

Policy Procedure: Fixed Assets and Property Control

Procedure Number: 311P

Contact Information: Finance & Administration, 703.323.3122

Forms: 105-148, 105-137, 105-005, 105-121, 105-135, 105-151, 105-124

Last Reviewed Date: 01/01/2022

1. Roles and Responsibilities
 - a. Property Control and Warehouse Services (Property Control Office)
 - i. Receives, identifies and tags assets with an inventory barcode.
 - ii. Coordinates the physical transfer of assets and updates AIS-AM with the revised location.
 - iii. Manages property loans and updates AIS-AM to reflect the asset has been removed from College property.
 - iv. Determines appropriate method of disposal for Surplus Property and processes disposal.
 - v. Oversees and assists Inventory Liaisons with annual and semi-annual Physical Inventory of assets in accordance with College policies, VCCS guidelines and State Laws.
 - vi. Performs Physical Inventory spot checks in coordination with the Controller's Office.
 - b. Inventory Liaisons
 - i. Manages department or division inventory by submitting location changes, reassignments, lost or missing reports, and surplus requests.
 - ii. Performs annual and semi-annual Physical Inventory within their department or academic division with assistance from the Property Control Office.
 - c. Controller's Office
 - i. Enters new assets into AIS-AM.
 - ii. Final approver for all asset updates.
 - iii. Disposes of surplus assets in AIS-AM.
 - iv. Performs Physical Inventory spot checks in coordination with the Property Control Office.
 - v. Final approver for Verification of Inventory Performed.
 - d. Campus Storekeepers
 - i. Review and process asset loan requests.
 - ii. Review and process asset update requests
 - iii. Review and process surplus requests
 - iv. Review and process asset tag requests for capitalized assets received at the respective campus
 - v. Assists Inventory Liaisons with annual and semi-annual Physical Inventory of assets in accordance with College policies, VCCS guidelines and State Laws.
 - vi.

2. Asset Acquisition

- a. The College is responsible for tagging all Capitalized Assets. Once received, items that meet the threshold for Capitalization must be tagged, entered into AIS-AM, and assigned to the respective department within 30 calendar days of receipt.
- b. Delivery and receiving of all assets must be directed to, or coordinated with, the Central Warehouse (CW) or a Campus Storekeeper. If a College department or employee directly receives a Capitalized Asset, the department's Inventory Liaison must immediately contact the Property Control Office (Campus Storekeeper or Central Warehouse) to request an asset tag.
- c. When procuring a Capitalized Asset, eVA Users should select "Yes" for the Asset Flag field under "Accounting - By Line Item" in the eVA Requisition creation process. This helps the College identify assets that require tagging.

3. Asset Relocation

- a. When a Capitalized Asset is moved to another College location (Inter Campus) or to another building, room, or department at the same College location (Intra Campus), the location must be updated in AIS-AM. Five (5) business days prior to, or after moving or transferring a Capitalized Asset, the responsible Inventory Liaison must submit an Asset Update Request (eform 105-137). The form is routed to the Campus Storekeeper for asset updates in AIS-AM.
- b. An Asset Loan Request (eform 105-005) is required when a Capitalized Asset is sent off campus to document the temporary location of the equipment, the date the Asset will be returned, and the responsible department. This requirement does not apply to mobile equipment assigned to specific personnel (e.g. laptops, IPADs).

4. Surplus Property

- a. NVCC is committed to handling property in a manner that is fiscally responsible and efficient while complying with applicable Department of General Services (DGS) Office of Surplus Property Management (OPSM) regulations.
- b. Effort should be made to redistribute or re-use property before classifying equipment as Surplus Property.
- c. No employee, faculty or staff member may discard, give away or remove property from College grounds without approval by the Property Control Office.
- d. ETF equipment is leased equipment and is not allowed to be disposed as surplus until the lease expires and title passes to the agency.
- e. College property that is no longer being utilized by a responsible department for any reason must be processed as Surplus Property.
- f. The method of disposal of Surplus Property will be determined by the Property Control Office within DGS OPSM guidelines.
- g. Assets awaiting disposal as Surplus Property are removed from the department's Physical Inventory list in AIS-AM.
- h. To request disposal of College property, the responsible department must initiate a Surplus Request (eform 105--121). For bulk requests, the department will attach a Property Manifest itemizing asset tag numbers, serial numbers, model numbers and condition.

- i. Once a Surplus Request form is submitted, the Campus Storekeeper and the Surplus Officer will assess, verify accuracy and process accordingly. Asset(s) listed on the form are designated as surplus in AIS-AM by the Controller's Office. The Surplus Officer will schedule a time for the asset(s) to be stored in a temporary location until disposed of per DGS OPSM procedures. The Surplus Office cannot accept responsibility or transport surplus requests until the 105-121 manifest is approved and reconciled with the respective physical equipment. Once the asset is physically removed, the Surplus Officer submits an Inventory Disposal Authorization (eform 105-135) and all supporting documentation to the Controller's Office for asset disposal in AIS-AM.
5. Physical Inventory
 - a. Physical Inventory reconciliation is conducted twice per year and requires action by the Property Control Office, Controller's Office, Campus Storekeepers, and Inventory Liaisons. A full Capitalized Assets inventory is conducted between February 1 and June 30. A second inventory of new (acquired after February 1st) Capitalized Assets is conducted between October 1 and Oct 31.
 - b. At the beginning of each Physical Inventory process, the Inventory Liaisons are provided with their department's list of Capitalized Assets.
 - c. The Inventory Liaisons are responsible for reconciling their department's inventory.. Reconciliation ensures Capitalized Assets are accounted for with the proper status of Located, Missing, or Discrepancy (a status of Missing or Discrepancy requires a manual entry in the notes column.) Notations for Missing Assets might include lost, off-site, or surplus/disposed assets. Discrepancies might also include changes in location, and item details (model, description, etc.).
 - d. Missing items not located by the close of inventory are considered lost and must be reported to the Office of Risk Management by the Inventory Liaison or Campus Storekeeper via a Report of Loss to State Owned Property. The Office of Risk Management will send the Report of Loss to the Property Control Manager, who will then submit a Property Disposal Authorization (eform 105-135) to the Controller's Office. At the end of each inventory period, the Campus Police are provided a list of all lost items.
 - e. Once the Physical Inventory reconciliation is complete, a copy of the reconciled inventory list must be attached to the Verification of Inventory Performed (eform 105-151) and submitted for final review. A single 105-151 and reconciliation may be submitted for multiple department codes within the respective Administrative Council member's unit.
 - f. As signed 105-151 forms are received,, the Controller's Office will conduct a spot check of 10% of inventory performed. The Property Control Office will notify the Inventory Liaison if access is needed to locked areas to conduct the spot check. If a department does not pass the spot check acceptance threshold (80% accuracy), the Verification of Inventory Performed is returned for review and resubmittal. Two spot check failures within a Physical Inventory reconciliation will result in notification to the Vice President of Finance & Administrative Services and the respective Administrative Council member.
6. ETF Equipment Replacement
 - a. Lost or stolen ETF items with a depreciated value of \$500 or more must be replaced within 90 days of the date they were discovered missing. When replacing ETF items, identify on the requisition that this is to replace a missing ETF asset, and provide the fixed asset tag number of the missing item as a comment on the requisition request.

- b. Replacement cost will be charged to the department that most recently had custody of the item.
 - c. The replacement must be a comparable item.
7. Stolen Property
- a. In the event that College Property is stolen, the Inventory Liaison, Custodian assigned through 105-005 Asset Loan Request, or College employee most familiar with the incident must immediately (preferably within one business day) report the incident to the Campus Police and Office of Risk Management via a Report of Loss to State Owned Property. The Office of Risk Management will send the Report of Loss to the Property Control Manager, who will then submit a Property Disposal Authorization (eform 105-135) to the Controller's Office.
8. Damaged Property
- a. The person or department to whom the College Property is assigned is responsible for promptly (preferably within one business day) reporting damage or loss to the Office of Risk Management via a Report of Loss to State Owned Property.

Definitions

College Property: Property and assets that are purchased with College funds, donated to the College, or acquired for the College through any other means, are the property of Northern Virginia Community College.

Capitalized Assets: Property that meets College criteria for asset capitalization listed below:

- a. All equipment with a useful life of greater than one year, and a value of at least \$5,000.
- b. All ETF Assets are tracked as Capitalized Assets until the equipment's lease expires.

Note: All Capitalized Assets are entered and tracked in AIS-AM and shall have asset tags affixed by the Property Control Office. Controlled Equipment valued at less than \$5,000 but deemed sensitive by the College (i.e. firearms, certain grant assets, etc.), is tagged and tracked in AIS-AM.

Equipment Trust Funds (ETF): Funds that are provided by the Commonwealth of Virginia and managed by the State Council for Higher Education of Virginia (SCHEV) for purchasing new or upgrading obsolete equipment used for instruction and research.

Inventory Liaison: Classified Staff employee, assigned at the Dean/Director level, to track and manage the department's assigned Capitalized Assets (E.G. – Office Manager or Administrative Assistant).

Physical Inventory: Physical inventory is a college-wide reconciliation of Capitalized Assets. The College conducts an annual inventory for all Capitalized Assets and a mid-year inventory for newly purchased (from the completion date of the annual Physical Inventory) Capitalized Assets.

Surplus Property: Surplus Property includes, but is not limited to, all College Property, Capitalized Assets, supplies, equipment, materials, and recyclable items that (a) have served their useful purpose, and/or (b) are no longer functional, and/or (c) cannot be repaired or improved in a cost-effective manner, and/or (d) are not needed for use within the agency.