

UPDATING LEASE INFORMATION ON LEASED ASSETS

To fully utilize the delivered GASB 87 functionality in PeopleSoft, users need to update lease information within PeopleSoft for all capital leases as well as any operating leases the institution was already tracking in the Asset Management module.

Below are step by step instructions on how to update lease information on leased assets that are already in the Asset Management module:

Step	Action
1.	Navigate to the NavBar icon.
2.	Navigate to the Navigator icon.
3.	Select the Asset Management link.
4.	Select the Asset Transactions link.
5.	Select the Owned Assets link.
6.	Select the Basic Add link. The system navigates to the Asset Basic Information page.
7.	Enter or search for the leased asset to update. The system navigates to the Asset Basic Information page and defaults to the General Information tab.
8.	Navigate to the Acquisition Code field and select "Leased" from the dropdown options as seen below. Setting the acquisition code to "Leased" allows users to access the Leased Asset pages and enter the required lease information.

General Information | Operation/Maintenance | Asset Acquisition Detail | Location/Comments/Attributes | Manufacture/License/Custodian >

Unit 98000 Asset ID 000000400360 2500 DANIELS BRIDGE ROAD-OITT Tag In Service

Asset Information

Description: 2500 DANIELS BRIDGE ROAD-OITT Short Desc: 2500 DANIE

CAP #: Seq #:

Taggable Asset Tag Number:

Asset Class:

Asset Type: Facility

Asset Subtype:

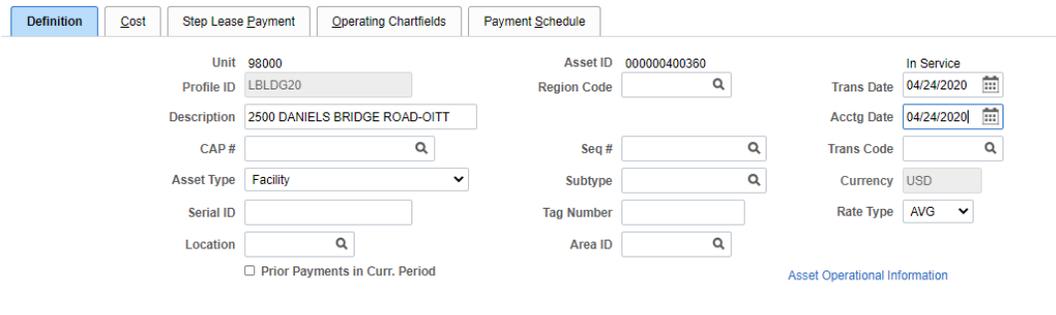
*Asset Status: In Service

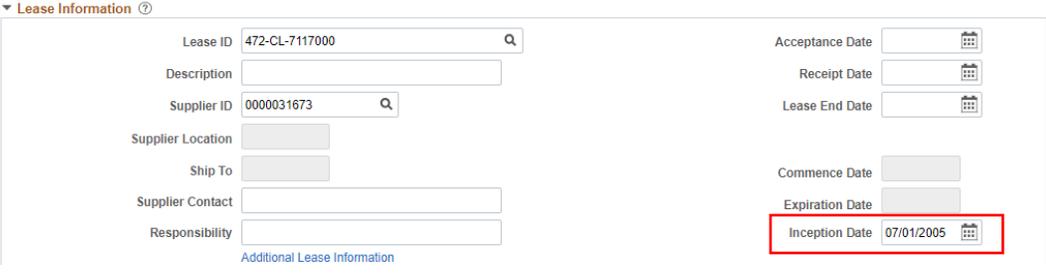
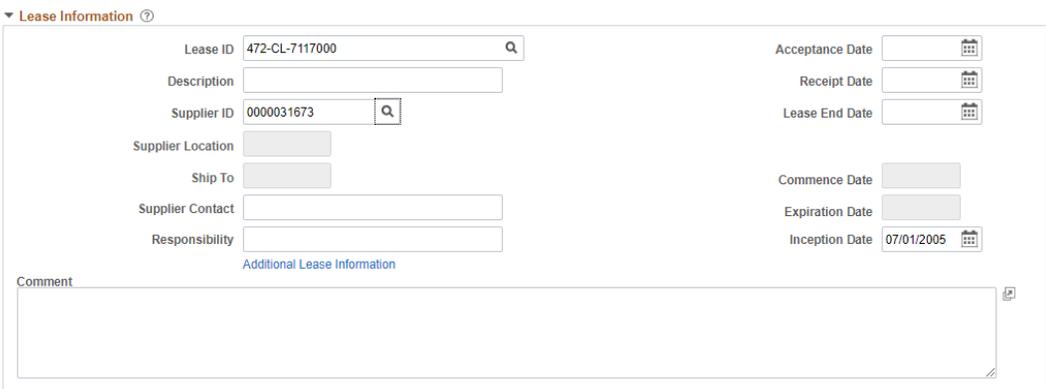
Acquisition Date: 10/01/2004 Placement Date: 10/01/2004

Collateral Asset:

*Acquisition Code: Leased

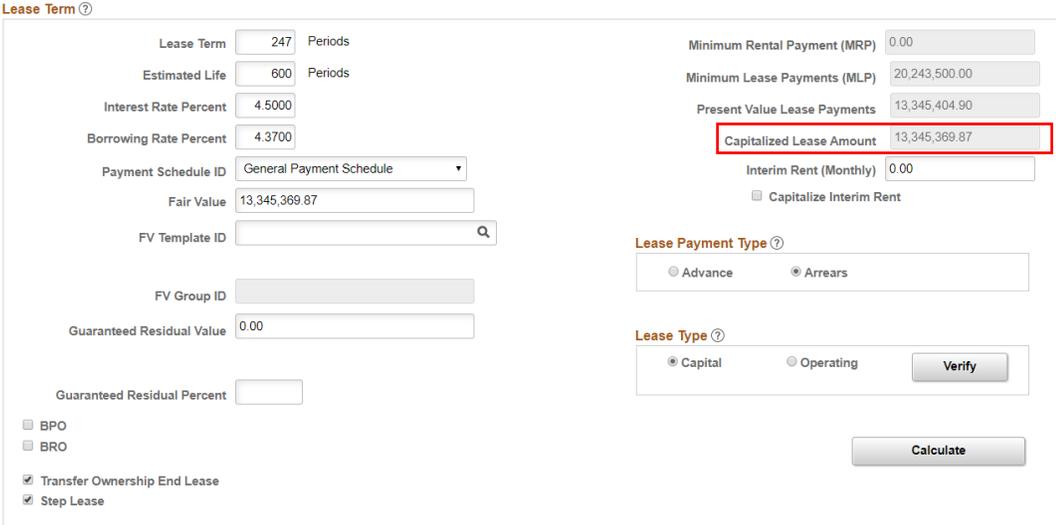
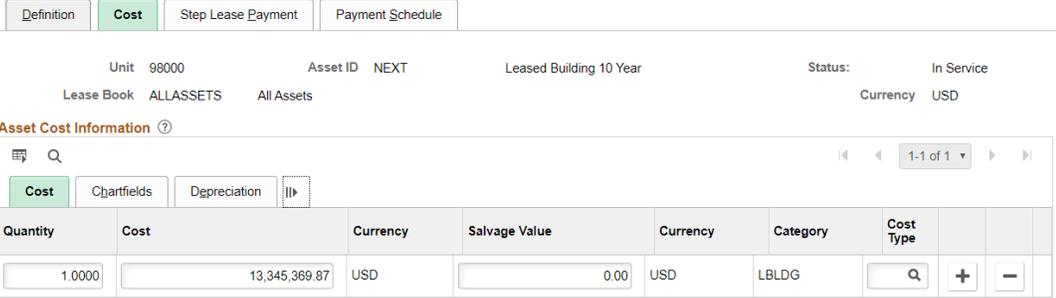
Capitalized Asset
 New Asset
 Available For Use
 In Physical Use

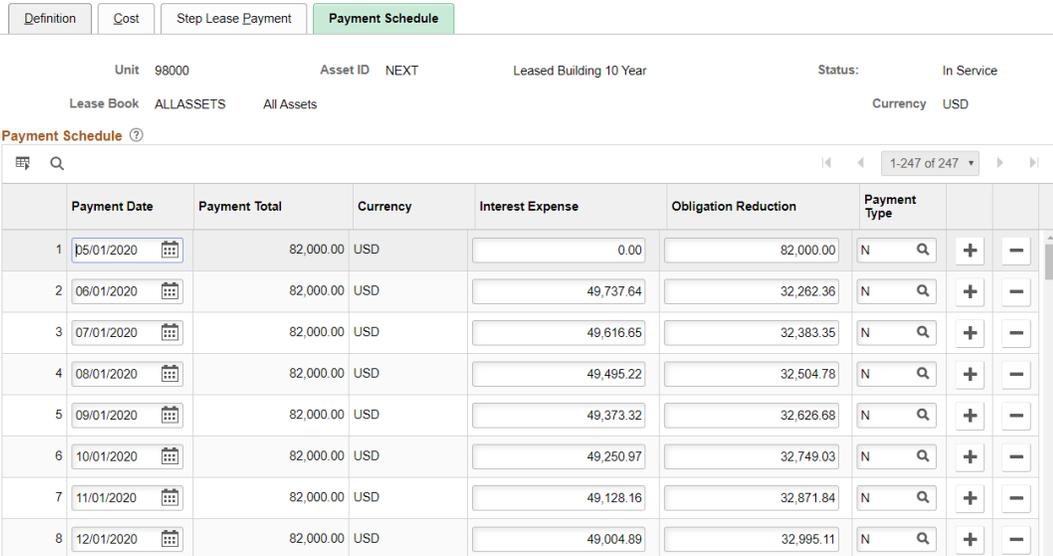
Step	Action
9.	Once the leased asset is updated to an acquisition code of Leased, navigate to the NavBar icon.
10.	Click the Navigator icon.
11.	Select the Asset Management link.
12.	Select the Asset Transactions link.
13.	Select the Leased Assets link.
14.	Select the Update Lease Information link. The system navigates to the Asset Leases search page.
15.	Enter or search for the leased asset to update. The system navigates to the Asset Leases page and defaults to the Definition tab. 
16.	Verify the Profile ID , Asset Type , and Description are populated.
17.	Enter the Location , Serial ID and Tag Number if not already populated.
18.	Verify the Trans Date and Accounting Date are the current date. <i>Note: A prior job aid version instructed users to set the Trans Date to the original Trans Date of the asset. ITS determined that it is better practice to set the Trans Date to a current date. However, it is not necessary to re-enter any lease information that already exists in the system.</i>
19.	Select the expand triangle next to the Lease Information section.
20.	Enter the Inception Date , which should be equal to the lease date and the original Trans Date for the asset.

Step	Action
	
21.	<p>Enter a unique Lease ID in the Lease ID field. Use the same naming convention in the spreadsheet completed for the system office last year.</p> <p>Lease Number should include:</p> <ul style="list-style-type: none"> • Three Digit Entity Code • Current Lease Type (CL for capital lease other than PPV, OL for operating lease or other, PPV) • PeopleSoft Project or Other Identifier as determined by institution <p>Example: 472-PPV-191919</p>
22.	Enter a Description .
23.	Enter the Supplier ID if the supplier exists in PeopleSoft.
24.	If there is interim rent between the acceptance date and the start date of the lease, enter an Acceptance Date.
25.	<p>Enter comments in the Comments textbox, if needed.</p> 
26.	Navigate to the Lease Term section.

Step	Action																												
27.	<p>Enter Lease Term, Estimated Life, Interest Rate Percent of Lessor (if known), Borrowing Rate Percent, Payment Schedule ID, and Fair Value.</p> <p><i>Note: If users do not see a Payment Schedule that fits the true payment schedule of the lease, please submit a ticket to the ITS Helpdesk to add the missing payment schedule.</i></p> <div data-bbox="331 541 1377 1056" style="border: 1px solid #ccc; padding: 10px;"> <p>Lease Term ⓘ</p> <table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Lease Term <input type="text" value="36"/> Periods</td> <td style="width: 50%;">Minimum Rental Payment (MRP) <input type="text" value="243.08"/></td> </tr> <tr> <td>Estimated Life <input type="text" value="60"/> Periods</td> <td>Minimum Lease Payments (MLP) <input type="text" value="8,750.88"/></td> </tr> <tr> <td>Interest Rate Percent <input type="text" value="4.3000"/></td> <td>Present Value Lease Payments <input type="text" value="8,578.48"/></td> </tr> <tr> <td>Borrowing Rate Percent <input type="text" value="1.3700"/></td> <td>Capitalized Lease Amount <input type="text" value="8,578.48"/></td> </tr> <tr> <td>Payment Schedule ID <input type="text" value="Monthly - 10th of the month"/> ▾</td> <td>Interim Rent (Monthly) <input type="text" value="0.00"/></td> </tr> <tr> <td>Fair Value <input type="text" value="10,000.00"/></td> <td><input type="checkbox"/> Capitalize Interim Rent</td> </tr> <tr> <td>FV Template ID <input type="text" value=""/> 🔍</td> <td></td> </tr> <tr> <td>FV Group ID <input type="text" value=""/></td> <td>Lease Payment Type ⓘ</td> </tr> <tr> <td>Guaranteed Residual Value <input type="text" value="0.00"/></td> <td><input checked="" type="radio"/> Advance <input type="radio"/> Arrears</td> </tr> <tr> <td>Guaranteed Residual Percent <input type="text" value=""/></td> <td>Lease Type ⓘ</td> </tr> <tr> <td><input type="checkbox"/> BPO</td> <td><input checked="" type="radio"/> Capital <input type="radio"/> Operating</td> </tr> <tr> <td><input type="checkbox"/> BRO</td> <td></td> </tr> <tr> <td><input checked="" type="checkbox"/> Transfer Ownership End Lease</td> <td style="text-align: right;"><input type="button" value="Calculate"/></td> </tr> <tr> <td><input type="checkbox"/> Step Lease</td> <td></td> </tr> </table> </div>	Lease Term <input type="text" value="36"/> Periods	Minimum Rental Payment (MRP) <input type="text" value="243.08"/>	Estimated Life <input type="text" value="60"/> Periods	Minimum Lease Payments (MLP) <input type="text" value="8,750.88"/>	Interest Rate Percent <input type="text" value="4.3000"/>	Present Value Lease Payments <input type="text" value="8,578.48"/>	Borrowing Rate Percent <input type="text" value="1.3700"/>	Capitalized Lease Amount <input type="text" value="8,578.48"/>	Payment Schedule ID <input type="text" value="Monthly - 10th of the month"/> ▾	Interim Rent (Monthly) <input type="text" value="0.00"/>	Fair Value <input type="text" value="10,000.00"/>	<input type="checkbox"/> Capitalize Interim Rent	FV Template ID <input type="text" value=""/> 🔍		FV Group ID <input type="text" value=""/>	Lease Payment Type ⓘ	Guaranteed Residual Value <input type="text" value="0.00"/>	<input checked="" type="radio"/> Advance <input type="radio"/> Arrears	Guaranteed Residual Percent <input type="text" value=""/>	Lease Type ⓘ	<input type="checkbox"/> BPO	<input checked="" type="radio"/> Capital <input type="radio"/> Operating	<input type="checkbox"/> BRO		<input checked="" type="checkbox"/> Transfer Ownership End Lease	<input type="button" value="Calculate"/>	<input type="checkbox"/> Step Lease	
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28.	<p>Select applicable options for the lease:</p> <ul style="list-style-type: none"> • Bargain Purchase Option (BPO) • Bargain Renewal Option (BRO) • Transfer Ownership End Lease 																												

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29.	<p>Determine if the lease is a step lease and follow one of the options below:</p> <ul style="list-style-type: none"> Option 1: Is Not a Step Lease. Enter Minimum Rental Payment (MRP). Option 2: Is a Step Lease. For leases where the payment amount changes, select the Step Lease box and fill out the Step Lease Payment tab indicating the term, frequency, and amount for each varying payment amount. This information needs to be sequential in the order that the payments are effective. For example, the lease shown below has 12 monthly payments of \$200.00, followed by 6 monthly payments of \$250.00, and then 6 monthly payments of \$300.00. <div data-bbox="332 787 1385 1045" style="border: 1px solid #ccc; padding: 5px;"> <p>Step Lease ⓘ</p> <p>🔍 1-3 of 3 View All</p> <table border="1"> <thead> <tr> <th>Line Number</th> <th>Lease Term</th> <th>Payment Frequency</th> <th>Payment Amount</th> <th>Currency</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>1</td> <td>12</td> <td>Monthly</td> <td>200.00</td> <td>USD</td> <td>+</td> <td>-</td> </tr> <tr> <td>2</td> <td>6</td> <td>Monthly</td> <td>250.00</td> <td>USD</td> <td>+</td> <td>-</td> </tr> <tr> <td>3</td> <td>6</td> <td>Monthly</td> <td>300.00</td> <td>USD</td> <td>+</td> <td>-</td> </tr> </tbody> </table> </div>	Line Number	Lease Term	Payment Frequency	Payment Amount	Currency			1	12	Monthly	200.00	USD	+	-	2	6	Monthly	250.00	USD	+	-	3	6	Monthly	300.00	USD	+	-
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30.	Under Lease Payment Type , select Advance or Arrears depending on the payment type.																												
31.	Click the Calculate button.																												

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32.	<p>For Capital leases, users must confirm the Capitalized Lease Amount field reflects the cost currently recorded in Asset Management. This action is critical because if the system calculates a different amount in the Capitalized Lease Amount field than what is recorded in Asset Management, then the system initiates a cost adjustment for that asset.</p>  <p>Lease Term ⓘ</p> <p>Lease Term: 247 Periods Estimated Life: 600 Periods Interest Rate Percent: 4.5000 Borrowing Rate Percent: 4.3700 Payment Schedule ID: General Payment Schedule Fair Value: 13,345,369.87 FV Template ID: [Search] FV Group ID: [Field] Guaranteed Residual Value: 0.00 Guaranteed Residual Percent: [Field]</p> <p><input type="checkbox"/> BPO <input type="checkbox"/> BRO <input checked="" type="checkbox"/> Transfer Ownership End Lease <input checked="" type="checkbox"/> Step Lease</p> <p>Minimum Rental Payment (MRP): 0.00 Minimum Lease Payments (MLP): 20,243,500.00 Present Value Lease Payments: 13,345,404.90 Capitalized Lease Amount: 13,345,369.87 Interim Rent (Monthly): 0.00 <input type="checkbox"/> Capitalize Interim Rent</p> <p>Lease Payment Type ⓘ <input type="radio"/> Advance <input checked="" type="radio"/> Arrears</p> <p>Lease Type ⓘ <input checked="" type="radio"/> Capital <input type="radio"/> Operating <input type="button" value="Verify"/></p> <p><input type="button" value="Calculate"/></p>														
33.	Click the Cost tab.														
34.	<p>Verify cost populated in the Cost field.</p>  <p>Definition Cost Step Lease Payment Payment Schedule</p> <p>Unit: 99000 Asset ID: NEXT Leased Building 10 Year Status: In Service Lease Book: ALLASSETS All Assets Currency: USD</p> <p>Asset Cost Information ⓘ</p> <p>Cost Chartfields Depreciation</p> <table border="1"> <thead> <tr> <th>Quantity</th> <th>Cost</th> <th>Currency</th> <th>Salvage Value</th> <th>Currency</th> <th>Category</th> <th>Cost Type</th> </tr> </thead> <tbody> <tr> <td>1.0000</td> <td>13,345,369.87</td> <td>USD</td> <td>0.00</td> <td>USD</td> <td>LBLDG</td> <td>[Search] [+] [-]</td> </tr> </tbody> </table>	Quantity	Cost	Currency	Salvage Value	Currency	Category	Cost Type	1.0000	13,345,369.87	USD	0.00	USD	LBLDG	[Search] [+] [-]
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35.	<p>Navigate to the Payment Schedule tab and verify the Payment Schedule tab displays the correct payment schedule including the correct dates and Interest Expense and Obligation Reduction split. If it does not, navigate back to the Definition tab, double check your entered information and click the Calculate button.</p>  <table border="1" data-bbox="332 703 1385 1081"> <thead> <tr> <th>Payment Date</th> <th>Payment Total</th> <th>Currency</th> <th>Interest Expense</th> <th>Obligation Reduction</th> <th>Payment Type</th> </tr> </thead> <tbody> <tr> <td>05/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>0.00</td> <td>82,000.00</td> <td>N</td> </tr> <tr> <td>06/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>49,737.64</td> <td>32,262.36</td> <td>N</td> </tr> <tr> <td>07/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>49,616.65</td> <td>32,383.35</td> <td>N</td> </tr> <tr> <td>08/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>49,495.22</td> <td>32,504.78</td> <td>N</td> </tr> <tr> <td>09/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>49,373.32</td> <td>32,626.68</td> <td>N</td> </tr> <tr> <td>10/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>49,250.97</td> <td>32,749.03</td> <td>N</td> </tr> <tr> <td>11/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>49,128.16</td> <td>32,871.84</td> <td>N</td> </tr> <tr> <td>12/01/2020</td> <td>82,000.00</td> <td>USD</td> <td>49,004.89</td> <td>32,995.11</td> <td>N</td> </tr> </tbody> </table>	Payment Date	Payment Total	Currency	Interest Expense	Obligation Reduction	Payment Type	05/01/2020	82,000.00	USD	0.00	82,000.00	N	06/01/2020	82,000.00	USD	49,737.64	32,262.36	N	07/01/2020	82,000.00	USD	49,616.65	32,383.35	N	08/01/2020	82,000.00	USD	49,495.22	32,504.78	N	09/01/2020	82,000.00	USD	49,373.32	32,626.68	N	10/01/2020	82,000.00	USD	49,250.97	32,749.03	N	11/01/2020	82,000.00	USD	49,128.16	32,871.84	N	12/01/2020	82,000.00	USD	49,004.89	32,995.11	N
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36.	<p>Once you have confirmed that the Capitalized Cost and the Payment Schedule are correct, navigate back to the Definition tab and click Save.</p>																																																						