Welcome to the Finance and Administration Update Meeting for February

The meeting will begin at 10:00 AM
Zoom Only
Finance and Administration Update Meeting

- Time: last working Friday of every month at 10:00 AM
- Delivery method: view/listen only on Zoom
- Slides and other resources will be available after the meeting at:
  - Finance and Administration Updates Google Drive
  - Controller’s Office website: https://controller.appstate.edu/
- Contacts: Yifan Zhou (zhouya@appstate.edu), McKenzie Harris (Google Group and Google Drive) (harrismk@appstate.edu)
Meeting Agenda

- General Reminders and Updates - David Jamison, Kevin Patterson, Miranda Warren
- Green Purchasing Guidelines - Jennifer Maxwell, Chad Hicks
- Capital Assets - Roger Brandon
General Reminders

- Review of receipt standards to document business expenses (Itemized Receipts vs. credit card receipts).
- Dell Purchasing
- ITS Acquisitions Process
Dell Purchases with Quotes

- Do not use the Non-Catalog Item
- Do use the Dell Punchout Quotes:

Choose the quotes you'd like to purchase from the list below or search for an eQuote (by entering the eQuote name, eQuote number, eQuote creator) or search for a Sales Quote (by entering Sales Quote Number).
IT Acquisition Process

REMINDER
Submit requests via tech.appstate.edu when wanting to acquire any new IT software, service, or hardware

Guidance

Do I Need to Submit an IT Acquisition Request?

YES
- NEW Software or Service being acquired for University business (regardless of how much it costs)
- NEW Cloud Services
- NEW IT Consulting Services
- Renewals containing a Significant Change/Additional Software/Service/Functionality
- Hardware/Service/Software that is Not Considered an IT Standard Purchase

NO
- Software or Service being installed on a SINGLE Workstation/Device for a SINGLE employee’s use
- Renewals (unless there are significant changes)
- Software or Service that Already Exists on Campus
IT Acquisition Process

**WHY**

1. Ensure compatibility with infrastructure & available resources.
2. Meet accessibility standards
3. Address compliance requirements & Manage risks
4. Populate University Inventory

State Auditor (NCOSA) is focused on cyber controls protecting student information and without maintaining an inventory of all items storing student and other confidential data we cannot protect these assets.

UNC System Office (CARMc) is requiring reports on our ability to maintain an inventory of Confidential data systems and end points - we need to make sure we can capture all IT Services used.
IT Acquisition Process

UPDATES

1. Inventory → Software/Service Catalog
2. Expanded review team
3. Formalized Service Level Agreements (SLAs)
4. “Look up” functionality
5. Revised TCM questions

?? QUESTIONS ??

Contact Miranda Warren

warrenmm@appstate.edu or group-it-pm-gov@appstate.edu
Green Purchasing Guidelines

Office of Sustainability and Materials Management are working together to introduce Green Purchasing Guidelines Training!

Sustainable Purchasing Search Demo

Discussion on Purchasing Training Plan

Chad Hicks, Purchasing Manager

Jennifer Maxwell, Sustainability Program Director

https://sustain.appstate.edu/initiatives/greensuite/purchasing/
Capital Assets Overview

Roger Brandon

Assistant Controller
Financial Reporting & Reconciliations

brandonra@appstate.edu
Capital Assets Overview

Topics

- What is a capital (or fixed) asset?
- Financial reporting for capital assets
- Accounting for capital assets
- Capital assets processes (using Departmental Training slides)
What is a capital (or fixed) asset?

Definition

- PP&E, Intangibles, leases (FY22), software agreements (FY23)
- >$5K, >$100K (thresholds)
- Recorded as an asset and depreciated over time
Depreciation and amortization are computed using the straight-line method for the University and the composite rate method for the electric utility over the estimated useful lives of the assets in the following manner:

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Estimated Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>10-100 years</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>2-30 years</td>
</tr>
<tr>
<td>General Infrastructure</td>
<td>10-75 years</td>
</tr>
<tr>
<td>Computer Software</td>
<td>2-30 years</td>
</tr>
</tbody>
</table>
Capital Assets Overview

- Financial Reporting for Capital Assets
  - Statement of Net Position
  - Notes to the financial statements
  - Detailed information for each asset in a separate database
  - Still planning to migrate to Banner Finance
<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets:</strong></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>$ 119,843,698</td>
</tr>
<tr>
<td>Restricted Cash and Cash Equivalents</td>
<td>35,471,104</td>
</tr>
<tr>
<td>Receivables, Net (Note 5)</td>
<td>19,839,476</td>
</tr>
<tr>
<td>Inventories</td>
<td>12,539,091</td>
</tr>
<tr>
<td>Notes Receivable, Net (Note 5)</td>
<td>630,389</td>
</tr>
<tr>
<td>Other Assets</td>
<td>3,202,694</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>192,527,042</strong></td>
</tr>
<tr>
<td><strong>Noncurrent Assets:</strong></td>
<td></td>
</tr>
<tr>
<td>Restricted Cash and Cash Equivalents</td>
<td>75,575,281</td>
</tr>
<tr>
<td>Receivables (Note 5)</td>
<td>13,332,372</td>
</tr>
<tr>
<td>Endowment Investments</td>
<td>152,978,741</td>
</tr>
<tr>
<td>Restricted Investments</td>
<td>23,045,244</td>
</tr>
<tr>
<td>Other Investments</td>
<td>11,250,700</td>
</tr>
<tr>
<td>Notes Receivable, Net (Note 5)</td>
<td>979,505</td>
</tr>
<tr>
<td>Beneficial Interest in Assets Held by Others</td>
<td>2,003,261</td>
</tr>
<tr>
<td>Net Other Postemployment Benefits Asset</td>
<td>532,589</td>
</tr>
<tr>
<td>Other Noncurrent Assets</td>
<td>728,942</td>
</tr>
<tr>
<td>Capital Assets - Nondepreciable (Note 6)</td>
<td>100,507,610</td>
</tr>
<tr>
<td>Capital Assets - Depreciable, Net (Note 6)</td>
<td>698,166,328</td>
</tr>
<tr>
<td><strong>Total Noncurrent Assets</strong></td>
<td><strong>1,079,100,573</strong></td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>1,271,627,615</strong></td>
</tr>
</tbody>
</table>
NOTE 6 - CAPITAL ASSETS

A summary of changes in the capital assets for the year ended June 30, 2021, is presented as follows:

<table>
<thead>
<tr>
<th>Capital Assets, Nondepreciable:</th>
<th>Balance</th>
<th>Increases</th>
<th>Decreases</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>July 1, 2020 (as Restated)</td>
<td></td>
<td></td>
<td>June 30, 2021</td>
</tr>
<tr>
<td>Land</td>
<td>$ 67,526,348</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 67,526,348</td>
</tr>
<tr>
<td>Art, Literature, and Artifacts</td>
<td>4,010,459</td>
<td>72,304</td>
<td>-</td>
<td>4,082,763</td>
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<tr>
<td>Construction in Progress</td>
<td>44,202,933</td>
<td>56,182,699</td>
<td>71,487,133</td>
<td>28,898,499</td>
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<tr>
<td>Total Capital Assets, Nondepreciable</td>
<td>115,739,740</td>
<td>56,255,003</td>
<td>71,487,133</td>
<td>100,507,610</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Capital Assets, Depreciable:</th>
<th>922,296,586</th>
<th>145,776,652</th>
<th>5,325,302</th>
<th>1,062,749,936</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>773,282,695</td>
<td>140,650,093</td>
<td>2,939,734</td>
<td>910,993,054</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>60,103,447</td>
<td>3,162,851</td>
<td>2,237,935</td>
<td>61,028,363</td>
</tr>
<tr>
<td>General Infrastructure</td>
<td>87,991,305</td>
<td>1,963,708</td>
<td>47,110</td>
<td>89,807,903</td>
</tr>
<tr>
<td>Computer Software</td>
<td>1,019,139</td>
<td>-</td>
<td>100,523</td>
<td>918,616</td>
</tr>
<tr>
<td>Total Capital Assets, Depreciable</td>
<td>922,296,586</td>
<td>145,776,652</td>
<td>5,325,302</td>
<td>1,062,749,936</td>
</tr>
</tbody>
</table>

Less Accumulated Depreciation/Amortization for:

<table>
<thead>
<tr>
<th></th>
<th>Buildings</th>
<th>Machinery and Equipment</th>
<th>General Infrastructure</th>
<th>Computer Software</th>
<th>Total Accumulated Depreciation/Amortization</th>
<th>Total Capital Assets, Depreciable, Net</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>273,069,768</td>
<td>19,030,131</td>
<td>35,011,402</td>
<td>392,262</td>
<td>344,243,918</td>
<td>578,052,668</td>
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<tr>
<td></td>
<td>1,903,131</td>
<td>2,689,422</td>
<td>2,655,490</td>
<td>54,585</td>
<td>4,091,938</td>
<td>121,347,024</td>
</tr>
<tr>
<td></td>
<td>2,125,693</td>
<td>1,926,485</td>
<td>35,990</td>
<td>3,770</td>
<td>4,091,938</td>
<td>1,233,364</td>
</tr>
<tr>
<td></td>
<td>289,974,206</td>
<td>35,774,339</td>
<td>38,369,986</td>
<td>443,077</td>
<td>364,581,608</td>
<td>698,166,328</td>
</tr>
</tbody>
</table>

Capital Assets, Net

<table>
<thead>
<tr>
<th></th>
<th>$ 693,792,408</th>
<th>$ 177,602,027</th>
<th>$ 72,720,497</th>
<th>$ 798,673,938</th>
</tr>
</thead>
</table>
Capital Assets Overview

- **Capital assets accounting**
  - How requisitions in Yo-mart impact fixed assets accounting
    - Based on 75XX5X account and dollar amount >$5K
  - What happens if requisitions are not coded correctly?
    - Catch in approval process?
    - Exception reports, additional research, journal entries (additional work for all)
    - Asset not recorded (worst case)
      - Item not tracked on inventory
      - Not included in financial statements or included but shouldn’t be
## Capital Assets Overview

### Fixed assets accounting (equipment accounts)

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>751050</td>
<td>Off Equipment-FAS</td>
<td>754557</td>
<td>IT Security Equip FAS</td>
</tr>
<tr>
<td>751150</td>
<td>Off furniture-FAS</td>
<td>754950</td>
<td>Mtr Vehicles-Other FAS</td>
</tr>
<tr>
<td>751350</td>
<td>Voice Comm Equipment FAS</td>
<td>755150</td>
<td>Construction Equip-FAS</td>
</tr>
<tr>
<td>752150</td>
<td>Nonwan EDP Equip FAS</td>
<td>755250</td>
<td>Maintenance Equipment FAS</td>
</tr>
<tr>
<td>752450</td>
<td>Wan EDP Equip FAS</td>
<td>755450</td>
<td>Other Equip- Athletic-FAS</td>
</tr>
<tr>
<td>753150</td>
<td>Educ Furniture-FAS</td>
<td>755550</td>
<td>Oth Equip- Agricultural-FAS</td>
</tr>
<tr>
<td>753250</td>
<td>Ed Eq-Sci/Med-FAS</td>
<td>755650</td>
<td>Oth Equip- Dietary-FAS</td>
</tr>
<tr>
<td>753350</td>
<td>Educ Eq- Engineer-FAS</td>
<td>755750</td>
<td>Video Transmission Equip FAS</td>
</tr>
<tr>
<td>753950</td>
<td>Educ Eq- Other-FAS</td>
<td>755950</td>
<td>Other Equipment-FAS</td>
</tr>
<tr>
<td>754150</td>
<td>Auto/Truck/Bus-FAS</td>
<td>755951</td>
<td>Other Equipment-FAS FEMA</td>
</tr>
<tr>
<td>754555</td>
<td>Servers FAS</td>
<td>755952</td>
<td>Other Equipment-FAS ST EMRG</td>
</tr>
</tbody>
</table>
## Capital Assets Overview

**Appalachian State University**

**Fixed Assets Transactions**

09/01/2020 to 09/30/2020  
8,573.33

<table>
<thead>
<tr>
<th>Fund</th>
<th>Check/ Doc</th>
<th>Invoice/ Reference</th>
<th>Date</th>
<th>PO</th>
<th>Type</th>
<th>Description</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>755650-Oth Equip- Dietary-FAS</td>
<td>322360-Cascades</td>
<td>E077237</td>
<td>09/03/2020</td>
<td>P0036742</td>
<td>DNEI</td>
<td>US Foods Inc</td>
<td>8,573.33</td>
</tr>
<tr>
<td>755950-Other Equipment-FAS</td>
<td>227407-SkyLine/SkyBest Edu Partnership</td>
<td>E076669</td>
<td>09/17/2020</td>
<td>P0037237</td>
<td>DNEI</td>
<td>Marshall Productions, Inc.</td>
<td>13,969.00</td>
</tr>
<tr>
<td></td>
<td>227856-Fnd.Theatre/Dance</td>
<td>E078340</td>
<td>09/24/2020</td>
<td>.</td>
<td>DNEI</td>
<td>Welch-Fulk Enterprises Inc</td>
<td>0,761.70</td>
</tr>
<tr>
<td></td>
<td>33468-Housing P3 Projects</td>
<td>E0762276</td>
<td>09/03/2020</td>
<td>P0036535</td>
<td>DNEI</td>
<td>Becker Complete Compactor Inc</td>
<td>37,741.68</td>
</tr>
<tr>
<td><strong>Total 755650-Oth Equip- Dietary-FAS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>8,573.33</strong></td>
</tr>
<tr>
<td>755950-Other Equipment-FAS</td>
<td>106810-Library</td>
<td>E075918</td>
<td>09/09/2020</td>
<td>P0037029</td>
<td>DNEI</td>
<td>Amazon.com, LLC</td>
<td>33.70</td>
</tr>
<tr>
<td></td>
<td>332540-Residence Halls</td>
<td>E075997</td>
<td>09/09/2020</td>
<td>P0037029</td>
<td>DNEI</td>
<td>Amazon.com, LLC</td>
<td>3,129.51</td>
</tr>
<tr>
<td></td>
<td>333555-LTS Classroom Technology-Ed &amp; Tech</td>
<td>E077103</td>
<td>09/03/2020</td>
<td>P0036958</td>
<td>DNEI</td>
<td>New Revolution Tools LLC</td>
<td>43,836.00</td>
</tr>
<tr>
<td><strong>Total 755950-Other Equipment-FAS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>61,492.58</strong></td>
</tr>
<tr>
<td>755952-Other Equipment-FAS ST EMRG</td>
<td>337310-Supplemental Textbooks</td>
<td>AT000469</td>
<td>09/11/2020</td>
<td>.</td>
<td>FUP</td>
<td>CORRECT DATA ENTRY-LAND AQU</td>
<td>203.88</td>
</tr>
<tr>
<td><strong>Total 755952-Other Equipment-FAS ST EMRG</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>50,793.21</strong></td>
</tr>
<tr>
<td>757100-Land Acquisition Cst</td>
<td>337310-Supplemental Textbooks</td>
<td>AT000469</td>
<td>09/11/2020</td>
<td>.</td>
<td>FUP</td>
<td>CORRECT DATA ENTRY-LAND AQU</td>
<td>203.88</td>
</tr>
<tr>
<td><strong>Total 757100-Land Acquisition Cst</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>203.88</strong></td>
</tr>
</tbody>
</table>
Capital Assets Overview

● GASB Statement 87 (Leases)
  ○ Equipment, Land, Buildings
  ○ Moves leases to our balance sheet (“right to use” asset and liability)
  ○ Threshold: PV of future payments >$100K (asset value)
  ○ LeaseQuery Software
  ○ Reporting begins on 6/30/2022 financials (this year)
Capital Assets Overview

- GASB Statement 96 (SBITA)
  - Subscription-based Information Technology Arrangements
  - Multi-year software agreements
  - Moves material software subscriptions to our balance sheet (asset and liability)
  - Threshold: PV of future payments exceeds $100K (asset value)
  - Reporting begins on 6/30/2023 financials (next year)
  - Work to ensure compliance is well underway, but more is ahead
Purpose

Requirement of the business process compliance standards
Provide information for new employees (or new to position)
Refresher
Discuss some recurring issues
Provide some new information for everyone
What is a Fixed (Capital) Asset?

A capital asset is property, such as land, land improvements, easements, buildings, equipment, works of art and historical treasures, and infrastructure, with a cost equal to or greater than $5,000 and a useful life of two or more years.

Capital assets are acquired for use in normal operations and are not for resale. (Office of the State Controller Website).
OSC Physical Inventory Policy

A physical inventory of capitalized and inventoried fixed assets is taken to verify that assets recorded are physically located in an agency. Inventories are taken at least annually.
The inventory is taken by someone who does not have custody of the assets, nor responsibility for receiving, checking in, tagging, and recording the assets (see Separation of Duties).
If a capitalized or inventoried asset is missing at inventory, the Missing Asset Form is completed to document the reason for the missing asset (see Missing/Stolen Assets).
Intangible assets of State agencies and component units should be capitalized according to the following thresholds:

$1,000,000 – Internally generated computer software (application development costs only)

$100,000 – All other intangible assets (including purchased or licensed computer software)
GASB 51

Common Types of Intangible Assets

Computer software
  • Purchased or licensed
  • Internally generated

Websites

Easements

Patents, copyrights, and trademarks
Inventory Process

What?

A list of assets for each department accompanied by a memorandum of instructions
Inventory Process

When?

Once annually, sometime in the spring semester
Inventory Process

Who?

1. Departmental administrative personnel or other individual designated by the department

2. Someone who does not have custody of the department’s assets
Inventory Process

Why?

1. Good stewardship and safeguarding of state-owned assets (applies to ALL University owned assets)

2. Compliance with the Office of the State Controller and the North Carolina Office of the State Auditor
Inventory Process

How?

Physical verification of asset, tag number, and location of all departmental assets by designated departmental personnel.
## Department Inventory

### 415100 Controllers Office

<table>
<thead>
<tr>
<th>Asset</th>
<th>Acq Date</th>
<th>Cost</th>
<th>Building</th>
<th>Room</th>
<th>Condition</th>
<th>Verify</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>05846500</td>
<td>DEC 22/12/2007</td>
<td>11,648.34</td>
<td>250 Business Affairs Annex</td>
<td>N/A</td>
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<tr>
<td>0500620</td>
<td>COPIER 3036</td>
<td>4,364.00</td>
<td>250 Business Affairs Annex</td>
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<tr>
<td>Grant Funded</td>
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<td></td>
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<tr>
<td>0538629</td>
<td>PIGBURE ORAL 7</td>
<td>13,684.00</td>
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<td>Good</td>
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<td></td>
</tr>
<tr>
<td>MOORE-WALLACE</td>
<td>IATS120</td>
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<td>0591280</td>
<td>VAN 2007 FLEET EXPRESS</td>
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<td>Good</td>
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<td>CHEVROLET</td>
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<td>IGNFH 15Z47 1212274</td>
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<td></td>
</tr>
</tbody>
</table>

**Total:** 55,841.40

**Record Count:** 4

**Inventory Performed by:** [Name]

**Date:** [Date]

**Department Head:** [Name]
Inventory Process

Issues

1. Checking off items without verification
2. Some signatures on inventories are not legible
3. Inventory not completed by due date
Inventory Process

Issues

1. Checking off items without verification
   a. Inaccuracies in Assets Database & Financial Statements
   b. Spot checks
      ▪ Fixed Assets Personnel (business process compliance standards)
      ▪ State Auditors and Internal Auditors
   c. Increased risk of loss of state/ASU owned assets
   d. Potential for audit finding
1. Checking off items without verification (continued)

Solutions:

- Personnel must actually physically locate the item and verify tag number and location.
- Do not make assumptions based on previously seeing the item or it being checked off on a previous inventory!
Example of an App State Tag
Inventory Process

Issues

2. Some signatures on inventories are not legible
   a. Who to contact with questions?
   b. Who conducted inventory?
   c. Who approved?
Inventory Process

Issues

3. Inventory not completed by due date
   a. Data from reports needed to update fixed assets system
   b. At fiscal year end, Database must be balanced to Banner
   c. Year end reports
   d. ACFR & Financial Statements
Other Important Fixed Assets Procedures

- Changes in location of an asset
- Surplus procedure
- Missing or lost assets procedure
- Procedure for stolen assets
- Approval for off campus use of assets
Movable Equipment Form
Changes in Location of an Asset

Complete Movable Equipment form

(Use for more permanent changes in location, transfers to another department, lost, stolen, etc.)

Send copy to Deborah Wood

Retain a copy in the Departmental files
Surplus Procedure

Complete Movable Equipment Form

Check “Sent to Surplus”

Send asset to Warehouse along with completed Movable Equipment Form

Warehouse will provide form to Fixed Assets

Note: Applies to ALL University owned assets (not just fixed assets)
Surplus Procedure

All fixed assets disposals MUST go through the Central Warehouse. Departments should not dispose of any asset themselves.

Exceptions can be made ONLY with written approval from the Warehouse.
Missing or Lost Assets Procedure

Complete Movable Equipment Form

Check “lost” on form

Important to provide explanation on form

Send completed form to Deborah Wood

Continue to search for asset, and if found, complete another form

Check “Other” and indicate asset has been found with explanation
Missing or Lost Assets (continued)

If asset is missing for 2 inventory cycles, item will be removed after signature from Associate Vice Chancellor of Business Affairs
Procedure for Stolen Assets

Same procedures as lost items except complete these additional steps

1. File report with campus police

2. Send copy of police report to Deborah Wood
Missing or Stolen Assets (Sensitive Data)

If an asset containing sensitive data is determined to be missing or lost, contact the Fixed Assets office to determine if additional steps are needed.
Approval of Off Campus Use of Assets

Removing University assets from campus for more than 30 days requires written approval from a Department Chair using the form “Approval of off campus use of university assets”

This form can be found under the online forms tab on the fixed assets website
Approval of Off Campus Use of Assets Form

This form is to approve off campus use of University assets for a period of 30 days or more. Assets removed for more than 30 days without consent of this form will be treated as stolen according to University Policies and Procedures. This form is to be maintained on the departmental level. If any items are tagged assets (original cost exceeding $5,000 which appear on the annual inventory report), the Fixed Assets unit in the Controller’s Office will also need a completed copy of this form.

DESCRIPTION OF EQUIPMENT LOANED FOR OFF CAMPUS USE

<table>
<thead>
<tr>
<th>MAKE</th>
<th>MODEL</th>
<th>SERIAL NUMBER</th>
<th>FAST TAG NUMBER (if applicable)</th>
<th>FUND NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

PURPOSE FOR OFF CAMPUS USE:

__________________________________________________________________________
__________________________________________________________________________
__________________________________________________________________________

DURATION OF AUTHORIZATION

FROM (Date): __________________ TO (Date): __________________

I hereby certify that these equipment item(s) will be used only in support of educational or administrative duties directly related to my employment with Appalachian State University as stated above. I understand that I am personally responsible for the safekeeping and timely return of these item(s). I also understand that I may be held responsible for the repair or replacement of these item(s) should they be damaged, destroyed, or lost while in my possession.

Borrower __________________ Date: __________________

Department Chairperson (or designee) __________________ Date: __________________

EQUIPMENT RETURNED:

Department Chairperson (or designee) __________________ Date: __________________

*If items borrowed are fixed assets, please provide a copy of this form to the Fixed Assets department both when equipment is borrowed and when equipment is returned to campus.
Other important issues

Assets purchased with grant funds
Fabrications
Trade ins
Replacements
Fully depreciated assets
Assets Purchased with Grant Funds

Items identified by:

a. Notation of “grant funded” on inventory list

b. Red “Grant funded” tag on asset

If movable equipment form needs to be completed for any asset funded by grants, contact Elaine Berry in Special Funds Accounting. Federal guidelines often require additional steps.
Fabrications

Assets created (built) by a department using purchased component parts

Costs must be tracked on these types of projects and must be reported to Fixed Assets personnel if the cost of all components and labor exceeds the $5,000 threshold

An asset tag will be issued to the department and it will be added to the departmental inventory if the fabricated item is verified as a fixed asset
Trade Ins

1. Contact the Fixed Assets Office with trade in proposal

2. Fixed Assets will submit proposal to State Surplus for approval

3. Once approved, complete and send the moveable equipment form to Fixed Assets
Replacements

If an asset is replaced by the manufacturer:

1. Provide new serial number to Fixed Assets personnel via email or campus mail.

2. Apply a replacement fixed assets tag using a mailing label or other method in a location that is easy to verify.

3. Write asset number on the new tag using a permanent marker.
Issue of Fully Depreciated Assets

Area of emphasis for State Auditors

Active assets with book value of zero

Active assets approaching book value of zero

Still in use & how many more years? (educated guess)

If not still in use, need to surplus item
**ASSETS BECOMING FULLY DEPRECIATED THIS YEAR**

**415100  Controllers Office**

<table>
<thead>
<tr>
<th>Asset</th>
<th>Acq Date</th>
<th>Cost</th>
<th>Building</th>
<th>Room</th>
<th>Surplus?</th>
<th>Years until Replacement</th>
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</thead>
<tbody>
<tr>
<td>000000 4630 PRINT DIGITAL LG 12</td>
<td>4/21/1985</td>
<td>118,485.34</td>
<td>290 Business Affairs Annex</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Suns 71,845.34

Record Count 1

Date: __________ Department Head: ________________________________

**If you are disposing items, please attach a copy of the disposal forms.**

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*Wednesday, October 27, 2010*
Websites

App State Fixed Assets Website

Fixedassets.appstate.edu

Office of the State Controller Policies

osc.nc.gov/state-agency_resources
Contact Information

Roger Brandon, Fixed Assets Accountant
Phone: X2500
Email: brandonra@appstate.edu

Deborah Wood, Fixed Assets Officer
Phone: X2636
Email: wooddi@appstate.edu
We hope to see you at the next meeting in March!