

VI Department of Education Property Division/Fixed Asset Management Fixed Asset Inspection Policy

APRIL 30,2019

**Property Division/Fixed Asset Management
Policy and Procedures**



THE VIRGIN ISLANDS DEPARTMENT OF
EDUCATION

FAM 3.20 | Natural Disaster Preparedness and Response Policy

Purpose

This procedure establishes guidelines for conducting fixed asset inspections.

Definition

Fixed Asset Inspection - A fixed asset inspection is an inventory management procedure where a small subset of inventory is counted on any given day by visually verifying the location of the asset(s).

Abbreviations

VIDE – Virgin Islands Department of Education

FAA – Fixed Asset Analyst

FAMD – Fixed Asset Management Division

FAI – Fixed Asset Inspection

Policy

1. Each month fixed asset inspections will be conducted on VIDE's Federal Assets.
2. The monthly fixed asset inspection is based on three search criteria which may be random, judgmental or selective (*see pg. 2*) of active Federal Assets in MUNIS.
3. All assets must be visually verified by the Fixed Asset Analyst.
4. The Fixed Asset Analyst(s) conducts at least three fixed asset inspections per week.

5. The Fixed Asset Analyst(s) must complete a Fixed Asset Inspection Worksheet for each location visited. A Worksheet must be completed by the conclusion of each fixed asset inspection visit.
6. The Fixed Asset Management Division will email the School/Activity Center within one (1) business day of the Fixed Asset inspection with the findings/results of the inventory.
7. Each location will be given two (2) days grace period to identify the location of the asset(s) not found.

FAMD will contact the Principal or Inventory contact to discuss the findings of the inspection, if needed.

Procedures

The following Fixed Asset Inspections consist of three search criteria for inventorying active Federal Assets:

1) Creating Random Sample

1. Produce listing of active federal assets in MUNIS.
2. Extract a random sample of 5% - 10% of the active assets based on the location's inventory count.
3. In the worksheet, include the following fields for conducting the fixed asset inspection:
 - a) Custodian

- b) Location Number
 - c) Location Name
 - d) Location Memo
 - e) Storage Location
 - f) Floor/Room Number
 - g) Asset Description
 - h) Manufacturer Name
 - i) Model
 - j) Tag Number
 - k) Serial Number
 - l) Date of Acquisition
 - m) Acquisition Cost
 - n) Purchase Order Number
 - o) Comments/Notes
4. The fixed asset inspection sheets are separated by district, location and distributed amongst the Fixed Asset Analysts.
5. The sample is produced on the 15th of the month for the upcoming month's Fixed Asset Inspection. (i.e. September fixed asset inspection worksheets produced on August 15th).

6. The Worksheets are saved in the Fixed Asset Network drive.

2) Creating Judgemental Sample

1. Produce listing of active federal assets in MUNIS.
2. Extract a judgemental sample by sorting the MUNIS listing by location number, then sorting by acquisition cost (highest to lowest) and then selecting the active federal assets to include in the fixed asset inspection worksheet. When inspecting a location again, select the active federal assets from the location's inventory to conduct the fixed asset inspection. During re-visits, repeat the last step until all active federal assets for the location has been inventoried.
3. In the worksheet, include the following elements for conducting the fixed asset inspection:
 - a. Custodian
 - b. Location Number
 - c. Location Name
 - d. Location Memo
 - e. Storage Loc
 - f. Floor/Room Number
 - g. Asset Description
 - h. Manufacturer Name

- i. Model
 - j. Tag Number
 - k. Serial Number
 - l. Date of Acquisition
 - m. Acquisition Cost
 - n. Purchase Order Number
4. All locations will be evaluated on a risk level scale of (High, Medium or Low). Locations with a high-risk level grade would result in increased fixed asset inspection visits. Whereas, locations with a low-risk level grade would warrant less fixed asset inspection visits.
5. The fixed asset inspection sheets are separated by district, location and distributed amongst the Fixed Asset Analysts.
6. The sample is produced on the 15th of the month for the upcoming month's Fixed Asset Inspection. (i.e. September fixed asset inspection worksheets produced on August 15th).
7. Print Fixed Asset Inspection Worksheets

3) Creating Selective Sample

1. The selective sample is a pre-determined listing provided from an outside source. The selective sample search criteria are only used in temporary situations (i.e., asset damage due to disaster, school closing/shuttered, end-of-school year inventory, e-waste collection).
1. Collect the listing of federal assets from source. Cross check the provided listing against the active federal assets in MUNIS.
2. In the worksheet, include the following elements for conducting the fixed asset inspection:
 - p) Custodian
 - q) Location Number
 - r) Location Name
 - s) Location Memo
 - t) Storage Loc
 - u) Floor/Room Number
 - v) Asset Description
 - w) Manufacturer Name
 - x) Model
 - y) Tag Number
 - z) Serial Number
 - aa) Date of Acquisition
 - bb) Acquisition Cost
 - cc) Purchase Order Number
3. The risk level scale is non-applicable for the selective sample.
4. The fixed asset inspection sheets are separated by district, location and distributed amongst the Fixed Asset Analysts.

5. The selective sample search will be inventoried on a case by case schedule.
6. Print Fixed Asset Inspection Worksheets

Fixed Asset Inspection Planning

(Note: Every location has a pre-set day of the month scheduled for fixed asset inspections. See **Inspection Schedule**)

1. The sheets are sorted/grouped by schools within proximity of each other.
2. The FAA reviews the fixed asset inspection worksheets for accuracy and completeness.
3. The school calendar is checked making sure to verify the school will be open on the scheduled day of the month. If not, the FAA contacts the School/Activity Center to reschedule the visit.
4. An email is sent to the Principal/Director and Inventory Contact confirming the date and time of scheduled Fixed Asset Inspection.
5. Prior to conducting the fixed asset inspection site visit, the school/activity center will be contacted to confirm the scheduled visit time and that an escort will be available.

Conducting Fixed Asset Inspections

1. When arriving to a school or office location the Fixed Asset Analyst should present a VIDE identification and follow the respective school/office sign-in or visitor policy.
2. During the inspection the Fixed Asset Analyst should take precautions and make proper preparations to minimize class interruptions and office disruptions.
3. Principal/Director or Inventory Contact must accompany Fixed Asset Analyst. All correspondence and interaction regarding the inspection and the management of active federal assets should take place with these individuals.
4. Explain the purpose of the visit and the steps to be taken during the inspection.

5. Review the fixed asset inspection worksheet with contact and obtain location information for any assets on the fixed asset inspection worksheet that do not have a room number.
6. Review Inventory Binder provided to each school by VIDE FAMD:
 - a. Ensure the binder is located in the Principal's/Director's Office
 - b. Ensure the binder is being used and can be easily located
 - c. Binder should include:
 - i. Shipping Order
 - ii. Asset management forms (blank and completed)
 1. Home Use Authorization
 2. Transfer of Property
 3. Temporary Assignment of Property
 4. Missing or Stolen Property
 5. Report of Survey
 6. Locations' Most Recent Biennial Physical Inventory Final Report
 - iii. Policies and Procedures
 - iv. Any relevant memos, correspondence, etc. pertaining to the management of Federal assets.
7. Check all items on the Fixed Asset Inspection worksheet:
 - a. Verify the asset room location
 - b. Verify asset details (Model, Manufacturer, Serial Number, etc.)
 - c. Notate any updates, discrepancies, etc. in the comment section on the fixed asset inspection worksheet.
 - d. Document all missing assets on the Missing or Stolen Property Form
8. Evaluate Site environment:
 - a. Are assets being properly secured?
 - b. Are assets being mis-handled or mis-used?
 - c. Are assets being stored properly (away from wet areas, extreme heat, etc?)
9. Conduct Close Out Meeting to discuss:

- a. Any forms that need to be completed at time of visit
 - i. Acquire (via email) copies of applicable forms for assets that were not found (i.e., Transfer of Property, Temporary Assignment, Missing or Stolen Form)
 - ii. For Stolen assets request a copy of Police Report
- b. Findings and observations during visits
 - i. Review Fixed Asset Inspection Worksheet with Principal/Director and obtain signature:
 - 1. If the Principal/Director refuses to sign the Fixed Asset Inspection Worksheet, note as follows:
 - a. Principal/Director name “refused to sign on” and notate the date (ex. “John Doe refused to sign on MM/DD/YYYY”).
 - ii. Policy and Procedure violations
 - iii. Equipment mismanagement
 - iv. Strengths / Weakness and Determine Risk Level
- c. Course of action to resolve issues, if any.
- d. Upcoming activities or requirements (i.e. Quarterly meetings, Physical Inventory, etc.)
- e. Conduct verification of information gathered during the fixed asset inspection
 - i. Transfer of Property –
 - 1. Schedule a verification of asset at the new location;
 - 2. Verify that the asset is at the new location; obtain signature on the Transfer of Property Form from the Principal at the new location and make a copy;
 - 3. Instruct location to keep the copy in the Inventory Binder
 - 4. After the FAA returns from verifying the asset, a PDF of the Transfer of Property Form is emailed to the Principal who transferred the property. The email instructs the Principal to print the form and put it in their Inventory Binder.

5. The FAA then makes the location correction in MUNIS and scans and attaches the Transfer of Property Form as documentation of change in location.
6. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.

ii. Temporary Assignment of Property Form

1. Make sure that the Temporary Assignment of Property Form is completed and signed then make a copy;
2. Instruct School/Activity Center to keep the copy in the Inventory Binder.
3. Based on the return date listed on the Temporary Assignment of Property Form, the FAA schedules a date to return to the School/Activity Center to verify the asset.
4. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in the school's folder.
5. Once the asset has been verified, the FAA will initial and date the Temporary Assignment of Property Form indicating that the asset has been verified.

iii. Home Use Authorization

1. Make sure the Home Use Authorization Form is completed and signed, then make a copy;
2. Instruct school/activity center to keep the copy in the Inventory Binder;
3. Inform the Principal/Director the person has one (1) business day to bring the asset to the STTJ/STX Warehouse for verification;
4. Once the asset has been verified, the FAA will initial and date the Home Use Authorization Form indicating that the asset has been verified.

5. If the asset is not verified within one (1) business day, it will remain documented as missing.
6. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.

iv. Stolen Assets

1. For stolen property, make sure the Missing or Stolen Property Form is completed and signed, then make a copy;
2. Instruct location to keep the copy in the Inventory Binder
3. Request a copy of the Police Report;
4. If the School/Activity Center does not have a copy of the Police Report, the FAA instructs the location to obtain a copy of the Police Report and to inform the FAA once it has been obtained.
5. The FAA then schedules a date to return to the location to pick up a copy of the Police report. Once obtained the FAA then notes the asset as stolen in MUNIS and scans and attaches the Missing or Stolen Asset Form and the Police Report as documentation for the change.
6. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.

v. Missing Assets

1. For missing property, make sure that the Missing or Stolen Property Form is completed and signed by the Principal then make a copy.
2. Once FAA obtains the completed form, the asset is marked as missing in MUNIS and then scan and attach the Missing or Stolen Asset Form as documentation for the change.
3. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.

See **FAM 3.14 Stolen, Missing or Damaged Equipment**

- vi. Disposition of Assets (E-waste, out of service, salvage, etc.)
 - 1. School/Activity Center must provide a Report of Survey form for any asset not found during inspections that was considered to be waste. If School/Activity Center does not have asset documented on a Report of Survey form (that has been submitted to the FAMD) and items cannot be located it must be considered missing.
 - 2. Report of Survey forms must be submitted to the FAMD in accordance to the FAM 3.14 Disposition of Assets policy & procedure.
 - 3. FAMD will not search through disposed assets during fixed asset inspection visits to identify assets.

10. Fixed Asset Inspection Reporting:

- 1. FAA completes the Fixed Asset Inspection Site Report to include:
 - a) Location Name
 - b) Location Number
 - c) Date of Visit
 - d) Time In
 - e) Time Out
 - f) Reported by
 - g) Inventory Contact Name
 - h) Inventory Contact Telephone Number
 - i) Inventory Contact Email Address
 - j) Sample Size
 - k) Number of Assets Found
 - l) Number of Assets Missing
 - m) Number of Assets Transferred
 - n) Number of Transferred Assets Verified

- o) Number of Assets with Home Use Form
 - p) Number of Home Use Assets Verified
 - q) Issues
 - r) Observations
- 2. The completed Fixed Asset Inspection Worksheet must be:
 - a) Scanned
 - i. Email one copy to the Fixed Asset Management Director
 - ii. Email one copy to the centralized FAMD mailbox (fixedassetmgt@sttj.k12.vi)
 - iii. File softcopy in the respective School/Activity Center FAMD network folder
 - iv. File hardcopy in the respective School/Activity Center folder/binder
- 3. The designated FAA pulls the Fixed Asset Inspection Site Reports from the FAMD mailbox and compiles the statistics from the Fixed Asset Inspection Site Reports for that day to create the **Fixed Asset Inspection Summary Report**. The Fixed Asset Inspection Summary Report must be emailed to the Fixed Asset Management Director each day as well as saved to the FAMD network folder.

MUNIS Updating

11. Update MUNIS

- a. Update MUNIS with any corrections to the data (i.e. room # change)
- b. Update MUNIS for any missing assets
 - i. The storage location should read “Missing” + “FAI” and the date (ex. “Missing FAI MM/DD/YYYY”

TPFA Oversight:

1. TPFA Manager makes random site visits to monitor the FAA conduct the Fixed Asset Inspection at selected locations.
2. TPFA Manager reviews and verifies the information in the Fixed Asset Inspection Worksheet reported by the FAA.
3. TPFA Manager verifies FAMD are updating MUNIS records with Fixed Asset Inspection results and if the FAMD is following with the School/Activity Center on asset movement documentation, if necessary.