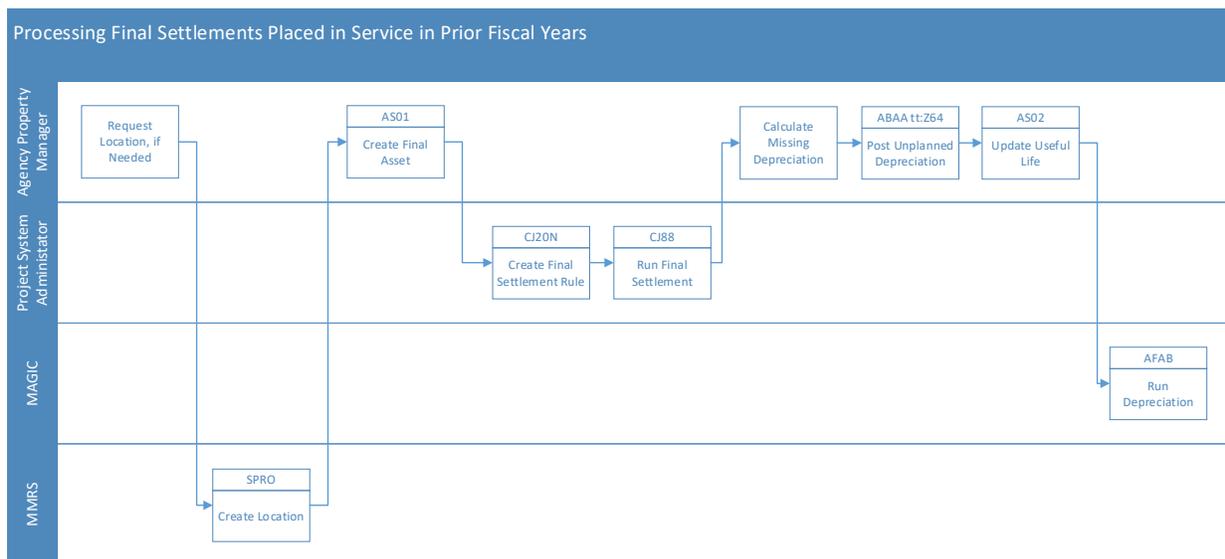


# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



When processing a final settlement for a construction project, MAGIC will not allow the final asset to be set up as a post-cap asset with a capitalization date in a prior year. The final asset must be set up with a capitalization date in the current year. As a result, additional steps must be taken during the final settlement process to ensure missing depreciation is posted (as Unplanned Depreciation) and that remaining depreciation occurs only over the remaining useful life of the asset. The steps of processing a final settlement placed in service during a prior fiscal year are detailed below.



1. The Agency Property Manager will request a new Location, if needed. Send email to [mash@dfa.ms.gov](mailto:mash@dfa.ms.gov) to request location.
2. MMRS will create the location as requested and will provide the information back to the Agency Property Manager.
3. The Agency Property Manager will use t-code **AS01** to create the asset.

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



Asset Edit Goto Extras Environment Settings System Help

Master data Depreciation areas

Asset Class

Company Code

Number of similar assets

Reference

Asset

Sub-number

Company code

Post-capitalization

Field	Value
Asset Class	Typically: BLDG1000 – Buildings  Others, as appropriate: BLDG2000 - Building Systems EQ010005 - Furniture and Equipment EQ020020 - Computers and Computer Equipment EQ030015 - Portable Buildings IMPR1000 - Land Improvements IMPR3000 - Land Improvements - Ancillary Assets INFR0000 - Infrastructure SOFT0000 - Software - \$1,000,000 and above
Company Code	SOMS
Number of Similar Assets	1 or more, as needed
Reference Asset	If copying details from an existing asset, enter the asset number.
Reference Sub	If copying details from an existing asset, enter the asset sub-number.
Company Code	SOMS
Post Capitalization	<b>&lt;BLANK&gt;</b> This is important, since this asset will have to be brought on the books in the current fiscal year for settlement to work, rather than treated as a Post-Cap.

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



- a. On the General tab, enter the Description, Quantity and Number of Floors if applicable.

Asset Edit Goto Extras Environment Settings System Help

Asset values

Asset: INTERN-00001 0  
 Class: BLDG1000 Buildings Company Code: SOMS

General Time-dependent Allocations Origin Deprec. Areas

**General data**

Description: New Building

Asset main no. text: [ ]

Acct determination: 16100000 CAFR Buildings

Serial number: [ ]

Inventory number: [ ]

Quantity: 2000.00 FT2 Square foot

**SoMS Data**

Color: [ ]

Number of Floors: 2

Disposal Type: [ ]

**Posting information**

Capitalized on: [ ] Deactivation on: [ ]

First acquisition on: [ ]

Acquisition year: [ ] 000

**Inventory**

Last inventory on: [ ]  Include asset in inventory list

Inventory note: [ ]

Field	Value
Description 1	Description of Asset
Description 2	Additional description of Asset
Main Asset Text	Leave blank, this will default based on the NIGP code selected
Quantity	Enter Square Footage
Number of Floors	Enter Number of Floors in the building

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



b. On the Time-dependent tab enter the Cost Center and Fund.

The screenshot shows the 'Create Asset: Master data' window with the 'Time-dependent' tab selected. The 'Interval' is set from 01/01/1900 to 12/31/9999. The following fields are populated:

- Asset: INTERN-00001
- Class: BLDG1000
- Business Area: 1130 (Finance & Administration)
- Cost Center: 1130000001 (Exec Office)
- Fund: 2213000000 (DFA Gen Support)
- Functional Area: 11300101 (Supportive Services)
- Grant: NRGRANT (Not Relevant Grant)
- Funds Center: 1130000001 (Exec Office)

Below the main data entry area is the 'SoMS Data' section with fields for County, Other Employee ID, and Additional Location.

Field	Value
Cost Center	Enter the Cost Center and hit <ENTER> to derive the remaining values
Fund	Update the fund if a different fund is needed.

Note: Other fields on the remaining two Master Data tabs (Allocations and Origin) may require values per agency requirements, but are not mandatory.

c. Make a note of the Asset Number that is created.

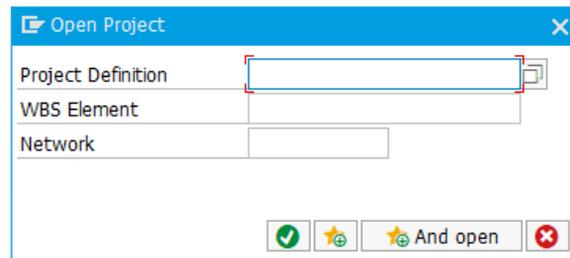
The screenshot shows a confirmation message box with a green checkmark icon and the text: "The asset 210000003488 0 is created".

# Processing Final Settlements Job Aid

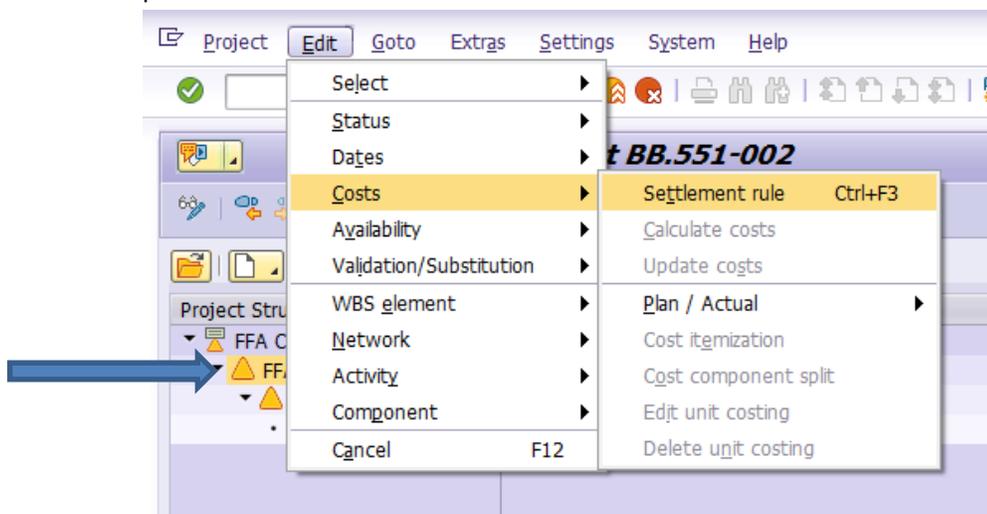
## Assets Placed in Service in Prior FY



- For Bureau of Buildings (BOB) projects, the Agency Property Manager will coordinate with DFA's Office of Budget and Accounting to process the final settlement. For non-BOB projects, the Agency Property Manager will coordinate with the agency's Project Systems Administrator to create a Final Settlement Rule.
- The Project System Administrator will create the Settlement Rule using the Project Builder screen (t-code **CJ20N**). They will open the project to be settled using the path Project > Open and search for the project by either Project Definition or WBS Element.



- The Project System Administrator will select the green check to open the project.
- The Project System Administrator will highlight the second row in the Project Structure pane (which is the highest WBS level) and navigate to the Settlement Rule screen by following the path Edit > Costs > Settlement Rule.



# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



- The Project System Administrator will enter the required information on the Maintain Settlement Rule: Overview screen. There may be costs associated with a capital project that will not be settled to the asset but to another cost collector. This would occur when these costs do not meet the asset threshold. Additionally, the project may actually be for more than one asset. If either of these situations occurs, multiple line items would be required on this screen to account for the total cost of the project.

**Maintain Settlement Rule: Overview**

WBS element:   
 FFA CENTER IMPROVEMENTS

Actual settlement

Cat	Settlement Receiver	Receiver Short Text	%	Equivalence no.	Amount	Sett...	No.	Str...	From
FXA	500000000133-0	FFA CENTER IMPROVEMENTS	100.00	0	0.00	AUC	1		0
FXA	210000003488-0	New Building	100.00			FUL	2		

Field	Value
Category	FXA (Asset) CTR (Cost Center) ORD (Internal Order)
Settlement Receiver	Enter final asset number(s) created by agency on the second line (as top line should already be populated) and hit <ENTER>. Other necessary information will derive. If you are settling to more than one asset (or partially to an asset and the remainder to a cost center), then you can allocate to each using either a percent or an amount.
%	If allocating to a single final asset then enter 100.00. If allocating to multiple objects by percent, then enter the pro-rata share for this line.
Amount	If allocating to multiple objects by amount, then enter the amount for this line.
Save	Green arrow back and <SAVE>

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



- The Project System Administrator will use t-code **CJ88** to run the Final Settlement. On the Actual Settlement: Project/WBS Element/Network screen enter the required information.

The screenshot shows the SAP 'Actual Settlement: Project/WBS Element/Network' screen. The 'Project' field is highlighted with a yellow box and contains the value 'BB.551-002'. Below it are fields for 'WBS Element' and 'Network'. There are checkboxes for 'With hierarchy' and 'With orders'. The 'Parameters' section includes 'Settlement period' (8), 'Posting period' (8), 'Fiscal Year' (2020), and 'Asset Value Date' (02/29/2020). The 'Processing type' is set to 'Full Settlement'. The 'Processing Options' section has 'Test Run' checked, 'Detail List' unchecked, and 'Check trans. data' unchecked. A 'Layouts' button is visible.

Field	Value
Project	Project number to be settled
Settlement Period	Current period eg: Feb = 8
Fiscal Year	Current fiscal year
Processing Type	Select Full Settlement from dropdown list
Posting Period	Current posting period eg: Feb = 8
Asset Value Date	End date of current month
Test Run	Initially, select this with check mark. <EXECUTE>. Review results for possible errors and resolve any issues.  Once errors are resolved, remove Test Run check mark. <EXECUTE>.

- Next, the Property Manager will use the spreadsheet (Unplanned Depreciation Calculator) to calculate the amount of unplanned depreciation and the remaining useful life for the asset. A picture of this spreadsheet follows.

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



Asset Class	BLDG1000 - Buildings	
Useful Life (Years)	40	
Useful Life (Periods)	0	
Total Useful Life in Periods	480	
Acquisition Value	\$100,000.00	
Date Placed In Service	1/1/2019	
Today's Date	3/26/2020	
Number of Months to catch up for Depreciation	14	
Scrap Percentage	20%	
Full Depreciation Amount (less Scrap value)	\$80,000.00	
Straight Line Depreciation per Period	\$166.67	
Unplanned Depreciation	\$2,333.33	
Remaining Useful Life (Periods)	466	
Remining Useful Life (Decimal)	38.83	
	Remaining Useful Life	
	Years	Periods
	38	10

Use this amount for transaction ABAA.

Use these for transaction AS02

Field	Value
Asset Class	Select the Asset Class from the drop-down list
Acquisition Value	Enter the acquisition value for the asset. This will be the amount of the AUC that settled to this asset.
Date Placed in Service	Enter the date the asset was placed in service
Unplanned Depreciation	Use this amount when entering the unplanned depreciation amount in transaction ABAA
Remaining Useful Life (Years)	Use this amount when entering the remaining useful life years in transaction AS02.
Remaining Useful Life (Periods)	Use this amount when entering the remaining useful life periods in transaction AS02.

Create a PDF of the spreadsheet and attach it to your asset as support for both the unplanned depreciation and for changing the default useful life.

- Using t-code **ABAA**, post the calculated unplanned depreciation to the asset.

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



Unplanned depreciation: Initial Screen

---

Company Code

Asset

Subnumber

---

Date specif.

Document Date

Posting Date

Posting Period

---

Transact.

Transaction Type  Unplanned depreciation on prior-year acquisitions

Field	Value
Company Code	SOMS
Asset	Enter the asset number
Document Date	Current date
Posting Date	Current date
Posting Period	Current posting period, e.g. Feb = 8
Transaction Type	Z64 – Unplanned depreciation on prior-year acquisitions
<Enter>	

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



Create Asset Transaction: Unplanned depreciation on prior-year acquisi

Line Items

Asset   New Building  
 Company Code

Trans. Type  Unplanned depreciation on prior-year acquisitions

Posting data

Amount posted  USD  
 Asset Val. Date

Additional details

Text

Reference

Field	Value
Amount Posted	Enter calculated unplanned depreciation amount
Asset Val. Date	Current date
Text	Optional, agency discretion
Reference	Optional, agency discretion
Save	Click Save icon

- Using t-code **AS02**, update the useful life of the asset to the remaining useful life. Under the Deprec. Areas tab on the asset master record, change the value for the asset's useful life for Full Accrual (Area 01) only to reflect the remaining years/periods of service. Please note that current

# Processing Final Settlements Job Aid

## Assets Placed in Service in Prior FY



year monthly depreciation amounts will not change. Adjustments to monthly depreciation amounts will take effect at the beginning of the next fiscal year.

Change Asset: Master data

Asset values

Asset: 210000003488 0 New Building  
 Class: BLDG1000 Buildings Company Code: SOMS

General Time-dependent Allocations Origin **Deprec. Areas**

Valuation

A..	Depreciation area	DKey	UseLife	Prd	ODep Start
01	Full Accrual	ZSL2	35		02/01/2020
20	Modified Acc	Z100			102/01/2020

Field	Value
UseLife	Enter number of years of remaining useful life from the spreadsheet in the row for Depreciation Area 01 (Full Accrual).  Do not adjust any values for Depreciation Area 20 (Modified Accrual).
Prd	Enter number of periods of remaining useful life from the spreadsheet in the row for Depreciation Area 01 (Full Accrual)  Do not adjust any values for Depreciation Area 20 (Modified Accrual).
Save	Click Save icon

- At month-end, MAGIC will post depreciation, including unplanned depreciation, using t-code **AFAB**. Shortly before month end close, DFA's Office of Financial Reporting will run a test run and will review the results for possible errors and resolve any issues. On the first day of the month, MAGIC will post depreciation for the prior month.