



Fixed Assets for Department Administrators

Asset Purchases



Threshold to Qualify as Fixed Asset

Items considered fixed assets include:

1. Individual asset purchase must have a cost of \$5,000 or more
 - a) Total cost of the asset includes the costs “necessarily incurred to bring it to the condition and location necessary for its intended use”
 - b) Could include shipping, handling, and installation costs
2. Any purchases regardless of dollar amount for items on approved large capital projects
3. Gifts in Kind received over \$5,000
 - a) Development (University Relations) must be contacted prior to gift acceptance

Coding the Purchase

- In order for the equipment or furniture to be recognized as a fixed asset, the CUBuy order must be coded to an account beginning with 79xx, no matter the funding source. Whether GCF, grant-funded or part of a Capital Project, it must be coded to a 79xx account.
- Please refer to Fixed Asset policy FAPL 01 on the Accounting Services website, or reach out to Accounting Services with questions regarding coding of the purchase.
- For IT equipment purchases, Strategic Sourcing should be consulted to understand any up front process consideration to purchase IT equipment.

A Note from Facilities Management:

All furniture, fixture, and equipment purchases, whether part of a project or purchased separately, that sit on the floor, physically attach to the building, or connect to building utilities, must be reviewed by Facilities Management prior to purchase, to ensure alterations to the space are not required and that campus standards are utilized. This applies to replacement items, unless the exact same model is utilized. A Space Request Form and review/approval by the Space Committee may be required if the purchase is new, requires alternations to the space, and/or a new space to accommodate the item.

Note, this review process applies whether funding was previously approved as part of the department's fiscal year budget or awarded through a grant.

For additional information or to download a copy of the Space Request Form, go to:

<https://my.creighton.edu/executivevicepresident/facilities/policiesprocedures/spacerequests/>.

You may also email SpaceRequest@Creighton.edu with any inquiries.

Asset Tagging



Three Types of Tags

Physical Tag:

- Numerical Tag – Asset is visible and tag can be placed easily

Non-physical Tag:

- X Tag – If the asset is not visible or the items are <\$5,000 project purchases. Examples: A/C units on roof; office furniture <\$5,000 purchased as part of large project
- Z Tag – If the item needs to be tracked but a tag cannot be placed. Example: artwork

Affixing Physical Tags

- As the designated departmental contact, you will receive the tag and an Asset Locator Form (ALF).
- When you receive the tag, place the tag on the asset in the bottom right-hand corner as soon as possible.
- To make the inventory process more efficient, make sure the tag is easily visible.

Return the Asset Locator Form

- Review the Asset Locator Form (ALF) that accompanies the tag.
- Confirm information is correct and make necessary changes.
- Return the form immediately as instructed on the bottom of the form.
- Questions can be emailed to fixedassets@creighton.edu.

Asset Transfers



Asset Disposal / Move Form for Transfers

- Any time an asset is moving to a different department, room, or building, an Asset Disposal/Move Form must be submitted to FixedAssets@creighton.edu (preferred method) or inter-officed to Accounting Services.
- Changes must be submitted at the time the event happens .
- When completing the form for transfers, be sure that the 'Transferred/Moved' section is filled out completely before submitting.
- For the infrequent circumstance of transferring grant-funded equipment to another organization, please consult policy FAPL05 on the Accounting Services website, and reach out to Grants Accounting to ensure compliance with federal requirements.

Asset Disposals



Grant Funded Equipment

- **PRIOR APPROVAL REQUIRED:** Must request disposition instructions from Granting Agency if fair market value (FMV) is greater than \$5,000.
- Additional Federal Compliance considerations may apply depending on the funding source. Please reach out to Grants Accounting to ensure you understand the requirements for assets with FMV greater than \$5,000.
- Assets with a fair market value of \$5,000 or less may be retained, sold, or disposed with no further obligation to the Granting Agency.

Disposal Requirements

- Accounting Services will provide an updated Net Book Value for each asset upon your request.
- Verify no other departments can use the asset by e-mailing the department contact list available on Accounting Service website.
- Asset Disposal/Move Form must be completed and submitted to FixedAssets@creighton.edu (preferred method) or inter-office mailed to Accounting Services.
- Tag can be affixed to the disposal form, but not required to return to Accounting Services.

Disposal Types

- Sale
 - Trade-In
 - Abandoned / Discarded
 - Donation
- An Asset Disposal/Move Form is required for all disposal types.

Sale of Assets

- All sales must be initiated through office of the Treasurer (John Jesse). Leverage the experience of this organization to assist you with the sale process!
- Asset must be advertised for sale (internally or externally depending upon asset) prior to completing transaction. If no offers received, department may need to provide FMV support for sale price.
- A Bill of Sale form is required; an example document is available on the Accounting Services website.
- Please note, sales to employees require additional documentation and justification for the fair market value of the asset.
- Deposit proceeds from any sale of a fixed asset to 920000-001100-5631

Other Disposal Types

Complete Asset Disposal/Move Form for all types of disposals and include the following information upon submission to FixedAssets@creighton.edu:

- Trade-In
 - Provide with the invoice or information regarding the purchase / trade-in
- Abandoned / Discarded
 - If asset is abandoned, provide additional justification / explanation (broken, obsolete, etc).
- Donation
 - Provide name of donee organization and a copy of a donation receipt if received.
 - Donated Items Form needs to list assets being donated and their general condition.
 - Sample template is available on Accounting Services website.

Disposal Approvals

- Department Administrator / Point of Contact signature require for ALL disposals.
- Dean, VP, or person expressly delegated by Dean must approve all disposals.
- Treasurer must approve all sales.
- For disposal of assets over \$5,000 NBV, Finance Director from department contact list must also approve.

Asset Inventory Verification Process



Timeline

- Physical Inventory Verification will be conducted approximately every two years for grant funded assets and every three years for non-grant funded assets.
 - Accounting Services may need to perform an inventory more often if needed for audit purposes.
- Accounting Services will coordinate with each department to set up the inventory.

Process

- A department inventory list and specific instructions will be generated by Accounting Services and provided to the designated department contact.
- For physical tags, department's designated contact must locate all assets and confirm location and tag details before the inventory takes place.
- Accounting Services will then coordinate a time to physically inspect all assets on the inventory list to verify they are in the proper location and tagged.
- For X tags, since they are not physical tags, department will be asked to review listing and provide feedback to Accounting Services for any moves or disposals.

Purpose

- Maintaining complete and accurate fixed asset records is required as part of strong internal controls in support of accurate annual financial statements and tax returns.
- Maintaining complete and accurate records for grant-funded assets is a Federal compliance requirement.
- Each department's designated contact will be responsible for verifying the information on the list, making corrections, and ultimately certifying that our records are correct.
- In the event a department's designated contact changes roles within Creighton or leaves Creighton, please communicate with Accounting Services so we may update our records.

Department Asset Listings

- You can request a listing of your department's asset inventory at any time throughout the year to help you confirm and maintain an accurate inventory by emailing FixedAssets@creighton.edu.



Additional Information

Additional Information

Accounting Services website:

<https://my.creighton.edu/finance/sharedservices/home/>

Policies and Procedures

<http://my.Creighton.edu/finance/sharedservices/generalaccounting/policiesproceduresmanual/fixedassets/>

Forms and Department Contact List

<http://my.Creighton.edu/finance/sharedservices/generalaccounting/forms>

For Additional Questions, Asset List Requests, Form Submission – Contact:

FixedAssets@creighton.edu