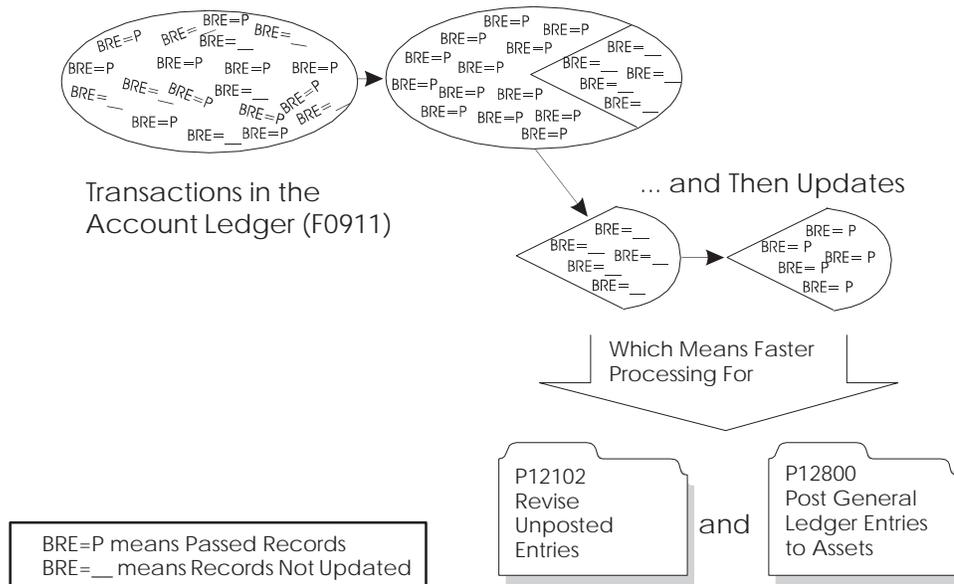
When you select Identify New Entries, the system submits the job directly to batch. You should run this update as often as you add transactions to your system. J.D. Edwards recommends running this program as part of your unattended operations.

Failure to run this program frequently and on a regular basis can have a significant impact on your ability to use the Revise Unposted Entry and the Fixed Asset post programs.

What You Should Know About

General ledger	If you have been using J.D. Edwards general ledger and are now adding the Fixed Assets system, the processing time for the Identify New Entries program is increased. If you start the job and find that it is taking longer than expected, you can stop the program and start it again later. The program continues processing entries from where it left off.

See Also

- *Technical Foundation Guide* for more information about running unattended operations (SLEEPER)

Adding New Ledgers to Assets

```
G12        Fixed Assets
           Enter 27


                         G1231     Advanced Operations
                                   Choose Add New Ledger
                                   to Assets
```
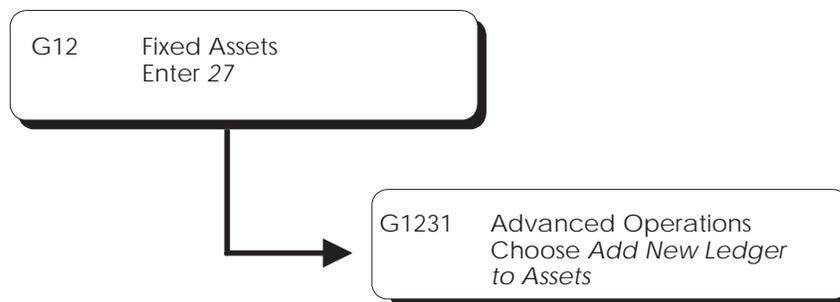
You can add new ledgers to the Item Balances table (F1202). Run the Add New Ledger to Assets program, for example, if your company's tax department wants to add an additional state tax ledger, or book, to all fixed assets.

After you define the new ledger type and add it to Depreciation Default Coding, you must select the fiscal year that you want to update with the new ledger. The system then does the following:

- Creates beginning balance and period postings for asset cost accounts with blank subledgers only, based on the Actual Amounts (AA) ledger.

- Performs an edit to ensure that the new ledger is valid in the Depreciation Defaults by Ledger Type table (F12003). If it is not, the system adds the new ledger automatically.

- Duplicates the depreciation values that you set up in Item Setup Default Coding.

After you run Add New Ledger to Assets, you can use the Depreciation Information form to verify the results of the update. Locate an asset that uses one of the account numbers with the new ledger type. You should see the newly added ledger type for the year in which you added the ledger.

Be sure you make data selections to specify only the records that you want to update with the new ledger.

The following graphic illustrates how the Add New Ledgers to Assets program creates a new ledger:
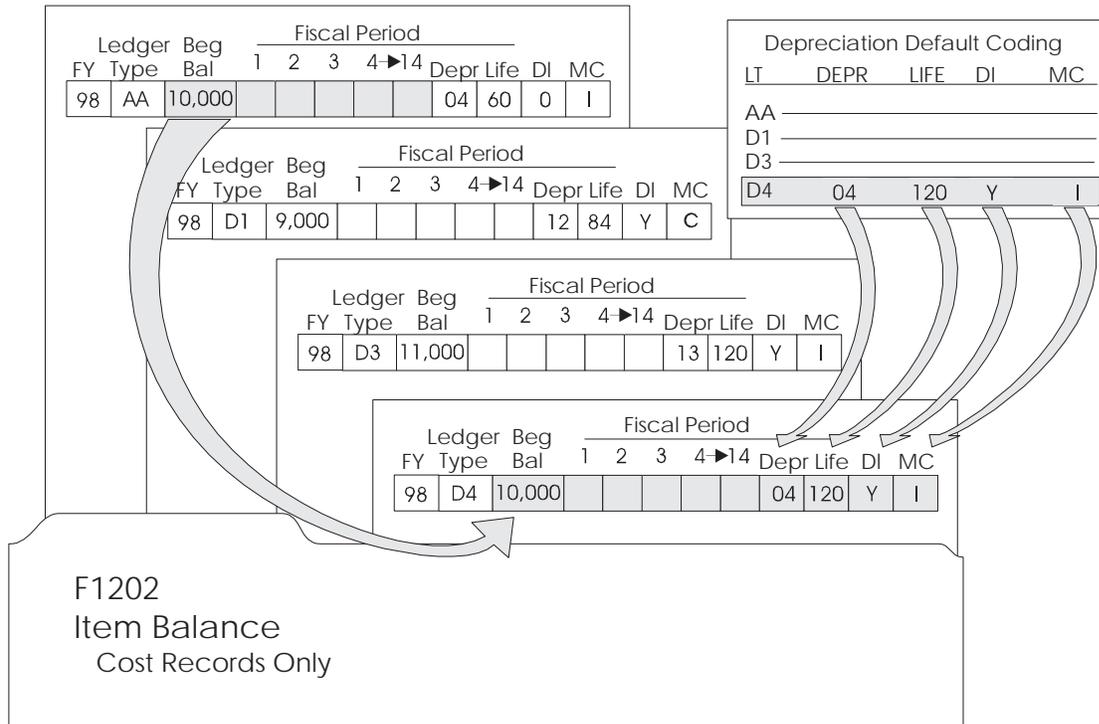
When you select Add New Ledger to Assets, the system displays a DREAM Writer versions list. The DREAM Writer versions list includes DEMO versions that you can run or copy and modify to suit your needs. When you run a version, the system displays Processing Options Revisions before submitting the job for processing. Use the processing options to specify a ledger type and fiscal year.

Before You Begin

❏ Set up the new ledger type in the General Accounting user defined code table for ledger types (09/LT)

❏ Add the new ledger type on Depreciation Default Coding for each asset cost account and its corresponding depreciation values (depreciation method, life months, and so on)

❏ Back up the Item Balances table (F1202)

Processing Options for Add a New Ledger to Item Balance File

```
UPDATE SELECTION:
1) Enter the ledger type to be added.                    _____

2) Enter the fiscal year for the ledger                  _____
   to be added.  Leave blank (default)
   to create the ledger in the asset's
   current fiscal year.

3) If the ledger already exists for an                   _____
   asset, enter a '1' to update the
   depreciation values from the
   defaults.  Leave blank (default) to
   NOT update any existing records.
```

Updating Company Numbers and Accounts

G12   Fixed Assets
       Enter *27*

G1231   Advanced Operations
         Choose *Update Co#, BU/Obj/Sub*
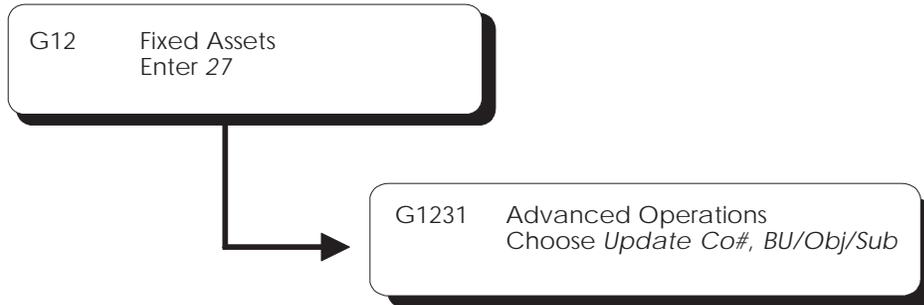
You must update company numbers and accounts in the Item Balances table (F1202) to correct any situations in which the company numbers and account numbers (business unit/object/subsidiary) in the Item Balances table do not match those in the Account Master (F0901). Company and account numbers in the Item Master table might not match those in the Account Master table if you change existing account numbers or companies for accounts that are within the fixed asset (FX) range.

Run the Update Company Number, Business Unit/Object/Subsidiary program any time that you change an existing account in your chart of accounts. For example, run this program when you:

- Change the object or subsidiary of an existing account

- Assign existing accounts to a different business unit

- Assign an existing business unit to a different company

You must run this program when you make changes to existing account numbers. You do not need to run this program when you add an account number.

The Update Company Number, Business Unit/Object/Subsidiary program updates information from the Account Master table based on the system-assigned, short account ID number. The program does not update accounts in the Item Master table (F1201).

The following graphic illustrates how the Update Company Number, Business Unit/Object/Subsidiary program works:
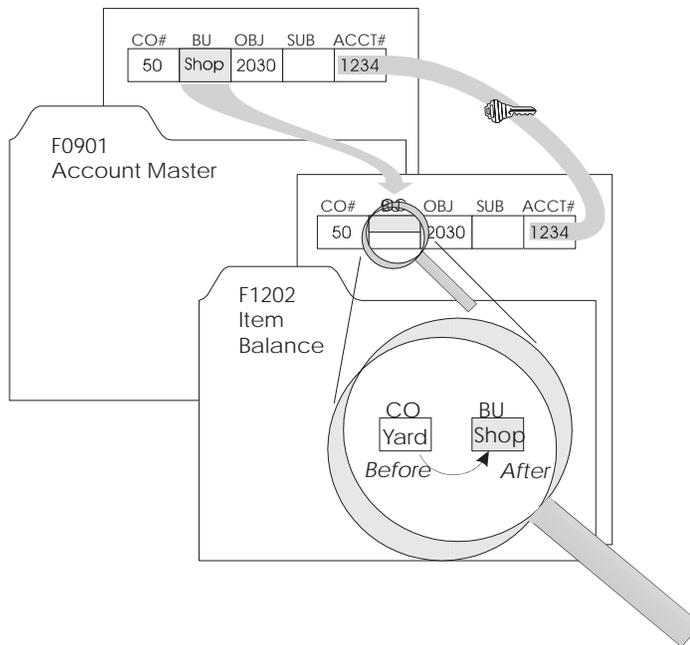
When you update company numbers and business unit/object/subsidiary, the job is submitted directly to batch.

Before You Begin

❑ Verify that no one accesses the general accounting or fixed asset tables. The program is unable to update accounts that are locked by other system applications. Any account that a user accesses elsewhere in the system will not be updated.

Running the Repost Ledger Program

```
┌─────────────────────────────────────┐
│                                      │
│  G12       Fixed Assets              │
│            Enter 27                  │
│                                      │
└─────────────────────────────────────┘
                    │
                    │
                    ▼
        ┌─────────────────────────────────────┐
        │                                      │
        │  G1231     Advanced Operations       │
        │            Choose Repost Ledger      │
        │                                      │
        └─────────────────────────────────────┘
```
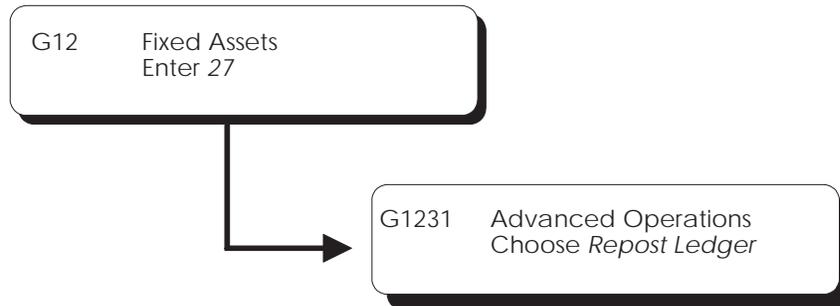
You can repost damaged account balances in the Item Balances table (F1202) to restore system integrity. You should run the repost only if you have no other means of restoring account information. Run the repost, for example, if account balance information is damaged as a result of hardware failure.

This program reposts only the transactions that include all of the following:

- A valid period number.

- A code that indicates a post to both the general ledger and fixed assets.

- A valid asset number that exists in the Item Master table (F1201).

- A transaction ledger type set up in Item Setup Default Coding, if one does not already exist in the Item Balances table.

- A transaction account number in the Account Master table (F0901). The account number must fall within the Item FX range of accounts in the automatic accounting instructions.

- Period postings for individual assets. The transaction must not be a balance forward record and cannot be summarized by period and account.

⚠ The Repost Ledger program clears all summarized account balances to zero. Do not use this program if your system includes item balance records without general ledger transactions, as in the case of summarized depreciation computations or beginning balances created without an audit trail.

The following graphic illustrates how the Repost Ledger program searches the General Ledger Transaction table (F0911) to create new asset balances in the Item Balances table (F1202):

* =Posted to Fixed Assets
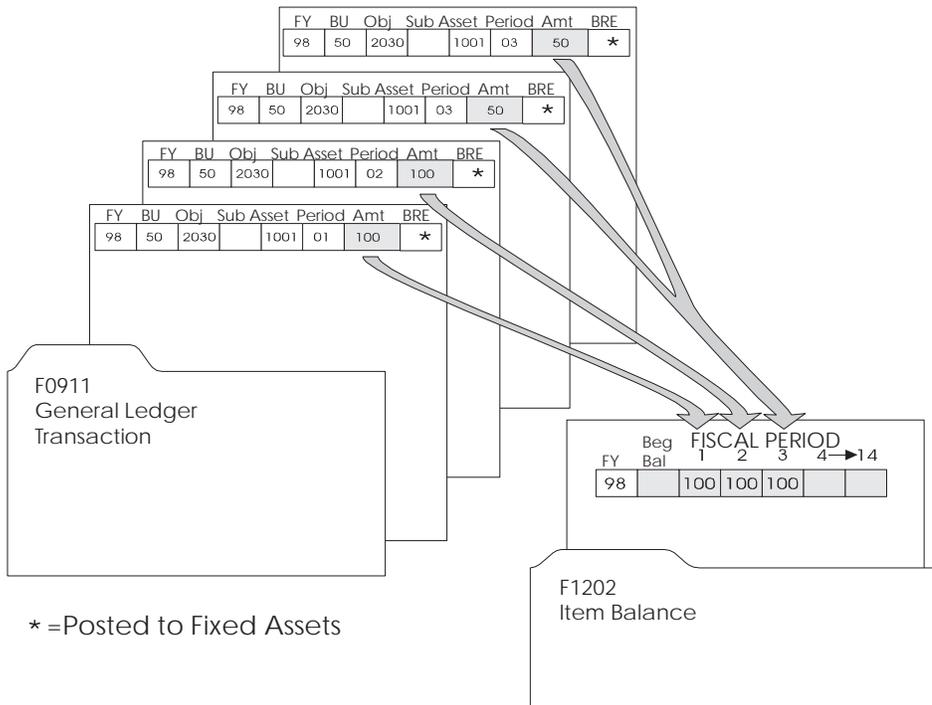
When you select Repost Ledger from the Advanced Operations menu, the system displays a caution message. Proceed with the post. A DREAM Writer version list appears. The versions list contains DEMO versions that you can run or copy and modify to suit your needs. When you run a version, the system displays Processing Options Revisions before submitting the job for processing.

Be sure you make data selections to specify only the records for which you want to run the repost.

Before You Begin

❑ Verify that the following procedures are complete:

- All transactions are posted first to the General Ledger and then to Fixed Assets.

- All depreciation and transfer transactions are posted first to Fixed Assets and then to the General Ledger.

❑ Verify that no one accesses the general accounting or fixed asset tables. The program is unable to update accounts that are locked by other system applications. Any account that a user accesses elsewhere in the system will not be updated.

Processing Options for Fixed Asset Repost

```
PRINT SELECTION:
1) Enter a '1' to print differences and          _____
   update Fixed Asset Balance File.
   Leave blank (default) to only print
   the differences between Transaction
   Ledger file (F0911) and Fixed Asset
   Balance file (F1202).

2) Identify how to print asset number.           _____
     1 = Item Number  (DEFAULT)
     2 = Unit Number
     3 = Serial Number
```

Updating the Item Number in the Account Ledger

```
┌─────────────────────────────┐
│ G12     Fixed Assets        │
│         Enter 27            │
│                             │
└─────────────────────────────┘
                │
                │
                ▼
        ┌──────────────────────────────────┐
        │ G1231    Advanced Operations     │
        │          Choose Refresh Item Number │
        │            in F0911             │
        └──────────────────────────────────┘
```
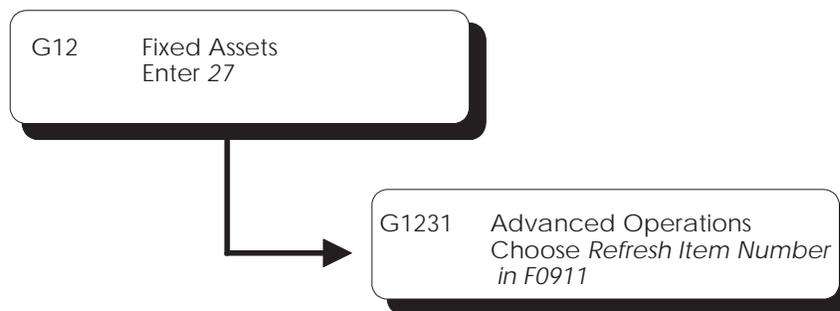
Normally, the symbol that you use to identify the item number in your system should not change. If you do change this symbol, you should update the item number in the Account Ledger (F0911). Run this program to ensure that all posted account ledger transactions contain the current primary item number format.

The item number and the symbol used to identify the item number are stored in the Account Ledger table.

When you select Refresh Item Number in F0911, the system submits the job directly to batch.

Before You Begin

❑ Verify that no one accesses the general accounting or fixed asset tables. The program is unable to update accounts that are locked by other system applications. Any account that a user accesses elsewhere in the system will not be updated.

Purge and Archive Asset Data

```
G12      Fixed Assets
         Enter 27
```

```
G1231    Advanced Operations
         Choose Purge Selected
           Asset Files
```
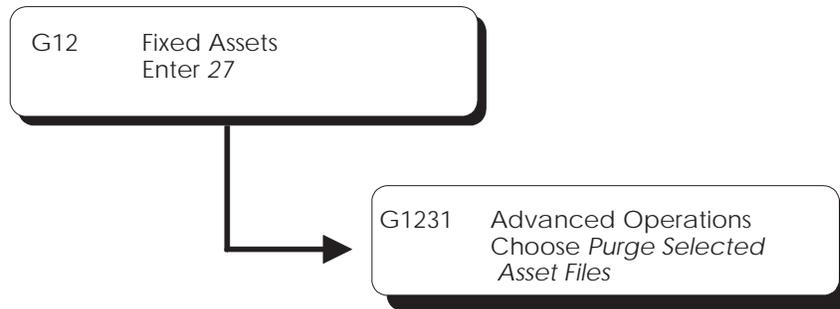
Purging and Archiving Asset Data

You can delete old fixed asset records from your system. When you use the
Fixed Assets purge program, you can purge entire data tables or specific
records. You can also archive the records that you purge.

Use DREAM Writer versions to delete only those records that you specify in
Processing Option Revisions. Company number and item number are
mandatory data selections for this procedure.

Run the purge program to perform one or both of the following:

- Purge an asset that you disposed of in a prior year

- Purge the Item Balances table (F1202) for a prior year

Every record that the system purges during this procedure is transferred to a
separate purge table. The purge table name is the same as the original table
name with a P at the end. For example, the purge table for F1201 is F1201P.

If a purge table does not currently exist in your system, this purge procedure
creates purge tables in the same library that the corresponding tables exist. If
the purge table already exists in your system, this program adds purged records
to the existing table.

J.D. Edwards strongly recommends that you back up any of the following tables you plan to purge:

- Item Master (F1201)
- Item Balances (F1202)
- Location Tracking (F1204)
- Item Messages (F1205)
- License Master (F1206)
- Maintenance Schedule (F1207)
- Parent History (F1212)
- Equipment Billing Rates (F1301)
- Status History (F1307)

After you run the purge program, you can save the purge tables on a disk or tape to archive the records. You can then delete the purge tables from your system. You do not have to archive your purged fixed asset records. If you do not want to save the records in a purge table, delete them from the system without saving them to a diskette or tape.

When you select Purge Selected Asset Files, the system displays a DREAM Writer versions list. The versions list includes DEMO versions that you can run or copy and modify to suit your needs. When you run a version, the system displays Processing Options Revisions before submitting the job for processing.

Be sure no one accesses the general accounting or fixed asset tables while you run this procedure. The program is unable to purge records that are locked by other system applications. Any records that a user accesses elsewhere in the system will not be purged.

After the purge is complete, the program prints a report that includes the asset number, description, responsible business unit, and disposal date (if applicable) of the purged assets. The report also shows which tables had records that were purged and a summary showing how many records were purged from each table.

Be sure you make data selections to specify only the records you want to purge.

Before You Begin

- ❑ Run the Asset Account Balance Close program
- ❑ Back up any tables you plan to purge

See Also

- *About Data Removal (P09912)* in the *General Accounting I Guide* for more information about purging tables.

- *Technical Foundation Guide* for information about running, copying, and changing a DREAM Writer version.

Processing Options for Item Master and Balances File Purge

```
PURGE SELECTION OPTIONS:
1. Enter a '1' next to the following
   files you want to purge:
   a. F1201 – Item Master File *           _____
   b. F1202 – Item Balances File           _____
   c. F1301 – Equipment Rental Rate File   _____
   d. F1204 – Location History File        _____
   e. F1205 – Item Message File            _____
   f. F1206 – License Master File          _____
   g. F1207 – Maintenance Schedule File    _____
   h. F1212 – Parent History File          _____
   i. F1307 – Status History File          _____
   *NOTE:  If the F1201 File is selected
    for purge, all related files will
    also be purged.
2. Enter one of the following:            _____
   '1' = purge records for assets if the
         disposal date is less than the
         current fiscal year.  Use this
         option when purging F1301,
         F1204, F1205, F1206, F1207,
         and F1307 only.
   '2' = purge prior year Item Balance
         records for selected assets.
   '3' = do both 1 and 2 above.

3. If purging prior year Item Balance     _____
   (F1202) records, enter the number of
   years to retain. (The default and
   minimum is one year or current year
   balances.)

   NOTE: Be sure the Fixed Asset Annual
   Close has been run PRIOR to purging
   last year's Item Balance Records.

PRINT OPTION:
4. Enter one of the following to print    _____
   on the purge report:
   '1' = Item Number
   '2' = Unit Number
   '3' = Serial/Tag Number
```

Test Yourself: Global Updates

1. Updating the Search Word Table is necessary for the _____ function on the Asset Search and Location form.

2. Update Depreciation Values uses _____to update the depreciation information for the records that you select.

3. True or False

   The Identify New Entries program in an optional program that effects only records within the FX range of the AAIs.

4. True or False

   The Add a New Ledger program copies the amount from the AA ledger to the new ledger for cost records only.

5. True or False

   You must run the Update Company Number, Business Unit/Object/Subsidiary program every time you add a new account within the FX range of the AAIs.

6. You must never run the Repost program if you have _____ transaction records in the Account Ledger (F0911).

The answers are in *Appendix A*.

Appendices

Appendix A — Test Yourself Answers

Asset Identification

1. Description 01

   Company

   Responsible Business Unit

   Asset Cost Account

   Date Acquired

2. The system accesses default values for the first two category codes from Depreciation Default Coding.

   You can use Category Code Mapping to specify default values for category codes from the Business Unit Master (F0006)

3. Transfer Processing

4. Change the Parent Number on the component's asset master

5. Depreciation Default Coding and Fixed Assets Constants

   Yes, you can change default depreciation information.

6. E – all of the above

7. Locate assets that meets your requirements

   Exit to the desired program

8. True, the search criteria in the upper portion of the Asset Search form can be used in any combination.

Process G/L to Fixed Assets

1. A post code of P (to indicate that the entry has been posted to the General Ledger)

   An account within the FX range of the AAIs

   A Fixed Assets post code of blank (to indicate that the entry is eligible to be posted to the Item Balances table)

   A valid asset number *or* an account within the FA range of the AAIs

   A blank hold code

2. True, you can split G/L transactions before posting them to Fixed Assets using the Revise Unposted Entries program.

3. F0902 – Account Balances

   F1202 – Item Balances

4. Revise Unposted Entries

5. False, corrections to fixed assets must go through the General Ledger.

Depreciation

1. Preliminary mode edits the information and prints a report.

   Final mode edits the information, prints a report, updates the Item Balances (F1202), and creates journal entries.

Fixed Asset Journal Entries

1. False, you cannot split to an existing asset. You must allow the system to assign the asset number, or enter an unique asset number of your choice.

2. Blank – distributes the cost and units based on the cost and unit amounts that you enter.

3. If you enter a valid asset number in Processing Option 3, you indicate a single asset transfer. If Processing Option 3 is blank, it is a mass transfer.

4. A – asset cost and B – accumulated depreciation.

   The Asset Transfer program *does not* create journal entries for depreciation expense and revenue credit.

5. Business Unit = 50

   Subsidiary = *blank

6. True

7. False, you can perform only trade-in disposals with the single asset disposal.

Year-End Processes

1. True

2. True

System Setup

1. True

2. True

3. FX   C

   FA   E

   AT   D

   FC   A

   FDS   F

   SDE1   B

4. If you set up the FX AAIs by company, you must set them up for *all* companies and each company must begin with *FX01*.

5. User defined depreciation methods (12/DM) must use *alphabetic* code identifiers and must have a *1* in the special handling code.

6. True

7. True

8. C – Deprecation Default Coding will affect only newly created assets.

9. False, you can copy and modify the copy, but you cannot change the standard deprecation rules.

10. The value 999 in the Asset Life Year field defines the *disposal* year.

11. False, the Beginning Balance Setup program updates the beginning balance field in the record. A journal entry updates the Period 01 field.

Global Updates

1. Updating the Search Word Table is necessary for the *query search* function on the Asset Search form.

2. Update Depreciation Values uses *Depreciation Default Coding* to update the depreciation information for the records that you select.

3. False, you must run the Identify New Entries program on a regular basis to pass all non-fixed asset transactions.

4. True

5. False, you run the Update Company Number, Business Unit/Object/Subsidiary program only if you *change* an existing account that is within the FX range of AAIs.

6. You must never run the Repost program if you have *summarized* transaction records in the General Ledger (F0911).

Appendix B — Understand the FDS AAIs

Understanding the FDS AAIs

The Fixed Assets system uses the FDS AAIs to determine which accounts the disposal program uses to create disposal journal entries. You set up the FDS AAIs to direct the disposal journal entries to the appropriate offsetting account. The FDS AAIs direct the system to the following accounts:

FDS03 – Net Book Value	The difference between Asset Cost and Accumulated Depreciation.
FDS04 – Cash Clearing	The G/L account to which the credit portion of the cash receipts entry is posted. The disposal programs debit the Cash Clearing account for this amount to clear the G/L account for the asset.
	You can use the cash clearing account to review a trial balance and determine if all asset disposal entries have been completed prior to running financial statements. If all the disposal entries are completed properly, the cash clearing balance is zero.
FDS05 – Proceeds from Sale of Asset	The offset (credit) account for the debit entry generated in the FDS04 account which is equal to the cash received for an asset.

The accounts you specify for the FDS AAIs must be set up in the General Ledger Chart of Accounts. If you set up the accounts and the FDS range as specified, the accounts can be rolled into the Gain/Loss on Sale of Assets account.

The following example of an asset disposal with cash proceeds illustrates how the Fixed Assets system uses the FDS range in the AAIs.

Asset 1003 has the following current account information:

10,000	Asset Cost (Account 50.2050)
3,000	Accumulated Depreciation (Account 50.2150)
7,000	Net Book Value (Cost – Accumulated Depreciation)

The asset is sold for 8,000.

The following journal entries must be created to record the sale of the asset:

1. Cash Receipt Journal Entry

Account Number	Account Description	Debit	Credit
50.1110.BEAR	Cash	8,000	
YARD.9113	Cash/Clearing		8,000

NOTE: The Asset Number must be attached to the transactions.

2. Disposal Journal Entry

The Fixed Assets system creates the disposal journal entries automatically when you run a disposal program. To dispose of an asset for which you received cash, you must specify Disposal Method 2 (Disposal with Cash Proceeds).

Account Number	Account Description	Debit	Credit
50.2050	Cost		10,000
50.2150	Accumulated Depreciation	3,000	
YARD.9112	Net Book Value	7,000	
YARD.9111	Proceeds from Sale of Assets		8,000
YARD.9113	Cash/Clearing	8,000	

NOTE: The Asset Number must be attached to the transactions.

Appendix C — Formula Elements

The Fixed Assets system includes the following elements that you can include in your depreciation formulas:

- 01 — Asset Cost – Inception Through Current Year
- 02 — Accumulated Depreciation – Prior Year Balance Forward (Primary)
- 03 — Asset Life in Periods (rounded to whole periods)
- 04 — Asset Life Periods Elapsed at Beginning of Current Year
- 05 — Asset Life Periods Remaining at Beginning of Current Year
- 06 — Asset Life Periods in Current Year (whole periods)
- 07 — Salvage value (as calculated in Annual Rule)
- 08 — Annual Depreciable Base Amount (as calculated in Annual Rule)
- 09 — Annual Depreciable Limit (as calculated in Annual Rule)
- 10 — Basis Amount (as calculated in the Annual Rule)
- 11 — Multiplier (from Annual Rule Multiplier)
- 12 — Formula Multiplier/Constant (from Depreciation Formula)
- 13 — Asset Life in Days
- 14 — Asset Life Days Expired to Beginning of Year
- 15 — Asset Life Days Remaining to Beginning of Current Year
- 16 — Asset Life Days to Depreciate – Current Year
- 17 — Asset Life Days Percent – Inception to Date thru Beginning of Current Year
- 18 — Asset Life Days Percent – Current Year
- 19 — Asset Life Days Percent Remaining – Current Year to Asset Life End
- 20 — Asset Life Days Percent Inception thru End of Current Year
- 21 — Asset Life Days Percent in First Year of Asset Life
- 22 — Accumulated Depreciation – Year-to-Date Activity (Primary)
- 23 — Accumulated Depreciation – Prior Year Balance Forward (Secondary)
- 24 — Accumulated Deprecation – Year-to-Date Activity (Secondary)
- 25 — Statistic Percent – Year-to-Date (DS1xxx / DS3xxx)

- 26 — Statistic Percent – Current Period (DS1xxx / DS3xxx)
- 27 — Statistic – Current Period (DS1xxx)
- 28 — Statistic – Current Year-to-Date (DS1xxx)
- 29 — Statistic – Original (DS2xxx)
- 30 — Statistic – Base Inception-to-Date (DS3xxx)
- 31 — GL Statistic (DS4xxx)
- 32 — GL Statistic as Percent (DS4xxx / 100)
- 33 — Units of Production – Current Year Percent
- 34 — Units of Production – Current Year Production
- 35 — Units of Production – Prior Year Production
- 36 — Units of Production – Total Revisions
- 37 — Sum of the Years Digits (denominator)
- 38 — Sum of the Years Digits – Inverse of Years Digit
- 39 — Sum of the Years Digits – Inverse of Years Digit – 1
- 40 — Sum of the Years Digits – First Year Percent
- 41 — Sum of the Years Digit – Last Year Percent
- 42 — Investment Tax Credit
- 43 — Replacement Cost
- 44 — Replacement Cost Last Year
- 45 — Insurance Value (on Item Master)
- 46 — Salvage Value (on Item Balance)
- 47 — Item Method Percent (on Item Balance)
- 48 — Company/LT Method Percent (Company/LT rule)
- 49 — Normal Number of Periods (Company/LT rule)
- 50 — Initial Year Apportionment Percent
- 51 — Intermediate Accumulated Depreciation – Rule 1 (for "I" Compute Direction)
- 52 — Intermediate Accumulated Deprecation – Rule 2 (for "I" Compute Direction)
- 53 — Life Year in Process (for "I" Compute Direction)
- 54 — Intermediate Accumulated Deprecation (2nd Rule of 1 or 2, "I" Direction)
- 55 — Asset Life Periods (rounded to half periods)

Depreciation (00)

Code – $ARDA
Source – Calculated

Derived from the Depreciation Formula (FORD) in the Annual Depreciation Rule table (F12852). Default value is the Multiplier * Basis if the Multiplier field is not blank. If the Multiplier field is blank, the first year amount is adjusted by the Initial Term Apportionment Percent ($APIT). Disposal Year amount is adjusted by the apportionment percentage for the disposal year ($APDY).

Asset Cost – Inception to Date Through Current Year (01)

Code – $COST
Source – F1202

Sum of the prior year balance and all current year posting fields from the Item Balance Cost records for an asset that relate to the same cost (subledger). A cost record is differentiated from other Item Balance records with a "0" in the Balance Character Code (FLCHCD).

Accumulated Depreciation – Prior Year Balance Forward (Primary) (02)

Code – $ADB1
Source – F1202

Sum of the prior year balance fields from the Item Balance Primary Accumulated Depreciation records for an asset that relate to the same cost (subledger), and the associated amounts in the Item Balance Tag table (F12021) through the computation date. A Primary Accumulated Depreciation record is differentiated from other Item Balance records with a "1" in the Balance Character Code (FLCHCD).

Asset Life in Periods (03)

Code – $ALPT
Source – F1202 or F12003

Asset Life in Periods is retrieved from either the Deprecation LT Rule Cross Reference table (F12003) associated with the Accounting Category, Depreciation Category, Cost/Object/Subsidiary, Subledger Type / Subledger of the Asset Item Master and Item Balance record for the specific Ledger Type, or the Item Balance table (F1202) depending on the Depreciation Rule Fixed Asset constant in the Fixed Asset Constants table (F1200).

Asset Life Periods – Elapsed at Beginning of Current Year (04)

Code – $ALPE

Asset Life Periods Remaining at Beginning of Current Year ($ALPR) subtracted from the Asset Life in Periods ($ALPT).

Asset Life Periods Remaining at Beginning of Current Year (05)	Code – $ALPR
	Asset Life Days Remaining at Beginning of Year ($ALDR) divided by 365.25. This amount is then multiplied by the Normal Number of Periods in a Year – Calculations ($NNPD).
Asset Life Periods in Current Year (06)	Code – $ALPC
	Asset Life Days Percent – Current Year ($APLC) multiplied by Asset Life in Periods ($ALPT).
Salvage Value (07)	Code – $ARSV Source – Calculated in Annual Rule
	Results of formula associated with the Salvage Value Rule (FORS). Default value is zero.
Lower Limit of Annual Depreciation (08)	Code – $ARLL Source – Calculated in Annual Rule
	Results of formula associated with the Lower Limit of Annual Depreciation (FORL). Default value is zero.
Upper Limit of Annual Depreciation (09)	Code – $ARUL Source – Calculated in Annual Rule
	Results of formula associated with the Upper Limit of Annual Depreciation (FORU). Default value is the remaining depreciable basis, unless the Over Depreciation Convention is set to allow over depreciation (LUOUDC). In this case, the limit is the amount calculated for Depreciation ($ARDA).
Basis Amount (10)	Code – $ARBA Source – Calculated in Annual Rule
	Results of formula associated with the Basis Rule (FORB). Default value is Cost.
Multiplier (11)	Code – $ARMP Source – Annual Rule
	Multiplier specified in the annual rule.

Formula Amount/Constant (12)	Code – $DFCA Source – Depreciation Formula Depreciation Formula Amount from Depreciation Formula. Note that where this value represents an amount, it must represent the amount consistent with the way amounts are formatted in the database. For example, where decimals are specified as 2, the amount of 10.00 would be represented as 1000.
Asset Life in Days (13)	Code – $ALDT Source – Calculated Asset Life in Periods ($ALPT) divided by the Normal Number of Periods ($NNPD). This amount is then multiplied by 365.25 (no rounding and zero decimals).
Asset Life Days Expired to Beginning of Current Year (14)	Code – $ALDE Source – Calculated Asset Life Days Remaining at Beginning of Year ($ALDR) subtracted from the Asset Life in Days ($ALDT).
Asset Life Days Remaining at Beginning of Current Year (15)	Code – $ALDR Source – Calculated [AbDt Fully Depreciated Date (Adjusted) ($#FDDA)] – [AbDt – Calculate From Date – Asset (current year) ($#CDFA)] + 1.
Asset Days to Depreciate – Current Year (16)	Code – $ALDC Source – Calculated [AbDt Calculate Through – Asset (current year) ($#CDTA)] – [AbDt Calculate From – Asset (current year) ($#CDFA)] + 1 (to indicate the start day).
Asset Life Days Percent – ITF thru Beginning of Current Year (17)	Code – $APLE Source – Calculated Asset Life Days Expired to Beginning of Year ($ALDE) divided by Asset Life in Days ($ALDT).
Asset Depreciation Days Percent – Current Year (18)	Code – $APLC Source – Calculated Asset Days to Depreciate – Current Year ($ALDC) divided by Asset Life Days ($ALDT).

Asset Life Days % Remaining – Beginning of Year to Fully Depreciated Date (19)

Code – $APLR
Source – Calculated

Asset Life Days Remaining at Beginning of Year ($ALDR) divided by Asset Life in Days ($ALDT)

Asset Life Days % Inception thru End of Current Year (20)

Code – $APLI
Source – Calculated

Asset Life Days Expired to Beginning of Year ($ALDE) is added to Asset Days to Depreciate – Current Year ($ALDC). The total is then divided by Asset Life Days ($ALDT).

Asset Life Days % in 1st Year of Asset Life (21)

Code – $APL1
Source – Calculated

Earlier of: [AbDt Disposal Date Adjusted ($#DRTA)] –OR– [AbDt Depreciation Start Year Fiscal End Date ($#DSYE)]

Less: [AbDt Depreciation Start Date Adjusted ($#DSDA)]

Divided by: [Asset Life in Days ($ALDT)]

Accumulated Depreciation – Year to Date Activity – Primary Account (22)

Code – $ADC1
Source – Calculated

Sum of the current year posting fields thru the current period from the Item Balance (F1202) Accumulated Deprecation records for an asset that relate to the same cost. An Accumulated Depreciation record is differentiated with a 2 in the Balance Character code (FLCHCD). ((FLAN01 + FLAN02...FLAN0i)) where i=1 to Normal Number of Periods, where FLCHCD = 2. FLAPYC + (FLAN01) where i=1 to current period.

Accumulated Depreciation – Prior Year Balance Forward – Secondary Account (23)

Code – $ADB2
Source – Calculated

Sum of the prior year balance fields (FLAPYC and L1APYC) from the Item Balance (F1201) Secondary Accumulated Depreciation records for an asset that relate to the same cost (Subledger), and the associated amounts in the Item Balance Tag (F12021) table through the computation date. A Secondary Accumulated Depreciation record is differentiated with a 3 in the Balance Character Code (FLCHCD).

Accumulated Depreciation – Year to Date Activity – Secondary Account (24)

Code – $ADC2
Source – Calculated

Sum of the current year posting fields through the current period from the Item Balance (F1202) Accumulated Depreciation records for an asset that relate to the same cost. An Accumulated Depreciation record is differentiated with a 3 in the Balance Character Code (FLCHCD). (FLAN01 + FLAN02..FLAN0i) where i=1 to Normal Number of Periods, where FLCHCD = 3. FLAPYC = FLAN0i where i=1 to current period.

Statistic % –Year to Date (25)

Code – $DSPY
Source – Calculated

[Statistic – Current Year to Date ($DSAY)] divided by [(Statistic – Base ITD ($DSAB)]

Statistic % – Current Period (26)

Code – $DSPP
Source – Calculated

[Statistic – Current Period ($DSAP)] divided by [(Statistic – Base ITD ($DSAB)]

Statistic – Current Period (27)

Code – $DSAP
Source – F1202 associated DS1xxx AAI, Units LT

Account: DS1xxx AAI, where xxx is from F1202 Category Code (LNDPCC) if present, or DS1 AAI otherwise.

Ledger Type: Units Ledger associated with the Depreciation Ledger (default to the AU ledger).
Units Amount – Net Period Postings for Current Period

Statistic – Current Year to Date (28)

Code – $DSAY
Source – F1202 associated DS1xxx AAI, Units LT

Account: DS1xxx AAI, where xxx is from F1202 Category Code (LNDPCC) if present, or DS1 AAI otherwise.

Ledger Type: Units Ledger associated with the Depreciation Ledger (default to the AU ledger).

Units Amount + Balance Forward

Statistic – Original (29)   Code – $DSAO
Source: F1202 associated DS2xxx AAI, Units LT

Account: DS2xxx AAI, where xxx is from F1201 Category Code (LNDPCC) if present, or DS2 AAI otherwise.

Ledger Type: Units Ledger associated with the Depreciation Ledger (default to the AU ledger).

Units Amount + Balance Forward

Statistic – Base ITD (30)   Code – $DSAB
Source – F1202 associated DS3xxx AAI, Units LT

Account: DS3xxx AAI, where xxx is from F1201 Category Code (LNDPCC) if present, or DS3 AAI otherwise.

Ledger Type: Units Ledger associated with the Depreciation Ledger (default to the AU ledger).

Units Amount + Balance Forward

GL Statistic (31)   Code – $DSGY
Source – F0902 associated DS4xxx AAI, Units LT

Account: DS4xxx AAI, where xxx is from F1201 Category Code (LNDPCC) if present, or DS4 AAI otherwise.

Ledger Type: Units Ledger associated with the Depreciation Ledger (default to the AU ledger)

Units Amount + Balance Forward

GL Statistic as % (32)   Code – $DSGP
Source – Calculated

[GL Statistic ($DSGY)] / 100

Units of Production – Current Year % (33)   Code – $UPPC
Source – Calculated

[Units of Production – Current Year Production ($UPAC)] divided by [Units of Production – Total Revisions ($UPAR) – Units of Production Prior Year ($UPAB)]

**Units of Production –
Current Year Production
(34)**

Code – $UPAC
Source – F1208

Conditional: F12003 if Depreciation Rule is rule 1;
otherwise F1202.

Key based on the Depreciation Rule Code (LNDPRL):
F12003 if 1
F1202 otherwise
LF1208 – FPUPY

**Units of Production –
Prior Year Production
(35)**

Code – $UPAB
Source – F1208

Conditional: F12003 if Depreciation Rule is rule 1;
otherwise F1202.

Key based on the Depreciation Rule Code (LNDPRL):
F12003 if 1
F1202 otherwise
LF1208 – FPUPP

**Units of Production –
Total Revisions (36)**

Code – $UPAR
Source – F1208

Conditional: F12003 if Depreciation Rule is rule 1;
otherwise F1202.

Key based on the Depreciation Rule Code (LNDPRL):
F12003 if 1
F1202 otherwise
LF1208 – Sum of Original (FPTOU), Prior Year Revisions
(FPPRV), and Current Year Revisions (FPCRV).

**Sum of the Years Digits
(denominator) (37)**

Code – $SYDS
Source – Calculated

Conditional: Life Year Reference is "Asset" – LULYRC = 1

Denominator is the Sum of the Years Digits:
([Asset Life Years ($ALYT)] + ([Asset Life Years ($ALYT)]
+ 1)) divided by 2

Sum of the Years Digits – Inverse of Years Digit (38)

Code – $SYI1

Source – Calculated

Conditional: Life Year Reference is "Asset" – LULYRC = 1

The numerator in the Sum of the Years Digit calculation. In the first year, the value for a 7 year asset would be 7. The second year would be 6, and so on. The value must be greater than 0 and less than or equal to the Asset Life in Years + 1 ($ALYT) (for use in computing $SYI2 for "stub" portion).

[Asset Life in Years ($ALYT)] − [Life Year ($ALYR)] + 1

Sum of the Years Digits – Inverse of Years Digit – 1 (39)

Code – $SYI2

Source – Calculated

Conditional: Life Year Reference is "Asset" – LULYRC = 1

Sum of Years Digits Depreciation is based on the Asset Life Year. If this does not equal the fiscal year, an allocation must be made. This is the numerator for the first part of years subsequent to the first year.

[SYD − Inverse of Years Digit ($SYI1)] − 1
Value can be between 0 and the Asset Life in Years ($ALYT)

Sum of the Years Digits – First Year % (40)

Code – $SYP1

Source – Calculated

Conditional: Life Year Reference is "Asset" – LULYRC = 1

Percentage used to allocate portion where Asset Life Year overlaps the Fiscal Life Year; the difference between the start of the asset life year and the end of the fiscal year as a percentage of the total year.

[[AbDt Current Fiscal Year End Date ($#CYEF)] − [AbDt Current Year Start Date − Asset ($#CYBA)] + 1] divided by [AbDt Current Fiscal Year End Date ($#CYEF)] − [AbDt Current Fiscal Year Beginning Date ($#CYBF)] + 1]

Sum of the Years Digits – Last Year % (41)	Code – $SYPL Source – Calculated
	Conditional: Life Year Reference is "Asset" – LULYRC = 1
	The portion of the Asset Life Year that is deferred from a previous fiscal year because of the timing between the Fiscal and Asset Life Year, as a percentage of the year.
	1 – [Sum of the Years Digits – First Year % ($SYP1)] Default value is 0
Item Master ITC Amount (42)	Code – $IMIT Source – F1201 – FAAITY
	ITC Amount from Item Master.
Replacement Cost (43)	Code – $IMRC Source – F1201 – FAARPC
	Replacement Cost from Item Master.
Replacement Cost Last Year – Item Master (44)	Code – $IMRC Source – F1201 – FAARPC
	Replacement Cost Last Year from Item Master.
Insurance Value (45)	Code – $IMIV Source – F1201 – FAAIV
	Insurance Value from Item Master.
Salvage Value (46)	Code – $$IBSV Source – F1202 – FLTKER
	Salvage Value from Item Balance (F1202) record.
Item Method % (Item Balance) (47)	Code – $$MPIB Source – F1202 – FLADMP
	Percentage from Item Balance (F1202) record
Company/LT Method % (Company/LT Rule) (48)	Code – $$MPLT Source – F12003 – FFADMP
	Percentage from Depreciation / Ledger Type Rule Cross Reference table (F12003); also known as Depreciation Default table

Normal Number of Periods in a Year – Calculations (49)

Code – $NNPD

Source – F0010 / F0025

Conditional: LHNNPO; CCCCALD if LHNNPO *BLANK

Apportionment % – Initial Year (50)

Code – $APIT

Source – Calculated

Adjusted Asset Life Days in the Initial Year as a Percentage of all the days in the year. If the Disposal Date and Adjusted Depreciation Start Date are the same, then ZERO.

(DSYE − (DSDA − 1)) divided by (DSYE − (DSYB − 1))

Intermediate Accumulated Depreciation – Rule 1 (51)

Code – $IA1AA

Source – Calculated

Sum of Amounts calculated by rule 1 up to but not including the rule currently being calculated. Can be used when doing Inception to Date calculations to determine the re-calculated accumulated depreciation at the beginning of a year. (The amount is also available to rule 2).

Intermediate Accumulated Depreciation – Rule 2 (52)

Code – $IA2AA

Source – Calculated

Sum of Amounts calculated by rule 2 but not including the rule currently being calculated. Can be used when doing Inception to Date calculations to determine re-calculated accumulated depreciation at the beginning of a year.

Life Year In Process (53)

Code – $K

Source – Calculated

A counter of the current life year in process, for use in Inception to Date calculations where, for example, the Life Year might be needed as a divisor.

Intermediate Accumulated Depreciation – 2nd Rule of 1 or 2 (54)

Code – $ARTOT

Source – Calculated

Where the secondary account rule dictates that an annual amount is calculated as a result of the greater or lesser of the amounts calculated in the rule, the Intermediate total is the accumulation year by year, representing the intermediate accumulation amount. Appropriate for use in Inception to Date formulas where the secondary rule is a 1 or a 2.

Asset Life Periods in Current Year (Rounded to 1/2) (55)

Code – $ALRH

Source – Calculated

Similar to Formula 06, except that this formula amount is rounded to the closest one-half. (Formula 06 amount is rounded to whole periods.)

Appendix D — Fixed Assets Data Model

The graphic on the following page illustrates the relationships between the principal physical tables in the Fixed Assets system. In order to present the information in an uncluttered format, the lesser control tables, worktables, and tables for seldom used features have been omitted. An M represents many records in a table. A 1 represents one record in a table.

Fixed Assets Data Model

Company Constants F0010

Asset No. Prefix:
Item
Unit or Tag
Serial
Acct. Setup
Defaults:
Cost
A/D
Expense
Revenue

Default Accounting Constants F12002

Company
Cost Object
Cost Subsisdiary
Accumulated
 Depr. Account
Expense Acct.
Revenue Acct.
Major Class
Sub Class

Default Depriciation Cnst. F12003

Company
Cost Object
Cost Subsisdiary
Accumulated
 Depr. Account
Expense Acct.
Revenue Acct.
Major Class
Sub Class

Item Master F1201

Asset Number
Description
Parent Number
Location
Major Class
Sub Class
Resp. Cost Cntr.
Date Acquired
Date Disposed
Cost Account
Accumulated
Depr. Acct
Expense Acct.
Revenue Acct.
Company

Supplemental Database F12090, 92, 93

User Defined Data

Item Balances F1202

Asset Number
Account Number
Ledger Type
Fiscal Year
Acct. Balances
Depriciation Rule
 "Header"
Date Pattern
Annual Rule
Formulas
Spread Pattern
GL Journal Entries

Location Master F1204

Asset Number
Location
Start Date
Ending Date

Parent History F1212

Asset Number
Location
Start Date
Ending Date

Item Messages F1205

Message Text

Depriciation Rule Header F12851

Description
Method
Life
Initial Term
 Apportion
Computation
 Direction
In–Service Dates
Effective Dates
Conventions

Annual Depriciation Rule F12852

Header Key
Life Year
In–Service Month
Annual Multiplier
Period Pattern
Depriciation
 Formula
Basis Formula
Base Amount
 Formula
Limit Amount
 Formula
Salvage Value
 Formula

Table Relationships
1 = 1 record
M = many records

Appendix E — Functional Servers

Several J.D. Edwards programs access functional servers. The purpose of functional servers is to provide a central location for standard business rules about entering documents, such as vouchers, invoices, and journal entries. These business rules establish the following:

- Data dictionary default values

- Field edits and valid values

- Error processing

- Relationships between fields or applications

The advantages of a functional server are:

- It reduces maintenance of entry programs because edit rules reside in one central location.

- You can standardize documents across all applications because you create them using the same business rules.

- Generally, the user interface (appearance and interaction) of a form is now separate from how a program works.

The steps for setting up business rules for an entry program are:

1. Create a DREAM Writer version for a specific functional server program (for example, XT0411Z1 for voucher entry).

2. Set the processing options within the version according to your company requirements.

3. Specify the version you want the entry program to use in the processing options for that entry program.

You can have all your entry programs use the same DREAM Writer version (and thus, use the same rules) or you can set up different DREAM Writer versions. J.D. Edwards provides DREAM Writer version ZJDE0001 as the default functional server version for your entry programs.

Only the person responsible for system-wide setup should make changes to the functional server version. For more information about how to set up DREAM Writer versions, see the *Technical Foundation Guide.*

Example: Voucher Processing Functional Server

The following graphic shows the programs that use the voucher processing functional server. J.D. Edwards provides two demo versions of the functional server, ZJDE0001 and ZJDE0002.

```
┌──────────┐ ┌──────────┐ ┌──────────┐ ┌──────────┐ ┌──────────┐ ┌──────────┐
│  Speed   │ │ Standard │ │   Void   │ │  Credit  │ │  Multi-  │ │Calculate │
│ Voucher  │ │ Voucher  │ │ Payment  │ │ Tied to  │ │ Voucher  │ │  With-   │
│  Entry   │ │  Entry   │ │  Entry   │ │  Debit   │ │ P041017  │ │ holding  │
│ P041015  │ │ P04105   │ │ P04103   │ │   B.U.   │ │          │ │ P04580   │
│          │ │          │ │          │ │ P041016  │ │          │ │          │
└────┬─────┘ └────┬─────┘ └────┬─────┘ └────┬─────┘ └────┬─────┘ └────┬─────┘
     │            │            │            │            │            │
     │            └────────────┤            │            │            │
     │                  ┌───────┴───────────┴────┐       │            │
     │                  │      XT0411Z1          │       │            │
     │                  │    Versions List       ├───────┘            │
     │                  │                        │                    │
     │                  │     ZJDE0001           │                    │
     └──────────────────┤     ZJDE0002           ├────────────────────┘
                        └────────────────────────┘
```
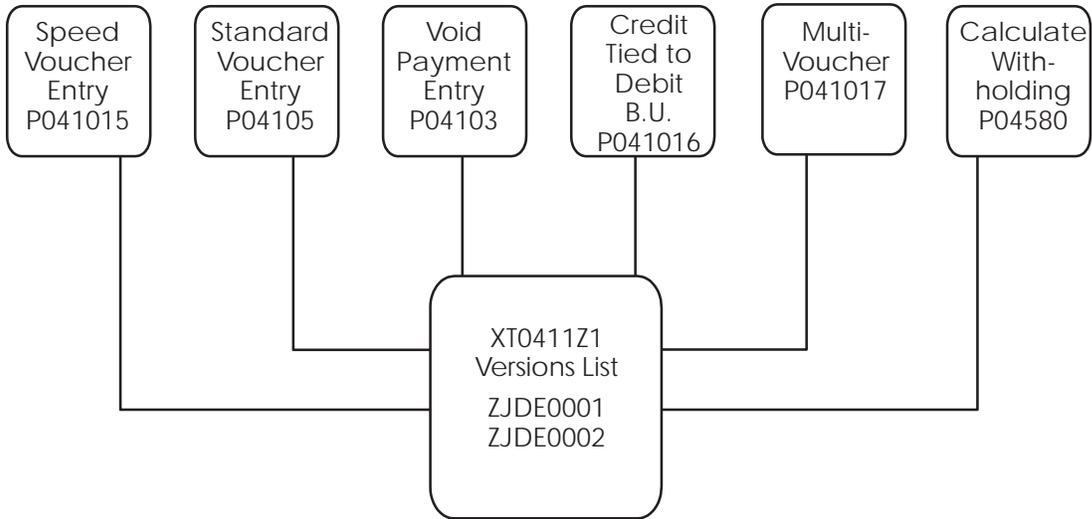
Glossary

Glossary

This glossary defines terms in the context of your use of J.D. Edwards systems and the accompanying user guide.

1099 form. An income tax reporting form required by the U.S. government for many types of payments made to persons and non-corporate entities.

AA ledger. The ledger type used for transactions in domestic amounts (actual amounts).

AAI. Automatic accounting instruction. A code that points to an account in the chart of accounts. AAIs define rules for programs that automatically generate journal entries. This includes interfaces between Accounts Payable, Accounts Receivable, and Financial Reporting and the General Accounting system. Each system that interfaces with the General Accounting system has AAIs. For example, AAIs can direct the Post to General Ledger program to post a debit to a certain expense account and an automatic credit to a certain accounts payable account.

A/P Ledger method. One of the two methods J.D. Edwards provides to process 1099 tax reporting forms. Using this method, you produce 1099s from data stored in the A/P Ledger table (F0411). Also called the *expedient method* and the *fast path method.*

AZ ledger. The ledger type used for cash basis accounting.

access. A way to get to information or functions provided by the system through menus, forms, and reports.

account status. The state or condition of a customer's accounts receivable transaction account.

accounting period. One of the divisions of a fiscal year. A fiscal year can contain 12 to 14 accounting periods, or more rarely, 52 periods. There can also be an additional period for year-end adjustments, and another additional period for audit adjustments.

adjustment. A payment and receipt application method used to modify an amount such as a minor write-off or outstanding freight charges and disputed taxes.

alphabetic character. A letter or other symbol from the keyboard (such as *&#) that represents data. Contrast with *numeric character.*

alphanumeric character. A combination of letters, numbers, and other symbols (such as *&#) that represents data.

approver number. The user ID of the person who approves vouchers for payment.

"as of" report. A report used to view the A/R Ledger and A/P Ledger tables in summary or detail for a specific point in time.

audit adjustments. The adjustments you make to G/L accounts following an audit. You generally enter these adjustments annually, following the close of the fiscal year.

audit trail. The detailed, verifiable history of a processed transaction. The history consists of the original documents, transaction entries, and posting of records, and usually concludes with a report.

backup copy. A copy of original data preserved on a magnetic tape or diskette as protection against destruction or loss.

BACS. Bank Automated Clearing System. An electronic process used in the United Kingdom.

balance forward. A receipt application method in which the receipt is applied to the oldest invoices in chronological order according to the net due date.

bank tape (lock box) processing. The receipt of payments directly from a customer's bank via customer tapes for automatic receipt application.

batch. A group of like records or transactions that the computer treats as a single unit during processing. For identification purposes, the system usually assigns each batch a unique identifier, known as a "batch number."

batch control. The verification of the number of transactions and the total amount in each batch entered into the system.

batch header. The information the computer uses as identification and control for a group of transactions or records in a batch.

batch input. A group of transactions loaded from an external source.

batch input table. An external table that holds data being loaded into the system.

batch job. A task or group of tasks you submit for processing that the system treats as a single unit during processing, for example, printing reports and purging tables. The computer performs these tasks with little or no user interaction.

batch processing. A method by which the computer selects jobs from the job queue, processes them, and writes output to the out queue. Contrast with *interactive processing.*

batch receipts entry. An alternative method (such as an optical reader or magnetic scanner) to load receipts into the J.D. Edwards Accounts Receivable system.

batch status. A code that indicates the posting status of a batch. For example, A indicates approved for posting, P indicates posting in-process, and D indicates posted.

batch type. A code that designates which J.D. Edwards system the associated transactions pertain to, thus controlling what records are selected for processing. For example, in the Post General Journal process, only unposted transaction batches with a batch type of G for General Accounting are selected for posting.

Boolean logic operand. In J.D. Edwards DREAM Writer, the parameter of the Relationship field. The Boolean logic operand tells the system to perform a comparison between certain records or parameters. Available operands are:

EQ	= Equal To
LT	= Less Than
LE	= Less Than or Equal To
GT	= Greater Than
GE	= Greater Than or Equal To
NE	= Not Equal To
NL	= Not Less Than
NG	= Not Greater Than

broadcast message. An electronic mail message that you can send to a number of recipients.

business unit. A division of your business organization that requires a balance sheet or P&L. Also called a *cost center.*

calculation method. When you restate currency, you can choose among three calculation methods: (1) period calculations, used for P&L accounts, (2) balance calculations, used for balance accounts, and (3) historical rate, used for fixed assets.

cash basis accounting. A method of accounting that recognizes revenue and expenses when monies are received and paid.

category code. In user defined codes, a temporary title for an undefined category. For example, if you are adding a code that designates different sales regions, you could change *category code 4* to *Sales Region*, and define E (East), W (West), N (North), and S (South) as the valid codes. Category codes were formerly known as *reporting codes*.

character. Any letter, number, or other symbol that a computer can read, write, and store.

chargeback. A receipt application method used to generate an invoice for a disputed amount or for the difference of an unpaid receipt.

check. See *payment.*

command. A character, word, phrase, or combination of keys you use to tell the computer to perform a defined activity.

consolidations. A method of grouping or combining information for several companies or business units. Used for reports or inquiries.

consolidation reporting. The process of combining financial statements for companies or business units so that the different entities can be represented by a single balance sheet or income statement. If the different entities operate in different currencies, consolidation reporting may be complicated by the need for currency restatement. See also *currency restatement.*

constants. Parameters or codes that rarely change. The computer uses constants to standardize information processing by an associated system. Some examples of constants are allowing or disallowing out-of-balance postings and having the system perform currency conversions on all amounts. After you set constants such as these, the system follows these rules until you change the constants.

contra/clearing account. A G/L account used by the system to offset (balance) journal entries. For example, you can use a contra/clearing account to balance the entries created by allocations.

cost allocations. A procedure used to allocate or distribute expenses, budgets, adjustments, and so on among business units, based on actual numbers.

cost center. See *business unit.*

credit message. A code used to display information about a customer's account status, such as "Over Credit Limit".

credit note reimbursement. A system generated form to reclassify a credit memo or unapplied cash record from the Accounts Receivable system to an open voucher in the Accounts Payable system.

cursor. The blinking underscore or rectangle on your form that indicates where the next keystroke will appear.

currency code. A code used to assign a currency to a customer, supplier, bank account, company, or ledger type.

currency restatement. The process of converting amounts from one currency into another currency, generally for reporting purposes. It can be used, for example, when many currencies must be restated into a single currency for consolidated reporting.

cursor sensitive help. J.D. Edwards online help function, which allows you to view a description of a field, an explanation of its purpose, and, when applicable, a list of the valid codes you can enter. To access this information, move the cursor to the field and press F1.

customer. An individual or organization that purchases goods and services.

customer ledger. The record of transactions between your company and a particular customer.

customer payment. The payment your company receives from a customer.

data. Numbers, letters, or symbols representing facts, definitions, conditions, and situations, that a computer can read, write, and store.

database. A continuously updated collection of all information a system uses and stores. Databases make it possible to create, store, index, and cross-reference information online.

data dictionary. A database table consisting of the definitions, structures, and guidelines for the usage of fields, messages, and help text. The data dictionary table does not contain the actual data itself. Also known as a *glossary.*

data types. Supplemental information, attached to a company or business unit. Narrative type contains free-form text. Code type contains dates, amounts, and so on.

date pattern. A period of time set for each period in standard and 52-period accounting.

debit statement. A list of debit balances.

default. A code, number, or parameter the system supplies when you do not enter one. For example, if an input field's default is N and you do not enter something in that field, the system supplies an N.

descriptive title. See *user defined code*.

detail. The individual pieces of information and data that make up a record or transaction. Contrast with *summary*.

display. (1) To cause the computer to show information on a terminal's form. (2) A specific set of fields and information that a J.D. Edwards system might show on a form. Some forms can show more than one display when you press a specified function key.

display field. A field of information on a form that contains a system-provided code or parameter that you cannot change. Contrast with *input field.*

display sequence. A number that the system uses to reorder a group of records on the form.

document number. A number that identifies the original document, such as voucher, invoice, unapplied cash, journal entry, and so on.

draft. A promise to pay a debt. Drafts are legal payment instruments in certain European countries.

DREAM Writer. Data Record Extraction And Management Writer. A flexible data manipulator and cataloging tool. You use this tool to select and sequence the data that is to appear on a programmed report.

EDI. Electronic data interchange. A method of transferring business documents, such as purchase orders, invoices, and shipping notices, between computers of independent organizations electronically.

edit. (1) To make changes to a table by adding, changing, or removing information. (2) The program function of highlighting fields into which you have entered inadequate or incorrect data.

EFT. Electronic funds transfer. A method of transferring funds from one company's bank account to that of another company.

effective date. The date upon which an address, item, transaction, or table becomes effective. Examples include the date a change in address becomes effective or the date a tax rate becomes effective. In the Address Book system, effective dates allow you to track past and future addresses for suppliers and customers.

execute. See *run*.

exit. (1) To interrupt or leave a computer program by pressing a specific key or a sequence of keys. (2) An option or function key displayed on a form that allows you to access another form.

expedient method. See *A/P Ledger method.*

facility. A collection of computer language statements or programs that provides a specialized function throughout a system or throughout all integrated systems. Examples include DREAM Writer and FASTR.

fast path method. See *A/P Ledger method.*

FASTR. Financial Analysis Spreadsheet Tool and Report Writer. A report writer that allows you to design your own report specifications using the general ledger database.

field. (1) An area on a form that represents a particular type of information, such as name, document type, or amount. Fields that you can enter data into are designated with underscores. See *input field* and *display field.* (2) A defined area within a record that contains a specific piece of information. For example, a supplier record consists of the fields Supplier Name, Address, and Telephone Number. The Supplier Name field contains just the name of the supplier.

52 period accounting. A method of accounting that uses each week as a separate accounting period.

finance charge. An amount charged to a customer based on a percentage assessed on an unpaid invoice exceeding the grace period.

financial reporting date. The user defined date used by the system when you run financial reports.

fiscal year. A company's tax reporting year. Retained earnings are generally calculated at the end of a fiscal year. It is often different than a calendar year. For example, a fiscal year may be the period October 1 through September 30.

flash message. A code that you define to describe the credit status of a customer. Examples include over credit limit, COD only, bad credit risk, and requires a purchase order.

fold area. An area of a form, accessed by pressing F4, that displays additional information associated with the records or data items displayed on the form.

function. A separate feature within a facility that allows you to perform a specific task, for example, the field help function.

function key. A key you press to perform a system operation or action. For example, you press F4 to have the system display the fold area of a form.

functional server. A central system location for standard business rules about entering documents such as vouchers, invoices, and journal entries. Functional servers ensure uniform processing according to guidelines you establish.

general ledger receipt. A receipt that is directly applied to a G/L account without being applied to a specific invoice. These are typically non-A/R receipts.

glossary. See *data dictionary.*

G/L method. One of the two methods J.D. Edwards provides to process 1099 tax reporting forms. Using this method, you produce 1099s from data stored in the Account Ledger table (F0911). Also called the *tough/right method.*

G/L offset. An account used by the post program to create automatic offset entries.

G/L posted code. A system code that indicates the status of individual documents. For example, P indicates that a voucher or invoice has been posted.

GST. Goods and services tax. A tax assessed in Canada.

hard copy. A presentation of computer information printed on paper. Synonymous with *printout*.

hash total. A sum produced by numbers with different meanings. For example, adding amounts in different currencies.

header. Information at the beginning of a table. This information is used to identify or provide control information for the group of records that follows.

help instructions. Online documentation or explanations of fields that you access by pressing the Help key or by pressing F1 with your cursor in a particular field.

helps. See *help instructions*.

hidden selections. Menu selections you cannot see until you enter HS in a menu's Selection field. Although you cannot see these selections, they are available from any

menu. They include such items as Display Submitted Jobs (33), Display User Job Queue (42), and Display User Print Queue (43). The Hidden Selections window displays three categories of selections: user tools, operator tools, and programmer tools.

indexed allocations. A procedure used to allocate or distribute expenses, budgets, adjustments, and so on, among business units, based on a fixed percentage.

input. Information you enter in the input fields on a form or that the computer enters from other programs, then edits and stores in tables.

input field. An area on a form, distinguished by underscores (_ _), where you type data, values, or characters. A field represents a specific type of information, such as name, document type, or amount. Contrast with *display field*.

install system code. The code that identifies a J.D. Edwards system. Examples are 01 for the Address Book system, 04 for the Accounts Payable system, and 09 for the General Accounting system.

integrity test. A process used to supplement a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.

interactive processing. A job the computer performs in response to commands you enter from a terminal. During interactive processing, you are in direct communication with the computer, and it might prompt you for additional information during the processing of your request. See *online*. Contrast with *batch processing.*

interest invoice. An invoice calculated on paid invoices whose payment was received after the specified due dates.

interest rate computation code. A code used to define the rates and effective dates used for calculating interest charges.

interface. A link between two or more J.D. Edwards systems that allows these systems to send information to and receive information from one another.

invalid account. A G/L account that has not been set up in the Account Master table (F0901).

invoice match. A receipt application method where the receipt is applied to specific invoices. A discount can be allowed or disallowed using invoice match.

jargon. A J.D. Edwards term for system-specific help text. You base your help text on a specific reporting code you designate in the Data Dictionary Glossary. You can display this text as part of online help.

job. A single identifiable set of processing actions you tell the computer to perform. You start jobs by choosing menu selections, entering commands, or pressing designated function keys. An example of a computer job is payment printing in the Accounts Payable system.

job queue. A form that lists the batch jobs you and others have told the computer to process. When the computer completes a job, the system removes the job's identifier from the list.

justify. To shift information you enter in an input field to the right or left side of the field. Many of the facilities within J.D. Edwards systems justify information. The system does this only after you press Enter.

key field. A field common to each record in a table. The system uses the key field designated by the program to organize and retrieve information from the table.

language preference. An address book code used to specify a language to use when displaying information.

leading zeros. A series of zeros that certain facilities in J.D. Edwards systems place in front of a value you enter. This normally occurs when you enter a value that is smaller than the specified length of the

field. For example, if you enter 4567 in a field that accommodates eight numbers, the facility places four zeros in front of the four numbers you enter. The result appears as 00004567.

ledger type. A ledger used by the system for a particular purpose. For example, all transactions are recorded in the AA (actual amounts) ledger type in their domestic currency. The same transactions may also be stored in the CA (foreign currency) ledger type. Also known as a *ledger.*

level of detail. (1) The degree of difficulty of a menu in J.D. Edwards software. The levels of detail for menus are as follows:

> A=Major Product Directories
> B=Product Groups
> 1=Basic Operations
> 2=Intermediate Operations
> 3=Advanced Operations
> 4=Computer Operations
> 5=Programmers
> 6=Advanced Programmers

Also known as *menu levels.* (2) The degree to which account information in the General Accounting system is summarized. The highest level of detail is 1 (least detailed) and the lowest level of detail is 9 (most detailed).

logged vouchers. See *voucher logging.*

mail distribution list. A list of people to whom you send electronic mail messages. This list enables you to quickly send notices, instructions, or requests to a predefined group of people.

master table. A computer table that a system uses to store data and information which is permanent and necessary to the system's operation. Master tables might contain data or information such as paid tax amounts and supplier names and addresses.

matching document. A document associated with an original document to complete or change a transaction.

menu. A form that displays numbered selections. Each of these selections represents a program. To access a selection from a menu, type the selection number and then press Enter.

menu levels. See *level of detail.*

menu masking. A security feature of J.D. Edwards systems that lets you prevent individual users from accessing specified menus or menu selections. The system does not display the menus or menu selections to unauthorized users.

menu message. Text that appears on a form after you make a menu selection. It displays a warning, caution, or information about the requested selection.

mode. A code that specifies whether amounts are in the domestic currency of the company the invoices or vouchers are associated with or in the foreign currency of the transaction.

monetary account. (1) In common usage, any funds account. (2) In J.D. Edwards more specific usage, a bank account limited to transactions in a single currency.

multiple AAI revisions. The process of revising several automatic accounting instructions at one time.

next number facility. A J.D. Edwards software facility you use to control the automatic numbering of such items as new G/L accounts, vouchers, and addresses. It lets you specify your desired numbering system and provides a method to increment numbers to reduce transposition and typing errors.

next status. The next step in the payment process for payment control groups. The next status can be either WRT (write) or UPD (update).

numeric character. Represents data using the numbers 0 through 9. Contrast with *alphabetic character* and *alphanumeric character.*

offline. Computer functions that are not under the continuous control of the system. For example, if you run a certain job on a personal computer and then transfer the results to a host computer, that job is considered an offline function. Contrast with *online*.

online. Computer functions over which the system has continuous control. Each time you work with a J.D. Edwards system-provided form, you are online with the system. Contrast with *offline*. See *interactive processing*.

online information. Information the system retrieves, usually at your request, and immediately displays on the form. This information includes items such as database information, documentation, and messages.

operand. See *Boolean logic operand.*

option. A numbered selection from a J.D. Edwards form that performs a particular function or task. To select an option, you enter its number in the Option field next to the item you want the function performed on. When available, for example, option 4 allows you to return to a prior form with a value from the current form.

original document. The document that initiates a transaction in the system.

output. Information the computer transfers from internal storage to an external device, such as a printer or a computer form.

output queue. A form that lists the spooled tables (reports) you have told the computer to write to an output device, such as a printer. After the computer writes a table, the system removes that table's identifier from the online list.

override. The process of entering a code or parameter other than the one provided by the system. Many J.D. Edwards systems offer forms that provide default field values when they appear. By typing a new value over the default code, you can *override* the default. See *default*.

P&L. Profit and loss statement.

parameter. A number, code, or character string you specify in association with a command or program. The computer uses parameters as additional input or to control the actions of the command or program.

parent/child relationship. A hierarchical relationship among your addresses (suppliers, customers, or prospects). One address is the parent and one or more subordinate addresses are children for that parent. This relationship is helpful, for example, when you want to send billing for field offices (subsidiary companies) to the corporate headquarters.

password. A unique group of characters that you enter when you sign on to the system that the computer uses to identify you as a valid user.

pay item. A line item in a voucher.

pay status. The current condition of the payment, such as paid or payment-in-process.

payment. The system creates payments when you use the Create Payment Groups program. It is important to understand that payments can exist before you write them.

payment control group. A system-generated group of payments with similar information (such as bank account). The system processes all payments in a payment control group at the same time. Also known as a *payment group.*

payment group. See *payment control group.*

payment instrument. The method of payment, such as check, draft, EFT, and so on.

payment stub. The printed record of a payment.

payment terms. The amount of time allowed to pay a voucher or invoice, with or without a discount.

posted code. A code that indicates whether a transaction or batch has been posted.

pre-note code. A code that indicates whether a supplier is set up or in the process of being set up for electronic funds transfer (EFT).

printout. A presentation of computer information printed on paper. Synonymous with *hard copy*.

print queue. An online list (form) of written tables that you have told the computer to print. Once the computer prints the table, the system removes the table's identifier from the online list. See *output queue*.

processing options. A feature of the J.D. Edwards DREAM Writer that allows you to supply parameters to direct the functions of a program. For example, processing options allow you to specify defaults for certain form displays, control the format in which information gets printed on reports, change the way a form displays information, and enter "as of" dates.

program. A collection of computer statements that tells the computer to perform a specific task or group of tasks.

program specific help text. Glossary text that describes the function of a field within the context of the program.

prompt. (1) A reminder or request for information displayed by the system. When a prompt appears, you must respond in order to proceed. (2) A list of codes or parameters or a request for information provided by the system as a reminder of the type of information you should enter or action you should take.

pseudo company. A fictitious company used in consolidations.

PST. Provincial sales tax. A tax assessed by individual provinces in Canada.

purge. The process of removing records or data from a system table.

rate type. For currency exchange transactions, the rate type distinguishes different types of exchange rates. For example, you may use both period average and period-end rates, distinguishing them by rate type.

realized gain/loss. Currency gains and losses are incurred due to fluctuating currency exchange rates. A gain/loss is realized when you pay the invoice or voucher. See also *unrealized gain/loss.*

record. A collection of related, consecutive fields of data the system treats as a single unit of information. For example, a supplier record consists of information such as the supplier's name, address, and telephone number.

recurring frequency. The cycle in which a recurring voucher becomes due for payment, for example, monthly or quarterly.

recurring invoice. An invoice that becomes due for payment on a regular cycle, such as a lease payment.

recurring voucher. A voucher that comes due for payment on a regular cycle, such as a lease payment.

recycle. A process used to create the next cycle (for example, next month's) of recurring invoices or vouchers.

refresh. A process used to update a customer's credit and collection information, such as Credit Analysis Refresh.

reporting code. See *category code.*

reset. The process of changing a payment from a completed status to a next status of WRT (write). This allows you to correct or reprint payments.

reverse. A method used to automatically create an opposite entry at the time the original transaction is posted to the general ledger.

reverse image. Form text that displays in the opposite color combination of characters and background from what the form typically displays (for example, black on green instead of green on black).

run. To cause the computer to perform a routine, process a batch of transactions, or carry out computer program instructions.

scroll. To use the roll keys to move form information up or down a form at a time. When you press the Rollup key, for instance, the system replaces the currently displayed text with the next form of text if more text is available.

selection. Found on J.D. Edwards menus, selections represent functions that you can access from a given menu. To make a selection, you type its associated number in the Selection field and press Enter.

self-reconciling item. An item that does not require reconciliation.

sequence review ID. Defines the order in which payments print in a payment group. Each sequence review ID has its own data sequence and a code that indicates whether the system sorts each data item in ascending or descending order.

single AAI revision. The process of revising one automatic accounting instruction at a time.

soft coding. A J.D. Edwards term that describes an entire family of features that allows you to customize and adapt J.D. Edwards software to your business environment. These features lessen the need for you to use computer programmers when your data processing needs change.

software. The operating system and application programs that tell the computer how and what tasks to perform.

special character. Representation of data in symbols that are neither letters nor numbers. Some examples are * & # /.

special period/year. The date used to determine the *source* balances for an allocation.

speed code. A user defined code that represents a G/L account number. Speed codes can be used to simplify data entry by making G/L accounts easier to remember

spool. The function by which the system puts generated output into a storage area to await printing and processing.

spooled table. A holding table for output data waiting to be printed or input data waiting to be processed.

spread. A payables and receipt application method used to distribute and apply an unapplied voucher, receipt, debit memo, or credit memo to open vouchers or invoices.

Standard Industry Code (SIC). A code the U.S. government developed to classify U.S. companies as to their economic activity. Examples include agricultural services (0100), wholesale trade (5000), and services (7000).

stop date. The date an allocation becomes inactive.

structure type. A code that identifies a type of organization structure with its own hierarchy in the Address Book system. Examples include accounts receivable or electronic mail.

subtable. An area on the form where the system displays detailed information related to the header information at the top of the form. Subtables might contain more information than the form can display in the subtable area. If so, use the roll keys to display the next form of information. See *scroll*.

submit. See *run*.

supplemental data. Additional information about a business unit not contained in the master tables.

supplier. An individual or organization that provides goods and services. Also called a *vendor.*

supplier ledger. The record of transactions between your company and a particular supplier.

supplier payment. The payment your company makes to a supplier.

summary. The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many of the J.D. Edwards systems offer forms and reports that are summaries of the information stored in certain tables.

system. A collection of computer programs that allows you to perform specific business tasks. Some examples of applications are Accounts Payable, Inventory, and Order Processing. Synonymous with *application.*

table. A collection of related data records organized for a specific use and electronically stored by the computer.

three-tier processing. The task of entering, approving, and posting batches of transactions.

third party software. Programs provided to J.D. Edwards clients by companies other than J.D. Edwards.

TI code. A code that identifies the type of receipt application, which directly affects the way the receipt is processed.

time log. An electronic mail method for tracking employees' time in the office. The time log lists when employees sign in, sign out, and employee remarks about their whereabouts and activities.

tolerance range. The amount by which taxes entered manually can vary from the system-calculated tax.

tough/right method. See *G/L method.*

transaction code. A code that distinguishes the type of transaction on a bank statement.

transit account. A G/L account used to hold funds until they can be allocated to the correct account.

translation adjustment account. An optional G/L account used in currency restatement to record the total adjustments at a company level.

undo. To remove the payments from the payment run so that they no longer appear on any A/P payment review form. The system clears them from the worktable and moves vouchers from a pay status of # (payment in-process) to pay status A (approved).

unrealized gain/loss. Currency gains and losses are incurred due to fluctuating currency exchange rates. A gain/loss is unrealized until you pay the invoice or voucher. See also *realized gain/loss.*

update. Add new payments and void payments to the A/P Ledger (F0411), Accounts Payable Matching Document (F0413), and Accounts Payable Matching Document Detail (F0414) tables. The system updates these tables during payment processing and prints the payment register.

user defined code. The individual codes you create and define within a user defined code type. Code types are used by programs to edit data and allow only defined codes. These codes might consist of a single character or a set of characters that represents a word, phrase, or definition. These characters can be alphabetic, alphanumeric, or numeric. For example, in the user defined code type list ST (Search Type), a few codes are C for Customers, E for Employees, and V for Suppliers.

user defined code (type). The identifier for a list of codes with a meaning you define for the system (for example, ST for the Search Type codes list in Address Book). J.D. Edwards systems provide a number of these lists and allow you to create and define lists of your own. User defined codes were formerly known as *descriptive titles.*

user identification (user ID). The unique name you enter when you sign on to a J.D. Edwards system to identify yourself to the system. This ID can be up to 10 characters long and can consist of alphabetic, alphanumeric, and numeric characters.

valid codes. The allowed codes, amounts, or types of data that you can enter in a specific input field. The system checks, or edits, user defined code fields for accuracy against the list of valid codes.

variable numerator allocations. A procedure used to allocate or distribute expenses, budgets, adjustments, and so on, among business units, based on a variable.

VAT. Value-added tax. A recoverable tax assessed in some countries.

vendor. See *supplier.*

video. The display of information on your monitor form. Normally referred to as the *form.*

vocabulary overrides. A J.D. Edwards facility that lets you to override field, row, or column title text on a form-by-form or report-by-report basis.

void. A method used to create a reversing entry of the original transaction. Voiding a transaction leaves an audit trail.

voucher logging. The process of entering vouchers without distributing amounts to specific G/L accounts. The system initially distributes the total amount of each voucher to a G/L suspense account, where it is held until you redistribute it to the correct G/L account or accounts.

voucher match. A payment application method where the payment is applied to specific vouchers.

who's who. A term that J.D. Edwards uses to identify contacts at a particular company. Examples include billing, collections, and sales personnel.

window. A software feature that allows a part of your form to function as if it were a form in itself. Windows serve a dedicated purpose within a facility, such as searching for a specific valid code for a field.

word search stop word. A common word that the query search in the Address Book system ignores. Examples include street, avenue, or building.

worked. A code used to indicate whether a customer's account has been reviewed and updated. For example, you "work" an account by changing a customer's credit limit or customers who are eligible for a credit review.

write-off. A receipt application method where the receipt is applied to the invoice and the difference is written off. You can "write-off" both overpayments and underpayments.

write payment. A step in processing payments. Writing payments includes printing checks, drafts, and creating a bank tape table.

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