Revisions to Fixed Asset Accounting Policy

The fixed asset accounting policy (Policy 3950) has been updated and is available online at http://www.policies.vt.edu/3950.pdf. The policy was updated to codify ongoing inventory practices. Additional changes were made as it is not practical or cost effective to locate 100% of all equipment items, especially low dollar items. This risk-based process was chosen to exceed the Uniform Guidance, which allows inventories to be performed using statistical sampling techniques. These changes will streamline the inventory processes while continuing to protect university assets.

University employees remain personally responsible for protecting all university fixed assets. Department heads are ultimately responsible and accountable for assuming proprietary control of all equipment and other fixed assets in their care, custody, or assigned to their department.

Below are some important updates to the policy:

- The inventory goal is to verify the existence and condition of at least 95% of both the number and the cost of equipment items.
- Items included in the goal
  - Accountable/capitalized items (generally $2,000 or more)
  - Items costing less than $2,000 where university does not have title (Government, private, leased, etc.)
  - Items purchased with an original unit cost of $500 or more using monies provided by The Higher Education Equipment Trust Fund administered by the State Council of Higher Education for Virginia
- Items excluded in the goal
  - Any item (including computers) costing less than $2,000 and not identified above
    - These items will no longer be tagged with a barcode unless requested by a department for a business reason. Items tracked per department request will not count towards or against the 95% success rate.
    - Although an item may not be tracked by Fixed Assets and Equipment Inventory Services, it does not release departments from exercising strong internal controls to protect university assets.
    - Normal criteria for disposition of surplus items still apply.
- Previously tagged items with university title below the capitalization threshold of $2,000 and no longer included in the goal, will continue to be scanned but not count towards or against the 95% success rate.
- All existing reports will remain available, and additional reports have been created to reflect the new inventory standards.

Fixed Assets Question and Answer Session
- Wednesday, January 20, 2016, 1:30 – 2:30, 310 Kelly Hall
- Attend face-to-face or remotely using WebEX
  - WebEX instructions
    - Call 1-855-749-4750 for audio, Meeting No. 642 340 001
    - To follow slideshow and submit questions/comments go to https://virginiatech.webex.com/

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