Asset Management Reconciliation Procedures

Purpose: To ensure the Asset Management Module is in sync with the General Ledger; thereby allowing for accurate and timely recording of OCO expenditures.

1. Run a query for all OCO items paid via AP voucher by month. Operating Capital Outlay expenditures are recorded in alternate account 721000 (Query Name: FAMGL001_JRNLEDTAIL_JD)

2. Run a query capturing all journal lines posted to Alt. acct. 721000 in the GL. (FAMGL001_JOURNAL_721000) This will provide any additional items posted through the Cashier’s Office or Online Journal Entry. Reconcile those items to the GL voucher side to obtain a total GL amount.

3. Remove all items that have Agency funding, fund 903, and/or are Library purchases, which are recorded in program 41.

4. To capture the Asset Management (AM) transactions, run query (FAMAM_ADDS_DKN) for individual line items in AM. The AM Module is maintained by Property.

5. Run query (FAMAM_COST_JM) to get total cost per asset ID. Now reconcile the two AM queries to get an AM total.

6. Once the GL and AM totals are obtained for the given time frame, reconcile any differences by conducting the necessary research.

7. Any items that AM adds that are not on the GL side means that a Reclassification to OCO is needed via journal entry.

8. Any items that the Property office does not add from the GL totals should be reclassified to expense.

9. To reclassify any item(s), notify each department of the pending transfer. Departments may have to resolve budget issues between their 720000 and 750000 budget accounts.

10. If approval is not received within three days after the notification e-mail, AM will proceed with the necessary journal transfer.

Last Revision: April 2013
Asset Management Fiscal Year-End Closing Process

1. **Art Non-Depreciable:**

   A. Additions and reductions will be provided by the Black Archives yearly worksheet.
   B. All reconciled additions and reductions in cost are recorded in the GL with account 266000 in fund 801.
   C. Provide the Property department all backup information, so they can input the total into Asset Management Module.
   D. Verify that Property put the item into AM with an in-service date of 6-30-XXXX. At this point AM should match GL.

2. **Land Non-Depreciable:**

   A. All additions and reduction will come directly from Facilities Planning.
   B. All reconciled additions and reductions are recorded in the GL with account 271000 in fund 801.
   C. Verify that Property put the item into AM with an in-service date of 6-30-XXXX. At this point AM should match GL.

3. **Art Depreciable:**

   A. To obtain all additions on the GL side, run an All Funds query for account 264000.
   B. To obtain all additions on the AM side, run query (FAMAM_COST_JM) with the criteria (ARTTR).
   C. Reconcile the two sides and correct any problem areas.
   D. For reductions, the Property department will provide a yearly retirement list.
E. Yearly depreciation expense is calculated by Peoplesoft. E.I.T. will assist with this process.

F. All reconciled additions and reductions in cost are recorded in the GL with account 264000 in fund 801.

G. All reconciled additions and reductions in depreciation are recorded in the GL with account 265000 in fund 801.

H. Verify that Property put the items into AM with an in-service date of 6-30-XXXX. At this point AM should match GL.

4. **Library Depreciable**:

A. Additions will come throughout the year from the GL side only. Also there may be AP Accruals. Run an All Funds query for items with a program code 41 and alternate account 721000.

B. Make sure that all the items are library related and not furniture or equipment items; (read item description).

C. Property will make a one-line entry for the year with the information provided by Asset Mgmt.

D. Reductions come from the Library’s year-end worksheet, which will be provided. The Library will provide the disposals, along with an estimated rate for the current year and an actual rate from the previous year.

E. First, correct the previous year with the actual rate for both the Main (Coleman) and Law libraries. To do this, multiply the disposal amount for each library (Law and Main) by the actual rate. Compare this actual amount to the estimated amount recorded in the previous year. The difference will be a current year adjustment.

F. For the current year disposals, multiply the disposal amount by the estimated rate for each library and also add or subtract the adjustment for the previous year to obtain total disposals for the current year.

G. E.I.T. will assist with the depreciation expense calculation by running the closing process through PeopleSoft.

H. The disposal amount for the current year should be taken out of the total cost and accumulated depreciation of the oldest library asset recorded in the books.
I. Reconcile the two sides and correct any problem areas.

J. All reconciled additions and reduction in cost are recorded in the GL with account 282000 in fund 801.

K. All reconciled additions and reductions in depreciation are recorded in the GL with account 283000 in fund 801.

L. Give the Property department all backup information, so they can input the item into the Asset Management Module.

M. Verify that property has put the item in with an in-service date of 6-30-XXXX and has changed the oldest library asset cost and accumulated depreciation. At this point AM should match GL.

5. **Other Depreciable (Livestock/Software):**

A. Reconcile the GL to AM module
   a. run All Funds query for account 288000 (Livestock) and 288010 (Software). There may also be AP Accruals to add on the Software.
   b. run FAMAM_COST_JM query with the criteria (Other) to obtain Software additions for AM module.
   c. Correct any discrepancies

B. Livestock inventory will be submitted by the Animal Sciences department. The difference from prior year to current year is the addition or reduction.

C. Obtain the Depreciation Expense file from EIT. (EIT will run the process to calculate Depreciation.)

D. All reconciled additions and reductions to cost are recorded in the GL with account 288000 (Livestock) and 288010 (Software) in fund 801.

E. All reconciled additions and reductions to depreciation are recorded in the GL with account 289000 in fund 801.

F. Give the Property department all backup information for livestock, so they can input the addition into the Asset Management Module.

G. Verify that Property entered Livestock correctly into AM.
6. **Furniture & Equipment:**

A. Require monthly reconciliation due to the amount of items that are included in this category. Monthly reconciliation procedures are set forth in section _____.

B. For additions on the GL side, run an All Funds query for account 276000. There may also be AP Accruals to add.

C. Reductions come from Property retirement worksheet. Also there will be the yearly depreciation expense that E.I.T. will assist with the closing process through PeopleSoft.

D. To obtain F&E additions on the AM side, run query (FAMAM_COST_JM) with the criteria (FUREQ).

E. There may be donated items included in the list. The Property department will provide the total donation amount. Identify the donated items in the worksheet remove the amount from the total additions. Donations are reported on a Component Unit level.

F. Reconcile the two sides and correct any problem areas.

G. All reconciled additions and reductions to cost are recorded in the GL with account 276000 in fund 801.

H. All reconciled additions and reductions in depreciation are recorded in the GL with account 277000 in fund 801.

I. At this point GL should match AM minus the AP accruals that will need to be added by Property at a later time with an in service date of 6-30-XXXX.

J. At a later time, verify that Property put the AP accrual items in with an in service date of 6-30-XXXX. At this point AM should match GL.

7. **Building and Infrastructure:**

A. All additions and reductions will come directly from Facilities Planning and the construction accountant. They will provide the C.I.P. (Construction-in-progress) information, as well as the amounts for Buildings and Infrastructure for the year.

B. E.I.T. will assist with the depreciation expense calculation by running the closing process through PeopleSoft.
C. All reconciled additions and reductions to cost are recorded in the GL with account 272000 (Building) and 274000 (Infrastructure) in fund 801.

D. All reconciled additions and reductions in depreciation are recorded in the GL with account 273000 (Building) and 275000 (Infrastructure) in fund 801.

E. Give the Property department all backup information, so they can input the items into Asset Management Module as one line entries.

F. Verify that property has put the items in with an in-service date of 6-30-XXXX. At this point AM should match GL.