

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

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Property Division/Fixed Asset Management
Policy and Procedures



THE VIRGIN ISLANDS DEPARTMENT OF
EDUCATION

FAM 3.0 | Fixed Asset Management Policy

U.S. Department of Education (USDE) Special Condition 18

The Virgin Islands Department of Education (VIDE), and the Virgin Islands Department of Human Services (VIDHS) must work with the Agent to ensure that all equipment, tangible personal property, procured (as defined in 2 CFR § 200.33) under ED grants is managed in accordance with the requirements of 2 CFR §§ 200.313(a) and (c)-(e) to ensure that such property with a purchase price of \$500.00 or greater is properly inventoried, maintained, and stored to prevent loss, damage, or theft of such property. The Virgin Islands (through VIDPP or another agency designated by the Governor) must conduct a physical inventory of its equipment with a purchase price of \$500 or greater that was acquired with ED grant funds at any time, and provide a copy of the inventory to the Agent upon request.

Overview

VIDE in collaboration with a Third Party Fiscal Agent (TPFA) or any other person(s) assigned by USDE adheres to strict established policies and procedures (P&P) for the full-cycle management of fixed assets (assets) purchased with US Department of Education (USDE) Federal funds. These P&Ps provide directions on how assets purchased with federal funds are processed and subsequently managed from receipt to disposal. The VIDE strategy is to ensure that assets are properly purchased, received, tagged, delivered, operated, safeguarded and disposed.

- **VIDE** is responsible for managing the receipt, tagging, scanning, delivery, tracking, physical inventorying and disposition of assets purchased with Federal funds. In addition, VIDE is responsible for safeguarding and handling federal fixed assets acquired with Federal funds in the event of a natural disaster.
- **Warehouse Operations** are responsible for the receipt, tagging, scanning and delivery of these assets.
- **The Fixed Asset Management Division (FAMD)** is responsible for the tracking (asset inspections, the reconciliation of newly purchased asset (NPAR) and the integrity of forms documenting the movement of assets), managing the biennial physical inventory and the disposition of assets.
- **Third Party Fiscal Agent (TPFA)** is responsible for ensuring the integrity of the asset records and monitoring and overseeing the actions of FAMD in the management and disposition of all Federal assets.
- **Schools/Programs/Activity Centers** are custodians of the assets and are responsible for adhering to these policies and procedures along with other established directives to prevent

loss, damage or theft of assets. They must provide an end of school year inventory accounting for the Fixed Assets under their purview to the FAMD.

Definition

A **Fixed Asset** is a tangible, non-expendable asset having a useful life of more than one year and an acquisition cost of \$500.00 or more per unit. The acquisition cost is the unit price plus the cost of modification, attachments, accessories or auxiliary apparatus needed to make the asset useable for its intended purpose. Assets less than \$500 per unit are the sole responsibility of all Schools, Programs, Activity Center and Sub-Grantees.

Code of Federal Regulations

§200.20 Computing devices.

Computing devices means machines used to acquire, store, analyze, process, and publish data and other information electronically, including accessories (or “peripherals”) for printing, transmitting and receiving, or storing electronic information. See also §§200.94 Supplies and 200.58 Information technology systems.

§200.33 Equipment.

Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000. See also §§200.12 Capital assets, 200.20 Computing devices, 200.48 General purpose equipment, 200.58 Information technology systems, 200.89 Special purpose equipment, and 200.94 Supplies.

§200.48 General purpose equipment.

General purpose equipment means equipment which is not limited to research, medical, scientific or other technical activities. Examples include office equipment and furnishings, modular offices, telephone networks, information technology equipment and systems, air conditioning equipment, reproduction and printing equipment, and motor vehicles. See also Equipment and Special Purpose Equipment.

§200.58 Information technology systems.

Information technology systems means computing devices, ancillary equipment, software, firmware, and similar procedures, services (including support services), and related resources. See also §§200.20 Computing devices and 200.33 Equipment.

§200.89 Special purpose equipment.

Special purpose equipment means equipment which is used only for research, medical, scientific, or other technical activities. Examples of special purpose equipment include microscopes, x-ray machines, surgical instruments, and spectrometers. See also §§200.33 Equipment and 200.48 General purpose equipment.

§200.94 Supplies.

Supplies means all tangible personal property other than those described in §200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life. See also §§200.20 Computing devices and 200.33 Equipment.

Policy

VIDE maintain records of all property or assets purchased with Federal funds in the Department's Enterprise resource planning (ERP) System of record, presently Tyler MUNIS. Each record in the MUNIS Fixed Asset module includes the following:

- Accurate Property description
- Serial number or other identification number
- Manufacturer's Name
- Model number
- Property source
- Title holder
- Acquisition date
- Acquisition cost of the property
- Physical location
- Any asset movement and disposition documentation

The information that follows provides highlights of key aspects of the VIDE federal fixed asset process cycle as managed by the FAMD and monitored by the TPFA or any other person(s) assigned by USDE.

Each asset will receive a yellow bar-code tag, which identifies it as an asset purchased with USDE funds, a blue bar-code tag identifies the asset as being purchased with other federal funds or a red bar-code tag, which identifies it as an asset purchased with local funds. The tag will be placed in a location on the asset where it can be easily found, and clearly read by a bar-code scanner.

Federal fixed assets can only be used by the grantee or sub-grantee in the program or project for which it was acquired. If there is a need for a federal fixed asset to be used by a different program

on a permanent basis, it requires prior approval from VIDE Federal Grants Office, along with supporting documentation. In instances where a sub-grantee's program no longer exists, the federal fixed asset must be transferred back to the VIDE Federal Grants Office/Program with proper documentation to reflect the transfer and for re-assignment of the federal fixed asset.

When an asset has reached the end of its useful life or usefulness the disposal of the asset must be properly documented. See FAM 3.14

When an asset is moved permanently, temporarily or for home use authorization, it must be properly documented using either a Home Use Authorization form *DPP-HUA-04-04* or a Transfer form *DPP-TP-7-73*. All Asset and Property documentation must be forwarded to the Federal Fixed Asset Management Division's mailbox at fixedassetsmgt@sttj.k12.vi.

SAFEGUARDING OF ASSETS:

Procurement Warehouse

The Procurement Warehouse processes assets purchased by each VIDE program, school and activity center, including receiving, inspecting for damage, tagging and delivering to the program, school or activity center. In accordance with **FAM 3.2 and 3.3**, warehouse staff places all received fixed assets purchased with federal funds into a separate, secure area designated for federal tagged assets until delivery and/or shipping occurs. The area is secure with reinforced gates, CCTVs, Maglocks, and electronic card entry systems identifying individuals accessing the secured area. Only authorized personnel have access to the secured area.

Fixed Asset Management Division (FAMD)

The Fixed Asset Management Division ensures that asset records are properly created and assets are managed and tracked for accountability in accordance with **FAM 3.4, 3.7-8 and 3.10-19**. This responsibility includes oversight for accounting of the receipt of assets through tagging, scanning, creating, delivery, tracking, and physical inventory of assets purchased with federal funds. All Schools (non-public and public), Programs, Activity Centers and Sub-grantees must submit documentation Form DPP-TP-7-73 regarding any asset movement to the FAMD for the Federal MUNIS System of records to be updated immediately.

Schools / Programs / Activity Centers/ Sub-Grantees

Once *Schools, Programs, Activity Centers and Sub-Grantees* receive their assets and the assets are physically located on their property, the administrators/leaders of these locations are responsible for the secure safekeeping of each asset. Each facility's controls should include securely fenced premises, security camera system/personnel and policies requiring school

personnel to lock doors to school rooms and offices. Emphasis is placed on areas where high risk assets are kept, such as offices, libraries, laboratories and computer labs.

VIDE is committed to accounting for and safeguarding each and every asset by following policies and procedures entrusted to us; we will audit our practices closely and follow best practices strategy when and where needed.

**Refer to www.ecfr.gov for Electronic Code of Federal Regulations