

CHANGE IN REQUIREMENTS FOR RECEIPT AND TAGGING OF CAPITALIZED ASSETS EFFECTIVE JULY 3, 2006

Capitalized assets are moveable equipment with a probable useful life of more than one year and an acquisition cost or value of \$3,000 or more. Accurate tracking of these assets through the Asset Management System has a significant direct impact on the negotiation of the University's Facilities and Administrative Cost Rate (indirect costs) and subsequently on the amount of funding returned to the University as a part of sponsored research overhead.

Over the last nine months work has been underway to convert the asset management systems used by the central campus and by the Research Foundation into a single asset management system. This conversion allows the University to present a single source of information pertaining to its capitalized assets, their location and their value. The final system conversion to a single asset management system is scheduled to be completed by July 3, 2006.

The next step in improving our tracking of capitalized assets is to facilitate prompt tagging and tracking of all equipment. Therefore, the following changes are being made in the procurement and asset management processes and systems effective in fiscal year 2007.

RECEIVING OF CAPITALIZED ASSETS

Effective 7/3/2006, all University and Research Foundation capital equipment purchases should be routed to Central Receiving for tagging and delivery. Exceptions are items as identified below that cannot effectively be processed in Receiving. This means that requisitions for capitalized assets that do not qualify as exceptions should contain the ship-to code for Central Receiving (381).

Requisitions received in the Campus or RF Purchasing Departments that do not direct capitalized equipment to Central Receiving will be changed by the central buyers prior to issuance of the purchase order.

TAGGING OF ASSETS

Also effective July 3, 2006, the asset management system will include a **Date Tagged** field. This field will be used to monitor tagging activity and help ensure that assets are tagged in timely manner. **Assets received through Central Receiving after July 3rd will be tagged by the Asset Management staff prior to delivery to the unit and the Date tagged field will be entered.**

Assets in the exception categories that cannot be routed to Central Receiving will still need to be tagged by the department upon delivery. Equipment Coordinators who are tagging assets will need to complete the Date Tagged field after tagging the asset.

STANDARD HEADER COMMENTS ON REQUISITIONS AND PURCHASE ORDERS

In order to improve the completeness and accuracy of the information needed to create an asset in the Asset Management System, requisitions and buyers will be required to include a Capitalized Asset Standard Comment for each ordered asset. The capitalized asset standard comment includes information such as final location of the asset, a detailed description, the asset make and model and other information used in creating the asset. All available information should be included in the

comment when the order is initiated. This information will then be used by the Asset Management Staff when creating the asset in the system. Information not completed at the time of the order and/or not available upon receipt will need to be provided by the area Equipment Coordinator after the equipment is delivered to the unit.

Effective immediately, the POA standard header comment should be used for all new campus requisitions and purchase orders that include capitalized equipment. Beginning August 1, 2006, an edit will be added to the system requiring the addition of the standard comment to save the order. When creating requisitions or purchase order that includes capitalized assets, users will be required to:

- Insert a standard comment for EVERY asset included in the order.
- Specify the order line number(s) for each standard comment.
- Complete ALL of the information requested in the standard comment.
- Mark asset comments "Shown at Receipt".

Use the following steps to add capitalized asset standard comments to campus requisitions and purchase orders after accessing the *Header Comments* page

- 1) Click [[Standard Comments](#)].
- 2) "Cut and Paste" will default as the **Action**.
- 3) Select the **Std Type** (Standard Type) of "POA" (PO Comments – UNIV Cap Assets), for University orders or XXX for Research Foundation orders.
- 4) Select a **Comment ID** and click OK.
 - "240" for Bundled Equipment (Multiple lines of a purchase order will be "bundled" to create a single asset).
 - "241" for Non-Bundled Equipment (A single line of a purchase order represents a single asset).
- 5) Fill-in **Comments**. The language appearing in the initial comment should not be changed. Instead add the requested information in the spaces provided.
- 6) Check on **Shown at Receipt**.
- 7) Click OK.

Additional Information:

- Description of Central Receiving Exceptions – attachment
- For questions regarding Receiving, contact Receiving at 292-6035
- For questions regarding buying capital assets, contact the Purchasing Department at 688-8200.
- For questions regarding identifying capital assets, both bundled and non-bundled, contact DeeAnn Willis-Berry, Manager, Asset Management, at 688-4788.

**Asset Management
Central Receiving Exceptions**

1. Physical limitations for Central Receiving:

- a. Maximum Weight of asset: 4,000 lbs.
- b. Height and width of Central Receiving dock doors – 8' 11" wide x 8' tall
- c. Central Receiving elevator doors – 8' x 11" wide x 12' 11" tall x 12' long
- d. Usable ceiling height in the Receiving dock area (attention to the Co-Ray-Vac heating system a priority) – 9'
- e. Height/width of blue doors leading to the storage area if the asset is to be stored before delivery – 9' x 9'
- f. Mobility of asset - can Central Receiving material handling equipment be utilized without damaging the item?

2. Items "Outside" Shipping Deliver Scope

The Receiving department will receive items outside the Shipping department's delivery scope. Specialty movers (i.e....Accelerated) will handle these items with costs charged to the customer. Items defined as "outside" are all items beyond the physical limitations for the University Shipping department:

- a. Maximum Dimensions of delivery truck - 18' x 7' x 6'
- b. Weight limitations of material handling equipment – 4,000 lbs.
- c. Standard pallet that can be moved safely with standard pallet forks and/or pallet jack.

3. Special end destination installation required.

4. Very fragile items that could be damaged with multiple stops.

Note:

The Receiving department may contact the customer and request they "sign off" on receipt of an item based on price and/or Receiving's ability to determine the condition of the item received.