



SCEIS Real Estate Functionality



- Pursuant to the objectives established in Proviso 118.2 and Executive Order 2016-06, The Department of Administration has been ordered to implement a strategic plan for the ownership and management of the State's real property.
- The implementation of the plan will be a long-term process that will require new functionality either in SCEIS or tightly integrated with SCEIS.
- Today's goal is to explain Phase 1 of this process which is to begin capturing actual costs of owning and maintaining the State's Real Property.

- Phase 1 will begin effective July 1, 2016.
- While the Executive Order requires compliance by cabinet agencies, it is strongly suggested that all agencies and departments follow the directives.
- Until a total real estate management functionality can be designed and implemented, we will focus our efforts on providing the means to capture and assign real estate repair and maintenance costs to real estate units.

- The CG's Office has created GLs that must be used when processing real estate related transactions.
- Based on recommendations of consultants, the Department of Administration has requested the creation of an Internal Order for each real estate unit of the State.
- SCEIS has created functionality that will require that an Internal Order be entered in the "Order" field when the GL is a real estate GL.

- If you expend funds for the repair and maintenance of a building, you need to use a real estate GL.
- If you use a real estate GL, you must enter an Internal Order to identify the real estate unit for which the expenditure was made.

- 🔄 A/P – all A/P documents related to the repair and maintenance of a State real estate unit must be coded with a real estate GL and an Internal Order.
 - Direct Pay (FV60) – accounts payable clerk must enter a real estate GL and the Internal Order that identifies the appropriate real estate unit.
 - Logistics (PO) Related (MIRO) – the real estate validation (Real Estate GL and Internal Order) functionality is in place at both the shopping cart and PO creation. All appropriate fields should be populated when processing a logistics invoice.

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Module Impacts: A/R & AM



- 🔄 A/R – if a refund of an expenditure is coded to a real estate GL, the transaction will require an Internal Order.
- 🔄 AM – Enter the appropriate Internal Order on the asset shell when buying an item deemed to be an asset for a real estate unit.
 - When creating the asset shell select the appropriate asset class, GLs are derived from asset class.
 - Enter the Internal Order on the “Time-Dependent” tab.

- FM – current budgeting processes are not impacted by the Real Estate functionality.
 - When processing a Funds Reservation, consider if the Funds Reservation is for a real estate unit, if so the Internal Order can be entered on the Funds Reservation and the account assignment of all future payments against that Funds Reservation will derive the real estate GL and the correct Internal Order.
 - This may be useful when establishing Funds Reservations for utility payments.

- ④ GL – when processing entries related to the repair and maintenance of a State real estate unit one must use a real estate GL. That real estate GL will require the use of an Internal Order.
 - The real estate GLs presented today are all budgeted as Other Operating Expenditures (Commitment Item 512001).
- ④ There has been much discussion regarding the capture of Personnel costs related to the repair and maintenance. A method to capture these costs has yet to be determined. You will be provided guidance in the near future.

- 🔄 GM – when processing a grant entry that is for the repair and maintenance of a State real estate unit one must use a real estate GL. That real estate GL will require the use of an Internal Order.
 - The CG created GLs that fall within the current SCEIS Chart of Accounts Structure, this means that the new GLs also fall within the ranges set for Sponsored Classes in GM.
 - If your grants have special derivations for Sponsored Classes, you may want to review those derivations to ensure that these expenditures will be captured correctly.

- PS – poses the most difficult technical problems related to the implementation of the Phase 1 Real Estate functionality.
 - Projects are vetted through the State's Capital Improvement process and must be accounted for and reported in SPIRS.
 - State and SCEIS processes are created requiring 507* GLs for capital improvement projects (WBS)
 - C.* projects will always settle to a fixed asset, asset shells must be created prior to final settlement.
 - These asset shells will define the real estate unit. No Internal Order is needed.

- PS – poses the most difficult technical problems related to the implementation of the Phase 1 Real Estate functionality.
 - E.* projects will never settle to a fixed asset, they are by definition repair and maintenance activities.
 - Some single E.* projects provide funds for repair and maintenance activities on multiple real estate units.
 - To ensure that the costs incurred via E.* projects are captured and assigned to the correct real estate unit, SCEIS functionality will require an Internal Order on any transaction related to an E.* project.

- M.* projects may or may not settle to a fixed asset.
- At the time of project creation, expenditures in a M.* project cannot be defined as either C.* or E.* expenditures.
- Because the potential exists for the M.* project to be ultimately be defined as an E.* project, like E.* projects, SCEIS functionality will require an Internal Order be entered on any transaction related to an E.* project.

SCEIS Real Estate FV60 - Direct Pay



Park Vendor Invoice: Company Code SC01

Tree on Company Code Simulate Save as completed Post Editing options

Transactn R Invoice Bal. 1.00-

Basic data Payment Details Tax Withholding tax Notes

Vendor 7000000891 SGL Ind
Invoice date 05/12/2016 Reference RE TEST
Posting Date 05/15/2016 Period 11
Document Type KR KR (Vendor in...
Amount 1.00 USD Calculate tax
IO IO (A/P Tax Exempt)
Text RE TEST
Paymt terms 22 Days net
Baseline Date 05/12/2016
Company Code SC01 State of South Carolina Columbia, SC
Lot No.

Vendor
Address
BUSY BEE
108 WALL STREET
MONCKS CORNER SC 29461

0 Items (Screen Variant : Screen 100)

G/L acct	V/C	Amount in doc.c...	Cost center	Func. Area	Order	Fund	Grant
5021469302	S De...	1.00	D500BCA000	D500_BC00		80350000	NOT RELEVANT

Real Estate GL and
No Internal Order

This should receive an error.

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Vendor
Address
BUSY BEE
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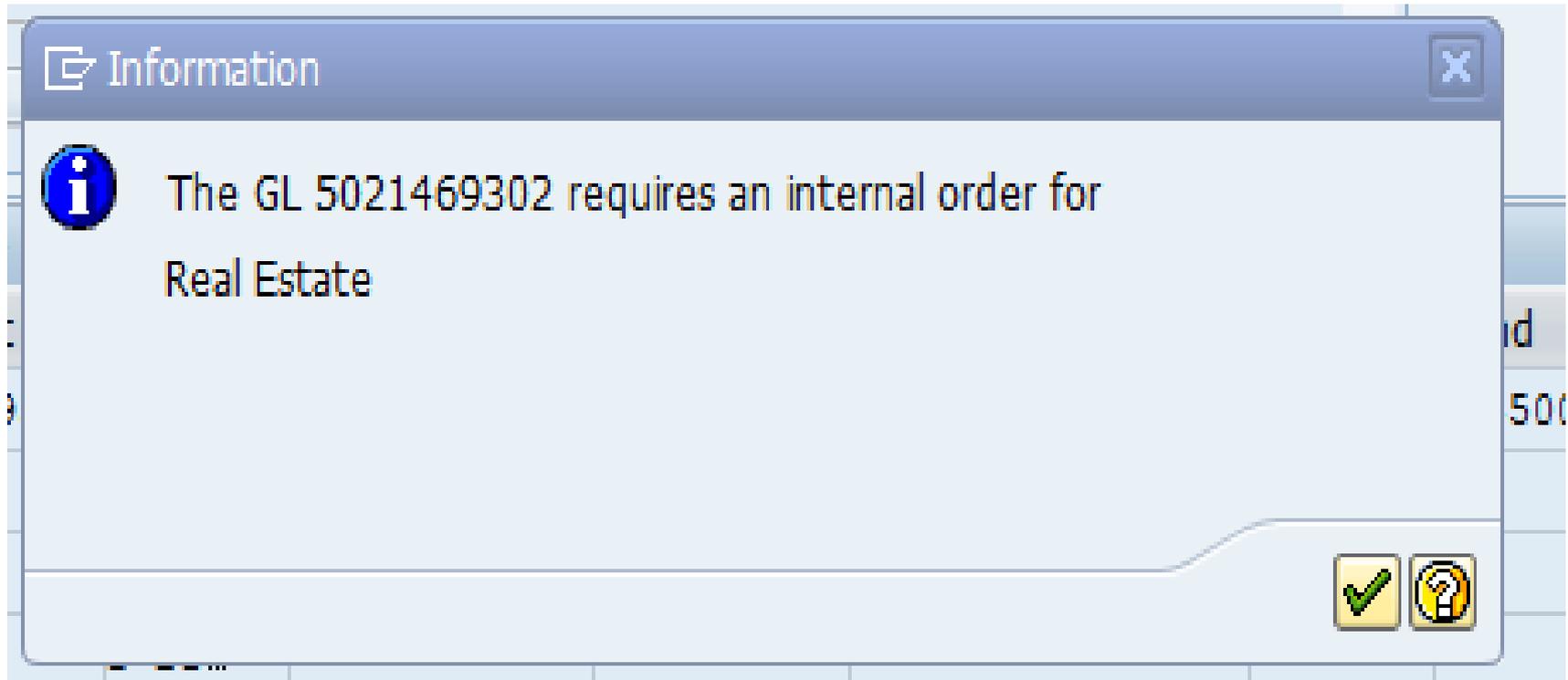
0 Items
G/L acct
5021469

Fund Grant
30350000 NOT RELEVANT

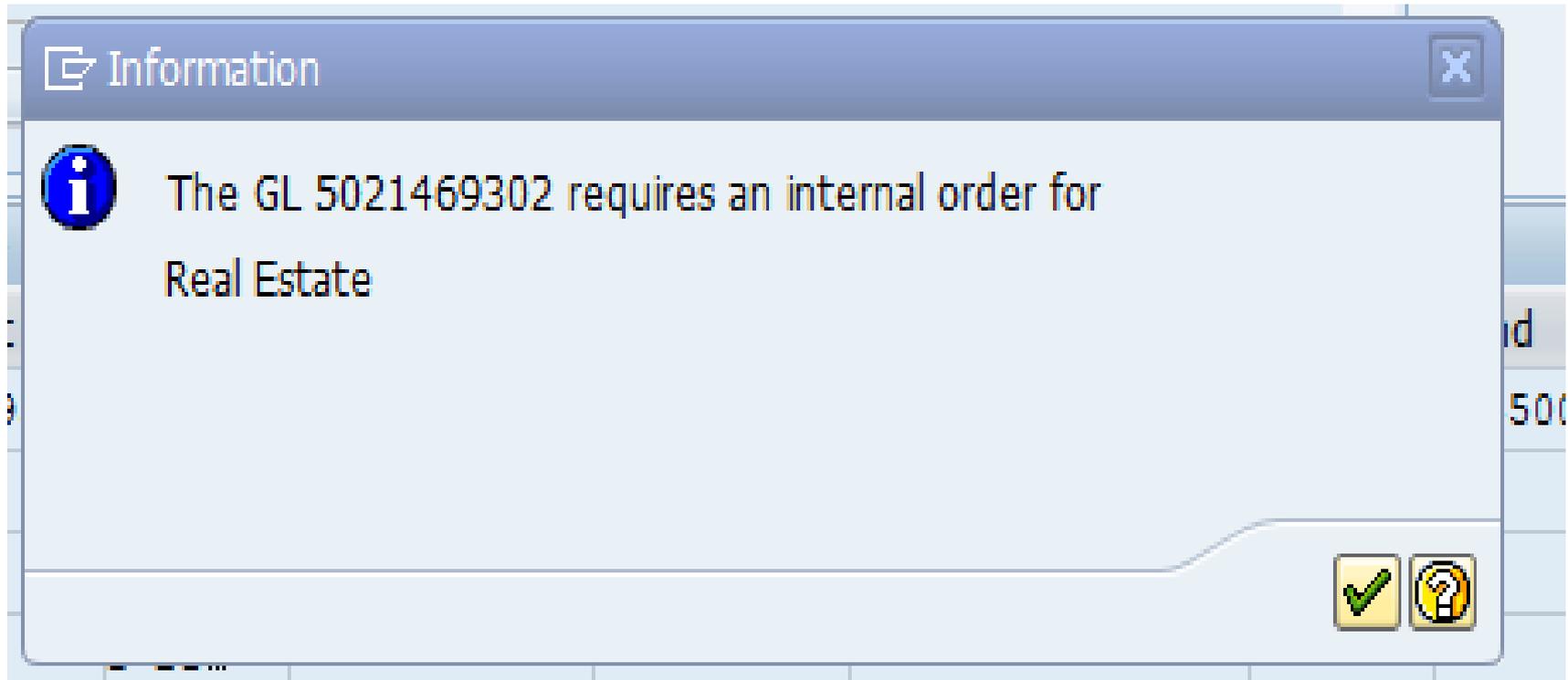
Error Message

The GL 5021469302 requires an internal order for Real Estate

🔄 FI documents will receive the error message below.



SCEIS Real Estate Error Message





Thank you for attending !

