


NAME: University Fixed Asset Responsibility
ISSUING DEPARTMENT: Controller's Office
ISSUED DATE: 1/13/14
REVIEWED DATE:
APPROVING AUTHORITY: President 
DATE REVISED:

Purpose

Mansfield University recognizes its responsibility for establishing and maintaining effective internal controls over University owned assets. This policy outlines procedures and other guidelines to ensure the safeguarding of University assets.

Scope

This policy applies to *all* university-owned assets such as vehicles, equipment, furnishings, and computer software.

Forms

Fixed Asset Form - This on-line form is to be used for new assets, missing assets, and *any* movement of assets.

<https://portal.my.mansfield.edu/sites/employees/Fixed%20Asset%20Form/Forms/AllItems.aspx>

Definitions

Quick Response Code (QR Code) – A permanent label that displays scannable coding as well as a readable number. This code is used to track capital assets. This code will provide additional information about the asset such as; Asset Number, PO Number, Purchase Date and Responsible Cost Center. This data is also included in the SAP master asset record.

Fixed Assets – In accordance with PASSHE Financial Accounting Standard (FAS) 2002-01, <https://secure.passhe.edu/af/acct/ur/Accounting%20Manual/Pol2FixedAssets.doc> fixed assets are defined as assets with a purchased value of at least \$5,000 and an expected life of 2 years or more. Fixed assets include equipment, furnishings, vehicles, computer software, as well as buildings and improvements. FAS 2002-01 contains guidance to the specific costs that must be added to the asset cost, if applicable, to make up the value of the asset.

Capital Lease – Capital Leases are assets with value of at least \$5,000 which are paid in installments, but considered assets of the university according to generally accepted accounting principles (GAAP). The factors determining this include length of contract and percentage of total value paid over life of asset.

Physical Inventory – Refers to verification of the existence and location of departmental assets via physical inspection. These inspections are performed on a rotation of departments in order to complete a full campus inventory every two years.

Non-Tagged Asset - Refers to assets that are given an SAP asset number, but cannot accept a physical tag, such as carpet, building/land improvements or computer software.

Scrap - An item which is destroyed or broken beyond repair. It also refers to items which are technically obsolete.

Surplus - Refers to assets for which the original department has no further use. These may be sent to surplus storage or assigned for use by another department.

Policy

Purchasing of Assets and Equipment

Purchasing of assets and equipment should be done in accordance with the policies included in the University Purchasing Manual.

Personal Use of University Assets

University fixed assets may not be used for personal purposes.

Assigning Inventory Numbers

Capital assets are assigned a QR code tag except for non-tagged assets such as buildings, software, etc. These assets are tracked via the QR code until disposed. The QR code is tracked as the inventory number within SAP. These asset tags are assigned as part of the purchasing process and are physically placed on the assets by receiving upon receipt of asset.

Campus Technologies is responsible for the tracking of all personal computers and laptops, tablets, etc., both purchased and leased, and will assign inventory control numbers to such. These low value/high risk (LVHR) assets have their own procedures (see Campus Technologies).

Mobility, Surplusing, and Disposition of Assets

Moving Assets

A departmental representative must utilize the fixed asset form to request *all* planned moves of items including transfers to other departments as well as within a department. Facilities will not move a tagged fixed asset without the completion of the fixed asset form.

Surplusing Assets

When a fixed asset is no longer needed by a department, a departmental representative must complete the fixed asset form for the surplus transaction. Completion of this surplus transaction is required prior to having the asset moved to surplus and will also inform Purchasing of the surplus item. Purchasing will be responsible for maintaining an inventory of surplus items for campus reallocation or liquidation. The Controller's Office will also change the asset location to Surplus when the asset is moved.

Liquidation of Surplus Assets

Surplus assets are stored in a warehouse location *if available* and will be retained for at least 90 days. Should no warehouse space be available, the items must remain in a departmental location until space is available. An inventory of these items will be maintained by Purchasing. Because

of limited warehouse space, surplus assets stored in excess of 90 days will be liquidated utilizing the following options:

- Surplus assets may be offered to other SSHE universities free of charge or a value may be placed on the items.
- Bids for the sale of assets to outside organizations or individuals may be solicited and awarded by Purchasing. Departments may assist in the procurement of bids at the request of Purchasing. *Please note that the State Adverse Interest Law precludes any university employee from purchasing or receiving state property.*
- Items may be included in an advertised auction or tag sale as organized by Purchasing.
- Donation of items to not-for-profit agencies may be investigated. A file of donee requests is maintained by the Purchasing Department.
- Should none of the above measures be successful, the assets will be disposed. Scrapped assets should be securely stored in the facilities area until the contracted waste hauler removes them.

Assets Taken Off-Campus and Reporting of Stolen Assets

Assets Taken Off-Campus

Whenever an asset is taken off and remains off-campus for more than one day, the head of the department must have a sign-out/sign-in form and acknowledge their approval on the form.

Reporting of Stolen Assets

Stolen assets should be immediately reported to the department of Police Services and Safety via telephone. **Completion of the Fixed Asset Form for stolen items must be completed.** If the *replacement value* of the stolen item is \$5,000 or greater, the Controller's Office submits an insurance claim with the Bureau of Risk and Insurance Management.

Fixed Asset Physical Inventory

Department heads will be responsible for assets purchased for their department's use. Department heads will be requested to conduct a complete physical inventory a minimum of every 2 years of assets in their department during the last quarter of the fiscal year. Department heads can delegate the duties of conducting an inventory but ultimately must maintain responsibility.

Process

- The Controller's Office will print the Z_Asset_Inventory report in SAP and download into Excel. Then, based upon responsible cost center, will forward the appropriate fixed asset/inventory listing to **all** department heads by February 1st for their initial physical inventory. (Department heads must sign off on the listing for accuracy.)
- An instruction sheet will accompany the report.
- The form with corrections must be returned to the Controller's Office by March 31st.
- The Controller's Office will update the SAP asset system in accordance with the returned inventory sheet.
- Each year, several assets will be selected randomly from the returned inventory sheet for Controller's Office inspection.

Timeline

- February 1st departments will be provided a listing of assets as reflected on the SAP master asset record.
- March 31st all department heads must complete their review of their department asset listing noting any changes, sign, and return to the Controller's Office.
- April 1st each year, the Controller's Office will select one half of the departments or asset items to conduct a physical inventory.
- April 1, 2014, the Controller's Office will conduct a complete physical inventory and retag all fixed assets.
- By continuance of this pattern, inventory will be conducted every year by at least half of the departments and will create a 2 year rotating cycle. Department heads must sign off on the completed asset inventory listing.