



SUBJECT

ERROR CORRECTIONS USING FAS

AUTHORITY

See Section II-G-1 – Capital and Non-Capital Assets.

INTRODUCTION

The GAO has designed procedures to correct inaccurate property records posted to the permanent files of FAS. These error correction procedures entail deleting the erroneous fixed asset record, then adding back the record with corrected data using the same property number. These procedures also provide an audit trail so that any change made and the person who made the change are documented. System generated transactions will automatically post corrected dollar amounts from FAS to the general ledger, as necessary.

There are three major benefits in using these error correction procedures. First, any record corrected using these procedures will appear on the additions report, DAFR9920, once and only once, no matter how many times or in how many different fiscal years corrections are made. Second, any record corrected using these procedures will not appear on the disposals report, DAFR9930, until it is actually disposed. Third, any capital or non-capital asset to which these procedures will apply retains the same property number before and after correction.

For internal control purposes, it is recommended that the person(s) authorized by each agency to correct errors on FAS permanent files not be the same person(s) responsible for inputting fixed assets on FAS. However, if agency management chooses to delegate fixed asset data entry, record maintenance and error correction authority to the same person(s), alternative accounting control procedures must be implemented. At a minimum, the agency's Property Control Officer, or his or her designee, must approve individual error correction transactions. Such approval must be documented and maintained for audit review. The Property Control Officer will retain ultimate responsibility for the **physical control** of all the agency's capital and non-capital assets and for the **completeness** and **accuracy** of the agency's fixed asset listing as documented on FAS. The person(s) designated to correct errors should have a good knowledge and understanding of all the following:

- State accounting policy involving capital and non-capital assets,
- governmental capital asset accounting theory and its practice, and
- the manner in which transactions flow through FAS to the general ledger.

Only capitalized assets with C/I Indicators equal to 'C' that have been successfully reconciled are posted to the general ledger. Therefore, it is recommended that agency personnel concentrate primarily on correcting errors associated with those fixed asset records that have been capitalized or should have been capitalized. After these records are corrected, inventory records may be corrected.

Certain fields on screens 'S072' and 'S083' are protected and the records may only be changed by using these error correction procedures. Unprotected fields on screen 'S072' may be changed, or in the case of changes to Location Codes 1 through 3, via screen 'S76A' (changes on both screens can take place on-line). If corrections to unprotected fields with erroneous data can be made on-line via screens 'S072' and/or 'S76A' without going through the more complicated error correction procedures, agency personnel should do so. Examine Addendum A of this section of SAAM to determine which fields on screens 'S072' and 'S083' must be changed using error correction procedures.

DEFINITIONS

See Section II-G-1 – Capital and Non-Capital Assets.

PROCEDURES



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The following steps should be carefully read and followed for any corrections made to FAS permanent files. These steps provide detailed information regarding what a user needs to do to properly correct erroneous records in the permanent files. These steps are:

Determine Whether the Record Can Be Corrected

Determine whether a record can be corrected by checking screen 'S083'. To check the record on this screen, enter the following fields:

---- FIELD ----	--- VALUE ENTERED ---
AGENCY	Your Agency
PROPERTY #	A Valid Property Number
SFX	Property Suffix
INQ TYPE	'MC'
INQ YEAR	Current Fiscal Year
INQ MONTH	Current Fiscal Month

Press 'ENTER' to display.

Check to see if Balance Types '03' and '08' both have zero balances or are not displayed on the screen. If either case is true, proceed with the correction procedures by following Steps 'D' through 'I'.

If Balance Type '03' has a positive balance, complete Step 'B' before proceeding with the other steps.

If Balance Type '08' has a positive balance, complete Step 'C' before proceeding with the other steps.

B. Reverse Fully or Partially Disposed Asset Prior to Correction

If the asset that is being corrected is fully or partially disposed of, it will have a balance greater than zero in Balance Type '03'. Zero out the balance of this Balance Type before attempting to correct the record. Print screen 'S083' to save as a 'BEFORE PICTURE' and print one after entering the record with correct information, which should be the last step of this process (Step I), as an 'AFTER PICTURE'. Save these screen prints as part of the audit trail.

To zero out this Balance Type, follow the steps below:

1. Link to screen 'S073' - Fixed Asset Property Record Suspense.
2. Enter the values below in the corresponding fields.

--- FIELD ---	--- VALUE ENTERED ---
ACTION CODE	'A'
AGENCY	Your Agency Code
PROP NO	The Property Number being corrected
SFX	The Property Suffix being corrected
FATC	'D12' - to reverse disposal
AY	The same AY as the property record
FA REF NO	A valid Reference Number
AMOUNT	The same as the balance in Balance Type '03'
EFF DT	Today's date or a date from an open fiscal month
DISP - DT	Today's date
METH	The disposal method used on the original disposal

3. Press 'F6' to process.



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If the Balance Type '08' has a non-zero balance, go to Step 'C' and complete that step. If not, wait until the above record for FATC 'D12' is successfully reconciled before proceeding to Step 'D'. Report DAFR4441 may be used to verify that the record reconciled without error.

C. Reverse Depreciation previously completely or partially disposed of

Balance Type '08' is created when an asset that was previously depreciated is disposed fully or partially. This Balance Type represents the amount of the depreciation being backed out by the disposal. If the asset that is being corrected has a balance greater than zero in Balance Type '08', zero out the balance of this Balance Type before attempting to correct the record.

To zero out this Balance Type, follow the steps below:

1. Link to screen 'S073' - Fixed Asset Property Record Suspense.
2. Enter the values below in the corresponding fields.

--- FIELD ---	--- VALUE ENTERED ---
ACTION CODE	'A'
AGENCY	Your Agency Code
PROP NO	the Property Number being corrected
SFX	the Property Suffix being corrected
FATC	'D13' - to reverse depreciation back out
AY	the same AY as the property record
FA REF NO	A valid Reference Number
AMOUNT	the same as the balance in Balance Type '08'
EFF DT	today is date or a date from an open fiscal month
DISP - DT	Today's date
METH	the disposal method used on the original disposal

3. Press 'F6' to process.

Wait until the above record for FATC 'D13' is successfully reconciled before proceeding to Step 'D'. Report DAFR4441 may be used to verify that the record reconciled without error.

D. Remove Erroneous Record from the Permanent File

Proceed to this step if Balance Types '03' and '08' both have zero balances or these Balance Types do not appear on screen 'S083' for that property record. If a positive balance remains in either Balance Type, Steps 'B' and/or 'C' must be completed before this step can be started.

To remove the incorrect record, follow the steps below:

1. Link to screen 'S073' - Fixed Asset Property Record Suspense.
2. Enter the values below in the corresponding fields.

--- FIELD ---	--- VALUE ENTERED ---
ACTION CODE	'A'
AGENCY	Your Agency Code
PROP NO	The Property Number being corrected
SFX	The Property Suffix being corrected
FATC	'D14' - to remove the incorrect record
AY	The same AY as the property record



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DISPOSAL %	'100'
FA REF NO	A valid Reference Number
EFF DT	Today's date or a date from an open fiscal month
DISP - DT	Today's date
METH	'0'

3. Press 'F6' to process.

Data element editing rules for screen 'S073' for Steps 'B' through 'D' can be found in Addendum B.

E. Verify Successful Removal of Records

After a successful reconciliation of the 'D14' record, all information for that property number and suffix is removed from FAS. Report DAFR4441 should be used to verify that the 'D14' entry reconciled without any error. Each time a 'D14' record is reconciled, it also generates a report DAFRFASR. This report displays the informational fields for those records that have been removed through this process. This report should be maintained for future reference and for an audit trail. A sample of this report along with the instructions on how to use the report can be found in Addendum C.

Upon successful completion of Step 'D', the system will generate different transaction(s) for capitalized assets based on the asset's funding source(s). A complete list of system generated transactions will be distributed later in another part of this manual.

F. Re-Add Record into FAS with Correct Information

After the reports have been verified to ensure that the property record was successfully deleted, re-add the property record into FAS with the correct information by using screens 'S071' and 'S073'. Re-adding the record into the system may involve multiple steps depending on the actions taken in steps 'A' through 'D'. Each Balance Type for the property record needs to be added back to FAS separately to reflect its true balance before it was removed in Step 'D'. The original acquisition must first be added back to FAS through screens 'S071' and 'S073' using FATC = 'A10'. The 'A10' record must successfully reconcile before any adjustments (i.e., depreciation, betterment, etc.) can be made to the property record.

G. Verify Successful Reconciliation of Re-Adding the Original Acquisition

DAFR4441 can be used to verify that the re-addition of the original acquisition reconciled without any error. After this record is successfully reconciled, the Balance Type '01' is recreated in FAS Financial File. Immediately following the successful reconciliation of the Balance Type '01', proceed to post all of the necessary adjusting Balance Types (Adjustment, Depreciation, Partial or Full Disposal, etc.) using the proper FATCs. Please note that no other Balance Types for a property record can be re-entered until the Balance Type '01' has been successfully recreated.

H. Re-Add Adjusting Balance Types to the Property Record

After the successful reconciliation of the 'A10' record (in Step F), enter the necessary adjustments by using the corresponding FATCs until the new record has the same balances as the old record before the correction process began. The adjusting FATCs, their descriptions, and the Balance Types that are affected are as follows:

---- FATC ----	--- DESCRIPTION ---	--- BT ---
A11	To record a betterment	+ 06



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C30	To increase the value of the asset	+ 02
C31	To decrease the value of the asset	- 02
D10	To dispose all or part of the asset	+ 03
F14	To increase depreciation posted for the asset	+ 04
F11	To decrease depreciation posted for the asset	- 04
F12	To post current FY depreciation catch-up	+ 04
F10	To post prior FY depreciation catch-up	+ 04
M10	To post/increase maintenance activity for the asset	+ 05
M11	To decrease the maintenance activity for the asset	- 05

These adjusting FATCs can be entered one at a time on screen 'S073'. If more than one adjustment is necessary, they can all be processed within the same reconciliation cycle except for the 'D10' (Disposal) entry. This FATC should be processed after all other adjustments have successfully reconciled. Report DAFR4441 can be used to verify that each of the adjusting entries has reconciled without any error.

I. Final Verification

Verify that all property records have been properly re-added and that the balances in each Balance Type reflect the true and actual balances. This can be accomplished by using screens 'S072' and 'S083'. If the property record has been correctly added to FAS, print screen 'S083' as the 'AFTER PICTURE' documentation for future reference and an audit trail.

J. Corrections to Useful Life

Screen 'S072A' can be used to correct the useful life of an asset. Enter the appropriate information in the following fields:

---	FIELD ---	---	VALUE ENTERED ---
	ACTION		'C'
	AGENCY		Your Agency Code
	PROPERTY NUMBER		The Property Number being corrected
	SFX		The Property Suffix being corrected
	NEW USEFUL LIFE		The New Life in months
			(<u>not</u> the difference between the new life and the last life)

K. Corrections to Salvage Value

Screen 'S072A' can be used to correct the salvage value of an asset. Enter the appropriate information in the following fields:

---	FIELD ---	---	VALUE ENTERED ---
	ACTION		'C'
	AGENCY		Your Agency Code
	PROPERTY NUMBER		The Property Number being corrected
	SFX		The Property Suffix being corrected
	SALVAGE VALUE		The Salvage Value to be applied to the asset



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ADDENDA

Addenda A, B and C contain necessary information, as referenced in this document, to assist in the correction of errors on the Fixed Asset Subsystem.



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ADDENDUM A: DATA FIELDS ON SCREENS 'S072' AND 'S083'Fields Which May Be Changed On-line
on Screen 'S072' or Via Screen 'S76A'Fields Which Must Be Changed Using Error
Correction Procedures

SHORT DESC	Short Description	PROP NO/SFX	Property
Number/Suffix			
RESP IDX	Responsibility Index	CI IND	Capital/Inventory Indicator
LOC - 1	Location 1		
LOC - 2	Location 2	AGY CD - 1	Agency Code 1
LOC - 3	Location 3	AGY CD - 2	Agency Code 2
SUBCLASS	Subclass	AGY CD - 3	Agency Code 3
IN SERV DT	In Service Date	IDX	Index
USE LIFE	Useful Life	PCA	Program Cost
Account			
ACQ METH	Acquisition Method	AY	Appropriation
Year			
PUR/COMP DT	Purchase/Completion Date	APPN #	Appropriation
Number			
SERIAL NO	Serial Number	FND	Fund
MFG	Manufacturer	CR DOC/SFX	Current
Document/Suffix			
DEPR METH	Depreciation Method	COMP/AGY OBJ	
Comptroller/Agency			
MODEL YR	Model Year		Object
LIC NO	License Number	APPR FUND	Appropriated
Fund			
TTL/MOD NO	Title/Model Number	CLASS	Class
APR VAL	Appraised Value	DISP - DATE	Disposal Date
SALV	Salvage (Value)	METH	(Disposal) Method
REPL	Replacement (Value)	GRANT #/PHASE	Grant #/Phase
APR DT	Appraisal Date	PROJECT #/PHASE	Project #/Phase
METH	(Appraisal) Method	ACQ METHOD	Acquisition
Method			
EST REPL DT	Estimated Replacement Date	IN SERVICE DATE	In Service Date
FA REF NO	Fixed Asset Reference Number		
SQ FT - GRS	Gross Square Foot		
NET	Net Square Foot		
LAND ACRGE	Land Acreage		
MPCD	Multipurpose Code		
PM DT/CODE	Preventative Maintenance Date/Code		
WRN IND	Warranty Indicator		
WRN EX DT	Warranty Expiration Date		
COMMENT	Comment		
SSN	Social Security Number		
UTL	Unable to Locate		
VIN	Vehicle Identification Number		



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ADDENDUM B: DATA ELEMENT EDITING RULES FOR SCREEN 'S073' FIELDS

<u>Field</u>					<u>Comment</u>
		D12	D13	D14	Type of Disposal
AGENCY	Agency	R	R	R	
PROP NO/SFX	Property Number/Suffix	R	R	R	
FATC	Fixed Asset Transaction Code	R	R	R	
AY asset	Appropriation Year	R	R	R	AY in which the was initially charged
DISPOSAL % 'D14'	Disposal Percentage	N	N	R	Must be '100' for Disposal
FA REF NO corrected was use SP-101 #	Fixed Asset Reference Number	R	R	R	If asset to be fully disposed of,
AMT reversed	Amount	R	R	N	Amount to be
EFF DT current	Effective Date	R	R	R	Must be in the month and year
DISP - DT	Disposal Date	R	R	R	
METH 'D14'	Disposal Method	R	R	R	Must be '0' for Disposal
ALL OTHER FIELDS		N	N	N	Blank

R = Required Field
N = No Entry Allowed



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ADDENDUM C: INSTRUCTIONS FOR REPORT DAFRFASR

Report DAFRFASR (see sample on page 10) provides detailed information about each property record that is processed using the Fixed Asset Correction Procedures. This report is automatically created by FAS whenever a property record with a Correcting FATC = 'D14' goes through the reconciliation process. If no property records were entered using FATC = 'D14' for a particular reconciliation run, this report will not be created during that run. Please note that this report is only created by a record with a FATC = 'D14' and is not generated after a record is re-added with the correct information.

This report can be used by agency personnel, the GAO and auditing staff as:

- A reference list of all property records that have been removed from FAS utilizing the Correction Procedures.
- A guide to assist in re-creating the property record with the correct information.
- An audit trail to trace the User ID who removed the property record from the system for security and/or custodial control.

FAS treats each combination of Property Number and Suffix as one property record. Therefore, for one Property Number with three suffixes there would be three separate property records. The DAFRFASR report provides the financial and property information separately for each property record. Since each combination of Property Number and Suffix is one property record, the correction process must be repeated for each erroneous Suffix. In addition, only erroneous Suffixes should be corrected since one Suffix can be corrected without affecting any other Suffix for the same Property Number.

REPORT FORMAT

All the information needed to re-enter the property record is displayed on this report except for the values of Balance Types '03' and '08', if any. This report includes the property information for input onto screen 'S073' and the financial information for input onto screen 'S071'.

Property -- Each property record contains four (4) lines of descriptive property information which display the values that were entered in each field prior to the correction. If any of the optional fields were not entered originally when the property record was added, those fields will be blank on the report. The financial information for each property record follows each four (4) row set of property information.

Financial -- The financial information is organized horizontally into three (3) segments:

Segment I -- The first segment displays the financial balances for the property record before the correction was attempted. Each Balance Type is listed separately with the associated cumulative amount posted to-date. Since Balance Types '03' and '08' must be equal to zero before the correction process can take place, those Balance Types will never appear on this report. But, if Balance Types '03' and/or '08' were zeroed out using the FATCs 'D12' or 'D13' prior to the correction process, those balances should be tracked using a print of screen 'S083' as noted in Step 'B' of the Correction Procedures. (See Subsection IV.B.)

Segment II -- The second (middle) segment displays the AFIS financial information recorded when the property record posted. The fields that are included in this segment include the Appropriated Fund, Fund, Index, PCA, Appropriation Number, Comptroller Object (COBJ), Agency Object (AOBJ) and Transaction Date.



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Segment III -- The third segment displays the financial balances for the property record in a similar fashion to the first segment, except that it shows the amounts for each Balance Type after the record with a FATC = 'D14' goes through the reconciliation. If the FATC = 'D14' is not reconciled due to an error, the amounts in Segment III will be blank. The values for some of the Balance Types in the 'BEFORE' segment will be different from the corresponding amounts in the 'AFTER' segment. If the property record had depreciation posted to it prior to the correction as indicated by an amount in the Balance Type '04', the correction process automatically reverses that amount while removing the asset from FAS. The 'AFTER' financial information will therefore display a zero amount for the Balance Type '04'. Also, the Correction process creates a new Balance Type '07' to indicate the total amount of the property record reversed out by the Correction process. The Balance Type '07' is used by the system to reduce the book value of the property record to zero. This Balance Type is not displayed on any screen and should not be re-entered by the user. Please refer to Steps 'F' and 'H' of the Correction Procedures for detailed information regarding the steps to re-add each Balance Type. (See Subsections IV.F and IV.H.)



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