

Guide
August 1997



WORLD SOFTWARE®

Fixed Assets

Release
A8.1

JDEdwards®



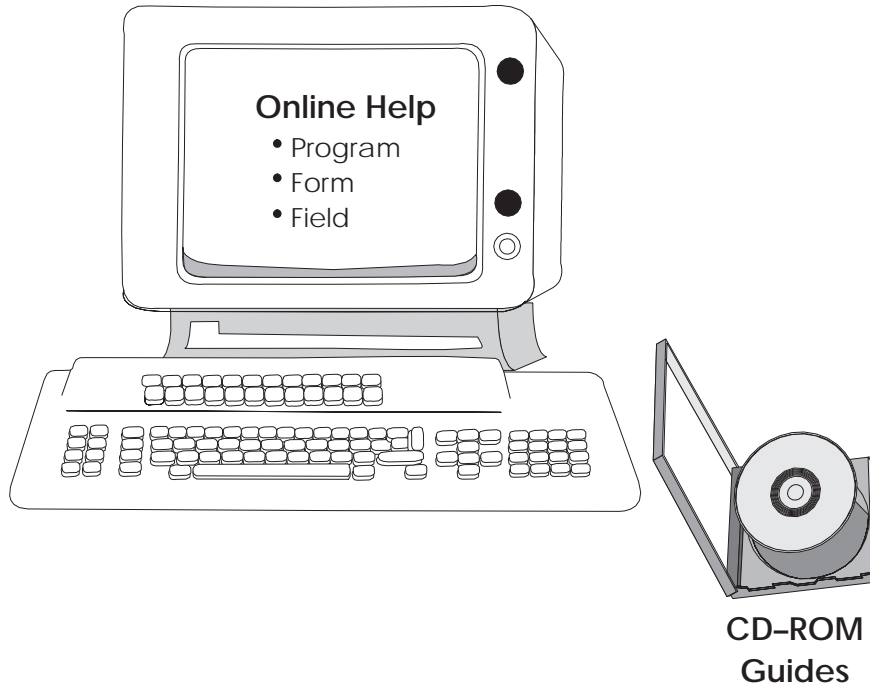
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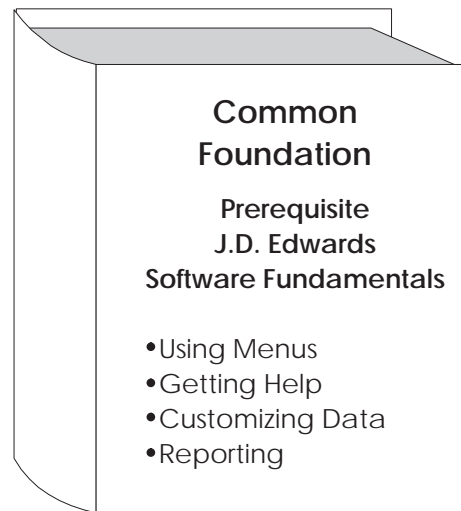
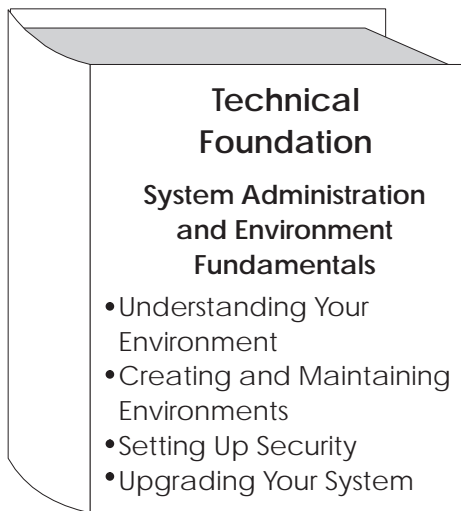
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Where Do I Look?



Guides



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 the current release 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

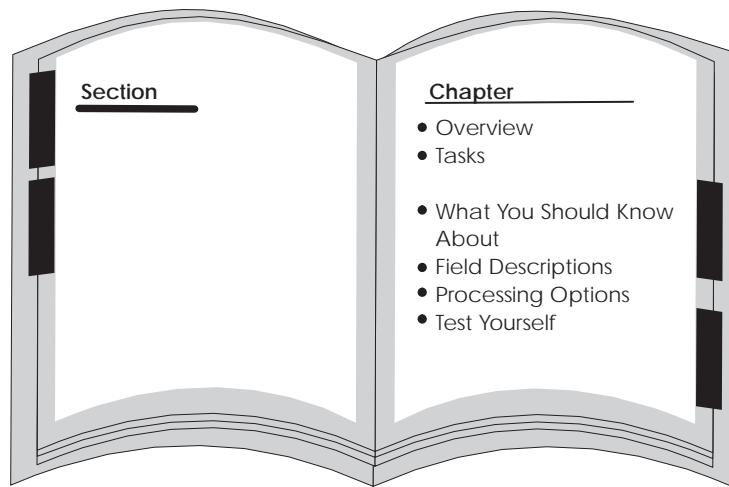
This guide is intended primarily for the following audiences:

- 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.



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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Glossary

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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.

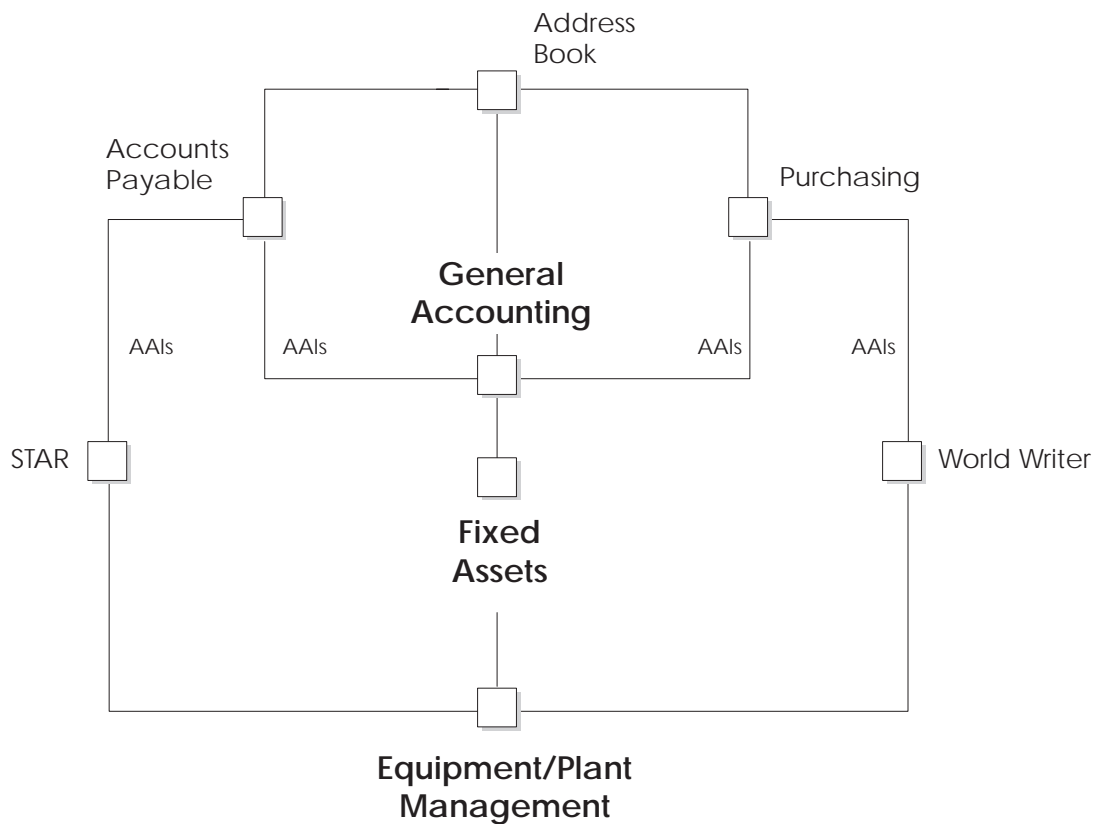
Procurement

The Fixed Assets and Procurement systems access and store information in both the Account Ledger table (F0911) 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.



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 rules 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 rules is included automatically in the new asset records. You can override the defaults for special cases. Using default rules 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	<p>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:</p> <ul style="list-style-type: none">• 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)	<p>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.</p>

Fixed Assets Process

The following process outlined and illustrated 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.

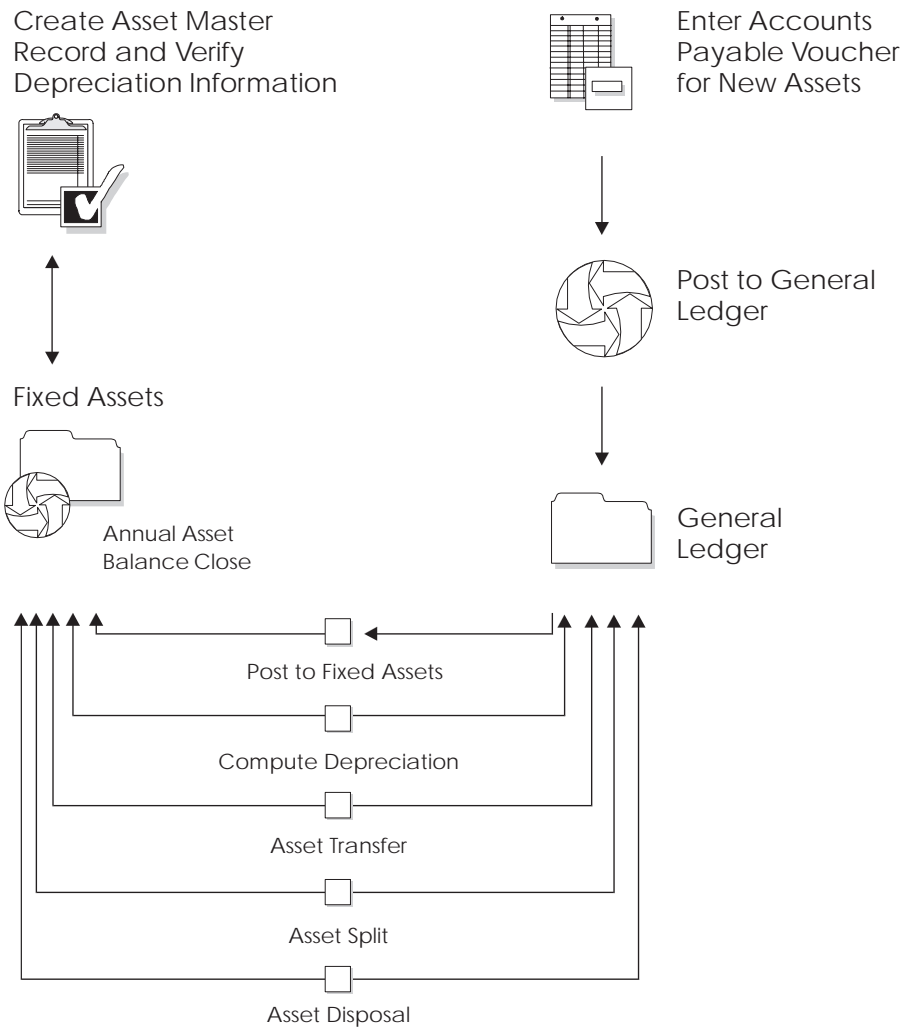
Master and depreciation information	Enter the master information for the newly acquired asset and verify the default depreciation information.
Voucher entry	Enter an accounts payable voucher for the asset.
Post vouchers to the G/L and fixed assets	Post the batch that contains the voucher for the asset.
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: <ul style="list-style-type: none">• 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:

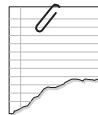
- Location Tracking (F1204)
- Item Messages (F1205)
- Units of Production Schedule (F1208)
- Location History Text (F1210)
- Parent History (F1212)
- Default Depreciation Accounts (F12002)
- Depreciation Defaults by Ledger Type (F12003)
- User Defined Depreciation Rules (F12851)
- User Defined Depreciation Annual Rules (F12852)
- User Defined Depreciation Formulas (F12853)
- User Defined Depreciation Spread Formulas (F12854)
- User Defined Codes (F0005)
- Ledger Type Master (F0025)

-
- 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

Menu Overview – Fixed Assets

Fixed Assets Master Menu G12



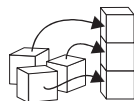
Daily Operations

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Periodic Operations

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- Transfer, Splits and Disposals G1222
- Quarterly and Year to Date Reports G1223
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Setup Operations

- System Setup G1241
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Advanced and Technical Operations

- Advanced Operations G1231
- Set Up User Defined Depreciation G1232
- Asset Revaluation G1234

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 identification currently consists of:

- Asset master record
- Supplemental and specification information
- Message logs

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 that you can:

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

When you create the master record the system uses information from depreciation account rules to create balance records that are used to compute depreciation. The depreciation account rules define the various depreciation accounts that are associated with each class of assets as well as the depreciation methods, either hard-coded or user defined, for each ledger associated with the asset.

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 ten 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 User Defined Codes* in the *Equipment Billing Guide* or the *Equipment/ Plant Maintenance Guide* for more information about reserving the first ten category codes for equipment and plant management
- *Mapping Category Codes* for more information about establishing relationships between category codes
- *Setting Up Depreciation Account Rules* for more information about inserting default information into the asset master record

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

Creating an Asset Master Record



From Fixed Assets (G12), choose Fixed Asset Master Information

From Fixed Asset Master Information (G1211), choose Master Information

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 depreciation rules that you define during system setup, including the depreciation start date (the asset's acquisition date)
- General ledger account information, based on depreciation account rules 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

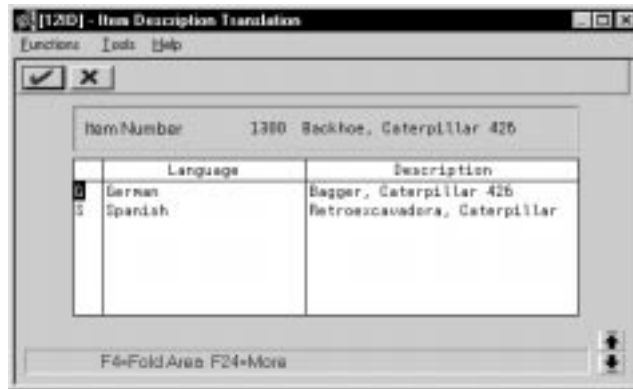
- Verify that all system setup activities are complete. See *System Setup* for more information about setting up the Fixed Assets system.

► To create an asset master record

On Master Information

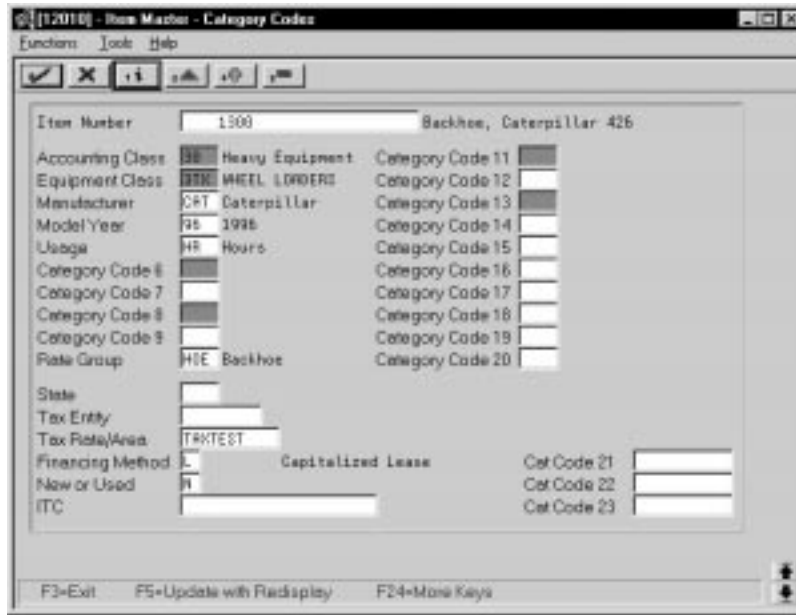
1. Complete the following fields:
 - Description 01
 - Company
 - Responsible Business Unit
 - Asset Cost Business Unit/Object/Subsidiary
 - Date Acquired
2. Complete the following optional fields:
 - Description 02–03
 - Unit Number
 - Serial Number
 - Parent Number
 - Location/Start Date
 - Equipment 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.



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.

Depending on how you set the processing options, Item Master – Category Codes might appear automatically when you finish entering data on Master Information.



8. On Item Master – Category Codes, complete the following optional fields:
 - Category Codes 01–23
 - State
 - Tax Entity
 - Tax Rate/Area
 - Financing Method
 - ITC

Depending on how you set the processing options, some category code entry might be required.

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.

9. Do one of the following:
 - On WorldSoftware, press Enter or choose the Update with Redisplay function.
 - On WorldVision, click OK or choose Update with Redisplay from the Functions menu.

If you exit without pressing Enter or using the update function, the asset master record is not created.

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



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

Field	Explanation
Item Number	An 8-digit number that uniquely identifies an asset.
Desc. 01	A user defined name or remark. <i>Form-specific information</i>
Unit 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 as an alternate asset identification number. You might 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	<p>An identification code for an asset that you can enter in one of the following formats:</p> <ol style="list-style-type: none"> 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) <p>Every asset has an item number. You can use unit number and serial number to further identify assets as needed.</p> <p>If this is a data entry field, the first character you enter indicates whether you are entering the primary (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 Fixed Assets system constants form.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Company Number	<p>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.</p> <p>NOTE: Use Company 00000 only for default values, such as dates and Automatic Accounting Instructions (AAIs). You cannot use Company 00000 when entering transactions.</p> <p>..... <i>Form-specific information</i></p> <p>The system uses the company number from the parent master record as a default value for this field when you set up parent/component relationships.</p>

Field	Explanation
Responsible BU	<p>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.</p> <p>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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Asset Cost Account – Business Unit	<p>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.</p>
Asset Cost Account – Object	<p>The object account to which the original acquisition cost and any supplemental capital additions have been charged.</p> <p>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).</p>
Asset Cost Account – Subsidiary	<p>The subsidiary account to which the original acquisition cost and any supplemental capital additions have been charged.</p>
Date Acquired	<p>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.</p>

Field	Explanation
Equipment Status	<p>A user defined code (12/ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.</p> <p>..... <i>Form-specific information</i></p> <p>The system updates the value in this field when you run the Asset Disposal program to dispose of the asset.</p>
Current Item Qty	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Employee	<p>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.</p> <p>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.</p> <p>..... <i>Form-specific information</i></p> <p>This is the address book number of the employee assigned to the equipment or the employee responsible for the equipment.</p>
AFE Number	<p>You can enter information in this field to track an item that is Authorized for Expenditure. You can use information in this field to search for an asset through the Query Search function. This field also appears in the Job Cost and Work Order systems to allow you to tie a job, a work order, and an asset together if necessary.</p>
Tax Entity	<p>The address number of the tax authority to which property taxes are paid.</p>

Field	Explanation
Tax Rate/Area	<p>A code that identifies a tax or geographic area that has common tax rates and tax distribution. The tax rate/area must be defined to include the tax authorities (for example, state, county, city, rapid transit district, or province), and their rates. To be valid, a code must be set up in the Tax Rate/Area table (F4008).</p> <p>Typically, U.S. sales and use taxes require multiple tax authorities per tax rate/area, whereas VAT requires only one simple rate.</p> <p>The system uses this code to properly calculate the tax amount.</p>
Financing Method	<p>A user defined code (system 12, code FM) that designates how a fixed asset was acquired, for example, financed or purchased outright.</p>
Amount – Investment Tax Credit	<p>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.</p>

What You Should Know About

Category codes	<p>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.</p>
Depreciation category code	<p>Use the Depreciation Category Code to divide assets into depreciation classes. The depreciation information is defined in the company ledger depreciation rules.</p> <p>See <i>Setting Up Fixed Asset Constants</i> and <i>Setting Up Company Ledger Depreciation Rules</i> for more information.</p>

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 Master Information. You might want to change parent numbers to update or establish parent and component relationships. If you change a parent number, you must either specify the date the parent number changed for the asset or accept the default value of the current system date.

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.

Optional required field entry Depending on how you set the processing options, the AFE number, the Location, and the Start Date might be required fields.

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
- *Verify Depreciation Information* for more information about depreciation and account rules

Processing Options for Asset Master Information

DEFAULT OPTIONS:

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

REQUIRED FIELD OPTIONS:

2. Enter a '1' to require the Location and Start Date to be entered. Enter a '2' to default location from Responsible Business Unit and Start Date from Date Acquired if left blank. Default of blank will not require the entry of either. _____

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

4. Enter a '1' to require the entry of Category Code Information when adding an Item Master. _____

5. Enter a '1' to require the entry of AFE field. _____

PROTECTED FIELD OPTIONS:

6. Enter a '1' to prevent entry/change to the Date Disposed. _____

7. Enter a '1' to prevent entry/change to the Equipment Status. _____

8. Enter a '1' to prevent entry/change to the Accounting Class, Category Code 1. _____

9. Enter a '1' to prevent entry/to the Depreciation Category Code. _____

Verify Depreciation Information

Verifying Depreciation Information

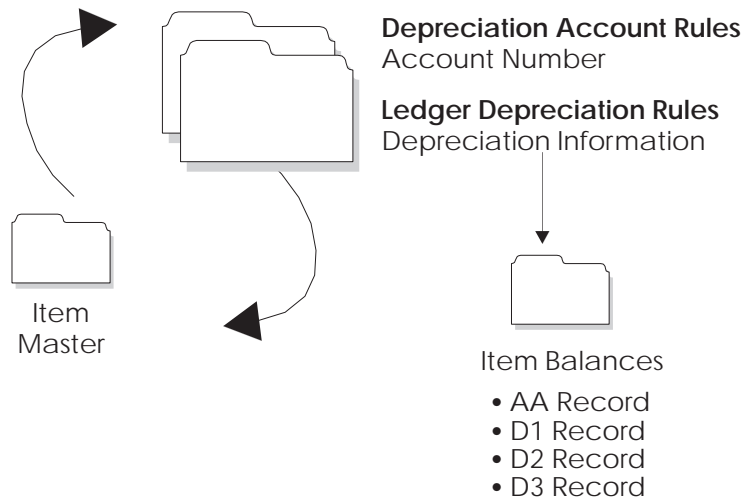


From Fixed Assets (G12), choose Fixed Asset Master Information

From Fixed Asset Master Information (G1211), choose 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 rules 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.



If necessary, you can also set up different subledger information within each ledger. This might include different life months or salvage value for a particular subledger, for instance, for additions to an asset, or even a completely different

depreciation method. When more than one subledger exists, a message appears and you can review depreciation information one subledger at a time.

After you set up asset master records, you can review both master information and balance information on Depreciation Information. You might want to review Depreciation Information to verify that the depreciation rules that you have set up for the system are correct for individual assets. For example, you might want to verify the following 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
- Subledger details, which may include life months, depreciation method, salvage value, and so forth

As you enter master records for individual assets or from the Fixed Assets menu, you can review the default depreciation information brought in from the depreciation rules. 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 if you use the defaults setting in Fixed Assets Constants

To verify depreciation information

On Depreciation Information

112002 - Depreciation Information

Functions: Tools Help

Item Number: 1303 Fiscal Year: 1993
 Subledger: Backhoe, Caterpillar 425
 Company Number: 10050 R model JC Company
 Accounting Cat Cd: 88 Heavy Equipment
 Depreciation Cat Cd: 88 Depre Cat Code

Accounting Values:

G/L Account	Bus. Unit	Obj	Sub	
Asset Cost Account	50	2030		equipment
Accum Depreciation	50	2130		Accum Depr-Equipment
Depr Expense	5980	644		Depreciation
Revenue Credit	5980	6421		Ownership Portion

*** Multiple Subledgers Exist ***

Depreciation Information

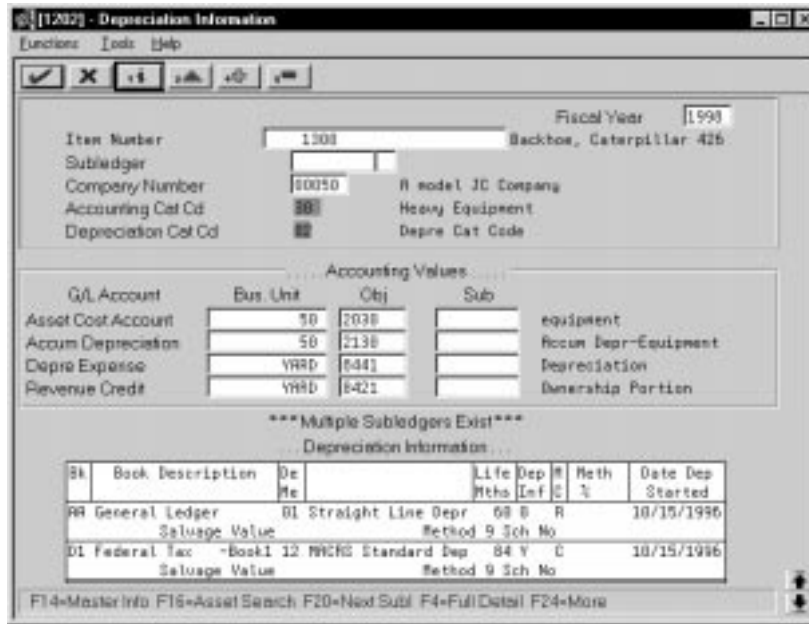
Book	Book Description	De Me	Life	Dep Meth	Inf	Meth C %	Date Dep Started
00	General Ledger	01	Straight Line Depr	08	B	R	10/15/1996
01	Federal Tax -Book1	12	MACRS Standard Dep	04	Y	C	10/15/1996
03	Earn. & Profit-Book3	13	MACRS Alternative	120	Y	I	10/15/1996
04	Alter. Minimum-Book4	04	150% Declinind. Bal	120	Y	I	10/15/1996

F14=Master Info F15=Asset Search F20=Next Subl F4=Full Detail F24=More

1. To locate an asset, complete the following field:
 - Unit Number
2. To indicate the year for which you want to verify depreciation information, complete the following field:
 - Fiscal Year
3. To view depreciation information for a specific subledger, complete the following fields:
 - Subledger
 - Subledger Type
4. Verify the following account information fields:
 - Accounting Category Code
 - Depreciation Category Code
 - Asset Cost Account
 - Accumulated Depreciation
 - Depreciation Expense
 - Revenue Credit
5. Verify the following depreciation information fields:
 - Book
 - Depreciation Method
 - Life Months
 - Initial Term Apportionment (Depreciation Information)

- Compute Direction (Method of Computation)
- Method Percent
- Date Depreciation Started

6. Choose Full Detail.



7. Verify the following fields:

- Salvage Value
- Method 09 Schedule Number

8. For assets that display the message "Multiple Subledgers Exist," use the Previous Subledger and Next Subledger functions to see the additional subledger information.

Field	Explanation
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.

Field	Explanation
Subledger Type	<p>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 or user defined. For example:</p> <ul style="list-style-type: none"> A Alphanumeric field, do not edit N Numeric field, right justify and zero fill C Alphanumeric field, right justify and blank fill
Accounting Cat Cd	<p>A user defined code (12/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.</p> <p>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.</p> <p>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.</p>
Depreciation Cat Cd	<p>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.</p> <p>NOTE: You must set up a default value for this category code.</p>
Asset Cost Account Bus. Unit	<p>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.</p>
Accum Depreciation Bus. Unit	<p>The business unit to which the system charges accumulated depreciation amounts.</p> <p>..... <i>Form-specific information</i></p> <p>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 Account Rules. 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.</p>

Field	Explanation
Depre Expense Bus. Unit	<p>The business unit to which the system charges depreciation expense.</p> <p>..... <i>Form-specific information</i></p> <p>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 Account Rules. 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.</p>
Revenue Credit Bus. Unit	<p>The business unit that the system credits for revenue amounts that originate in Equipment/Plant Management billing programs.</p> <p>..... <i>Form-specific information</i></p> <p>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 Account Rules. 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.</p>
Bk	<p>The user defined ledger type code (list 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.</p> <p>..... <i>Form-specific information</i></p> <p>If you leave this field blank, the system uses the default value you set up on the Item Setup Default Coding form.</p>

Field	Explanation
Depreciation Method	<p>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:</p> <ul style="list-style-type: none"> 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 <p>NOTE: Any additional depreciation methods you create for your organization must have an alpha code.</p>
Life Mths	<p>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.</p>

Field	Explanation
Dep Inf	<p>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:</p> <ul style="list-style-type: none"> 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 N First Day of Next Period R First Day of Next Year S Actual Start Date for Primary Rule/First Day of Period for Secondary Rule
	<p>NOTE: Numeric codes apply to standard depreciation methods only.</p>
	<p>To determine the date for F (First-half/Second-half), use the following guidelines:</p>
	<ul style="list-style-type: none"> • 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
Meth Comp	<p>A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> 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. <p>..... <i>Form-specific information</i></p> <p>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.</p>
Method %	<p>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:</p> <ul style="list-style-type: none"> 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. <p>The system also uses this field to compute any user defined depreciation method in which you specify a percentage.</p>

Field	Explanation
Date Dep 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.
Schedule No/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

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.

Revising account information

If you choose to lock either the accumulated depreciation account or the depreciation expense account to the cost account, you can change only the business unit for either of these accounts and then only prior to the initial posting. Subsequent changes to these accounts can be made only through the asset transfer program.

See *Setting Up Fixed Asset Constants* for more information.

Revising depreciation information

If you choose on Fixed Assets Constants to compute depreciation by using the depreciation rules, you can revise only the Depreciation Start Date, and Salvage Value fields. All other depreciation information must be changed through the ledger depreciation rules.

See *Setting Up Ledger Depreciation Rules* for more information.



Exercises

See the exercises for this chapter.

Enter Additional Asset Information

Entering Additional Asset Information



From Fixed Assets (G12), choose Fixed Asset Master Information

From Fixed Asset Master Information (G1211), choose an option

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

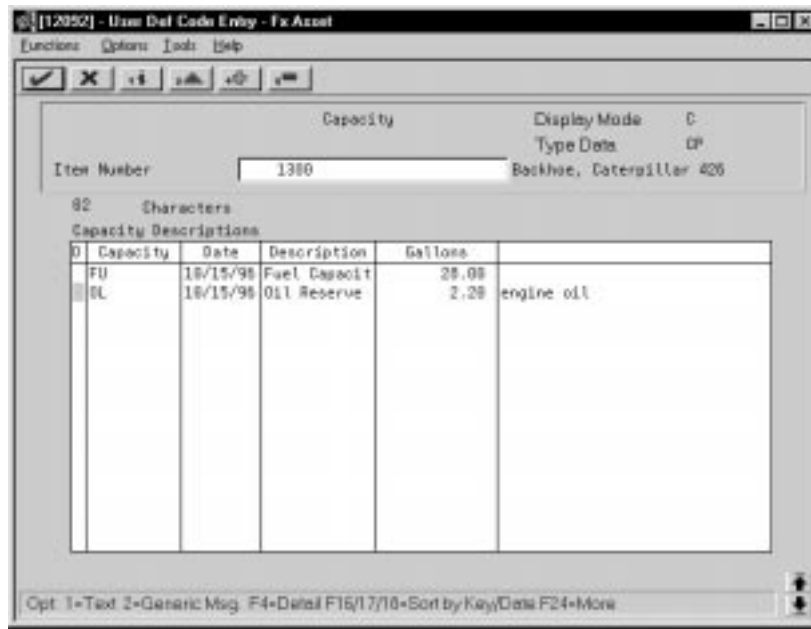
On Data Entry



1. To display a list of valid supplemental data types specific to an asset, complete the following field:
 - Asset Number

- Choose one or more types of information.

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



- On User Defined Code Entry – Fixed Asset, complete the appropriate fields.
- To enter text for a specific line of code (C and M display formats only), select the Text option.



5. To review or change the standard message, select Generic Message (M display mode only).

Field	Explanation
Item Number	<p>An identification code for an asset that you can enter in one of the following formats:</p> <ol style="list-style-type: none"> 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) <p>Every asset has an item number. You can use unit number and serial number to further identify assets as needed.</p> <p>If this is a data entry field, the first character you enter indicates whether you are entering the primary (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 Fixed Assets system constants form.</p>
Display Mode – Code or Narrative	<p>The format of a data type. This code determines the display mode for supplemental data. Valid codes are:</p> <ol style="list-style-type: none"> C Code format, which displays the form for entering code-specific information. These codes are associated with User Defined Codes table (F0005). N Narrative format, which displays the form for entering narrative text. P Program exit, which allows you 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 or Financials systems.

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

Item Number	11238	Motor, 500hp GE
Major Equipment	01	Motors (R)
Unit Number	01.151	Motor, 500hp GE
Description	EXHAUST FAN MOTOR	
Horsepower	500.00	
Phase	3	
Voltage		
RPM	1800	
Enclosure	EXPLOSION	
Frame	599LL	
Frequency (HZ)	60	
Type	K	
NEMA Design	B	
Manufacturer	GE	General Electric
Model	5K509AN204E	
Serial Number	5K509AN204	
Manager	0414	O'Nalley, James P.
Work Order		

1. To locate a piece of equipment with SP as a valid supplemental data type, complete the following field:
 - Asset Number
2. Complete all appropriate fields.
3. If there are more than 16 specification fields, choose next page.

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

Item Number	1398
Backhoe, Caterpillar 426	
Insurance Company	Hartford
Insurance Policy Number	230LL-43444
Renewal Month	03
Insurance Premium	457.98
Insurance Value	48,000.00
Replacement Cost	50,000.00
Last Years Cost	41,000.00

1. To locate an asset, complete the following field:
 - Asset Number
2. To record insurance information, complete any of the following fields.
 - Insurance Company
 - Insurance Policy Number
 - Renewal Month
 - Insurance Premium
 - Insurance Value
 - Replacement Cost
 - Last Years Cost

Field	Explanation
Item Number	An 8-digit number that uniquely identifies an asset.
Insurance Company	The name of the company issuing a specific insurance policy for a piece of equipment or property.
Insurance Policy Number	The insurance policy number for the asset. This field is used for informational purposes only.
Renewal Month	The month in which the insurance policy is to be renewed.
Insurance Premium	The cost of the insurance premium.
Insurance Value	The declared value for insurance reporting purposes. You must use the query facility to prepare reports as prescribed by your insurance company.
Replacement Cost	The current or estimated replacement cost of the asset. Typically, replacement cost is established by objective means, such as an appraisal or an industry valuation guideline. Replacement costs are often used for insurance reporting and special financial statements.
Last Years Cost	The estimate cost to replace the asset if it were purchased in the prior year. You must use the query facility for any reports needed.

Processing Options for Insurance Information

DREAM WRITER VERSION:

Enter the version for each program:
If left blank, ZJDE0001 will be used.

1. Master Information (P1201) _____

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. To locate an asset, complete the following field:
 - Asset Number
2. To record financing information, complete any of the fields.
 - Financing Method
 - Lessor, Renter or Mortgagee
 - Purchase Option
 - Purchase Option Price
 - Purchase Option Maximum
 - Purchase Option Credit Percentage
 - Contract Date
 - Date Expired
 - Monthly Payment
 - Explanation
 - Explanation – Remark

Field	Explanation
Financing Method	A user defined code (system 12, code FM) that designates how a fixed asset was acquired, for example, financed or purchased outright.
Lessor, Renter or Mort	The address book number for the lessor, renter, or lending institution.

Field	Explanation
Purchase Option	A code that indicates if there is an option to purchase a leased or rented asset. This code is informational only. Valid codes are: Y Yes, there is a purchase option for the asset N No, there is not a purchase option for the asset
Purchase Option Price	The purchase price, if you have the option to purchase a leased or rented asset. This is informational only.
Purchase Option Maximum	The maximum dollar amount that applies toward the purchase, if applicable. That is, if a portion of the monthly payment is accrued as a credit towards the eventual purchase of the asset, this is the maximum amount of the credit. This concept is typically used with IBM rentals.
Purchase Option Credit %	The fixed percentage of the monthly payment that applies to the purchase of the asset. You must enter a percent as a decimal. That is, 25% must be entered as .25.
Contract Date	The date the contract for the asset was put into effect.
Date Expired	The date the contract for the asset expired.
Monthly Payment	The amount of the monthly payment for the asset you are financing, renting, or leasing. This is informational only.
Explanation	A description, remark, name, or address.
Explanation – Remark	A name or remark that describes an element in the J.D. Edwards systems.

Processing Options for Financing Information

DREAM WRITER VERSION:

Enter the version for each program:
If left blank, ZJDE0001 will be used.

1. Master Information (P1201) _____

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.

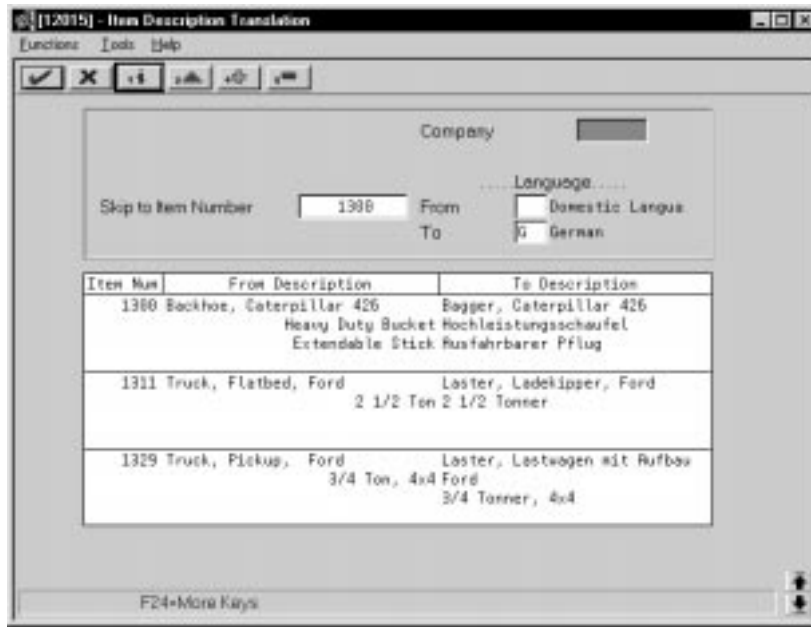
The system stores non-domestic asset descriptions in the Master Information – Alternate Description table (F1201D).

► To enter description translations

On Item Description Translation

Item Num	From Description	To Description
1380	Backhoe, Caterpillar 426	Bagger, Caterpillar 426
1311	Truck, Flatbed, Ford	Laster, Ladekipper, Ford
1320	Truck, Pickup, Ford	Laster, Lastwagen mit Aufbau
1337	Scaffolding	
1345	Saw, Circular	
1353	Drill Motors	
1361	CRD/CRM	
1370	Flotter	
1380	Scraper, Ruger, CRT 851E	
1396	Caterpillar Crawler, 1997	
1400	Master	
1400	Forms, Curb	

1. Complete the following fields:
 - Asset Number
 - Language To
2. To enter the non-domestic description, complete the following field:
 - To Description
3. Choose Details.



4. To enter additional descriptions, complete the following fields:
- Description 02
 - Description 03

Field	Explanation
Language From	<p>The language you want to use to print reports or documents, or to view information on the form.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Language To	<p>A user defined code (system 01/type LP) that specifies a language to use in forms and printed reports.</p> <p>For World, if you leave the Language field blank, the system uses the language that you specify in your user preferences. If you do not specify a language in your user preferences, the system uses the default language for the system.</p> <p>Before any translations can become effective, a language code must exist at either the system level or in your user preferences.</p> <p>..... <i>Form-specific information</i></p> <p>Enter the code for the language you want to use in the To Description field.</p>

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. To locate an asset, complete the following field:
 - Asset Number
2. Choose Message Log Entry.

The screenshot shows a 'Log Entry' window with the following fields and values:

Item Number	1300	Mag Type	
Message From		Tickler M/H	
		Tickler Date	
		Backhoe, Caterpillar 426	

Message :

Oper: W090193 Date: 05/06/97 Time: 10:05:37

F10=Master Information F24=More Keys

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
Msg 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 M/H	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 Dte	<p>The date that you want to receive a reminder message about an asset.</p> <p>..... <i>Form-specific information</i></p> <p>For Equipment/Plant Maintenance:</p> <p>You can associate this date with a scheduled maintenance date and include a message to the technician that performs the maintenance.</p>

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

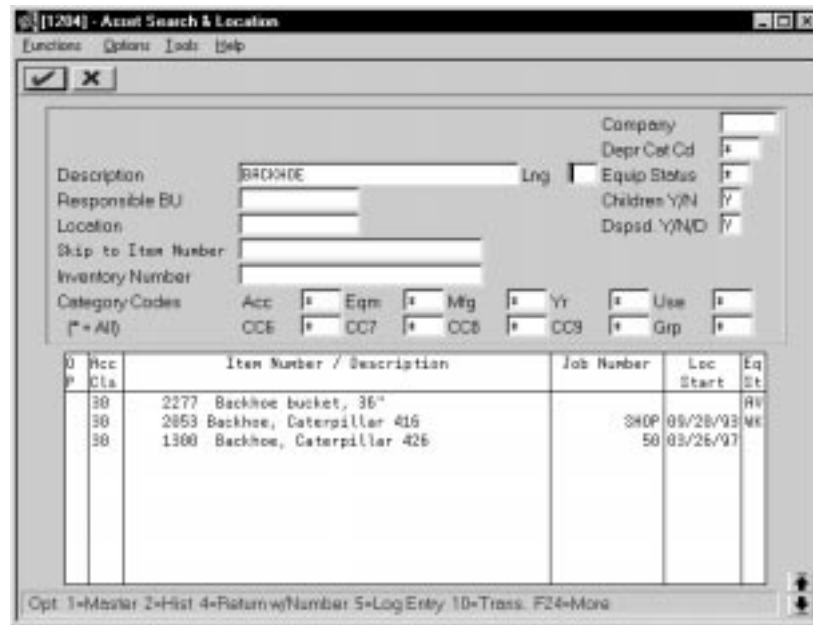
To print the existing messages for an asset, you must run the Maintenance Log program. This program is available in the Equipment/Plant Management system on the Equipment/Plant Maintenance menu.

► **To view asset messages**

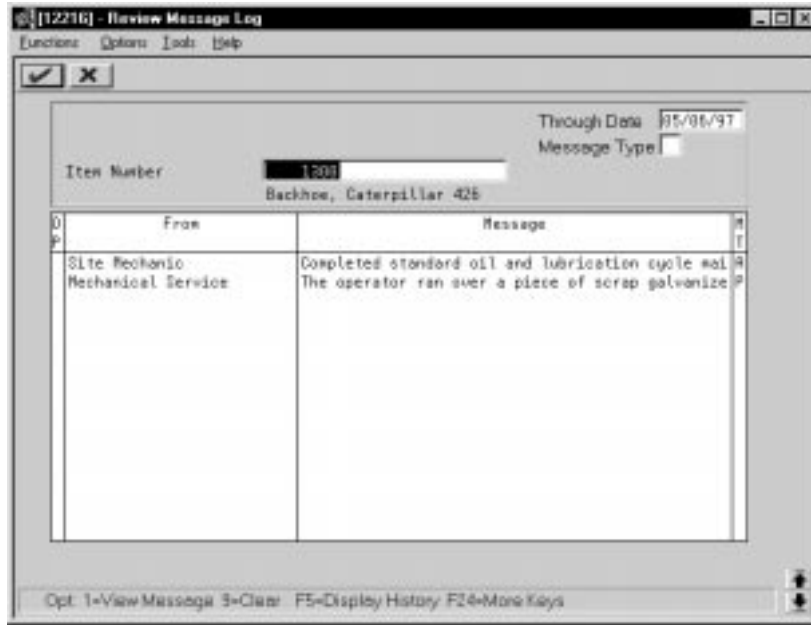
If a message exists for an asset, the system highlights the asset number in the Item Number/Description field. After you view an asset message, the system no longer highlights the asset number.

On Master Information

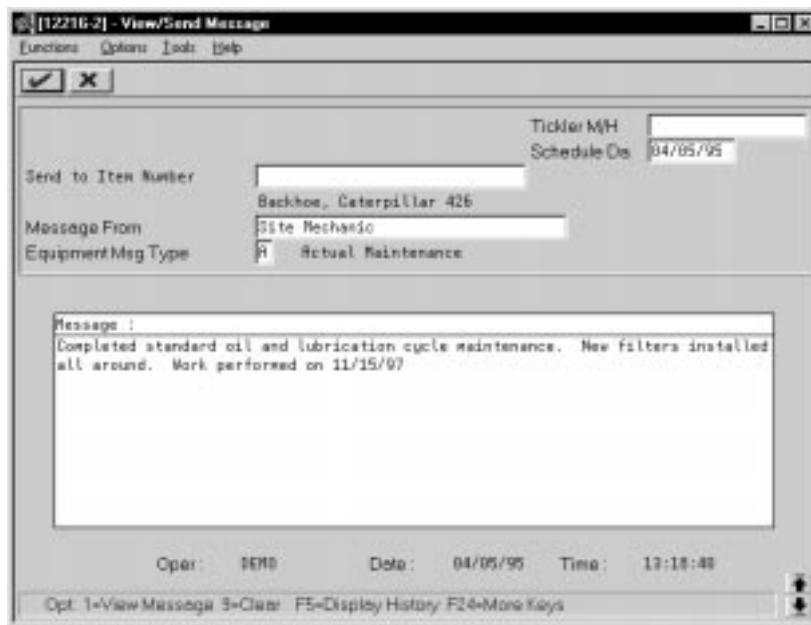
1. Choose Asset Search and Location.



2. To locate an asset, complete the following field:
 - Asset Number
3. Choose Review Message Log.



4. Choose View Message.



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

Searching for Asset Information



From Fixed Assets (G12), choose Fixed Asset Master Information

From Fixed Asset Master Information (G1211), choose Asset Search and Location

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 that 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.



Search for Equipment by:

- Company
- Equipment Status
- Description
- Responsible Business Unit
- Location
- Category Codes



Exit To:

- Location Transfer
- Parent History Inquiry
- Search for Like Assets
- Component Relations
- Message Log Review
- Cost Summary
- Asset Master
- Supplemental Data
- Location History
- License Tracking
- Backlog Management
- Completed PM
- Log Entry

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.

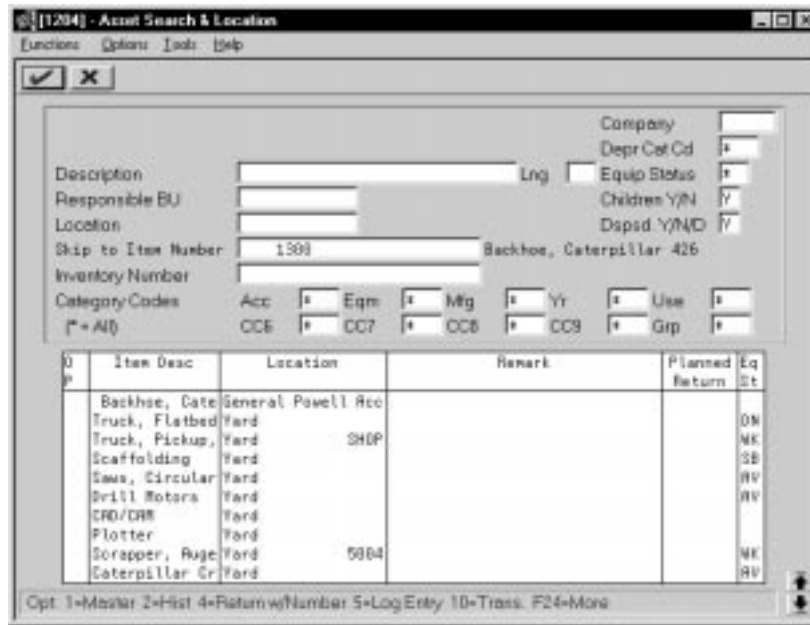
Searching for Assets by Field

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.

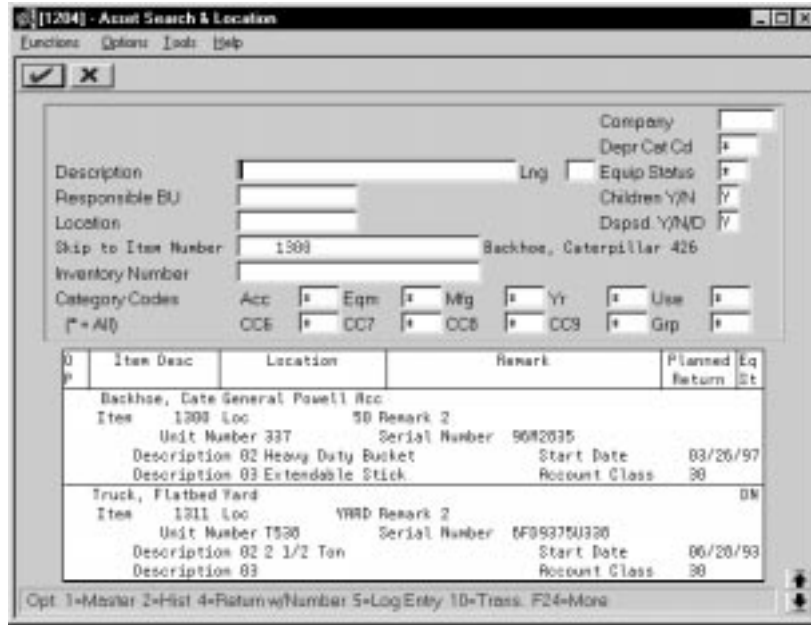
For example, to review a list of all of your company's backhoes, you can enter as much information as you know about the backhoes on Asset Search and Location. The system searches the asset information databases and all the assets that meet the criteria that you enter in the fields appear.

► **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.



Field	Explanation
Company	<p>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.</p> <p>NOTE: Use Company 00000 only for default values, such as dates and Automatic Accounting Instructions (AAIs). You cannot use Company 00000 when entering transactions.</p>
Depr Cat Cd	<p>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.</p> <p>NOTE: You must set up a default value for this category code.</p>
Equip Status	<p>A user defined code (12/ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.</p>
Description	<p>The alpha name or description of a fixed asset.</p>

Field	Explanation
Responsible BU	<p>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.</p> <p>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.</p>
Location	<p>The current physical location of an asset. This must be a valid business unit or job number in the Business Unit Master file (F0006).</p>
Inventory Number	<p>For Inventory Management clients only. This number links an equipment number set up in the Inventory system to the same equipment number set up in the J.D. Edwards Fixed Assets system.</p> <p>..... <i>Form-specific information</i></p> <p>This is a number assigned in the Inventory Management system that identifies equipment repair parts, parts lists, and routings that relate to this asset or piece of equipment. For example, the number could identify a replacement part for which inventory is maintained. This number could also identify the parts list and routing used to maintain this piece of equipment. This number is informational only and is edited against the Inventory Master.</p>
Category Codes	<p>A user defined code (12/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.</p> <p>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.</p>

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. _____
4. Enter the DREAM Writer version of the Asset Master (P1201) to call. Leave blank to call version ZJDE0001. _____
5. Enter the DREAM Writer version of the Location Inquiry (P12215) to call. Leave blank to call version ZJDE0001. _____

DEFAULT VALUES:

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

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

Locate Parent and Component Information

Locating Parent and Component Information



From Fixed Assets (G12), choose Fixed Asset Master Information

From Fixed Asset Master Information (G1211), choose Asset Search and Location

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.

Item Desc	Location	Remark	Planned Return	Eq St
Exhaust Fan, Boiler #1	L1			
Forced Draft, Boiler Operat	STERM			
Electrostatic Value, Primer Pump, Flow So	STERM			
Production L1	STERM			
Pittsburgh P1	PRERL			
Primary Proce	L1			

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.

The screenshot shows a window titled "[12212] - Parent History Information". It has a menu bar with "Functions", "Options", "Tools", and "Help". Below the menu bar is a toolbar with several icons. The main area contains a form with "Item Number" set to "10023" and "Exhaust Fan, 500hp". Below the form is a table with the following data:

Parent Number	Description	Begin Date	Ending Date
10851	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

At the bottom of the window, there is a status bar with the text: "Opt: 1=Master Z=Next J=Cost Info F2=Toggle F12=Prev Asset F24=More".

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).

Level	Item Number	Description	Net Book Value
1	10823	Exhaust Fan, 500hp	
.2	11236	Motor, 500hp GE	
.2	11244	Hydraulics	
.2	11252	Shaft Assembly	

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

Track Asset Locations

Tracking Asset Locations



From Fixed Assets (G12), choose Fixed Asset Master Information

From Fixed Asset Master Information (G1211), choose Location Inquiry

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



From Fixed Assets (G12), choose Transfers, Splits, and Disposals

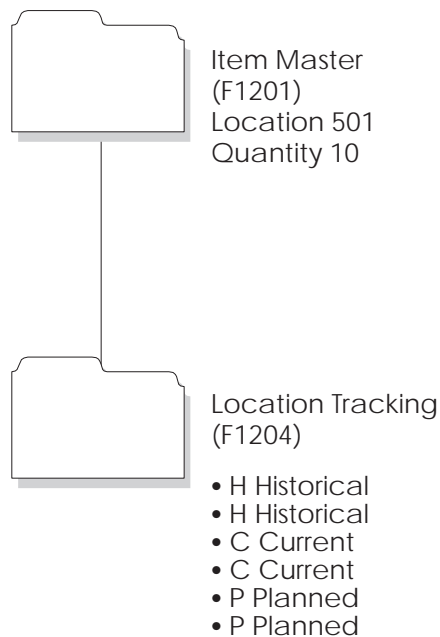
From Fixed Asset Master Information (G1222), choose Location Transfer

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.



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.

Item Number	Begin / End Date / Time	L C	Eq St	Rt Cd	Quantity	Unit Amount
1300	06/03/03 07:00	C		NB	1.00	
1300	05/13/03 00:00	H	MK	NB	1.00	
1300	04/05/03 11:15	H	MK	NB	1.00	
1300	03/01/03 07:00	H	MK	NB	1.00	
1300	02/25/03 14:00	H	RP	NB	1.00	
1300	02/19/03 07:00	H	MK	NB	1.00	
1300	01/15/03 10:00	H	MK	NB	1.00	
1300	01/01/03 07:00	H	MK	NB	1.00	
1300	07/15/96 07:00	P	MK	NB	1.00	

► **To enter location information with inquiry**

On Location Transfer

- To locate a specific asset, complete any of the following fields:
 - Item Number
 - Location
 - Transfer Number
- To specify the type of location tracking records that you want to review, complete the following field:
 - 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.

- Complete the following fields:
 - To (Location)
 - Date
 - Time
- 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. To specify a different billing account, complete the following optional fields:
 - Business Unit
 - Object
 - Subsidiary

7. For each asset that you want to relocate, choose Transfer.

Field	Explanation
Location Code	<p>A code that indicates the type of location record. You can enter the following valid values:</p> <ul style="list-style-type: none"> 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. <p>The default value for this field is C.</p> <p>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.</p>

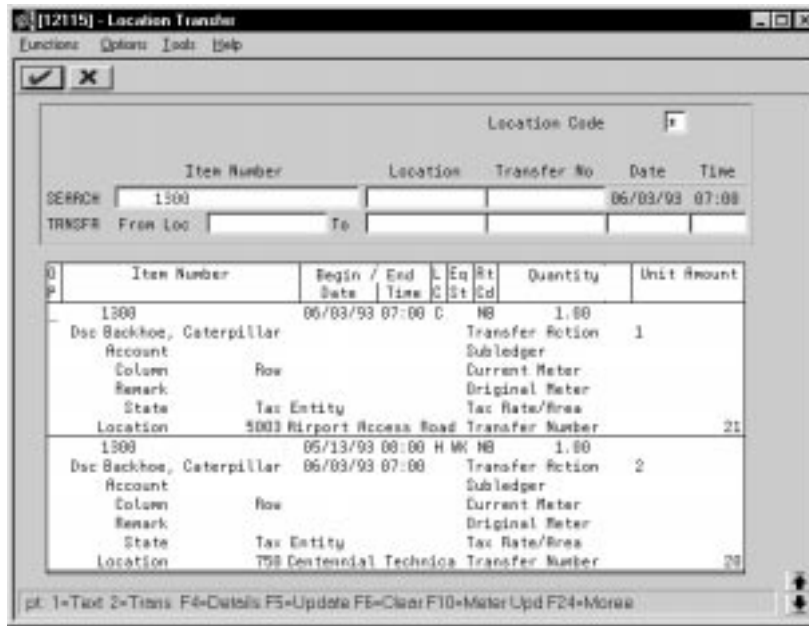
Field	Explanation
Transfer Number	A number that identifies a transfer record for an asset or group of assets. You can assign this number to new transfer records. If you leave this field blank when you perform a location transfer, the system assigns the transfer record a number from Next Numbers.
Date	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p> <p>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.</p>
Time	<p>The time that the asset is transferred to a new location.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p> <p>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.</p>

► To enter location information without inquiry

On Location Transfer

1. Complete the following fields:
 - To (Location)
 - Item Number

2. Complete the following optional fields:
 - Date
 - Time
 - From (Location)
 - Transfer Number
3. To enter location information, complete the following optional fields:
 - Equipment Status
 - Beginning Date
 - Beginning Time
4. To enter additional location information, choose Details.



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. _____
3. Enter a '1' to update the Property Tax fields in the Asset Master (F1201) when updating them on the Location. Leave blank to only update Property Tax fields on the Location. _____
4. Enter a '1' to NOT update the child's Billing Amount when transferring the parent. Leave blank to update the child's Billing Amount with the parent's Billing Amount when transferring the parent. _____

DREAM WRITER VERSIONS:

5. Enter the DREAM Writer version of the Location Inquiry (P12215) to call. Leave blank to call version ZJDE0001. _____
6. Enter the DREAM Writer version of Meter Readings (P12120) to call. Leave blank to call version ZJDE0001. _____

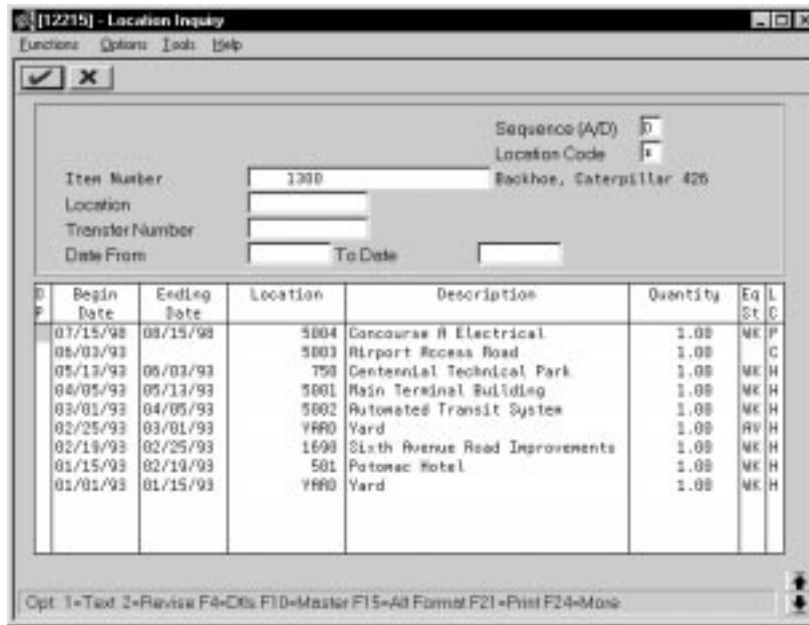
Reviewing Location Information

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. To review additional location information, choose Details.

Begin Date	Ending Date	Location	Description	Quantity	Eq L St C
07/15/90	08/15/90	5004	Concourse A Electrical	1.00	ME P
Rate Code NB Transfer Number 24 Remark					
Action 1					
08/03/93		5003	Airport Access Road	1.00	C
Rate Code NB Transfer Number 21 Remark					
Action 1					
05/13/93	06/03/93	750	Centennial Technical Park	1.00	ME H
Rate Code NB Transfer Number 20 Remark					
Action 2					
04/05/93	05/13/93	5001	Rain Terminal Building	1.00	ME H
Rate Code NB Transfer Number 19 Remark					
Action 1					

Field	Explanation
Sequence (A/D)	<p>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:</p> <ul style="list-style-type: none"> 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	<p>A code that indicates the type of location record. You can enter the following valid values:</p> <ul style="list-style-type: none"> 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. <p>The default value for this field is C.</p> <p>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.</p>

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 from which you want the system to display information.
To Date	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. To locate an individual location record, complete the following fields:
 - Asset Number
 - Location

- Location Code
 - Beginning Date
2. Choose Location Revisions.

The screenshot shows a software window titled "[12341] - Location Revisions". The window contains a form with the following fields and values:

Item Number	1388	Backhoe, Caterpillar 426
Location	5004	Concourse R Electrical
Location Code	P	
Beginning Date	87/15/98	Beginning Time 07:00
Ending Date	88/15/98	Ending Time 07:00
Transfer Number	24	Quantity 1.00
Equipment Status	ok	Working
Remark		
Cur Meter Reading		Orig Meter Reading
Column		Row
State	Tax Entry	Tax Posty/Area
Transfer Action	E	
Equipment Rate Code	AB	Non-Billable
Business Unit		Object
Subledger		Subledger Type
Billing Amount		
Rate Table		
Rate Group		

At the bottom of the window, there are keyboard shortcuts: F5=Update with Redisplay, F10=Text, F24=More Keys.

3. On Location Revisions, to revise the location record, complete any of the following fields:
- Ending Date
 - Ending Time
 - Transfer Number
 - Equipment Status
 - Remark
 - Current Meter Reading
 - Original Meter Reading
 - Aisle
 - Bin
4. To revise location billing information, complete any of the following fields:
- Transfer Action
 - Equipment Rate Code
 - Business Unit
 - Subledger

- Subledger Type
- Billing Amount

Field	Explanation
Beginning Date	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>The date that the asset started at the location.</p>
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	<p>The system displays the following fields only for your information on Location Revisions:</p> <ul style="list-style-type: none"> • 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).

PROPERTY TAX UPDATE:

2. Enter a '1' to update the Property Tax fields in the Asset Master (F1201) when updating them on the Location. Leave blank to only update Property Tax fields on the Location.

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

You can generate fixed asset journal entries 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
- Procurement
- 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

In addition to determining which accounts fall into the fixed asset range, you can use subledger functionality to reflect another dimension of your costs. For example, you can use subledgers to show original cost, additions, and, if necessary, restatement or revaluation cost. This is useful when these components have different depreciation schedules.



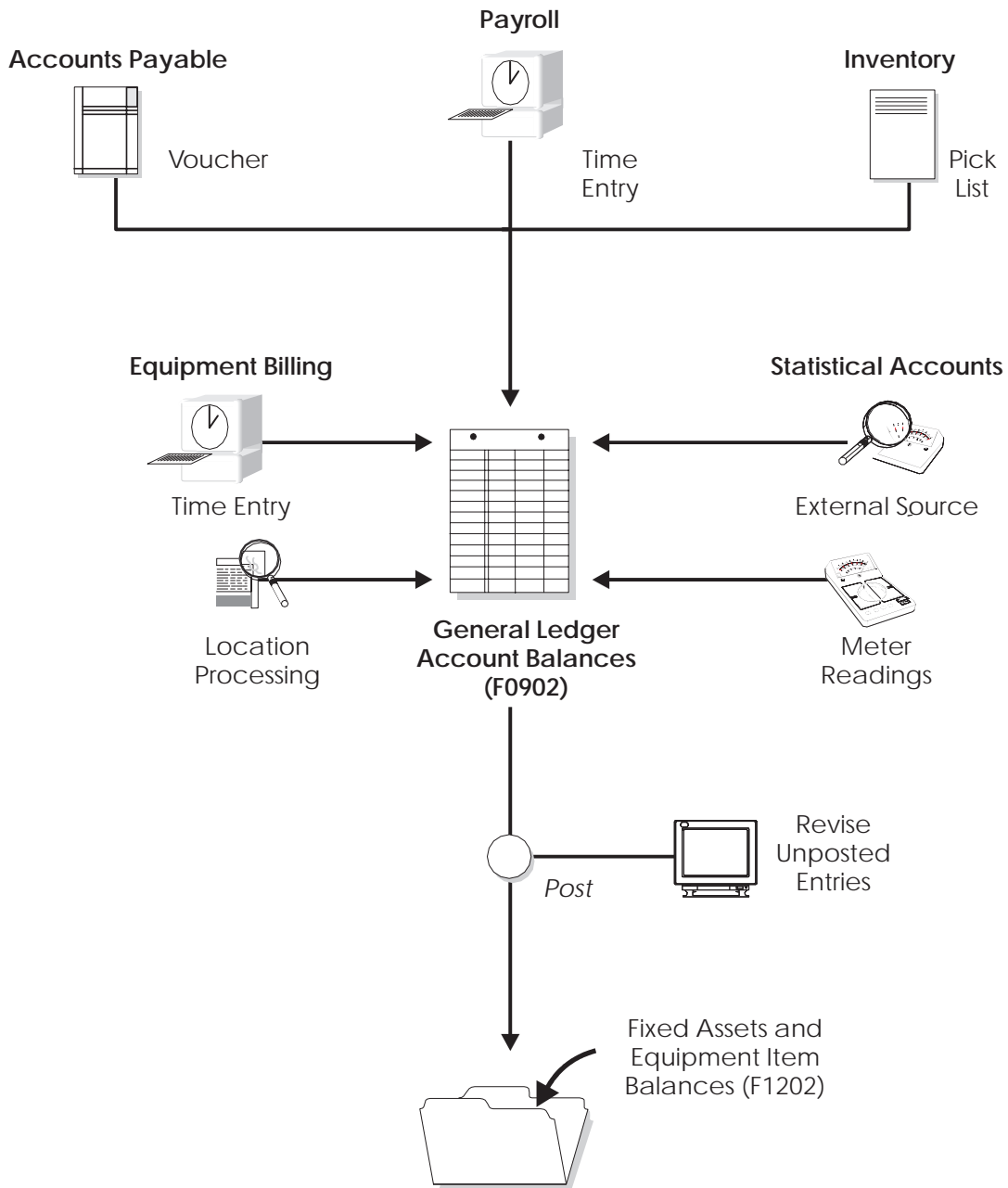
After the system creates journal entries for the asset transactions that you enter, possibly including subledger information, you must post the entries first to the general ledger, and then to fixed assets. When you post to the general ledger, the system updates the Account Balances table (F0902). When 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 the system assigns entries 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 asset costs

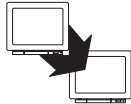


Exercises

See the exercises for this chapter.

Work with G/L Journal Entries

Working with G/L Journal Entries



From Fixed Assets (G12), choose Posting G/L to Fixed Assets

From Posting G/L to Fixed Assets (G1212), choose an option

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 within 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
- Add or review text notes to individual journal entries



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

Item Number	Explanation	Ty	Document Number	G/L Date	Amount	P/C
		PV	4155	06/21/98	2,487.61	
		PV	4155	06/21/98	14,978.95	
		PV	4156	06/21/98	3,458.01	
		PV	4151	06/30/98	94,675.12	
	32780 Main Storage	PV	4277	06/30/98	15,987.62	
	DRCD 2 85798	PV	4277	06/30/98	31,786.43	
	Printer 245pi	PV	4277	06/30/98	18,689.23	
	Ceiling Materials	BE	1635	06/15/98	17.50	
80981886	Ceiling Materials	BE	1635	06/15/98	17.50	
		JE	1798	06/30/98	6,020.00	
		AK	3576	06/31/98	13,500.00	

1. To locate a journal entry, complete any of the following fields:
 - Company
 - Account Number
 - Business Unit/Object
 - Object
 - Batch/Batch Type
 - Document/Document Type
 - Hold Code (G/L Posting Code)
 - Ledger Type
2. To change or add a transaction description, complete the following field:

- Explanation
3. To change the hold code for a transaction, complete the following field:
 - Hold Code (G/L Posting Code)
 4. To prevent a transaction from posting, complete the following field:
 - Pass Code (Batch Rear End Posted Code)
 5. To automatically create a new asset master record when you run Post G/L Entries to Assets, leave the following field blank:
 - Asset Number (Input)
 6. To create a new asset master record or review an existing record, choose Master Information.
 7. To review individual transactions, choose Original Source of Entry.
 8. To post individual journal entries immediately to fixed assets, choose Post.
 9. To either attach a text note to the journal entry or review a note already attached, choose the Generic Text option.

Field	Explanation
Account Number	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none"> • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code (not currently available in OneWorld) <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>

Field	Explanation
Document Type	<p>A user defined code (system 00/type DT) that identifies the origin and purpose of the transaction.</p> <p>J.D. Edwards reserves several prefixes for document types, such as vouchers, invoices, receipts, and timesheets.</p> <p>The reserved document type prefixes for codes are:</p> <ul style="list-style-type: none">P Accounts payable documentsR Accounts receivable documentsT Payroll documentsI Inventory documentsO Order processing documentsJ General ledger/joint interest billing documents <p>The system creates offsetting entries as appropriate for these document types when you post batches.</p>
F/A Hold Code	<p>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 * code is reserved for selection of all hold codes in the Revise Unposted Entries program (P12102).</p> <p>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.</p>

Field	Explanation
F/A Pass Code	<p>The valid post codes for fixed asset transactions are as follows:</p> <ul style="list-style-type: none"> 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. <p>..... <i>Form-specific information</i></p> <p>This field appears twice on the Revise Unposted Entries form.</p> <p>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.</p> <p>PC. Use this field to manually update a transaction to a P status.</p>

Field	Explanation
Asset Number-Input	<p>An identification code for an asset that you can enter in one of the following formats:</p> <ol style="list-style-type: none"> 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) <p>Every asset has an item number. You can use unit number and serial number to further identify assets as needed.</p> <p>If this is a data entry field, the first character you enter indicates whether you are entering the primary (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 Fixed Assets system constants form.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>

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 you can review the results on online using the Cost Summary form.
- Notes attached to journal entries** When you attach a generic text note to a journal entry, the attachment persists through the posting process. The note will be viewable through Item Transaction Inquiry after posting.
- Updating the Pass Code** You cannot update the Pass Code to * (posted) through Global Updates. You can only update it to P (Pass).

See Also

- *Creating an Asset Master Record*

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. _____

DREAMWRITER VERSIONS:

Enter the version for each program:

3. Master Information (P1201)
If left blank, ZJDE0001 will be used. _____
4. Open Order Inquiry (P430301)
If left blank, ZJDE0006 will be used. _____

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.

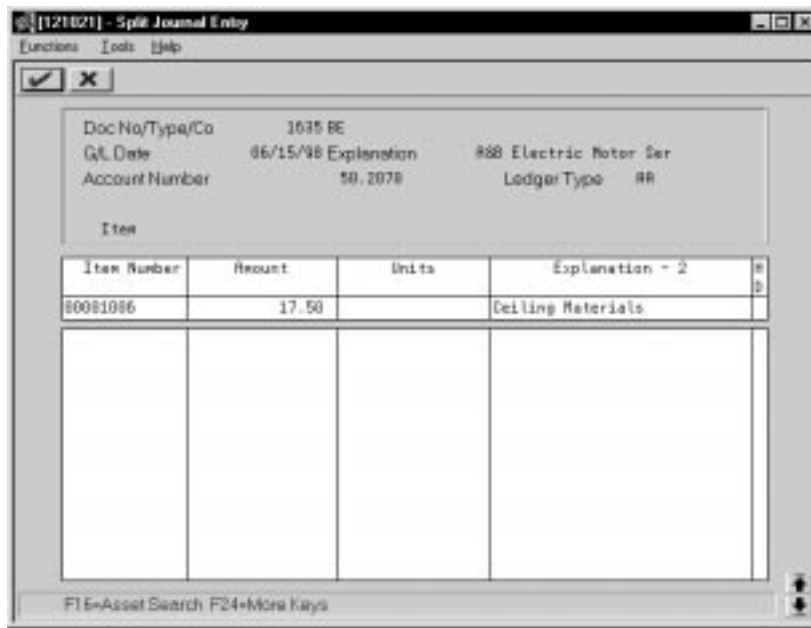
After you split a journal entry, you can review the transactions on Revise Unposted Entries.

To split unposted journal entries

On Revise Unposted Entries

1. To locate a journal entry, complete any of the following fields:
 - Company
 - Account number
 - Business Unit/Object
 - Batch Number/Batch Type

- Document Number/Document Type
 - Hold code
 - Ledger type
2. Choose Split Journal Entry.
 3. Use the Change action.
 4. On Split Journal Entry, complete the following fields:
 - Asset Number
 - Amount
 - Units (if applicable)
 - Explanation-2
 5. Use the Change action.



Field	Explanation
Explanation - 2	A name or remark that describes an element in the J.D. Edwards systems. <i>Form-specific information</i> 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 a 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 review a list of all the transactions that have been posted to the general ledger and are eligible to post to fixed assets, but have not yet been posted 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 Ty Number	G/L Date	Account, Description, Subledger/Type	LT	Amount	Units	Item Number	Description/Explanation	Line Number D
PV	538 06/15/98	50.2070. Capital Improvements	AA	2,000.00			* No Item Master Record Electrical Units	6.0 H
PV	568 06/15/98	50.2040. Vehicles	AA	8,925.64			A&B Electric Motor Ser * No Item Master Record Invoice 79860	13.0
PV	568 06/15/98	50.2040. Vehicles	AA	4,000.00			Tenco Tractor, Inc. * No Item Master Record Invoice 821347 Tenco Tractor, Inc.	14.0 H
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

Posting G/L Journal Entries to Fixed Assets



From Fixed Assets (G12), choose Posting G/L to Fixed Assets

From Posting G/L to Fixed Assets (G1212), choose Post G/L Entries to 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 AAI's 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

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 fall within the fixed asset (FX) range of AAI's must be posted to the Item Balances table to update the Fixed Assets system with current transaction records.

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 AAI's
- A fixed asset post code of blank
- A valid equipment number or an account within the cost account (FA) range of the AAI's
- 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 Ty	Document Number	G/L Date	Account Description and Explanation	LT	Amount	Item Number Units	Description	Message Area	
PV	572	06/15/98	50.2030. Heavy Equipment Trailer Tenco Tractor, Inc.	AA	19,785.60	10663 Heavy Equipment Tenco Tractor, Inc. Trailer	Item Master record created. Item number assigned.		
PV	573	06/15/98	50.2030. Heavy Equipment Tractor Digger, Inc.	AA	675,795.80	10671 Heavy Equipment Digger, Inc. Tractor	Item Master record created. Item number assigned.		
PV	574	06/15/98	50.2030. Heavy Equipment Steel Platform Edwards & Edwards	AA	25,782.55	10680 Heavy Equipment Edwards & Edwards Steel Platform	Item Master record created. Item number assigned.		

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 AAI's.

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 Depreciation Account Rules and Ledger Depreciation Rules.

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 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/ commas (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. To correct the balance in the general ledger, enter the adjusting journal entry.
2. On *Revise Unposted Entries*, to keep the transaction from posting to Fixed Assets, complete the following field:
 - 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. To correct the Fixed Asset balance, enter a journal entry.
2. Post the adjusting journal entry to the general ledger.
3. Post the adjusting journal entry to the Fixed Assets system.
4. To return the general ledger to the correct balance, void the general ledger entry.
5. On Revise Unposted Entries, to pass the transaction and keep the adjusting journal entry from posting to Fixed Assets again, complete the following field:
 - 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 been 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

Reviewing Asset Costs



From Fixed Assets (G12), choose Cost Information and Reports

From Cost Information and Reports (G1213), choose Cost Summary

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

The screenshot shows a window titled "[122101] - Cost Summary" with a menu bar (Functions, Options, Locks, Help) and a toolbar. The window contains several input fields and a table.

Input fields:

- Item Number: 1300
- Skip to Account: [Empty]
- Book/No, Caterpillar 420
- From Date/Period: [Empty]
- Through Date/Period: 05/30/98
- Ledger Type: RA
- Detail/Summary (D/S/C): D
- Units/Unit Cost (Y/A/B): N
- Subledger/Type (*=All): *

Table:

Dr	Crct	Account Description	Incep to Date	Year to Date	Month to Date
	2030		40,100.00		
	2130		15,369.48-	3,042.35-	
		Net Book Value	30,730.60	3,042.35-	
	0421		1,045.00-	1,045.00-	
	0422		3,690.00-	3,690.00-	
	0423		3,690.00-	3,690.00-	
		Revenue Earned	9,225.00-	9,225.00-	
	0441		3,042.35	3,042.35	
		Ownership Costs	3,042.35	3,042.35	
	0402		117.50	117.50	
	0402				
	0406		127.50	127.50	
		Maintenance Costs	245.00	245.00	
		Total	25,601.01	8,970.94-	

Footer: Opt 1=Item Transaction Inq F4=Full Detail F3=Open Orders F24=More

1. To locate a specific asset, complete the following field:
 - Asset Number
2. To specify the costs that you want to review, complete the following optional fields:
 - From Date/Period
 - Through Date/Period
 - Ledger Type
 - Detail/Summary
 - Units/Unit Cost
 - Subledger/Type
3. To review more information, choose Full Detail.

The screenshot shows a window titled "[12210] - Cost Summary". It contains a form with the following fields: Item Number (1300), Skip to Account (Backhoe, Caterpillar 425), From Date/Period, Through Date/Period (05/30/98), Ledger Type (AR), Detail/Summary (D/S/C) (D), Units/Unit Cost (Y/A/B) (N), and Subledger/Type (*=All) (P). Below the form is a table with columns: Acct, Account Description, Incep to Date, Year to Date, and Month to Date.

Acct	Account Description	Incep to Date	Year to Date	Month to Date
2030		46,108.00		
2130		15,969.48-	3,642.95-	
	Net Book Value	30,738.50	3,642.95-	
6421		1,645.00-	1,645.00-	
6422		3,698.00-	3,698.00-	
6423		3,698.00-	3,698.00-	
	Revenue Earned	9,225.00-	9,225.00-	

- To review the posted transactions for an individual account balance, select Item Transaction Inquiry.

The screenshot shows a window titled "[12211] - Item Transaction Inquiry". It contains a form with the following fields: Item Number (1300), Account Number (Backhoe, Caterpillar 425), From Date/Period (01/01/98), Thru Date/Period (06/30/98), Book (Ledger Ty) (AR), and Subldgr/Ty (*=All) (P). Below the form is a table with columns: DT Document, Date, Explanation, Debit, Credit, and P.

DT Document	Date	Explanation	Debit	Credit	P

- You can add or review any generic text notes attached to journal entries by using the generic text function on any highlighted entries.

Field	Explanation
From Date/Period	<p>The beginning date of the range in a search. If you do not specify a beginning date, the system uses the current date.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Through Date/Period	<p>A number that identifies either a fiscal period (numbers 1 to 14) or an ending date. The screen includes information through this date.</p> <p>..... <i>Form-specific information</i></p> <p>The Cost Summary programs are date-sensitive.</p>
Detail/Summary (D/S/O)	<p>Enter the following values:</p> <ul style="list-style-type: none"> 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. <p>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.</p> <p>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.</p> <p>You define how the system summarizes accounts by setting up the AT automatic accounting instructions.</p>

Field	Explanation
Units/Unit Cost (Y/A/B)	<p>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:</p> <ul style="list-style-type: none"> 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. <p>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.</p>
Ledger Type	<p>The user defined ledger type code (list 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.</p> <p>..... <i>Form-specific information</i></p> <p>The system assigns a default ledger type of AA (Actual Amounts) for this field.</p>
Subledger – G/L	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>

Field	Explanation
Subledger Type	<p>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 or user defined. For example:</p> <ul style="list-style-type: none">A Alphanumeric field, do not editN Numeric field, right justify and zero fillC Alphanumeric field, right justify and blank fill

What You Should Know About

Detailed transactions	<p>Detailed transactions (F0911 records) appear only under the following circumstances:</p> <ul style="list-style-type: none">• 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.
Generic text notes attached to documents	<p>You can attach free form notes to individual documents displayed on Item Transaction Inquiry by using the generic text function. Documents that have notes attached are indicated by a highlighted document number in the Document field.</p>
Open purchase orders	<p>You can use the Open Orders function to access Open Order Inquiry to review any open purchase orders.</p>

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.

DW VERSION SELECTION:

4. Enter the DREAM Writer version of the Order Inquiry (P430301) to call when the related option exit is used. Leave blank to call version ZJDE0006.

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

Standard Depreciation

Objectives

- To understand how standard depreciation is calculated
- To enter units of production, if required
- To calculate standard depreciation
- To post depreciation to the general ledger

About Standard 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 standard asset depreciation.

Asset depreciation consists of the following tasks:

- Understanding depreciation methods
- Entering units of production (optional)
- Calculating standard depreciation
- Calculating user defined depreciation
- Setting up user defined depreciation
- Posting depreciation to the G/L



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.

See Also

- *User Defined Depreciation* for information about user defined depreciation.



Understand Standard Depreciation Methods

About Standard Depreciation Methods

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 standard depreciation method.

Standard Depreciation Methods

The Fixed Assets system includes the following predefined, 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:

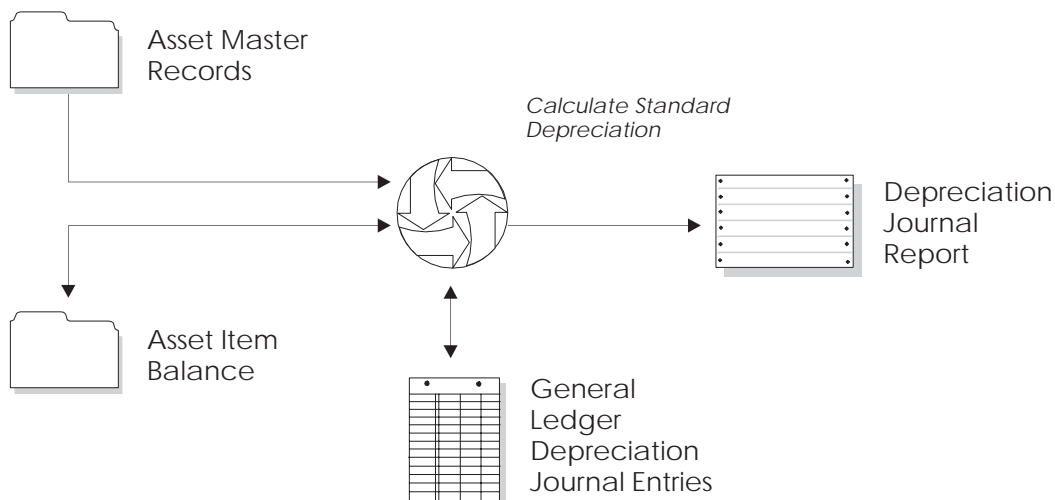
- The system does not allow accumulated depreciation to exceed the depreciable basis. The depreciable basis for an asset is the asset's original cost minus its salvage value. When the total of an asset's current depreciation and accumulated depreciation is greater than the depreciable basis, the system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



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 only calculates 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) $((\text{Cost} - \text{Salvage Value}) / \text{life months}) * \text{elapsed months} - \text{accumulated depreciation} = \text{period depreciation}$.

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) $((\text{Net book value} - \text{salvage}) / \text{Remaining life periods}) * \text{months elapsed year-to-date} - \text{year-to-date depreciation} = \text{period depreciation}$.

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) $\text{Adjusted cost} / \text{life months} = \text{period depreciation}$.

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) $(\text{Cost} - \text{salvage value}) * \text{remaining useful life} / \text{sum of the years} = \text{year's depreciation}$. $\text{Year's depreciation} / \text{number of normal periods in the year} = \text{period depreciation}$.

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:

$$\text{SYD} = n * ((n + 1) / 2)$$
 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.
- 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) $((\text{NBV} * \text{percentage}) / \text{life periods} * \text{elapsed periods}) - \text{Accumulated Depreciation} = \text{period depreciation}.$

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) $\text{NBV (if greater than zero)} * \text{percentage} / \text{remaining life periods} = \text{period depreciation}.$

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) $((\text{Cost} - \text{accumulated depreciation}) * \text{fixed percent}) / \text{number of normal periods} = \text{period depreciation.}$

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) $(\text{Cost} - \text{accumulated depreciation}) * \text{fixed percent based on ACRS IRS table} / \text{number of normal periods} = \text{period depreciation.}$

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) $(((\text{Cost} - \text{Salvage Value}) / \text{life months}) * \text{elapsed months}) - \text{accumulated depreciation} = \text{period depreciation.}$

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) $(((\text{Net book value} - \text{salvage}) / \text{Remaining life periods}) * \text{months elapsed year-to-date}) - \text{year-to-date depreciation} = \text{period depreciation.}$

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: $NBV * \text{fixed percent} = \text{year's depreciation}$. $\text{Year's depreciation} / \text{number of normal periods} = \text{period depreciation}$.

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	<p>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:</p> <ul style="list-style-type: none">• 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:

$\text{Cost} * \text{fixed percent} = \text{year's depreciation}$. $\text{Year's depreciation} / \text{number of normal periods} = \text{period depreciation}$.

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)

$\text{NBV (if greater than zero)} * \text{fixed percent} / \text{life months} = \text{period depreciation}$.

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)

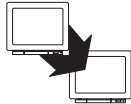
The annual depreciation is the amount calculated from the straight line method (Method 01), subject to the cost recovery ceilings for passenger automobiles.

See Also

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

Enter Units of Production

Entering Units of Production



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), choose Units of Production Schedule



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.

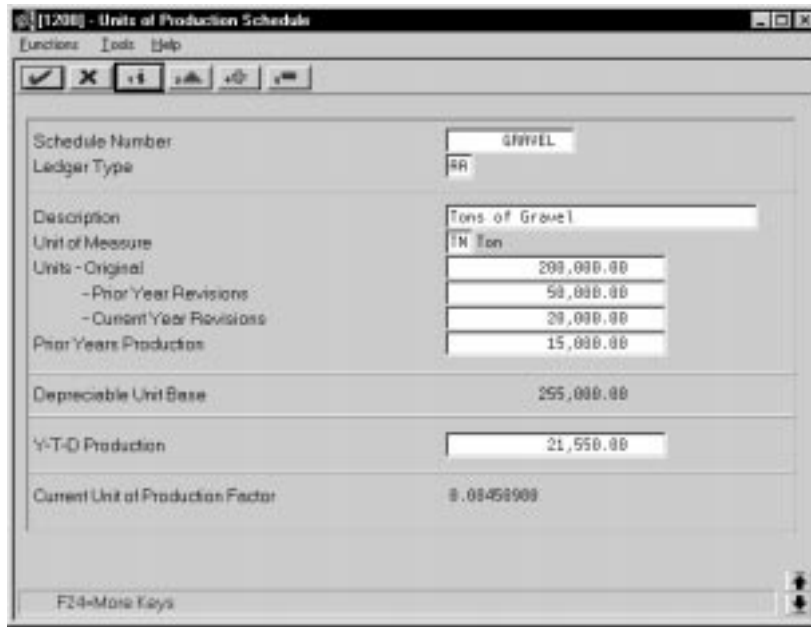
You must enter units of production *before* you run the Compute Depreciation program. The system calculates the units of production depreciation for a period only if you update the year-to-date production amount for the period.

Before You Begin

- Set up the units of production schedule

▶ To enter units of production

On Units of Production Schedule



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 Number	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.
Ledger Type	<p>The user defined ledger type code (list 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.</p> <p>..... <i>Form-specific information</i></p> <p>Each schedule you create is a combination of a unique schedule number and a ledger type.</p>

Field	Explanation
Y-T-D Production	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 Standard Depreciation

Calculating Standard Depreciation



From Fixed Assets (G12), choose Depreciation

From Depreciation (G1221), choose Compute Depreciation

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

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

You can run the depreciation program 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.

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.

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.

Calculating depreciation consists of the following tasks:

- Calculating standard depreciation
- Reviewing the depreciation journal report

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)*

Calculating Standard 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

Reviewing the Depreciation Journal Report

You can review 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 depreciation 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

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		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	De LT	D Me	% I	M XO	Lif C	Cost	Depreciation Accumulated Year to Date	Current	Salvage Value	Meth 9 Sch No	Sub Ledger/Ty
1006	Office Building	07/15/96	AA	01	0	R	360	75,364.72	5,024.34	1,256.10			
1006	50.2120.	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			00001901 W
		07/15/96	D1	12	M	C	378	1,325.01	21.06	21.06			00001901 W
		07/15/96	D3	13	M	I	480	1,325.01	64.86	64.86			00001901 W
		07/15/96	D4	01	M	I	480	1,325.01	64.86	64.86			00001901 W
		07/15/96	D5	01	M	I	450	1,325.01	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		

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		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	De LT	D Me	% I	M XO	Lif C	Cost	Depreciation Accumulated Year to Date	Current	Salvage Value	Meth 9 Sch No	Sub Ledger/Ty
1035	Executive Desks	10/15/96	AA	01	0	R	60	9,617.47	3,366.11	961.74			
1035	50.2160.	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			

Depreciation Journal (continued)

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Preliminary
A Model Construction Mgmt Co
Depr Exp Acct - YARD.8421.

Parent No./ Item No.	Description/ Accum Depr Account	Start Depr	De D % / M Lif LT Me I XO C Mos	Cost	Accumulated	Year to Date	Current	Salvage Value	Meth 9 Sch No	Sub 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	

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As of . . . 06/30/98

Preliminary
A Model Construction Mgmt Co
Depr Exp Acct - YARD.8421.

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

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

- *Work with DREAM Writer* in the *World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Calculate Standard 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 depreciation method is not 00 and asset is set up in fiscal year selected. No current period calculated depreciation 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 Depreciation 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 transaction 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.

Post Depreciation to the G/L

Posting Depreciation to the G/L

After you run either the standard or user defined depreciation in final mode, you can review and post any batches that did not post during the depreciation calculation process. Posting depreciation to the general ledger consists of the following tasks:

- Reviewing the depreciation journal
- Running the depreciation post to G/L

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. To locate a batch, complete any of the following fields:
 - User ID
 - Batch Status
 - Batch Number
2. To approve the batch to post, complete the following field:
 - Approved

Running the Depreciation Post to 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.
 Note: When using Vertex Taxes the Vertex Tax Register file will be updated instead of the Tax Work file for methods '1', '2', and '3'.

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.

RECONCILIATION FILE PROCESSING

17. Enter a '1' to update the Cross-Environment Reconciliation file. Blank will not update the reconciliation file.

Note: The Cross-Environment Reconciliation file can also be updated through the stand-alone Cross-Environment File Creation program.

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*.



User Defined Depreciation

Objectives

- To understand how user defined depreciation is calculated
- To calculate user defined depreciation
- To set up user defined depreciation

About User Defined 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 user defined asset depreciation.

Asset depreciation consists of the following tasks:

- Understanding user defined depreciation methods
- Calculating user defined depreciation
- Setting up user defined depreciation

See Also

- *Standard Depreciation* for information about standard depreciation, units of production depreciation, and posting depreciation to the general ledger.



Understand User Defined Depreciation Methods

About User Defined Depreciation Methods

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 user defined depreciation method.

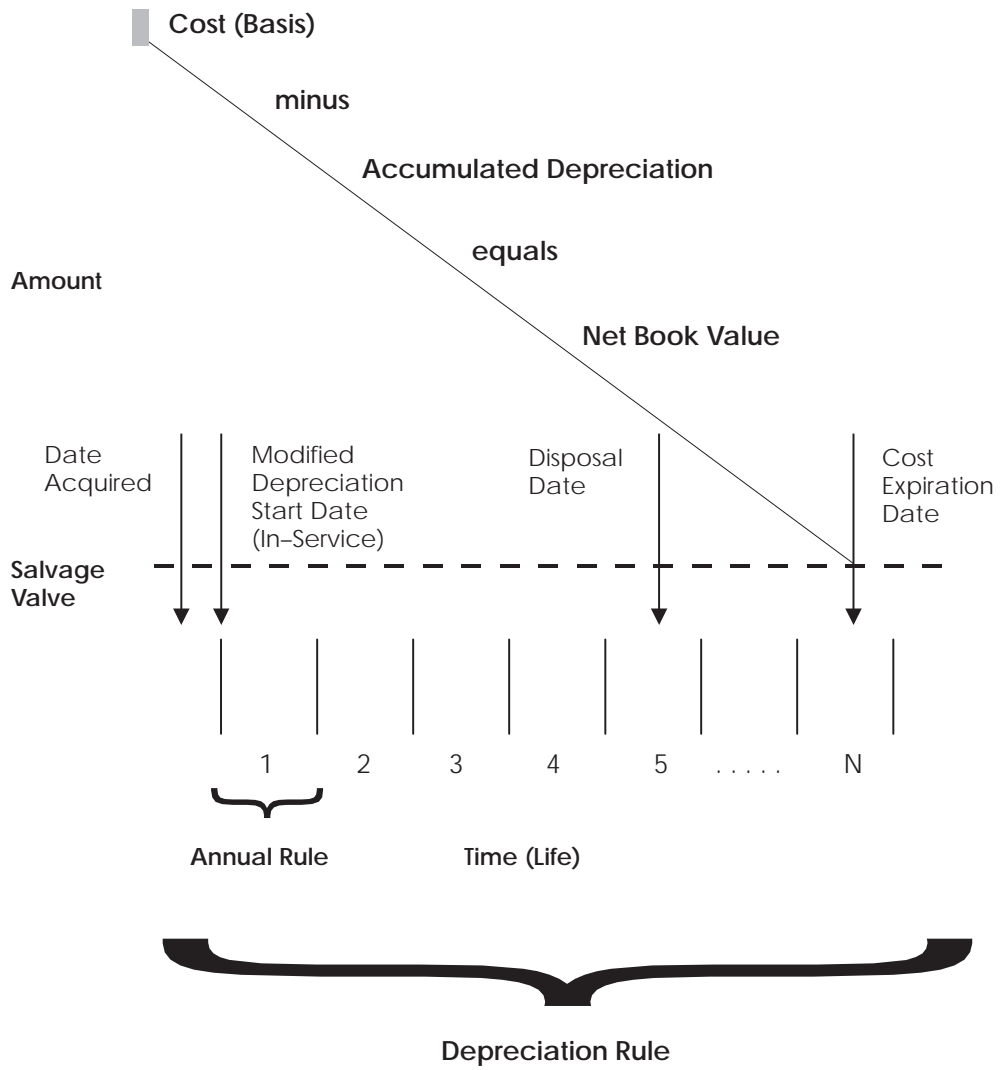
User Defined Depreciation Methods

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

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

The following graphic shows the elements of depreciation and their relationship:



User defined depreciation uses the following elements, combined into depreciation rules, to control depreciation:

Cost	<p>Costs can be divided in different ways for different assets according to the nature of the assets, such as buildings, equipment, vehicles, and so forth. 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.</p> <p>Cost can affect depreciation in many different ways. For example:</p> <ul style="list-style-type: none">• 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. One element of cost might be a function of another element.
Time (life years)	<p>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:</p> <ul style="list-style-type: none">• 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
Accumulated depreciation	<p>At any point during the life of an asset, the total of all depreciation taken is referred to as accumulated depreciation.</p>
Net book value	<p>At any time during the life of an asset, the current or net book value is equal to the cost less the accumulated depreciation.</p> <p>For example, at the beginning of an asset's life, when no depreciation has been taken, the net book value is equal to the original cost. At the end of the asset's life, when all possible depreciation has been taken, the net book value is equal to the salvage value of the asset, if any.</p>

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, residual value might exist. 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.

Dates

Depreciation takes place over time. Consequently, there are many instances in the depreciation process in which different dimensions of time [dates] 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.

Annual rules

Each year of an asset's life can be subject to different allowances or requirements. For example, the first and last years of an asset's life can be subject to different regulatory requirements.

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 compute depreciation.

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

Cost

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

Dates	Depreciation rules are date sensitive. When you set up depreciation rules, you must specify the dates that rule is effective.
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.
Formulas	<p>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:</p> <ul style="list-style-type: none">• 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, possibly in different years or in different ledgers.
Apportionment – periodic and cumulative	The system stores the cost apportionments in the Item Balance table (F1202). The apportionment of the cost over time is stored as a cumulative balance in the accumulated depreciation records. The periodic apportionment of the cost is stored in the depreciation expense records. Each depreciable cost has at least one cumulative record and one periodic record for each year of the life of an asset.
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.
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.

Depreciation accounts	<p>Two accounts are especially important in the depreciation process:</p> <ul style="list-style-type: none">• Depreciation Expense – As you compute depreciation for the basis of an asset, the system records the result 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 system records the expiration of the cost in an account that can be considered a part of the cost account. This contra account is called the Accumulated Depreciation account. <p>In some cases, the depreciation mechanism might require multiple accumulated depreciation and depreciation expense accounts.</p>
Item balance character	<p>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.</p>
Asset	<p>The system associates cost with an asset. You use category codes to classify assets within an accounting category and a depreciation category.</p>
Annual depreciation amount	<p>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 that 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, it then deals with the initial term apportionment. Any special conventions are applied based on the options you define for the specific rule.</p>

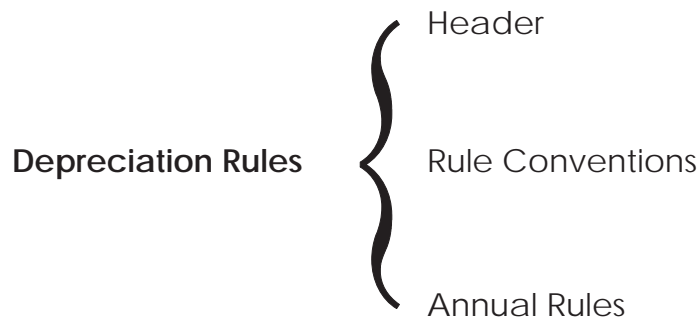
Periodic depreciation journal entries

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. The system applies any conventions that relate to special apportionment during the first, last, and disposal year. The system creates general ledger journal entries based on the rules established for each ledger. Based on the account rules, the system updates the Item Balance records for the depreciation expense and accumulated depreciation expense.

User Defined Depreciation Rule Components

The user defined depreciation rules are defined in three components. Within these components you use the elements of depreciation previously discussed. These components are shown below.

The Components of Depreciation Rules



Header

Key to identifying the depreciation rule, the header information includes information such as:

- method code
- initial term apportionment
- compute direction (also called the method of computation)
- asset life
- relevant dates

- rule description

Rule Conventions

The rule conventions define certain parameters within which the rules operate, such as:

- first and last year spreads
- disposal apportionment
- secondary depreciation amount treatment
- life year reference
- over-depreciation indicators
- negative depreciation indicators

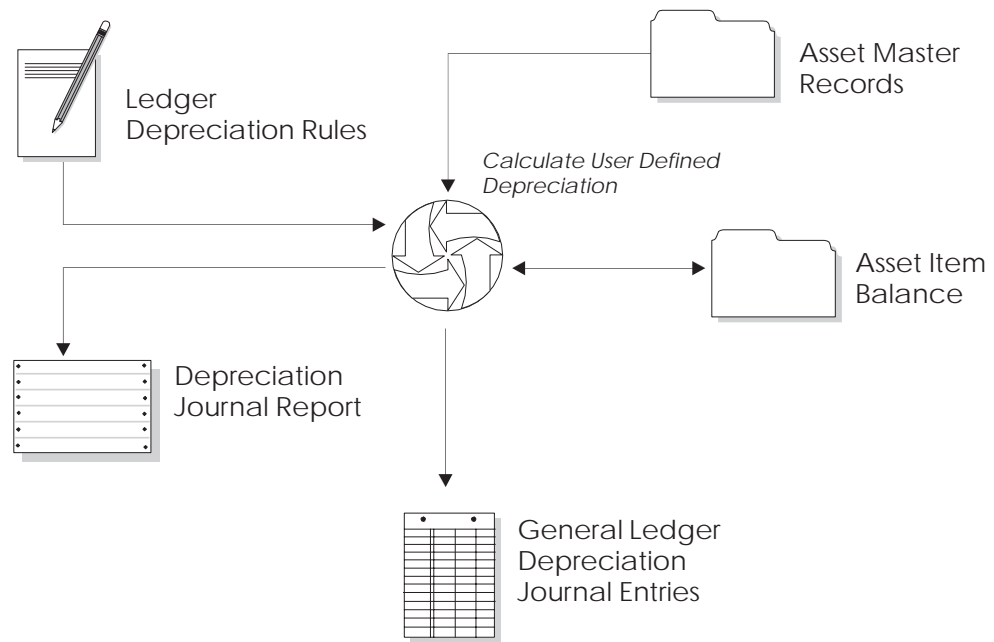
Annual Rules

The annual rules define the specifics of how the depreciation is actually calculated. For a given depreciation rule, one or more annual rules might exist. For a given year there might be primary and secondary rules. Annual rule specifics include such things as:

- beginning and ending years for each annual rule
- placed in service months
- annual multipliers
- spread patterns
- formula codes for both depreciation and depreciable basis

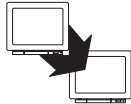
User Defined Depreciation Calculation — Process Flow

The system calculates depreciation for an asset cost based on the depreciation rules that you define. The rules relate to the category of the asset cost. The system determines which depreciation rule to use. The system associates 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.



Calculate User Defined Depreciation

Calculating User Defined Depreciation



From Fixed Assets (G12), choose Depreciation

From Depreciation (G1221), choose Compute UDD Depreciation

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

Run the Compute User Defined Depreciation program to calculate depreciation for assets to which you assign user defined depreciation methods.

You can run the depreciation program 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.

You can also use the Compute User Defined Depreciation program to forecast depreciation for assets for up to ten years into the future. When you run the Compute User Defined Depreciation program in forecast mode, the system does not create journal entries.

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.

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.

Calculating user defined depreciation consists of the following tasks:

- Calculating user defined depreciation
- Forecasting user defined depreciation
- Reviewing the user defined depreciation journal report

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

Calculating User Defined Depreciation

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 depreciation method is user defined.

When you select Compute User Defined Depreciation, the DREAM Writer versions list appears. 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, Processing Options Revisions appears before the system submits 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. 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

Run the Compute User Defined Depreciation program, to calculate and store 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.

Forecasting User Defined Depreciation

You can also use the Compute User Defined Depreciation program to forecast depreciation for assets for up to ten years into the future. When you run the

Compute User Defined Depreciation program in forecast mode, the system does not create journal entries. The system does update the Item Balances table (F1202) with yearly amounts for the cost, primary accumulated depreciation, and secondary accumulated depreciation for each year requested. To spread the annual amounts over your depreciation periods or create journal entries for your budget ledger, you can use STAR to manipulate the amounts.

What You Should Know About

Salvage value

When the program uses a salvage value formula in the primary depreciation rule, it updates the salvage value in the Item Balances table (F1202).

Forecasting

You must have beginning balance amounts in the Item Balances table (F1202) for the first year that forecasting is calculated. For example, if you have beginning balances for 1997, you can begin forecasting depreciation for 1997 and go through 1999, but you cannot *begin* forecasting for 1999.

Reviewing the User Defined Depreciation Journal Report

You can review 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

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 Depreciation Journal Date: - 5/23/96
 As of: - 12/31/96

Preliminary :
 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 -

Item No.	Description / Account	* Start Actual	Dates * Modified Year	Life	Cost	Annual Accum Depr	YTD Percent	Journal Entry Amount
444	444 Depreciation	10/15/96	10/01/96	001 YARD.8441			100.0000	

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 Depreciation Journal Date: - 5/23/96
 As of: - 12/31/96

Preliminary :
 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 -

Item No.	Description / Account	* Start Actual	Dates * Modified Year	Life	Cost	Annual Accum Depr	YTD Percent	Journal Entry Amount
500	test 500-char code w/depr Depreciation	01/01/96	01/01/96	001 50.8441	6,000.00	2,000.00	100.0000	0.04 0.04-

User Defined Depreciation Journal with Details

Item No.	Description / Account	* Start Dates	* Life	Cost	Annual Accum Depr	YTD Percent	Journal Entry 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			

J.D. Edwards & Company
 Depreciation Journal

Preliminary :
 Company : 50 A Model Construction Mgmt Co
 Account Category: 30 Heavy Equipment
 Cost Account : 50.2030
 Accum Depr Acct : 50.2130
 Deprac. Method : 01 Straight Line Depreciation
 Compute Direct. : I Inception to date

Ledger Type: AA
 Depr Category: Computer Equipment
 Subled/Type:
 Description: Straight Line - 3 year
 Life Periods: 36 Initial Term: 1st Day of 1st Month
 In Service : 01/01/00 - Effective: 01/01/00 - Patt: - R

Item No.	Description / Account	* Start Dates	Actual	Modified Year	Cost	Annual Accum Depr	YTD Percent	Journal Entry 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:							
	Rule 1 SL("I" - 1st Year)							Salvage
								Limit
								Multiply
	Element							
	01 Asset Cost-Inception Through Current Year							Amount
	03 Asset Life in Periods (Rounded to Whole Periods)							6,000.00000000
	10 Basis Amount (as Calculated in Annual Rule)							36.000000
	49 Normal Number of Periods (Company/LT Rule)							6,000.00000000
	50 Initial Year Apportionment %							12.000000
								1.000000

See Also

- *Working with DREAM Writer in the World Software Common 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. _____

FORECAST DEPRECIATION:

- 3) Enter Number of Years to Forecast Depreciation (1-10). _____
- 4) Enter Year to Begin Calculation (Must be greater than or equal to Current Year). _____
- 5) Enter a '1' to Suppress Printing of Report. _____

PRINT SELECTIONS:

- 6) Identify how to print Asset Number. _____
1 = Item Number (DEFAULT)
2 = Unit Number
- 6) Identify how to print Amounts. _____
blank = Amounts w/ commas (DEFAULT)
1 = Amounts w/o commas
- 8) 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.
- 9) Enter a '1' to print Rule Details. _____
- 10) Enter a '1' to print Formula Element Amounts. _____
- 11) Enter a '1' to print totals without Subledgers (summarized to Account). _____

G/L SELECTIONS:

- 12) Enter a G/L Post Version to be executed automatically if processing in Final Mode. (i.e. ZJDE0016) _____
- 13) Transaction (F0911) summarization selection for Accumulated Depreciation 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.

- 14) Transaction (F0911) creation selection for 'AA' ledger.
- blank = create
 - 1 = do not create
- NOTE: If you do not create transaction 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.

Set Up User Defined Depreciation

Setting Up User Defined Depreciation



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), choose Set Up User Defined Depreciation

From Set Up User Defined Depreciation (G1232), choose an option under the User Defined Rules heading

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

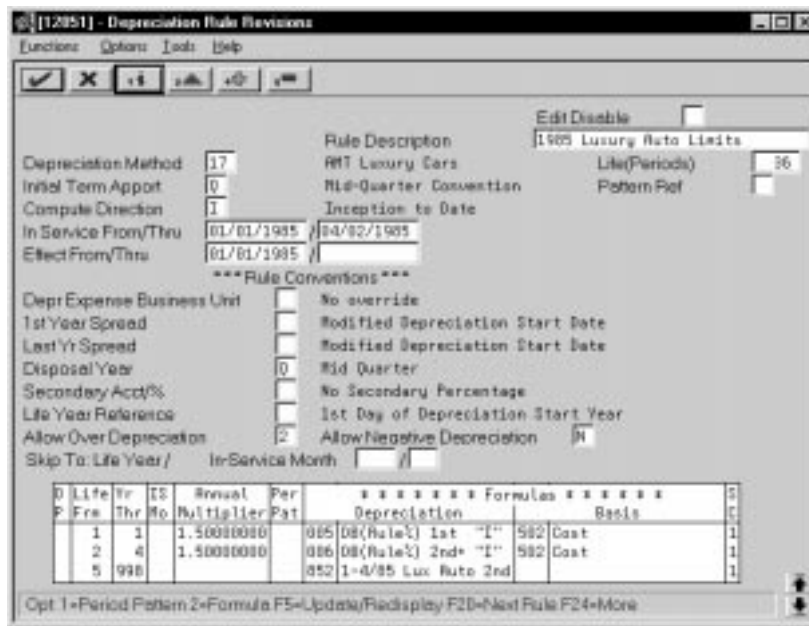
The formulas that are used by the life year rules can be applied to any element in the depreciation equation, such as:

- 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:

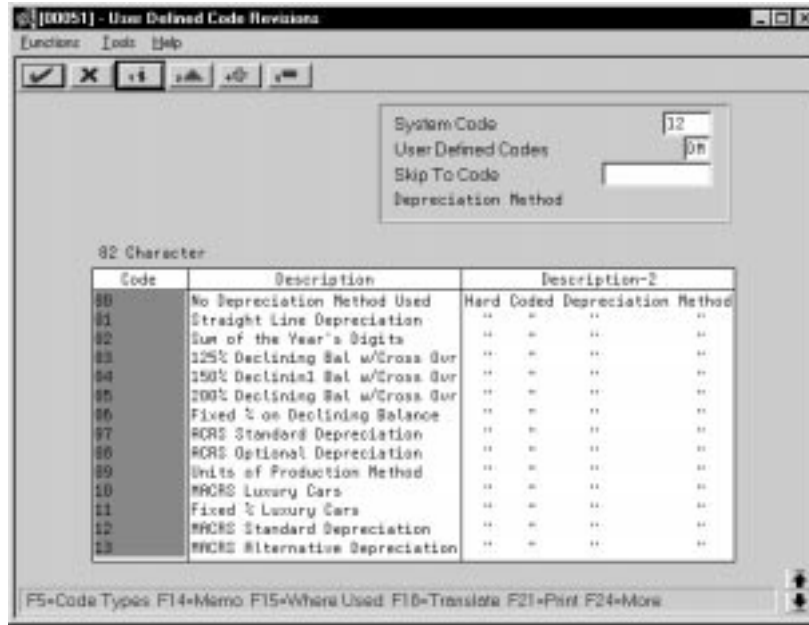
- Referencing the rule (by specifying header information)
- Specifying conventions for the rule
- Setting up the life year rules
- Defining formulas that apply to the depreciation equation



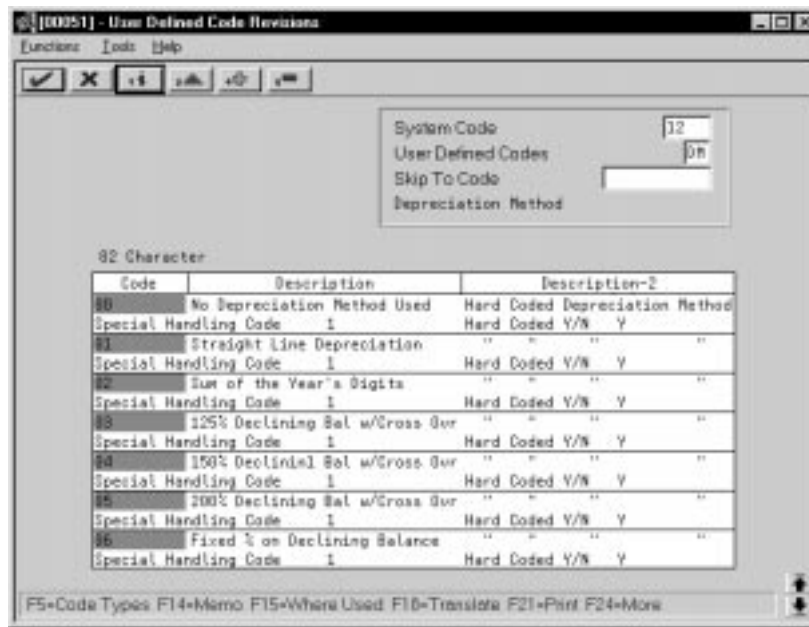
► **To reference the rule**

On Depreciation Rule Revisions

1. To reference the depreciation rule, complete the following fields:
 - Life (Periods)
 - Initial Term Apportionment
 - Compute Direction
 - In Service From/Thru (Date From/Date Thru)
 - Effective From/Thru
 - Pattern Reference
2. To add a user defined method to the user defined codes table Depreciation Methods (12/DM), choose Field Help for the following field:
 - Depreciation Method
3. Choose Exit to User Defined Codes Maintenance.



4. On User Defined Code Revisions, to add an alphabetic, two-character depreciation method to the table, complete the following fields:
 - Code
 - Description
 - Description - 2
5. Access the detail area.



6. To identify the depreciation method as a user defined method, complete the following field:
 - Special Handling Code
7. To return to Depreciation Rule Revisions, choose Exit Program.
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

To define the conventions of the depreciation rule, complete any of the following fields:

- 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 (Asset Life Year – Start)
 - Life Year-Thru (Asset Life Year – Through)
 - In Service Month (IS Mo)
 - Annual Multiplier
2. Choose the Period Pattern option.

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

3. On Depreciation Spread Pattern Revisions, to add a new spread pattern, complete the following fields:
 - Budget Pattern Code (Per Pat)
 - Description
 - Period 01 – 14
4. Choose Exit Program.
5. On Depreciation Rule Revisions, to attach the spread pattern to the rule, complete the following field:
 - Period Pattern (Per Pat)

► **To define formulas for the rule**

On Depreciation Rule Revisions

1. Access Depreciation Formula Revisions.

Formula ID: 005 Description: [D(Rule%) Ist 'I']

Column Heading 1/2:

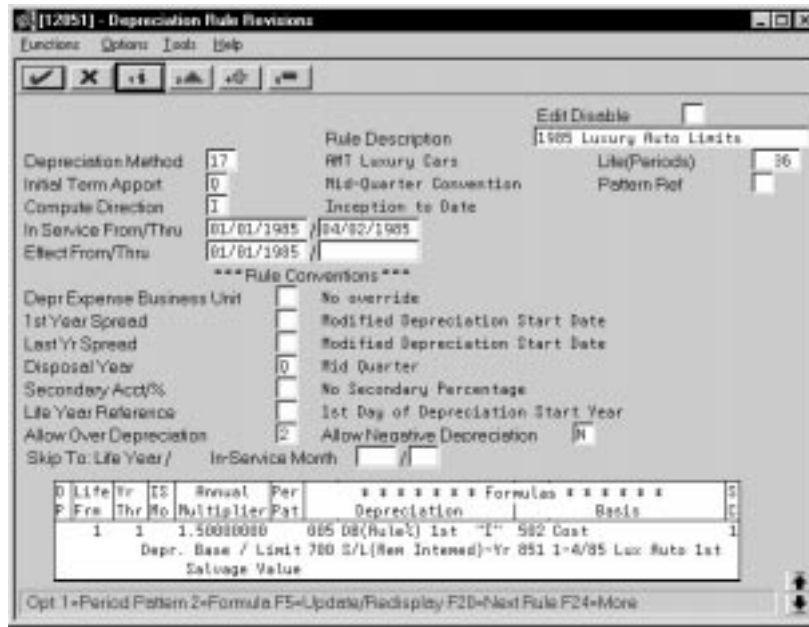
Formula: ((10/03)+49)*11)*50

Multiplier/Constant:

Ref	Formula Description
01	Asset Cost-Inception Through Current Year
02	Accumulated Depreciation-Frior 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 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

F13/F23=Previous/Next Formula F24=More Keys

2. On Depreciation Formula Revisions, to define a new formula, complete the following fields:
 - 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 detail area.



6. For additional formula specifications, complete any of the following optional fields:
- 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 Apport	<p>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:</p> <ul style="list-style-type: none"> 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 N First Day of Next Period R First Day of Next Year S Actual Start Date for Primary Rule/First Day of Period for Secondary Rule <p>NOTE: Numeric codes apply to standard depreciation methods only.</p> <p>To determine the date for F (First-half/Second-half), use the following guidelines:</p> <ul style="list-style-type: none"> • 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	<p>A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> 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.
Date From	<p>The beginning date for which the transaction or code is applicable.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Date Thru	<p>The ending date for which the transaction or code is applicable.</p>

Field	Explanation
Date – Beginning Effective	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Date – Ending Effective	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Pattern Ref	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>

Field	Explanation
Depreciation Method	<p>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:</p> <ul style="list-style-type: none"> 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 <p>NOTE: Any additional depreciation methods you create for your organization must have an alpha code.</p>
Depr Expense Business Unit	<p>A code that allows an override of the destination of the depreciation expense.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> Blank No Override 1 Responsible Business Unit 2 Location Business Unit 3 Work Center Business Unit
1st Year Spread	<p>A code that designates how you want the system to apportion the first year of depreciation for an asset. Valid codes are:</p> <ul style="list-style-type: none"> Blank Modified Depreciation Start Date 1 Entire Year 2 Actual Depreciation Start Date 3 Placed in Service Period
Last Yr Spread	<p>A code that designates how you want the system to apportion the last year of depreciation for an asset. Valid codes are:</p> <ul style="list-style-type: none"> Blank Modified depreciation end date 1 Entire year

Field	Explanation
Disposal Year	<p>A code that designates how you want the system to apportion depreciation when you dispose of the asset.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> 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 L Last Day of Previous Period I Inverse of Initial Term Apportionment N None
Secondary Acct/%	<p>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:</p> <ul style="list-style-type: none"> 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 Deprecation Account 2 7 Amount from Rule 1 to Accumulated Deprecation Account 1 plus Depreciation Expense Account 1 equals Rule 1 amount; amount from Rule 2 to Accumulated Deprecation Account 2 plus Depreciation Expense Account 2 equals Rule 2 amount 8 Two Amounts – Two A/D Accounts and Three D/E Accounts <p>The system uses this field in conjunction with the Secondary Percent Continuation field.</p>
Life Year Reference	<p>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:</p> <ul style="list-style-type: none"> Blank 1st day of depreciation start year 1 Depreciation start date (modified)

Field	Explanation
Allow Over Depreciation	<p>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:</p> <ul style="list-style-type: none"> 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 <p>The default for this field is blank. The system uses this field in conjunction with the Allow Negative Depreciation field.</p>
Allow Negative Depreciation	<p>A code that indicates whether you want to allow depreciation formulas to calculate negative amounts. Valid codes are:</p> <ul style="list-style-type: none"> N Negative depreciation not allowed Y Accumulated depreciation may be less than adjusted basis <p>You can enter a 1 for yes (Y) or a 2 for no (N). The default value is N.</p>
Asset Life Year – Start	<p>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.</p> <p>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.</p> <p>Valid values are 1 through 998, and 999. Use 999 only to set up a specific rule for the disposal year of an asset.</p>
Asset Life Year – Through	<p>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.</p>

Field	Explanation
IS Mo	<p>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.</p> <p>The system uses the values you enter in this field as follows:</p> <ul style="list-style-type: none"> • 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. <p>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.</p> <p>Valid values are blank, 01, 02, 03, 04, 05, 06, 07, 08, 09, 10, 11, and 12.</p>
Annual Multiplier	<p>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.</p> <p>Enter a value in this field as a decimal. For example, enter 10% as .10 and 150% as 1.5.</p>
Per Pat	<p>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.</p>
Secondary % Continuation	<p>Use this code to indicate whether an annual depreciation rule is a primary or secondary rule.</p>

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.

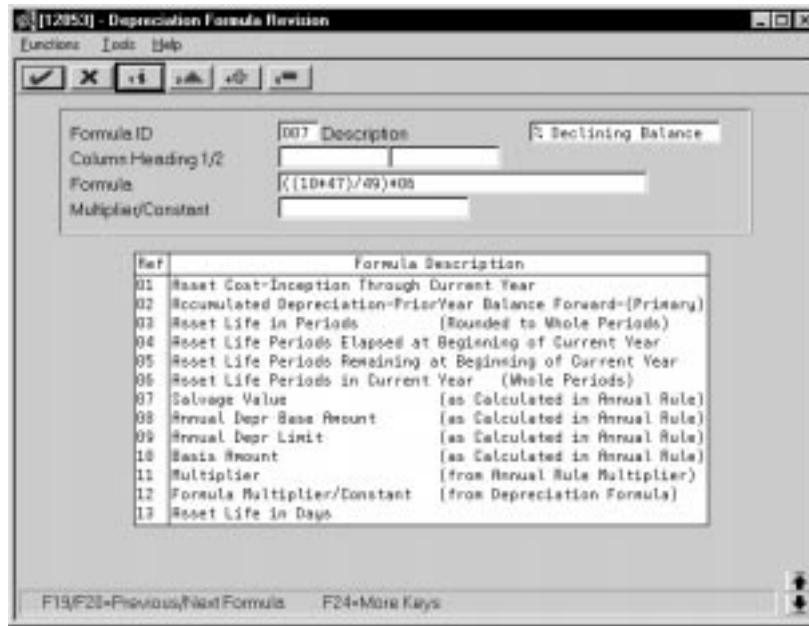
You can access the Depreciation Formula Revision form directly from the menu, or you can access the form from Depreciation Rule Revision. For example, if you are revising depreciation rules, and you want to update a formula associated with the rule, you can access Depreciation Formula Revision to review 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



- To set up or locate an existing formula, complete the following field:
 - 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.

- To revise or define the formula, complete the following fields:
 - Description
 - Formula
 - Multiplier/Constant

Field	Explanation
Formula	<p>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:</p> <ul style="list-style-type: none"> • Multiplier • Basis • Base • Limit • Salvage value <p>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:</p> <ul style="list-style-type: none"> + Addition - Subtraction * Multiplication / Division () Left and right parentheses
Multiplier/Constant	<p>A percentage or amount that can be incorporated into a formula as an element to derive depreciation.</p>

Processing Options for Depreciation Formula 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 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 depreciation 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

Budget Pattern Code	TRR 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

- To set up or locate a depreciation pattern code, complete the following field:
 - Budget Pattern Code
- To define or revise a depreciation pattern code, complete any of the following fields:
 - Period 01–14

Field	Explanation
Period 01	<p>Enter the percentage of depreciation you want to record for the asset in the first period. You can enter spread percentages as:</p> <ul style="list-style-type: none">• Whole numbers (such as 20 for 20%)• Whole numbers with a decimal, where the decimal is a fraction of the percentage (such as 50.5 for 50 1/2%)• Zero or blank, for no percentage <p>You can enter spread percentages for up to 14 periods. The total of the spread percentages must sum to 100.</p> <p>NOTE: You set up the default periods for the fiscal year on Date Pattern Revisions for company 00000.</p>



Exercises

See the exercises for this chapter.



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.

In addition, by using subledger functionality you can transfer or dispose of asset costs from a single subledger if necessary.

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

Splitting Fixed Assets



From Fixed Assets (G12), choose Transfers, Splits and Disposals

From Transfers, Splits and Disposals (G1222), choose Asset Split

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:

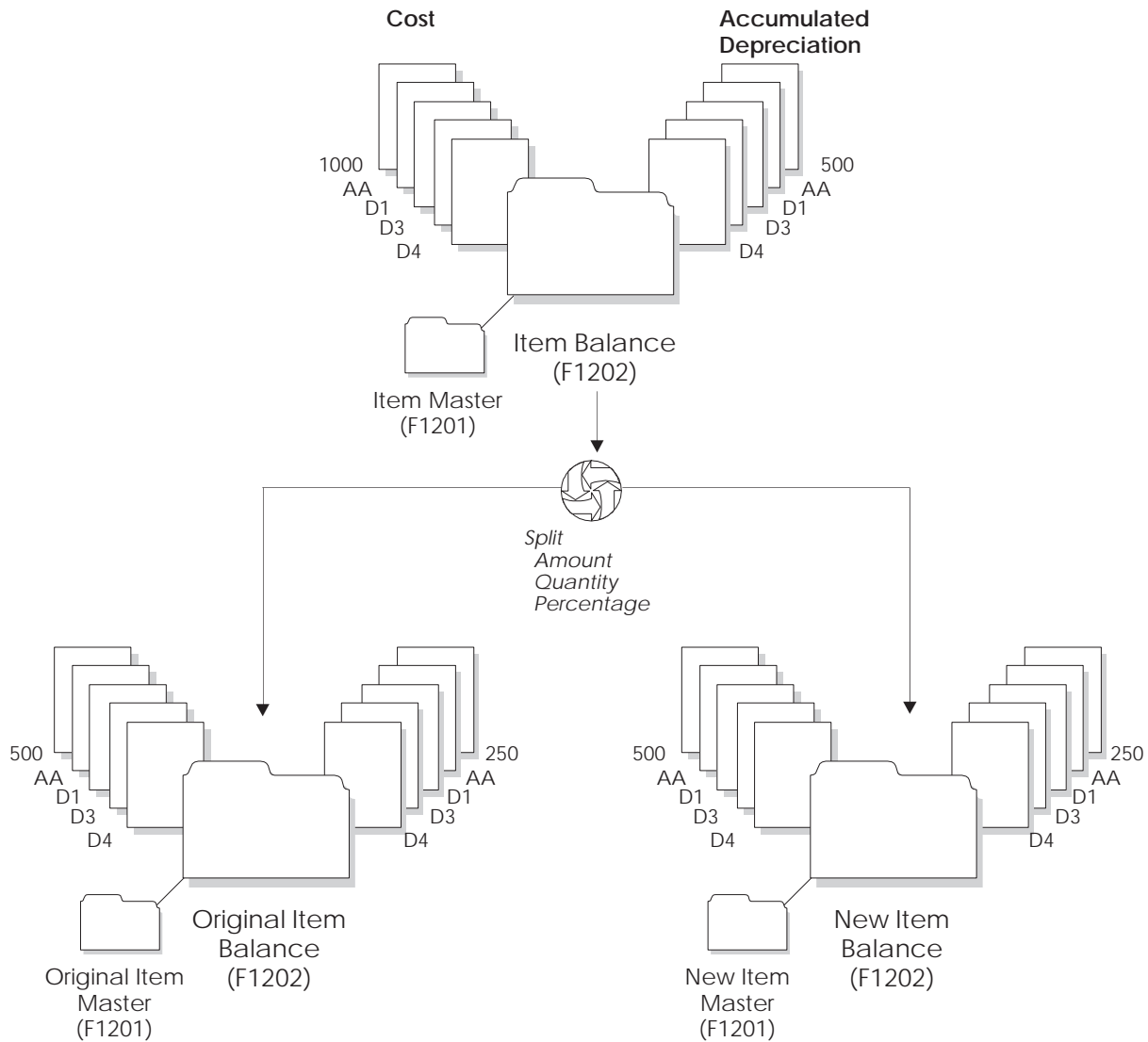
- Split an asset entered as a bulk quantity into smaller lots or units
- Remove a portion of an asset to create two independent assets
- Dispose of a component (part) of an asset
- Transfer a component (part) of an asset
- Correct an asset that was entered as one item which should have been entered as 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 the split transaction should affect.

► **To enter asset split information**

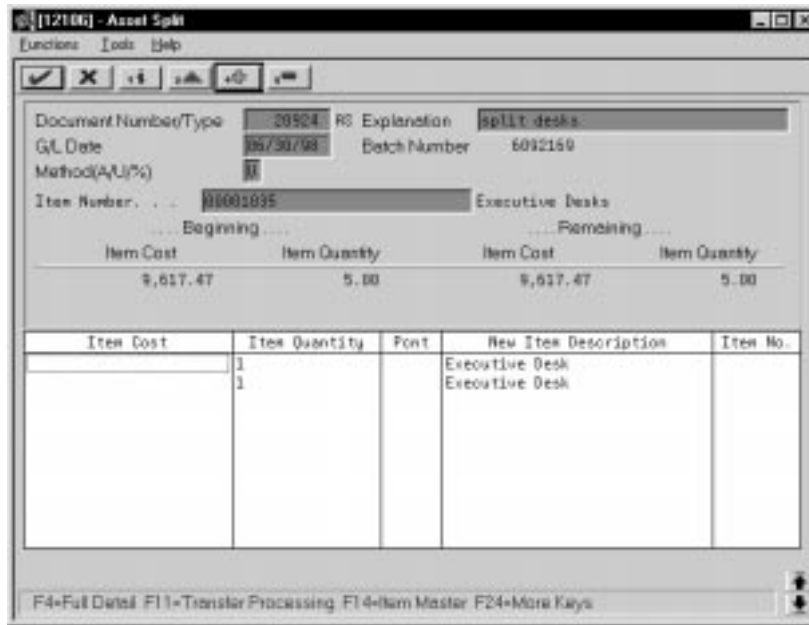
On Asset Split

The screenshot shows a software window titled "[12100] - Asset Split". The window contains several input fields and a table. The fields are: Document Number/Type (empty), G/L Date (63098), Method(A/U/%) (U), Item Number (1895), and Explanation (split desks). Below these fields are two sections labeled "Beginning" and "Remaining", each with sub-fields for Item Cost and Item Quantity. At the bottom of the window is a table with five columns: Item Cost, Item Quantity, Post, New Item Description, and Item No. The table is currently empty. The status bar at the bottom of the window displays: F4=Full Detail F11=Transfer Processing F14=Item Master F24=More Keys.

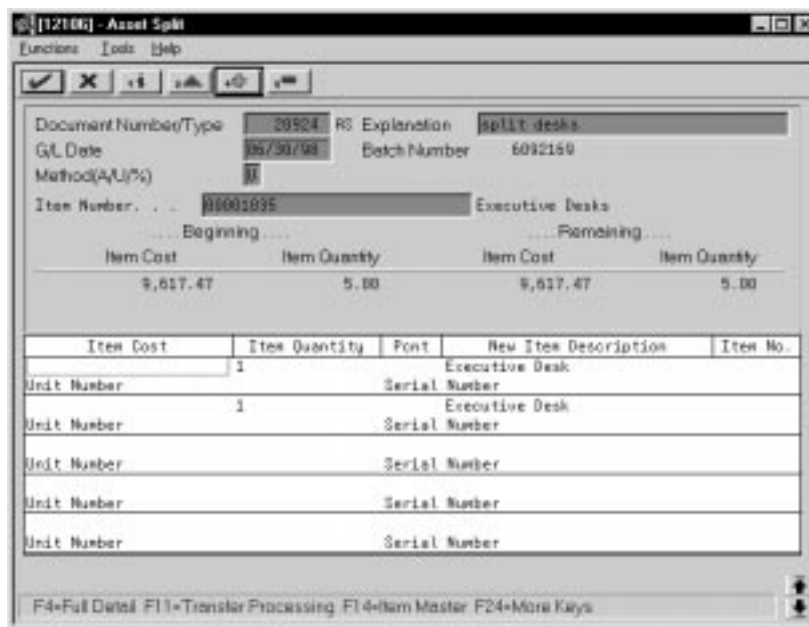
1. To create a batch for the split journal entries, complete the following fields:
 - Explanation
 - G/L Date
 - Asset Number
 - Method

NOTE: The system assigns the batch number that 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 current information for the asset appears.



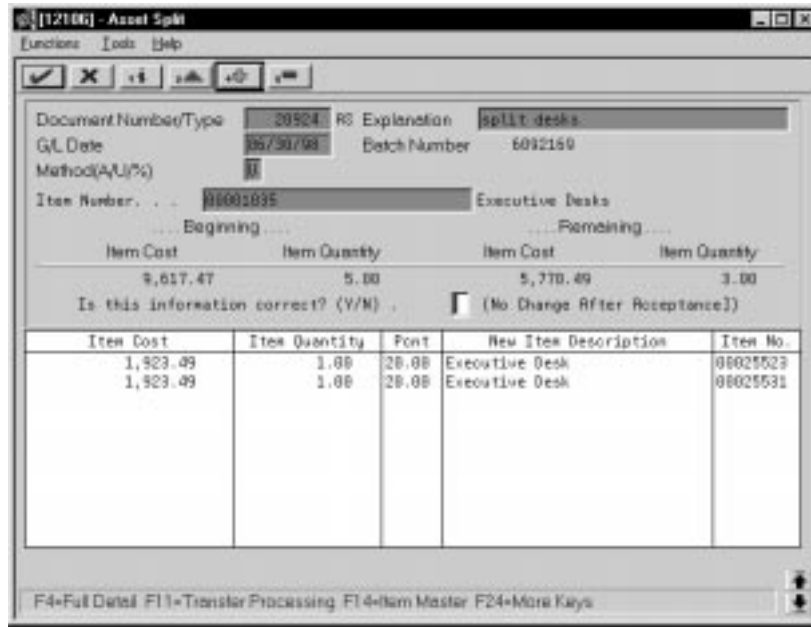
2. To establish information for the new asset, complete the following fields:
 - Item Cost
 - Item Quantity
 - Percent, if necessary
 - New Item Description
3. Choose Full Detail.



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. A verification message appears on Asset Split.



5. To accept the transaction, enter Y.

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(A/U/%)	<p>A code that tells the system which method to use when it allocates costs and units during an asset split. Valid codes are:</p> <p>A Assigns the 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.</p> <p>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 currency amount distributed to the new and original assets.</p> <p>% Distributes the cost and units based on the percentage amount you enter.</p> <p>Blank Distributes the cost and units based on the cost and unit amounts you enter. The system does not perform any ratios.</p>
Item Cost	The original acquisition cost of an asset.
Item Quantity	<p>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 purchase 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.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
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.

Rounded amounts for posted splits

The system uses a percentage to calculate cost and accumulated depreciation for the split information that you enter on Asset Split. The system calculates this percentage regardless of the method of split that you specify. When you exit the program, the system updates asset records based on the percentage. If you review the asset split journal entries that the system creates, you might notice a rounding difference between the amounts that you entered and the amounts that post to cost and accumulated depreciation.

Secondary depreciation split

Any secondary accumulated depreciation amounts are split in proportion with the primary accumulated depreciation amounts.

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

- *Working with DREAM Writer* in the *World Software Common 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.

DREAMWRITER VERSIONS:

- Enter the version for each program:
If left blank, ZJDE0001 will be used.
2. Master Information (P1201)

Transfer Fixed Assets

Transferring Fixed Assets



From Fixed Assets (G12), choose Transfers, Splits and Disposals

From Transfers, Splits and Disposals (G1222), choose an option under the Asset Transfer heading

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, and subsidiary) or a portion of the account structure. For example, if you move a computer from one department to another department in your company, you use the transfer program to create the journal entries that reflect the move.

You can use the transfer program to record retroactive transfers. A retroactive transfer occurs before the current G/L date that you record as of that prior date. When you process a retroactive transfer, the depreciation expense amount for the period between the actual transfer and the processing of the transfer is also transferred to the new account as you specify in the processing options. For example, if a piece of equipment was physically transferred from one business unit to another several months prior to actually processing the transfer, you can enter the actual date of transfer and the new depreciation expense account at the same time.

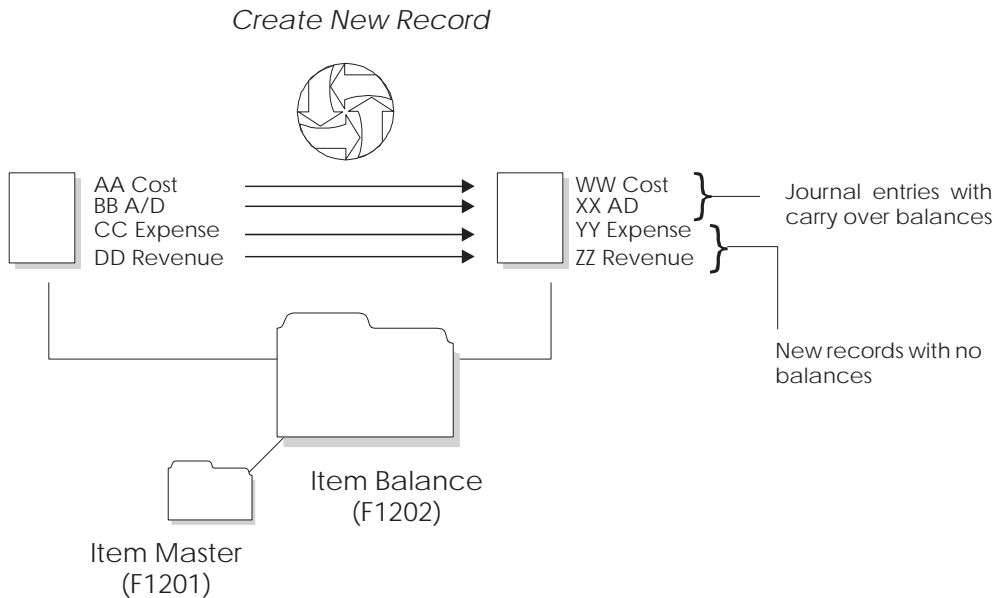
When information for a large block of assets changes, you can also use the transfer program to make global changes to the information with or without transferring the assets. For example, if you change the responsible business unit for a fleet of trucks without actually moving them. You can use the transfer program to change the following asset information:

- Responsible business unit
- Work center
- Property tax entity
- Property state tax
- Tax rate/area
- Location (if the asset has only one current location)
- Start date

- Category codes

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.

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 that you enter in the processing options
- Prints a report that shows the journal entries that the system creates 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 that you enter in the processing options
- Prints a report that shows the original item master information and the new information that the system creates 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 asset accounts.

Final asset account transfer

A final asset account transfer performs the following tasks:

- Edits the “transfer to” information that 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 that 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

Account locks	The transfer program respects any depreciation account locks that you specify in Fixed Asset Constants. If either the accumulated depreciation accounts or the depreciation expense accounts are locked to their respective cost accounts, the transfer program determines which depreciation accounts are locked to the new cost accounts. The transfer program adjusts the depreciation accounts accordingly.
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 <i>Making Corrections to Fixed Asset Balances</i> 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: <ul data-bbox="683 1276 1357 1409" style="list-style-type: none">• The asset does not have any accumulated depreciation.• All ledgers for the asset are depreciated using the Inception to Date method of calculation.
Transferring depreciation expense and revenue	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. 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 <i>before</i> 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) <i>before</i> 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.
Depreciation expense accounts for retroactive transfers	You can specify a retroactive transfer date only if the depreciation expense account changes at the same time. Any balances, positive or negative, in the old depreciation expense account between the transfer date and the G/L date are reversed out and the system creates a single journal entry to the new depreciation expense account. This includes any calculated amounts for partial periods.
Time limits for retroactive transfers	If you process a retroactive transfer that has a transfer date prior to the beginning of the current year, only the year-to-date amount of depreciation expense is transferred to the new depreciation expense account. Amounts prior to the beginning of the current year are not transferred. For example, if you process a retroactive transfer in February 1999 that actually took place in November 1998, only the depreciation expense for January and February 1999 will be transferred.
Category codes	You can change all the category codes in the Item Master table (F1201) through the transfer program.
G/L selections	The processing option for DREAM Writer version selection works only under the following conditions: <ul style="list-style-type: none">• You run the depreciation program in final mode.• You have Management Approval set to No (N) on System Constants.

See Also

- *Working with DREAM Writer in the World Software Common 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 Journal Entry (GL) Date. (Final Depreciation must be posted through this date.) _____

3. Enter the Transfer Date. (Must be current year.) _____

SINGLE/MASS TRANSFER SELECTION:

4. 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.)

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

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

COST AND ACCUM DEPRECIATION SUBLEDGERS:

7. TO Subledger: Subledger _____
 Subledger Ty. _____

8. FROM Subledger: Subledger _____
 Subledger Ty. _____

WARNING: Transfers between Subledgers where Beginning Balances exist should be at year-end ONLY.

9. Depreciation Expense .. Bus. Unit _____
 Object _____
 Subsidiary _____
 Subledger _____
 Subledger Ty. _____

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

11. Enter an override explanation to be put in the journal entry explanation _____

field.

- 12. Enter Item Master Info. changes.
 Leave blank (default) for no change.
 - a. Responsible Business Unit _____
 - b. Work Center _____
 - c. Property Tax Entity _____
 - d. Property Tax State _____
 - e. Tax Rate/Area _____
 - f. Location _____
 - g. Start Date _____

- 13. Enter Item Master Cat. Code changes.
 Leave blank (default) for no change.
 - a. Category Code 01 _____
 - b. " " 02 _____
 - c. " " 03 _____
 - d. " " 04 _____
 - e. " " 05 _____
 - f. " " 06 _____
 - g. " " 07 _____
 - h. " " 08 _____
 - i. " " 09 _____
 - j. " " 10 _____
 - k. " " 11 _____
 - l. " " 12 _____
 - m. " " 13 _____
 - n. Category Code 14 _____
 - o. " " 15 _____
 - p. " " 16 _____
 - q. " " 17 _____
 - r. " " 18 _____
 - s. " " 19 _____
 - t. " " 20 _____
 - u. " " 21 _____
 - v. " " 22 _____
 - w. " " 23 _____

DW VERSION SELECTION:

- 14. Enter a G/L Post version number
 to be executed automatically if
 processing in Final Mode
 ('ZJDE0028' for example). _____

PRINT OPTIONS:

- 15. Identify how to print asset number. _____
 - '1' = Item Number (default)
 - '2' = Unit Number
 - '3' = Serial/Tag Number

- 16. Enter a '1' to suppress page
 breaking on Asset Number. _____

What You Should Know About Processing Options

Transfer Date (3)

You cannot enter a transfer date earlier than the G/L date (retroactive transfer) without also entering a new depreciation expense account number (9).

Start Date (12g)

You cannot enter a new start date without also entering a new location (12f). If you do enter a new location, but leave the start date blank, the G/L date becomes the new start date.



Exercises

See the exercises for this chapter.

Dispose of Fixed Assets

Disposing of Fixed Assets



From Fixed Assets (G12), choose Transfers, Splits and Disposals

From Transfers, Splits and Disposals (G1222), choose an option under the Asset Disposal heading

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 (unless you enter a date in the asset master record) 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.

The disposal programs create journal entries for accounts based on the depreciation account rules that you set up. These rules can be very simple or complex based on your company's needs. These rules replace information originally contained in the FDS series of automatic accounting instructions.

If you must dispose of more than one ledger, a second currency ledger for instance, you can indicate which ledgers to include. In addition, different account information can be specified to preserve the cost and accumulated depreciation accounts and use a reserve account in their place. Different account information can also be used to comply with charitable deduction reporting requirements in some countries.

If necessary, you can dispose of a single subledger for one or more 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:

- Disposal account rules are set up.
- 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	<p>When you dispose of an asset, the system must access the following accounts in order to create the appropriate journal entries:</p> <ul style="list-style-type: none">• 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 set up the Disposal Account Rule Table.
Disposal journal entries	<p>The system creates disposal journal entries only for the Actual Amounts (AA) ledger unless you specify additional ledgers in the processing options.</p>
Voiding disposal entries	<p>You can void disposal entries. Use the Single Asset Disposal program to void disposal journal entries the system creates in the Mass Disposal program</p> <p>When you void disposal journal entries, the system automatically updates the Disposal Date and Equipment Status in the Item Master table (F1201).</p>
Disposal date	<p>You do not have to remove the disposal date from the asset master record before you run disposal. You can leave the disposal date blank for the disposal program and the system uses the date from the asset master. If both the asset master record and the disposal program have blank dates, the system uses the G/L date.</p> <p>If you do use the disposal date in the disposal program and a date exists in the asset master record, you get a message that the date exists in the asset master. The date in the asset master record is not overwritten.</p>
Secondary accumulated depreciation accounts	<p>If you define a secondary accumulated depreciation account (from the SDA AAI) for an asset, the disposal program handles the balance for that account.</p>

Performing Single Asset Disposals

You can use Single Asset Disposals to dispose of assets individually. Dispose of assets individually 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 that 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 Disposal Account Rules table. If the business unit in that account rule 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 disposal account rules for Net Book Value, Cash/Clearing, or Proceeds from Sale accounts. If the business unit in any of these rules 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 must 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

▶ **To enter disposal information**

On Single Asset Disposals

1. To add a new batch for the disposal journal entries, complete the following fields:
 - G/L Date
 - Subledger/Subledger Type
 - Disposed Asset Number
 - Disposal Method
 - Date Disposed or Retired
 - Type of Disposal
 - New Asset Number if Trade In



The batch number assigned by the system remains the same until you leave the asset disposal program. You can include journal entries that relate to multiple asset disposals in a single batch.

The journal entries with AA ledger amounts from the Item Balances table (F1202) and a verification message on Single Asset Disposals appear.

The screenshot shows a window titled "[12105] - Single Asset Disposals". It contains several input fields and a table. The fields are: Batch No (6131153), Void (Y/N) (checkbox), Sub Ledger (dropdown), Document Type/Number (ID: 221), G/L Date (06/30/90), Disposed Item Number (1901), Disposal Method (10), Date Disposed or Retired (06/15/90), Type of Disposal (dropdown), and New Item No. if Trade In (dropdown). There are also checkboxes for "Is this Information Correct? (Y/N)" and "Update Date Disposed? (Y/N)". Below the fields is a table with columns: Bus. Unit, Object, Sub, Amount, Explanation, and LTR. The table contains six rows of data.

Bus. Unit	Object	Sub	Amount	Explanation	LTR
50	2930		16,755.00	equipment	AA
50	2130		122.09	Accum Depr-Equipment	AA
50	2130	U01GRB	125.00	Accum Depr - Equipment	AA
50	2930		985.00	equipment	AA
50	2130		1,329.60	Accum Depr-Equipment	AA
50	2130	U01GRB	999.00	Accum Depr - Equipment	AA

At the bottom of the window, there are function key shortcuts: F4=Full Detail, F13=Account Master, F16=Asset Search, F24=More Keys.

2. To accept the transactions, complete the following field:
 - Is this Information Correct? (Y/N)
3. If you are disposing of a single subledger, complete the following field:
 - Should the Date Disposed be Updated? (Y/N)

The system clears the form and creates the disposal journal entries.

Field	Explanation
Disposal Method	A user defined code (12/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. You can choose whether to update the disposal date or leave it blank.
---	---

► To review and revise disposal entries

On Single Asset Disposals

1. To locate a single disposal journal entry, complete the following fields:
 - Document Number
 - G/L Date
2. To void disposal journal entries, complete the following field:
 - 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

What You Should Know About

Posting G/L entries to assets

The default version of the Post G/L Entries to Assets program posts all unposted fixed asset entries. To post only disposal entries, you must create your own version of the post program and attach it to the menu option.

See Also

- *Setting Up Disposal Account Rules*
- *Posting Journal Entries to the G/L in the General Accounting I Guide*
- *Posting a Batch of Journal Entries to Fixed Assets (P12800)*
- *Working with DREAM Writer in the World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Single Asset Disposal

LEDGER TYPE SELECTION:

1) Enter ledger types to be disposed.
 If none are selected,
 entries will only be created
 for the AA ledger.

ACCOUNT AND BALANCE SECURITY:

2) Enter "1" to prevent changes to
 account and balance information.

Performing Mass Asset Disposals

Use Mass Asset Disposals 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 Disposal Account Rule table. If the business unit in that account 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 disposal account rule for Net Book Value, Clearing, or Proceeds from Sale accounts. If the business unit in any of these rules 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 journal entries for mass disposal

▶ **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*
- *Working with DREAM Writer* in the *World Software Common Foundations Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Mass Asset Disposal

PROCESSING MODE:

1) Enter "P" for Preliminary or "F" for Final. (DEFAULT is Preliminary.)

LEDGER TYPE SELECTION:

2) Enter ledger types to be disposed. If none are selected, entries will only be created for the AA ledger.

SUBLEDGER SELECTION:

3) Enter Subledger/
Subledger Type.

DATE SELECTION:

4) Enter Disposal Date.
5) Enter G/L Date for journal entry if different than Disposal Date.

DISPOSAL METHOD:

6) Enter Disposal Method. (See User Defined Codes for system 12, record type ES)

DESCRIPTION OVERRIDE:

7) Enter description to be used for the journal entry explanation.

PRINT SELECTION:

8) Identify how to print asset number.
1 = Item Number (DEFAULT)
2 = Unit Number
3 = Serial Number

G/L POST SUBMITTAL:

9) 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*.



Revaluation

Objectives

- To understand how revaluation is calculated
- To calculate revaluation

About Revaluation

After you set up revaluation codes and revaluation indices, you can calculate asset revaluation.

Asset revaluation consists of the following tasks:

- Understanding revaluation methods
- Calculating revaluation



Understand Revaluation

About Revaluation

Revaluation is the process by which the costs of assets are restated in terms of current worth. There are a number of theories of revaluation, none of them comprehensive. Two of the more prominent theories are known as *constant currency accounting* and *current cost accounting*. Regardless of the theory employed, the basic concept behind revaluation is that of comparability. The essential question is whether, over time, you can make a meaningful comparison between financial statements when such factors as the rate of inflation and the current cost of assets are considered.

Under constant currency accounting, also known as constant purchasing power accounting, the effect of inflation is the major factor taken into consideration. Inflation trends upward, though it can vary widely from country to country, from virtually insignificant, single-digit rises to three- and even four-digit rates. Comparing costs from one year to the next in a hyperinflationary economy is meaningless unless the currency fluctuation is factored in. In some countries, you are required to adjust costs as the value of the currency changes. Even without a government mandate, you might want to revalue assets for reporting purposes.

The current cost accounting model relies primarily on the assumption that, apart from any currency changes, the price of assets can change significantly compared to the general price level. Further, that price can go up or down. Within this model, a topic of particular concern is the cost of replacing assets. One of the questions that this brings up is whether a company has sufficient insurance coverage to replace a given asset with one that is comparable.

For example, a manufacturing facility that was purchased several years ago for 1,000,000.00 could most likely not be replaced for that same 1,000,000.00 today if it burned down. While inflation might account for some of the difference, it is possible that the current cost of building supplies and labor has risen beyond the rate of inflation. Conversely, if a personal computer, originally purchased three years ago for 4,000, is stolen, it is quite possible that a comparable replacement can be found for less than that original cost, because the cost of computer-related equipment has been decreasing. If a company revalues its assets for insurance purposes, it can ensure adequate coverage when such dramatic losses occur.

J.D. Edwards has chosen to create a highly flexible approach to revaluation. The revaluation of large numbers of assets is most often accomplished through the

use of indices. These indices are obtained from sources external to the company, whether from governments or other organizations. The indices can be used as multipliers or divisors. They can be expressions of change over periods as short as a single day or as long as several years. The indices can be applied to only current year balances or to prior year balances as well. The application of these indices to the proper selection of assets to revalue through a method of calculation can yield significant results, whether your aim is to revalue for insurance purposes, to meet government reporting requirements, or to report to management for future planning.

Revaluation Indices

A revaluation index is simply a value that has been determined by an agency, governmental or private, outside your company, that reflects a change in cost that can be applied to your assets. The change may relate to currency fluctuations or the price of certain kinds of assets in the marketplace or some combination of factors. Depending on your approach to revaluation, or government regulations concerning revaluation, you may need only a single index or you may need several tables of indices. These are entered into the system manually and then are applied to your assets in the manner that you select.

Revaluation Calculation Methods

There are two revaluation calculation methods you can choose when you run your revaluation. The two methods are:

- Revaluation Year Balances
- Inception-to-Date

While both methods revalue both your cost and your accumulated depreciation amounts, it is the way that the posted balances are handled that differentiates them.

Revaluation Year Balances

When you select Revaluation Year Balances, the system revalues the current year-to-date balance separately and then the beginning balance.

For example, the current year-to-date amounts for both primary and secondary accumulated depreciation are revalued and the adjustment amount is calculated. Then the beginning balances in both the depreciation accounts are revalued and their adjustment amounts are calculated. Then the adjustments for both the year-to-date and the beginning balances are added together and one journal entry is created for the account you have specified in the processing options. An offsetting journal entry is also created for posting to the cost offset account you

set up in the FR AAI. If you need to track both current adjustments and prior year adjustments, you must set up offset accounts for both the FR2 (current year accumulated depreciation) and FR3 (prior year accumulated depreciation) AAI. Offsetting journal entries are then created automatically for these two offset accounts.

Revaluation for the asset cost is treated similarly except that there is only a single offset.

Inception-to-Date

When you select the Inception-to-Date calculation method, account balances for every year are revalued. For example, year-to-date activity in the asset cost account is revalued for each year and the adjustment amount is calculated for each year. The adjustment amounts are then summed and a journal entry is created for that amount, to be posted to the account specified in the processing options. The offsetting entry is created for posting to the cost offset account you set up in the FR AAI. Both primary and secondary accumulated depreciation are treated similarly except for the offsets. If you need to track both current adjustments and prior year adjustments, you must set up offset accounts for both the FR2 (current year accumulated depreciation) and FR3 (prior year accumulated depreciation) AAI. Offsetting journal entries are created automatically for these two offset accounts.

Revaluation by Index or Factor

For either of the two revaluation methods, you can specify whether to use the values entered in your index tables as true indices or as factors. The two approaches yield very different results and the values in your index tables would likely be quite different depending on the approach taken or mandated. For example, assume that an asset purchased in June 1998 at a cost of 25,000 must be revalued in June of 1999. Use the following index table:

June 1998	137.251
July 1998	140.049
August 1998	142.370
September 1998	145.317
October 1998	145.307
November 1998	151.964

December 1998	156.915
January 1999	162.556
February 1999	166.350
March 1999	170.012
April 1999	174.012
May 1999	178.032
June 1999	180.931

Index Revaluation

In index revaluation, the values for June 1998 and June 1999 are combined into a fraction, using June 1998 as the denominator. This fraction is then multiplied by the original cost of the asset. The equation would look like the following:

$$\text{Cost} * (\text{June 1999 value} / \text{June 1998 value}) = \text{Revalued cost}$$

or

$$25,000 * (180.931 / 137.251) = 32,956.23$$

Factor Revaluation

In factor revaluation, the values in the index table become simple multipliers. The table is viewed somewhat differently, though. The values in the table would be considered *valid as of June 1999* and the revaluation factor is then derived from the acquisition date. This number is then multiplied by the original cost. The equation would look like the following:

$$\text{Cost} * \text{June 1998 value} = \text{Revalued cost}$$

or

$$25,000 * 137.251 = 3,431,275.00$$

Calculate Revaluation

Calculating Revaluation



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), choose Revalue Assets

From Asset Revaluation (G1234), choose Revaluation Journal

Use the Revaluation Journal program to revalue your assets. The program can be run in preliminary mode to view the projected revaluation amounts or in final mode to update the Item Master (F1201), Item Balance (F1202), and Journal Entries (F0911) tables with these amounts. Unless you specify otherwise, the system updates the cost, primary accumulated depreciation, and secondary accumulated depreciation accounts. You determine which assets or asset groups to revalue through data selection.

To create an unrecognized gain or loss, you can designate a subledger to post the revaluation adjustment. With this method, you can preserve your historical cost while continuing to revalue your assets.

When you select Revaluation Journal, 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.

What You Should Know About

Revaluation Journal report

The report is printed asset by asset under each account. If you revalue large numbers of assets, the report can be long. You can maintain the report as a spool file unless you are required to print a hard copy.

Inception to date revaluation requirement

To calculate an inception to date revaluation, Item Balance (F1202) table records must exist for every year of the life of every asset that is included in the revaluation.

Revaluation by amount or allocation To revalue assets by set amounts or allocations, you must either manually create journal entries or use STAR to create them.

Updating the Item Master table (F1201) Through processing options, you can limit the effect of revaluation to updating either or both the Last Year Cost and the Replacement Cost fields.

See Also

- *Working with DREAM Writer in the World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

Processing Options for Revaluation Journal

DEFAULT OPTIONS:

- 1.) Enter 'P' for Preliminary or 'F' for Final. (Default is Preliminary) _____
- 2.) Enter the Journal Entry Date Revaluation Source. _____

REVALUATION SOURCE:

- 3.) Enter the from Ledger Type. _____
- 4.) Enter the from Subledger (BLANK Default is All Selected) _____
- 5.) Enter the from Subledger Type Revaluation Destination. _____

REVALUATION DESTINATION:

- 6.) Enter the to Ledger Type (BLANK Default is Same as FROM Ledger Type) _____
- 7.) Enter the to Subledger (BLANK Default is *Blank Subledger) _____
- 8.) Enter the to Subledger Type _____

METHOD:

- 9.) Enter the Method of Calculation _____
 - 1 = Balances of Revaluation Year Default
 - 2 = Inception-to-Date (Period Amounts from ALL selected years applied to Index/Factor in effect at End of Each year, summed to derive current year)

- 10.) Enter Revaluation Code. (12/RI) _____
- 11.) Enter the Revaluation as of date:
(Default is G/L Date). _____
- 12.) Enter which Revaluation Date to
use: _____
1 = Date Acquired (Default)
2 = Depreciation Start Date
3 = Revaluation Date
- 13.) Determine the multiplier used in
calculation: _____
1 = index formula (index as of
revaluation date / index as of
acquisition)
2 = factor
- FILE UPDATE OPTIONS:
- 14.) Enter a '1' to select fields/files
to be updated: _____
Item Balances _____
Item Master Last Year Cost _____
with Existing Replacement Cost.
Item Master with Replacement Cost _____
- PRINTING FORMAT:
- 15.) Suppress printing of Audit Info. _____
Blank = Print file changes and
calculations
1 = Print only file changes
- 16.) Enter a '1' to suppress page break
on each Asset Number. _____
- 17.) Identify how to print Amounts. _____
Blank = Amounts w/commas (default)
1 = Amounts w/o commas
- VERSION:
- 18.) Version number to be executed
automatically if processing in
Final Mode. ('ZJDE0028' for
example) _____



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 depreciate 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

Closing Annual Account Balances



From Fixed Assets (G12), choose Year End Processes

From Year End Processes (G1225), choose Asset Account Balance Close

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 do the following:

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 year at a time You can close a specific company, range of companies, or 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.

The following graphic shows how the program creates depreciation information records for the next year:

Item Balance
(F1202)
No New records if:
Disposed Asset Cost = Zero

FY	Beginning Balance	Fiscal Period				Depr.	Life	DI	MC
		1	2	3	4 → 14				
98		100	100	50	01	60	0	1	
99	250				01	60	0	1	

Note: Brackets in the original image indicate that the 'Beginning Balance' for FY 99 is derived from the 'Fiscal Period 4' value of 250 in FY 98. Similarly, the 'Depr.' and 'Life' values for FY 99 are derived from the 'Depr.' and 'Life' values of 01 and 60 in FY 98.



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 that 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	To include a range of companies in your annual close, ensure that they share the same fiscal year pattern.
Carrying balances forward	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)

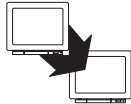
Enter:

- 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



From Fixed Assets (G12), choose Year End Processes

From Year End Processes (G1225), choose Units of Production Close



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 to manage your company's fixed assets.

Printing fixed asset reports consists of the following tasks:

- Printing asset information reports
- Printing depreciation reports
- Running integrity reports
- Printing quarterly and year-to-date reports

See Also

- *Work with DREAM Writer* in the *World Software Common Foundation Guide* for information about running, copying, and changing DREAM Writer versions



Print Asset Information Reports

Printing Asset Information Reports



From Fixed Assets (G12), choose Cost Information and Reports

From Cost Information and Reports (G1213), choose an option

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 Transaction Ledger 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 Master Information 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

Fixed Assets

12410													J.D. Edwards & Company			Page	-	2
													Item Master Schedule : By Company			Date	-	4/26/98
													By Major & Sub Class, Parent & Item Nos.					
Co	Acc	Eqm	Mfg	Mdl	Use	Parent	Item	Unit	Description/	Responsible	Date	Tax						
	Cls	Cls	Yr	M/H	Number	Number	Number	Serial Number	Bus. Unit	Acquired	ST	Auth	Name					
50	20					1006	1006		Office Building 123 Elm Street 50,000 sq ft	50	07/15/96							
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" Heavy Duty	YARD	09/30/96							
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 Diesel Engine, Model D8 With Ripper 46A8890	YARD	06/15/98							
50	30	3T	CAT	97	HR	1396	1396	7-239	Caterpillar Crawler, 1997 Diesel Engine, Model D8 With Ripper 97A3590	YARD	06/15/97	CO		5071 Denver City &				
50	30	3TM	CAT	96	HR	1001	1001	AA9	AA9 Motor Grader Ripper, Power Assist, Pu Block, Scarifier, Encl 96U4825	50	10/15/96							
50	30	3TM	CAT	96	HR	1425	1425	9-385	Grader, Cat 140G Variable Horsepower 96G228-3912	YARD	05/15/96	CO		5071 Denver City &				
50	30	3TM	CAT	97	HR	1417	1417	9-447	Motor Grader Cat 12G 13L427-6585	YARD	10/07/97	CO		5071 Denver City &				
50	30	3TM	CAT	98	HR	1040	1040	851-3	Caterpillar Grader, 140G Diesel Engine, Model 140 72V9610	YARD	06/15/98							
50	30	3TS		HR	1001	1013	ED5533		Engine, Diesel, Cummins 458 BHP E1-85430-4320-578003-0357	50	11/17/97							
50	30	3TS		HR	1001	1034	HB3315		ESCO High Alloy Blade 12 ft, Carbon edge S35DD0-F2505	50	01/05/97							

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 Number	Item Number	Description	Lessor Address	Name	P O	Monthly Amount	Date Expired	Remark
1001	1001	AA9 Motor Grader Ripper, Power Assist, P Block, Scarifier, Encl	1002 Edwards & Edwards		Y	995.00	10/15/01	Low maintenanc
1300	1300	Backhoe, Caterpillar 426 Heavy Duty Bucket Extendable Stick	1002 Edwards & Edwards		N	1,015.37	09/15/01	

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 Transaction Ledger Report



From Fixed Assets (G12), choose Posting G/L to Fixed Assets

From Posting G/L to Fixed Assets (G1212), choose Print Transaction Ledger

You can print the Transaction Ledger report to review all the transactions for an asset. The report prints the transactions by company and in the order that they occurred. You can view the asset number, the affected account, a brief explanation, the G/L date, a currency and unit amount, and so on, for each transaction. The report shows currency and unit totals for each company.

You can print the Transaction Ledger report to review all the transactions for an asset. The report prints the transactions by company and in the order that they occurred. You can view the asset number, the affected account, a brief explanation, the G/L date, a currency and unit amount, and so on, for each transaction. The report shows currency and unit totals for each company.

The transactions that print on the Transaction Ledger report come from the Account Ledger table (F0911), which stores journal entry audit trails. Unless you specify otherwise, the report includes all asset transactions that have accumulated in the Account Ledger since the ledger was last summarized.

You can run two versions of this report:

Posted

Prints asset transactions that are posted to fixed assets and the general ledger.

Unposted

Prints asset transactions that are not posted to fixed assets. The transactions are not necessarily posted to the general ledger.

12420		J.D. Edwards & Company				Page	-	22
		Fixed Asset Ledger - Posted				Date	-	6/08/98
Item Number	Subledger/Type G/L Account	Item Description Account Description Explanation	Do Ty	Document	G/L Date	Amount	Units	H LT D
			1					
1300	YARD.8421	Backhoe, Caterpillar 426 Ownership Portion	T5	125	4/30/98	40.00-	8.00-	AA
1329	YARD.8421	Truck, Pickup, Ford Ownership Portion	T5	125	4/30/98	6.00-	8.00-	AA
1388	YARD.8421	Scrapper, Auger, CAT 651E Ownership Portion	T5	125	4/30/98	80.00-	8.00-	AA
2049	YARD.8421	Truck, Pickup, Ford Ownership Portion	T5	125	4/30/98	6.00-	8.00-	AA
1300	YARD.8422	Backhoe, Caterpillar 426 Operating Portion	T5	125	4/30/98	80.00-		AA
			1					

Processing Options for Transaction Ledger

PRINT SELECTION:

- 1) 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
Equipment Cost Detail

Page - 2
Date - 06/30/98

Through Date/Period - 06/30/98

Item Number	Asset Description Account Number	Sub Ledger	S T	Cost Account Description	ITD	Amount YTD	MTD	ITD	Amount/Hour YTD	MTD
1001	AA9 Motor Grader Ripper, Power Assist, Pus Block, Scarifier, Encl C			Hours or Miles	4.00	4.00	4.00			
	50.2030.			Net Book Value 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



From Fixed Assets (G12), choose Fixed Asset Master Information

From Fixed Asset Master Information (G1211), 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 Fixed Assets Suppl Data - By Item Number		Page Number 2
				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				
=====				
	Capacity	Effective 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.

Fixed Assets

12440

J.D. Edwards & Company
All Item Numbers by Data Type - Item #

Page Number 2
Date 4/23/96

Capacity

```

=====
Item Number      Name                      Effective Date
-----
From   Through
-----
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 Specification Data Report	Page Date	2 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

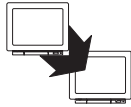
Printing Depreciation Reports

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



From Fixed Assets (G12), choose Cost Information and Reports
From Cost Information and Reports (G1213), 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
 Depreciation Schedule
 By Accumulated Depreciation Account
 50.2120

Page - 3
 Date - 6/06/98
 As of - 06/30/98

A Model Construction Mgmt Co

Parent No./ Item No.	Description Depreciation Expense Acct.	Start Depr	De LT	D Me	M I	Life C Mths	Cost	Accumulated Depreciation	. . Depreciation Year to Date	Expense . Current	Net Book Value	Salvage Value	Meth 9 Sch No	Sub- 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
 Depreciation Schedule
 By Accumulated Depreciation Account
 YARD.2130

Page - 3
 Date - 6/06/98
 As of - 06/30/98

A Model Construction Mgmt Co

Parent No./ Item No.	Description Depreciation Expense Acct.	Start Depr	De LT	D Me	M I	Life C Mths	Cost	Accumulated Depreciation	Depreciation Year to Date	Expense. Current	Net Book Value	Salvage Value	Meth 9 Sch No	Sub- 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 Total							13,879.19	231.32	231.32	231.32	13,647.87			
							13,879.19				13,879.19			
							13,879.19				13,879.19			
							13,879.19				13,879.19			
							13,879.19				13,879.19			
Company Total							325,535.03	34,778.48	15,284.76	15,284.76	290,756.55			
							348,699.28	51,370.71	10,842.72	10,842.72	297,328.57			
							348,699.28	23,168.97	6,170.36	6,170.36	325,530.31			
							348,699.28	30,366.32	7,252.83	7,252.83	318,332.96			
							348,699.28	23,415.02	6,416.41	6,416.41	325,284.26			
							15.00				15.00			
Grand Total							325,535.03	34,778.48	15,284.76	15,284.76	290,756.55			
							348,699.28	51,370.71	10,842.72	10,842.72	297,328.57			
							348,699.28	23,168.97	6,170.36	6,170.36	325,530.31			
							348,699.28	30,366.32	7,252.83	7,252.83	318,332.96			
							348,699.28	23,415.02	6,416.41	6,416.41	325,284.26			
							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



From Fixed Assets (G12), choose Year End Processes

From Year End Processes (G1225), 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./ Item No.	Description	LT	Cost	Salvage Value	Start Depr	De Me	D I	M C	Life Mons	Fs Yr	Depreciation AA	D1	Book/Tax Difference	Subledger/ 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	
1370	Plotter	AA	17,348.72		09/15/97	01	0	R	60	98	5,348.52	5,590.90		
1370		D1	17,348.72		09/15/97	12	Y	C	60	99	3,469.80	5,551.59	2,081.79-	
									00		3,469.68	3,330.95	138.73	
											3,469.80	1,998.57	1,471.23	
											10,409.28	10,881.11		

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 Depreciation Projections - Detail Date - 4/26/96

A Model Construction Mgmt Co
 Depr Exp Acct - 50.8860

Description	Fs Yr	Depreciation AA	D1	Book/Tax 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

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 Depreciation Projections - Detail Date - 4/26/96

A Model Construction Mgmt Co
 Depr Exp Acct - SHOP.8441

Parent No./ Item No.	Description	LT	Cost	Salvage Value	Start Depr	De Me	D I	M C	Life Mons	Fs Yr	Depreciation AA	D1	Book/Tax Difference	Subledger/ 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 4WD	D1	35,627.00		05/15/97	12	Y	C	84	99	7,125.48	6,231.16	894.32	
									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

Running Integrity Reports



From Fixed Assets (G12), choose Fixed Asset Integrity Reports

From Fixed Asset Integrity Reports (G1224), choose an option

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
- Printing the G/L to Fixed Assets Integrity 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

Fixed Assets

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-			
50.2160		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 AAs and are posted to the general ledger, but not to fixed assets, appear on this integrity report.

12301										
J.D. Edwards & Company										
Unposted F/A Transactions										
Page - 2										
Date - 4/26/96										
Do Document Ty Number	G/L Date	Account, Description, Subledger/Type	LT	Amount	Units	Item Number	Desc/Explanation	Line Number	H	D
BE	1635	06/15/98	50.2070	AA	17.50-		* No Item Master Rec Ceiling Materials	1.0		
		Computer					A&B Electric Motor			
PV	538	06/15/98	50.2070	AA	17.50		* No Item Master Rec Ceiling Materials	6.0	H	
		Computer					A&B Electric Motor			
PV	568	06/15/98	50.8452	AA	8,925.64		* No Item Master Rec Invoice 79860	13.0	H	
		Tires					Tenco Tractor, Inc			
PV	568	06/15/98	50.8484	AA	4,000.00		* No Item Master Rec Invoice 79860	14.1	H	
		Safety Equipment					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					

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

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	
Account Number	Document Number	Ty	G/L Date	Asset Number	G/L F/A 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								

Printing the G/L to Fixed Assets Integrity Report

You can use the G/L to Fixed Assets Integrity report to compare account records in the general ledger balance table to the records in the fixed assets balance table. You use this report to find transactions that have been posted to the general ledger but have not been posted to the fixed assets system.

This is the most powerful of the integrity reports. It uses the entire range of accounts defined in the FX AAIs to compare the General Ledger Balance table (F0902) to the Fixed Asset Balance table (F1202). Through processing options, you can choose to print transaction detail for exception transactions only.

The system also reconciles any out of balance accounts on a transaction-by-transaction basis. When the system locates an out of balance account, it determines the difference between the balances and then processes each general ledger detail transaction as if it had been posted to Fixed Assets. A new difference is calculated for each detail transaction, attempting to reduce the difference to zero. The posting codes for each line also prints and allows you to determine exactly which transactions are causing the problem.

To identify the exception transactions, the system compares the G/L Post Code with the Batch Rear End Code for each detail transaction from the General Ledger Transaction table (F0911). The following table shows the comparison and result:

G/L Post Code	Batch Rear End Code	Exception Identification
P	*	OK
P	P	Exception
P	H	Exception
P	Blank	Exception
Blank	*	Exception
Blank	P	Exception**
Blank	H	Exception**
Blank	Blank	Exception**

** These do not cause an imbalance between the General Ledger Balance (F0902) and the Fixed Asset Balance (F1202) tables. However, the month-end balances might not be accurate without these postings.

What You Should Know About

Multi-currency environments

You can choose to run this report over your ledgers that reflect alternate currencies.

127013		Kevin's Ski & Scuba				Page No. . . 11	
		G/L to F/A Balance Integrity Report				Date - . . . 3/26/97	
Account Number/ Asset ID	Doc Num	Description Ty Date	General Ledger	Fixed Assets	Difference	Code	Explanation
1601.2030		Heavy Equipment	120.00		120.00		
	693	PV 02/26/97		10.00	110.00	F	Unposted F/A
	694	PV 02/26/97		10.00	100.00	F	Unposted F/A
	342	PV 02/20/97		100.00		F	Unposted F/A
	343	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	344	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	345	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	346	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	347	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	348	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	349	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	350	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	351	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	352	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	353	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	354	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	355	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	356	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	357	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	358	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
	359	PV 02/20/97	100.00	100.00		N	Unposted G/L-F/A
		Totals	120.00	120.00			

Processing Options for G/L to Fixed Assets Integrity

REPORTING SELECTION:

1. Enter '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. _____
2. Enter the "as of" date. Leave blank (default) to use each company's current fiscal year and period. _____
3. Enter '1' to print transaction detail. Leave blank (default) to print balance information only. _____

LEDGER TYPE SELECTION:

4. Enter a ledger type to specify other than AA. Leave blank (default) for the AA ledger type. _____

PRINT FORMAT CONTROL:

5. Enter '1' to suppress commas on all amount fields. Leave blank (default) to print with commas. _____
6. Enter '1' to suppress the code explanation from printing. Leave blank (default) to print the code explanation. _____

What You Should Know About Processing Options

**Suppress code
explanation (6)**

To print the report on a printer that supports only a 132 character width, you must set this processing option to 1 to suppress printing of the code explanations.

Print Quarterly and Year-to-Date Reports

Printing Quarterly and Year-to-Date Reports



From Fixed Assets (G12), choose Quarterly and Year-to-Date Reports

From Quarterly and Year-to-Date Reports (G1223), choose an option

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 depreciation, 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.

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.

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 Number	Description	LT	Beginning Balance	YTD Additions	Transfers In	Transfers Out	YTD Disposals	Ending 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		75,364.72	1,325.01				76,689.73		
			3,768.24-	1,279.32-				5,047.56-		
			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		57,443.21					57,443.21		
			14,360.80-	5,744.34-				20,105.14-		
			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		37,505.53				23,164.25-	14,341.28		
			10,542.43-	3,750.54-			11,582.12	2,710.85-		
			26,963.10					11,630.43		
30	Heavy Equipment		94,948.74				23,164.25-	71,784.49		
			24,903.23-	9,494.88-			11,582.12	22,815.99-		
			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		

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	Description	LT	Beginning Balance	YTD Additions	Transfers In	Transfers Out	YTD Disposal	Ending Balance
Item Number								
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	Caterpillar 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	Scraper, 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

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J.D. Edwards & Company
Fixed Asset Retirements Report

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Item Number	Description	LT	Start Depr	Disp Date	Disposal Proceeds	Cost	Accumulated Depreciation	Net Book Value	Disposal Gain/Loss	1st Ledger less 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 AAI's.
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

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 AAI's.
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: <ul style="list-style-type: none">• Accumulated depreciation less the depreciation that would have been available under the straight line method• Gain
Section 291	Twenty percent of the excess of: <ul style="list-style-type: none">• 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.

Sale of Business Property Report – Personal Property

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J.D. Edwards & Company
 Sale of Business Property
 Personal Property

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Item Number	Description	LT	Start Depr	Disp Date	Disposal Proceeds	Cost	Accumulated Depreciation	Disposal Gain/Loss	Sec. 1245 Recapture Amt	Sec. 291	Sec. 1231 Gain/Loss	Ordinary 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-

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 Depreciation Expense Report				Page	-	3					
						Date	-	4/26/96					
						As of	-	06/30/98					
Item Number	Description	Eq St LT	Cost	Accumulated Depreciation	. . . Depreciation Expense . . .		Current Depreciation	Net Book Value	Start Depr	De Me	D I	M C	Lif Mos
					Year to Date	Qtr to Date							
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	10 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

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.

Depreciation and Amortization Report

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J.D. Edwards & Company
Depreciation and Amortization Report

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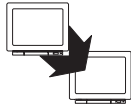
Item Number	Description	De LT	Start Me	Lif Mos	D I	Cost	Year to Date Depreciation	
1013	Engine, Diesel, Cummins	D1	12	11/17/97	84	Y	9,549.12	1,169.28
1417	Motor Grader	D1	12	10/07/97	84	Y	217,358.16	26,615.52
1396	Caterpillar Crawler, 1997	D1	12	06/15/97	84	Y	175,342.29	21,470.64
1388	Scraper, Auger, 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

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



From Fixed Assets (G12), choose Year End Processes

From Year End Processes (G1225), 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 Property Tax Worksheet				Page	9
	50	A Model Construction Mgmt Co Invalid Taxing Authority No.			Date	4/26/96
Acc Cls	Egm Cls	Item Number	Description	Date Acquired	Cost	Extension
30	3TS	1034	ESCO High Alloy Blade 12 ft, Carbon edge	01/05/97	4,792.16	-----
70		1370	Plotter	09/15/97	17,348.72	-----
70		1361	CAD/CAM Autotrol	10/22/97	8,914.07	-----
30	3AE	1353	Drill Motors	11/15/97		-----
30	3TS	1013	Engine, Diesel, Cummins 458 BHP	11/17/97	9,549.12	-----
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 asset acquisition years
- Setting up depreciation account rules
- Setting up ledger depreciation rules
- Setting up ledger type rules
- Setting up disposal account rules
- Setting up revaluation indices
- Setting up units of production schedules
- Mapping category codes
- Setting up supplemental data
- Setting up beginning balances



What Do these Setup Features Do?

Fixed Assets constants	<p>Establish system basics, such as:</p> <ul style="list-style-type: none">• The default business units for asset cost, accumulated depreciation, depreciation expense, and revenue accounts for an asset• The category code number that you use to define the depreciation category for use in the depreciation rules• The code that determines whether depreciation is derived from the depreciation rules or from information stored with each asset• The codes that determine whether the depreciation accounts specified in the company depreciation account rules are locked to their respective cost accounts• 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• The number of category codes that appear on the asset master record and other data entry forms
User defined codes	<p>Define customized codes, such as:</p> <ul style="list-style-type: none">• Asset category codes, including major accounting class and major asset class• Finance methods• Asset status codes• Asset message types
Automatic accounting instructions	<p>Define accounting information and general ledger relationships when the Fixed Assets system interacts with the General Accounting system</p>
Next numbers	<p>Enable the system to automatically assign numbers to various items in the system that require unique numbers.</p>
Asset acquisition years	<p>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.</p>

Depreciation account rules

Simplify the creation of new asset master records by establishing default values for the Master Information form, such as:

- Cost account links and their effective dates
- Accumulated depreciation accounts
- Depreciation expense accounts
- Major accounting class
- Major equipment class
- Revenue account

Ledger depreciation rules

Specify the depreciation methods for groups of assets by defining the groups according to any of the following:

- Company
- Accounting category
- Depreciation category
- Asset cost account
- Effective dates

Further define how assets are depreciated within the groups by specifying depreciation methods by ledger type.

Ledger type rules

Control processing for specific ledger types. Specify any necessary ledger dependencies and associated transaction creation. Further define:

- Currency codes
- Date pattern overrides
- Period number overrides
- Rounding rules

Disposal account rules

Specify the accounts used for asset disposal.

Revaluation indicies

Automate revaluation so that you can easily keep pace with inflation or market fluctuations.

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.

Category code mapping

Map specific business unit category codes to specific asset category codes.

Supplemental data

Define additional data you can use to track assets.

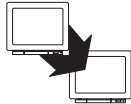
- Define the types data that you want to track
- Determine which data type will appear for groups of assets with Data Type Cross Reference
- Define specification sheets, such as asset nameplate information
- Establish security to limit user access to supplemental data

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

Setting Up Fixed Asset Constants



From Fixed Assets (G12), enter 29

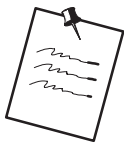
From Fixed Asset System Setup (G1241), choose Fixed Asset Constants

You set up fixed asset constants to control how your business environment uses the features in the Fixed Assets system. For example, you can choose whether to access the hard-coded depreciation methods or the user-defined depreciation rules when you determine depreciation for your assets. You can also specify the business unit that appears as a default value for the various 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.



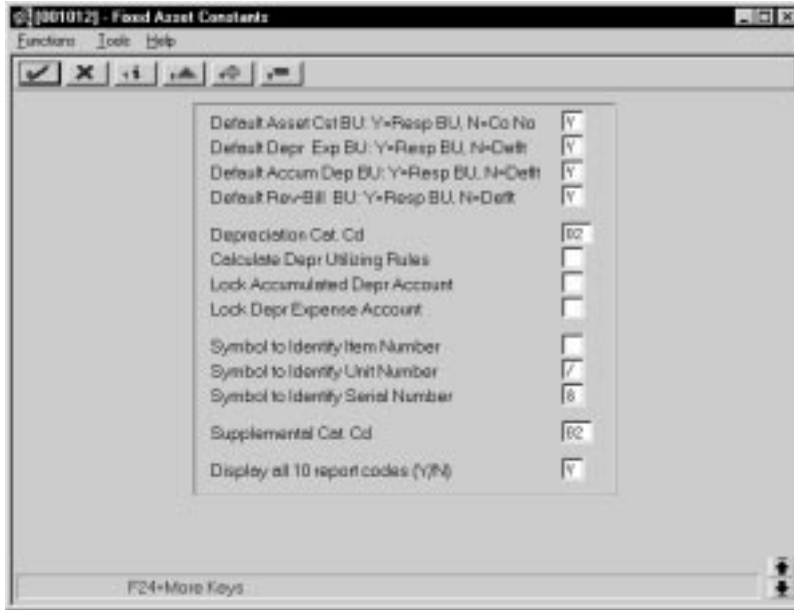
You should not change the constant values that you set up for your system. If you must change the fixed asset constants, you should understand the consequences. For example, if you change the default business unit for asset accounts, the change affects only the assets that you add to the system after 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
- Depreciation Category Code
- Calculate Depreciation Utilizing Rules
- Lock Accumulated Depreciation Account
- Lock Depreciation Expense Account
- Symbol to Identify Item Number
- Symbol to Identify Unit Number
- Symbol to Identify Serial Number
- Supplemental Category Code
- Display first 10 category codes

Field	Explanation
Default Asset Cst BU: Y=Resp BU, N=Co No	<p>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:</p> <ul style="list-style-type: none"> <li data-bbox="776 415 1409 506">Y Responsible Business Unit. The system uses the business unit from the responsible business unit on the Master Information form. <li data-bbox="776 512 1370 602">N Company. The system uses the business unit from the company number on the Master Information form. <p>NOTE: Typically the business unit and company share the same number. For example, business unit 50 usually contains general accounts for company 50.</p>
Default Depr Exp BU: Y=Resp BU, N=Deflt	<p>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:</p> <ul style="list-style-type: none"> <li data-bbox="776 892 1409 982">Y Responsible business unit. The system uses the business unit from the responsible business unit on the Master Information form. <li data-bbox="776 989 1409 1052">N Default. The system uses the business unit from the Item Setup Default Coding form.
Default Accum Dep BU: Y=Resp BU, N=Deflt	<p>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:</p> <ul style="list-style-type: none"> <li data-bbox="776 1228 1409 1318">Y Responsible business unit. The system uses the business unit from the responsible business unit on the Master Information form. <li data-bbox="776 1325 1409 1388">N Default. The system uses the business unit from the Item Setup Default Coding form.
Default Rev-Bill BU: Y=Resp BU, N=Deflt	<p>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:</p> <ul style="list-style-type: none"> <li data-bbox="776 1564 1409 1654">Y Responsible business unit. The system uses the business unit from the responsible business unit on the Master Information form. <li data-bbox="776 1661 1409 1724">N Default. The system uses the business unit from the Item Setup Default Coding form.

Field	Explanation
Depreciation Calc Use Rules Flag	<p>Controls where the depreciation programs get the depreciation information, including the depreciation accounts to use, the ledgers and subledgers for which depreciation must be calculated, and the depreciation methods to be used. Valid codes are:</p> <ul style="list-style-type: none"> blank The depreciation programs refer to values stored in the Asset Balance table for depreciation information. The system stores information in each asset record. These values are taken as default depreciation values from Company Ledger Depreciation Rules when the asset master is created. 1 The depreciation programs refer to the Company Ledger Depreciation Rules for the depreciation information.
Lock Accumulated Depreciation Account	<p>Controls whether an Accumulated Depreciation Account specified in the Company Depreciation Account Rules is locked to the Asset Cost Account specified on the same form. Valid codes are:</p> <ul style="list-style-type: none"> blank No lock is present. 1 Lock is on. In every company depreciation account rule, the accumulated depreciation account specified is locked to the asset cost account. The accumulated depreciation account cannot be changed after the first posting to the account. Prior to the first posting the business unit can be changed. After the first posting, changes must be made through the asset transfer procedure.
Lock Depreciation Expense Account	<p>Controls whether the Depreciation Expense Account specified in the Company Depreciation Account Rules is locked to the Asset Cost Account specified on the same form. Valid codes are:</p> <ul style="list-style-type: none"> blank No lock is present. 1 Lock is on. In every company depreciation account rule, the depreciation expense account specified is locked to the asset cost account. The depreciation expense account cannot be changed after the first posting to the account. Prior to the first posting the business unit can be changed. After the first posting, changes must be made through the asset transfer procedure.
Depreciation Cat. Cd	<p>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.</p> <p>NOTE: You must set up a default value for this category code.</p>

Field	Explanation
Symbol to Identify Item Number	<p>You can assign one of three different numbers to an asset. These numbers are:</p> <ul style="list-style-type: none"> • 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 <p>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.</p> <p>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.</p>
Symbol to Identify Unit Number	<p>You can assign one of three different numbers to an asset. These numbers are:</p> <ul style="list-style-type: none"> • 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 <p>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.</p> <p>NOTE: You can leave only one asset number blank. The other two must have a symbol so that all three numbers are unique. Be sure that this symbol is not significant for any other purposes of entry, for example, a period or comma.</p>

Field	Explanation
Symbol to Identify Serial Number	<p>You can assign one of three different numbers to an asset. These numbers are:</p> <ul style="list-style-type: none"> • Item Number — Eight-digit, computer assigned number • Serial Number — Twenty-five-digit model or serial number • Unit Number — Twelve-digit, alphanumeric, user-defined number <p>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.</p> <p>NOTE: You can leave only one asset number blank. The other two must have a symbol so that all three numbers are unique. Be sure that this symbol is not significant for any other purposes of entry, for example, a period or comma.</p>
Supplemental Cat. Cd	<p>Enter the number of the equipment category code that controls which supplemental data types the system displays on the Equipment Management supplemental data forms.</p> <p>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.</p>
Display all 10 report codes (Y/N)	<p>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:</p> <ul style="list-style-type: none"> Y Display first 10 category codes N Display only the first five category codes <p>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.</p>

What You Should Know About

Changing fixed asset constants

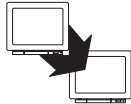
J.D. Edwards recommends that you do not change your fixed asset constants. If you do, be aware that for some fixed asset constants, you must perform an additional process to update the system with your latest change. For example, if you change the symbol for your primary asset number on Fixed Asset Constants, you must also run the Refresh Item Number program in the Fixed Assets Global Updates.

See Also

- *Setting Up User Defined Depreciation* for more information on depreciation rules

Set Up User Defined Codes

Setting Up User Defined Codes



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose User Defined Codes

From User Defined Codes (G1242), choose an option

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 Master Information. 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).

Revaluation codes (system 12, type RI) Use to identify revaluation index tables. For example, set up codes to identify revaluation tables for separate countries.

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.

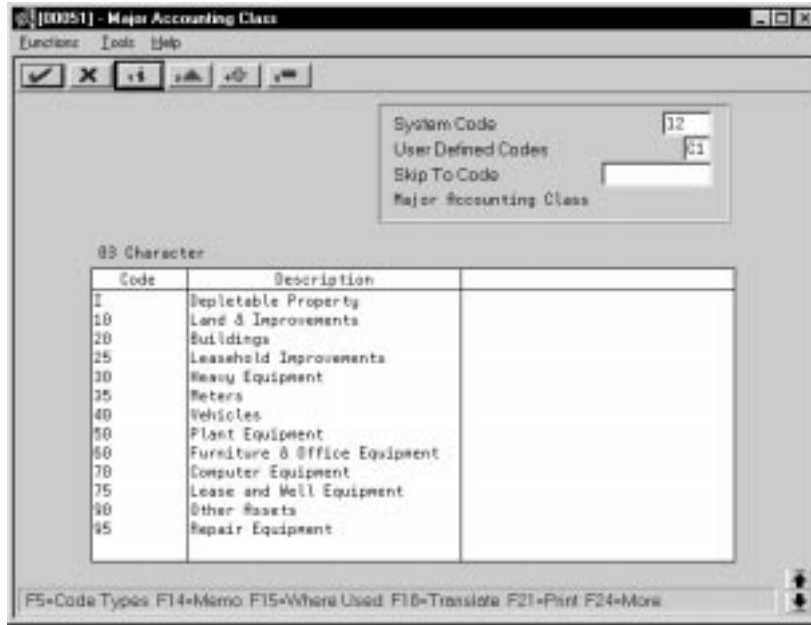
What You Should Know About

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. To locate the user defined code table that you want to set up or revise, complete the following fields:
 - System Code
 - User Defined Codes
2. To revise the user defined code table, complete the following fields:
 - 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.

User defined code table 12/LT (Fixed Asset Ledger Types)

This user defined code table has been replaced by the Ledger Type Master table (F0025). You can access fixed asset ledger types formerly defined in the user defined code table through Ledger Type Rules from the Fixed Asset System Setup menu.

See Also

- *Working with User Defined Codes* in the *World Software Common Foundation Guide* for more information about setting up user defined codes
- *Set Up Ledger Type Rules (P002512)* for more information about setting up ledger types specific to Fixed Assets

Set Up Automatic Accounting Instructions

Setting Up Automatic Accounting Instructions



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose 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
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
FR1 – FR3	Identifies revaluation offset 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 AAI's, 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 AAI's.

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 specified 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 AAI's, 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 Rules for the asset cost account. The system uses the default values on the Depreciation Account Rules and Ledger Depreciations Rules forms 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 AAI 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 AAI 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 AAI 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 AAI is optional. If you set up the AT AAI, 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.

AAIs for User Defined Depreciation

If you set up user defined depreciation for your assets, you must set up the following AAI:

SDA AAI

The system uses the SDA AAI to determine which account to use as the secondary accumulated depreciation account.

SDE AAI

The system uses the SDE AAI to determine which accounts to use as the secondary and tertiary depreciation expense accounts. J.D. Edwards recommends that you set up the SDE AAI as follows:

SDE1 Use for the secondary depreciation expense account.

SDE2 Use for the tertiary depreciation expense account.

DSxxx AAI

The system uses the DSxxx AAI (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 AAI:

DS1xxx	Use for original value depreciation statistic.
DS2xxx	Use for base value depreciation statistic.
DS3xxx	Use for general ledger depreciation statistic.

AAI for Revaluation

If you compute revaluation for your assets, you must set up the FRxxx AAI.

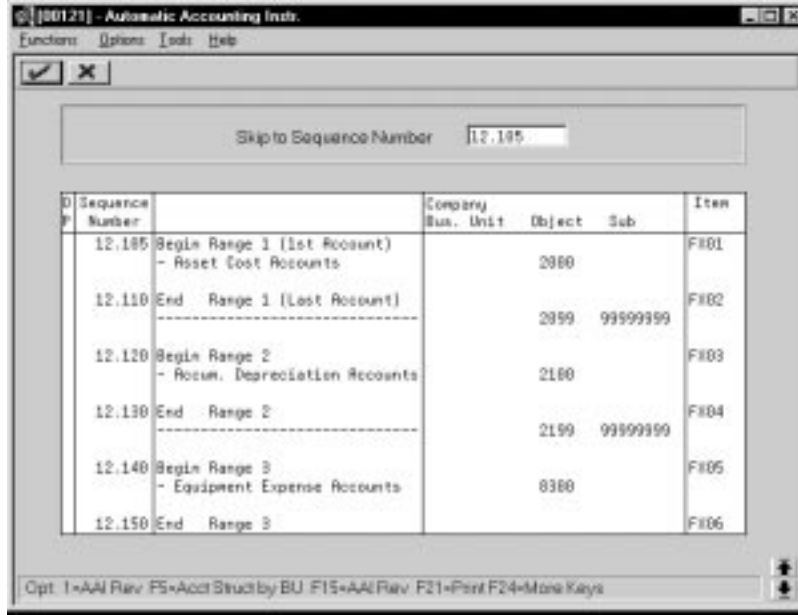
FRxxx AAI

The system uses the FRxxx AAI (where xxx is the revaluation code that you specify on Revaluation Index) to determine which accounts to use for revaluation offset amounts. You must specify accounts for the following FRxxx AAI:

FR1xxx	Use for the cost revaluation offset account. This AAI is mandatory if you compute revaluation.
FR2xxx	Use for the offset account for the current year portion of accumulated depreciation revaluation. This AAI is mandatory if you compute revaluation.
FR3xxx	Use for the offset account of the prior year portion of accumulated depreciation revaluation. This AAI is optional if you compute revaluation.

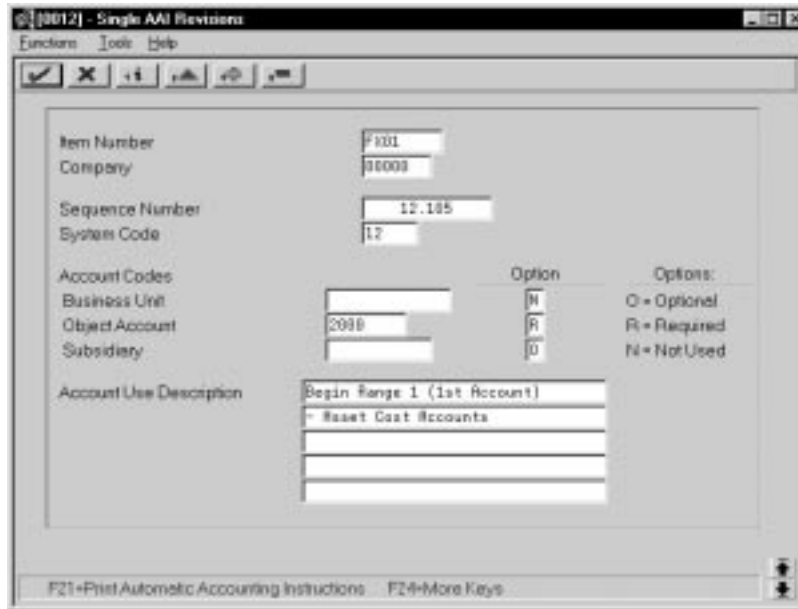
Using AAI Forms

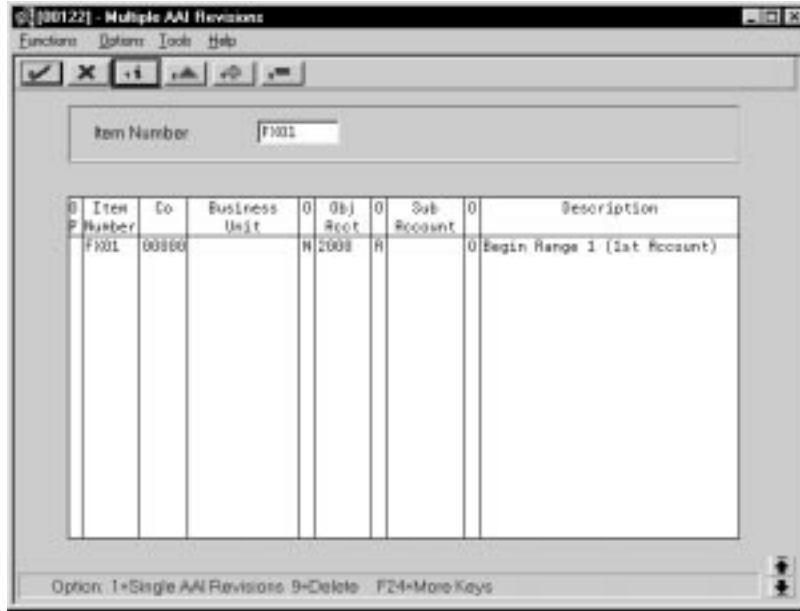
The Automatic Accounting Instructions form shows an index, or list, of the AAI used in the J.D. Edwards systems. Select Automatic Accounting Instructions from the Fixed Assets setup menu (G1241) to view the AAI for Fixed Assets.



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.





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

- *Working with AAIs (P00121)* in the *General Accounting I 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

Setting Up Next Numbers



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose Next Numbers

The Next Numbers program controls the automatic numbering in many J.D. Edwards systems. When you set up next numbers, you enable the system to automatically assign unique numbers to certain items. For example, when you create an equipment master for a new piece of equipment, the system assigns a unique number to the equipment. Or, when you enter a document, such as an invoice or journal entry, the system assigns a unique number to that document.

Next numbers works in conjunction with the data dictionary. Each data dictionary item that uses next numbers contains a next numbering index value, which corresponds to the line number containing the next number value for that data item. The program stores the increment for the next available number in the Next Numbers table (F0002) and automatically uses the next available number when one is assigned.

The Fixed Assets system automatically assigns unique numbers to the following items:

Item number	Use to identify the assets in your system by a unique number.
Fixed asset documents	Use to identify documents that the system creates when you run various Fixed Assets programs including: <ul style="list-style-type: none">• Compute Depreciation• Single/Mass Asset Transfer• Single/Mass Asset Disposal• Enter Beginning Balances• Asset Splits

Location information and associated text

Use 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

Use 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

Use	Next Number	Check Digit
Item Number	2573	7
F/R Doc No.	675	7
Text Key	1532	7
Transfer No.	265	7

CAUTION
Changing the data on this screen may make it impossible to retrieve previously added addresses and may result in attempts to assign duplicate numbers.

F8-Next Numbers by Co/PY F24-More Keys

1. To locate next numbers for a specific system, complete the following field:
 - System Code
2. For each number that you want to set up, complete the following fields:
 - Next Number
 - Check Digit

Field	Explanation
System Code	A user defined code (98/SY) that identifies a J.D. Edwards system.
Next Number	The next number which will automatically be assigned by the system. Next numbers can be used for many types of documents including voucher numbers, invoice numbers, journal entry numbers, employee numbers, address numbers and so on. Next numbers can be reviewed from the Operations Control Menu. You must adhere to the next numbers that have been preestablished unless custom programming has been provided.
Check Digit	A number that prevents the Next Numbers program (P0002) from assigning transposed numbers. If you use check digits, the system automatically adds a number to the end of each number that it assigns through Next Numbers.

Field	Explanation
Check Digit	A number that prevents the Next Numbers program (P0002) from assigning transposed numbers. If you use check digits, the system automatically adds a number to the end of each number that it assigns through Next Numbers.

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.

Changing the sequence of next numbers Do not change the sequence of the next numbers in the table. Each next number must remain on its current line because programs reference a specific line in the table.

For example, in the General Accounting system the next number for journal entries must be on the second line.

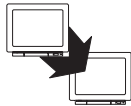
Next numbers by company and fiscal year You can assign next numbers for the Fixed Assets system by company or by company and fiscal year for selected original documents.

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 Asset Acquisition Years

Setting Up Asset Acquisition Years



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose 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

The screenshot shows a software window titled '00105] - Asset Acquisition Years'. It features a menu bar with 'Functions', 'Options', 'Tools', and 'Help'. Below the menu is a toolbar with icons for search, close, and other functions. A 'Skip To Company' search box is present. The main area contains a table with the following data:

Co	Name	D No	Begin Year	Cur Per
00000	JDEdwards	R	12/01/01/95	8
00001	J.D. Edwards and Company	R	12/01/01/97	4
00002	Kim's Co	R	12/01/01/98	1
00007	Test Company	R	12/01/01/92	1
00011	Wings Development Testing	R	12/01/01/98	10
00012	Shibata's Company	R	12/01/01/97	4
00016	Keitha Multi-Site Cons. Co	R	12/01/01/02	1
00017	Keitha Multi-Site Cons. Co	R	12/01/01/98	1
00018	Puritans Company	R	12/01/01/96	5
00020	Keitha SEF CO.	R	12/01/01/98	1
00022	Fake Company	R	12/01/01/97	2
00023	Fanny's company	R	12/01/01/97	4
00026	Tom's Test Company	R	12/01/01/96	11
00030	The Puritan	R	12/01/01/96	5
00033	Willow Creek Company	R	12/01/01/96	1
00034	Daley Contractors	R	12/01/01/96	11
00037	Max's Test Company	R	12/01/01/99	12
00039	NRM's Test Company	R	12/01/01/99	1

At the bottom of the window, there is a status bar with the text: 'Opt: 1=Date Pattern F4=VR-VP F5=Global Close F21=Print F24=More Keys'.

1. To define the fiscal year that assets were acquired and each year thereafter for every company, complete the following fields:
 - Company
 - Date Pattern (DP)
 - Number of Periods (No Pd)
 - Beginning Year
 - Current Period Number (Cur Per)
2. Choose Date Pattern Revisions.

The screenshot shows a window titled "[0000] - Date Pattern Revisions". It has a menu bar with "Functions", "Tools", and "Help". Below the menu bar is a toolbar with several icons. The main area contains the following fields:

- Fiscal Date Pattern Code: R
- Fiscal Year Beginning - Date & Century: 01/01/98 19
- Date Pattern Type: [Empty]
- End of Period 01 - Date & Century:

01-	01/31/98	19
02-	02/28/98	19
03-	03/31/98	19
04-	04/30/98	19
05-	05/31/98	19
06-	06/30/98	19
07-	07/31/98	19
08-	08/31/98	19
09-	09/30/98	19
10-	10/31/98	19
11-	11/30/98	19
12-	12/31/98	19
13-	12/31/98	19
14-	12/31/98	19

At the bottom of the window, there are keyboard shortcuts: "F21=Print Date Patterns" and "F24=More Keys".

3. On Date Pattern Revisions, to set up new date patterns, complete the following fields:
- Fiscal Date Pattern Code
 - Fiscal Year Beginning
 - Date – End of Period
 - Century

Field	Explanation
D P	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
No Pd	<p>The system uses this field is to determine the normal number of accounting periods for annual budgeting and fixed asset depreciation.</p> <p>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.</p> <p>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.)</p> <p>NOTE: If you have 12 accounting periods and you are using the 13th period for audit adjustments, normal number of periods is 12.</p>
Begin Year	<p>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).</p>
Cur Per	<p>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).</p>
Date – End of Period 01	<p>The month end date in 12 period (monthly) accounting. The period end date in 13 period, 52 period, or 4-4-5 period accounting.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p>
Date – End of Period 01 – CTRY	<p>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.</p>

Set Up Depreciation Account Rules

Setting Up Depreciation Account Rules



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose Depreciation Account Rules

Depreciation account rules are links between the cost accounts for your assets and the depreciation accounts that hold the accumulated depreciation and depreciation expense amounts. They also specify how you classify your assets when you first enter the assets into the system. This ensures both simplified asset creation, and more accurately controlled posting of your depreciation amounts. When you run your depreciation calculations, the calculation programs refer to these rules to determine to which accounts depreciation amounts are to be posted.

You can make these rules date-sensitive. For instance, if you decide that all depreciation for a particular class of assets, heavy equipment, must be posted to different accounts after January 1, you can set up a new rule with an effective date of January 1 and the depreciation will be properly posted thereafter for all your heavy equipment. Depreciation account rules are made up of the following:

- Effective dates
- Depreciation accounts
- Accounting class
- Equipment class
- Revenue accounts



You must set up depreciation account rules for every asset cost account in every company. Ensure that you set up depreciation account rules for any new cost accounts or companies that you add to your system at a later time. If you make any changes to depreciation account rules, you should verify that the values are correct before you enter new asset master records.

► **To set up depreciation account rules**

On Company Depreciation Account Rules

The screenshot shows a software window titled "[12302] - Depreciation Account Rules". It has a menu bar with "Functions", "Tools", and "Help". Below the menu bar are several icons. The main area is divided into sections:

- Company Information:**
 - Company Number: 50 (Model: JC Company)
 - Asset Cost Obj/Subsidiary: 2020 (Buildings)
 - Effective From/Through: 01/01/1997
- Depreciation Will Post To:**

G/L Account	Bus. Unit	Obj	Sub	Description
Accum Depr	50	2120		Accum Depr - Buildings
Depr Expense	50	8421		Ownership Portion
Depr Subl Derived				
- Automatic Asset Creation Will Default To:**
 - Major Accounting Class: 70 (Computer Equipment)
 - Major Equipment Class: [empty]
 - Revenue Credit: [empty]

At the bottom, a status bar displays: F13=Account Master F21=Print F24=More Keys

Complete the following fields:

- Company Number
- Asset Cost Object
- Asset Cost Subsidiary (if applicable)
- Effective From Date
- Effective Through Date
- Accumulated Depreciation Account
- Depreciation Expense Account
- Depreciation Subledger Derived
- Major Accounting Class
- Major Equipment Class
- Revenue Credit Account

Field	Explanation
Company Number	<p>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.</p> <p>NOTE: Use Company 00000 only for default values, such as dates and Automatic Accounting Instructions (AAIs). You cannot use Company 00000 when entering transactions.</p>
Asset Cost Object	<p>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:</p> <ul style="list-style-type: none"> • Major and subclass codes • G/L accounts for depreciation and revenue • Depreciation books
Asset Cost Subsidiary	<p>The subsidiary account used in conjunction with the asset cost account.</p>
Date – Beginning Effective	<p>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.</p>
Date – Ending Effective	<p>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.</p>

Field	Explanation
Accum Depre	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none"> • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code (not currently available in OneWorld) <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.</p>
Depre Expense	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none"> • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code (not currently available in OneWorld) <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.</p>
Depre Subl Derived	<p>Depreciation Expense Subledger Rule:</p> <ul style="list-style-type: none"> blank or 1 Same as Cost Subledger 2 Responsible Business Unit 3 Location Business Unit 4 "Employee" Address Book Number 5 "Tax Authority" Address Book Number 6 Authorization for Expenditure (AFE) Number
Major Accounting Class	<p>A user defined code (12/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.</p> <p>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.</p> <p>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.</p>

Field	Explanation
Major Equipment Class	<p>A user defined code (12/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.</p> <p>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.</p>
Revenue Credit	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none"> • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code (not currently available in OneWorld) <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.</p>

What You Should Know About

Account association	<p>A perpetual association is assumed unless you enter a new rule. The Effective Through date of the original rule then becomes the day before the Effective From date of the new rule.</p>
Existing assets	<p>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.</p>
Asset company numbers	<p>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.</p>
Major Accounting Class	<p>J.D. Edwards recommends that you establish a one-to-one relationship between the asset cost account and the Major Accounting Class (user defined code table 12/C1).</p>



Exercises

See the exercises for this chapter.

Set Up Ledger Depreciation Rules

Setting Up Ledger Depreciation Rules



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose Ledger Depreciation Rules

A ledger depreciation rule is a definition of how a group of assets is depreciated. Ledger depreciation rules allow you to gather your assets into groups that require different depreciation methodologies. By using the various keys that determine groupings, you can group assets that have very little in common, other than their depreciation requirements. Depending on your requirements, you can create groups using any combination of the following parameters:

- Company
- Accounting category
- Depreciation category
- Asset cost account
- Subledger and subledger type
- Effective dates

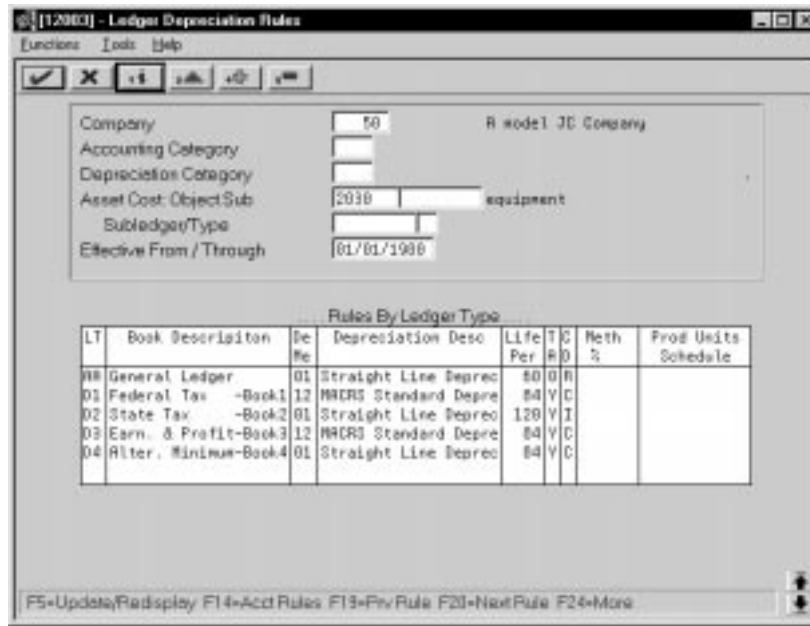
Because you can use any combination of these parameters, you do not have to set up your rules by company. This allows you to group your assets across companies if that is more efficient. For example, you can group your assets by depreciation category alone and know that all those assets, regardless of which company they reside in, will be treated exactly the same way when you calculate depreciation.



You must cover your entire asset base with the ledger depreciation rules you set up. Each ledger depreciation rule must have at least the AA ledger defined.

► **To set up ledger depreciation rules**

On Company Ledger Depreciation Rules



1. Complete the following fields:
 - Company
 - Accounting Category
 - Depreciation Category
 - Asset Cost Object
 - Asset Cost Subsidiary (if applicable)
 - Asset Cost Subledger (if applicable)
 - Subledger Type (if applicable)
 - Effective From Date
 - Effective Through Date

2. For each ledger that you want to associate with the depreciation accounting rule, complete the following fields:
 - Ledger Type
 - Depreciation Method
 - Life Periods
 - TA (Initial Term Apportionment Code)
 - Compute Direction

3. For fixed percentage depreciation methods, complete the following field:
 - Method Percent
4. If the depreciation method is Units of Production, complete the following field:
 - Production Units Schedule

Field	Explanation
Company	<p>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.</p> <p>NOTE: Use Company 00000 only for default values, such as dates and Automatic Accounting Instructions (AAIs). You cannot use Company 00000 when entering transactions.</p>
Accounting Category	<p>A user defined code (12/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.</p> <p>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.</p> <p>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.</p>
Depreciation Category	<p>A user defined code (12/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.</p> <p>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.</p>

Field	Explanation
Asset Cost Object Default	<p>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:</p> <ul style="list-style-type: none"> • Major and subclass codes • G/L accounts for depreciation and revenue • Depreciation books
Asset Account Subsidiary Default	<p>The subsidiary account used in conjunction with the asset cost account.</p>
Subledger – G/L	<p>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.</p>
Subledger Type	<p>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 or user defined. For example:</p> <ul style="list-style-type: none"> A Alphanumeric field, do not edit N Numeric field, right justify and zero fill C Alphanumeric field, right justify and blank fill
Effective From / Through	<p>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.</p>
Ledger Type	<p>The user defined ledger type code (list 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.</p>

Field	Explanation
Depreciation Method	<p>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:</p> <ul style="list-style-type: none"> 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 <p>NOTE: Any additional depreciation methods you create for your organization must have an alpha code.</p>
Life Per	<p>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.</p>

Field	Explanation
Depreciation Information	<p>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:</p> <ul style="list-style-type: none"> 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 N First Day of Next Period R First Day of Next Year S Actual Start Date for Primary Rule/First Day of Period for Secondary Rule

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
Computation Method – ITD or Rem	<p>A code that indicates the method of computation that the system uses to calculate depreciation based on the depreciation method you specify.</p> <p>Valid codes are:</p> <ul style="list-style-type: none"> 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.
Method %	<p>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:</p> <ul style="list-style-type: none"> 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. <p>The system also uses this field to compute any user defined depreciation method in which you specify a percentage.</p>
Prod Units Schedule	<p>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.</p>

What You Should Know About

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 account rule for the accumulated depreciation and depreciation expense accounts.

Calculating depreciation by utilizing rules constant

If this constant is set on in Fixed Asset Constants, the compute depreciation program uses the ledger depreciation rules to determine how to depreciate the assets. Any changes you want to make in how depreciation is handled must therefore be made at the ledger depreciation rule level, not at the asset level. You can pass the new depreciation information to the asset record by running the Update Depreciation Values program.



Exercises

See the exercises for this chapter.

Set Up Ledger Type Rules

Setting Up Ledger Type Rules



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose Ledger Type Rules

You use ledger type rules to control processing for a specific ledger type. You can simplify processing at the ledger level by specifying ledger dependencies and transaction creation parameters. For example, you can specify an alternate currency ledger and the tax ledgers that are associated with it.

You can also revise rules to comply with regulatory requirements. For example, some countries require that costs be rounded or truncated to one decimal place. You can specify that the ledger for that currency be rounded or truncated as necessary.

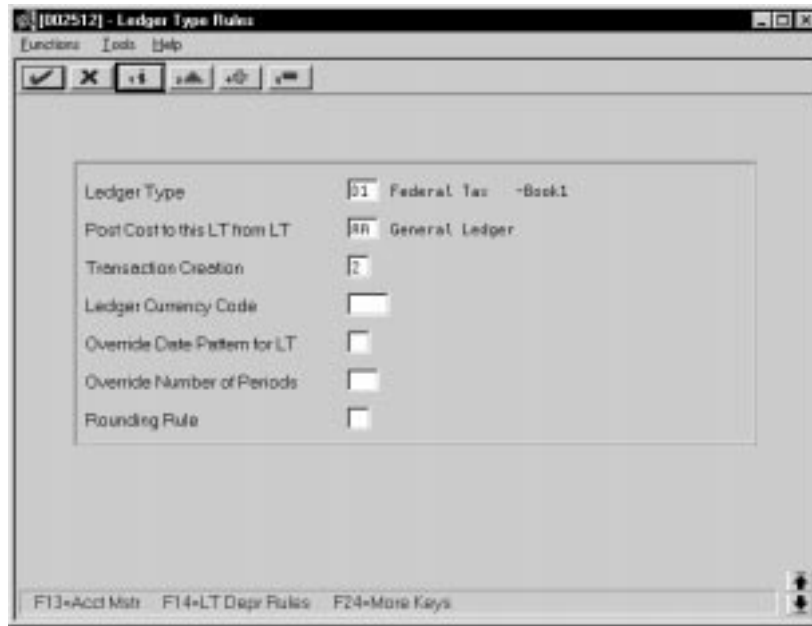
By revising ledger type rules, you override the normal default values. For example, you may have a default date pattern that you use for depreciation calculations for your company, but you might have to override this pattern for one tax ledger because of regulatory requirements.

You can control several aspects of processing for a ledger type including:

- Relationships to other ledgers
- Currency of the ledger
- Override date and period patterns
- Transaction processing

► **To set up ledger type rules**

On Ledger Type Rules



1. To locate a ledger type, complete the following field:
 - Ledger Type
2. Review the following fields and make any necessary changes:
 - Post Cost to this Ledger Type from Ledger Type
 - Transaction Creation
 - Ledger Currency Code
 - Override Date Pattern for Ledger Type
 - Override Number of Periods
 - Rounding Rule

Field	Explanation
Ledger Type	The user defined ledger type code (list 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.
Post Cost to this LT from LT	This field enables the user to define the source ledger type of the cost when it is desirable to base the cost in this ledger on the cost from another ledger. This value is used by the Fixed Asset Post programs when determining the relationship of Ledger Types.
Transaction Creation	Balances in the Item Balance records for AA ledger will always be supported by General Ledger Transactions (F0911's). This code allows user discretion for all other ledger types as follows: <ul style="list-style-type: none"> blank G/L Transactions will not be created by the Fixed Asset system. 1 This ledger is NOT parallel to any other ledger. All balances will be supported by G/L Transactions. 2 This ledger is Independent of the General Ledger. It is not necessary that transactions to this ledger be posted to General Ledger prior to posting them to this ledger. 3 This ledger is FULLY parallel to the General Ledger. All balances will be supported by transactions. Cost transactions will be created to this ledger to duplicate those arising from the "post from" ledger. 9 This is NOT a Fixed Asset Ledger. BYPASS all transactions to this ledger.
Ledger Currency Code	A code that indicates the currency that an amount is denominated in.
Override Date Pattern for LT	Override the Company Date Pattern with this value. If left blank, no override will be performed. This value is used by Fixed Assets in calculating depreciation. No override is allowed for AA, CA, and AZ ledgers.
Override Number of Periods	Override the normal number of periods by this value. If left blank, no override will be performed. This value is used by Fixed Asset in calculating depreciation.

What You Should Know About

Deriving cost from another ledger

If you specify that the cost in one ledger (for example, D1) should be derived from another ledger (for example, AA), then you must post cost to the other ledger, AA, first. The ledger type from which the you derive the cost must be *less than* the ledger type to which you post the cost. For example, ledger type AA is alphanumerically less than ledger type D1, therefore costs in D1 could be derived from AA.

AA Ledger

Costs for the AA ledger cannot be derived from another ledger.

Ledger types unique to Fixed Assets

Fixed Asset Ledger types formerly set up through user defined code table 12/LT are now set up using this form and stored in the Ledger Type Master table (F0025).

Transaction creation

Transaction creation formerly controlled by special handling codes in the user defined code table 12/LT is now controlled by the Transaction Creation field on this form.

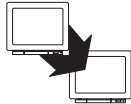


Exercises

See the exercises for this chapter.

Set Up Disposal Account Rules

Setting Up Disposal Account Rules



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose Disposal Account Rules

Disposal account rules specify the accounts the disposal program uses for disposal journal entries. You set up the disposal account rules to direct the disposal journal entries to the appropriate offsetting account.

The disposal account rules make use of the balance character code to determine the nature of the journal entry. You can create separate rules for net book value disposal accounts, disposal cash clearing accounts, and disposal proceeds accounts. In addition, you can specify override accounts for the cost and accumulated depreciation accounts. This allows you to retain the amounts in the Item Balances table (F1202) and place these amounts in a reserve account.

You can set up company-specific rules or use the default company 00000 to set up the rules for all companies at one time. You can also specify different accounts by disposal method and ledger type.



You must set up at least a set of rules for company 00000 and ledger type AA. J.D. Edwards also recommends that you set up separate accounts for net book value, cash clearing, and proceeds.

► **To set up disposal account rules**

On Disposal Account Rules

Company	Disposal Method	LT	B	C	Business Unit	Object	Subsidiary
0000		0A	7		YARD	0112	
0000		0A	8		YARD	0111	
0000		0A	9		YARD	0113	
0000		01	7		YARD	0112	
0000		01	8		YARD	0111	
0000		01	9		YARD	0113	
0000		02	7		YARD	0112	
0000		02	8		YARD	0111	
0000		02	9		YARD	0113	
0000		03	7		YARD	0112	
0000		03	8		YARD	0111	
0000		03	9		YARD	0113	
0000		04	7		YARD	0112	
0000		04	8		YARD	0111	
0000		04	9		YARD	0113	

1. Complete the following required fields:
 - Company
 - Balance Character Code (BC)
 - Object
2. To set up more specific rules, complete the following optional fields:
 - Disposal Method
 - Ledger Type (LT)
 - Business Unit
 - Subsidiary

Field	Explanation
Company Number	<p>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.</p> <p>NOTE: Use Company 00000 only for default values, such as dates and Automatic Accounting Instructions (AAIs). You cannot use Company 00000 when entering transactions.</p>
Balance Character Code	<p>A code that indicates in which range of accounts the account in the Item Balance falls. Valid values are:</p> <ul style="list-style-type: none"> 1 Cost 2 Accumulated Depreciation 3 Secondary Accumulated Depreciation 4 Depreciation Expense 5 Depreciation Expense – Secondary 6 Depreciation Expense – Tertiary 7 Net Book Value – Disposal 8 Disposal Clearing 9 Disposal Proceeds
Object Account	<p>The object account portion of a general ledger account. The term “object account” refers to the breakdown of the Cost Code (for example, labor, materials, and equipment) into subcategories (for example, dividing labor into regular time, premium time, and burden). If you are using a flexible chart of accounts and the object is set to 6 digits, J.D. Edwards recommends that you use all 6 digits. For example, entering 000456 is not the same as entering 456, because the system enters three blank spaces to fill a 6-digit object.</p>
Equipment Status	<p>A user defined code (12/ES) that identifies the equipment or disposal status of an asset, such as available, down, or disposed.</p>
Ledger Type	<p>The user defined ledger type code (list 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.</p>

Field	Explanation
Business Unit	<p>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.</p> <p>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.</p>
Subsidiary	A subdivision of an object account. Subsidiary accounts include more detailed records of the accounting activity for an object account.

What You Should Know About

Business unit default	If you do not specify a business unit as part of the account number, the system retrieves the responsible business unit for the asset from the Asset Master table (F1201).
Disposing of additional ledgers	If you want to dispose of ledgers other than the AA ledger, you must set up rules for those ledgers. Unless you set up these rules, the system disposes of only the AA ledger.
Cost and accumulated depreciation account overrides	<p>If you specify account overrides for cost, the accounts must be within the FCXX AAI range.</p> <p>If you specify account overrides for primary accumulated depreciation or secondary accumulated depreciation, the accounts must be within the FDXX AAI range.</p>



Exercises

See the exercises for this chapter.

Set Up Revaluation Indices

Setting Up Revaluation Indices



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), choose Revalue Assets

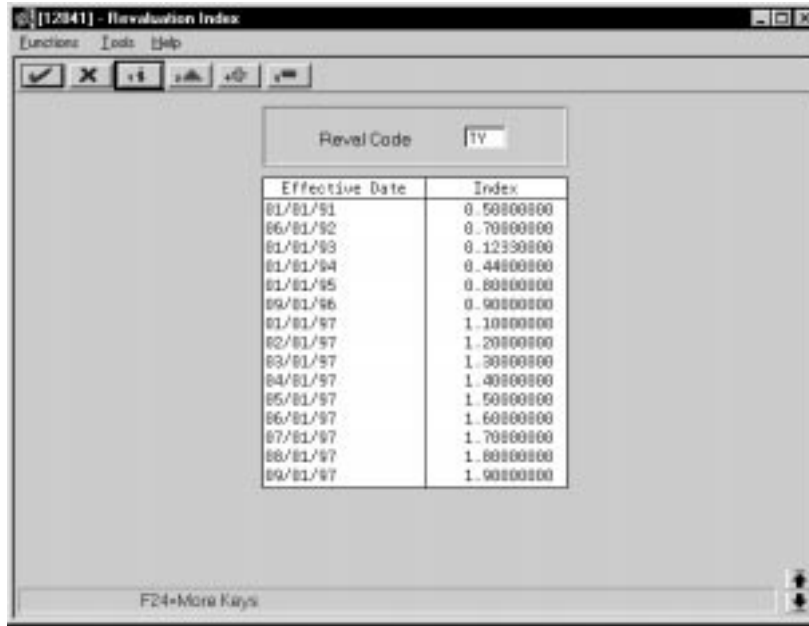
From Asset Revaluation (G1234), choose Revaluation Index

A revaluation index is a numerical value that you use to recalculate, or restate, the costs of your assets, most often in economies affected by hyperinflation or in situations where there are wide fluctuations in supply and demand for the assets. You can set up revaluation indices to restate cost in terms of either constant currency accounting or current cost. Typically, index values are obtained from either governments or outside agencies.

You can set up revaluation indices to conform to whatever periodic recalculation is necessary. In truly hyperinflationary economies, some as high as triple digit, this might be a daily procedure. The setup also accommodates weekly, monthly, quarterly, annual, or other periodic intervals as needed. You create tables of indices, each identified by by a revaluation code. You can create as many revaluation codes as you need in user defined code table 12/RI.

► **To set up revaluation indices**

On Revaluation Index



Complete the following fields:

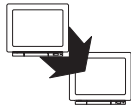
- Reval Code
- Effective Date
- Index

Field	Explanation
Revaluation Code	A code which makes the Revaluation Index table (F12841) unique.
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.

Field	Explanation
Rate Factor	<p>A number that identifies the index or rate for calculations. The system multiplies the “from” amounts by this factor to calculate the amounts to be distributed. You can specify either positive or negative numbers and eight or fewer decimals. If you specify more than eight decimal positions, the system rounds to eight positions. If you leave this field blank, the default is 1.</p> <p>If you specify a large whole number and a large number of decimal positions, the system might not be able to display the entire number. Even though all decimal positions cannot be displayed, they are stored (up to eight) correctly in the table.</p> <p>NOTE: For annual budgets, you can specify zero to remove all balances and start over.</p> <p>..... <i>Form-specific information</i></p> <p>For Fixed Asset Revaluation, this is either an index or factor, depending on how the revaluation calculation is done.</p> <p>As an index, this value is the numerator of a fraction that is multiplied by the original cost of an asset to determine the revalued amount. The denominator of the fraction is the index from either the acquisition date or the depreciation start date, as designated in the processing options of the revaluation journal program.</p> <p>As a factor, this value is simply multiplied by the original cost to determine the revalued amount. These calculation also apply to depreciation amounts.</p>

Set Up Units of Production Schedules

Setting Up Units of Production Schedules



From Fixed Assets (G12), enter 27

From Fixed Asset System Setup (G1231), choose Units of Production Schedule

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 $\text{Original Units} + \text{Prior Year Revisions} + \text{Current Year Revisions} - \text{Units Produced in the Prior Year} = \text{Depreciable Unit Base}$

Current Units of Production $\text{Units Produced Year-to-Date} / \text{Depreciable Unit Base} = \text{Current Units of Production}$

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

Schedule Number	G7HVEL
Ledger Type	99
Description	Tons of Gravel
Unit of Measure	TN Tons
Units - Original	200,000.00
- Prior Year Revisions	70,000.00
- Current Year Revisions	
Prior Years Production	35,500.00
Depreciable Unit Base	233,450.00
Y-T-D Production	
Current Unit of Production Factor	0.0000000

Complete the following fields:

- Schedule Number
- Ledger Type
- Description
- Units of Measure
- Units – Original
- Units – Prior Year Revisions
- Units – Current Year Revisions
- Prior Years Production
- Year-to-Date Production

Field	Explanation
Schedule Number	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	<p>The user defined ledger type code (list 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.</p> <p>..... <i>Form-specific information</i></p> <p>Each schedule you create is a combination of a unique schedule number and a ledger type.</p>
Description	A user defined name or remark.
Unit of Measure	A user defined code (system 00/type UM) that identifies the unit of measurement for an amount or quantity. For example, it can represent a barrel, box, cubic yard, gallon, an hour, and so on.
Units – Original	The original estimate of the total number of units in the reserve base. The system uses this number to calculate the depreciable unit base.
– 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.
Prior Years Production	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.
Y-T-D Production	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:

$$\text{Original Units} + \text{Prior Year Revisions} + \text{Current Year Revisions} - \text{Units of Production Prior Year} = \text{Depreciable Units}$$

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

Set Up Units of Production Schedules

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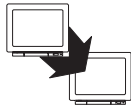
J.D. Edwards & Company
Unit of Product

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Date - 6/07/98

Schedule Sch No	LT	Description	UM	Original Units	Prior Y Revisio	Curr Y Revisi	Units P Prior Y	Depreciable Unit	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

Map Category Codes

Mapping Category Codes



From Fixed Assets (G12), enter 29

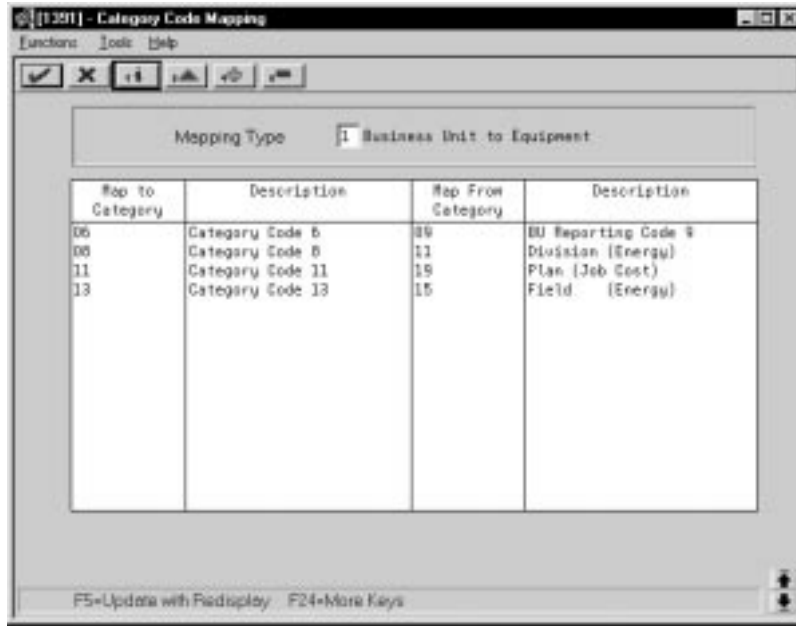
From Fixed Asset System Setup (G1241), choose Category Code Mapping

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.

To use business unit category codes for tracking and reporting on assets, you can assign category code default values. You 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



1. To indicate how you want to map the category codes, complete the following field:
 - 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.

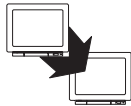
Field	Explanation
Map From Category Code	Use this field to set up defaults for your category codes. If the mapping type is 1, the Business Unit category code value you enter in this field is the default value for the Equipment category code you specify in the Map To Category Code field on this form. 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

Setting Up Supplemental Data



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose an option under the Supplemental Data Setup heading

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.

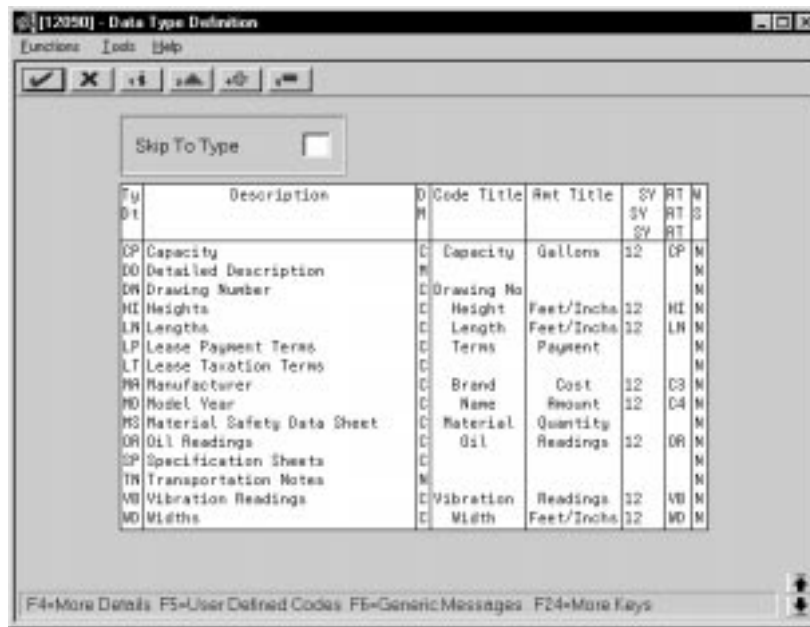
Columnar (C) Use this data type to access the Supplemental Code Entry form. When you set up supplemental data forms using this data type, you can define the columns into which you enter information. The system edits the values you enter in the columns against the user defined code table you set up on 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



1. Complete the following fields:

- Type Data (Ty Dt)
 - Description
 - Display Mode (DM)
2. Complete the following optional fields:
- Code Title
 - Amount Title (Amt Title)
 - System Code (SY)
 - System Code (RT)
 - Word Search (WS)

Field	Explanation
Ty Dt	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.
D M	<p>The format of a data type. This code determines the display mode for supplemental data. Valid codes are:</p> <ul style="list-style-type: none"> C Code format, which displays the form for entering code-specific information. These codes are associated with User Defined Codes table (F0005). N Narrative format, which displays the form for entering narrative text. P Program exit, which allows you 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 or Financials systems. <p>..... <i>Form-specific information</i></p> <p>Display Mode P is not used by the Equipment/Plant Management or Fixed Assets systems.</p>
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.

Field	Explanation
Amt Title	<p>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.</p>
SY	<p>A user defined code (98/SY) that identifies a J.D. Edwards system.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p> <p>NOTE: The Edit On function is not available for data types with narrative text.</p>
RT	<p>Identifies the table that contains user defined codes. The table is also referred to as a code type.</p> <p>..... <i>Form-specific information</i></p> <p>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.</p> <p>NOTE: The Edit On function is not available for data types with narrative text.</p>
W S	<p>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:</p> <ul style="list-style-type: none"> Y Include in word search N Do not include in word search <p>Note: You can enter 1 for yes or 2 for no.</p>

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 *Working with User Defined Codes* in the *World Software Common 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

Sequence Number	Description	Field Number	Field Type	Item Size	D	R	Syst Code	Us Cd	File Name	R	Y
1	Unit Number	01	R	12		L			F1201LB		
2	Description	05	R	25		L					
3	Horsepower	03	N	5	2	R					
4	Phase	09	N	1	0	R					
5	Voltage	10	R	3		L	12	F5			
6	RPM	11	N	4	0	R					
7	Enclosure	12	R	8		L					
8	Frame	13	R	8		L					
9	Frequency (HZ)	14	N	2	0	R					
10	Type	15	R	6		L					
11	NEMA Design	16	R	1		L					
12	Manufacturer	07	R	3		L	12	C3			
13	Model	06	R	15		L					
14	Serial Number	02	R	25		L			F1201LC		

1. Complete the following fields:
 - Major Equipment Class (Category Code)
2. For each type of specification data that you want to define, complete the following fields:
 - Sequence Number
 - Description
 - Field Number
 - Field Type
 - Item Size
 - Display Decimals (DD or Disp Dec)
 - Right or Left (RL)
 - System Code (Syst Code)
 - User Defined Code (Us Cd)
 - File Name
 - Required Field (RY)

3. To create a new page if an equipment class requires more than 16 specification data types, complete the following field:
 - Page Number

Field	Explanation
Major Equipment Class	<p>A user defined code (12/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.</p> <p>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.</p>
Sequence Number	<p>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).</p>
Field Number	<p>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.</p>
Field Type	<p>Enter the type of data that the user will enter in the field on the Specification Data Entry form. Valid values are:</p> <ul style="list-style-type: none"> A Alpha Numeric N Numeric D Date T Time
Item Size	<p>The field size of the data item.</p> <p>NOTE: All amount fields should be entered as 15 bytes, 0 decimals, and the data item type should be P (packed).</p> <p>..... <i>Form-specific information</i></p> <p>Enter the size of the data item. The lowest value you can enter is 1 character and the highest value is 99,999 characters.</p>
Disp Dec	<p>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.</p> <p>..... <i>Form-specific information</i></p> <p>For numeric specification data, if you do not enter a value in this field, the system uses a default value of 0.</p>

Field	Explanation
Syst Code	A user defined code (98/SY) that identifies a J.D. Edwards system.
File Name	<p>The identification, such as program number, table number, and report number, that is assigned to an element of software.</p> <p>..... <i>Form-specific information</i></p> <p>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:</p> <ul style="list-style-type: none"> • 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) <p>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).</p>

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

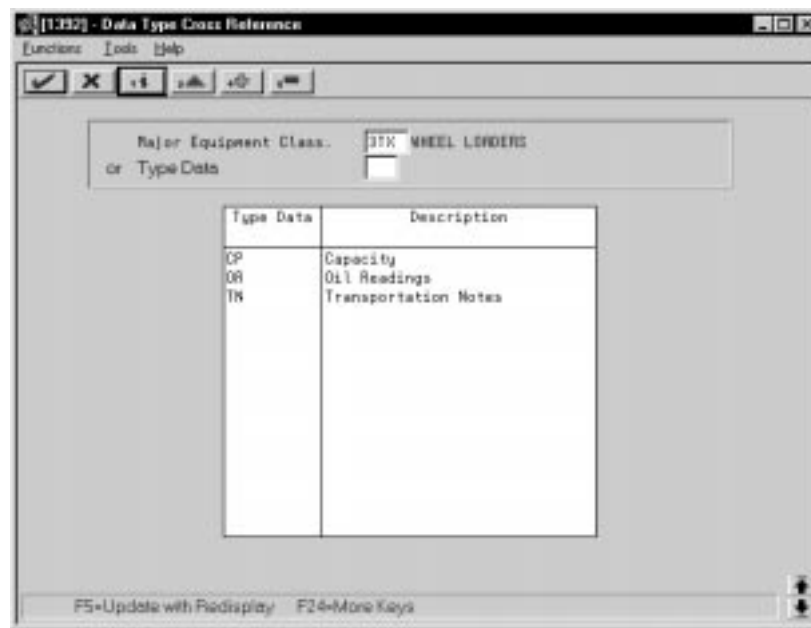
Use Data Type Cross Reference to define which types of supplemental data the system displays for a specific asset. When you assign supplemental data types to assets, you prevent the system from displaying data types that do not apply to the assets when you review the supplemental data. For example, you 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. To locate a specific asset category code value, complete the following field:
 - Category Code Value

2. To assign all the supplemental data types that you want to associate with the asset type, complete the following field:
 - Data Type

Setting Up Supplemental Data Security



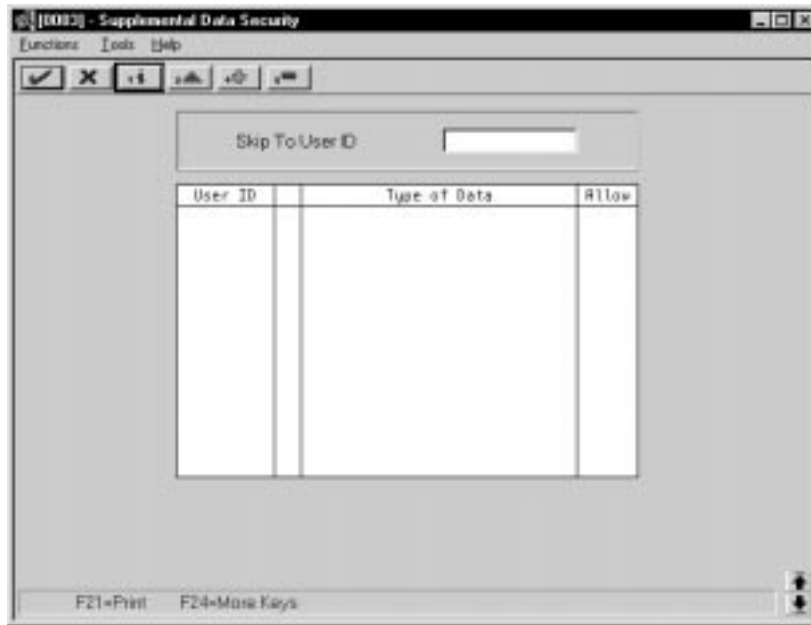
From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), 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

1. Complete the following fields:

- User ID
 - Type of Data
2. To allow or prevent access to the data type, complete the following field:
 - 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 Yes, allow access (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. To allow or prevent access to the data type, complete the following fields:
 - 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 Beginning Balances

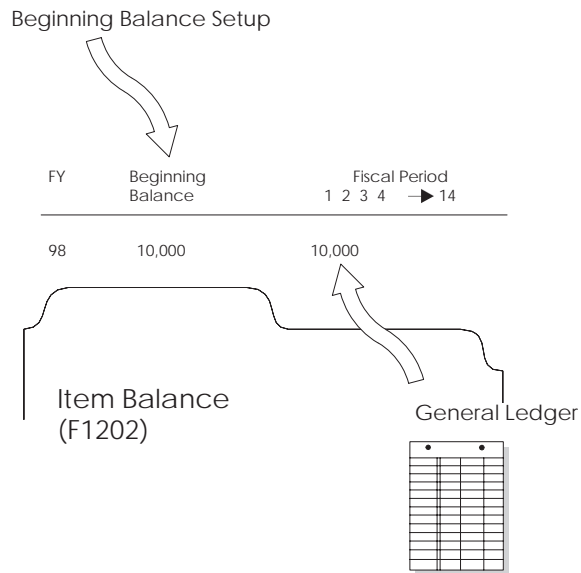
Setting Up Beginning Balances



From Fixed Assets (G12), enter 29

From Fixed Asset System Setup (G1241), choose Beginning Balance Setup

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.



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. If you use a secondary accumulated depreciation account, you must also enter the secondary amount at this time. 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

Displaying and updating a single ledger

You can use a processing option to limit the display to a single ledger. This permits easier updating of single ledgers.

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, because the Compute Depreciation program calculates depreciation for each month as of the beginning of the fiscal year. For example, you might plan to use the Fixed Assets system in July. If you enter year-to-date amounts on Beginning Balance Setup in the Accumulated Depreciation Amount field, and then run depreciation, the system doubles the accumulated depreciation amounts. This is true for both the primary and secondary 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.

Item Number	Item Description	Cost Amount	Accum Depr Amount	LF
1300	Backhoe, Caterpillar	5,188.08	11,527.05	00
		46,186.08	17,000.72	01
		46,186.08	6,916.14	03
		46,186.08	9,055.54	04
		46,186.08	6,916.14	05
				02

► **To set up beginning balances for an individual asset**

On Beginning Balance Setup

1. To locate an asset, complete the following field:
 - Item Number
2. To specify a fiscal year, complete the following field:
 - Fiscal Year
3. To specify a subledger, complete the following fields:
 - Subledger
 - Subledger Type
4. To set up or revise balance information, complete the following fields:
 - Cost Amount
 - Accumulated Depreciation Amount
5. To set up secondary depreciation, complete the following field in the detail area:
 - Secondary Accumulated Depreciation Amount

► **To set up beginning balances for a group of assets**

1. To locate a specific group of assets, complete the following fields:
 - Cost Account
 - Accumulated Depreciation Account
2. To specify a fiscal year, complete the following field:
 - Fiscal Year
3. To specify a subledger, complete the following fields:
 - Subledger
 - Subledger Type
4. To set up or revise balance information, complete the following fields:
 - Cost Amount
 - Accumulated Depreciation Amount
5. To set up secondary depreciation, complete the following field in the detail area:
 - Secondary Accumulated Depreciation Amount

Field	Explanation
Item Number	An 8-digit number that uniquely identifies an asset.
Cost & A/D Acct	<p>A field that identifies an account in the general ledger. You can use one of the following formats for account numbers:</p> <ul style="list-style-type: none"> • Standard account number (business unit.object.subsidiary or flexible format) • Third G/L number (maximum of 25 digits) • 8-digit short account ID number • Speed code (not currently available in OneWorld) <p>The first character of the account indicates the format of the account number. You define the account format in the General Accounting Constants program.</p>
Fiscal Yr	<p>A number that identifies the fiscal year. Generally, you can either enter a number in this field or leave it blank to indicate the current fiscal year (as defined on the Company Numbers and Names form).</p> <p>Specify the year at the end of the first period rather than the year at the end of the fiscal period. For example, a fiscal year begins October 1, 1998 and ends September 30, 1999. The end of the first period is October 31, 1998. Specify the year 98 rather than 99.</p>

Field	Explanation
Amount	The actual amount. Debits are always entered as plus (+), and credits are entered as minus (-). You may enter decimals, dollar signs, and commas. The amount field will be examined and any non-significant symbols will be removed. Minus signs must be entered as a trailing figure. For example, the amount 5,000.01- would be interpreted as a credit of 5000.01.
Amount – Accumulated Depreciation	The total of all depreciation taken for an asset.
Secondary A/D Amount	The cumulative prior year-end balance. The system uses this amount as the beginning balance for balance sheet and job cost accounts. NOTE: Do not confuse this amount with the prior year-end net posting amount. The prior year-end net posting amount includes only the postings from the prior year. It does not include the ending balance of the previous year. The prior year-end net postings are typically used for profit and loss statement comparisons.

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. _____

2. Enter a specific ledger type to a single ledger for input. Leave 'BLANK' and all valid ledgers from the defaults will display for input. _____

JOURNAL ENTRY CREATION:

3. Enter a '1' to allow entry of Secondary Accumulated Depreciation Account. _____

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 Rules?
- 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 the depreciation values for each book or ledger type
 - 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
- Deleting forecast records



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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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.

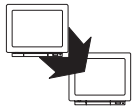
Update Message Log compares tickler dates with the system date and tickler units (for example, miles or hours) to the current unit reading you record for the corresponding piece of equipment. The program updates all of the units that have reached or exceeded the tickler amounts you post in the AT00 automatic 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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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

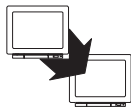
Using uppercase and lowercase descriptions for assets

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



From Fixed Assets (G12), choose Year End Processes

From Year End Processes (G1225), 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, Tax Entity, and the Tax Rate/Area fields on the asset's Master Information form based on the information in the State, Tax Entity, and Tax Rate/Area fields on Job (Business Unit) Master Revisions.

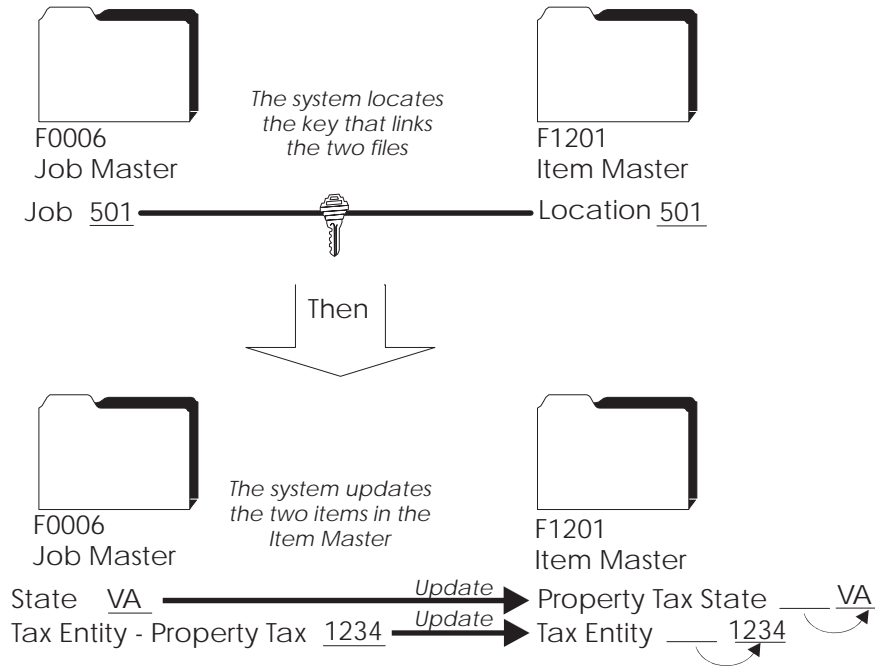
The Update Property Tax/State Entity program accesses the following information to perform the update:

- “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:



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.

See Also

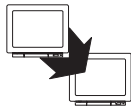
- *Working with DREAM Writer in the World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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 the depreciation rules.
- 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 in the depreciation rules. The program updates all records for all the years that you specify in data selection.

See Also

- *Working with DREAM Writer* in the *World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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.

See Also

- *Working with DREAM Writer* in the *World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), choose Set Up User Defined Depreciation

From Set Up User Defined Depreciation (G1232), 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

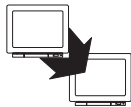
Updating Accounts and Ledgers

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



From Fixed Assets (G12), enter Posting G/L to Fixed Assets

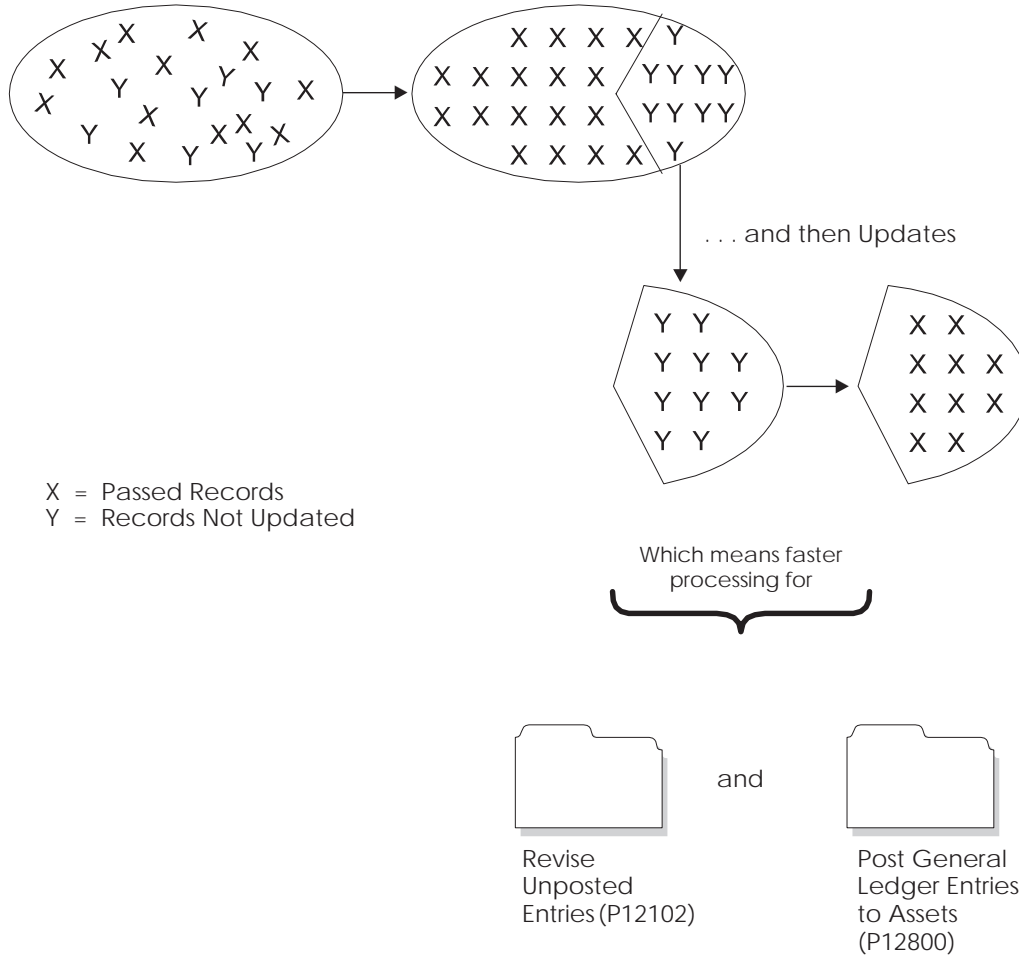
From Posting G/L to Fixed Assets (G1212), choose Identify New Entries

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 process 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 General Ledger (F0911)



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

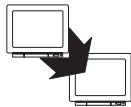
General ledger

If you have been using J.D. Edwards general ledger and now add the Fixed Assets system, the processing time increases for the Identify New Entries program. 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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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 the relevant depreciation rules, you must select the fiscal year that you want to update with the new ledger. The system then does the following:

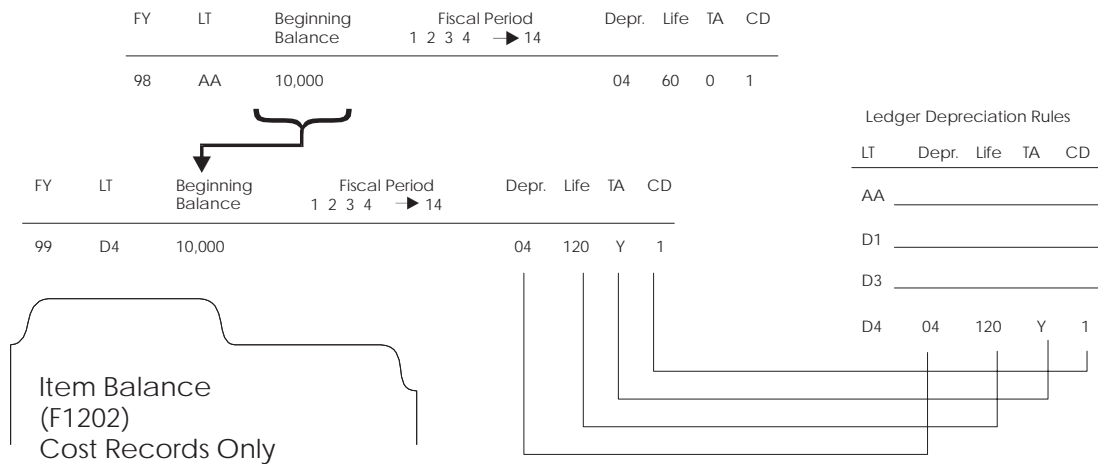
- Creates beginning balance and period postings for asset cost accounts with blank subledgers only, based on the Actual Amounts (AA) ledger.
- Performs an edit to ensure that the new ledger is valid in the Depreciation Defaults by Ledger Type table (F12003). If it is not, the system adds the new ledger automatically.
- Duplicates the depreciation values that you set up in Ledger Depreciation Rules.

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:



- FY = Fiscal Year
- LT = Ledger Type
- Depr. = Depreciation Method
- Life = Life Months/Periods
- TA = Initial Term Apportionment (formerly DI – Depreciation Information)
- CD = Compute Direction (formerly MC – Method of Computation)

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)

See Also

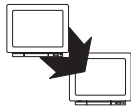
- *Working with DREAM Writer in the World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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

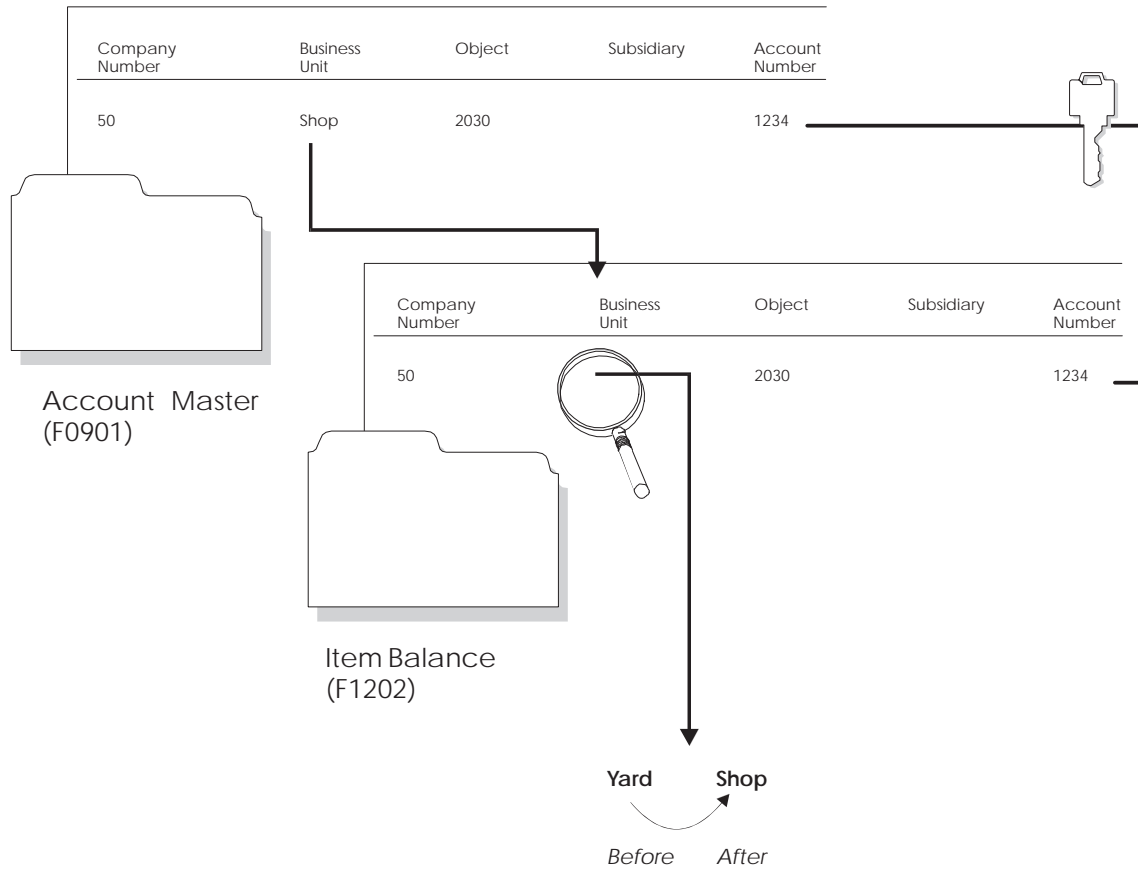


You must run this program when you make changes to existing account numbers. You do not need to run this program when you add an account number.

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:

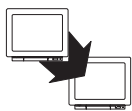


When you update company numbers and business unit/object/subsidiary, the job is submitted directly to batch.

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



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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.

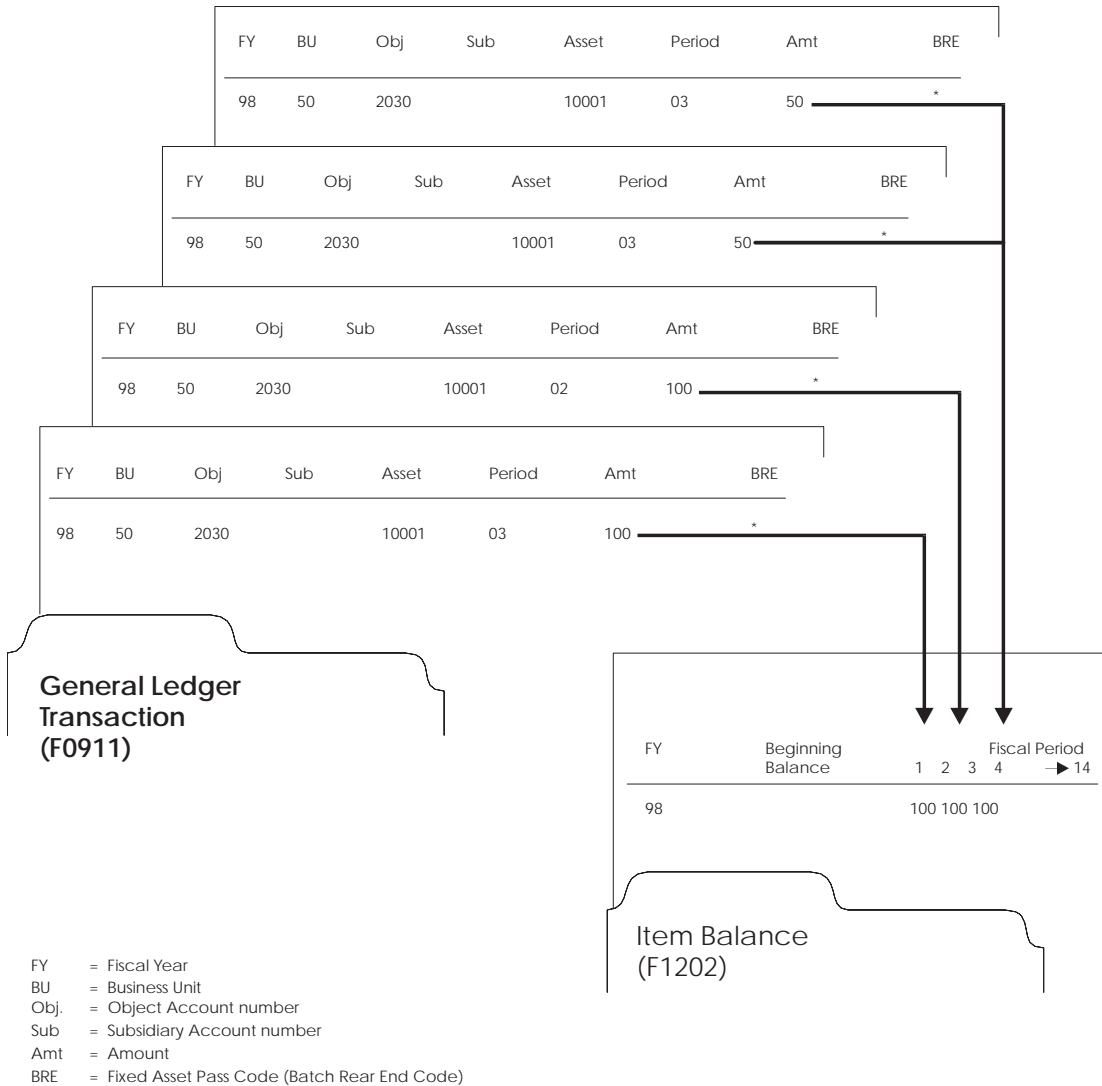
This program reposts only the transactions that include all of the following:

- 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):



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.

See Also

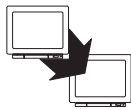
- *Working with DREAM Writer* in the *World Software Common Foundation Guide* for information about running, copying, and changing a DREAM Writer version

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/Tag Number

Updating the Item Number in the Account Ledger



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), 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

Purging and Archiving Asset Data



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), choose Purge Selected Asset Files

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.
- *Working with DREAM Writer* in the *World Software Common 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
 - j. F1308 - Maintenance Loops File
 - k. F13907 - Associated Service Types

*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

Delete Forecast Records

Deleting Forecast Records



From Fixed Assets (G12), enter 27

From Advanced Operations (G1231), choose Delete Forecast Records

You can delete forecast records from your system. When you use the Delete Forecast Records program, you can purge all or some of the forecast records that you create in the Item Balances table (F1202).

Use DREAM Writer versions to delete only those records that you specify in Data Selections.

What You Should Know About

Records to be deleted

This program deletes only those records that have a value of 1 in the Depreciation Calculation field and no year-to-date activity.

See Also

- *Calculate User Defined Depreciation (P12855)* for more information about creating forecast records.
- *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.

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 is an optional program that effects only records within the FX range of the AAls.
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 AAls.
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 Company Depreciation Account Rules.

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. Company Depreciation Account Rules 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 AAI's

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 AAI's

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 Rules will affect only newly created assets.
9. False, you can copy and modify the copy, but you cannot change the standard depreciation 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.

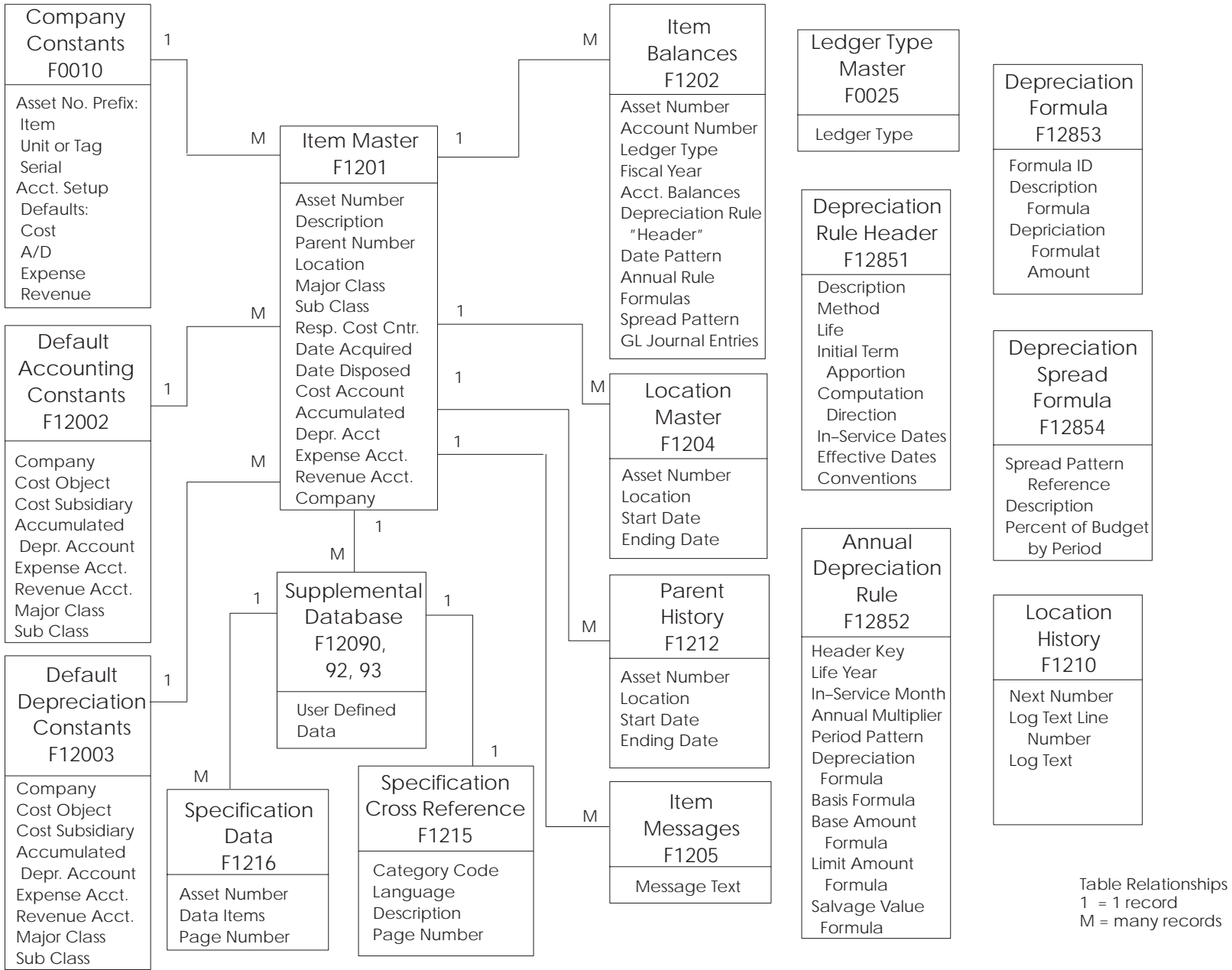
Global Updates

1. Updating the Search Word Table is necessary for the *query search* function on the Asset Search form.
2. Update Depreciation Values uses *Company Ledger Depreciation Rules* 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 AAI's.
6. You must never run the Repost program if you have *summarized* transaction records in the General Ledger (F0911).

Appendix B — 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 Subsidiary Accumulated Depr. Account Expense Acct. Revenue Acct. Major Class Sub Class

Default Depreciation Constants F12003
Company Cost Object Cost Subsidiary 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

Specification Data F1216
Asset Number Data Items Page Number

Specification Cross Reference F1215
Category Code Language Description Page Number

Item Balances F1202
Asset Number Account Number Ledger Type Fiscal Year Acct. Balances Depreciation 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

Ledger Type Master F0025
Ledger Type

Depreciation Rule Header F12851
Description Method Life Initial Term Apportion Computation Direction In-Service Dates Effective Dates Conventions

Annual Depreciation Rule F12852
Header Key Life Year In-Service Month Annual Multiplier Period Pattern Depreciation Formula Basis Formula Base Amount Formula Limit Amount Formula Salvage Value Formula

Depreciation Formula F12853
Formula ID Description Formula Depreciation Format Amount

Depreciation Spread Formula F12854
Spread Pattern Reference Description Percent of Budget by Period

Location History F1210
Next Number Log Text Line Number Log Text

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 Depreciation – 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 Depreciation – Rule 2 (for “I” Compute Direction)
- 53 — Life Year in Process (for “I” Compute Direction)
- 54 — Intermediate Accumulated Depreciation (2nd Rule of 1 or 2, “I” Direction)
- 55 — Asset Life Periods (rounded to half periods)

Depreciation (00)	<p>Code – \$ARDA Source – Calculated</p> <p>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).</p>
Asset Cost – Inception to Date Through Current Year (01)	<p>Code – \$COST Source – F1202</p> <p>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).</p>
Accumulated Depreciation – Prior Year Balance Forward (Primary) (02)	<p>Code – \$ADB1 Source – F1202</p> <p>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).</p>
Asset Life in Periods (03)	<p>Code – \$ALPT Source – F1202 or F12003</p> <p>Asset Life in Periods is retrieved from either the Depreciation 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).</p>
Asset Life Periods – Elapsed at Beginning of Current Year (04)	<p>Code – \$ALPE</p> <p>Asset Life Periods Remaining at Beginning of Current Year (\$ALPR) subtracted from the Asset Life in Periods (\$ALPT).</p>

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) (\$#CDEA)] + 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) (\$#CDEA)] + 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)	<p>Code – \$APLR Source – Calculated</p> <p>Asset Life Days Remaining at Beginning of Year (\$ALDR) divided by Asset Life in Days (\$ALDT)</p>
Asset Life Days % Inception thru End of Current Year (20)	<p>Code – \$APLI Source – Calculated</p> <p>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).</p>
Asset Life Days % in 1st Year of Asset Life (21)	<p>Code – \$APL1 Source – Calculated</p> <p>Earlier of: [AbDt Disposal Date Adjusted (\$#DRTA)] –OR– [AbDt Depreciation Start Year Fiscal End Date (\$#DSYE)]</p> <p>Less: [AbDt Depreciation Start Date Adjusted (\$#DSDA)]</p> <p>Divided by: [Asset Life in Days (\$ALDT)]</p>
Accumulated Depreciation – Year to Date Activity – Primary Account (22)	<p>Code – \$ADC1 Source – Calculated</p> <p>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.</p>
Accumulated Depreciation – Prior Year Balance Forward – Secondary Account (23)	<p>Code – \$ADB2 Source – Calculated</p> <p>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).</p>

Accumulated Depreciation – Year to Date Activity – Secondary Account (24)	<p>Code – \$ADC2 Source – Calculated</p> <p>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.</p>
Statistic % –Year to Date (25)	<p>Code – \$DSPY Source – Calculated</p> <p>[Statistic – Current Year to Date (\$DSAY)] divided by [(Statistic – Base ITD (\$DSAB))]</p>
Statistic % – Current Period (26)	<p>Code – \$DSPP Source – Calculated</p> <p>[Statistic – Current Period (\$DSAP)] divided by [(Statistic – Base ITD (\$DSAB))]</p>
Statistic – Current Period (27)	<p>Code – \$DSAP Source – F1202 associated DS1xxx AAI, Units LT</p> <p>Account: DS1xxx AAI, where xxx is from F1202 Category Code (LNDPCC) if present, or DS1 AAI otherwise.</p> <p>Ledger Type: Units Ledger associated with the Depreciation Ledger (default to the AU ledger). Units Amount – Net Period Postings for Current Period</p>
Statistic – Current Year to Date (28)	<p>Code – \$DSAY Source – F1202 associated DS1xxx AAI, Units LT</p> <p>Account: DS1xxx AAI, where xxx is from F1202 Category Code (LNDPCC) if present, or DS1 AAI otherwise.</p> <p>Ledger Type: Units Ledger associated with the Depreciation Ledger (default to the AU ledger).</p> <p>Units Amount + Balance Forward</p>

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 $[Units\ of\ Production\ -\ Total\ Revisions\ (\$UPAR)$
– $Units\ of\ Production\ Prior\ Year\ (\$UPAB)]$

<p>Units of Production – Current Year Production (34)</p>	<p>Code – \$UPAC Source – F1208</p> <p>Conditional: F12003 if Depreciation Rule is rule 1; otherwise F1202.</p> <p>Key based on the Depreciation Rule Code (LNDPRL): F12003 if 1 F1202 otherwise LF1208 – FPUPY</p>
<p>Units of Production – Prior Year Production (35)</p>	<p>Code – \$UPAB Source – F1208</p> <p>Conditional: F12003 if Depreciation Rule is rule 1; otherwise F1202.</p> <p>Key based on the Depreciation Rule Code (LNDPRL): F12003 if 1 F1202 otherwise LF1208 – FPUPP</p>
<p>Units of Production – Total Revisions (36)</p>	<p>Code – \$UPAR Source – F1208</p> <p>Conditional: F12003 if Depreciation Rule is rule 1; otherwise F1202.</p> <p>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 (FPCRVR).</p>
<p>Sum of the Years Digits (denominator) (37)</p>	<p>Code – \$SYDS Source – Calculated</p> <p>Conditional: Life Year Reference is “Asset” – LULYRC = 1</p> <p>Denominator is the Sum of the Years Digits: ([Asset Life Years (\$ALYT)] + ([Asset Life Years (\$ALYT)] + 1)) divided by 2</p>

**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).

$$[\text{Asset Life in Years } (\$ALYT)] - [\text{Life Year } (\$ALYR)] + 1$$

**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.

$$[\text{SYD} - \text{Inverse of Years Digit } (\$SYI1)] - 1$$

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.

$$\left[\frac{[\text{AbDt Current Fiscal Year End Date } (\$CYEF)] - [\text{AbDt Current Year Start Date} - \text{Asset } (\$CYBA)] + 1}{[\text{AbDt Current Fiscal Year End Date } (\$CYEF)] - [\text{AbDt Current Fiscal Year Beginning Date } (\$CYBF)] + 1} \right]$$

Sum of the Years Digits – Last Year % (41)	<p>Code – \$SYPL Source – Calculated</p> <p>Conditional: Life Year Reference is “Asset” – LULYRC = 1</p> <p>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.</p> <p>$1 - [\text{Sum of the Years Digits} - \text{First Year \% } (\\$SYP1)]$ Default value is 0</p>
Item Master ITC Amount (42)	<p>Code – \$IMIT Source – F1201 – FAAITY</p> <p>ITC Amount from Item Master.</p>
Replacement Cost (43)	<p>Code – \$IMRC Source – F1201 – FAARPC</p> <p>Replacement Cost from Item Master.</p>
Replacement Cost Last Year – Item Master (44)	<p>Code – \$IMRC Source – F1201 – FAARPC</p> <p>Replacement Cost Last Year from Item Master.</p>
Insurance Value (45)	<p>Code – \$IMIV Source – F1201 – FAAIV</p> <p>Insurance Value from Item Master.</p>
Salvage Value (46)	<p>Code – \$\$IBSV Source – F1202 – FLTKER</p> <p>Salvage Value from Item Balance (F1202) record.</p>
Item Method % (Item Balance) (47)	<p>Code – \$\$MPIB Source – F1202 – FLADMP</p> <p>Percentage from Item Balance (F1202) record</p>
Company/LT Method % (Company/LT Rule) (48)	<p>Code – \$\$MPLT Source – F12003 – FFADMP</p> <p>Percentage from Depreciation / Ledger Type Rule Cross Reference table (F12003); also known as Depreciation Default table</p>

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 — 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.

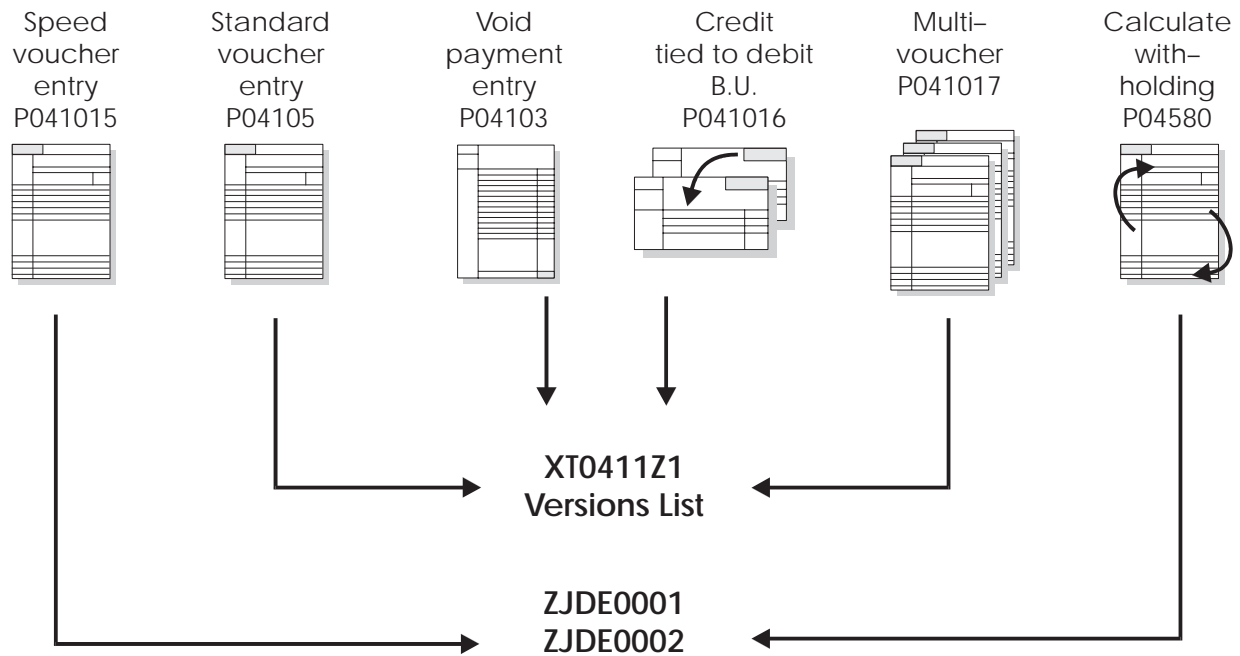
You can have all your entry programs use the same DREAM Writer version (and thus, use the same rules) or you can set up different DREAM Writer versions. J.D. Edwards provides DREAM Writer version ZJDE0001 as the default functional server version for your entry programs.



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.



Glossary

Glossary

This glossary defines terms in the context of J.D. Edwards systems and the accompanying 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 that the system uses for transactions in domestic amounts (actual amounts).

AAI. Automatic accounting instructions. 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 General Ledger Post program to post a debit to a certain expense account and a 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). Formerly known as the *expedient method* and the *fast path method*. Contrast with *G/L method*.

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 A/R 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.

activity type. A code that represents an action that is to be taken when reviewing and working customer accounts for credit and collection management purposes. For example, credit review required and delinquency notice approval required.

adjustment. A payment and receipt application method that modifies an amount, such as a minor write-off or outstanding freight charges and disputed taxes.

algorithm. A predetermined set of instructions or method used to automatically apply receipts to invoices, such as balance forward.

alphabetic character. A letter or other symbol from the keyboard (such as *, &, and #) that represents data. Contrast with *alphanumeric character*, *numeric character*, and *special character*.

alphanumeric character. A combination of letters, numbers, and other symbols (such as *, &, and #) that represents data. Contrast with *alphabetic character*, *numeric character*, and *special character*.

application. See *system*.

approver number. The user ID of the person who approves vouchers for payment.

as of report. A report that lists information from 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.

AZ ledger. The ledger type that the system uses for cash basis accounting.

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 funds transfer method used in the United Kingdom.

balance forward receipt application method. A receipt application method in which the receipt is applied to the oldest or newest 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. (1) An accumulation of data to be processed. (2) A group of records brought together to be processed or transmitted at the same time. (3) Pertaining to an activity that involves little or no user interaction.

batch control. A feature that verifies the number of transactions and the total amount in each batch that you enter 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. See batch.

batch number. A unique identifier that the system assigns to a batch for identification purposes.

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 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 to which system the associated transactions pertain. This code controls which records the system selects for processing. For example, the General Journal Post program selects only unposted transaction batches with a batch type of G (General Accounting) for posting.

Boolean logic. See *operand*.

broadcast message. 1. An email message that you send to a number of recipients. 2. A message that appears on a form instead of in your mailbox.

business unit. A division of your business organization that requires a balance sheet or profit and loss statement. Also known as a *cost center*.

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.

character. Any letter, number, or other symbol that a computer can read, write, and store.

chargeback. A receipt application method that generates 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 instruct the computer to perform a defined activity.

consolidation. A method of grouping or combining information for several companies or business units. Consolidation is used for budgeting, inquiries, and reports.

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.

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 that allocates or distributes expenses, budgets, adjustments, and so on among business units, based on actual numbers.

cost center. See *business unit*.

credit message. A code that indicates information about a customer's account status, such as Over Credit Limit.

credit note reimbursement. A form generated by the system that reclassifies 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 that designates the currency used by 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. An online help function that 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. A detailed transaction history for a customer that includes invoices, receipts, chargebacks, writeoffs, and so on. You use the customer ledger for indepth analysis of A/R information for your customer accounts.

customer payment. See *receipt*.

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.

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 the default for an input field default is N and you do not enter another value in that field, the system supplies an N.

detail. The individual pieces of information and data that make up a record or transaction. Contrast with *summary*.

detail area. An area of a form that displays additional information associated with the records or data items displayed on the form.

display. To cause the computer to show information on a form.

display field. A field of information on a form that contains a code or parameter provided by the system 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 receipt, 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 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 by adding, changing, or removing information. (2) The program function of highlighting fields into which you have entered inadequate or incorrect data.

effective date. The date upon which an address, item, transaction, or table becomes effective. For example, the date a change of 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.

EFT. Electronic Funds Transfer. A method of transferring funds from one company's bank account to that of another company.

email. Electronic mail.

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.

FASTR. Financial Analysis Spreadsheet Tool and Report Writer. A report writer that allows you to design your own report specifications using the financials tables.

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.

file. See *table*.

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 of an unpaid invoice exceeding the grace period associated with the due date.

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. See *detail area*.

form. A specific set of fields and information displayed on your monitor. Also known as a *screen*.

function. A separate feature within a program that allows you to perform a specific task, for example, the field help function.

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 (G type) that the system applies directly to a G/L account without applying it to a specific

invoice. These receipts are typically non-A/R receipts. For example, an insurance reimbursement.

G/L. General ledger.

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). Formerly known as the *tough/right method*. Contrast with *A/P Ledger method*.

G/L offset. A G/L account used by the post program to create automatic offsetting entries.

G/L posted code. A code that indicates the posting status of individual documents. For example, P indicates that a voucher or invoice has been posted.

GST. Goods Services and Taxes. A tax assessed in Canada.

hard copy. See *printout*.

hash total. A total produced by numbers with different units. For example, the total of amounts expressed in different currencies.

header. Information at the beginning of a table. This information identifies or provides control information for the group of records that follows.

help instructions. Online documentation or explanations of fields.

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 that allocates or distributes 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 where you type data, values, or characters. See *field*. Contrast with *display field*.

install system code. See *system code*.

integrity test. A process that supplements a company's internal balancing procedures by locating and reporting balancing problems and data inconsistencies.

interactive processing. A job that 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 for which payment was received after the specified due dates.

interest rate computation code. A code that designates the rates and effective dates used for calculating interest charges.

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 a specific invoice or group of invoices. A discount can be allowed or disallowed using invoice match.

job. A single identifiable set of processing actions you instruct 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 submitted for processing. When the computer completes a job, the system removes the job's identifier from the list.

justify. To shift the information that you enter in an input field to the right or left side of the field. Many of the programs within J.D. Edwards systems justify information. The system does this after you press Enter.

key field. A field that is 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 that specifies a language for the computer to use when displaying information.

leading zeros. A series of zeros that certain programs 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 system 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 might also be stored in the CA (foreign currency) ledger type. Also known as a *ledger*.

level of detail. 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 voucher. A voucher that is not applied to a specific supplier or invoice. Instead, it is applied to a G/L suspense account, where it is held until you redistribute it to the correct G/L account or accounts.

mail distribution list. A list of people to whom you send email 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. For example, a receipt is the matching document of an invoice.

menu. A form that displays selections. Each of these selections represents an application, report, batch process, or another menu.

menu levels. 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

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 sometimes 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 with which the journal entries, invoices, vouchers are associated, 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.

next numbers. A feature that 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).

NSF receipt. Non-sufficient funds receipt. A procedure that designates that a customer's bank account does not have sufficient funds available to pay the receipt. Designating a receipt as NSF reverses (deletes) the receipt and reopens the associated invoice.

numeric character. Represents data using the numbers 0 through 9. Contrast with *alphabetic character*, *alphanumeric character*, and *special 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 form in a J.D. Edwards system, you are online. See *interactive processing*. Contrast with *offline*.

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. The Boolean logic operand instructs 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

option. A selection from a form that performs a particular function or task.

original document. The document that initiates a transaction in the system.

output. Information that the computer transfers from internal storage to an external device, such as a printer or a computer form.

output queue. See *print queue*.

override. The process of entering a code or parameter other than the one provided by the system. Many forms have default field values that the system displays when it displays the form. 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. The system uses the password uses to identify you as a valid user.

pay item. A line item in a voucher or an invoice.

pay status. The current condition of the payment or receipt, such as paid or payment-in-process.

payment. The payment that you make to a supplier.

payment group. A system-generated group of payments with similar information, such as bank account. The system processes all payments in a payment group at the same time.

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 an 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. Also known as a *hard copy*.

print queue. A list of tables, such as reports, that you have submitted to be written to an output device, such as a printer. The computer spools the tables until it writes them. After the computer writes the table, the system removes the table's identifier from the list. Also known as an *output queue*.

processing options. A feature 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 formats, control the format in which information is printed on reports, change the way a form displays information, and enter "as of" dates.

program. A collection of computer statements that instructs the computer to perform a specific task or group of tasks.

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 can use both period average and period-end rates, distinguishing them by rate type.

realized gain or loss. Currency gains and losses are incurred due to fluctuating currency exchange rates. A gain or loss is

realized when you pay the invoice or voucher. Contrast with *unrealized gain or loss*.

receipt. The payment you receive from a customer.

receipt logging. See *logged receipt*.

record. A collection of related, consecutive fields of data that 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 or invoice 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 journal entry. A procedure that allocates or distributes expenses, budgets, adjustments, and so on among business units, based on actual numbers.

recurring voucher. A voucher that comes due for payment on a regular cycle, such as a lease payment.

recycle. A process that creates the next cycle (for example, next month's) of recurring invoices or vouchers.

refresh. A process that updates a customer's credit and collection information, such as Credit Analysis Refresh.

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 process that creates an opposite entry when the original transaction is posted to the general ledger.

reverse image. Text on a form 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).

routing/transit number. A number that uniquely identifies U.S. banks. This number is assigned by the Federal Reserve Board. It consists of two parts: a routing number and a transit number.

run. To cause the computer to perform a routine, process a batch of transactions, or carry out computer program instructions.

screen. See *form*.

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. Selections represent programs or menus that you can access from a given menu.

self-reconciling item. An item that does not require reconciliation.

sequence review ID. A code 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.

SIC. Standard Industry Classification. A U.S. government code that classifies U.S. companies according to their economic activity. Examples include agricultural services (0100), wholesale trade (5000), and services (7000).

soft coding. A group of features that allow 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 instruct the computer what tasks to perform and how to perform them.

special character. Symbols that are neither letters nor numbers. Some examples are *, &, and #. Contrast with *alphabetic character*, *alphanumeric character*, and *numeric character*.

special period/year. The date that determines the source balances for an allocation.

speed code. A user defined code that represents a G/L account number. You can use speed codes to simplify data entry by making G/L accounts easier to remember.

spool. The function by which the system stores generated output 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. (1) A payables and receipts application method that distributes and applies an unapplied voucher, receipt, debit memo, or credit memo to open vouchers or invoices. (2) A budgeting process that distributes amounts over a number of periods.

stop date. The date that an allocation becomes inactive.

structure type. A code that identifies a type of organization structure with its own hierarchy in the Address Book system.

subfile. See *detail area*.

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 known as a *vendor*.

supplier ledger. The record of transactions between your company and a particular supplier.

summary. The presentation of data or information in a cumulative or totaled manner in which most of the details have been removed. Many J.D. Edwards systems offer forms and reports that are summaries of the information stored in certain tables.

suspense account. A G/L account that holds funds until they can be allocated to the correct account. Also known as a *transit account*.

system. A collection of computer programs that allows you to perform specific business tasks. Some examples of systems are Accounts Payable, Inventory, and Order Processing. Also known as an *application*.

system code. The code that identifies a J.D. Edwards system. For example, 01 for the Address Book system, 04 for the Accounts Payable system, and 09 for the General Accounting system.

table. A collection of related data records organized for a specific use and electronically stored by the computer. Also known as a *file*.

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 (type input) code. A code that identifies the type of receipt application, which directly affects the way the receipt is processed.

time log. An email 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 the taxes you enter manually may vary from the tax calculated by the system.

transaction code. A code that distinguishes the type of transaction on a bank statement.

transit account. See *suspense account*.

translation adjustment account. An optional G/L account used in currency balance restatement to record the total adjustments at a company level.

unapplied receipt. A receipt that is applied to a customer's account balance instead of being matched to an invoice or group of invoices.

unrealized gain or loss. Currency gains and losses are incurred due to fluctuating currency exchange rates. A gain or loss is unrealized until you pay the invoice or voucher. Contrast with *realized gain or loss*.

update payments. For example, to 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 that 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 user defined codes. For example, ST for the Search Type codes list in the Address Book system. J.D. Edwards

provides a number of these lists for each system. You can create and define lists of your own.

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 verifies the information you enter against the list of valid codes.

variable numerator allocations. A procedure that allocates or distributes 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*.

vocabulary overrides. A feature that lets you to override field, row, or column title text on a form-by-form or report-by-report basis.

void. A process that creates a reversing entry for the original transaction. Voiding a transaction leaves an audit trail.

voucher logging. See *logged voucher*.

voucher match. A payment application method where the payment is applied to specific vouchers.

who's who. The contacts at a particular company. Examples include billing, collections, and sales personnel.

window. A 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 program, 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 or avenue.

worked. A code that indicates 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 method for getting rid of inconsequential differences between amounts. For example, you can apply a receipt to an invoice and write off the difference. 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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