

Capital Equipment Physical Inventory Verification FY22

Purpose, Process & Timeline

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Presentation Outline

- Purpose of inventory verification
- Risk of non-compliance
- Overview of verification process
- Inventory timeline
- Key resources

Purpose of Inventory

- Comply with Federal requirement under 2 CFR Part 200 (Uniform Guidance) and University policy
- Prevent inventory discrepancies and reportable audit findings
- Support cost recovery and negotiated F&A rate
- Maintain effective internal controls over equipment inventory

Capital Equipment Inventory:

northwestern.edu/controller/accounting-services/equipment-inventory/inventory.html

Uniform Guidance:

[Uniform Guidance, Code of Federal Regulations 200.313 - Equipment requirement](#)

Risks of Non-Compliance

Discrepancies with inventory reconciliations result in:

- Recurring audit deficiencies - All Federal sponsors are notified - [FY20 Single Audit report](#)
- Ongoing scrutiny and loss of funding from sponsors
- Payment of fees and penalties
- Negatively impact institutional reputation
- Negatively impact the University F&A rate

Process Overview

- Distribution of Capital Equipment presentation
- Delivery of reports to Unit Representatives
- Physical inventory reconciliation to records
- Email inventory results to Accounting Services
- Submit Asset Requests in NUFinancials (disposals/transfers)
- Verification of record updates in NUFinancials

Inventory Timeline

- Presentation / inventory start: **3/7/22**
- Unit Reps receive asset report: **3/8/22**
- Virtual Open Lab Session 1: **Mid-April**
- **Unit Reps return completed reports:** **5/31/22**
- Virtual Open Lab Session 2: **Mid-May**
- **Unit Reps submit Asset Requests:** **6/30/22**
- Virtual Open Lab Session 3: **Mid-June**
- Re-inventory results verification: **8/15/22**

Inventory Timeline (continued)

Physical inventory timeliness and delinquency:

- Timely completion is required
- If due date will not be met, please notify us and your Department Administrator (or equivalent) ASAP
- **Once delinquent**, A/S must notify division or department leadership and ASRSP leadership

Asset Review and Update Procedures

- Physical inventory begins now – target completion is June 30, 2022
- Asset inventory reports will be sent to Unit Representatives by Accounting Services
- In addition to existence, please verify the following fields for each capital equipment:
 - Tag Number
 - Asset Description
 - Manufacturer
 - Model Number
 - Serial Number
 - Building Name and Room Number
 - Custodian/PI Name
 - Department

Example Inventory Verification

Please complete each field below (cells highlighted purple)							Asset	Tag	Description
Disposed? Y / N	Tag number correct? Y / N	Serial number correct? Y/N	New Location? (If yes, Building & Room)	New Custodian (e.g., PI)?	If changes, Asset Request submitted in NUFin?	Add'l notes for A/S			
							000000002574	00074442	THERMAL CYCLER
							000000003185	00073190	HPLC
							000000004116	00071782	BLOOD PRESSURE SYSTEM
							000000004249	00073823	CHEMIDOC WITH READER
							000000004302	00072136	TISSUE EMBEDDER
							000000004427	00074097	AUTO MARCS PRO
							000000004512	00073822	REAL TIME PCR
							000000005466	00064810	AUTO PLATE READER
							000000006220	00070979	BIOANALYZER
							000000006563	00073821	CENTRIFUGE
							000000006572	00072523	MICROCENRIFUGE
							000000006628	00070781	CENTRIFUGE
							000000006637	00071612	CENTRIFUGE
							000000007042	00066816	FPLC
							000000007196	00071827	INCUBATOR
							000000007197	00072235	INCUBATOR

Untagged Assets

- Verify tag number per record matches tag affixed to equipment - example tag:




- If untagged, please indicate this on inventory
- If tags are needed, please request them by reaching out to equipment@northwestern.edu
- Affix new capital equipment tag and note tag number on inventory
- Accounting Services will update record in NUFinancials with new tag number

Asset Inventory Updates

- Unit Representative to email completed AM013 report to equipment@northwestern.edu by **May 31, 2022**
- Unit Representative to submit all updates via NUFinancials by **June 30, 2022**
- We will reconcile updates identified to NUFinancials by **August 15, 2022**

Disposal & Transfer Requests

- Submit as soon as identified, no later than June 30, 2022
- Unit Reps to submit Asset Requests (disposals or transfers) via NU Financials:
NUFinancials > NavBar  > NU Interfaces and Processes > Assets Self Service > Create/Search Asset Request > Add
- Transfers: location, custodian/PI, and/or department update
- Disposals: scrapped, sold, traded-in, donated, cannibalized, no longer owned by University, etc.
- Equipment must be physically disposed, tag removed before request submitted in NUFinancials

Key Resources

- [Asset Request \(disposal/transfer\) instructions](#)
- [Capital Equipment Inventory website](#)
- [Equipment Policy Manual](#)
- Asset Request walkthroughs:
 - [Disposals](#)
 - [Transfers](#)

Questions or Need Help?

Contact:

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Equipment website:

<https://www.northwestern.edu/controller/accounting-services/equipment-inventory/index.html>