

40.1 Acquire and Set Up Assets

Revision History

Version	Date	Revision Notes
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General Information

This document describes and depicts the process steps and supporting information for the identified State of Florida financial management business process. This information should be read in conjunction with the Business Process Flow Diagrams.

The Dependencies and Constraints section describes any conditions or criteria that impact how or when the business process should be executed. These could be set within Florida PALM or from external sources (i.e., Law or Rule).

The Business Process Overview section summarizes the business process and provides context for understanding the objectives and desired outcomes of the described business process.

Within the Business Process Flow Details section, included for each process step are:

- **Process Step ID** – A unique number assigned to each process step, which corresponds to the Business Process Flow Diagram
- **Process Step Title** – A short description assigned to each process step, which corresponds to the Business Process Flow Diagram
- **Description of Process** – A detailed narrative description of the process step, which provides additional information and context for understanding the process step

Also described below are the Ledger Impacts and Reports, which are displayed as icons on the Business Process Flow Diagrams. Ledger impacts describe where there is an update to one of the ledgers used to track activity for accounting, budget management, or financial reporting purposes. Reports describe where a report is identified to be produced at a particular process step or is used to support the completion of a process step.

Finally, included in the Terminology section are definitions of terms which will help the reader to better understand the document. These are terms that are used within this document that may be new or that require a description for common understanding.

Dependencies and Constraints

- Florida PALM will use the established capitalization threshold limits to identify purchases qualifying for capitalization
- Interface data requires specific accounting information, in a standardized format, to create assets in Florida PALM

Business Process Overview

The Acquire and Set Up Assets business process is within the Asset Accounting and Management (AAM) business process grouping. AAM includes a collection of business processes that:

- Manage the records of agency property that supports State operations, including financial and custodial information;
- Establish the controls that ensure the integrity of statewide financial reporting; and
- Perform month-end and year-end closing activities.

This business process addresses Acquire and Set Up Assets. Newly acquired assets are recorded in Florida PALM through Interface, integration or direct input.

The business subprocess included are:

- 40.1.1 – Import Asset Add
- 40.1.2 – Online Asset Add

In accordance with section 273.03, Florida Statutes (F.S.), the Agency Custodian is primarily responsible for the supervision, control, and disposition of State-owned property within his or her custody. The terms 'property' and 'fixed asset' are used interchangeably in this document. Fixed assets are defined as any real, tangible, or intangible property that a business uses including but not limited to computers, tools, software, or office equipment.

Assets that meet the thresholds outlined in the Statewide Asset Capitalization Policy are capitalized in Florida PALM for inventory and reporting purposes. Assets that do not meet the capitalization threshold outlined in the Statewide Asset Capitalization Policy (i.e., attractive items) are recorded in Florida PALM for tracking purposes, as non-capitalized assets.

Import Asset Add business subprocess uses templates to create mass asset records in Asset Management (AM). The Asset Profiles defines criteria for an asset type that AM uses as default values when adding assets. AM uses financial details received from AP, such as Asset Profile ID, acquisition date, and cost, to create asset records. Import Asset Add also creates asset records in mass through Excel to AM interface. A predefined excel spreadsheet is used to upload financial details into AM to create asset records. Online Asset Add business subprocess creates individual asset records from financial details through direct input in AM. Both business subprocesses invoke data edits that reject invalid data, produce error messages, and allow correction. Import Asset Add error corrections must be made using the Online Asset Add business subprocess.

Business Process Flow Details

The tables below describe steps in each business subprocess as reflected on the Business Process Flow Diagrams. The tables also reflect information associated with each step describing the intent of the specific process.

The Business Process Flow Diagrams use horizontal swim lanes to depict where activities are performed by different parties or systems. Each swim lane is titled with a role, either agency-based or within Department of Financial Services (DFS), and in some cases, are representative of an external entity or system. The swim lanes may change from page to page within a single business subprocess as more or fewer roles are required to execute sections of the business subprocess. Optionally, the process flow diagram may reflect vertical swim lanes to further designate information such as systems or time intervals.

Table 1: Import Asset Add

40.1.1 – Import Asset Add		
Swim Lanes – Definition	Agency Asset Processor: agency role responsible for creating and maintaining asset records in Florida PALM Agency F&A Processor: agency role responsible for controlling and managing asset records (cost information) in Florida PALM	
Process Step ID	Process Step Title	Description of Process
1	Identify Method of Acquisition	The Agency Asset Processor identifies method of acquisition to determine how asset records are input in Florida PALM.
2	Identify Asset Records to be Created	The Agency Asset Processor identifies large volume of newly acquired assets (not purchased through AP) that need to be inputted in Florida PALM (interface).
3	Voucher Established	Vouchers with asset accounting attributes are routed to the Acquire and Set Up Assets business subprocesses through an integration with the AP module. If a voucher contains all information needed to create an asset, the invoice is staged for the next step in the Acquire and Set Up Assets business subprocesses. Required data includes item description, cost, quantity invoiced, supplier, and distribution/ChartField data.
4	Query to Identify Asset to be Created	The Agency Asset Processor performs a query to identify AP vouchers with limited asset information and determines the appropriate resolution. The Agency Asset Processor runs the Asset Exceptions Report, reviews the information, and determines if an asset record should be created. The Agency Asset Processor must use the manual (online function) to create asset records identified in this step.
5	Create/Update Asset Record	The Agency Asset Processor inputs asset physical & cost information to create a new record, or inputs physical information, and alerts the Agency F&A Processor to update the

Process Step ID	Process Step Title	Description of Process
		<p>cost. The tag number can be added at any point in the creation of the asset record.</p> <p>The Agency Asset Processor uses the Create/Update Asset Record step to complete numerous asset maintenance steps, including: Maintain Asset Status, Maintain Asset Parent/Child Relationship, Update Physical Information, Maintain Cost, Capitalize Asset/Update Useful Life or Change Ownership function to update asset records.</p>
6	Populate Voucher Asset Data	<p>The Agency Asset Processor runs AM Receiver Interface Push to stage new asset records with the asset physical information into the pre-interface asset table. The Agency Asset Processor stages new asset records, with asset cost information, to the interface table. The Agency Asset Processor determines the appropriate type of asset transactions to be loaded based on the voucher and receiving information. The Agency Asset Processor creates interface IDs for the staged asset transaction and uses the interface ID to generate the template for the asset along with the cost/quantity from the voucher information and physical information from purchase order receipt.</p> <p>The Agency Asset Processor reviews the data in the pre-interface table and make corrections as needed, including deletion of 'pass through' transactions (purchase for other agencies). Pending Asset Records Report is used to review activities in this step.</p>
7	Excel Upload/Agency Business System Upload	<p>The Agency Asset Processor uses a predefined spreadsheet to organize and upload information needed to create mass asset records. This step uses the same data edits enforced when entering asset via online entry. The Agency Business System can interface new asset add data by loading into the AM staging tables.</p>
8	Transaction Loader/ Tables Populated	<p>Florida PALM populates the Physical Interface Table and Financial Interface Table. Data on the physical and financial tables is used to automate asset creation.</p>
9	Review Load Data/Correct Information	<p>Data available on the Transaction Loader Tables is reviewed before a new asset is established. The Agency Asset Processor may delete a transaction or update the asset physical and cost information, such as acquired date, category, custodian, and location. The Agency Asset Processor performs Review Pending AP Interface Transaction function to complete this step. The Asset Staging Report and the Asset Pending Report are used to identify corrections needed.</p>
10	Unitize Assets	<p>The Agency Asset Processor unitizes assets that were imported as a single line item in the Voucher Established function.</p>

Process Step ID	Process Step Title	Description of Process
		Unitize means converting a group of assets listed as a single line item on a voucher into individual assets in Florida PALM. This step is used if the assets are identical in cost (homogenous).
11	Update Cost Information	If asset records are created without cost information, the Agency F&A Processor inputs the cost information. Assets are recorded at historical cost. Capitalized cost includes purchase price and certain types of interest and ancillary charges necessary to place the asset into the intended location and condition for use. Ancillary charges include costs that are directly attributable to asset acquisition, such as freight and transportation charges, site preparation costs, and professional fees. Donated or seized capital assets should be reported at estimated fair value at the time of acquisition, plus ancillary charges, if any. The Asset Pending Report is used to identify updates needed.
12	Run Transaction Loader Process	The Agency Asset Processor runs the Transaction Loader Process, which picks up data staged in the loader tables and populates the data in AM tables. Upon successful execution an asset record, with a unique Asset ID, is generated.
13	Asset Established	Florida PALM creates new asset records, each with a unique, system-generated, numeric Asset ID. New Assets Report and Assets Purchased Reports are used to list assets established.
14	Asset Extract	The Agency Asset Processor performs a physical inventory download that produces an electronic extract of assets.

Table 2: Online Asset Add

40.1.2 – Online Asset Add		
Swim Lanes – Definition	Agency Asset Processor: agency role responsible for creating and maintaining asset records in Florida PALM Agency F&A Processor: agency role responsible for controlling and managing Asset records (cost information) in Florida PALM	
Process Step ID	Process Step Title	Description of Process
1	Identify Asset Records to be Created/ Updated	The Agency F&A Processor identifies asset records that require manual entry into Florida PALM. Manual entry is required for assets created or constructed, assets received through donation or seizure, and purchased assets that were not created successfully when entered from the Accounts Payable module. The Agency F&A Processor or the Agency Asset Processor performs Query to Identify Asset to be Created function to complete this step.

Process Step ID	Process Step Title	Description of Process
		The Agency F&A Asset Processor and the Agency Asset Processor use the Pending Asset Records report to identify asset records that need cost information added.
2	Request Asset Information/ Update of Asset	The Agency F&A Processor and the Agency Asset Processor coordinate to collect the relevant asset information and update the records in accordance with applicable policies and procedures.
3	Create/ Update Asset Record	The Agency F&A Processor updates asset record, with cost or other information, as applicable. The tag number can be added at any point in the creation of the asset record.
4	Identify Asset Records to be Created/ Updated	The Agency Asset Processor identifies information on newly acquired assets that requires manual entry in Florida PALM or incomplete records that require update.
5	Request Asset Information/ Update of Asset	The Agency F&A Processor and the Agency Asset Processor coordinate to acquire asset information & update records in accordance with agency policy & procedure.
6	Create/ Update Asset Record	The Agency Asset Processor inputs asset physical & cost information to create a new record or input physical information and alert the Agency F&A Processor to updates cost information into Florida PALM. The Agency Asset Processor performs Maintain Asset Status, Maintain Asset Parent/Child Relationship, Update Physical Information, Maintain Cost, Capitalize Asset/Update Useful Life or Change Ownership function to update asset records. The tag number can be added at any point in the creation of the asset record.
7	Asset Established	Florida PALM creates an asset record, with a unique, system-generated numeric Asset ID. New Assets Report and Assets Purchased Reports are used to list asset record established.
8	Asset Extract	The Agency Asset Processor performs a physical inventory extraction that produces a user-defined electronic extract of assets.

Ledger Impacts

Table 3: Ledger Impacts Included on Business Process Flow Diagrams

Ledger Impact ID	Ledger - Ledger Impact Title	Ledger Impact Description
LI1	Reporting Ledger - Asset Add (Import and Online Asset Add)	Increases Assets Decreases Expense Contra

Reports

Table 4: Reports Included on Business Process Flow Diagrams

Report Number	Report Description	Report Frequency	Audience
R1	Asset Exception Report – identifies asset related vouchers with incomplete information	Periodic, Monthly	Agencies
R2	Pending Asset Records Report – a report of pending asset records	Periodic, Monthly	Agencies
R3	Asset Staging Report – a list of asset records ready to be processed	Periodic, Monthly	Agencies
R4	New Assets Report – a list of asset records created	Periodic, Monthly	Agencies
R5	Assets Purchased Report - a report for assets purchased with grant funding by year	Periodic, Monthly, Annually	Agencies

Terminology

Asset ID – a system assigned unique identifier for each asset record created in Florida PALM.

Asset Profile – a template that contains standard depreciation criteria for an asset type and its corresponding asset books. The information established in an asset profile can be used as default values when adding assets to the system. Profiles associated with indexes enable replacement cost calculations. Profiles are recommended when handling many assets of the same type. Defining default values minimizes data entry, ensures consistency, and enhances accuracy levels.

Custodian – any elected or appointed State officer, board, commission, or authority, and any other person or agency entitled to lawful custody of property owned by the State, pursuant to Section 273.01, F.S.

Voucher – a digital record created within Florida PALM to make a payment to an external entity such as a supplier.