

Assets Management Policy and Procedure Manual

Developed & Prepared

By

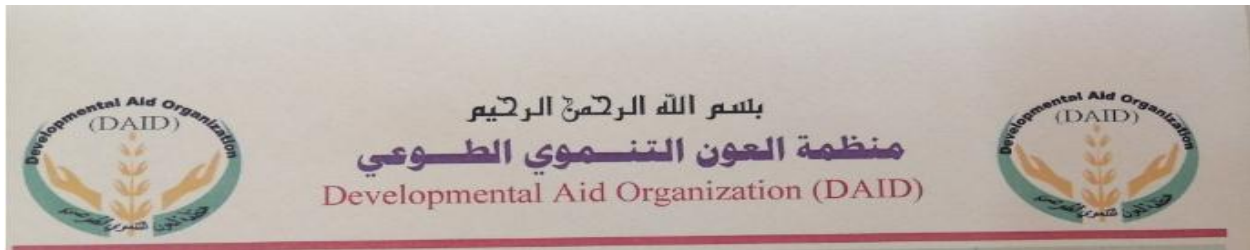
Developmental Aid organization (DAID)

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DAID Asset management and disposal policy

1- Purpose

The purpose of this manual is to set forth the regulations and procedures governing the control and reporting of capital and controlled assets. It is intended to assist personnel in implementing and maintaining an effective property control program. The implementation of an effective and accurate process for tracking assets is necessary for several reasons:

- Our organization prepares financial information using the Generally Accepted Accounting Principles (GAAP). Government regulations require us to track an asset's cost, depreciation, and the disposal of the asset. Assets that will be depreciated have been categorized and assigned a depreciation life. (For example, technology equipment has an expected book life of five (5) years).
- We also utilize asset records for insurance purposes. In the event of a loss it is necessary to have an accurate record of the asset to ensure adequate insurance coverage, of the item lost.
- The most important reason is accountability. Assets are purchased using taxpayers' funds. It is important to have a process in place to account for the use of taxpayers' funding.

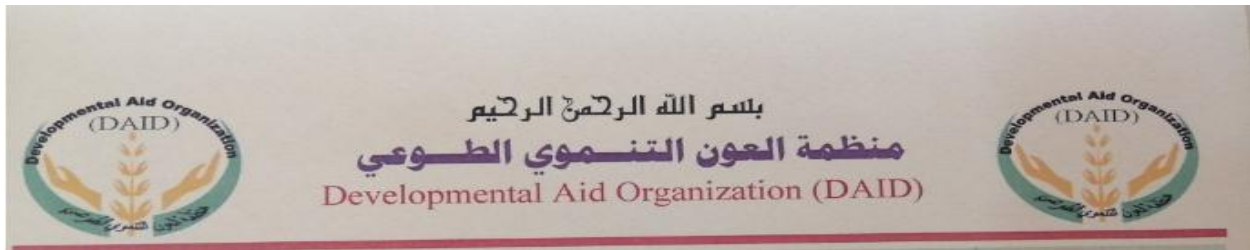
2- Definitions

For the purpose of these policies and procedures the following definitions apply.

Assets: Refers to both "capital" and "controlled assets" when used without specifically indicating either.

Capital Assets: Refers to real or tangible personal property having:

- A value greater than or equal to the capitalization threshold for the particular classification of the capital asset;
- and
- Having an estimated useful life of greater than one year from the time of acquisition.



Controlled Assets: Refers to those items with a historical cost of less than \$1000, but which are particularly at risk or vulnerable to loss or theft.

3- Responsibility

Asset Management Sponsor: The Asset Management Sponsor shall be responsible for administering the policy and related regulations and procedures.

Administrator: The Administrator is responsible for custody and control of assets assigned to the applicable department/facility.

Asset Management Coordinator: The Asset Management Coordinator is responsible for coordinating asset audits and physical inventories with the asset management provider as well as recording capital asset acquisitions, transfers, and disposals.

4- Tagging and Identifying Inventoriable Assets

Reason to Tag: To identify inventoriable assets as belonging to the organization.

What to Tag: All furniture and equipment with a replacement value above \$1,000 must be tagged, including, but not limited to:

- Furniture
- Computers and Laptops
- Audio Visual Equipment
- Other equipment above \$1,000 such as kitchen, health and fitness, or office machines.

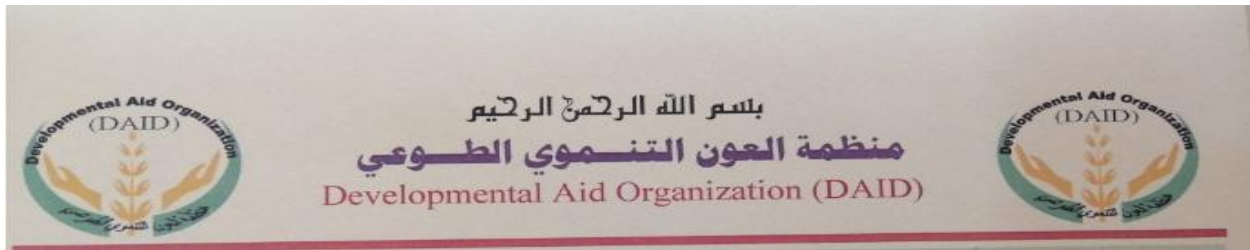
Controlled Assets

Include assets that are sensitive, portable, or prone to theft.

When to Tag: All items shall be tagged upon receipt.

When Not to Tag: When impractical or impossible. Reasons not to mark are, but are not limited to, when the item:

- Has a unique, permanent serial number usable for identification, security, and inventory control (such as vehicles);



- Would lose significant historical or resale value if marked; and,
- Would have its warranty negatively impacted if permanently marked.

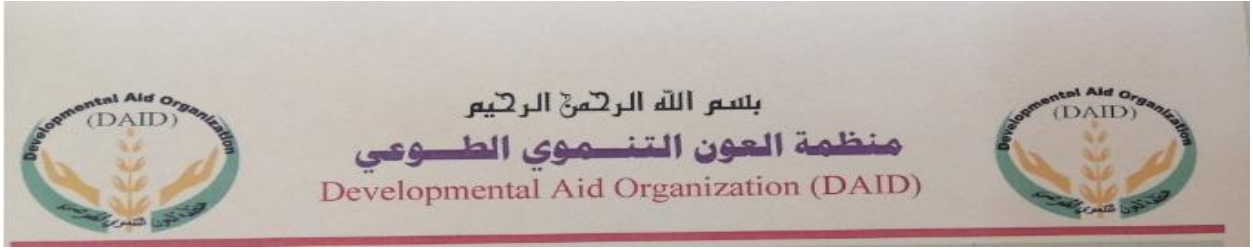
Method for Marking: Items shall be marked or tagged with a property tag.

5- Additions to Fixed Assets

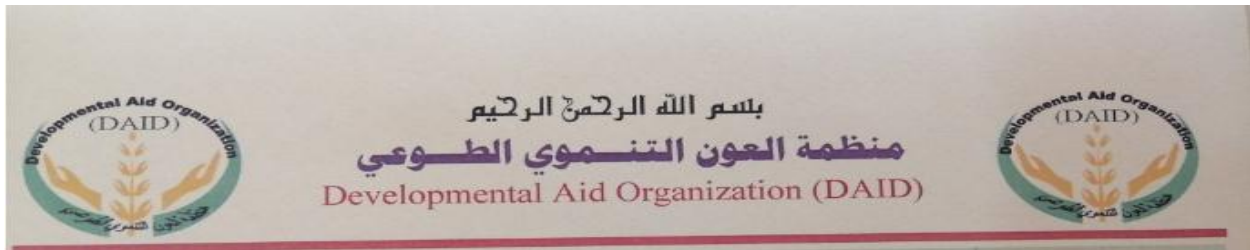
In order to maintain accurate asset records, when receiving a new asset into the organization, the first step is to determine if the asset should receive a property tag. Any item that the cost exceeds \$500 and has a life greater than one year should be tagged. Additional items to be barcoded regardless of their value include controlled items such as overhead projectors, printers, televisions, DVD players, video cameras, digital cameras, fax machine, PCs, monitors, laptop computers, tablets,

Two-way radios, and any item which may be easily stolen. If you have questions concerning a specific asset, contact once an asset has been labeled, it needs to be recorded. The Fixed Asset Maintenance Form is used to reporting all adjustments required in the Fixed Asset Master File. When receiving a new asset, fill out the following columns:

- Code: Refer to the bottom of the form for codes. The code “A” is used for new assets.
- Barcode Number: Fill in the number shown on the bottom of the barcode label that was placed on the asset.
- PO Number and/or Cost: Fill in the cost of the asset and/or the number if the purchase order used to purchase asset. Note: We must have a cost and/or PO# to add an asset to the system. This enables a value for the asset to be established and my help to determine the source of funding by account number.
- Room Number: Room number where asset is primarily located.
- Asset Description: Brief description of the item.
- Make/Model: Use the manufacturer’s name and model number.
- Serial #: Use the manufacture’s serial number.



The Fixed Asset Maintenance Form shall be completed in entirety and forwarded to Business and Finance



6- Transfer of Assets

In order to maintain accurate asset records, asset transfers shall be recorded promptly. A permanent transfer is one that has no current plans of return. The administrator transferring equipment will complete a fixed asset maintenance form. Information required on the form includes:

- Code: Refer to the bottom of the form for codes. The code “T” is used to transfer and asset.
- Barcode Number for Fixed Asset: The building administrator must note the Fixed Asset number located on the barcode affixed to the asset, or obtain the number from the Fixed Asset listing that identifies the correct item. Consult the Fixed Asset listing for the proper asset number.
- Complete description of the item, including brand, model, etc. “DVD player” or “Laptop Computer” is not sufficient to properly identify the property.
- Identify the destination of the item. Send a copy of the form to Business and Finance and the receiving building’s administrator.

7- Disposition of Assets

In order to maintain accurate asset records, asset disposals shall be recorded promptly. These records shall reflect whether the items have been surplus, traded in, sold, stolen, or destroyed. When property is beyond repair or is no longer needed, the equipment item must be returned to the Service Center for appropriate disposal. IT equipment will be disposed of by IT Department. The administrator will complete a fixed asset maintenance form. Information required on the form includes:

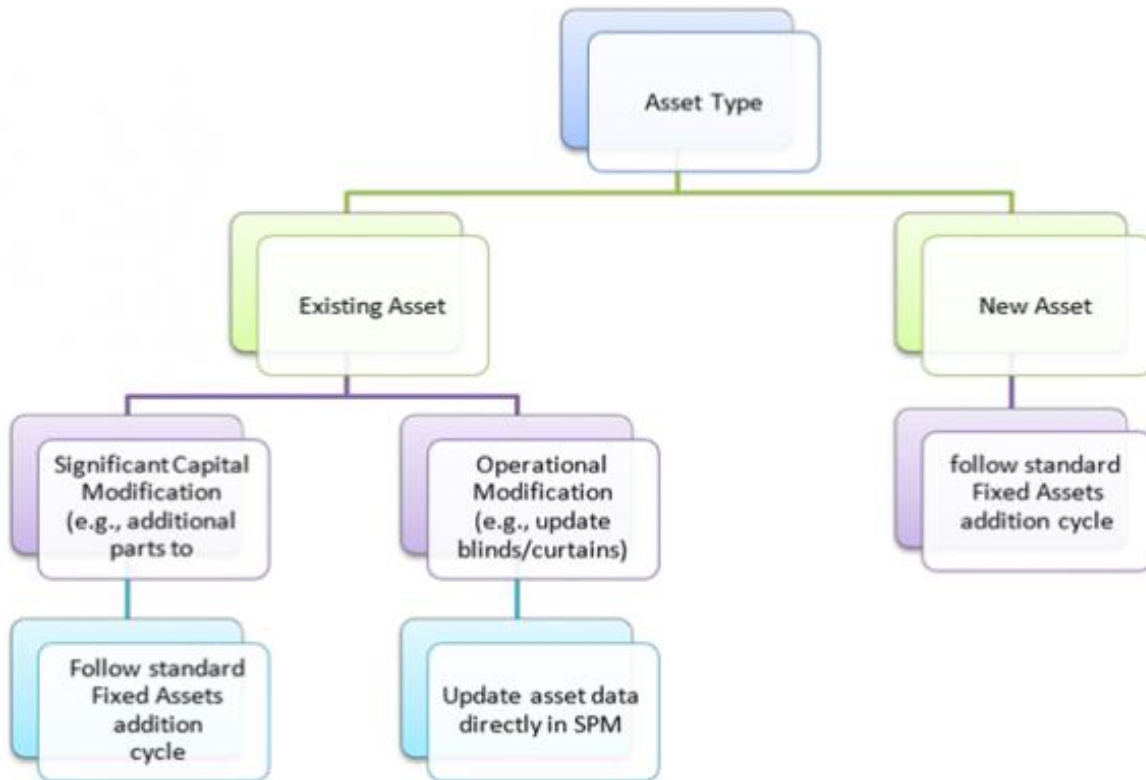
- Barcode of Fixed Asset Number. The building administrator must note the Fixed Asset Number located on the barcode affixed to the asset or obtain the number from the fixed asset listing that identifies the correct item. Consult the Fixed Asset Listing for the proper asset number.

- Complete description of the item, including brand, model, serial number, color, and size, etc. “Color Monitor or Desk” is not sufficient to properly identify property. Send completed form to Business and Finance

8- Conducting Physical Inventory

A physical inventory will be conducted annually for all inventoriable assets.

Appendix 1: Asset addition flowchart



Appendix 2: Asset disposal flowchart

