

Capital Movable Asset Physical Inventories, Tagging and Location Changes

FIN-ACC-I-170



About This Policy

Effective Date:

07-01-1992

Last Updated:

04-01-2008

Responsible University Office:

The Office of the Treasurer/Capital Assets

Responsible University Administrator:

Vice President and Chief Financial Officer

Policy Contact:

Jennifer George

Director of Auxiliary Accounting, Capital Asset Management, Non-Student Accounts Receivable, and Student Loan Administration

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Related Information

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* [I-150, Capitalization of Movable Equipment](#)* [I-270, Ownership of University Capital Assets](#)

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Policy Statement

“A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years. Any differences between quantities determined by the physical inspection and those shown in the accounting records must be investigated to determine the causes of the difference.” (Reference: U.S. Office of Management and Budget [Circular A110](#)) *See Note 1

Upon completion of the physical inventory process certification letters must be signed by the Fiscal Officer and sent to the University Capital Asset Office prior to June 30th of the scheduled inventory year.

All capital movable assets located in university owned or leased buildings, purchased through the university financial system, or used in university research projects is deemed to be in the custody of the university, regardless of who ultimately retains title to this equipment.

All capital movable assets must have a university yellow identifying tag affixed to it within thirty (30) days of receipt. Equipment owned by the federal government will have affixed to it a university tag and a government ownership tag.

Whenever an organization changes the location of a movable capital asset then the location must be updated in the Capital Asset Management System within 30 days of the change.

*Note 1: Uniform Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations.

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Reason For Policy

Physical inventories and tagging are completed to secure university capital assets, to verify location for compliance with OMB Circular A110 and to assist organizations with effective management of capital equipment. **OMB Circular A110:** "Uniform Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations"

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Procedure

Each organization is responsible for capital movable asset physical inventories, tagging and changing locations for those assets capitalized under their organization code in the Quali Financial System. Inventory Trakkers are available for scanning inventories. The Campus Capital Asset Office will train your inventory representative on the use of the Trakkers. When the asset is scanned the last inventory date in the Capital Asset Management System will be updated. Any asset unable to be scanned must be updated manually. If the asset is moved in between inventories the organization will update the asset location in the capital asset system within 30 days of the asset being moved. Capital movable asset tags can be purchased from the University Capital Asset Office.

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Definitions

Capital Assets: An acquisition value of at least \$5,000 and a useful life expectancy of one year or more.

Federally Owned Equipment: Assets that are purchased by a contract and grant account and of which the federal government or agency will retain ownership upon the completion of the grant or contract.

Trakker: A handheld data collection terminal used to scan the IU tag number affixed to equipment.

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History

The source to this policy is:

OMB Circular A110