

Asset Management Overview

Presented by

Verna Howard



Class objectives

- Know when and how to create an asset correctly
- Ensure that the correct assets show up on your inventory reports
- Navigation of asset records
- Run an inventory report for your department

Class objectives

Stop me and ask
questions at any
time!

When?

- Definition of Moveable Equipment:

...items of a movable nature which have a cost or fair value (for donated items only, measured at the time of acquisition) of \$5,000 or more.

Unfortunately, we have

- Sensitive Minor Equipment:

...equipment items of a movable nature which are particularly vulnerable to theft and have a cost or fair value (for donated items only) between \$1 000 and \$4,999.99.

Not intended to be a complete list!!!

Creating an asset

- IRIS transaction AS01 – Create Asset

Accounting → Financial Accounting →
Fixed Assets → Asset → Create →
Asset

Creating an asset

- IRIS transaction AS01 – Create Asset
Required Information

Asset class

Asset description

Cost Center

Responsible Cost Center

Fund

Creating an asset-Asset class



Selecting the correct asset class is *extremely* important

If the wrong asset class is selected when creating the asset master shell, you cannot go into the asset master shell and change the asset class – you will be required to create a new Asset Master Shell

Creating an asset-Asset class

Sensitive Minor Equipment 80,000

Items costing \$5,000 > 30,000
thru 41,000

Software costing 50,000
\$5,000 >

Creating an asset-Asset class

University of Tennessee
Asset Classes and Useful Lives

Class	Class name	Useful Life
10000	Land	n/a
11000	Land Improvements	20
20000	Buildings	40
21000	Infrastructure	20
30000	Furniture	20
31000	Office Machines	10
32000	Computers & Peripherals	5
33000	Education & Scientific Equipment	10
34000	Works of Art & Historical Treasures	n/a
40000	Vehicles	5
41000	Heavy Equipment	10
50000	Software	5
80000	Sensitive Minor Equipment	n/a
100000	Assets under Construction	n/a

Creating an asset-Asset description

Make it as descriptive as possible

If the asset is not located in a university building [i.e. outside or at non-UT owned facility] indicate such in the description.

Use the 2nd line of the description for additional information

Creating an asset-Cost center

ALWAYS begins with “M”!

Create Asset: Master data

Asset values

Asset	INTERN-00001	0	HP9040DN Laser Printer
Class	33000		Education/Scientific
			Company Code UT

General Time-dependent Allocations Origin Net worth tax Leasing Deprec. areas

Interval from 01/01/1900 to 12/31/9999

Cost Center	M010000001	KNOXVILLE
Resp. cost center	E011024	CHEMISTRY

Creating an asset-Responsible cost center

ALWAYS begins with "E"!

The screenshot shows the 'Create Asset: Master data' form in SAP. The form is titled 'Create Asset: Master data' and has a tab 'Asset values' selected. The form contains the following fields:

Asset	INTERN-00001	0	HP9040DN Laser Printer
Class	33000		Education/Scientific
			Company Code UT

Below the main data fields, there are several tabs: General, Time-dependent, Allocations, Origin, Net worth tax, Leasing, and Deprec. areas. The 'General' tab is selected, and the following data is displayed:

Interval from	01/01/1900	to	12/31/9999
Cost Center	M010000001		KNOXVILLE
Resp. cost center	E011024		CHEMISTRY

- Determines the department where the item shows up on inventory reports.


Creating an asset-Fund

- Can be either E or R
- Can be different than the Responsible Cost Center
- Determines who is charged for the asset's expense

License plate number	<input type="text"/>	
Personnel Number	<input type="text"/>	
Fund	R011024027	NSF DMR-9703692 WUND

Creating an asset-Optional Information

- Serial Number
- Inventory [tag] Number
- Building/Room Number
 - must be valid in IRIS Real Estate module
 - If outside or in non-UT owned facility, use responsible person's office
- Distribution Code



Practice time!
[exercises 1
& 1-a]

Creating an asset-Sub-asset

- IRIS transaction AS1 1
- When is a sub-asset necessary?
 - Multiple funding sources
 - Cost split between depts
 - Cost-sharing on G&C
- Determines who is charged for the asset's expense

Creating an asset-Sub-asset

- 3 items must remain the same as the main asset number
 - Main asset text
 - Responsible Cost Center
 - Distribution Code
- Other data may be different

Creating an asset-Sub-asset

Accounting → Financial Accounting →
Fixed Assets → Asset → Create →
Sub-number → Asset



Practice time!
[exercise 2]

General Guidelines

- Create Asset Master Shells outside of the Purchase Requisition
- Establish sub-numbers for assets funded with multiple funding sources [0 = default for one funding source]
- DO NOT enter anything in the Vendor fields of the Asset Master Shell Fields (*Origin Tab*) unless the purchase is being made outside Accounts Payable (i.e Gift, Bookstore Purchase, etc.)

General Guidelines


- Establish one Asset Master Shell when purchasing a system [i.e. Computer with Standard Equipment]
- Create an Asset Master Shell for each and every asset [i.e. 5 Computers = 5 Asset Master Shells]

Tips & Tricks

- create with reference to an existing asset

Create Asset: Initial screen

Master data Depreciation areas

Asset Class | 

Company Code UT


Number of similar assets 1

Reference

Asset

Sub-number

Company code



Create with reference




especially useful when assets have been created in wrong class. For example, 32,000 - Computers and Peripherals was used when it should have been created as 80,000 - Sensitive Minor Equipment

Changing an asset

After more information about the item is known, go back into AS02 and update the asset record with tag#, serial #, building/room#, etc.

Displaying an asset

Transaction AS03. Use the drop-down to help find the asset, if you don't know the asset number.



Practice time!
[exercise 3,
3-a & 4]

Purchase Requisitions & Assets

Purchase Requisitions

Covered from a Purchasing point of view in
Purchasing & Asset Management class

Highlights:

- Create the Asset Master before starting the Purchase Requisition.
- Use Account Assignment Category “A” for assets.
- Fund will be automatically derived from the Asset Master.

Purchase Requisitions

The Controller's Office reviews all requisitions with Account Assignment "A" for correctness. If we conclude the wrong asset class has been used, we will reject it and provide instructions on how to correct and resubmit.

Purchase Requisitions - Example

Scenario:

Purchase 5 separate but identical items

5 items @ \$10,000/ea = \$50,000 total

Purchase Requisitions - Example

Incorrect method:

The screenshot shows the SAP 'Create Purchase Requisition' interface. A large black 'X' is drawn over the entire window. A callout box with a white background and black border points to the 'Asset' column in the distribution table. The callout text reads: "Incorrect -- all 5 items are being assigned to ONE asset!".

Table 1: Purchase Requisition Header

St...	PReq.	Item	A	Short Text	Quantity	Unit	Delivery Date	Yain Price	Z	Total Value	Closed	Des. Year	Material Group	PGr	Plant
		1	A	5 asset purchases	5	EA	11/30/2009	10,000.00		50,000.00			Pool Equipment	M02	U.T. Martin

Table 2: Distribution Table

S...	S...	Quantity	Perce	GL Acct	Asset	SNo.	Fund	Earmarked F...	Itm	Unloading Point	Recipient	D
1		5.000		140200	3026943		E050225					

Purchase Requisitions - Example

Correct method:

Create Purchase Requisition

Document Overview On | Hold | Personal Setting

Purchase requisition | Source Determination

Header

St...	PReq.	Item	A	Short Text	Quantity	Unit	Delivery Date	Valn Price	Σ	Total Value	Closed	Des. Vendor	Material Group	PGr	Plant
		1	A	5 asset purchases	5	EA	11/30/2009	10,000.00		50,000.00			Pool Equipment	M02	U.T. Martin

Item [1] 5 asset purchases

Material Data | Quantities/Dates | Valuation | Account Assignment | Source of Supply | Status | Contact Person | Texts | Delivery Address

AccAssCat | Asset | Distribution | Distribution by percentage | CoCode | University of T...

Partial Inv. | Distribute Proportionally

S...	S...	Quantity	Perce	GL Acct	Asset	SNo.	Fund	Earmarked F...	itm	Unloading Point	Recipient	D
1	1.000	20.0	20.0	140200	3026943	0	E050225					<input type="checkbox"/>
2	1.000	20.0	20.0	140200	3026944	0	E050225					<input type="checkbox"/>
3	1.000	20.0	20.0	140200	3026945	0	E050225					<input type="checkbox"/>
4	1.000	20.0	20.0	140200	3026946	0	E050225					<input type="checkbox"/>
5	1.000	20.0	20.0	140200	3026947	0	E050225					<input type="checkbox"/>

Accounts Payable & Assets

Covered from the A/P standpoint in Invoices &
Internal Transfers Class!

Key Point:

In FB60, must use “Complex Posting” for assets.

Other methods of acquiring assets

Bookstore:

Contact Controller's Office with asset # and IRIS document # so it can be capitalized

Gift:

Certain information comes through Advancement Services, but should still contact Controller's Office with asset #.

P-card:

Don't!

Key point

Asset master shells can be created at will, but they will **NOT** show up on the inventory until a document is posted against them!!!

Documents in IRIS mean KN, RN, SA, and less often AA.

How do I know if a particular asset will show up on my inventory???

- Asset must be capitalized
- Asset must not be retired

Asset must be capitalized

Display Asset: Master data

Asset values

Asset: 4114109 0 WI- Com Vantage Server
Class: 80000 Sensitive Min Equip Company Code: UT

General Time-dependent Allocations Origin Net worth tax Leasing Deprec. areas

General data

Description: WI- Com Vantage Server
Asset main no. text: WI- Com Vantage Server
Acct determination: 8000 Sensitive Minor Equipment-UT
Serial number:
Inventory number:
Cap date is filled in

Inventory

Last inventory on: Include asset in inventory list
Inventory note:

Posting information

Capitalized on: 01/22/2010 Deactivation on:
First acquisition on: 01/22/2010
Acquisition year: 2010 007

Asset must not be retired

Display Asset: Master data

Asset values

Asset: 4114109 0 WI- Com Vantage Server
Class: 80000 Sensitive Min Equip Company Code: UT

General Time-dependent Allocations Origin Ne ec. areas

General data

Description: WI- Com Vantage Server

Asset main no. text: WI- Com Vantage Server

Acct determination: 8000 Sensitive Minor Equipment-UT

Serial number: []

Inventory number: []

Inventory

Last inventory on: [] Include asset in inventory list

Inventory note: []

Posting information

Capitalized on: 01 / 22 / 2010 Deactivation on: []

First acquisition on: 01 / 22 / 2010

Acquisition year: 2010 007

Deactivation on date is NOT filled in



Exercise:

Can you find an asset on your Responsible Cost Center that is:

Capitalized?

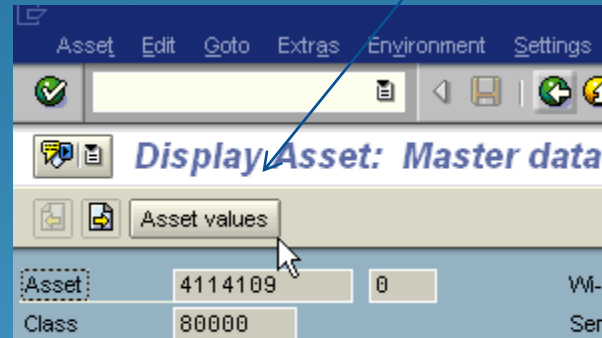
Retired?

Has never been capitalized? [Un-posted]

Hint: Use transaction AS03 and the drop-down

Navigation

Drill down to the asset's values to find IRIS documents



Navigation

Asset Explorer

Asset UT-4114109/0000

Depreciation Areas

- 01 Book depreciation

Company Code: JT University of Tennessee

Asset: 4114109 0 WI- Com Vantage Server

Fiscal year: 2010

Planned values | Posted values | Comparisons | Parameters

Planned values Book depreciation in local currency

Value	Fiscal year start	Change	Year-end	Crcy
APC transactions		3,080.50	3,080.50	USD
Acquisition value		3,080.50	3,080.50	USD
Ordinary deprec.				USD
Unplanned dep.				USD
Write-up				USD

Objects related to asset

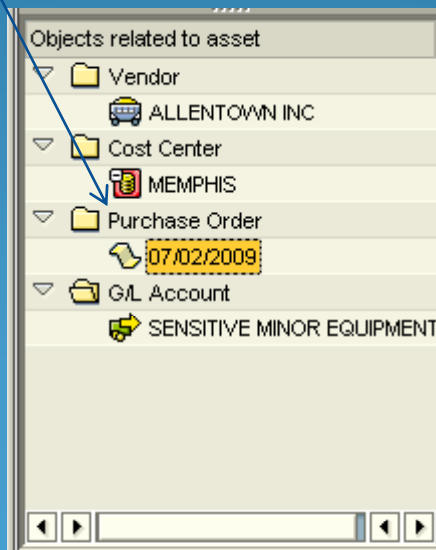
- Vendor: ALLENTOWN INC
- Cost Center: MEMPHIS
- Purchase Order: 07/02/2009
- GL Account: SENSITIVE MINOR EQUIPMENT

Transactions

AsstVal date	Σ Amount	TType	Transaction type name	DocumentNo	Text
01/22/2010	3,080.50	100	External asset acquisition	5105698291	
Σ 3,080.50					

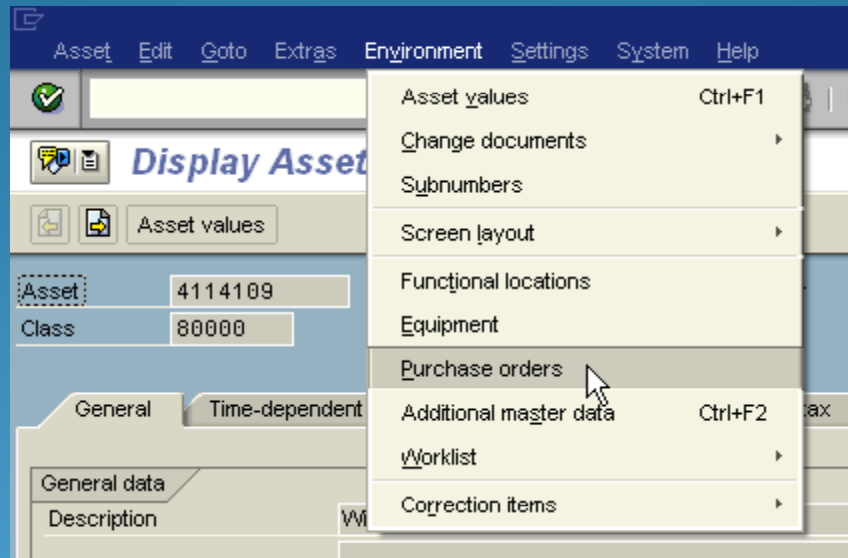
Navigation

Can drill down on the PO, if one is available.

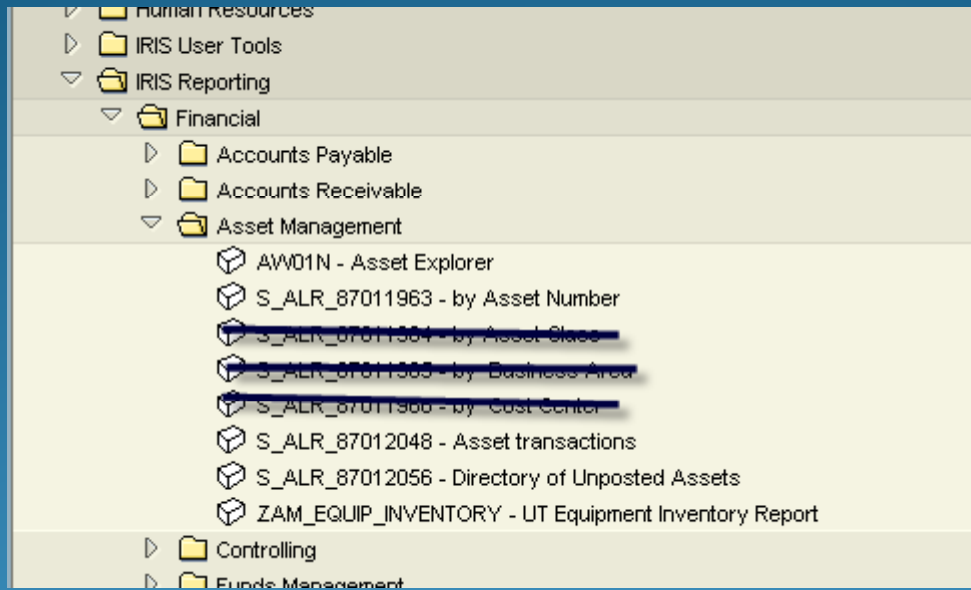


Navigation

Or, another way to find the PO



IRIS Reports-Asset Management



We will focus on:

ZAM_EQUIP_INVENTORY – UT Equipment Inventory Report

S_ALR_87011963 – by Asset Number

ZAM_EQUIP_INVENTORY – UT Equipment Inventory Report

- Newest report
- Easy to use
- Easy to re-sort; default is tag number order
- Can drill down to the asset master records & related documents
- Use variants to select un-capitalized, retired, etc
- Default variant should equate to the university’s “official” inventory
- No values

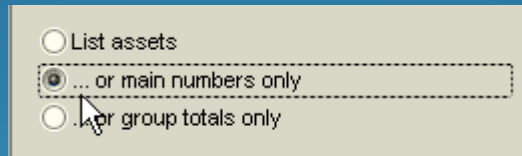
S_ALR_87011963 – by Asset Number

- Standard report
- Easy to use? Maybe. Must use dynamic selections to select the assets you are probably interested in
- Easy to re-sort; default is tag number order
- Can drill down to the asset master records & related documents
- Only contains current, capitalized assets, therefore it equates to the university's "official" inventory
- Has values

S_ALR_87011963 – by Asset Number

Easy to use? Maybe.

Must remember to either click List assets or main numbers only.



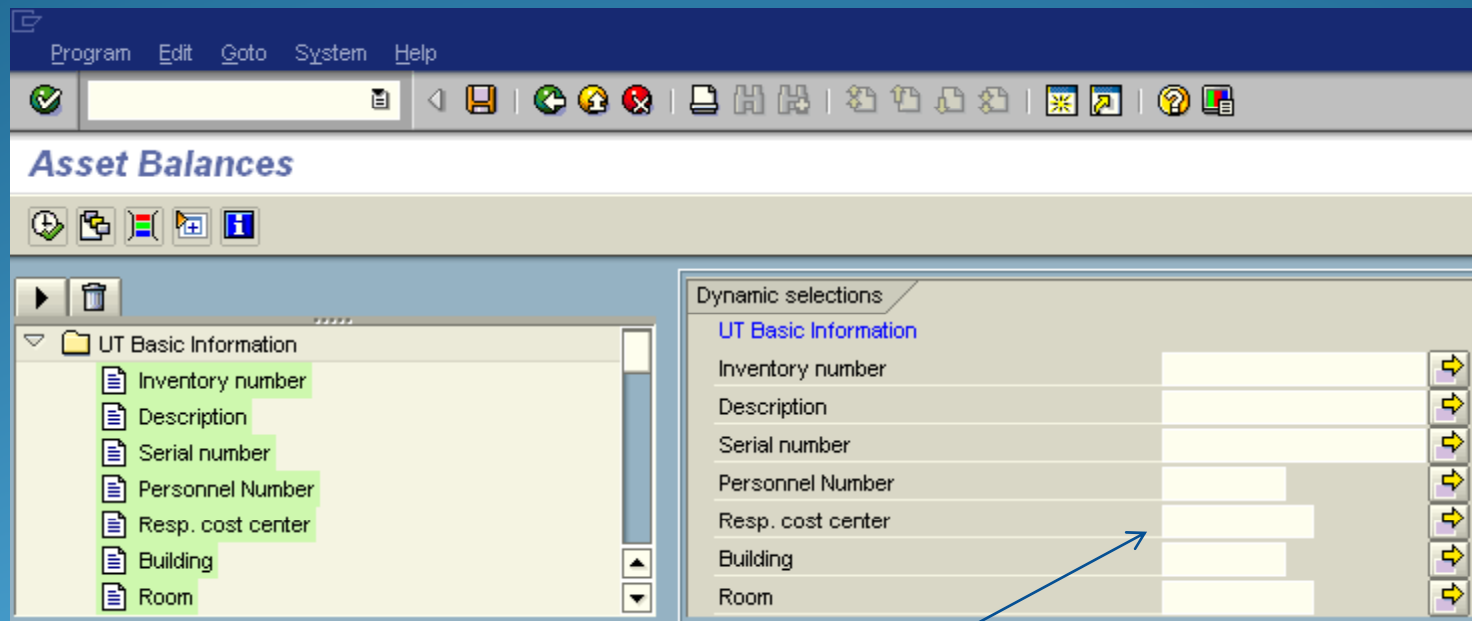
List assets
 ... or main numbers only
 ... or group totals only

“...or main numbers” rolls the sub-assets up together, so it is a good choice or reports

S_ALR_87011963 – by Asset Number

Easy to use? Maybe.

Need to use dynamic selections to narrow down the report



Many dynamic selections are available

S_ALR_87012056 – Directory of Unposted Assets

Works like S_ALR_87011963, but includes only un-capitalized assets.

Run this report periodically or at least at inventory time to find assets that should be on your inventory but are not

Contact the Controller's Office for assistance if you find assets that belong on your inventory.

IRIS transactions we covered:

AS01 – Create Asset

Accounting → Financial Accounting → Fixed Assets → Asset → Create → Asset

AS02 – Change Asset

Accounting → Financial Accounting → Fixed Assets → Asset → Change → Asset

AS02 – Display Asset

Accounting → Financial Accounting → Fixed Assets → Asset → Display → Asset

AW01N – Asset Explorer

Accounting → Financial Accounting → Fixed Assets → Asset → Asset Explorer

AS11 – Create Sub-Asset

Accounting → Financial Accounting → Fixed Assets → Asset → Create → Sub-number → Asset

IRIS reports we covered:

IRIS Reporting → Financial → Asset
Management

S_ALR_87011963 –
Asset Balances ...by
asset number

S_ALR_87012056 –
Directory of
Unposted Assets

ZAM_EQUIP_INVENTOR
Y – UT Equipment
Inventory Report





Search
System go

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Documentation

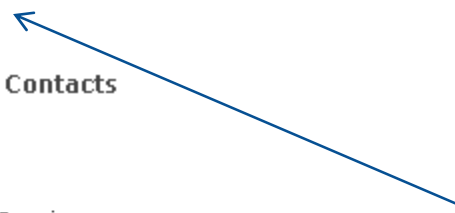
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IRIS Monthly Tip

IRIS Password Help

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Contact

[Neal Wormsley](#)
Director
412 UT Conference Ctr.
Knoxville, TN 37996
865.974.7329
865.974.9141 fax

[Team Contacts](#)

Questions?

IRIS Help Desk

irishelpdesk@tennessee.edu

