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

MAY 1, 2019

Property Division/Fixed Asset Management
Policy and Procedures

THE VIRGIN ISLANDS DEPARTMENT OF
EDUCATION

FAM 3.15 | Fixed Asset Retirement Policy

Purpose
This procedure establishes guidelines for retiring assets in MUNIS.

Abbreviations
FAMD – Fixed Asset Management Division
GVI – Government of the Virgin Islands
VIDE –Virgin Islands Department of Education
GL- General Ledger

Policy
1. When an asset has reached the end of its useful life or usefulness, the disposal of the asset must be properly documented using the Report of Survey form (See **FAM 3.14 Disposition of Assets**).

2. A completed Report of Survey from GVI Department of Property & Procurement is required to retire assets in MUNIS (See **FAM 3.14 Disposition of Assets**).

3. The Report of Survey is the documentation required to support retiring assets in MUNIS.

Procedures
1. Once the signed Report of Survey form is received from GVI Department of Property & Procurement (*See* **FAM 3.14 Disposition of Assets**), then the Fixed Asset Management Director will:

   a) Scan the form
   b) Attach the form to the respective asset(s) in MUNIS
   c) Retire the asset in MUNIS
      i. Open the Adjustments and Retirements program.
         Financials > Fixed Assets > Fixed Asset Processing Menu > Adjustments and Retirements
      ii. Click find and enter the Tag number of the asset you want to retire or pull up the asset based on the criteria you have.
      iii. On the side menu, click "Transactions".

iv.   An Effective Date box will pop up with today's date as the default. Change this date if needed to the date that should be reflected on the journal entry.

v.   The Retirement screen will appear.

vi.   Click update.

vii.   Complete the following fields in order to retire the asset.

1.   Retirement Date – Enter the date you want to record as the retired date. This is a required field.

2.   Disposal Code – Enter a disposal code (this code is established in the FA Miscellaneous Code FM under Disposals). This is a required field.

3.   Disposal Price - If compensation was received for this asset, enter the disposal price. This is not a required field and will not have any impact on the GL. This is an informational field only.

4.   Status - This will automatically populate with the letter **R** for retirement. This field is not accessible and cannot be changed.

5.   Post Year/Per - The current year and period will automatically populate. Enter the year and period to be reflected on the journal entry. The GL effective date and year/period should match. These are required fields.

6.   Reason Code - Enter a reason for the adjustment. (This code is established in the FA Miscellaneous Code FM under Adjustments). This is a required field.

7.   Click accept.

viii.   A window will appear notifying you through what period depreciation will be taken. Click OK.

ix.   The accounts affected with the journal entry will appear across the bottom of the screen. Click Output/Post. When the Output box appears, choose the location you want the Fixed Asset Retirement Detail Report to print to and click OK. Another Output box will appear for the FA Retirement Journal Proof Report. Choose the location you want this to print to and click OK.

x.   A window will appear asking "Are you sure you want to Post this transaction(s)?" If you are ready to post, click "Yes". If you would like to review the reports created prior to posting, click "No". You will need to perform step 11 again to post the transaction if you choose "No".

xi.   The status of the asset will change to Retired.

d) Send an email to the requestor attaching the approved Report of Survey form and a confirmation that the asset has been retired within MUNIS with a copy to the Insular Superintendent/Assistant Commissioner of Operations.

2. The requestor will file the signed Report of Survey form in the School/Activity Center Equipment Inventory Binder.