Subject: Asset Control and Management

1. <u>Purpose</u>

This policy addresses the recording, internal control, and safeguarding of all college owned or otherwise utilized fixed assets.

2. <u>Policy</u>

Tidewater Community College shall record all fixed assets purchased by, donated to, or loaned to the college with a value of $5,000 or more in accordance with the Commonwealth of Virginia's Accounting Policies and Procedures (CAPP) Manual and the Virginia Community College System's (VCCS) Capital Assets Policies and Procedures Manual. Exceptions to the $5,000 or more recording requirement include the following assets which are not owned by the college and are to be recorded regardless of cost: 1) Equipment Trust Fund (ETF) equipment, 2) capital assets that have originated from foundations, federal or other than Commonwealth of Virginia state government entities, other Commonwealth of Virginia agencies, and other agencies as specified and required.

The Fixed Asset Manager shall identify assets to be included in the college's fixed asset inventory. Assets shall be affixed with a barcode label and be assigned to a specific location, department, and responsible position within the college.

Responsible positions shall complete the [Transfer of Equipment](#) form and submit it to the Fixed Asset Manager when permanently transferring an asset to another location. Should the college engage in the movement or closure of a campus, building, or other college facility, the fixed asset listing used for inventory purposes may be utilized in place of the Transfer of Equipment form as approved by the Director of Materiel Management.

Lost or stolen equipment shall be reported via the Transfer of Equipment form by the responsible position. The responsible position shall report the lost or stolen equipment to the Risk Management Coordinator.

Equipment that is damaged, worn beyond economical repair, and/or surplus shall be communicated by the responsible position to the Fixed Asset Manager via the Transfer of Equipment form. Disposal of surplus equipment requires prior written approval from the Commonwealth's Office of Surplus Property Management as obtained by the Director of Materiel Management. Any equipment containing a hard drive must adhere to the ***Information Technology Resource Management Standard*** as it relates to data removal. It is incumbent upon Office of Information Systems staff to ensure compliance and affix appropriate identification to the device. A record of this action shall be maintained by the Office of Information Systems.

Responsible positions shall verify the location of assets at least once a year via the fixed asset listing. The Fixed Asset Manager shall coordinate a complete physical inventory at least once every two years with each responsible position.

The Fixed Asset Manager shall ensure that the college's bar-coding and Asset Management System are updated within 30 days upon completion of the physical inventory process and any actions resulting from Transfer of Equipment forms.

3. <u>Responsibilities</u>

The Vice President for Administration & Chief Financial Officer shall develop and maintain procedures that are consistent with this policy and that comply with applicable policies and procedures of the Virginia Community College System and the Commonwealth of Virginia.

4. <u>Procedures</u>

4.1. **Identifying New Assets**

The college will utilize three primary means to identify new assets for inclusion in the fixed asset inventory.

1) eVA, the college's e-procurement system, will be the primary means for identifying assets.

2) The Potential Fixed Assets Report (PFAR) in the AIS Asset Management System will be used to identify non-eVA orders and/or other procurements

that may not have been identified in eVA. This process will be completed on a monthly basis by the Fixed Asset Manager and reviewed by the Director of Materiel Management for accuracy and completeness.

3) Receipt of a gift-in-kind donation via the Tidewater Community College Educational Foundation, Inc.

4.2. Recording New Assets

Assets deemed appropriate for inclusion in the fixed asset inventory will be recorded by Warehouse staff in the college's bar-coding and Asset Management System in accordance with the VCCS Asset Management Training Manual. Documentation as listed in Section 4.1 will serve as the source document for data entry and will be retained as such in the Warehouse asset files.

Warehouse staff will affix the barcode label and associated identification number to the asset and assign the asset to a specific campus location, department, and responsible position. In situations where it is deemed more appropriate for an asset to be shipped directly to a campus location rather than the college's central warehouse, the barcode label and identification number will be distributed by the Fixed Asset Manager to the designated responsible position to affix the label to the asset. The designated responsible position must inform the Fixed Asset Manager via email once this is completed.

4.3. Equipment Transfers and Moves

Responsible positions must submit a Transfer of Equipment form to the Fixed Asset Manager to move equipment to a new location and/or transfer equipment to a new responsible position. The Transfer of Equipment form will be provided to the Fixed Asset Manager within five business days of the date of transfer. The Fixed Asset Manager will record the transaction in the bar-coding and Asset Management System within 30 days of the date of transfer.

Some assets may require temporary movement from one educational setting (laboratory, classroom, etc.) to another in order to meet the specific daily needs of a particular program or activity. Movement of assets to meet these needs is permissible, provided the asset is returned to its primary location of record upon completion of the educational activity. Should the responsible position determine that such a move be of a more permanent nature, the transfer/move request process outlined in the preceding paragraph must be followed.

It is also acknowledged that Learning Resource Centers (LRC) and the Office of Information Systems (OIS) may be responsible for equipment that is periodically loaned to faculty, staff, and/or students of the college. In these instances, the LRC and/or OIS staff retain primary responsibility for the college asset and will utilize their Equipment Loan forms and procedures to clearly document the temporary loan arrangement with the other party.

4.4. Facility/Campus Relocation and/or Closure

Facilities Planning and Institutional Advancement staff will coordinate with the Director of Materiel Management for the movement and/or disposal/surplus of assets during a campus or building relocation or closure. Both departments will then coordinate efforts with the respective responsible positions.

4.5. Equipment That Is Stolen or Cannot Be Located

All lost or stolen equipment must be reported by the responsible position in writing to Campus Security and to the Fixed Asset Manager via the Transfer of Equipment form. The description of the equipment, identification number, model and serial number, cost, and the circumstances surrounding the loss must be provided. Asset systems will be updated accordingly by the Fixed Asset Manager within 30 days.

4.6. Surplus Property

Responsible positions having equipment that is damaged, worn beyond economical repair, and/or surplus to their needs will provide the Fixed Asset manager documentation of such circumstances using the Transfer of Equipment form. The form will clearly indicate the condition of the item and list the Warehouse as the receiving department. The Transfer of Equipment form should be sent to the Fixed Asset Manager in advance of the move. A copy must accompany the equipment when delivered to the Warehouse or removed from any facility. The responsible position must contact the Warehouse Supervisor to coordinate the physical move of the asset to the Warehouse.

The removal of any computer or computer related equipment cannot occur without compliance with the data removal provision as referenced in Section 2 of this policy. When multiple technology items are being surplused, the Office of Information Systems may submit one Transfer of Equipment form along with a spreadsheet listing the items that are to be surplused, signed by the Lead Installation Repair Technician or the Manager of Desktop Services in the absence of the Installation Repair Technician.

The Fixed Asset Manager will update the college's bar-coding and Asset Management System to reflect the receipt of equipment within 30 days. If the equipment can be used at another location the Transfer of Equipment form will indicate the new location and asset systems will be updated accordingly.

Disposal of equipment requires prior written approval from the Office of Surplus Property Management. Assets may be disposed of by sale or trade-in, abandonment, transfer to another agency, casualty loss, or utilized as parts in the repair of other college assets. Once an asset is properly disposed of, Warehouse staff will record the transaction accordingly in the college's bar-coding and Asset Management System within 30 days.

4.7. Fixed Asset List Review and Physical Inventory of Assets

The Fixed Asset Manager will distribute fixed asset listings to each designated responsible position on an annual basis. The listings will include the campus, building, room number, description of the asset, asset ID, tag number, and responsible position. Each responsible position must ensure that the list is verified and that any discrepancies are reported to the Fixed Asset Manager within 30 days. The Fixed Asset Manager will research discrepancies and make authorized corrections/updates to the college's bar-coding and Asset Management System within 30 days.

A physical inventory will be completed by the Fixed Asset Manager and the responsible position for each department at least every two years on a cyclical basis. Documentation of physical inventories will be maintained by the Fixed Asset Manager with any discrepancies noted in asset systems within 30 days.

The Fixed Asset Manager may audit certain locations to validate the inventory as directed by the Director of Materiel Management.

5. <u>Definitions</u>

PFAR – Potential Fixed Asset Report. A query that provides accounting and purchase order details for equipment purchases from the college's Administrative Information System.

Responsible Position – Individual responsible for the safekeeping of fixed assets within his/her department. This individual is the department head such as a Dean, Manager, or Director.

6. <u>References</u>

[Commonwealth Accounting Policies and Procedures (CAPP) Manual, Chapter 30000, Fixed Asset and Lease Accounting](#)

[VCCS Assets Policies and Procedures Manual](#)

7. <u>Review Periodicity and Responsibility</u>

The Vice President for Administration & Chief Financial Officer shall review this policy annually on the anniversary of its approval and, if necessary, recommend revisions. The policy shall also be reviewed when changes to the relevant policies and procedures are made.

8. <u>Effective Date and Approval</u>

This policy is effective upon its approval by the College President on May 4, 2022.

Policy Approved: Procedure Developed:

Dr. Marcia Conston   Heather Hardiman
President   Vice President for Administration & Chief
                                          Financial Officer

9. <u>Review and Revision History</u>

The initial version of this policy was approved July 11, 2011.

Revision	Description	Date Approved
1	Modified to increase capitalization limit from $2,000 to $5,000. Modified to incorporate the VCCS Capital Assets Policies and Procedures Manual. Modified to incorporate language for capitalizing assets which are not owned by the college. Modified to add the requirement of data removal by Office of Information Systems staff.	January 22, 2015
2	Replace Warehouse Supervisor with Fixed Asset Manager. Replace Associate Director with Director of Materiel Management. Change the method transferring (lot) such as OIS lab, etc. to the surplus warehouse.	August 8, 2019
3	Reflects updated position titles.	May 4, 2022