Agenda

- Logistics, Ground Rules & Introduction
- Project Timeline
- Workshop Objectives
- Business Process Review
  - Process overview
  - AS-IS process flow
  - Current system alignment
  - Process improvement opportunities
  - SAP terms glossary
  - SAP concepts & functionality
  - Business process flow
  - Leading practices
  - Enterprise readiness challenges
- Next Steps – Action items
- Questions
Before we get started ...
Ground Rules

- Has everybody signed in?
- Everybody participates – blueprint is not a spectator sport
- Silence means agreement
- Focus is key – please turn off cell phones and close laptops
- Challenge existing processes and mindsets
- Offer suggestions and ideas
- Think Enterprise
- Ask questions at any time
- One person at a time please
- Timeliness – returning from break
- Creativity, cooperation, and compromise
Introduction

- **Roles**
  - **Process Analyst and Functional Consultant** – lead and facilitate the discussions and drive design decisions
  - **Documenter** – take detailed notes to support the formal meeting minutes to be sent by the Process Analyst to all participants for review and feedback
  - **Team Members** – provide additional support for process discussions, address key integration touch points
  - **Subject Matter Experts** – advise team members on the detailed business process and participate in the decisions required to design the future state business process

**Round the Room Introductions**

Name  
Position  
Agency
Project Phases

Five Key Phases

- Strategy & Approach Defined
- Project Team Training

- Business Process Definition
- Development Requirements

- Development & Unit Testing
- Integration Testing
- End-User Training Materials

- User Acceptance
- Technical Testing
- End-User Training
- Conversion

- Go-Live Support
- Performance Tuning
### Tentative Project Timeline

- Tentative implementation dates are planned as follows:

<table>
<thead>
<tr>
<th>Functionality</th>
<th>Tentative Implementation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget Prep</td>
<td>October 2009</td>
</tr>
<tr>
<td>DOTD</td>
<td>February 2010</td>
</tr>
<tr>
<td>Core Modules All Agencies</td>
<td>July 2010</td>
</tr>
<tr>
<td>Additional Modules</td>
<td>January 2011</td>
</tr>
</tbody>
</table>

**Phased deployment will be confirmed/updated before completion of Blueprint activities!**
Project Organization - Functional Teams

**Finance Leads**
- Beverly Hodges – Finance Lead
- Drew Thigpen – Finance Lead
- Mary Ramsrud – Consulting Lead

**Logistics Leads**
- Belinda Rogers – Logistics Lead
- Jack Ladhur – Logistics Lead
- Brad Denham – Consulting Lead

**Linear Assets Leads**
- Mark Suarez – Agile Assets Lead
- Charles Pilson – Consulting Lead

**Teams**
- General Ledger
- Accounts Payable
- Accts Receivable
- Cash Management
- Cost Accounting
- Funds Management
- Grants Mgt
- Project Systems
- Asset Accounting
- Grantor
- Budget Prep
- Real Estate Management

**Rhoama Speights**
- Sue Wheeler
- Bill Smith
- Christine Wieczorek.
## Blueprint Schedule - Tentative

<table>
<thead>
<tr>
<th>Workshop ID</th>
<th>Process Area</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>FI-AA-01</td>
<td>Asset Classes</td>
<td>Aug 14 (Thu)</td>
</tr>
<tr>
<td>FI-AA-02</td>
<td>Asset Master Records</td>
<td>Aug 19 (Tue)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Aug 20 (Wed)</td>
</tr>
<tr>
<td>FI-AA-03</td>
<td>Asset Acquisitions and Subsequent Valuations</td>
<td>Sep 16 (Tue)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sep 17 (Wed)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sep 18 (Thu)</td>
</tr>
<tr>
<td>FI-AA-04</td>
<td>Transfer of Assets</td>
<td>Sep 30 (Tue)</td>
</tr>
<tr>
<td>FI-AA-05</td>
<td>Retirement of Assets</td>
<td>Oct 02 (Thu)</td>
</tr>
</tbody>
</table>
### Blueprint Schedule - Tentative

<table>
<thead>
<tr>
<th>Workshop ID</th>
<th>Process Area</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>FI-AA-06</td>
<td>Physical Inventory / Bar Coding</td>
<td>Oct 14 (Thurs)</td>
</tr>
<tr>
<td>FI-AA-07</td>
<td>Periodic Processing</td>
<td>Oct 21 (Tue)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Oct 23 (Thu)</td>
</tr>
<tr>
<td>FI-AA-08</td>
<td>Conversion</td>
<td>Nov 3 (Mon)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nov 5 (Wed)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nov 6 (Thu)</td>
</tr>
<tr>
<td>FI-AA-Validation</td>
<td>Validation Sessions</td>
<td>Nov 19 (Wed)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nov 20 (Thu)</td>
</tr>
</tbody>
</table>
Blueprint Schedule – Integration Points Tentative

<table>
<thead>
<tr>
<th>Workshop ID</th>
<th>Process Area</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>LA-MD-004</td>
<td>Linear Assets SAP Asset Master for GASB</td>
<td>Sept 18 (Thurs)</td>
</tr>
<tr>
<td>FI-AP-002</td>
<td>AP Processing</td>
<td>Sept 26-28 (Tue – Thurs)</td>
</tr>
<tr>
<td>FI-RE-001</td>
<td>Real Estate Master Data</td>
<td>Sept 9-11 (Tue - Thur)</td>
</tr>
<tr>
<td>FI-RE-004</td>
<td>Right of Way Parcels</td>
<td>Oct 16 (Thur)</td>
</tr>
<tr>
<td>LOG-MM-009</td>
<td>Purchase Requisitions – Assets</td>
<td>Oct 13-14 (Mon – Tue)</td>
</tr>
<tr>
<td>FI-PS-009</td>
<td>Capital Projects – Periodic Processing</td>
<td>Oct 28-29 (Tue – Wed)</td>
</tr>
</tbody>
</table>

Note: Additional Workshop for Capital Leases to be scheduled
Blueprint Objectives

- Review and discuss the current or As-Is business processes
  - Which helps to drive out the *Business requirements*
  - As well as the *integration points* with other processes
- Define Master Data
  - Address key integration points
  - Support organizational requirements
  - Consistent and appropriate use of data fields
- Define Future or To-Be business processes based on:
  - Best Practices inherent in SAP
  - Intellectual capital from other SAP implementations
  - State business requirements
- Identify development requirements
  - Which could result in the need for a form, report, interface, conversion, enhancement, or workflow (FRICE-W)
- Understand and communicate any organizational impacts / Enterprise Readiness challenges
- Gather system security authorizations and district-wide training requirements
Work Session Objectives

1. Determine General Ledger account posting requirements.
   - for each of full and modified accrual posting and any other relevant depreciation areas/books/ledgers
     (e.g. acquisition accounts, accumulated depreciation, depreciation expense, revenue from sale, gain on retirement, loss on retirement, etc.)

2. Determine Asset Numbering Scheme.

3. Determine Screen Layout Rule requirements
Work Session Objectives

4. What data elements and characteristics are required for each asset class and where will they be stored?
   a) Asset Master Record
   b) Asset transaction recording
   c) PM integration (i.e. Equipment Master Record)
   d) RE integration (e.g. Site, Property, Building Master Record)
   e) AGILE integration (e.g. Linear Assets)
   f) Other integration
   g) New field development on Asset Master Record
   h) No longer required
   i) Not stored in SAP
   j) Other
Work Session Objectives

5. Review at high level process requirements for asset master record:
   a) Create
   b) Change or Update

Scenarios:
• Purchase – PReq/PO <MM>
• Purchase, Invoice w/out PO <AP or MM>
• Build – WBS <PS>
• Donation <AA>
• Correction <AA>
• Transfer <AA>
• Capital Lease (separate session)

Note: process details will be defined during Asset Acquisition session and integration sessions with MM, AP, PS, Agile and PM
Asset Financial Life Cycle

Asset Master Record (AMR)

Acquisition  -->  Use of Asset e.g. depreciation  -->  Retirement

Asset Movement or Change

August 19-20, 2008
SAP
AA - Structure Overview
Structure Overview

- Structure Overview
- Integration Points
- Asset Classes
- Screen Layout
- G/L Integration (i.e. Account Assignment/Determination)
- Asset Numbers
- Asset Master Record
- Asset Acquisition Transactions
Asset Structure

Is the foundation for the asset module:

- Defines the rules for asset categorization and master data/asset value update via:
  - Chart of Depreciation
  - Asset Classes
- Should be built to provide flexibility for future changes
- Some design decisions are difficult to reverse:
  - e.g. G/L account assignment rules for an asset class after a financial posting has been made, split asset classes after data conversion has been completed, etc.
Integration Points

- What are some of the integration points?
Integration Point Examples

FI  -  General Ledger Accounts
     -  Financial Reports
FM  -  Payment/Commitment Budgets, Fund, Fund Center
GM  -  Grants
AP  -  Vendor Account
AR  -  Customer Account
CO  -  Cost Elements
     -  Cost Centers
     -  Internal Orders
RE  -  Real Estate Object (e.g. property, building)
MM  -  Purchase Requisition / PO
PS  -  Projects / WBS (settle to AuC)
PM  -  Equipment Master Record

Interface:
AGILE    -  Linear Assets
Asset Classes

- What are they?
- Why are they so important?
Asset Classes

What are they?

- Most important element for structuring fixed assets

- Main criteria for grouping assets according to financial and operational requirements

- Must be defined according to types of capital assets and their financial reporting and internal reporting requirements
Asset Classes

Why are they important?

- Automatic financial postings (i.e. G/L accounts)
- Method of classifying similar types of assets (i.e. sort and select criteria)
- Defining data elements to be recorded
- Default values
- Asset numbering scheme
Asset Classes

**Automatic financial postings**

- Each asset class has a rule identifying the G/L accounts that will be used in automatic or default postings
- Provides consistency for financial reporting
- Easier for user
Asset Classes

Method of classifying similar types of assets

- Asset classes provide the main structure to your asset database (i.e. rules about how assets within the class will be recorded and processed)
- Reporting and analysis purposes
Asset Classes

*Defining data elements to be recorded*

- Asset class determines the data elements to be captured for an asset (i.e. screen layout rules)
- Financial and internal reporting requirements must be considered
Asset Classes

Default values

- Data fields with values:
  - pre-determined (automatically completed by system, no user input)
  - suggested (user can edit)
Asset Classes

Asset number range scheme

- Define number ranges to be assigned to asset classes:
  - single number range for all asset master records
  - unique ranges defined for ‘categories of assets’ (e.g. land, buildings, AuC, IT related, vehicles, etc.)
# Asset Classes - Setup

### Change View "Asset classes": Details

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>2800</th>
<th>Machinery &amp; Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short Text</td>
<td>Machinery &amp; Equip</td>
<td></td>
</tr>
</tbody>
</table>

**Account description:** 160029

**Short layout rule:** 2000

**Base Unit:** EA

### Number assignment

- **Number range:** 02
- **External sub-no:**

### Inventory data

- **Include asset:**

### Status of AuC

- No AuC or summary management of AuC
- Line item settlement
- Investment Measure

### Lock status

- Asset class is blocked

### History status

- Manage historically

### Real estate indicator for asset class

- Other asset without real estate management

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**Technical information**

- Created on: 03/29/1994
- Created by: SAP
- Changed on: 01/28/1999
- Changed by: FARRELLB
Asset Classes: Depn. Areas by Class

Change View "Depreciation areas": Overview

- **Asset Class**: 2000
- **Chart of dep.**: 0010
- **Machinery & Equipment**: Preconfigured US company chart of depreciation

**Depreciation areas**

- **Screen layout**: 1660
- **Dep. on main asset no. level**: 1
- **LVA check**: No maximum amount check
- **Minimum life**: 
- **Minimum life period**: 
- **Max useful life**: 
- **Max life period**: 
- **Dep. key**: LINA
- **Useful life**: 12
- **Periods**: 0
- **Var. dep. portion**: 0.0000

Book depreciation in local currency
Asset Classes

G/L Account Determination

<table>
<thead>
<tr>
<th>Area 01</th>
<th>Area 02</th>
<th>.....</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Depreciation Terms

<table>
<thead>
<tr>
<th>Acquisition</th>
<th>Year 1</th>
<th>Year 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>$500,000</td>
<td>$50,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>...</td>
<td>...</td>
<td>...</td>
</tr>
</tbody>
</table>

Def. of Asset Master Rec.

- Screen layout
- Field features
- Number assign.

Asset Classes

- Horizon Park
- Astor House
- Limousine 8
- Computer 11
- Printer 6C
- Buildings
- Vehicles
Screen Layouts

- What are they?
- Why are they so important?
- How many are required?
Screen Layouts

What are they?

- ‘Rules’ for data elements that will be stored about the asset

- 2 screen layouts are defined and assigned to each asset class:
  - asset master data screen layout
  - depreciation area screen layout
Screen Layouts

Why are they important?

- Defines behavior of each data element on the asset master record:
  - required, optional, display, suppressed element
  - level at which the element can be maintained or edited (i.e. asset class, main number, sub-number)

- ‘Field Groups’ control one or many data elements
Screen Layouts

How many are required?

- Dependent on your requirements

- Consider:
  - type of assets and data that must be stored
  - user training and documentation
Screen Layouts

How many are required?

- one screen layout rule used by many asset classes
  - fast to setup & review, maintain for future changes
  - least flexibility for future changes, cannot be tailored specifically for type of data required for asset, may be confusing for user (i.e. is the data element related to this asset class or another asset class using the same rule)
Screen Layouts

How many are required?

- one screen layout rule per asset class
  - most flexibility for future changes, most tailored to the type of data required for asset, least confusing for user (i.e. is the data element related to this asset class or another asset class)
  - can be more time consuming to setup & review, maintain for future changes
Screen Layouts

*How many are required?*

- **Depreciation Area**
  - data is more uniform for this section of asset master record
  - most important consideration is the depreciation rules and default values for the asset classes
Screen Layout Rule – Asset General Data (Sample)
G/L Integration

- What is it?
- Why is it so important?
G/L Integration

What is it?

- ‘Rules’ (i.e. account assignment / account determination) identifying GL accounts to be used for asset postings:
  - automatic selection (no user intervention)
  - proposed (user can edit)
G/L Integration

Why is it important?

- Defines the automatic or proposed financial accounts for postings of:
  - Asset Acquisition *
  - Accumulated Depreciation *
  - Depreciation Expense
  - Asset Gain on Sale
  - Asset Loss
  - Offsetting Accounts for Asset Corrections (e.g. found assets, donations, etc.)

- ‘Stake in ground’ decision on balance sheet accounts:
  - after posting is made cannot change
    - APC/Accumulated Depreciation accounts
    - account determination attached to asset class
G/L Integration

Asset Class definition identified Account Assignment rule

Change View "Asset classes": Details

GL accounts for Account Assignment rule

Change View "Balance Sheet Accounts": Details

< Asset Master Record defaults Account Assignment rule from Asset Class
G/L Integration

Why is it important?

- An account assignment rule identifies all the relevant G/L accounts for that rule

- Only ‘ONE’ account assignment rule can be linked to an Asset Class
G/L Integration
Asset Numbers

Asset Numbering
Asset Numbers

- Composed of two parts:
  - *main number* (12 char)   *subnumber* (4 char)
    - XXXXXXXXXXX - XXX

- Main numbers can be defined by system or user

- Subnumber can be defined by system or user:
  - If system defined (internal)
    - always numeric and initial AMR always 0000
    - subsequent subnumbers for asset increment by 1
  - If user defined (external)
    - can be alpha-numeric
    - no automatic sequencing
Asset Numbers

Sub-Numbers:

- Sub number linked directly to the asset main number
- Must be in same asset class as ‘parent’ asset
- Can depreciate at sub number level
- Information and description specific to sub number
Asset Master Record

- What is it?
- What type of information is stored?
Asset Master Record

**What is it?**

- Method by which detailed general and financial information about each asset is stored
Asset Master Record

What type of information is stored?

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Asset No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Asset Detail</td>
<td></td>
</tr>
<tr>
<td>Asset Depreciation Rules</td>
<td></td>
</tr>
<tr>
<td>Asset Values</td>
<td></td>
</tr>
</tbody>
</table>
AMR – Initial Screen

• **Create an Asset Master Record**

```
Create Asset: Initial screen

<table>
<thead>
<tr>
<th>Master data</th>
<th>Depreciation areas</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Asset Class: TEST
Company Code: 0008
Number of similar assets: 1

Reference

Asset
Sub-number
Company code

Post-capitalization
```

• **Change or Display an Asset Master Record**

```
Change Asset: Initial screen

<table>
<thead>
<tr>
<th>Master data</th>
<th>Depreciation areas</th>
<th>Asset values</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Asset
Subnumber: 0
Company Code: 0008
```
Asset Master Record – General Detail

- Stores concrete detail information about your asset including:
  - Informative detail
  - Financial posting
  - Financial calculation parameters
  - Integration linkages
  - Etc.

- Uses ‘Tab’ format to access data elements
**AMR – General Information** *(sample)*

<table>
<thead>
<tr>
<th>Asset</th>
<th>INTERN-00001</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class</td>
<td>ZTEST</td>
<td>Z_All fields open</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>General data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Description</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Asset main no. text</th>
</tr>
</thead>
</table>

| Acct determination | 2000 | Buildings |

<table>
<thead>
<tr>
<th>Serial number</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Inventory number</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Quantity</th>
</tr>
</thead>
</table>

- Manage historically

<table>
<thead>
<tr>
<th>Inventory note</th>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Posting information</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Capitalized on</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>First acquisition on</th>
</tr>
</thead>
</table>

| Acquisition year | 000 |

<table>
<thead>
<tr>
<th>Deactivation on</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Plnd. retirement on</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Ordered on</th>
</tr>
</thead>
</table>

---
AMR – Time Dependent Data (sample)

Note: Additional fields will be available for Fund, Fund Center, Grant.
AMR – Allocations (Sample)
### AMR – Net Worth Tax (Sample)

<table>
<thead>
<tr>
<th>Asset</th>
<th>INTERN-00001</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class</td>
<td>ZTEST</td>
<td></td>
</tr>
<tr>
<td>Company Code</td>
<td>0008</td>
<td></td>
</tr>
</tbody>
</table>

#### Net worth valuation
- **Classification key**: 
- **Property indicator**: 
- **Manual Val. Reason**: 
- **Man. Net W. Val.**: USD

#### Real estate and similar rights
- **Tax Office**
- **Assmt Notice Tax No.**
- **Assmt.notc**
- **Municipality**
- **Land Register of**
- **Vol/page/ser.no**
- **Ld.reg.map/plot**
- **Entry by**
- **Conveyance on**
- **Area**
### AMR – Insurance (Sample)

![Image of AMR - Insurance Form]

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset</td>
<td>INTERN-00001</td>
</tr>
<tr>
<td>Class</td>
<td>ZTEST</td>
</tr>
<tr>
<td>Company Code</td>
<td>0088</td>
</tr>
</tbody>
</table>

**Insurance Section**

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type</td>
<td></td>
</tr>
<tr>
<td>Insur. Companies</td>
<td></td>
</tr>
<tr>
<td>Agreement number</td>
<td></td>
</tr>
<tr>
<td>Suppl. text</td>
<td></td>
</tr>
<tr>
<td>Start date</td>
<td></td>
</tr>
<tr>
<td>Insurance rate</td>
<td></td>
</tr>
<tr>
<td>Index series</td>
<td></td>
</tr>
<tr>
<td>Base value</td>
<td>0.00</td>
</tr>
<tr>
<td>Manual Update</td>
<td></td>
</tr>
<tr>
<td>FY Year Change</td>
<td></td>
</tr>
<tr>
<td>Man. Insur. Val.</td>
<td></td>
</tr>
<tr>
<td>per</td>
<td></td>
</tr>
</tbody>
</table>
AMR – Leasing (Sample)

Asset: INTERN-00001
Class: ZTEST
Company Code: 6008

Leasing

Leasing company: [Field]
Agreement number: [Field]
Agreement date: [Field]
Notice date: [Field]
Lease start date: [Field]
Lease length: [Field]
Type: [Field]
Base value as new: [Field] USD
Purchase price: [Field] USD
Supplementary text: [Field]

No. lease payments: [Field]
Payment cycle: [Field]
Advance payments: [Box]
Lease payment: [Field] USD
Annual interest rate: [Field]
Present Value: [Field] USD
Asset Master Record – Depreciation Rules

- Stores detail information about depreciation calculation:
  - Informative detail
  - Depreciation calculation parameters
  - Etc.

- Data stored for each Depreciation Area
### AMR – Depreciation Area Detail (Sample)

<table>
<thead>
<tr>
<th>Asset</th>
<th>INTERN-00001</th>
<th>0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Class</td>
<td>ZTEST</td>
<td>Z_All fields open</td>
</tr>
<tr>
<td>Area</td>
<td>01 Book deprec.</td>
<td>Book deprec.</td>
</tr>
<tr>
<td><strong>Interval from 01.01.1900 to 31.12.9999</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>General Specifications</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation Key</td>
<td>LINA</td>
<td>Str - line via acq value below zero</td>
</tr>
<tr>
<td>Useful life</td>
<td>1 /</td>
<td></td>
</tr>
<tr>
<td>Original useful life</td>
<td>/</td>
<td></td>
</tr>
<tr>
<td>Changeover year</td>
<td>/</td>
<td></td>
</tr>
<tr>
<td><strong>Start of Calculation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ord dep. start date</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spec depreciation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Int. Calc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating readiness</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Additional Specifications</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Index series</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age-dependent index</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Variable dep. portion</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scrap value</td>
<td>USD</td>
<td></td>
</tr>
<tr>
<td>Scrap Value %</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neg. Vals Allowed</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquis. year</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Asset Master Record – Values

- Stores data for each Depreciation Area
  - Values for the AMR (planned and actual)
  - Depreciation posting status (and amount)
  - Integration objects (with drill down ability)
  - Transactions

- Values derived from transactions and asset master record details

- Cannot configure screen layout for this section of AMR
Asset Master Record – Values

- Many ‘views’ for analysis purposes
- Multi year and/or depreciation area comparison
- Depreciation simulation for asset
- Drill-down to more details, such as:
  - AA, FI & other related documents
  - rules defined in IMG
  - depreciation calculation
AMR – Asset Value Display (Sample)
Asset Acquisition Transactions
Asset Financial Lifecycle

**Acquisition via:**
- Purchase – PReq/PO <MM>
- Purchase, Invoice w/out PO <AP>
  - Build – WBS <PS>
  - Donation <AA>
  - Correction <AA>
  - Transfer <AA>
- Capital Lease (separate session)

**Asset:**
- Transfer (financial change)
  - Movement
  - Master Data Change

**Use of Asset**
- e.g. depreciation

**Retirement**

**Asset Master Record (AMR)**
Asset Acquisition: Purchase

- Purchase via PReq / PO <MM>
- Purchase, Invoice without PO <MM or AP>
  - Account Assignment ‘A’ to define this as an Asset purchase
    - Screen input fields for Asset detail
    - Enables AMR update with capitalization date/values at time of GR or IR (timing to be defined by finance)
  - Must attach AMR (either new AMR shell created, use existing AMR shell or AMR record)
Asset Acquisition: Purchase - starting at Purchase Req.

- Asset Need Identified
  - Purchase Request
    - Purchase Order
      - GR/IR
        - Acquisition: Valuation at either GR or IR
          - Create AMR or Attach Existing AMR
            - Update AMR
              - Depreciation Posting
              - Transfer
              - Retirement
Asset Acquisition: Purchase - Purchase Order (without PReq)

- **Asset Need Identified**
  - **Purchase Order**
  - **GR/IR**
    - Acquisition: Valuation at either GR or IR
  - **Create AMR or Attach Existing AMR**
  - **Update AMR**
    - **Depreciation Posting**
    - **Transfer**
    - **Retirement**
Asset Acquisition: Purchase - Invoice without PO

Asset Need Identified

Direct Invoice (AP or MM)

Create AMR or Attach Existing AMR

Update AMR

Depreciation Posting

Transfer

Retirement
Asset Acquisition: Build

- **WBS to AuC settlement <PS>**
  - Costs collected in WBS for a project that will become an Asset
  - Must attach AMR shell(s) to Settlement Rules
    - Enables AMR update with capitalization date/values at time of settlement
  - Periodic (e.g. monthly) settlement of values from WBS to AuC

- **AuC to AMR settlement <PS or AA>**
  - Must attach final AMR shell(s)/existing AMR to Settlement Rules
    - Can be done when initial AuC shell created or immediately prior to AuC to AMR settlement
    - Enables AMR update with capitalization date/values at time of settlement
  - Generally, settlement done when asset is deemed complete
    - May be variations on settlement processing if asset is partially completed and put into service prior to ‘final’ completion
Asset Acquisition: Build

PS Settlement:
- **WBS to AuC**
  - monthly until complete
  - set capitalization date on AMR
  - FI posting:
    - cr. 'Expense Offset'
    - dr. AuC (WIP)

**WBS Element(s)**
- material $$
- services $$
- architect fee $$
- overhead $$

**MONTH 1** $25k

**WBS Offset** (25)
- overhead $$

**MONTH 2** $15k

**WBS Offset** (15)

**AuC Master Record**
- **$ 25 k** Month 1
- **15** Month 2
- **40** Month 3

**AuC Total** $ 80

**Transfer to AMR**
- (80)

**Final AMR**
- $ 0 After AuC settled

**Settlement: AuC to AMR**
- generally one time (at project completion)
- set capitalization date on AMR
- set deactivation date on AuC
- FI posting:
  - cr. AuC (WIP)
  - dr. APC (for AMR)

**Asset Total** $ 80
Asset Acquisition: Build

Asset Need Identified

WBS Element

Create AMR (AuC) or Attach Existing AMR (AuC)

Periodic Settlement

Update AMR (AuC)

Create AMR or Attach Existing AMR

‘Final’ Settlement

Update AMR

Depreciation Posting

Retirement

Transfer
Asset Acquisition: Donation or Correction

- Asset not already in Asset Accounting database:
  - External Acquisition with Offsetting Entry
    - Correction of current year acquisition posting to non AMR record (e.g. expense account)
    - Sets capitalization date for asset in the AMR and updates APC values
  - Post Capitalization
    - Correction of prior year acquisition posting to non AMR record (e.g. expense account)
    - User defined or automatic accumulated depreciation
    - NOTE: must indicate post capitalization and capitalization date on AMR created

- Must attach AMR (either new AMR shell created, use existing AMR shell or AMR record) at time of transaction initiation.
Asset Acquisition: Donation or Correction (not in AA database – current yr. acq.)

Asset – Item Donated or Correction

Asset Transaction: Asset with Offsetting Entry

Create AMR or Attach Existing AMR

Update AMR

Depreciation Posting

Transfer

Retirement
Asset Acquisition: Correction (not in AA database – prior yr. acq.)

Asset – Item Correction (pr. yr. acquisition)

Asset Transaction: Post-capitalization

Create AMR or Attach Existing AMR

Update AMR

Depreciation Posting

Transfer

Retirement
Asset Acquisition: Transfer

- **Asset Transfer:**
  - Transfers APC and accompanying asset valuations
  - Complete or partial transfer
  - Must attach AMR (either new AMR shell created, use existing AMR shell or AMR record) at time of transaction initiation.

- **Correction such as:**
  - Input error – s/b in another asset classes or another AMR in same asset class
  - Financial change – cost center, fund, functional area, business area

- **Trade-In**
Asset Acquisition: Transfer to New AMR

1. **Asset Transferred**
   - Existing AMR
   - Create AMR or Attach Existing AMR

2. **Asset Transaction:** Transfer
   - Update AMR
   - Depreciation Posting
   - Transfer
   - Retirement
Asset Acquisition: Capital Lease

- Capital Lease
  - *to be covered in subsequent session*
SAP Glossary

- **Asset Class** - Main criterion for classifying fixed assets according to legal and management requirements.

- **Asset Master Record (AMR)** – Contains general information and valuation/depreciation rules for a specific item in the Asset Accounting (AA) module. In SAP, it also stores all the values and transaction data for the item.

- **Main Asset Number** - Unique number, in combination with company code and asset sub number, that identifies a fixed asset.

- **Sub Asset Number** – Asset record for an individual part of an asset, or subsequent acquisitions, can be represented by a subnumber to a main asset number.

- **Capital Asset** - Tangible property which cannot easily be converted into cash and which is usually held for a long period, including real estate, equipment, etc.

- **Low Value Asset (LVA)** – Items that do not meet the capital asset criteria and are recorded for tracking purposes. In general, LVAs are fully depreciated in the year of purchase or in the period of acquisition.

- **Asset under Construction (AuC)** - An asset that you produce yourself which must be managed as a separate asset master record, generally without depreciation, during the construction phase.
SAP Glossary

- **Capital Lease** - A lease that meets one or more financial criteria as defined by FASB. This type of lease considered to have the economic characteristic of asset ownership, thus it is recognized both as an asset and as a liability (for the lease payments) on the balance sheet.

- **Operating Lease** - In an operating lease, the lessor (or owner) transfers only the right to use the property to the lessee with the property being returned to the lessor at the end of the lease. This type of lease is treated as an operating expense in the income statement and the lease does not affect the balance sheet.

- **Depreciation** - The reduction of the asset book value because of decline in economic usefulness or because of legal requirements for taxes.

- **Depreciation Area** - An area showing the valuation of a fixed asset for a particular purpose (for example, for individual financial statements, balance sheets for tax purposes, or management accounting values).

- **Equipment Master Record (EMR)** – Details recorded for an individual, physical object that is maintained as an autonomous unit in the Plant Maintenance (PM) module.
SAP Glossary

- **Screen Layout** – Settings that specify the fields that are displayed during master data maintenance and the field entry characteristics (e.g. required, optional, display only). Field entry characteristics are also referred to as ‘Field Status’.
- **Account Assignment** – Settings which determine which general ledger accounts to post to from a business transaction. Sometimes referred to as ‘Account Determination’.
- **Account Determination** – see ‘Account Assignment’
- **Post Capitalization** – Correction of asset value, which was either set too low because capitalization was not performed in the past, or which was treated entirely as expense.
- **Goods Receipt (GR)** - A term from inventory management denoting a physical inward movement of goods or materials. It is usually triggered by a document that denotes the delivery of goods from a vendor to a company. For assets, the AMR valuation occurs at either time of GR or IR.
- **Invoice Receipt (IR)** - A term from Invoice Verification describing the receipt of an invoice issued by a vendor (creditor). For assets, the AMR valuation occurs at either time of GR or IR.
SAP Glossary

- **Project System** – Module that allows the user to plan, execute and account for a project.
- **WBS Element** - Work Breakdown Structure – Forms the basis for the coordination and organization of a project. It is the Hierarchical outline of a task, item or process, described in the project definition.
- **Settlement** - Full or partial allocation of costs from one object to another (e.g. from WBS to AuC, from AuC to final AMR)
AS IS.....
Existing System Data - Protege
Existing System Data - Protege
Existing System Data - Protege

Asset Detail - InCircuit Asset Management - Windows Internet Explorer

- Asset Number: 10200-300619
- Agency: 10200 DIVISION OF ADMINISTRATION-FACILITY
- Vehicle Class: FLEET
- Vehicle Type: CAR, SMALL AUTO
- Description: 2008 WHITE FORD FUSION
- Make: FORD
- Model: FUSION
- Model Year: 2008
- VIN: 3FAHFP6788R172212

Summary:
- Series
- Key Code
- Usage Code: MILES
- Spec Number

Vehicle:
- Transmission Make
- Transmission Model
- Engine Make
- Engine Model
### Existing System Data - Protege

**Asset Number**: 10200-000613

**Agency**: 10200  
DIVISION OF ADMINISTRATION-FACILITI

**Vehicle Class**: FLEET

**Vehicle Type**: CAR_SMALL_AUTO

**Description**: 2008 WHITE FORD FUSION

**Make**: FORD

**Model**: FUSION

**Model Year**: 2008

**VIN**: 9FAHP7188R172212

---

#### Summary

**Gross Veh. Weight**:  
**Engine Size**:  

Additional measurements: Add measurement

Unit Capacity  
Unit of Measure  
Del.

There are currently no records. Click "Add measurement" to create one.

---

**Done**
Existing System Data - Protege
Existing System Data - Protege

Vehicle Maintenance

- Date *
- Odometer *
- Vendor *

<table>
<thead>
<tr>
<th>Completed</th>
<th>Maintenance*</th>
<th>Cost*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>AIR FILTER CHANGE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>FUEL FILTER CHANGE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>OIL CHANGE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TRAN FLUID CHANGE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>INSPECTION STICKER</td>
<td></td>
</tr>
<tr>
<td></td>
<td>OTHER</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Enter explanation (required)</td>
<td></td>
</tr>
</tbody>
</table>

Cancel  Save
Existing System Data - Protege
Existing System Data - Protege
Existing System Data - Protege

Vehicle Class: FLEET
Vehicle Type: CAR, SMALL, AUTO
Description: 2008 WHITE FORD FUSION
Make: FORD
Model: FUSION
Model Year: 2008
VIN: 3FAHP07188R172212

<table>
<thead>
<tr>
<th>Date</th>
<th>Type</th>
<th>Method</th>
<th>Description</th>
<th>Amount</th>
<th>Tran ID</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/05/2007</td>
<td>Original Acquisition</td>
<td>Original Purchase</td>
<td>15,814.00</td>
<td>3261926</td>
<td></td>
</tr>
</tbody>
</table>

Insert...
Existing System Data - Protege
Existing System Data - Protege
## Existing System Data - Protege

![Image of InCircuit Asset Management System](image-url)

### InCircuit Asset Management System

#### Fields:
- **Asset Number**: 10200-300617
- **Agency**: 10200, DIVISION OF ADMINISTRATION-FACILITY
- **Class**: PRINTER
- **Description**: XEROX WIDE FORMAT COPIER & PRINTER
- **Record Type**: ASSET
- **Make**: XEROX 6050 9D
- **Model**: 6050WFCP
- **Serial Number**: TUD781293

#### Summary:

<table>
<thead>
<tr>
<th>Field</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Book Value</td>
<td>$8,400.00</td>
</tr>
<tr>
<td>Original Acq Cost</td>
<td>$21,000.00</td>
</tr>
<tr>
<td>Original Acq Date</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>Current Acq Cost</td>
<td>$21,000.00</td>
</tr>
<tr>
<td>Current Acq Date</td>
<td>06/30/2005</td>
</tr>
<tr>
<td>PO Number</td>
<td>3912501</td>
</tr>
<tr>
<td>ISIS</td>
<td>115</td>
</tr>
<tr>
<td>Lease Begin</td>
<td></td>
</tr>
</tbody>
</table>

---

August 19-20, 2008
Existing System Data - Protege

Asset Detail - InCircuit Asset Management - Windows Internet Explorer

Asset Detail - InCircuit Asset Management

Asset Number: 10200-300817
Agency: 10200, DIVISION OF ADMINISTRATION-FACILITY
Class: PRINTER
Description: XEROX WIDE FORMAT COPIER & PRINTER
Record Type: ASSET
Make: XEROX 6050 9D
Model: 6050WFCP
Model Year: 
Serial Number: TUD781293

Disposition Date: 
Disposition Amount: 
Disposition Method: 
Remarks: 

Summary | Acquisition | Disposition | Validation | Notes | Accounting | History
Existing System Data - Protege
Existing System Data - Protege

InCircuit Asset Management

- **Asset Number**: 10200-000617
- **Agency**: 10200 DIVISION OF ADMINISTRATION-FACILITY
- **Class**: PRINTER
- **Description**: XEROX WIDE FORMAT COPIER & PRINTER
- **Record Type**: ASSET
- **Make**: XEROX 6050 9D
- **Model**: 6050WFCP
- **Serial Number**: TUD781283

### Summary

<table>
<thead>
<tr>
<th>Date</th>
<th>Column</th>
<th>New Value</th>
<th>Old Value</th>
<th>User</th>
<th>History Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>07/13/2005 08:25:34 AM</td>
<td>Inserted Accounting Transaction (Original Acquisition)</td>
<td>1381090</td>
<td></td>
<td>SUE WHEELER</td>
<td>User Edit</td>
</tr>
<tr>
<td>07/13/2005 08:25:34 AM</td>
<td>New Record</td>
<td>10200-000617</td>
<td></td>
<td>SUE WHEELER</td>
<td>User Edit</td>
</tr>
</tbody>
</table>
Existing System Data – SLABS Land Parcels

[Image of a computer screen displaying a State Land And Building System (SLABS) database search result for a specific parcel of land. The screen shows details such as the document number, site number, setup date, last update, department, facility name, vendor, instrument date, record date, and other relevant information.]
Existing System Data – SLABS Sites
Existing System Data – SLABS Buildings
Existing System Data – SLABS Contents for Insurance

The image shows a screenshot of the State Land And Building System (SLABS) for DOTD Headquarters Bldg. The screenshot includes details such as:

- **Building ID**: S02044
- **Location Code**: 0650
- **Record Type**: U
- **Status**: Active
- **Total Square Foot**: 276,040
- **Ground Square Feet**: 46,501
- **Last Update**: 12/10/2002

The table includes categories and their respective values:

- **Furnitures**: $82,500
- **Livestock**: $0
- **Computer Equipment**: $8,310,316
- **Boats**: $0
- **Mobile Structure**: $0

And other financial values:

- **Misc. Categories**: General Content - Property Value $7,102,600
- **Building Info**: Total Allocated Sq.Ft. 235,460
- **Total Allocated Ground Sq.Ft.**: 52,521
- **Total Calculated Contents**: $7,244,886
- **Total Calculated Food**: $1,351,500
- **Building Total Sq.Ft.**: 290,655
- **Building Ground Sq.Ft.**: 52,621

Comment: This is host agy record, Sq.Ft. should equal the amt on bldg record less amt on any 'f' or 'u' records.
Existing System Data – SLABS Real Estate Leasing
.... TO BE
.... ASSET CLASSES
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – LAND &amp; BUILDINGS</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land/Non-Depreciable Land Improvements</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Depreciable Land Improvements</td>
<td>$100,000</td>
<td>20</td>
</tr>
<tr>
<td>Buildings &amp; Improvements</td>
<td>$100,000</td>
<td>40</td>
</tr>
<tr>
<td>Leasehold Improvements</td>
<td>$100,000</td>
<td>Varies</td>
</tr>
<tr>
<td>Mobile Structures</td>
<td>$5000</td>
<td>10</td>
</tr>
</tbody>
</table>
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – MACHINERY &amp; EQUIPMENT</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Software (Purchased or Licensed)</td>
<td>$1,000,000</td>
<td>3</td>
</tr>
<tr>
<td>Software (Internally Developed)</td>
<td>$1,000,000</td>
<td>3</td>
</tr>
<tr>
<td>Historical Treasures &amp; Works of Art (owned, loaned, leased, donated)***</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

***Moved to LVA!!!
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – MACHINERY &amp; EQUIPMENT</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Automobiles</td>
<td>$5,000</td>
<td>5</td>
</tr>
<tr>
<td><strong>Other Vehicles (Motorcycles, ATVs)</strong></td>
<td>$5,000</td>
<td>5</td>
</tr>
<tr>
<td>High Mileage Automobiles</td>
<td>$5,000</td>
<td>3</td>
</tr>
<tr>
<td>Trucks (light general purpose)</td>
<td>$5,000</td>
<td>5</td>
</tr>
<tr>
<td>Trucks (heavy general purpose)</td>
<td>$5,000</td>
<td>6</td>
</tr>
<tr>
<td>Buses</td>
<td>$5,000</td>
<td>9</td>
</tr>
<tr>
<td>Tractor Units (over the road)</td>
<td>$5,000</td>
<td>5</td>
</tr>
<tr>
<td>Trailers &amp; Mounted Containers</td>
<td>$5,000</td>
<td>6</td>
</tr>
<tr>
<td>Marine &amp; Watercraft over 26’</td>
<td>$5,000</td>
<td>18</td>
</tr>
<tr>
<td>Marine &amp; Watercraft 26’ &amp; under</td>
<td>$5,000</td>
<td>18</td>
</tr>
<tr>
<td>Airplanes</td>
<td>$5,000</td>
<td>6</td>
</tr>
</tbody>
</table>
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – MACHINERY &amp; EQUIPMENT</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hogs (breeding)</td>
<td>$5,000</td>
<td>4</td>
</tr>
<tr>
<td>Sheep &amp; Goats (breeding)</td>
<td>$5,000</td>
<td>5</td>
</tr>
<tr>
<td>Dairy Cattle (breeding)</td>
<td>$5,000</td>
<td>7</td>
</tr>
<tr>
<td>Horses (breeding)</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>Horses (non breeding or work)</td>
<td>$5,000</td>
<td>12</td>
</tr>
<tr>
<td>Animals, Other</td>
<td>$5,000</td>
<td>7</td>
</tr>
</tbody>
</table>
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – MACHINERY &amp; EQUIPMENT</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Radio/TV Broadcasting Equipment</td>
<td>$5,000</td>
<td>6</td>
</tr>
<tr>
<td>Telephone Station Equipment</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>Telephone Central Office Equipment</td>
<td>$5,000</td>
<td>18</td>
</tr>
<tr>
<td>Recreation Assets (entertainment svcs for a fee)</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>Computers and Peripheral Equipment</td>
<td>$5,000</td>
<td>5</td>
</tr>
<tr>
<td>Voting Machines</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>OTM routers and switches??</td>
<td>$5,000</td>
<td>??</td>
</tr>
<tr>
<td>Capital Asset – MACHINERY &amp; EQUIPMENT</td>
<td>Threshold</td>
<td>Life (yrs)</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-----------</td>
<td>------------</td>
</tr>
<tr>
<td>Office Furniture and Fixtures</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>Office Machinery and Equipment</td>
<td>$5,000</td>
<td>6</td>
</tr>
<tr>
<td>Printing and Publishing Equipment</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>Construction Equipment</td>
<td>$5,000</td>
<td>6</td>
</tr>
<tr>
<td>Medical Equipment</td>
<td>$5,000</td>
<td>5</td>
</tr>
<tr>
<td>Agricultural Assets</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>Assets Used In Research/Experimentation</td>
<td>$5,000</td>
<td>10</td>
</tr>
<tr>
<td>Law Enforcement Equipment</td>
<td>$5,000</td>
<td>??</td>
</tr>
<tr>
<td>Other Machinery &amp; Equipment (generators, shop equipment, etc)</td>
<td>$5,000</td>
<td>??</td>
</tr>
</tbody>
</table>
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – INFRASTRUCTURE</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infrastructure (?) is lower categorization required (?)</td>
<td>$3,000,000</td>
<td>40</td>
</tr>
</tbody>
</table>
**SAP Asset Classes** *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – ASSETS UNDER CONSTRUCTION (AuC)</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AuC - Buildings</td>
<td>?</td>
<td>N/A</td>
</tr>
<tr>
<td>AuC - Capitalized Buildings</td>
<td>?</td>
<td>N/A</td>
</tr>
<tr>
<td>AuC - Infrastructure</td>
<td>?</td>
<td>N/A</td>
</tr>
<tr>
<td>AuC – Equipment (placeholder, if needed)</td>
<td>?</td>
<td>N/A</td>
</tr>
<tr>
<td>AuC – Software</td>
<td>?</td>
<td>N/A</td>
</tr>
</tbody>
</table>
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Capital Asset – Capital Lease</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>NA</td>
<td>?</td>
</tr>
<tr>
<td>Buildings</td>
<td>NA</td>
<td>?</td>
</tr>
<tr>
<td>Office Space (partial building)</td>
<td>NA</td>
<td>?</td>
</tr>
<tr>
<td>Equipment</td>
<td>NA</td>
<td>?</td>
</tr>
<tr>
<td>Historical Treasures &amp; Works of Art?</td>
<td>NA</td>
<td>N/A</td>
</tr>
</tbody>
</table>
SAP Asset Classes (*proposed per existing*)

<table>
<thead>
<tr>
<th>Capital Asset – INTANGIBLE ASSETS*</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Easements</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Water Rights</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Timber Rights</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Patents</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Trademarks</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Software?</td>
<td>?</td>
<td>?</td>
</tr>
<tr>
<td>Mineral Rights</td>
<td>?</td>
<td>?</td>
</tr>
</tbody>
</table>

* GASB 51 – effective July 1, 2009:
This pronouncement applies to all state and local governmental entities, and requires that all intangible assets subject to the provisions of this statement be classified as capital assets. Intangible assets include easements, water rights, timber rights, patents, trademarks, and computer software, and can be purchased, licensed, acquired through nonexchange transactions, or internally generated."
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Asset – Low Value Assets</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LVA-Buildings &amp; Improvements</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Leasehold Improvements</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Software?</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Historical Treasures &amp; Works of Art?</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Marine &amp; Water Craft 26’ &amp; under</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Trailers</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Mobile Structures</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Automobiles</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Other Vehicles</td>
<td>?</td>
<td>NA</td>
</tr>
</tbody>
</table>
## SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Asset – Low Value Assets</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LVA-Hogs</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Sheep &amp; Goats</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Cattle</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Horses</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Other Animals &amp; Livestock</td>
<td>?</td>
<td>NA</td>
</tr>
</tbody>
</table>
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Asset – Low Value Assets</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LVA-Radio/TV Broadcasting Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Telephone Station Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Telephone Central Office Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Recreation Assets (entertainment svcs for a fee)</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Computers and Peripheral Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Voting Machines</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-OTM routers and switches?</td>
<td>?</td>
<td>NA</td>
</tr>
</tbody>
</table>
### SAP Asset Classes *(proposed per existing)*

<table>
<thead>
<tr>
<th>Asset – Low Value Assets</th>
<th>Threshold</th>
<th>Life (yrs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>LVA-Office Furniture and Fixtures</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Office Machinery and Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Printing and Publishing Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Construction Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Medical Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Agricultural Assets</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Assets Used In Research / Experimentation</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Law Enforcement Equipment</td>
<td>?</td>
<td>NA</td>
</tr>
<tr>
<td>LVA-Other Machinery &amp; Equipment (generators, shop equipment, etc)</td>
<td>?</td>
<td>NA</td>
</tr>
</tbody>
</table>
.... SCREEN LAYOUTS
Screen Layouts - proposed

Master Data Screen Layout:
  – For maximum future flexibility:
    • Each Asset Class will have its own Screen Layout Rule
  – For ease of use and consistency:
    • Groupings of similar asset classes, such as Transportation related, will use a similar layout

Depreciation Area Screen Layout:
  – For maximum future flexibility and consistency:
    • Three unique screen layouts will be defined for:
      – Capital Assets/Assets under Construction
      – Capital Leases
      – Low Value Assets
.... GL ASSIGNMENTS
GL Account Assignments

...refer to handout
.... ASSET NUMBERING
Asset Numbering - proposed

Asset Main Numbers:

- Internally assigned
- Use full character length
- Number ranges will be grouped by similar type of asset classifications, with exact numbering scheme to be finalized. For example:
  - Land: 1xxxxxxxxxxx
  - Buildings: 2xxxxxxxxxxx
  - AuC: 3xxxxxxxxxxx
  - Machinery & Equipment: 4xxxxxxxxxxx
    - Transportation Related: 41xxxxxxxxxxx
    - Furniture & Fixtures: 42xxxxxxxxxxx
  - Infrastructure: 5xxxxxxxxxxx
  - Capital Lease: 6xxxxxxxxxxx
  - Low Value Assets: 7xxxxxxxxxxx
Asset Numbering

Asset Sub Numbers:

- Internally assigned for most asset classes?
- Details to be finalized by asset class requirements
.... SAP Asset Master Data
Asset Master Record

- Refer to Screen Layout Handouts:
  - Protégé
  - SLABS
  - SAP

- Other Data requirements?
…. SAP Security Considerations
SAP Security Considerations

- What considerations must be made for access restriction?

- Why are these restrictions necessary?
Business Process Flow

- Asset Master Record Create / Update will be determined in following sessions:
  - Acquisitions
  - Transfers
  - Retirements
  - Capital Lease
  - Physical Inventory
  - Periodic Processing (e.g. Depreciation)
Process Improvement Opportunities
(Pain Points)

- Opportunity to provide consistent alignment for all capital and low value assets
  - Protégé has over 1000 detailed “classes” that map to one of the 28 OSRAP categories for movable property.
  - Multiple data sources.

- Opportunity to have thorough data review and clean up
  - Data Conversion process will require careful data mapping and clean up
Process Improvement Opportunities (Pain Points)

- Opportunity to reduce manual data gathering processes used to produce CAFR
- Opportunity to eliminate need for duplicate data entry
- Tracking follow-up currently with management:
  - Currently track state owned property currently in Protégé although budget and other financial information for that agency will not be in SAP (ex. Higher Education).
Leading Practices

- Use consistent valuation and calculation parameters/methods for assets across the portfolio

- Consistent use of general ledger accounts for asset accounting postings

- Disallow direct journal postings to asset reconciliation accounts (i.e. all fixed asset financial updates must be done via the asset sub-ledger)

- Use field characteristics to ensure that relevant fields are available by asset class and that mandatory fields are defined.
Leading Practices

- Asset Master Record Create/Update – business processes procedure to ensure data elements and values are updated appropriately

- Restrict access only as required…
  - If too restrictive will become a ‘maintenance’ challenge
Potential organizational impacts and training impacts

- New asset classifications
- New asset numbering schemes
- New asset valuation & depreciation calculation processes (i.e. multiple depreciation areas)
- Data analysis may require data from multiple modules (e.g. AA, PM, PS, RE)
- Asset Master Record creation and maintenance processes – amount of change to be determined
Next Steps

- Prepare and send out meeting minutes to invitees.
- Draft Design Document is prepared.
- Follow up on action items identified during the workshop.
- Schedule off-line meeting (s) to discuss areas of special concern
- Plan follow on workshops, as required.
- Plan validation workshop.
- Ensure all to-do’s are appropriately documented
Questions?