Reclamation Manual
Directives and Standards

TEMPORARY RELEASE
(Expires 07/07/2017)

Transfer Transactions

1. **Assets under Construction (AUC) to Construction in Abeyance (CIA) (Temporary Suspension).**

   A. If the general ledger (GL) 1720.CIP is a debit balance, process the SA entry with a RA work breakdown structure (WBS) posting a debit to GL 1720.CIA00 and a credit to GL 6100.9CIA00 (unfunded expense configuration) citing the RA WBS housing the GL 1720.CIP00 with the same fund and cost center. Leave trading partner (TP) and commitment item (CI) fields blank.

   B. The RA WBS settlement occurs nightly and will result in a posting of a credit to GL 1720.CIP00 and a debit to GL 6610.00000.

2. **CIA to AUC (Return to Construction).** Enter a journal voucher (JV) (SA document type) to reduce the balance of GL 1720.CIA00.

   A. If the GL 1720.CIA00 is a debit balance, process the SA entry with a RA WBS posting a debit to GL 6100.9CIA00 (unfunded expense configuration) and a credit to GL 1720.CIA00 citing the RA WBS housing the GL 1720.CIA00 with the same fund and cost center. Leave TP and CI fields blank.

   B. The RA WBS settlement occurs nightly and will result in a posting of a debit to GL 1720.CIP00 and a credit to GL 6610.00000.

3. **CIA to Plant (Return to Service).** Depreciation occurs/resumes at the end of the month on the asset record. Be sure to use the correct asset class.

   A. Enter a JV (SA document type) to reduce the balance of the GL 1720.CIA00. If the GL 1720.CIA00 is a debit balance, process the SA entry with a RA WBS posting a debit to GL 6100.9CIA00 (unfunded expense configuration) and a credit to GL1720.CIA00 citing the RA WBS housing the GL 1720.CIA00 with the same fund and cost center. Leave TP and CI fields blank.

   B. The RA WBS settlement occurs nightly and will result in a posting of a debit to GL 1720.CIP00 and a credit to GL 6610.00000.

   C. Perform the AUC to Plant process steps recording the completed Plant asset costs in a RX WBS. See Reclamation Manual Directives and Standards, *Assets Under Construction (AUC)* (FIN TRMR-93) for additional information on how to process the transfer.

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4. **CIA to Expense (Permanent Suspension of Non-physical Assets).** Before recording a loss, the CIA balance has to reside on a Plant GL account and asset record. Be sure to use the correct asset class.

   A. Enter a JV (SA document type) to reduce the balance of the GL 1720.CIA00. If GL 1720.CIA00 is a debit balance, process the SA entry with a RA WBS posting a debit to GL 6100.9CIA00 (unfunded expense configuration) and a credit to GL 1720.CIA00 citing the RA WBS housing the GL 1720.CIA00 with the same fund and cost center. <u>Leave TP and CI fields blank.</u>

   B. The RA WBS settlement occurs nightly and will result in a posting of a debit amount to GL 1720.CIP00 and a credit amount to GL 6610.00000.

   C. Perform the AUC to Plant process steps recording the completed Plant asset costs in a RX WBS. See FIN TRMR-93 for additional information on how to process the transfer.

   D. Enter a ZASSETRETIRE transaction with disposal code 990 – Other. The transaction is configured to record a loss GL account offset of GL 7210.C0000.

   E. Make sure the transfer to Plant and the ZASSETRETIRE occur on the same day to avoid any depreciation calculation assessed on the asset record <u>nightly</u> in preparation of month end depreciation processing.

   F. Prepare a JV (SA document type) entry with a RA WBS posting to record the costs on memo accounts GL 9125.00000 and GL 9126.00000.

5. **CIA to Expense (Misclassified as CIA).** Sufficient budget must be available to move these CIA costs via a funded expense. The regional budget office will work with the regional finance office to determine the need for and to request temporary budget authority to allow these transactions. It is preferable to process these transactions at a time that the Financial Business Management System (FBMS) access is limited to the people necessary to post them (i.e. after normal business hours).

   A. If GL 1720.CIA00 is a debit, process the SA entry with a RA WBS posting a debit to GL 6100.9CIA00 (unfunded expense configuration) and a credit to GL 1720.CIA00 citing the RA WBS housing the GL 1720.CIA00 with the same fund and cost center. <u>Leave TP and CI fields blank</u>.

   B. The GL 6100.9CIA00 will result in a debit to GL 1720.CIP00 and a credit to GL 6610.00000 posting after the nightly settlement processing.

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C. Before performing step D, work with the regional budget office and Program and Budget (P&B) to process a FMBB entry if budget is required to move funded expenses off the RA WBS to an RX WBS. If the movement is within the same budget address (fund, functional area, and four-digit fund center), an FMBB is not necessary. If the movement is across budget addresses, check for sufficient budget to absorb the expenses. P&B will apprise the regional budget office of the necessary budget entry (for example take A budget and give to B budget temporarily) to assure no overstatement of budget-realized balances (GL 4610.xxxxx).

D. The next step is to move the balance on GL 1720.CIP00 to an expense account. Process a JV (document type VA) to move the funded expenses (which must be a GL 6100.BOC00 and/or GL 6400.BOC00) off the RA WBS to the appropriate RX WBS. This document requires the debit/credit entry of the 10-digit expense GL account. The preferred method is to include every budget object code (BOC) with the original costs. If this is not feasible or the region determines they do not require this level of historical information, the region may combine the costs into one or several BOCs such as one GL for payroll, one GL for contractual services, etc. If the funded expense on the RA WBS is a debit, enter a credit expense on the VA with the RA accounting string (WBS, functional area, fund, and fund center) with a debit expense on the RX accounting string. FBMS will derive the cash account. (Do not enter cash on the VA doc type.) Leave TP field blank. The CI field will automatically populate based on the GL 6100.BOC00 or GL 6400.BOC00 entered. The AUC settlement nightly process will result in a debit posting to GL 6610.00000 and a credit to GL 1720.CIP00 in the RA WBS. The settlement and step (d) remove the balance in GL 1720.CIP00 and record the expense in the RX WBS.

E. Once the JV is completed, reverse the FMBB entry. This may require notification to the regional budget office and the P&B office.

6. **CIA to GL 1995, General Property, Plant, and Equipment Removed but Not Yet Disposed (Permanent Suspension of Physical Assets).** Transfer costs not associated with the physical asset in accordance with Paragraph 5. Transfer the cost of physical assets to GL 1995.00000 at its net realizable value until disposal according to the below steps. Use the AR module for billing and collections of proceeds, if any, related to the disposal. The Bureau of Reclamation must have authority to retain proceeds from a sale related to these assets otherwise; Reclamation must record the proceeds in the miscellaneous receipt account. When Reclamation has the authority to retain the proceeds for these assets, contact the Reporting and Accounting Team for appropriate budget postings.

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A. **Transfer Entire Balance from CIA to AUC.**

   (1)   If GL 1720.CIA00 is a debit, process the SA entry with a RA WBS posting a debit to GL 6100.9CIA00 (unfunded expense configuration) and a credit to GL 1720.CIA00 citing the RA WBS housing the GL 1720.CIA00 with the same fund and cost center. <u>Leave TP and CI fields blank</u>.

   (2)   The GL 6100.9CIA00 will result in a debit to GL 1720.CIP00 and a credit to GL 6610.00000 posting after the nightly settlement processing.

B. **Record a Loss for the Difference between Net Book Value and Net Realizable Value.**

   (1)   Perform the AUC to Plant process steps recording the amount of the loss in a RX WBS. See FIN TRMR-93 for additional information on how to process the transfer.

   (2)   Enter a ZASSETRETIRE transaction with disposal code 990 – Other. The transaction is configured to record a loss GL account offset of GL 7210.C0000.

   (3)   Make sure the transfer to Plant and the ZASSETRETIRE occur on the same day to avoid any depreciation calculation assessed on the asset record <u>nightly</u> in preparation of month end depreciation processing.

   (4)   Prepare a JV (SA document type) entry with a RA WBS posting to record the costs on memo accounts GL 9125.00000 and GL 9126.00000.

C. **Transfer Net Realizable Value of the Asset to GL 1995.**

   (1)   Before performing step (2) below, work with the regional budget office and P&B to process a FMBB entry if budget is required to move funded expenses off the RA WBS to an RX WBS. If the movement is within the same budget address (Fund, Functional Area, and four-digit Fund Center), an FMBB is not necessary. If the movement is across budget addresses, check for sufficient budget to absorb the expenses. P&B will apprise the regional budget office of the necessary budget entry (for example take A budget and give to B budget temporarily) to assure no overstatement of budget-realized balances (GL 4610.xxxxx).

   (2)   The next step is to move the balance on GL 1720.CIP00 to an expense account. Process a JV (document type VA) to move the funded expenses (which must be a GL 6100.BOC00 and/or GL 6400.BOC00) off the RA WBS to the appropriate RX WBS. This document requires the debit/credit entry of the 10-digit expense

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GL account. The preferred method is to include every BOC with the original costs. If this is not feasible or the region determines they do not require this level of historical information, the region may combine the costs into one or several BOCs such as one GL for payroll, one GL for contractual services, etc. If the funded expense on the RA WBS is a debit, enter a credit expense on the VA with the RA accounting string (WBS, functional area, fund, and fund center) with a debit expense on the RX accounting string. FBMS will derive the cash account. (Do not enter cash on the VA doc type.) <u>Leave TP field blank. The CI field will automatically populate based on the GL 6100.BOC00 or GL 6400.BOC00 entered.</u>

(3) The AUC settlement nightly process will result in a debit posting to GL 6610.00000 and a credit to GL 1720.CIP00 in the RA WBS. The RX WBS now reflects the funded expenses the region must record on GL 1995.0000.

(4) Citing the RX WBS, fund, and cost center, enter a JV SA entry posting a debit to GL 1995.00000 and a credit to GL 6610.00000. <u>Leave TP and CI fields blank.</u>

(5) The asset remains in GL 1995.00000 until disposal. Possible scenarios for disposal follow:

   (a) **Disposal with Proceeds.** The disposal of the asset may involve proceeds from selling, recycling, scrapping, etc. Perform the following entries if the disposal involves proceeds.

   (i) Process a JV with a SB document type debiting GL 7210.C0000 and crediting 1995.00000. This entry removes the asset from the books and records a loss for the remaining book value of the asset.

   (ii) Record a JV with a SA document type to memo accounts 9125.00000 and 9126.00000.

   (iii) Issue a bill to the customer for the amount of the proceeds using FB01 or FB05. This entry debits accounts receivable (GL 1310.A0000) for the full amount of the proceeds and credits the contra loss (GL 7210.Y0000) the lesser of the proceeds of the disposal or the book value of the asset. If the disposal resulted in a gain, GL 7110.Y0000 is credited the difference between the proceeds of the sale and the book value of the asset.

   (b) **Disposal without Proceeds.** The disposal of the asset may not involve proceeds such as donating, demolishing, abandoning, etc. Process a JV with

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a SB document type debiting GL 7210.C0000 and crediting GL 1995.00000. This entry removes the asset from the books and records a loss for the remaining book value of the asset.

(c) **Transfer to another Federal Agency.** Process a JV with a SB document type debiting GL 5730.C0000 and crediting GL 1995.00000.