

Requirements for Depreciation Calculations Checklist

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The purpose of this document is to guide you through the required information to calculate depreciation for capitalized items:

- Inventory records
- Transaction records
- Depreciation distribution records
- Book records

This document assumes you are familiar with the basic features of the ASCENDER Business system and have reviewed the ASCENDER Business Overview guide.



Some of the images and/or examples provided in this document are for informational purposes only and may not completely represent your LEA's process.

Before You Begin:

Before you begin depreciation calculations, ensure the following:

❑ Generate and save/print the following reports:

- BAM1100 - Auditor Analysis Report - Verify that no errors exist.
- BAM1150 - Capital Assets/Inventory Listing
- BAM1650 - Property Class Listing

❑ The auditors should have provided the following for your book record:

- Convention (FM/HY)
- Recovery periods for property classes.
- The capital items that are not disposable.

❑ You have disposed of items for the year you are calculating.

❑ You have removed any prior year disposed items.

Calculate Asset Depreciation:

❑ 1. Inventory Records - BAM3000:
The following fields are required for depreciation calculations:

Inventory Type	The inventory type (C for capitalized items - $5000.00 and over).
Number of Units	The number of units in the inventory.
Unit Cost	The cost per unit.
Total Cost	The total cost of the item. This is a calculated field.
Acquired Date	The date (MM-DD-YYYY) the item was acquired.
Disposal Date	The date (MM-DD-YYYY) the item was disposed of.

❑ 2. Transaction Records - BAM3000:

The following fields are required for depreciation calculations:

Trans Type	An O original transaction type must be entered for each item. If corrections are made to the amount entered with an O transaction type, you need to enter a C change transaction type to correct the amount.
Amount	Type the amount of the current transaction. This amount can be positive or negative. Changes to the **Amount** field will cause a new transaction to be written with the new amount. If an incorrect amount was originally entered, a reverse transaction should be created for the same amount but with the opposite sign.

❑ 3. Depreciation Distribution Records - BAM3000

The following fields are required for depreciation calculations:

Year	Type the year for the records to be added or viewed in the YYYY format. This year must be the same year in the Asset Management Options table, and it also must be included in the Fiscal Year table.
Description	This field displays the item selected in the grid at the top of the page. The system populates the grid on the tab with the account code and percentage of each distribution for the item depreciation.
Account Code	There are two ways to select accounts that share the depreciation amount. Account number breakdown is a usage breakdown. Use as many lines as necessary, one line for each function. If a partial account code is entered, the system fills the blank spaces with XXX. This account code is edited against the general ledger file for validity. <div indent>To add a row, click **+Add**. Click **Chart of Accounts**. A chart of accounts box displays a listing of all account codes and their descriptions. Use the scroll bar on the right side of the box to scroll through the listed accounts and select the first account code. You can delete individual depreciation distribution records by selecting a distribution record. Click . The selected distribution is removed from the record. You can delete all depreciation distribution records for an item for a year by selecting all the distribution records. Click .
Percent	Type the percentage of usage to be distributed to each account code. The percentages entered must total to 100 percent.

❑ 4. Book Records - BAM3000:

The following fields are required for depreciation calculations:

Property Class	Select the property class description from the drop-down list.
Deprec Method	Select a valid depreciation method code from the drop-down list.
Convention	Enter a valid convention. There are two conventions available, Full Month (FM) and Half Year (HY). This field is required for depreciation calculations.
Recovery Period	Enter the number of years required to fully depreciate items in the property class.
Date In Service	Type the date that the record was entered into service in the MM-DD-YYYY format. If entering a new record, this field is populated from the **Acquired Date** field of the Inventory Records tab, or you can override this with a different date.