

## QUICK REFERENCE GUIDE

November 1, 2019

### Retire an Asset (Disposal)

This guide covers retiring a Financial Asset (Asset with Cost History) and retiring a Non-Financial Asset (Asset with no Cost History).

You will use the *Retire/Reinstate Asset* pages to dispose of an asset. SWIFT will default the asset Quantity and Cost (in negative amounts). You will need to enter the Proceeds and Removal costs, if applicable. Partial retirements can also be done.

- Different pages are used to retire assets with cost history and assets without cost history. Both options are included in this guide.

**Follow the steps outlined in the appropriate option:**

- Option 1: Retire a Financial Asset (Asset with Cost History)
- Option 2: Retire a Non-Financial Asset (Asset with no Cost History)

### Option 1: Retire a Financial Asset (Asset with Cost History)

Begin by navigating to the *Retire/Reinstate Asset* page. Instructions to navigate directly to the page is provided below. You can also use the Search for an Asset page with the “Assets Retirement” component to retire financial assets. Refer to the [“Use the Search for an Asset Page”](#) guide for detailed instructions.

Navigate to the *Retire/Reinstate Asset* page using one of the options below.

Navigation Options	Navigation Path
<b>Navigation Collection</b>	Accounting, Asset Management, Asset Life Cycle, left-menu, Dispose Assets, Retire/Reinstate Asset.
<b>WorkCenter</b>	Accounting, Asset Management, Asset Management WorkCenter, left-menu, Links section, Manage Assets, Retire/Reinstate Asset.

1. At the *Asset Retirements* page, enter search criteria to locate the asset you want to retire. Commonly used options are described below.

Field	Field Description
<b>Business Unit</b>	Accept the default <i>Business Unit</i> or click on the <b>Lookup</b> and select a different <i>Business Unit</i> .
<b>Asset Identification</b>	Enter an <i>Asset ID</i> to limit your search. The percent sign (%) can be used to replace one or more characters.
<b>Tag Number</b>	Optionally, enter a <i>Tag Number</i> if your agency uses asset tags.

Field	Field Description
Description	Enter information contained in the description of the asset you want to work with. The percent sign (%) can be used to replace one or many characters.

### Asset Retirements

Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value

**▼ Search Criteria**

Business Unit =

Asset Identification begins with

Tag Number begins with

Parent ID begins with

Description begins with

Asset Status =

Case Sensitive

[Basic Search](#)

2. Click on the **Search** button.
3. If more than one asset displays in the **Search Results** section, click on the asset you want to retire. The *Retire/Reinstate Asset* page displays. The only field available for editing at this time is the *Retire As* field.

- On the **Retire Assets** tab, click on the *Retire As* drop-down listing and select the appropriate Disposal Code. A list of codes, along with the availability of Removal Costs and Proceeds is provided below.

**Note:** Agencies should determine how they want to use these codes in accordance with State and Agency Policies. This will ensure consistent usage of codes.

Disposal Code	Code	Usage	Removal Costs	Proceeds
<b>Abandonment</b>	A	<b>Asset has no resale value and no removal cost or Proceeds</b>	<b>Yes</b>	<b>No</b>
<b>Auto-Retire Fully Depr Assets</b>	V	<b>Asset fully Depreciated</b>	<b>Yes</b>	<b>Yes</b>
<b>Cannibalized for Other Assets</b>	C	<b>Asset needs to be partially retired, Retire Amount no longer in use</b>	<b>Yes</b>	<b>Yes</b>
<b>Casualty Loss</b>	Y	<b>Asset unintentionally destroyed</b>	<b>Yes</b>	<b>Yes</b>
<b>Disappeared Assets</b>	D	<b>Asset cannot be located, status unclear</b>	<b>No</b>	<b>No</b>
<b>Disposal Due to Theft</b>	F	Asset has been Stolen	<b>No</b>	<b>No</b>
<b>Donated to External Group</b>	N	Asset has been Donated	<b>Yes</b>	<b>Yes</b>

Disposal Code	Code	Usage	Removal Costs	Proceeds
Expensed	E	Asset should never have been setup in Asset Management	Yes	Yes
Like Kind Exchange	L	Like - Kind Exchange under Federal Tax Code	Yes	No
Missing Asset	M	Asset is Missing	Yes	Yes
Retirement by Sale	S	Retirement by Sale – can enter Customer info if customer is setup	Yes	Yes
Returned to Vendor	2	Asset returned to Vendor	Yes	Yes
Returned to Inventory	I	Asset returned to Inventory	Yes	Yes
Scrapped Assets	R	Asset no longer useful	Yes	Yes
Traded In for another Asset	T	Trading one Asset for another	Yes	Yes

**Note:** The Gain/Loss calculation is similar for all of these codes except “Traded in for another Asset”. It is calculated as follows:

$$(Cost - Accumulated Depreciation) = Net Book Value (NBV)$$

$$Gain/Loss = NBV + Proceeds - Removal Costs$$

The “Traded in for another Asset” code treats the Proceeds Amount value as a Debit to the Asset account instead of a Debit to the Gain/Loss account.

- Click the **GO** button to continue. The fields related to this code are now available for editing.
- Complete the **Retire Assets** tab header information described below.

Field	Field Description
<b>*Trans Date</b>	The <i>Transaction Date</i> is the date the asset is retired and will be used in the final depreciation calculations. Accept the default current date or enter a different date.
<b>*Acctg Date</b>	The <i>Accounting Date</i> is the date for the General Ledger asset retirement entry. (The date must be in an open Accounting Period.) Accept the default current date or enter a different date.
<b>Rate Type</b>	Accept the default “CRRNT”. State of Minnesota does not use.
<b>In Physical Use</b>	Accept the default from the Asset record.

The screenshot shows the 'Retire Assets' interface. At the top, there are tabs for 'Retire Assets', 'Other Options', and 'By Chartfield'. Below the tabs, there are fields for 'Unit' (G1001), 'Asset ID' (00000001217), 'Scanner/Printer', 'Tag', 'In Service', 'Trans Date' (11/30/2018), 'Acctg Date' (11/30/2018), 'Rate Type' (CRRNT), and 'In Physical Use'. The 'Book' section shows 'Book Name' (MINN - Minnesota State Book), 'Base Currency' (USD), 'As Of' (11/30/2018), 'Retire As' (Retirement by Sale), 'Go', 'Reinstate', 'Quantity' (1.0000), and 'Cost' (3,236.25). The 'Retirement' section shows 'Date/Time' (11/30/18 10:55:26AM), 'Ret Status' (New), '\*Disposal Code' (Retirement by Sale), 'Quantity' (-1.0000), 'Removal Cost' (0.00), 'Proceeds' (0.00), 'Convention' (Actual Month), 'Trans Code', 'Retire Option' (Calculate Gain/Loss), 'RC Curr' (USD), 'Pr Curr' (USD), 'Retirement Amt' (-3,236.25 USD), 'Base Removal Cost' (0.00), 'Base Proceeds' (0.00), 'Accum Depr' (0.00), and 'Gain/Loss' (0.00).

7. Complete the **Retirement** section as described below.

**Note Regarding Partial Retirements:** You can use the retirement amount (Cost) or quantity to partially dispose of an asset.

- If you enter retirement amount, SWIFT will adjust the quantity by the same percentage as the cost and vice versa.
- If you enter both the amount and the quantity, SWIFT calculates the quantity using the amount you entered. SWIFT will not use the quantity you entered.

Field	Field Description
Quantity	The quantity of the asset being retired is normally “-1”.
Retirement Amt	The cost of the asset (as a negative) defaults into the <i>Retirement Amount</i> field.
Removal Cost	Enter the <i>Removal Cost</i> associated with the Asset’s retirement.
Proceeds	Enter the <i>Proceeds</i> amount associated with the Asset.
Convention	Accept the default “Actual Month”.
Trans Code	State of Minnesota does not use.
Retire Option	Accept the default “Calculate Gain/Loss”.
RC Curr	Accept the default “USD”.
Pr Curr	Accept the default “USD”.

Retire Assets
Other Options
By Chartfield

Unit G1001

Asset ID 00000001217

Scanner/Printer

Tag

In Service Audit Logs

Trans Date 11/30/2018

Acctg Date 11/30/2018

Rate Type CRRNT

In Physical Use

Book
1 of 1
View All

Book Name MINN Minnesota State Book

Base Currency USD

As Of 11/30/2018

Retire As Retirement by Sale Go Reinstate

Quantity 1.0000

Copy Changes to Other Books

Cost 3,236.25

Retirement
1 of 1
View All

Date/Time 11/30/18 10:55:26AM

Ret Status New

\*Disposal Code Retirement by Sale

Retirement Amt -3,236.25 USD

Quantity -1.0000

Base Removal Cost 0.00

Removal Cost 0.00

RC Curr US\$

Proceeds 0.00

Pr Curr US\$

Base Proceeds 0.00

Convention Actual Month

Accum Depr 0.00

Trans Code

Gain/Loss 0.00

Retire Option Calculate Gain/Loss

Override Accum

8. If you are using the “Like Kind Exchange” or “Trade in for Another Asset” disposition codes, additional entries may be made as described below:

Disposition Code	Special Notes
<b>Like Kind Exchange</b>	<p>If the “Like Kind Exchange” Disposition Code is selected, the <i>Like Kind Exchange</i> link is available in the <b>Retirement</b> section which can be used to record taxable cash that was part of the exchange, the fair market value of the new asset, and the Net Liability, Fair Market Value of Non-Like In Kind, if any. This disposition code is not commonly used. Prior to using this disposal code, contact SWIFT Module Support at <a href="mailto:AgencyAssistance.MMB@state.mn.us">AgencyAssistance.MMB@state.mn.us</a> to discuss.</p> <p>The <b>One to Many Exchange</b> section can be used to enter additional assets if you are receiving more than one asset in the Like Kind Exchange. Enter the quantity of the total assets in the <i>One to Many ID</i> field and add a row for each of the assets in the Trade-in List.</p>

Disposition Code	Special Notes
<b>Trade In for Another Asset</b>	If the “Trade in for Another Asset” disposal code is selected, there are several steps required to correctly process this transaction. It is expected that the Retirement transaction include “Proceeds”. The proceeds amount will then be applied to the new asset when the new asset is created with the <i>Express Add</i> page. There are a number of specific steps to process this information. Please contact SWIFT Module Support at <a href="mailto:AgencyAssistance.MMB@state.mn.us">AgencyAssistance.MMB@state.mn.us</a> for the steps to correctly enter this information.

9. Optionally, select the **Other Options** tab and enter a description for the retirement record (limit 254 characters).

The screenshot shows the 'Other Options' tab selected in the software interface. The 'Retirement' section is active, and the 'Description' field is highlighted with a red border. The field contains a placeholder for text and is accompanied by a '254 characters remaining' indicator. Other visible fields include Basis Reduction Code, Index Name, SubIndex, and Reference Code. The 'Voluntary Conversion' section has 'Voluntary Conversion' selected, and the 'Retirement Type' section has 'Ordinary Retirement' selected.

10. Click on the **Save** button to save the transaction. The *Asset Status* is updated to “Disposed”.

## Option 2: Retire a Non-Financial Asset (Asset with no Cost History)

To retire assets that do not have cost history in SWIFT, you will use the *Non-Financial Asset Retire* page.

1. Navigate to the *Retire/Reinstate Non-Financial Asset* page using one of the options below.

Navigation Options	Navigation Path
<b>Navigation Collection</b>	Accounting, Asset Management, Asset Life Cycle, left-menu, Dispose Assets, Retire/Reinstate Non-Fin Asset.
<b>WorkCenter</b>	Accounting, Asset Management, Asset Management WorkCenter, left-menu, Links section, Manage Assets, Retire/Reinstate Non-Fin Asset.

2. At the *Non-Financial Asset Retirement* page, enter search criteria to locate the asset you want to retire. Commonly used options are described below.

**Non-Financial Asset Retire**

Enter any information you have and click Search. Leave fields blank for a list of all values.

Find an Existing Value

**▼ Search Criteria**

Business Unit =

Asset Identification begins with

Parent ID begins with

Tag Number begins with

Description begins with

Composite Asset

Composite Asset ID begins with

FERC Code begins with

Case Sensitive

Search

 [Basic Search](#)

Field	Field Description
<b>Business Unit</b>	Accept the default <i>Business Unit</i> or click on the <b>Lookup</b> and select a different <i>Business Unit</i> .
<b>Asset Identification</b>	Enter an <i>Asset ID</i> to limit your search. The percent sign (%) can be used to replace one or more characters.
<b>Tag Number</b>	Optionally, enter a <i>Tag Number</i> if your agency uses asset tags.

Field	Field Description
Description	Enter information contained in the description of the asset you want to work with. The percent sign (%) can be used to replace one or many characters.

**Note:** State of Minnesota does not use *Composite Assets* or *FERC Code*.

- Click on the **Search** button.
- If more than one asset displays in the **Search Results** section, click on the asset you want to retire. The *Non-Financial Retire* page displays.
- Complete the *Non-Financial Retire* page as follows:

Field	Field Description
*Trans Date	The <i>Transaction Date</i> is the date the asset is retired. Accept the default current date or enter a different date.
*Ret Type	Click on the <i>Ret Type</i> drop-down listing and select the appropriate Disposal Code, such as Abandonment, Retirement by Sale, or Scrapped Assets. A complete listing is available in Option 1 of this guide.

Non-Financial Retire

Unit G1001
Asset ID 000000001046
Coffee for Retirement Seminar
Tag
Received

Trans Date 11/30/2018
Trans Code

[Audit Logs](#)

**Retirement**

Retire
Reinstate

Acq Code Purchased
Date/Time 06/02/2015 2:48:35PM

\*Ret Type Expensed

**Lease Information**

Lease ID
Inception Date 11/30/2018

Supplier ID

Supplier Contact

Save
Return to Search
Notify

- Click on the **Retire** button.
- Click on the **Save** button to process the status change.