

Finance and Accounting Manual

Asset Stocktaking and Asset Management Procedures

Approved by the Chief Financial Officer on 19 April 2011

Date of effect: 1 January 2011

Updated for Delegation amendment: 4 October 2011

Updated: 25 September 2012

Updated for Delegation amendment: 17 February 2014

Updated for Delegations amendment: 26 May 2017 (commencing 1 June 2017):

1. Overview

1.1 Purpose

Asset Management is controlled through the Asset Register and regular stocktakes.

The Asset Register is used to:

- (i) record, track and manage the University's assets;
- (ii) provide complete, accurate and timely data and information for internal management and external financial reporting purposes;
- (iii) record all assets with a cost of \$10,000 or over (GST exclusive);

record all EXPAS Equipment with a cost of between \$1,000 and \$9,999 Stocktakes are undertaken to verify the existence of assets costing \$10,000 and over and to confirm their location and custodian. Stocktakes are recommended to verify the existence of EXPAS Equipment and should be undertaken annually by the relevant Department/Unit.

1.2 Coverage

These procedures apply to all staff involved in the acquisition, management, maintenance and disposal of the University's Assets.

2. Procedures and Guidelines

2.1 Asset Register Details

- (i) The main sources of information for the Asset Register are obtained from:
 - (a) Purchase orders and subsequent payment through the Accounts Payable system
 - (b) Invoices processed through the Accounts Payable system
- (ii) Other sources of information for the Asset Register are:
 - (a) Notification of assets manufactured/constructed by departments
 - (b) Audit and Risk Management advice of insurance replacement
 - (c) Notification of grants, bequests and donations of physical assets.

2.2 Stocktake of Assets

Stocktakes for all assets of all responsibility centres are scheduled to occur at times that are as convenient as possible to Schools/Administrative Units in order to more evenly distribute the workload throughout the year. This process is called a Perpetual (Rolling)

Stocktake. Under this process all Schools/Administrative Units will be required to verify assets under their control at least once every Financial (Calendar) Year.

2.2.1 Asset Verification Report (AVR)

(i) The Financial Control and Treasury Unit sends a copy of the complete listing of assets, known as an Asset Verification Report (AVR), to Schools/Administrative Units once every 12 months for review and verification.

ii) The AVR details:

- (a) Asset ID number and Tag number
- (b) Description of the asset
- (c) Value
- (d) Location
- (e) Date of purchase
- (f) Serial number
- (g) Custodian
- (h) Manufacturer/Model

(iii) The AVR is distributed to Schools/Administrative Units for completion as follows:

- (a) Indicate on the AVR that the asset has been sighted in the department/unit.
- (b) Verifying officers are to note on the AVR, where applicable, whether an asset has been sold, lost, stolen, destroyed, obsolete or otherwise disposed of and requires approval to write off. In all such cases the approval of a delegated officer to the write off must be obtained on the AVR (refer to part 6.10 in the [University of Sydney \(Delegations of Authority - Administrative Functions\) Rule 2016](#)).

Note: The verifying officer cannot be the approving (delegated) officer.

At other times when assets are disposed of, Schools/Administrative Units must process the disposal in the PeopleSoft Asset Register as soon as they become aware of the situation and not wait for the issue of the next AVR.

- (c) Items transferred to other Schools/Administrative Units must be processed in the PeopleSoft Asset Register by the transferee via the [Asset Transfer Notification](#) form.
- (d) If not already detailed on the AVR, provide information (eg. serial numbers).
- (e) Any item/s located at stocktake and not recorded on the AVR must notify the Financial Control and Treasury Unit in writing via the [Asset Acquisition/Adjustment](#) form.
- (f) The Head of Schools/Administrative Units or where necessary an approved delegated officer must sign the AVR as being correct before returning it to Financial Control and Treasury Unit, Margaret Telfer Building K07.

(iv) As part of the yearly AVR process, the School/Administrative Units are to review any fully depreciated assets (nil value items) and determine the extent of their usage. Those items which are no longer in use should be disposed of and removed from the PeopleSoft Asset Register.

(v) The AVR must be completed and returned to the Financial Control and Treasury Unit within the specified time frame.

(vi) Each School/Administrative Unit must retain a copy of the completed AVR and update the PeopleSoft Asset Register with all the corrections arising from the verification of assets.

2.2.2 Location of Assets

The asset stocktake includes verifying the location of assets even when they are in other Schools/Administrative Units or at the homes of staff. Assets held at homes must be only

for temporary work purposes ie, typically less than one month. Prior approval must be obtained from the Head of School/Administrative Unit for staff to take assets home. Generally assets should not be located permanently at the premises of staff.

Where assets are on loan to staff a register must be maintained showing date loaned, asset details, name of staff member, reason for loan and date returned and signature for returns.

3. Internal Controls

3.1 Responsibilities/Accountability

<i>Officers</i>	<i>Responsibilities</i>
University Staff	<ul style="list-style-type: none"> • Complete Asset Verification Reports in the time frames given. • Provide information that is missing from the AVR. • Complete Asset Acquisition /Adjustment form when asset items are acquired. • Note the AVR for assets sold, transferred or written off. • Update the PeopleSoft Asset Register with all the corrections arising from the verification of assets.
Head of School/Administrative Area	<ul style="list-style-type: none"> • Sign AVR as to correctness prior to return to Asset Management, Financial Control and Treasury Unit.
Financial Control and Treasury Unit	<ul style="list-style-type: none"> • Issue AVRs in accordance with the University's perpetual stocktake program. • Perform regular monthly reconciliation of the Asset Register system to the General Ledger. • Perform the verification process in the Asset Register.

4. Related Information

4.1 Resources and weblinks.

(i) Training Materials

(ii) References

- [Finance and Accounting Manual](http://sydney.edu.au/finance/about/manual.shtml)
sydney.edu.au/finance/about/manual.shtml

(iii) Forms

- [Asset Acquisition /Adjustment](http://sydney.edu.au/finance/docs/asset_acquisition.xls)
sydney.edu.au/finance/docs/asset_acquisition.xls
- [Asset Disposal](http://sydney.edu.au/finance/docs/asset_disposal.xls)
sydney.edu.au/finance/docs/asset_disposal.xls
- [Asset Transfer Notification](http://sydney.edu.au/finance/docs/asset_transfer.xls)
sydney.edu.au/finance/docs/asset_transfer.xls

- 4.2 University procedures superseded or replaced by this procedure:
- (i) Finance and Accounting Manual
 - Asset Stocktaking and Asset Management Procedures: 16 November 2010

5. Contact and Review

5.1 Contact

Unit: Financial Control and Treasury Unit
Phone: 9351-2663
Fax: 9351-5861

5.2 Review

The Chief Financial Officer will approve changes to financial procedures and guidelines and will co-ordinate changes to financial policy, with the Vice-Chancellor delegated to approve University financial and infrastructure policy.

Amendments to forms, schedules and weblinks will be processed by Financial Services.

Amendments to the Finance and Accounting Manual procedures and forms are listed on the Financial Services website under:-

- [FAM Amendments](#)
- [Amendments to Forms](#)

Please forward suggestions and comments on the Finance and Accounting Manual via the [Feedback Form](#).