ASSET MANAGEMENT

DHARMIK NANAVATI
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FORMS

INVENTORY

ACQUISITION

FORMS

FORMS -

OFF-CAMPUS:

- https://www.uhcl.edu/about/administrative-offices/finance/documents/off-campus-asset-authorization-form.pdf
- Deadline – August 31st, 2021 for FY2022
- If a certain item taken off campus anytime during FY2022, you will need to submit this form.
- Updates – A UHCL Location text box is added to the Off-Campus Property Returned section at the bottom of the form. This is to provide the exact location to asset management after the assets are returned to the department.
- In Planning – Developing an app base platform for off-campus approvals and inventory verification to make process more efficient and most importantly paperless (Go Green ☺).

PROPERTY CUSTODIAN: - This form is required by all the property custodian.

- https://www.uhcl.edu/about/administrative-offices/finance/documents/designation-of-departmental-property-custodian.pdf
- Deadline – August 31st, 2021 for FY2022.
- Notify immediately to Asset Management for any changes in property custodian

FORMS -

__ASSET UPDATE:__

- https://www.uhcl.edu/about/administrative-offices/finance/forms
- Z:\Finance\General Accounting\Asset Management\Forms
- Asset Management must be informed of any changes made to an asset(s) by completing this form.
  - For instance: Location Change, Disposal, Missing, etc.

__VEHICLE REPLACEMENT AND/OR PURCHASE:__

- https://www.uhcl.edu/about/administrative-offices/finance/documents/uhcl-vehicle-purchase-replacement-request.pdf
- The form must be completed and approved by authorities before purchasing and/or replacing fleets.

__Link to all forms-__

https://www.uhcl.edu/about/administrative-offices/finance/forms

INVENTORY

OVERVIEW –

Updates in procedure:
- Scanner Method
- Location Barcode

Certified and non certified:
- Verified Dept. # - 79
- Non Verified Dept. # - 10

Department responsibilities:
- All items located off-campus are documented and notified timely to Asset Management
- Each item meeting threshold is tagged. Please notify Asset Management for replacement of torn tags or tagging items meeting threshold. (Threshold amounts can be seen on a later slide).

Audit Checks:
- Random audits will be conducted for departments starting next fiscal year 2022.
- Scope of audit will be based on FY21 inventory discrepancies.

OVERVIEW
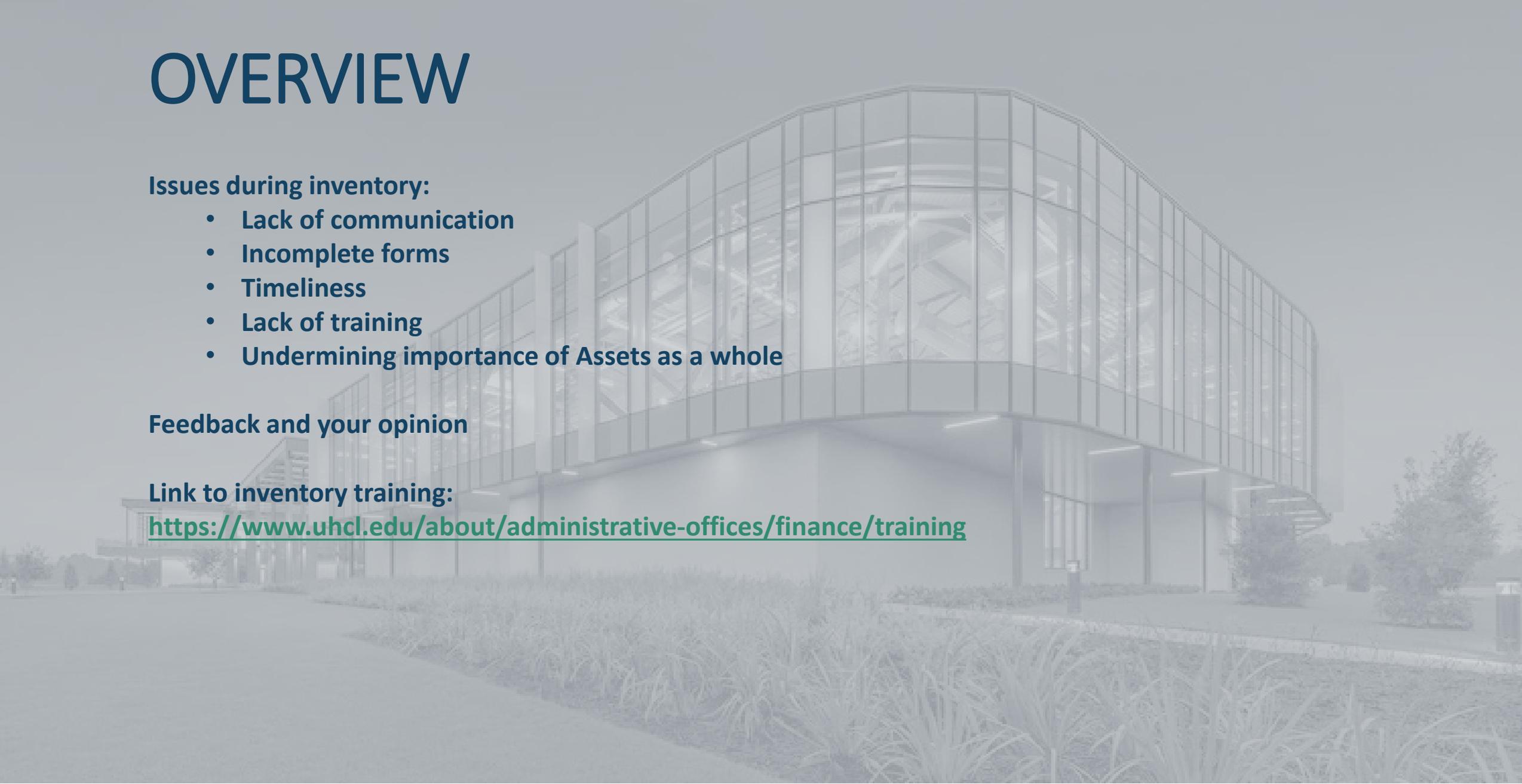
Issues during inventory:

- **Lack of communication**
- **Incomplete forms**
- **Timeliness**
- **Lack of training**
- **Undermining importance of Assets as a whole**

Feedback and your opinion

Link to inventory training:
https://www.uhcl.edu/about/administrative-offices/finance/training

ACQUISITION

CAPITAL VS CONTROL -

CAPITAL ASSETS:

- <u>Real</u> or <u>personal property</u> that have a <mark>SINGLE UNIT</mark> value of $5,000 or greater and an estimate useful life of more than one year.

- Capital Assets are tagged and maintained.

- These assets are reported in the University's Annual Financial Report.

CONTROLLED ASSETS:

- Assets that meet <u>personal property criteria (for details please see Asset Management Handbook)</u> with a <mark>SINGLE UNIT</mark> value of at least $500 but not more than $4,999.99 and that, due to their high-risk nature, are required to be secured and tracked.

- Controlled assets are tagged and maintained in the same manner as capital assets.

- These assets are classified as expendable and are not listed in the University's Annual Financial Report.

MOST COMMON ACCOUNT CODES –

Account Code	Description	Threshold (Single Unit)
54354	Equipment – State Controlled	$500 to $4,999.99
54355	Computer Equipment – State Controlled	$500 to $4,999.99
54358	Computer Equipment - Expensed	Less than $5,000
54361	Tools, Furnishings and Equipment	Less than $5,000

Account Code	Description	Threshold (Single Unit)
58601	Furniture/Equipment	$5,000 or more
58602	Computer Equipment	$5,000 or more
58607	Boats/Marine Equipment	$5,000 or more
58616	Vehicle – Passenger Cars	$5,000 or more
582xx	Building Construction and Renovation	Different threshold
589xx	Library	Different threshold

COMMON MISCONCEPT

Unit Cost v/s Total Cost:

- If more than one unit is purchased, consider the UNIT cost when selecting the account, not the total cost of all of the units combined.

Computer equipment v/s Computer Accessories:

- Computer equipment can be capital or controlled, computer accessories are always non-controlled or expensed.

- Use account code 54355 (Computer Equipment) for Desktop, Laptops, Tablets and other handheld computers with cost between $500 and $4,999.99 per unit.

- Use account code 54354 (Equipment) for computer accessories (e.g. Monitors, Mouse, Keyboards, Cables, etc.) purchased separately from the computer.

- If computer accessories are included in the price of the computer, include them with the computer's capitalization.

RECTIFY THE ERROR

Impact of incorrect account code – specially for capital assets.
- Accounting books - causes inaccurate financial reports
- Annual Financial Report (Misrepresentation of Annual Financial Report)

Solution
- Re-Class Account Code
  - Journal entry:
    - ensuring that all purchases of capital and controlled equipment are recorded using specific General Ledger Accounts and prepare correction journals when different General Ledger Accounts are required.

QUESTIONS?

THANK YOU

University of Houston – Clear Lake