



Series: Facilities Management COA: FIN 2, ETH 3
CFOP: 175-50.9

Procedure Name: Asset Procurement, Recording and Inventory Procedures

Procedure Number: PM-710

Revision #/Date: (3)12-22-08

Effective Date: 10/01/04

Applicable to: All CBCB Staff and Contract Providers

SUBJECT: Asset Procurement, Recording and Inventory Procedures

PURPOSE: To record CBCB assets according to generally accepted accounting principles and maintain a tracking system in order to safeguard equipment and property and provide adequate insurance coverage.

PROCEDURE:

References

CBCB Procedures: GOV-202, GOV-203, IT-802, IT-805, PR-901

CFOP: 175-50.9

State of Florida, Department of Children & Families Contract GJ246

Definitions

Assets/Equipment: items purchased or donated to CBCB that are considered property of CBCB.

Real Property: lands, buildings, or improvements to buildings

Capital Assets: all items purchased or received through donation with a value of \$1000.00 or more and a useful life expectancy of 1 year or more.

Wasp Database (WASP): the system used by CBCB to track the status of all equipment or property owned by CBCB. The system uses a bar code and scanner to track the location and disposition of equipment or property entered into the database.

Removable Media: Thumb drives, PDAs, MP3/MPEG players, etc. as defined in IT-802.

Purchase of Equipment or Other Assets

- a. All purchases of equipment or other assets must follow procedure PR-901. As required by State of Florida contract GJ246, CBCB will comply with CFOP 50-9, Policy on Information Resource Requests.
- b. The cost of equipment will include: purchase price; freight and handling charges incurred; insurance on the equipment while in transit; and the cost of assembling and installation.

- c. The cost of land will include: purchase price; costs incurred in "closing", such as title to the land, attorney's fees and recording fees; costs incurred in getting the land in condition for its intended use, such as grading, filling, draining and clearing; and any additional land improvements that have an indefinite life.
- d. The cost of buildings includes all expenditures related directly to their acquisition or construction such as: materials, labor and overhead costs incurred during construction; and any fees such as attorney's, architect's and building permits.
- e. Donated assets will be recorded using the value listed on the In-Kind donation form by the donor or, if none is listed, fair market value.
- f. All purchases of computer software over the amount of \$1,000 and has an expected useful life of one (1) year or more will be capitalized and depreciated.
- g. All purchases of other assets, including computer hardware, furniture, equipment and leasehold and building improvements, over the amount of \$1,000 and have an expected useful life of one (1) year or more will be capitalized and depreciated.
- h. All purchases made with grant or contract funds must follow the prescribed requirements for ownership, inventory records, inventory tags and reporting to the granting agency.

Donations/Transfers

The donation or transfer to CBCB of any piece of equipment or real property must be reported to the Chief Financial Officer (CFO). Items donated must be recorded on an In-Kind donation form and the form given to the Public Relations Coordinator for processing. A copy of this form is forwarded to the Business Manager. The Public Relations Coordinator provides the Accounting Department with a listing of In-Kind activity monthly. This data is used to record a journal entry via the accounting system of record (Solomon). Donated assets are tracked in the same manner listed in the Purchase of Equipment section above, subsections b. – d.

Disposals

The sale, trade-in or disposal of any piece of equipment or other asset must be approved by the CFO or the Chief Executive Officer prior to the sale, trade-in or disposal.

- a. Research must be completed by the Business Manager to determine the origin of the asset and to determine if there are any restrictions on the asset. If the asset was purchased with grant or contract funds, proper procedures must be followed to meet the granting agency requirements.
- b. The staff member who is disposing of the property will complete the Inventory Control Form and obtain all required signatures and approvals. The completed form will be forwarded to the Business Manager.
- c. **IMPORTANT:** Any cameras, laptops, removable media devices, etc. must have their data contents erased prior to disposal in order to preserve confidentiality, in accordance with IT-805. The signature of an IT person is required on the Inventory Control Form in order to ensure this has been done.

Depreciation

Depreciation is calculated and recorded on a monthly basis as directed by generally accepted accounting principals and government guidelines. Donated assets will be depreciated individually based on the estimated useful lives. Useful life guidelines are as follows:

~ Buildings and Building Improvements	30 years
~ Furniture, Equipment, software	5 years
~ Vehicles	3 years
~ Leasehold Improvements	Life of the respective leases

Physical Inventory

1. Items to be inventoried and tagged include:
 - a. All assets/property worth over \$1000 dollars at time of purchase or when received as a donation.
 - b. All computer hardware (i.e. Monitors, laptops, servers, etc.) regardless of cost.
 - c. Portable electronic equipment such as cameras, recorders, etc.
 - d. Removable media devices such as thumb drives, portable hard drives.
 - e. Any other equipment or furniture as determined by the CFO.
2. The Business Manager or designee attaches the property tag to the purchased or donated asset. An inventory entry into WASP is completed when the tag is affixed indicating the location, manufacturer, model number and serial number of the asset.

The inventory of fixed assets is maintained by the Business Manager or designee in WASP. All new or donated capital assets are to be tagged and recorded within 5 days of acquisition. The WASP database is verified monthly and annually against the general ledger for accuracy.

3. Any equipment or property moved from one facility to another (to/from storage warehouse, to/from Care Centers or Lead Agency office) must be noted on an Inventory Control Form and the form forwarded to the Business Manager. Movement within a facility does not have to be tracked, however, applicable CBCB staff are required to account for the total inventory assigned to the facility: i.e. each Care Center Manager is responsible for the inventory assigned at the Care Center; the Business Manager is responsible for the inventory assigned to the Lead Agency Office; the Network Administrator is responsible for inventory assigned to the IT Department (specifically computer assets that have not been assigned to a particular person); Individual CBCB and Provider staff are responsible for inventory assigned to them personally; etc.
4. The database will include the following information:
 - a. CBCB Tag Number
 - b. Description
 - c. Model and/or Serial Number
 - d. Date and Cost of Acquisition
 - e. Location of Item (*laptops, PCs, portable electronics, removable media are assigned to a person and location)
 - f. Disposition/Condition
 - g. Funding Source

5. Items that have been disposed of will not be deleted from the database but will be kept in a separate 'disposal' category.
6. A complete physical inventory of all property and equipment will be made at least annually. This annual inventory must be matched to WASP and the general ledger. It is recommended that a quarterly check of approximately 15 items (randomly chosen by the Business Manager) and all cameras and removable media will be completed. Random checks may be conducted at any time at the request of an executive officer. All checks will be noted on a Physical Inventory Form.
7. All discrepancies must be researched and resolved. The Business Manager will notify the CFO of any discrepancies and make note of any follow up needed.

Lost/Stolen Items

1. Any property identified as lost or stolen should be reported immediately to the Facility Manager who will investigate the matter and inform the Business Manager of the issue.
2. A written report will be completed by the Facility Manager to document the loss and will a full accounting of all information known about the loss.
3. A police report will be filed for any stolen property by the individual from whom it was stolen. If the item is not assigned to an individual the report will be made by the Center Manager or Business Manager, or their designee, as appropriate.

CBCB Equipment Issued to CMA Personnel

1. All equipment, such as cameras, computers, laptops, etc. will be issued directly to the CMA personnel by the Care Center Manager or designee.
2. The individual will sign an acknowledgement of receipt and is responsible for the equipment. The individual's supervisor will also sign the acknowledgement.
3. The CMA personnel will make the equipment available for physical inventory when requested by CBCB.
4. Any lost, stolen, or non-functioning equipment will be brought to the attention of the Care Center Manager for resolution.
5. Upon termination, the individual will return the equipment to their supervisor who will acknowledge receipt and return it to the custody of the Care Center Manager.

BY DIRECTION OF THE CHIEF EXECUTIVE
OFFICER:



DR. PATRICIA NELLIUS-GUTHRIE
Chief Executive Officer
CBC of Brevard, Inc.

APPROVAL DATE: 2-12-09