Adding Capital Assets in EERP

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Introduction

For information on the general processing of fixed assets please refer to Tyler Search found via the Tyler support site. The Enterprise ERP Capital Assets Procedures Version 2024 guide is good resource and can also be found via Tyler Search. B**efore creating any new assets an update to the Sub-class codes is required.** Review Appendix A in this document for more information.

Adding assets

New assets can be added three different ways:
- Manually through the New Asset program
- Importing through the Capital Asset Work File Maintenance program from Purchase Orders
- Importing an ASCII file through the Import/Export to ASCII process.

Posting assets correctly creates a fixed asset history transaction through the Capital Asset Activation Journal Entry (FAA).

Depreciation Flag

If the asset is Land (Sub-Class 110) or Construction Work in Progress (Sub-Class 610), select the Additional tab and change the Depreciation flag to N.

Leased items would only be depreciated if the asset is to be owned by the district at the end of the lease. Because of this, it is suggested to NOT flag these subclasses to depreciate in the Capital Asset Sub-class Codes program. Assets can however be individually flagged to depreciate when added to Enterprise ERP should they qualify to be depreciated.

Refer to Appendix A for more information on updating the depreciation flag.

Applying Asset GL Accounts

After new assets are created, they may be found in the New Assets program. Each asset is required to have five capital asset GL accounts for posting asset transactions to the General Ledger. When creating New Assets manually users will see a warning "This asset

will require account types 1, 2, 5, and 6 for activation. Enter them now?" Users should select No. The steps listed below will apply accounts based on the KDE chart of accounts.

Run the below utility to automatically apply the accounts to all assets with a status of New.

To post accounts to new assets go to:

System Administration >Miscellaneous Admin >System Update

1. Select **Define Update Options**.

2. Enter faactimp (**f**ixed **a**sset **ac**count **imp**ort) into the Utility/Program ID field as shown below:

System update options
Utility / Program ID * faactimp

3. Select **Run System Update** and Select **Yes**.

4. Select **Define** and enter the below in the Input file field. It is suggested to copy and paste the file path from this document.

   Input File Path: \\fms\mu_sys\import_KDE\faassign.txt

   If you have errors when entering this file path, please double-check check the file path was entered correctly. When users copy and paste the file path, it often leaves a blank character in front of the file path causing an error.

5. Select **Import**.

6. Select **Ok** to the prompt "Import successful".
   a. If a report is generated with the error "Not in import file", there is a new status asset that has an incorrect combination of Asset Type (Governmental or Propriety), Subclass, and Department Code. Locate the New Asset and update those fields to the correct combination and repeat steps 1 – 5.

CA GL ACCOUNT IMPORT ERRORS			
ASSET TYPE	SUBCLASS	DEPT CODE	ERROR
G	422	2800	Not in import file

7. Proceed to post the assets to the general ledger in the New Assets program.

Note: New assets for the new fiscal year can be entered but NOT posted until the audit for the prior fiscal year is completed. Once the audit is completed you may then proceed to posting the new assets for the new fiscal year.

Posting New Assets

1. From the **New Assets** program, **Search** for the asset or assets to be posted.
2. Select the **Transactions** button.
3. Select **Activate Assets.** If more than one asset is in the found set, the following message appears. Select the appropriate option.
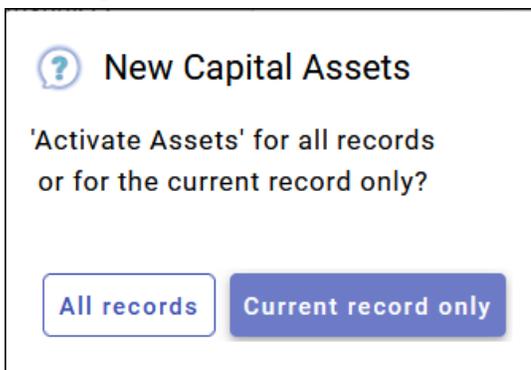
4. Select **Update** and **Accept.** (Active non-capitalized assets should be marked)
5. Select the assets to be posted (Select All button or individually select)
6. Enter the appropriate effective date, year, and period are entered for each asset. **Double-check check the assets are being posted to the correct year and period.** Optionally, there is an **Update All Effective Dates** button that will allow you to update the effective date on all assets being posted.
7. Select **Accept** and continue the Output/Post process.

Required General Ledger Accounts

Gain/Loss accounts will automatically be assigned to assets when running the faactimp program using the faassign.txt file. For the faactimp program to work correctly, the following general ledger accounts are required in EERP.

Required/ Optional	ACCT TYPE	ORG	OBJ	ACCOUNT DESCRIPTION
Required	R	880	5311	Sale Proceeds/Loss (Land and/or Improvements)
Required	R	880	5331	Sale Proceeds/Loss (Buildings)
Required	R	880	5341	Sale Proceeds/Loss (Machinery, Equipment, Furniture & Fixtures)
Required	R	810	1930	Gain/Loss on Sale of Assets (Food Service)
Optional*	R	820	1930	Gain/Loss on Sale of Assets (Day Care Assets)
Optional*	R	840	1930	Gain/Loss on Sale of Assets (Adult Education)

*Only applicable to districts that use Day Care or Adult Education Funds.

Appendix A

Tyler added increased functionality in EERP v2019.1 to the Sub-Class Codes used in Capital Assets, formally known as Fixed Assets. In older versions of Enterprise ERP, the 'Depreciate' flag field was blank for all classes except for Land (10). The depreciate fields all defaulted to 'N' during the v2019 upgrade and should be updated to 'Y'.

Only New Assets that are manually entered, versus Capital Asset Work File Maintenance, are impacted by this change. When entering a New Asset manually the user will receive the following pop-up message:
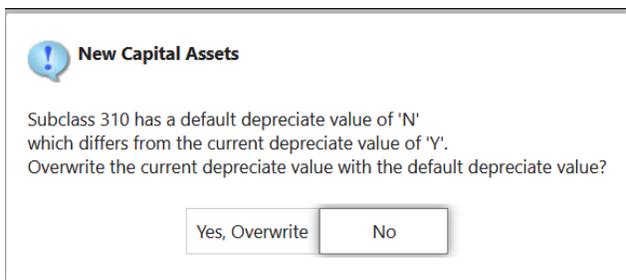
An update is required to those sub-class codes to ensure all classes except for 'Land', 'Construction Work in Progress', and 'Leased' have their depreciation flag set to 'Y'.

Update Sub-Class Codes

Select: *Financials > Capital Assets > Setup > Sub-Class Codes*

1. Select **Search** and **Accept** to view all codes.
2. Using the list below, all codes in EERP except for 'Land' and 'Construction Work in Progress' must be updated.
3. Select **Update** and mark the 'Depreciate' box.
4. Select **Accept** to Save.

Class	Code	Description
(20) BUILDINGS & BUILDING IMPROVEME	210	BUILDINGS
(20) BUILDINGS & BUILDING IMPROVEME	220	PORTABLE BUILDINGS
(20) BUILDINGS & BUILDING IMPROVEME	230	BUILDING IMPROVEMENTS
(20) BUILDINGS & BUILDING IMPROVEME	240	CARPET/TILE REPLACEMENT
(30) TECHNOLOGY EQUIPMENT	310	KETS TECHNOLOGY
(30) TECHNOLOGY EQUIPMENT	320	NON-KETS TECHNOLOGY
(30) TECHNOLOGY EQUIPMENT	330	COPIERS

Class	Code	Description
(40) VEHICLES	410	SCHOOL BUSES
(40) VEHICLES	420	OTHER VEHICLES
(41) LEASED VEHICLES	421	LEASED VEHICLES
(41) LEASED VEHICLES	422	LEASED SCHOOL BUSES
(50) GENERAL EQUIPMENT	510	ROLLING STOCK
(50) GENERAL EQUIPMENT	520	FOOD SERVICE
(50) GENERAL EQUIPMENT	530	FURNITURE & FIXTURES
(50) GENERAL EQUIPMENT	540	AUDIO-VISUAL EQUIPMENT
(50) GENERAL EQUIPMENT	550	OTHER GENERAL EQUIPMENT
(51) LEASED EQUIPMENT	551	LEASED EQUIPMENT

Appendix B - New Class & Sub-Class Codes in FY 2023

Overview

The Kentucky Department of Education added new object codes to the chart of accounts starting in fiscal year 2023. For those object codes and accounts to be associated with assets in the Capital/Fixed Assets module in EERP, the following items must be added.

Add New Asset Class Codes

Navigate: *Financials > Capital Assets > Set Up > Capital Asset Miscellaneous Codes*

Select **Add** and add the two new class codes. The Code Type should be 'CLAS – CLASS CODE'.

Code Type	Code	Description	Short Desc
CLAS - CLASS CODE	41	LEASED VEHICLES	LEASED VEH
CLAS - CLASS CODE	51	LEASED EQUIPMENT	LEASED EQU

Example:

Add New Subclass Codes

Navigate: *Financials > Capital Assets > Set Up > Sub-Class Codes*

Select **Add** and add the three new sub-class codes making sure to assign them to the proper class code. Add the Useful Life to the attributes at the bottom of the record.

Class	Subclass	Description	Useful Life
(41) LEASED VEHICLES	421	LEASED VEHICLES	5
(41) LEASED VEHICLES	422	LEASED SCHOOL BUSES	10
(51) LEASED EQUIPMENT	551	LEASED EQUIPMENT	10

*Leased items would only be depreciated if the asset is to be owned by the district at the end of the lease. Because of this, it is suggested to NOT flag these subclasses to depreciate in the Capital Asset Sub-class Codes program. Assets can however be individually flagged to depreciate when added to EERP should they qualify to be depreciated.

Example:

Add New Object Codes

The following object codes should be added via the Chart of Account Segments program.

Navigate: *Financials > General Ledger Menu> Set Up/Chart of Accounts> Chart of Accounts Segments*

Object	Type	Description	Short Desc
6245	BA	LEASED VEHICLES	LEASED VEH
6246	BL	ACCUM DEP - LEASED VEHICLES	ACDEP LVEH
6255	BA	LEASED MACHINERY AND EQUIPMENT	LEASED MAC
6256	BL	ACCUM DEP - LEASED MACHINERY	ACDEP LMAC

Add New Accounts

The following accounts should be added via the Account Master program. The program that assigns GL accounts to New status assets (faactimp) will not assign accounts to leased assets until the below accounts are added.

Navigate: *Financials > General Ledger Menu> Set Up/Chart of Accounts> Account Master*

Required/Optional	Account Type	Org	Object	Description
Required	Balance	80	6245	LEASED VEHICLES
Required	Balance	81	6245	LEASED VEHICLES
Required	Balance	80	6246	ACCUM DEP - LEASED VEHICLES
Required	Balance	81	6246	ACCUM DEP - LEASED VEHICLES
Required	Balance	80	6255	LEASED MACHINERY AND EQUIPMENT
Required	Balance	81	6255	LEASED MACHINERY AND EQUIPMENT
Required	Balance	80	6256	ACCUM DEP - LEASED MACHINERY
Required	Balance	81	6256	ACCUM DEP - LEASED MACHINERY
Optional*	Balance	82	6245	LEASED VEHICLES
Optional*	Balance	84	6245	LEASED VEHICLES
Optional*	Balance	82	6246	ACCUM DEP - LEASED VEHICLES
Optional*	Balance	84	6246	ACCUM DEP - LEASED VEHICLES
Optional*	Balance	82	6255	LEASED MACHINERY AND EQUIPMENT
Optional*	Balance	84	6255	LEASED MACHINERY AND EQUIPMENT
Optional*	Balance	82	6256	ACCUM DEP - LEASED MACHINERY
Optional*	Balance	84	6256	ACCUM DEP - LEASED MACHINERY

*Only applicable to districts that use Day Care or Adult Education Funds.

Depreciation

Leased items would only be depreciated if the asset is to be owned by the district at the end of the lease. When adding a New Asset and the sub-class is not marked to depreciate, the following message will appear:
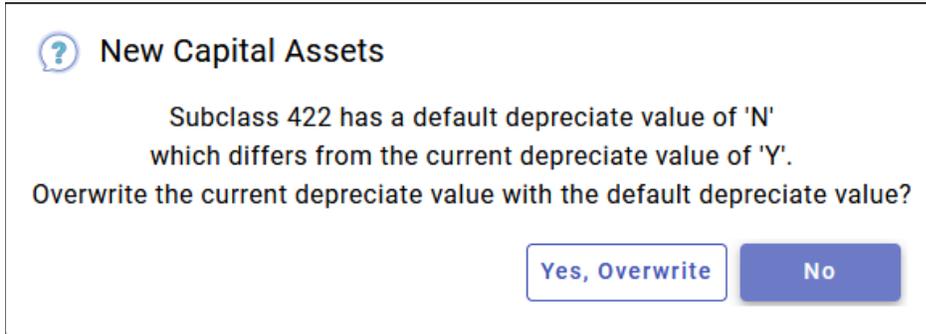
Selecting 'Yes, Overwrite' will set the asset to NOT depreciate. If you wish to depreciate the asset, you will select 'No'.

On the New Asset record, the Depreciate flag can be found on the Financials Tab and then under Summary: