

FIXED ASSET ACCOUNTING PROCEDURES

The purpose of the fixed assets system is to provide control and accountability over the capitalized fixed assets, and small and attractive assets defined in NWESD 189 *Fixed Assets* Policy 6050. Employees are personally responsible for safeguarding the assets assigned to them. Department/program supervisors are responsible for assuring compliance with related NWESD 189 procedures. The Fiscal Department is responsible for assuring 1) proper accounting of assets, and 2) the required physical inventory of assets is performed.

Assets may be acquired through purchase or donation. Donated assets must also comply with NWESD 189 *Gifts/Donations* Policy 6114.

Procedures:

- 1) Whether acquired through purchase or donation, the originating department/program will fill out an *Asset Acquisition* Form 6050-F1 upon receipt of the asset. The department/program is responsible for supplying the Fiscal Department the completed form along with the approval to pay the related invoice. Whenever possible, a copy of the completed form is to be electronically attached to the related purchase order.
- 2) With the exception of those items purchased by the Northwest Regional Data Center (NWRDC), the Technology Services Department is responsible for pre-approval of technology related purchases to ensure compatibility with NWESD 189 technology infrastructure.
- 3) After completing or receiving the completed *Asset Acquisition* Form 6050-F1, the NWRDC, Technology Services Department, or Fiscal Department will assign an inventory tag for the new asset. The NWRDC, Technology Services Department, or Fiscal Department will either permanently affix the tag to the item or, if the asset is not conveniently located, will designate the responsibility and forward the tag to the appropriate work station. A staff member at the workstation will immediately affix the tag to the asset.
- 4) The NWRDC will maintain a listing of capital assets, and a listing of small and attractive assets located at its site. With the exception of NWRDC assets, the Technology Services Department will maintain similar listings for technology related capital assets, and technology related small and attractive assets. The Fiscal Department will maintain similar listings of any other capital assets, or small and attractive assets.
- 5) When relocating capital assets or small and attractive assets from one work station to another, the department/program supervisor will notify the Fiscal Department, so the respective workstation listings may be updated. For this purpose, the *Asset Relocation* Form 6050-F2 is to be completed and forwarded to the Fiscal Department.
- 6) NWESD 189 *Sale of Surplus Equipment and/or Materials* Policy 6881 governs the disposal of fixed assets. To ensure accounting records are complete, the department/program disposing of the item is to prepare and submit the *Asset Disposal* Form 6050-F3 to the Fiscal Department.

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- 7) At fiscal year end, the Fiscal Department will compare capitalized fixed asset purchases per the accounting system to the applicable capital fixed asset listings to ensure the related asset is recorded. In addition, the Fiscal Department will review any capitalized assets removed from the listing to determine if the disposal was appropriate and adequately documented.
- 8) At least annually, the Fiscal Department will perform a physical inventory of items randomly selected from the fixed asset listings. The individual performing the inventory shall have no direct responsibility for assets subject to the inventory count. The individual will identify the items to be verified, sign, and date the list, and ensure every fixed asset purchased with federal funds is subject to a physical count or verification every two (2) years.
- 9) Any asset discovered to be missing during the course of the year or during a physical inventory will be immediately reported to the Assistant Superintendent of Finance and Compliance for follow-up action. If the item is not located, the Assistant Superintendent of Finance and Compliance will notify the Superintendent, the State Auditor's Office as required by RCW 43.09.185, and the insurance provider, if applicable.

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