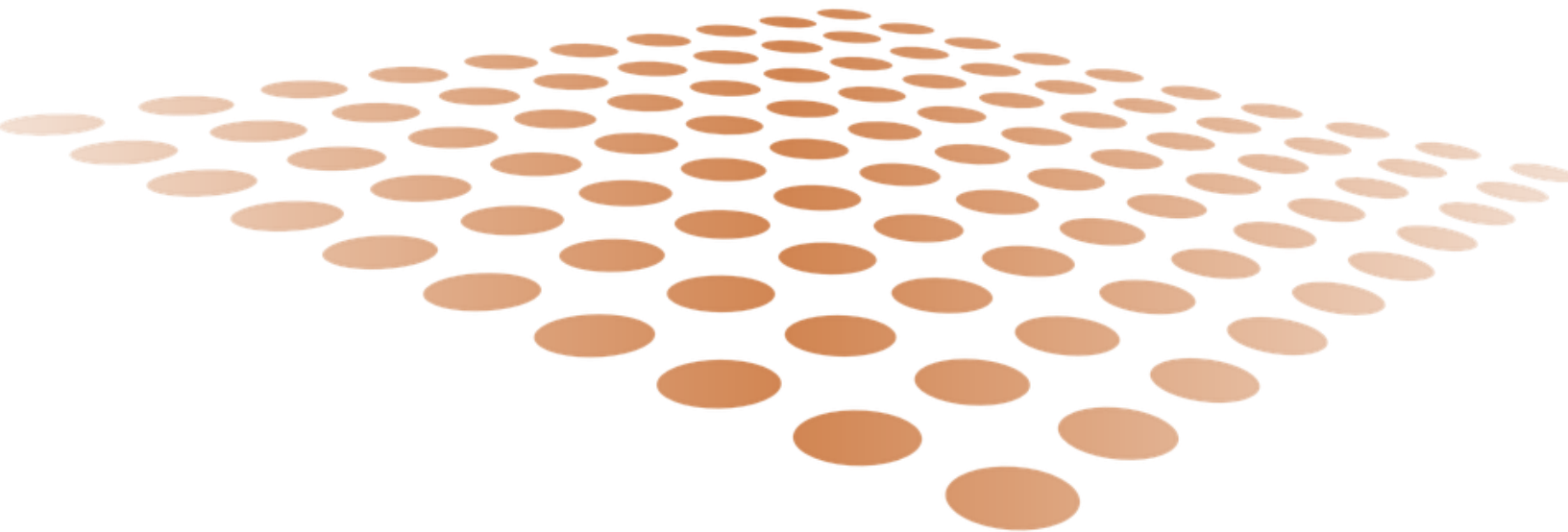


ADOA – General Accounting Office

# QUICK REFERENCE GUIDE: PROCESS AN FD DOCUMENT WITH NEGATIVE DEPRECIATION

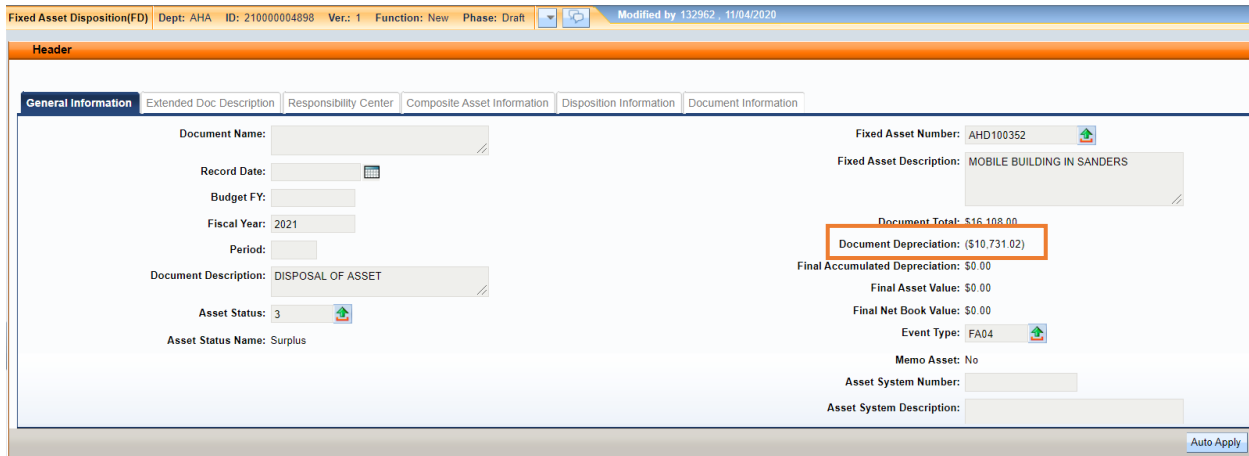


# PROCESS AN FD DOCUMENT WITH NEGATIVE DEPRECIATION

## Overview

Occasionally agencies will submit a Fixed Asset Disposition (FD) document that has negative depreciation on the document header. Negative depreciation occurs when the FD disposal date is prior to the last mass depreciation calculation date. The General Accounting Office (GAO) runs the mass depreciation job, which calculates and posts depreciation quarterly. It is important for agencies to ensure all of their outstanding fixed asset documents are either approved or deleted prior to the mass depreciation calculation (job being run) so that depreciation is correctly calculated and posted and to prevent non-final documents from having errors that will need to be corrected.

When the GAO-FA Approver worklist receives a negative depreciation on the FD the document, it will look like this:



The screenshot shows the AFIS Fixed Asset Disposition (FD) document header. The document is titled "Fixed Asset Disposition(FD)" and is in the "Draft" phase. The document description is "DISPOSAL OF ASSET". The fixed asset number is AHD100352, and the description is "MOBILE BUILDING IN SANDERS". The document total is \$16,108.00, and the document depreciation is (\$10,731.02), which is highlighted with a red box. The final accumulated depreciation is \$0.00, the final asset value is \$0.00, and the final net book value is \$0.00. The event type is FA04. The asset status is 3, and the asset status name is Surplus. The document was modified by 132952 on 11/04/2020.

The GAO Internal Audit Group monitors this worklist and will **reject all** the document back to the agency (document initiator). GAO will enter the following comment in the Document Comments screen in AFIS:

***“This disposal contains negative depreciation, which needs to be resolved by your AFIS Liaison. Once resolved, your AFIS Liaison will contact you to resubmit this FD document.”***

Once the FD is rejected back to the agency, your GAO Liaison will process an FE document, which will reverse the negative depreciation.



Fixed Asset Depreciation(FE) Dept: AHA ID: 21000004898 Ver.: 1 Function: New Phase: Draft Modified by 183134 03/03/2021

Header

General Information Extended Doc Description Responsibility Center **Composite Asset Information** Document Information

Composite Asset: No Acquisition Date:  
 Fixed Asset Catalog: In Service Date:  
 Fixed Asset Type: Asset Impairment:  
 Fixed Asset Group: Valuation Date:  
 Depreciation Method: Summary Valuation Amount: \$0.00  
 Depreciation Structure: Summary Salvage Value: \$0.00  
 Useful Life:  
 Declining Rate:  
 Depreciation Amount: (\$10,731.02)

The posting will look like this on the FE document.

Posting Total Lines: 1

Line	Function	Debit Posting Credit Posting	Debit Posting Name Credit Posting Name	Debit Amount	Credit Amount
1	Non-Standard	F040 F020	Accum Depr Depr Expense	\$10,731.02	\$10,731.02

Once your GAO Liaison finalizes the FE document, your AFIS liaison will reach out to the document initiator and ask them to **Validate** and **Submit** the FD document that is in Reject status. The document should no longer have negative depreciation and will need to be approved at the agency level. Depending on the workflow, the document may be finalized at the agency level, or it may have to go back to GAO Internal Audit for review and approval.

The agency should ensure the document depreciation shows **\$0.00** before resubmitting.

Fixed Asset Disposition(FD) Dept: AHA ID: 21000004898 Ver.: 1 Function: New Phase: Draft Modified by 183134 03/03/2021

Header

General Information Extended Doc Description Responsibility Center Composite Asset Information Disposition Information Document Information

Document Name: Fixed Asset Number: AHD100352  
 Record Date: Fixed Asset Description: MOBILE BUILDING IN SANDERS  
 Budget FY: Document Total: \$16,108.00  
 Fiscal Year: 2021 Document Depreciation: \$0.00  
 Period: Final Accumulated Depreciation: \$0.00  
 Document Description: DISPOSAL OF ASSET Final Asset Value: \$0.00  
 Asset Status: 3 Final Net Book Value: \$0.00  
 Asset Status Name: Surplus Event Type: FA04  
 Memo Asset: No  
 Asset System Number:  
 Asset System Description:

**Note: It is important for the agency to submit and approve the FD document as soon as possible after the FE document reduces the negative depreciation. If the FD document is not finalized before the mass depreciation runs, again at the end of the quarter, the same issue will occur again and the process will need to be repeated.**