Capital Equipment
Physical Inventory Verification
FY21

Procedures and Guidelines

Presented by:

Justyna Markiewicz, Accountant 2, Property, Plant & Equipment

Katie Criswell, Accounting Specialist Senior

Accounting Services

Northwestern | FINANCIAL OPERATIONS

Presentation Outline

- Equipment & inventory process definitions

- Purpose of physical inventory verification

- Overview of inventory verification process

- Inventory process timeline

- Asset review and update procedures

- Available resources

Definitions

- Capital Equipment:
    - Original cost $5,000 or more, useful life of more than 1 year

- Unit (capital equipment unit)
    - Department or group of departments grouped together for the purpose of inventory verification

- Unit Representatives
    - Individuals assigned to school unit to assist in re-inventory and tagging process

- Asset Self Service
    - Application within NUFinancials used for creating and searching asset request (disposals & transfers)

- AM002 and AM013 Reports
    - Cognos reports listing active assets recorded in NUFinancials

Purpose

- Control system to track capital equipment (required at least biennially)

- Compliance with Federal funding guideline 2 CFR Part 200 (Uniform Guidance)

- Accurate information presented in Financial Statements

- Accurate records for the Facilities & Administrative (F&A) rate proposal

- Prevent reportable audit findings that may influence future sponsored awards

Capital Equipment:
      northwestern.edu/controller/accounting-services/equipment-inventory/index.html

Capital Equipment Inventory:
      northwestern.edu/controller/accounting-services/equipment-inventory/inventory.html

Contact Cost Studies:
      northwestern.edu/coststudies/staff.html

Process Overview

- Distribution of Capital Equipment presentation

- Delivery of reports to Unit Representatives

- Inventory verification and review of records

- Return inventory results to Accounting Services

- Submittal of change requests in NUFinancials (disposals, transfers)

- Verification of record changes

Inventory Timeline

- Presentation / Project start: **3/2/21**

- Unit Reps receive AM013:   **3/3/21**

- Open Lab Session 1:   **Mid-May**

- Return updated AM013 reports: **5/31/21**

- Open Lab Session 2:   **Mid-June**

- Unit Reps submit Asset Requests: **6/30/21**

- Open Lab Session 3:   **Mid-July**

- Re-inventory results verification: **8/15/21**

Asset Review and Update Procedures

- FY21 physical inventory begins now – target completion is June 30, 2021

- AM013 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
Disposed? Y / N	Tag number correct? Y / N	New Location? (If yes, Building & Room)	New Custodian (e.g., PI)?	If changes, Asset Request submitted in NUFin?	Addt'l notes for A/S	
						000000000003
						000000000003
						000000000004
						000000000005
						000000000006
						000000000007
						000000000008
						000000000009
						000000000010
						000000000011
						000000000012
						000000000013
						000000000014
						000000000015
						000000000016
						000000000018
						000000000019
						000000000020
						000000000021
						000000000022

Untagged Assets

- Verify tag number per record matches tag affixed to equipment (example tag below)

- 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

CAPITAL EQUIPMENT
NORTHWESTERN UNIVERSITY
89208

Unlisted Assets

- Inventory includes equipment purchased through Jan. 2021

- Report includes assets purchased using Dept. ID on Purchase Order

- If equipment is not listed, please indicate this on inventory

- Include asset description and PO (see example)

- Accounting Services will investigate upon return of completed inventory

Asset Inventory Updates

- Unit Reps to email completed AM013 report to equipment@northwestern.edu by May 31, 2021

- Unit Reps to submit all updates via NUFinancials (see next slide) by June 30, 2021

- Accounting Services to reconcile updates identified per inventory to NUFinancials by August 15, 2021

- Accounting Services to communicate any updates needed with Unit Reps by FYE close

Disposal & Transfer Requests

- 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

- <u>Transfer types</u>: location, custodian/PI, and/or department update

- <u>Disposal types</u>: scrapped, sold, traded-in, donated, cannibalized, no longer owned by University, etc.

- Equipment must be <u>physically</u> disposed (not in storage or closet!) before request submitted in NUFinancials

More information can be found at:
https://www.northwestern.edu/controller/accounting-services/equipment-inventory/asset-request-instructions.pdf

Resources

- AM002 Asset Inventory Report
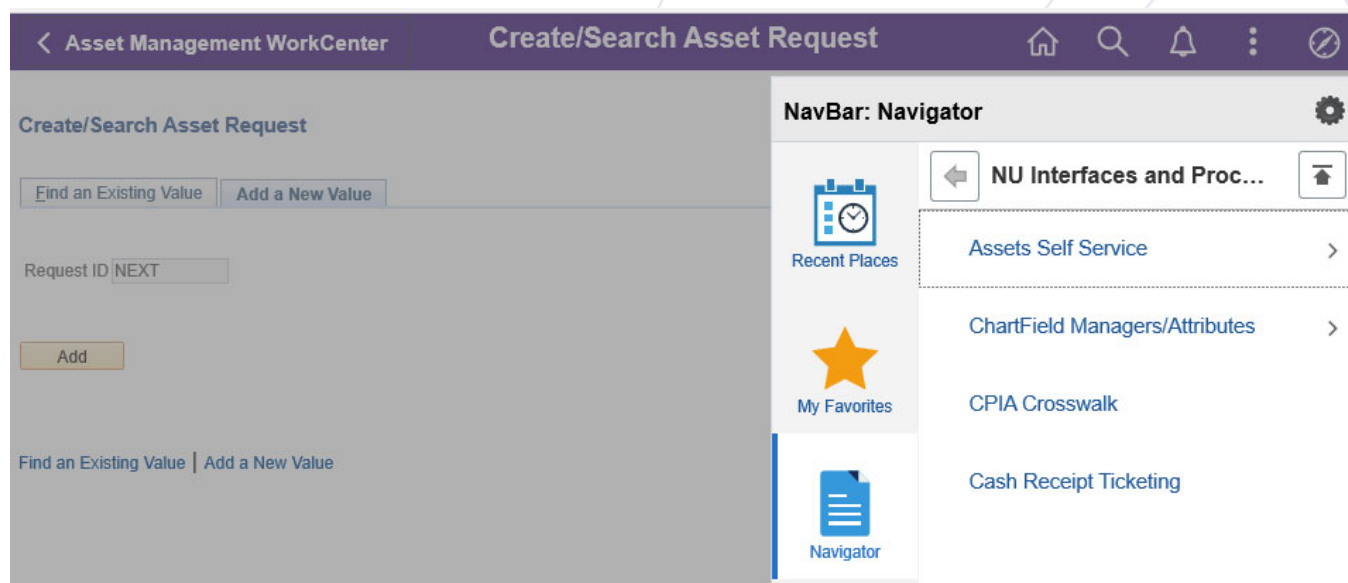

Training Guide:
https://kb.northwestern.edu/page.php?id=82020

Navigate to Finance, Facilities, and Research Administration Reports (FFRA) then Asset Management (AM)

Resources (Cont'd)

- Assets Self Service

Job Aid for asset management self-service portal can be found at:

https://www.northwestern.edu/controller/accounting-services/equipment-inventory/asset-request-instructions.pdf

Questions or Need Help?

Contact:

Justyna Markiewicz
Accountant 2, Property, Plant & Equipment
Accounting Services
justyna.markiewicz@northwestern.edu
847-467-2078

Katie Criswell
Accounting Specialist Senior
Accounting Services
katie.criswell@northwestern.edu
847-467-2737

Shared Mailbox: Equipment@northwestern.edu

Equipment website:

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