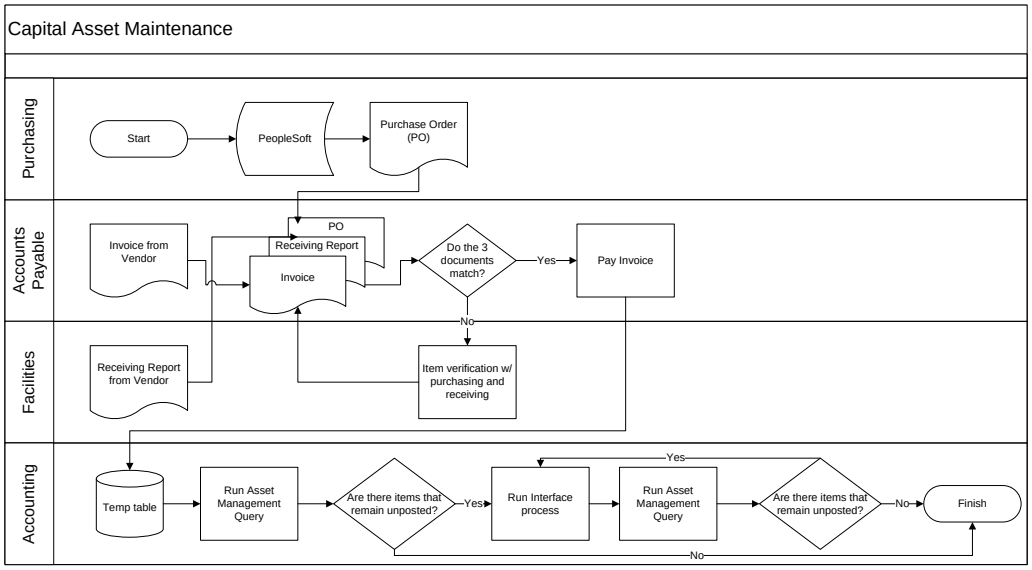
CLAYTON STATE UNIVERSITY

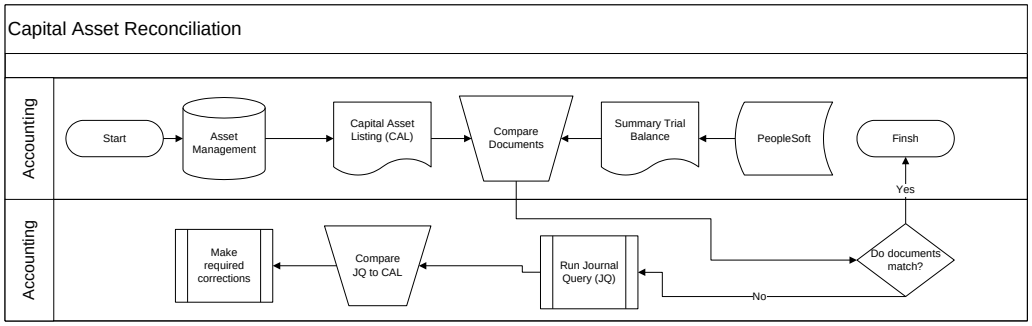
CHAPTER 5

Asset Management

Clayton State University Internal Control Procedure	
Capital Asset* Maintenance and Reconciliation	
Description	The process of updating the general ledger to reflect capital asset purchases that have occurred since the reporting date in order to uncover any possible discrepancies. * Capital assets are defined as real or personal property that have a value equal or greater than the capitalization threshold for the particular classification of the asset and have an estimated life of great than one year.
Policy	The Capital Asset reconciliation will be completed by the 15th calendar day after month end and reviewed by the Assistant Controller for Daily Operations.
Responsible Positions	Fiscal Affairs Office, Director of Accounting Services
Reviewed by Whom:	Director of Accounting Services
Frequency	Monthly
Risk Type(s)	UT, NC, ERR, DUP, OM
Procedure	1. Purchasing department issues a purchase order for the procurement of a capital asset. 2. Accounts payable receives an invoice from the vendor providing the asset. 3. Central receiving (facilities) confirms receipt of the capital asset and sends a copy of the receiving report to accounts payable. 4. Accounts payable performs a three part match comparing the purchase order, the invoice and the receiving report. 5. If the three documents match, the invoice is paid through the normal disbursement process. 6. If the (3) three part match is not verified, accounts payable contacts both purchasing and receiving to reconcile discrepancies. 7. Accounts payable performs a three part match comparing the purchase order, the invoice and the receiving report. 8. If the three documents match the invoice is paid through the normal disbursement process. 9. The payment for the capital assets generates a temporary table in the PeopleSoft Financial Management System. 10. In the Asset Management module of the PeopleSoft Financial Management System, Fiscal Affairs runs an asset management query to confirm that the capital asset has been posted to the general ledger. 11. If capital assets remain un-posted the capital asset interface process is run. 12. In the Asset Management module of the PeopleSoft Financial Management System, Fiscal Affairs runs an asset management query to confirm that the capital asset has been posted to the general ledger.

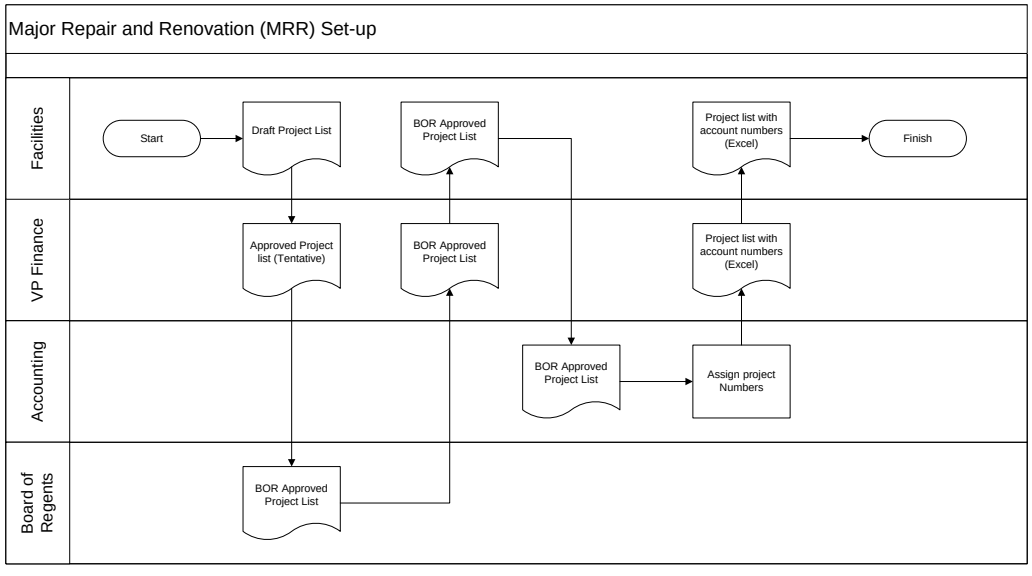
Flow Chart


Capital Asset Maintenance
Purchasing
Start
PeopleSoft
Purchase Order (PO)
Accounts Payable
Invoice from Vendor
PO
Receiving Report
Invoice
Do the 3 documents match?
Yes
Pay Invoice
No
Facilities
Receiving Report from Vendor
Item verification w/ purchasing and receiving
Accounting
Temp table
Run Asset Management Query
Are there items that remain unposted?
Yes
Run Interface process
Run Asset Management Query
Are there items that remain unposted?
No
Finish
Yes
No


Capital Asset Reconciliation
Accounting
Start
Asset Management
Capital Asset Listing (CAL)
Compare Documents
Summary Trial Balance
PeopleSoft
Finsh
Yes
Accounting
Make required corrections
Compare JQ to CAL
Run Journal Query (JQ)
Do documents match?
No

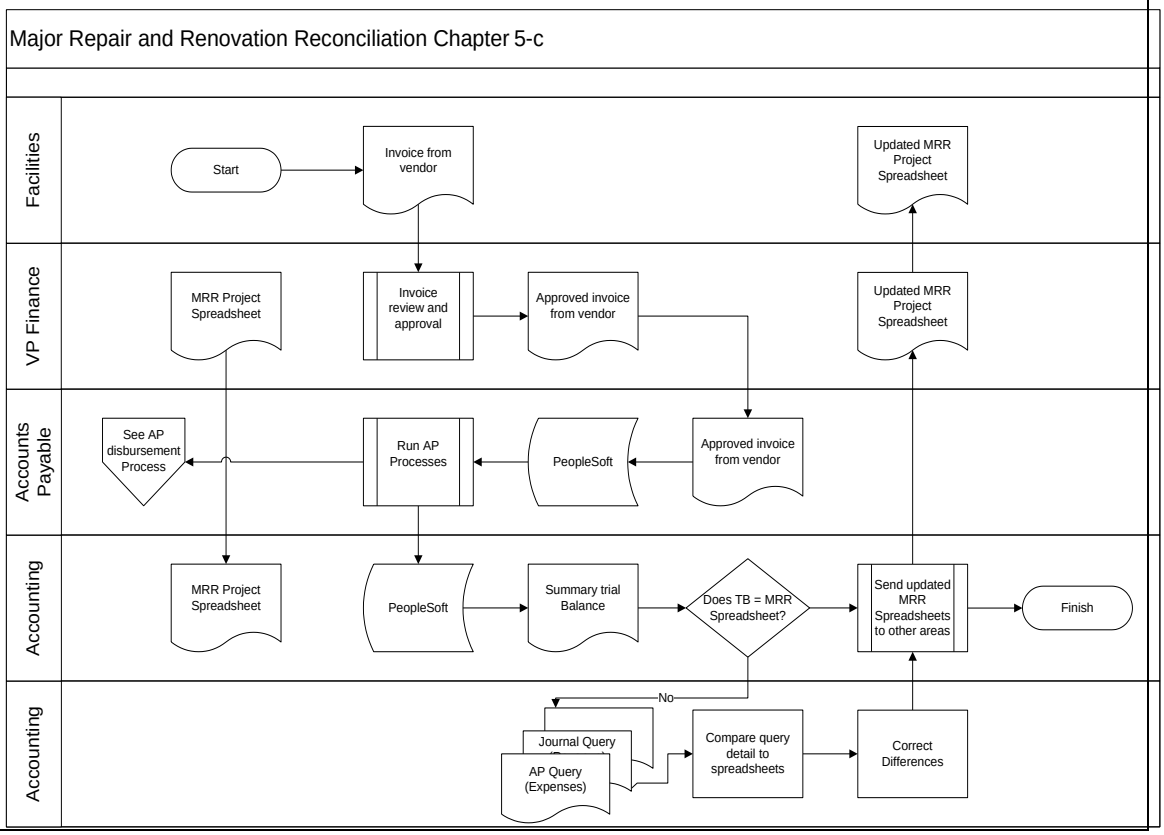
Clayton State University
Internal Control Procedure

Major Repair and Renovation (Set-up)

Description	Major Repair and Renovation (MRR) is the process of managing capital renovation projects through the use of GSFIC allocations.
Policy	Clayton State University will follow the Board of Regents guidelines for setting up MRR projects as outlined by the BPM Section 18.
Responsible Positions	Accounting Services Office, Director of Accounting Services
Reviewed by Whom:	Assistant Vice President of Budget and Finance/Controller
Frequency	As needed
Risk Type(s)	UT, NC, ERR, DUP, OM
1. Procedure	2. The Director of Facilities develops a project list on an annual basis. 3. The draft project list is reviewed by the Assistant Vice President of Budget and Finance, amended if needed and the draft list is sent to the Board of Regents for final approval. 4. The project list is reviewed by the Board of Regents, edited as necessary with an approved MMR project list returned to the Director of Facilities via the Vice President of Finance. 5. The approved project list is also sent to accounting where project numbers and general ledger accounts number are assigned. 6. An excel spreadsheet with project numbers is sent to the Assistant Vice President of Budget and Finance and to the Director of Facilities.
Flow Chart	

Clayton State University Internal Control Procedure	
Major Repair and Renovation (Reconciliation)	
Description	Major Repair and Renovation (MRR) is the process of managing capital renovation projects through the use of GSFIC allocations.
Policy	Clayton State University will follow the Board of Regents guidelines for setting up MRR projects as outlined by the Vice Chancellor of Internal Audit on 11/23/04, revised 4/26/06.
Responsible Positions	Accounting Services, Director of Accounting Services
Reviewed by Whom:	Assistant Vice President of Budget and Finance/Controller
Frequency	As Needed
Risk Type(s)	UT, NC, ERR, DUP, OM
Procedure	1. After MRR work is completed the Director of Facilities reviews the invoice and submits a disbursement request to the Vice President of Finance for approval. 2. Vice President of Finance approves the invoice and sends disbursement request and invoice to accounts payable. 3. Payment is paid to the vendor (see disbursement process) 4. Accounting runs a Summary Trial Balance and compares it to the MRR project spreadsheet 5. If balances do not match a journal query and AP query is run to see detail. 6. The MRR project spreadsheet is updated to match the general ledger. 7. The updated MRR spreadsheet is sent to the Vice President of Finance and the Director of Facilities.

Flow Chart


Major Repair and Renovation Reconciliation Chapter 5-c
Facilities
VP Finance
Accounts Payable
Accounting
Accounting
Start
Invoice from vendor
Updated MRR Project Spreadsheet
MRR Project Spreadsheet
Invoice review and approval
Approved invoice from vendor
Updated MRR Project Spreadsheet
See AP disbursement Process
Run AP Processes
PeopleSoft
Approved invoice from vendor
MRR Project Spreadsheet
PeopleSoft
Summary trial Balance
Does TB = MRR Spreadsheet?
Send updated MRR Spreadsheets to other areas
Finish
No
Journal Query
AP Query (Expenses)
Compare query detail to spreadsheets
Correct Differences

Clayton State University Internal Control Procedure	
Asset Management Daily Query	
Description	This query is run on a daily basis to provide the identification of the receipts and vouchers that are ready to be interfaced to Asset Management. Job Aid for completion of query is located in the Facilities Coordinator office.
Policy	The query will be run on a daily basis.
Responsible Positions	Facilities Coordinator, Inventory Control Clerk
Reviewed by Whom:	
Frequency	Daily
Risk Type(s)	
Procedure	Completion of query is accomplished using the following: • Job Aid for running query found in PSFIN 8.9 Asset Management Version 3 • Access Oracle PeopleSoft Financials 8.9 • Follow Job-Aid: Asset Management-Integration AM.020.010 • Complete Steps 1-7 • If receipts are found once step 7 is completed, proceed to Internal Control Procedure / **Asset Management Integration** • Provide a copy of receipts to the Inventory Control Clerk • If no receipts are found, no further action is required until the next scheduled query run.
Flow Chart	Start>PeopleSoft Financials 8.9>Log-In>Query Manager>"BOR" typed in begins with space>select BORQMOO2_AP_AM_ASSET_LOAD>Print results

Clayton State University Internal Control Procedure	
Asset Management – Integration	
Description	Process of integrating all new receipts into Asset Management. PSFIN 8.9 Asset Management Version 3 shall be used to complete integration process.
Policy	Integration will be completed once receipts are received via the daily query (BORQM002)
Responsible Positions	Facilities Coordinator
Reviewed by Whom:	
Frequency	Completed once receipts are found via query BORQM002
Risk Type(s)	
Procedure	The integration of receipts will be completed via the following steps found in PSFIN 8.9 Asset Management Version 3 (Located in Facilities Coordinator Office): • AM.020.011 • AM.020.012 • AM.020.013 • AM.020.015 • AM.020.016 • AM.020.020 • AM.020.014 • AM.020.240 • AM.100.010 • GL.030.005
Flow Chart	

Clayton State University Internal Control Procedure	
Asset Management - Small Value Property Addition	
Description	A Small Value Property (SVP) is any item costing less than $5000 that must still be tracked through the physical inventory process.
Policy	Any item with an acquisition cost greater than or equal to $3000 and less than $5000 must be tracked in the Asset Management module with an Small Value Property (SVP) profile.
Responsible Positions	Purchasing Agent, Facilities Coordinator , Inventory Control Clerk
Reviewed by Whom:	
Frequency	Small Value Property will be entered into Asset Management on a limited basis. Typically, Small Value Property items are added through the Purchasing module.
Risk Type(s)	
Procedure	Upon receipt of a Small Value Property receipt, Facilities Coordinator shall manually input SVP into the Asset Management module using PSFIN 8.9 Asset Management Version 3. The following Job aid shall be used: • AM 020.050 Once SVP has been entered into Asset Management, Inventory Clerk will be notified. Inventory Clerk will verify that item has been tagged, if not tagged, Inventory Clerk will tag item.
Flow Chart	Purchasing Agent>Facilities Coordinator>Inventory Clerk

Clayton State University Internal Control Procedure	
Asset Management - Fixed Asset Addition	
Description	Fixed Asset are those items valued at or above $5000 which must still be tracked through the physical inventory process.
Policy	Any item with an acquisition cost equal to or above$5000 must be tracked in the Asset Management module.
Responsible Positions	Purchasing Agent, Facilities Coordinator , Inventory Control Clerk
Reviewed by Whom:	
Frequency	Fixed Assets will be entered into Asset Management on a limited basis. Typically, Fixed Asset items are added through the Purchasing module.
Risk Type(s)	
Procedure	Upon receipt of a Fixed Asset receipt, Facilities Coordinator shall manually input Fixed Asset into the Asset Management module using PSFIN 8.9 Asset Management Version 3. The following Job aid shall be used: • AM 020.040 Once Fixed Asset has been entered into Asset Management, Inventory Clerk will be notified. Inventory Clerk will verify that item has been tagged, if not tagged, Inventory Clerk will tag item.
Flow Chart	Purchasing Agent>Facilities Coordinator>Inventory Clerk

Clayton State University Internal Control Procedure	
Asset Management End of Year Process	
Description	Process created to ensure that all receipts have been loaded into the asset management system
Policy	To be performed before end of fiscal year
Responsible Positions	Facilities Coordinator
Reviewed by Whom:	Director Fiscal Affairs
Frequency	Yearly
Risk Type(s)	
Procedure	Facilities Coordinator will ensure via the asset management daily query that there are no pending receipts waiting to be loaded into asset management. If receipts are found, then the following procedures will be completed in order to ensure receipts are loaded into asset management: • Complete the asset management-integration process to include: • AM.020.011 • AM.020.012 • AM.020.013 • AM.020.015 • AM.020.016 • AM.020.020 • AM.020.014 • AM.020.240 • AM.0100.010 • GL.030.005 Once all processes have been completed, notify the Director of Fiscal Affairs to advise that there are no pending receipts, and End of Month Accounting Entries have been created for those receipts(GL.030.005)
Flow Chart	