

# Department Property Administrator Training

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Session 1

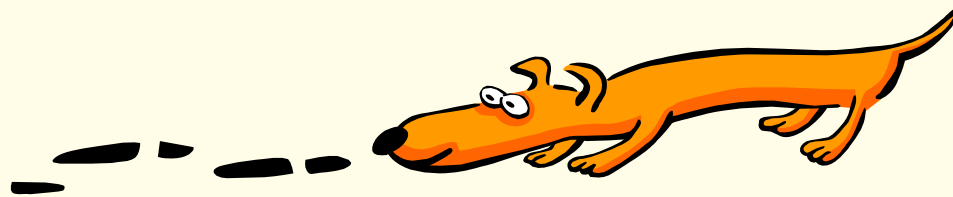


WAKE FOREST  
UNIVERSITY

April 2009



**Inventory tracking system that will ensure accuracy of WFU fixed asset records within Banner.**



**Tracks the movement and condition of fixed assets.**

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**Any property or equipment not for resale, that has an initial value of \$5,000 or more (individually or as an operating unit) that will be used or held in excess of one year.**

**OR**

**Renovations totaling \$50,000 in aggregate that extends the useful life of the structure.**

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- **Properly identify fixed assets**
  - **Ensure that the University's fixed assets are properly safeguarded, controlled and disposed**
  - **Ensure adherence with Generally Accepted Accounting Principles (GAAP), applicable federal and state laws, University policies and procedures, and private granting agencies regulations**
  - **Promote consistent accounting treatment across the University**
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**April 2009** - DPA Training sessions will be held.

**April-June 2009** - A baseline inventory will take place for the entire campus.

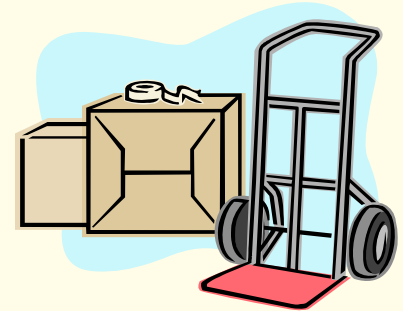
**Going Forward** - A physical inventory will take place on a rotating cycle at least every 2 years.

- DPAs will keep track of all inventory movement in their area throughout the year, making the physical inventory process run smoother.

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- **Ensure Purchasing PO coding for capital assets is correct**
- **First contact concerning asset movement**
- **Surplus custodian**
- **Approve, execute and maintain WFU leases**
- **Forward asset movement notifications and capital lease information to the Fixed Asset Accountant**





- **Ensure Facilities and Campus Services Purchase Order coding is correct**
- **Supports WFU departments engaged in capital projects**
- **May assist in asset movement**





**Financial Accounting and Reporting**

**Accounts Payable**

**Deans/Department Chairs**

**Manager of Grants Accounting**

**Office of Research and Sponsored Programs**

**Advancement**

**Compliance and Internal Audit**

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- **Provide training for all involved in asset movement**
  - **Coordinate physical inventory counts and asset tagging with DPAs**
  - **Reconcile inventory counts to fixed asset systems**
  - **Provide asset and inventory reports to departments in timely manner**
  - **Maintain asset records in fixed asset and inventory systems**
-



***DPA will partner with the Fixed Asset Accountant to ensure successful inventory counts and reconciliation.***

- **Ensure department/area follows fixed asset policy and procedures**
- **Keep track of all asset movement**
- **Complete and forward required forms for asset movement**
- **Assist in periodical inventory counts**





**Be familiar with contents of the Fixed Asset Policy and Procedures document.**





1. **Acquisitions**
2. **Capitalization**
3. **Asset Tagging**
4. **Disposals**
5. **Depreciation**
6. **Inventory**
7. **Asset Records**
8. **Reporting**
9. **DPA Transition**





**How WFU obtains, receives and becomes accountable for property. This can be purchases, donations (gifts) or leases.**

- \* When an acquisition has been determined to be a capital asset, a Fixed Asset Addition Checklist is completed by the Fixed Asset accountant. All accompanying invoices, Purchase Requisitions and/or Purchase Orders/Work Orders are attached and the asset is entered into the Banner Fixed Asset module.
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**Any donations (gifts) to WFU should be reported to the Advancement office.**

**The Advancement office will be responsible for obtaining the value of gifts donated to WFU and send written acknowledgement to the donor.**

**The Advancement office will notify the Fixed Asset Accountant of any donated gifts having a fair market value of \$5,000 or more (individually or as an operating unit).**

**These donations will be considered a capital asset and be added to the fixed asset system.**

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**The DPA should notify the Fixed Asset Accountant upon arrival of new faculty/staff transferring equipment from another institution or agency.**

**A notice should be obtained from the transferring institution or agency authorizing the transfer and informing WFU of the asset value.**

**Equipment meeting the criteria for capitalization will be recorded in the fixed asset and inventory systems and tagged for inventory purposes.**

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### FIXED ASSET ADDITION CHECKLIST

Chart: \_\_\_\_\_ Grant Purchase? \_\_\_\_\_ Grant #: \_\_\_\_\_ Grant PI: \_\_\_\_\_

Organization Tag: \_\_\_\_\_ Addition from CIP? \_\_\_\_\_ P \_\_\_\_\_ Amount \$ \_\_\_\_\_

Permanent Tag: \_\_\_\_\_ Gift? \_\_\_\_\_

Capitalization Document: \_\_\_\_\_

Asset Description: \_\_\_\_\_

Asset Type Account:  Accumulated Depreciation Account:

Acquisition Date: \_\_\_\_\_ In Service Date: \_\_\_\_\_

Serial/Part #: \_\_\_\_\_

Responsible Org \_\_\_\_\_ Building: \_\_\_\_\_ Room#: \_\_\_\_\_

GL Charge Codes (FOAPAL): \_\_\_\_\_

#### Confirmation Documents

Vendor	Invoice #	Amount	Purchase Order	Work Order

Capitalized Asset Total: \_\_\_\_\_

Asset Entered by: \_\_\_\_\_ Date: \_\_\_\_\_

Asset Capitalized by: \_\_\_\_\_ Date: \_\_\_\_\_

Depreciation Record Set Up by: \_\_\_\_\_ Date: \_\_\_\_\_



**Any employee owned equipment, furniture and fixtures brought on WFU premises should be reported to Campus Police via the ID Form at:**

**<http://www.wfu.edu/police/form-op-id.html>**

**This will maintain proper identification of the equipment upon employee's separation from the University.**

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**Any equipment utilized by a WFU department but furnished and owned by the vendor will be the responsibility of the vendor and not included in WFU's asset records or inventories.**

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**A fixed asset is capitalized if it meets all of the following conditions:**

- ✓ **Owned or considered owned by WFU**
- ✓ **Held for operations (not for re-sale)**
- ✓ **Useful life exceeds one year**
- ✓ **Meets WFU capitalization thresholds (\$5K/\$50K)**

**Capitalized assets include:**

- **Land**
- **Buildings and Building Improvements/Renovations**
- **Furniture, Fixtures and Equipment**
- **Vehicles**
- **Software (including internally developed software)**
- **Capital Leases**

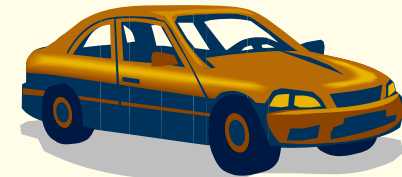
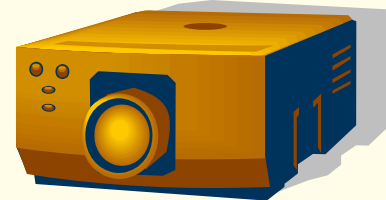
**Assets are capitalized in the year of purchase or if under construction, being at least 90% complete and/or placed into service.**

**Capitalizing assets is the responsibility of the Fixed Asset Accountant.**

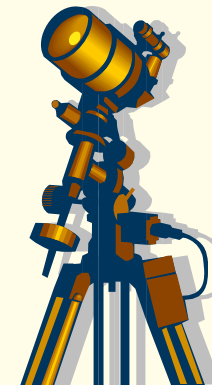
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➤ **What are Taggable Assets?**



➤ **What are Non-taggable Assets?**





- 1. Place tag directly on asset where it is easily visible and will not interfere with the proper function of the asset**
  - 2. Whenever possible, place tag on front upper right hand corner of asset**
  - 3. Do not place tag on bottom of asset, unless this is only reasonable choice**
  - 4. Place tag on area least likely to be painted over or covered in some way**
  - 5. Do not place tags on walls or temporary/removable components**
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- **Engineering/Scientific equipment should be tagged under guidance of department personnel (near manufacturer ID plate, if at all possible).**



- **Shop, grounds and maintenance equipment should be tagged where minimum amount of grease, oil, vibration or heat would affect the tag; usually near manufacturer ID plate.**

- **Athletic equipment should be tagged under guidance of athletic department personnel so as not to violate any rules and regulations of governing bodies.**



- **Pianos/Keyboards should be tagged on right side near back; Grand and Baby Grand pianos should be tagged on underside near right front leg.**





**Some assets can not be tagged due to their size, nature and/or exposure to the environment:**

- **Land and land improvements**
- **Buildings and service systems**
- **Modifications or renovations to existing assets**
- **Some outdoor equipment**
- **Some mobile/portable grounds equipment**
- **Some fixed equipment: scoreboards, bleachers, auditorium seating, etc.**





## Non-taggable Asset Binder

- The non-taggable asset binder will be maintained by the DPA and will include:**
    - **Corresponding document describing the asset with serial number or other identifying number, exact location and asset tag.**
    - **Purchase Order or Purchase Requisition should be attached to document.**
  
  - During inventory count, the physical existence of the asset must be visually verified.**
  
  - A non-taggable master listing will be maintained by the Fixed Asset Accountant.**
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## Non-taggable Asset

Asset Tag #:

Location:

Campus:

Building:

Room:

Asset Description:

Make:  Model:  VIN/Serial #:

Asset Condition:

Asset Type:

Asset Status:

Vendor:

Acquisition Date:

Acquisition Amount:

**Attach Purchase Requisition or Purchase Order**



**The Fixed Asset Update form is completed by the DPA for any disposals, transfers and impairments of capital assets.**

**This form is approved by the appropriate Department Head.**

**The form is then sent to Purchasing.**

**After Purchasing determines if the asset is to be placed in surplus inventory or not, the form is forwarded to the Fixed Asset Accountant.**

**The Fixed Asset Accountant will then update the asset record in the fixed asset system.**

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### FIXED ASSET UPDATE FORM

USE THIS FORM TO REPORT MOST ACTIVITY OF INVESTORIED ASSETS (INCLUDING ASSET DISPOSALS, TRANSFERS, RE-VALUATIONS, TRADE-INS, STOLEN, SOLD)

PLEASE PRINT \*AREAS MUST BE COMPLETED

\*DATE: \_\_\_\_\_

\*ASSET TAG NUMBER: \_\_\_\_\_ \*VIN/SERIAL NUMBER: \_\_\_\_\_

\*ASSET DESCRIPTION: \_\_\_\_\_

MANUFACTURER: \_\_\_\_\_ MODEL NUMBER: \_\_\_\_\_

\*FORM COMPLETED BY: \_\_\_\_\_ \*CONTACT NUMBER: \_\_\_\_\_

#### EQUIPMENT DISPOSAL

SCRAP  TRADE-IN TRADE-IN VALUE: \_\_\_\_\_ \*DATE OF DISPOSAL: \_\_\_\_\_

SURPLUS  SOLD AMOUNT OF SALE: \_\_\_\_\_ COST OF DISPOSAL: \_\_\_\_\_

LOST  OTHER

STOLEN (ATTACH COPY OF POLICE REPORT) ASSET NET BOOK VALUE: \_\_\_\_\_

#### EQUIPMENT TRANSFER

\*TRANSFERRED FROM (DEPARTMENT NAME & ORG NUMBER): \_\_\_\_\_

\*TRANSFERRED TO (DEPARTMENT NAME & ORG NUMBER): \_\_\_\_\_

\*NEW LOCATION - CAMPUS: \_\_\_\_\_ \*BUILDING: \_\_\_\_\_ \*ROOM: \_\_\_\_\_

\*NEW DPA NAME: \_\_\_\_\_ \*CONTACT NUMBER: \_\_\_\_\_

#### EQUIPMENT IMPAIRMENT (RE-VALUATION)

\*NEW ASSET VALUE: \_\_\_\_\_

\*REASON FOR IMPAIRMENT: \_\_\_\_\_

PLEASE ATTACH THE FOLLOWING:  
DOCUMENTS INCLUDING CHECKS, CREDIT CARD RECEIPTS AND DEPOSIT SLIPS  
COPIES OF ALL INVOICES FOR EXPENSES INCURRED TO DISPOSE OF ASSET, RE-VALUATION RECEIPTS & SALES

#### APPROVALS

ORIGINATING DEPARTMENT HEAD:	_____	DATE:	_____
RECEIVING DEPARTMENT HEAD:	_____	DATE:	_____
PURCHASING DEPARTMENT:	_____	DATE:	_____
FIXED ASSETS:	_____	DOCR:	_____
		DATE:	_____



**When an asset is sold, a Bill of Sale is completed by Purchasing and attached to the Fixed Asset Update form.**

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**BILL OF SALE**

This Bill of Sale is made effective as of the \_\_\_\_ day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_ [name], a \_\_\_\_\_ [name of state/type of entity OR individual residing in the state of \_\_\_\_\_] ("Seller"), in favor of \_\_\_\_\_ [name], a \_\_\_\_\_ [name of state/type of entity OR individual residing in the state of \_\_\_\_\_] ("Buyer").

In consideration of \_\_\_\_\_ paid by Buyer to Seller, the receipt and sufficiency of which is hereby acknowledged, Seller does hereby sell, transfer and assign to Buyer all of Seller's rights, title and interest in and to \_\_\_\_\_ [describe item sold] (the "Property") free and clear of all claims, liability obligations, liens, charges liens, charges and encumbrances. Seller warrants that it has full authority to transfer such such Property. Seller disclaims any and all warranties of merchantability or fitness for a particular purpose. The Property is sold in its present condition, as is and where is.

This Bill of Sale and the covenants and agreements herein contained shall inure to the benefit of and shall bind the respective parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF, Seller has executed this Bill of Sale as of the date first written above.

Seller signature (if business): \_\_\_\_\_ Seller signature (if individual): \_\_\_\_\_

By: \_\_\_\_\_ Name: \_\_\_\_\_  
 Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Title: \_\_\_\_\_ Date: \_\_\_\_\_  
 Date: \_\_\_\_\_

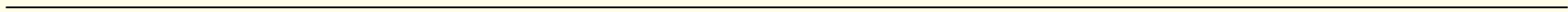
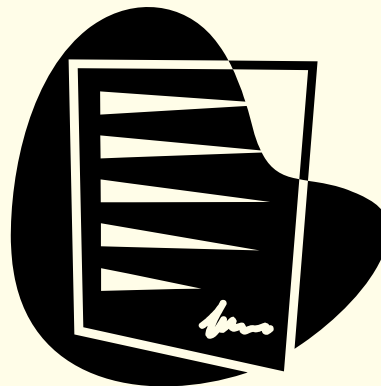


**When an asset is stolen, it is reported to Campus Police and a copy of the police report should be attached to the Fixed Asset Update form.**



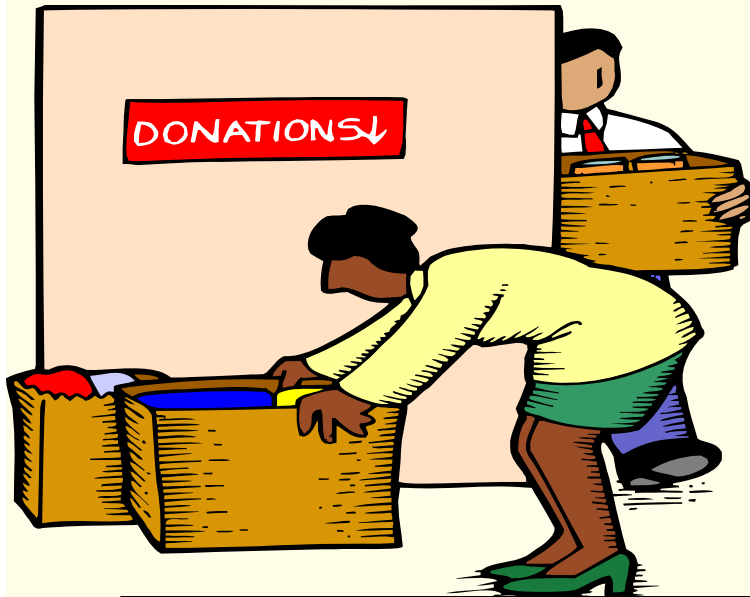


**When an asset is traded-in, a copy of the document showing the trade-in value should be attached to the Fixed Asset Update form.**





**Any donations from the University to qualified organizations are handled by the Purchasing Department who will notify Financial Accounting and Reporting to ensure the proper accounts are used and proper forms are completed.**



**Note: there may be restrictions  
for donating Grant funded  
assets**



**Transferring Department Name & Org #**

**Receiving Department Name & Org #**

**New Location Building & Room #**

**New Responsible DPA Name & Contact #**

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- **New value of asset**
- **Reason for impairment**
- **Attach copy of impairment receipt  
to Fixed Asset Update Form**





- An Equipment Loan Authorization form must be completed when tagged/inventoried assets are taken off WFU premises.
  - The DPA is required to maintain an Off-Campus Equipment Verification Worksheet for any tagged/inventoried equipment that will be used off-campus for more than 2 weeks.
  - The Equipment Location Record is also maintained by the DPA for any tagged/inventoried equipment that is not in its assigned location (e.g. loans to other Universities; assets sent for extended repairs).
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## EQUIPMENT LOAN AUTHORIZATION

Date: \_\_\_\_\_

Asset Tag Number: \_\_\_\_\_

\*Equipment Description: \_\_\_\_\_  
\_\_\_\_\_

Serial #: \_\_\_\_\_ Model: \_\_\_\_\_

Equip. Location: Dept. \_\_\_\_\_ Bldg: \_\_\_\_\_ Fl: \_\_\_\_\_ Rm: \_\_\_\_\_

Authorization Is Requested For: \_\_\_\_\_

To Use The Above Equipment At: \_\_\_\_\_

For The Purpose Of: \_\_\_\_\_  
\_\_\_\_\_

Departure Date: \_\_\_\_\_ Return Date: \_\_\_\_\_

The undersigned equipment requisitioner certifies the accuracy of the above information and understands that he/she is responsible for the equipment he/she elects to use outside Wake Forest University premises.

\_\_\_\_\_  
Equipment User Signature                      Dept. Head Signature

Date: \_\_\_\_\_                                      Date: \_\_\_\_\_

\*A separate form must be completed for each item of property released.



# Off-campus Equipment Verification Worksheet

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**Off-Campus Equipment Verification Worksheet**

Listing Attached ( \_\_ Pages)

The following piece(s) of equipment are assigned to your custody at a location other than the WFU Campus. Please fill out all fields on this form. Use one worksheet per custodian; additional assets may be added to this sheet during the year. There is room on this form for 2 assets; if custodian has or adds additional assets, check the "Listing Attached" box above and attach off-campus continuation pages. If the information becomes illegible, a new form must be generated. If the item is Grant-funded, the Principle Investigator (PI) should be listed as the custodian, otherwise the custodian should be the Department Property Administrator (DPA). By signing this form, the custodian certifies the equipment is physically verified and the information listed is current, accurate and complete.

Custodian Printed Name:		Custodian Signature:		Custodian Title:		Custodian Phone:	
Custodian Email:		Date:	Custodian On-Campus Office Location:		Custodian Department Name:		
Off-Campus Asset User Name:			Relationship to WFU:			Is This A Private Residence?	
Off-Campus Physical Location/Address (including zip code; NO PO BOX):							
Phone Number:	Asset Status:	Asset Condition:	Date Added:	Department:		Email:	
Year Manufactured:	Asset Description:			WFU ID Tag Number:	Manufacturer:		
Model Number:		Serial Number:		Date Asset Returned To Campus:	Was Asset Disposed?		
Off-Campus Asset User Name:			Relationship to WFU:			Is This A Private Residence?	
Off-Campus Physical Location/Address (including zip code; NO PO BOX):							
Phone Number:	Asset Status:	Asset Condition:	Date Added:	Department:		Email:	
Year Manufactured:	Asset Description:			WFU ID Tag Number:	Manufacturer:		
Model Number:		Serial Number:		Date Asset Returned To Campus:	Was Asset Disposed?		
Date Initial Form Created:	DPA Initials:	1st Verification Date:	DPA Initials:	2nd Verification Date:	DPA Initials:	3rd Verification Date:	DPA Initials:





**Depreciation is defined as expense in a systematic and rational manner to those periods expected to benefit from the use of the asset. Depreciation is a means of cost allocation.**

<b>Asset Category</b>	<b>Useful Life</b>	<b>Depreciation Method</b>
Software	3 Years	Straight Line
Vehicles	5 Years	Straight Line
Equipment	5 Years	Straight Line
Improvements	10 Years	Straight Line
Buildings	40 Years	Straight Line

**Depreciation is the responsibility of the Fixed Asset Accountant**

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**Will take place on a rotating schedule at least every two years.**

**An inventory schedule will be developed by the Fixed Asset Accountant and the DPA for each area.**

**Verification letters will be used for inventories of remote properties; such as Fancy Gap and Casa Artom.**

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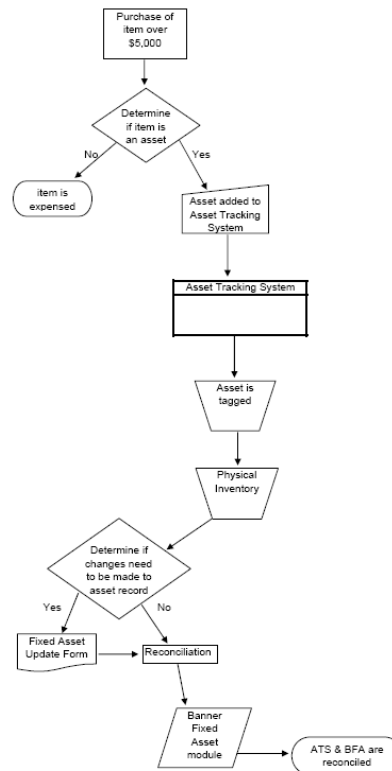


# The Inventory Process





Inventory Flow Chart





- **Will begin soon after all DPA training has taken place in April 2009.**
  - **Plan to be completed and reconciled by June 30, 2009.**
  - **May take longer to count and reconcile due to lack of previous campus-wide inventories.**
  - **Will be a learning experience for everyone involved.**
-



- **Team will consist of the Fixed Asset Accountant and/or designee with assistance from the DPA.**
  - **Assets found during the baseline inventory will be compared to Banner asset records and any existing department records to compile a complete asset listing.**
  - **Every attempt will be made to find missing assets. If not found during baseline inventory, the asset may be written off.**
  - **All inventoried assets will be tagged (or tag will be placed in Non-taggable Asset binder) during the baseline inventory.**
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**DPAs will know where the assets in their area are located by assisting in physical inventories and keeping track of asset movement during the year using available forms.**

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# Inventory Preparation for the DPA





- **Identify WFU owned assets**
  - **Identify non-WFU owned assets so they won't be counted during inventory**
  - **Identify off-campus assets**
  - **Identify non-taggable assets and update binder**
  - **Update any asset movement via Fixed Asset Update form and other available forms**
-



**Fixed Asset Accountant will contact DPA to schedule a pre-inventory meeting to go over physical inventory procedures, ground rules and inventory count schedule.**





- **Notify department of planned inventory dates**
  - **Identify areas that need special attention or precautions: lab areas, biohazard areas, clean rooms, confined spaces, etc.**
  - **Ensure non-taggable binder and off-campus equipment records are up-to-date**
-



- **Send reminder about inventory dates to department**
  - **Ensure non-inventory items (including non-WFU owned and employee owned) are prominently labeled**
  - **Arrange for escorts with access to rooms scheduled for inventory**
-



- ✓ **Equipment Loan Authorization**
- ✓ **Equipment Location Record**
- ✓ **Off-campus Equipment Verification Worksheet**
- ✓ **Non-taggable Asset Binder**





**Reports will be developed for the following purposes:**

- 1. Asset Acquisitions**
- 2. Asset Disposals**
- 3. Discrepancies**
- 4. Physical Inventory**
- 5. Other reports as needed**





**A DPA Authorization Form, certifying department head approval, will be kept on file for each DPA.**

**When authority is transferred to a new DPA, the ending date is entered on the old DPA Authorization Form and a new form is completed for the succeeding DPA.**

**The New DPA will be required to attend a DPA training session.**

Reset Form



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### Department Property Administrator Authorization

Auditors routinely review equipment action documentation and look for authorizing signatures to validate departmental control of capital equipment. Unauthorized staff signatures on equipment management forms requiring an authorized signature could result in a federal audit finding.

This form, when signed by the department head, authorizes department staff or other individuals to authorize with their signature, actions regarding equipment disposal, transfer, sale, relocation, physical inventory, etc.

The ending date is entered when authority granted to the current DPA is being transferred.  
A new form must be completed for the succeeding DPA.

Keep signed authorization forms in department files and send a copy to the Fixed Asset Accountant.

This is to certify that \_\_\_\_\_ has signature authority  
for the \_\_\_\_\_ department and thereby has the authority to sign any  
documentation regarding equipment movement in org(s) \_\_\_\_\_

Starting Date \_\_\_\_\_ Ending Date \_\_\_\_\_

\_\_\_\_\_  
DPA signature Department Head name (print)

\_\_\_\_\_  
Date Department Head signature

\_\_\_\_\_  
Date



## **Fixed Asset Accountant**

*Kathryn Hackworth x4096*

**hackwok@wfu.edu**

### **Fixed Asset Web Page**

**[http://www.wfu.edu/fas/fixed\\_assets/index.html](http://www.wfu.edu/fas/fixed_assets/index.html)**

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