UT EQUIPMENT

Presented by

Marilyn Steinle
What else do all these 4,223 World Record holders have in common?
Plant Funds and Equipment

Staff

Verna Howard – Assistant Controller
vhoward@tennessee.edu

Karen McKee – Financial Specialist II
kphillip@tennessee.edu

Marilyn Steinle – Accounting Specialist II
steinle@tennessee.edu

Justin Holt – Accounting Assistant III
jholt11@tennessee.edu

https://controller.tennessee.edu/plant-funds-and-equipment/
ANNUAL EQUIPMENT INVENTORY - 2017

Total Cost Centers  1271
Total Dollar Value  $502,123,564.04
Total number of Assets  46,803
Distribution Codes  110
Contacts  250

NOTE: All inventories were sent out February 2nd to be returned to the Controllers Office by May 1st, 2017.
IMPORTANT THINGS TO KNOW

- the definition of Moveable Equipment
- when to create an asset
- how to create an asset correctly
- how correct assets show on your inventory reports
- proper disposal methods
What is an Asset?

• Definition of Moveable Equipment:
  
  • items of a movable nature
  • have a cost or fair value of $5,000 or more.
Unfortunately, we have

- **Sensitive Minor Equipment:**
  - items of a movable nature
  - particularly vulnerable to theft
  - have a cost between $1500 and $4,999.99.

*** Fiscal policy has a list of specific items ***
Sensitive Minor Equipment

These are items which are both vulnerable to theft and have a unit cost or fair value between $1,500 and $4,999.99. The following specific items are defined as sensitive minor equipment:

- boat motors
- boat trailers
- boats
- cameras
- camera lenses
- canoes
- computers / monitors
- fax machines
- firearms*
- forklifts
- ham radios and receivers
- LCD/multimedia projectors
- marine band transmitters and receivers
- microscopes
- motorized vehicles
- musical instruments
- oscilloscopes
- printers
- riding lawn mowers
- radio scanners
- spectrum analyzers
- switches/routers/hubs
- televisions
- tractors
- two-way radio transmitters and receivers
- vector scopes
- video cameras
- video recorders and players
- waveform monitors
- *All firearms must be recorded regardless of price

Any equipment purchased that falls within this price range but not listed above should be given the general ledger expenditure account Supplies—439100.

(Revised 07-01-12)
DOES ITEM MEET THE DEFINITION OF AN ASSET?

YES

How much does it cost?

$5,000 +
Includes Freight & cost to put into service

Select Asset Class between 30,000 – 50,000

NO

Pay as Supplies - G/L 439100 or Other

< $5,000

Is it on the SME list?

YES

Select Asset Class 80,000

NO

Pay as Supplies - G/L 439100 or Other
Selecting the correct asset class is extremely important.

If the wrong asset class is selected when creating the asset master shell, you cannot go into the asset master shell and change the asset class — you will be required to create a new Asset Master Shell.
CREATING AN ASSET – ASSET CLASS

**Sensitive Minor Equipment**  80,000

**Items costing $5,000 +**  30,000 thru 41,000

**Software costing $5,000 +**  50,000
# Creating an Asset – Asset Class Useful Life

<table>
<thead>
<tr>
<th>Class</th>
<th>Class Name</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>10000</td>
<td>Land</td>
<td>n/a</td>
</tr>
<tr>
<td>11000</td>
<td>Land Improvements</td>
<td>20</td>
</tr>
<tr>
<td>20000</td>
<td>Buildings</td>
<td>40</td>
</tr>
<tr>
<td>21000</td>
<td>Infrastructure</td>
<td>20</td>
</tr>
<tr>
<td>30000</td>
<td>Furniture</td>
<td>20</td>
</tr>
<tr>
<td>31000</td>
<td>Office Machines</td>
<td>10</td>
</tr>
<tr>
<td>32000</td>
<td>Computers &amp; Peripherals</td>
<td>5</td>
</tr>
<tr>
<td>33000</td>
<td>Education &amp; Scientific Equipment</td>
<td>10</td>
</tr>
<tr>
<td>34000</td>
<td>Works of Art &amp; Historical Treasures</td>
<td>n/a</td>
</tr>
<tr>
<td>40000</td>
<td>Vehicles</td>
<td>5</td>
</tr>
<tr>
<td>41000</td>
<td>Heavy Equipment</td>
<td>10</td>
</tr>
<tr>
<td>50000</td>
<td>Software</td>
<td>5</td>
</tr>
<tr>
<td>80000</td>
<td>Sensitive Minor Equipment</td>
<td>n/a</td>
</tr>
<tr>
<td>1000000</td>
<td>Assets under Construction</td>
<td>n/a</td>
</tr>
</tbody>
</table>
CREATING AN ASSET – ASSET DESCRIPTION

Make it as descriptive as possible

If the asset is not located in a university building [i.e. outside or at non-UT owned facility] indicate such in the description.

Use the 2nd line of the description for additional information
CREATING AN ASSET – COST CENTER

ALWAYS begins with “M”!
CREATING AN ASSET – RESPONSIBLE COST CENTER

ALWAYS begins with “E”!

• Determines the department where the item shows up on inventory reports.
Creating an Asset – Fund

• Can be either E or R

• Can be different than the Responsible Cost Center

• Determines who is charged for the asset’s expense
CREATING AN ASSET – ADDITIONAL INFORMATION

• Serial Number

• Inventory [tag] Number

• Building/Room Number
  • must be valid in IRIS Real Estate module
  • If outside or in non-UT owned facility, use responsible person’s office

**These are the fields that Auditors check**
CREATING AN ASSET – SUB-ASSET

• When is a sub-asset necessary?

➢ Multiple funding sources

• Determines who is charged for the asset’s expense
CREATING AN ASSET – SUB ASSET

• 3 items must remain the same as the main asset number
  ➢ Main asset text
  ➢ Responsible Cost Center
  ➢ Distribution Code

• Other data may be different
OTHER SITUATIONS -

- Accessory Items
- Assembled Equipment
- System Component Parts

See Fiscal Policy
Equipment bought on Contracts where the agency retains title typically have a Gov’t tag and UT tag.
CHANGING AN ASSET

As more information about the item is known, go back into AS02 and update the asset record with inventory #, serial #, building/room #, etc.
DISPLAYING AN ASSET

Transaction **AS03**. Use the drop-down to help find the asset, if you don’t know the asset number.
OTHER METHODS OF ACQUIRING ASSETS

Bookstore: Contact Controller’s Office with asset # and IRIS document # so it can be capitalized

Gift: Items given to the University. Certain information comes through Advancement Services, but should still contact Controller’s Office with asset number. Choose ‘G’ for Source of Funds

P-card: Use complex posting during distribution of charges for Sensitive Minor Equipment items. Procurement cards may not be used to purchase Capital Equipment.
Computer over $1,500
Needs SME Asset number

Computer less than $1,500
Not considered SME
Asset master shells can be created at will, but they will NOT show up on the inventory until a document is posted against them!

Documents in IRIS mean KN, RN, SA, and less often AA.
How do I know if a particular asset will show up on my inventory?
NAVIGATION

Asset must be capitalized

Display Asset: Master data

Cap date is filled in
NAVIGATION

Asset must not be retired

Deactivation on date is NOT filled in
Drill down to the asset’s values to find IRIS documents
• My personal favorite report!
• Easy to re-sort; default is in Asset # order
• Can drill down to the asset master records & related documents to transaction AS02 – Change Asset
• Use variants to select un-capitalized, retired, etc.
• Default variant is the University’s “official” inventory
Use IRIS Transaction: ZAM_EQUIP_VERIFY to run a report of the current equipment inventory.

Fill in the appropriate fields:

- To narrow the search, enter selections such as Personnel Number, Distribution Code, etc.
- Use wildcards (*) or the Multiple selection button, where appropriate.
DEPARTING UT FACULTY

- In general, title to movable equipment is held by UT.
- Faculty members should not be allowed to take equipment purchased with state or gift funds, unless specifically approved by Chris Cimino, CBO.
- If the provisions of a grant or contract allow a faculty member to remove the equipment from the university, the department should obtain a letter of acceptance from the acquiring university. Send the letter with a signed T-64 to the Controller's Office to remove the equipment.
- Retiring faculty may not take equipment with them.
TO: College Dean

FROM: Department Head

DATE: ____________

RE: Equipment Transfer

Dear Dean:

As you know, Dr. ________ has left the University of Tennessee to become __________ at The University of ________. He has requested that some of the equipment he used here at The University of Tennessee be transferred with him to ____. Attached is a list of the equipment he has requested. We have checked with our faculty as well as faculty in other departments that he worked with, and the equipment on the attached list is not being used by any of these faculty. I would like your approval for Dr. ________ to take this equipment to _____.

If you have any questions, please let me know. Thank you for your consideration of this request.

__________________________

Approved: ______________, Dean

__________________________

Approved: ______________, CEO
OTHER MEANS OF DISPOSAL

- **Form T-64**
  - Transfer to other Departments - *two signatures*
  - Dismantlement - *one signature*

- **Surplus** – *Departmental and Warehouse signatures*
  - CPU Form
  - Non-CPU Form
  - Equipment purchased with Federal Funds – need to prove that UT has title

- Retiring employees may **not** take equipment with them.
QUESTIONS?