Fixed Assets

Fiscal Year-End
Closing Procedures
2022

Pre-Closing Procedures

- Finish all current year processing.

- Items received on or prior to June 30th, 2022 should be added to Inventory for FY2022.

- Items received after June 30th can added to the Inventory pending file for FY2023.

- If depreciation has been changed on several items so much that it's necessary to completely recalculate the life-to-date (LTD) depreciation, you may select the desired items from the Items grid and select 'Depreciate'.

- NOTE: Recalculating depreciation will affect items that have had improvements (additional acquisitions added throughout the life of the item) causing items to lose their true depreciation history.

Pre-Closing Procedures

- Ensure items that meet or exceed the entity's capitalization threshold are marked as 'capitalized'. On the Items grid, add the 'capitalized' column and filter using their capitalization threshold.
  - For example: the entity has a dollar threshold of $5000 and a life expectancy of 1 year.

Tag Number ▲	Description ⇕	Status ⇕	Capitalized ⇕	Original Cost ⇕	Life Expectancy ⇕
		a ✕		>4999 ✕	>0 ✕
000053	REFRIGERATOR/FREEZER REACH...	Active	true	8865.00	15
000055	KETTLE STEAM	Active	true	11032.00	15
000058	COOLER WALK-IN 10X6	Active	true	8865.00	15
000059	FREEZER WALK-IN 10X6	Active	true	12189.00	15

Fiscal Year-End Closing Procedures

- When all assets have been entered for the FY, you can run the recommended list of reports (this includes all necessary GAAP schedules).

- All recommended FYE reports are explained in the upcoming slides.

GAAP Reports

- **<u>Fixed Assets by Source</u>**…..summary of the *original cost* of capitalized items by their source (or fund) the items were charged to on the purchase order
  - Classic Counterpart: EIS101
  - Source means "**the fund the items were originally charged to when purchased**"
  - uses the PO information from the acquisition record to identify the **source fund** used in purchasing the items.
  - Report Filename: FixedAssetBySourceReport.pdf

- **<u>Fixed Asset by Function and Class</u>**….schedule of fixed assets by function and class.
  - Classic Counterpart: EIS102
  - May generate up to three different report formats:
    - Schedule by Function & Class - displays original cost & book value
    - Schedule by Class - displays original cost & book value
    - Summary by Function and Class - choose to summarize by 2-digit function and may report on original cost or book value
      - For FYE, it is recommended to generate the report for all three formats
  - Book Value is the Original Cost minus Total Depreciation
  - Report Filename: FixedAssetByFuncClassReport.pdf

GAAP Reports

Schedule of Change in Fixed Assets

- Classic Counterpart: EIS103
- Contains "changes" in capital assets during the current fiscal year
- Ability to generate a summary or detail report
- Ability to generate the report by asset class, fund or function.
  - For FYE, it is recommended to generate the report for all three types
- Report Name: ScheduleOfChangeReport.pdf
- Summary report lists the beginning balance, acquisitions, dispositions, transfers in/out, adjustments and the ending balance in column format.
- Detailed report lists individual tags that make up the acquisitions, dispositions, transfers, or adjustments amounts.

Summary Schedule of Change in Fixed Assets By Class

Asset Class	Description	Beginning Value	Acquisition Amount	Disposition Amount	Transfer In Amount	Transfer Out Amount	Adjustment Amount	Ending Balance
Governmental								
0100	LAND AND LAND IMPROVEMENTS	4,113,593.82	16,703.69	0.00	0.00	0.00	0.00	4,130,297.51
0200	BUILDINGS AND BUILDING IMPROVEMENTS	21,793,802.49	884,525.16	0.00	0.00	0.00	0.00	22,678,327.65
0300	FURNITURE,FIXTURES AND EQUIPMENT	3,657,404.73	102,571.06	7,463.10	0.00	0.00	0.00	3,752,512.69
0400	VEHICLES	1,885,858.39	291,663.00	175,536.26	0.00	0.00	0.00	2,001,985.13
Total for Governmental Funds		**$ 31,450,659.43**	**$ 1,295,462.91**	**$ 182,999.36**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 32,563,122.98**
Grand Total For All Fund Types:		**$ 31,450,659.43**	**$ 1,295,462.91**	**$ 182,999.36**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 32,563,122.98**

Detail Schedule of Change in Fixed Assets By Class

Tag	Description	Acquisition Amount	Disposition Amount	Transfer In Amount	Transfer Out Amount	Adjustment Amount
Governmental						
0100 LAND AND LAND IMPROVEMENTS						
9188Z	High School Facilty Upgrades to water coolers-8 items	16,703.69	0.00	0.00	0.00	0.00
Total for 0100		**$ 16,703.69**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 0.00**
					Beginning Balance:	$ 4,113,593.82
					Ending Balance:	$ 4,130,297.51

GAAP Reports

- Totals on the

  - **Fixed Assets by Source**

  - **Fixed Asset by Function and Class**

  - **Schedule of Change in Fixed Assets**

  should match when balancing out for the fiscal year-end.

GAAP Reports

Schedule of Changes in Depreciation

- Classic Counterpart: EIS104
- Contains "changes" in depreciation of capital assets during the current fiscal year
- Ability to generate a summary or detail report
- Ability to generate the report by asset class, fund or function
  - For FYE, it is recommended to generate the report for all three types
- Report Name: ScheduleOfChangeInDepreciationReport.pdf
- Summary report lists the beginning depreciation, continuing items, acquisitions, dispositions, transfers, adjustments and ending depreciation balance in column format.
- Detailed report lists individual tags that make up the acquisitions, dispositions, transfers or adjustment amounts.

<mark>Summary</mark> Schedule of Change in Depreciation By Class

Asset Class	Description	Beginning Depreciation	Continuing Items	Acquisition	Disposition	Transfer In	Transfer Out	Error Adjustment	Ending Depreciation
Governmental									
0100	LAND AND LAND IMPROVEMENTS	2,100,973.89	288,589.33	13,919.18	0.00	0.00	0.00	0.00	2,403,482.40
0200	BUILDINGS AND BUILDING IMPROVEMENTS	7,072,498.08	682,332.07	16,046.06	0.00	0.00	0.00	0.00	7,770,876.21
0300	FURNITURE,FIXTURES AND EQUIPMENT	819,842.22	193,561.79	5,197.10	653.03	0.00	0.00	0.00	1,017,948.08
0400	VEHICLES	1,070,116.89	134,461.00	5,869.16	174,892.33	0.00	0.00	0.00	1,035,554.72
Total for Governmental Funds		**$ 11,063,431.08**	**$ 1,298,944.19**	**$ 41,031.50**	**$ 175,545.36**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 12,227,861.41**
Grand Total For All Fund Types:		**$ 11,063,431.08**	**$ 1,298,944.19**	**$ 41,031.50**	**$ 175,545.36**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 12,227,861.41**

<mark>Detail</mark> Schedule of Change in Depreciation By Class

Tag Number	Description	Acquisition	Disposition	Transfer In	Transfer Out	Error Adjustment
Governmental						
0100 LAND AND LAND IMPROVEMENTS						
9188Z	High School Facilty Upgrades to water coolers-8 items	13,919.18	0.00	0.00	0.00	0.00
Total for 0100 Asset Class		**$ 13,919.18**	**$ 0.00**	**$ 0.00**	**$ 0.00**	**$ 0.00**

Suggested Non-GAAP Reports

- **Asset Listing by Grant/Source**….listing of acquisition transaction data by source account code and/or grant identifier
  - Classic Counterpart: EIS203
- **Brief Asset Listing**….. brief listing (one line per item) of all assets or a subset of them.
  - Classic Counterpart: EIS304
  - Recommended 5 versions of the Brief Asset generated at FYE
    - Include capitalized items only and Status codes of "Active, New, Excess Asset Held for Sale, and Excess Asset Not in Use (with the exception of the disposition report below).
      - Brief Asset Listing by fund
      - Brief Asset Listing by function
      - Brief Asset Listing by asset class
      - Acquisitions for current fiscal year
      - Dispositions for current fiscal year

Suggested Non-GAAP Reports

- **<u>Book Value Report</u>**…..displays depreciation information listing original cost, salvage value, book value, % of depreciation, and last year of useful life.
  - Classic Counterpart: EIS305
  - The current FY is used for the reporting date.
  - Recommended 4 versions generated at FYE
    - Include capitalized items only and Status codes of Active, New, Excess Asset Held for Sale, and Excess Asset Not in Use (with the exception of the disposition reports below).
      - Book Value Report by function
      - Book Value Report by class
      - Depreciation for current FY dispositions by function
      - Depreciation for current FY dispositions by class

Suggested Non-GAAP Reports

In development

- **Audit Report**…..tracks changes made in the application
  - Classic Counterpart: EIS801
    - INV-164 (epic Jira issue)
      - INV-286 completed v.1.15.0
      - INV-319 in progress v.1.18.0 (06/30/22)
  - For FYE, generate the **Official** Option
- **Depreciation Posting** Report
  - Classic Counterpart: EISDEP projection report generated from classic EISCLS
  - INV-330 (est. July 2022)
- **Fiscal Year Ending Balances** Report
  - Classic Counterpart: EISCLS report generated from classic EISCLS
  - INV-331 (est. July 2022)

Fiscal Year-End Closing Procedure

Generate **Inventory FYE Bundle**

- Classic Counterpart: EISCD
- Estimated release July 2022 (v 1.20.0)
- If you can wait to close Inventory until the **Inventory FYE Bundle** is released, the bundle will run when the fiscal year is closed.
    - generates the necessary reports, zips them and sends them via email to the user who generated the bundle. Will require the user profile to have the email address populated.
- If you can't wait for the FYE bundle
    - you can run the reports manually and save them to your computer
        - After 1.20.0 release, you have the option of re-opening FY22 and re-closing to generate the FY22 FYE Bundle)

FYI: Document Store will be available later this fall.

Fiscal Year-End Closing Procedure

- Close the current fiscal year by clicking the Close Icon in Core>Fiscal Years
  - Advances EIS last FY closed date in Core>Configuration by one year
  - Adds one year's worth of depreciation to LTD depreciation field
  - Updates beginning balance fields for new FY
- In Core>Fiscal Years, you can create FY2023, open the year and make it current to start processing inventory for the new year.

Fiscal Year-End Closing Procedure

- If GAAP flag is not checked and the entity would like to start up on GAAP for the next fiscal year, ITC intervention is required.
  - Classic Counterpart: EISGAAP
  - INV-332 Enhancements are planned for the existing 'GAAP flag' checkbox in Core>Configuration
    - update Core>Configuration to disable the gaap flag checkbox (info only)
    - add a button to enable or disable GAAP. Will run the process that updates the beginning balances accordingly and generates a report.
    - Only visible to users (ITC staff) with INV_ADMIN role
  - Once enabled, entity may start entering inventory for the new fiscal year.