

Process of Fixed Asset Purchases



Irvine Unified School District
Orange County, California

Importance of Tracking Fixed Assets

2

- State Law requires school districts to track all fixed assets over \$500.
- IUSD's auditors are required to perform annual checks of selected sites to confirm asset tags have been affixed to the appropriate item and verification of the asset location.



Prepare for Your Purchase

3

- **Ascertain what needs to be purchased.**
 - Make a detailed list of items, quantities and prices. IUSD is required to pay sales tax on applicable purchases. The sales tax will auto calculate for you.
 - Identify your budget numbers.
- **Shop around for the best price, every penny counts!**
- **Get prior approval from your site supervisor.**
Best practice is to obtain a signature.



Prepare for Your Purchase

4

- Purchases of, or totaling \$500 or more are considered a fixed asset and have a object code of 4401.
 - See examples of purchases.



Does My Purchase Qualify as an Asset???

5



**Be Sure to Use Object Code 4401
if your purchase qualifies as a fixed asset**



Does My Purchase Qualify as an Asset???

6

12 ea Replacement Ink/Toner
for Printer Purchased in 2010

\$800.00

Total Tax \$ 64.00

Shipping \$ 25.00

Total Purchase \$889.00

No

New Printer \$299.00

Ink (4 colors) \$150.00

Total Tax \$ 35.92

Shipping \$ 25.00

Total Purchase \$509.92

Yes

**Be Sure to Use Object Code 4401
if your purchase qualifies as a fixed asset**



Create your Purchase Order

7

- Create your purchase order
 - Be sure to separate the quantity and the amount.
 - ✦ Example: 10 units @ \$800 each 
 - ✦ Rather than 1 unit @ \$8,000 total 
 - Clearly provide your description.
 - ✦ Example: Receiver for cochlear nucleus 
 - ✦ Rather than: MicroLink ML 14i NB 
 - If other than a facsimile, specify the ordering method, (such as email, mail, etc.) in the description area.
 - After submitting your Purchase Requisition, it is reviewed by the Purchasing Department for accuracy.
 - Fiscal Services then approves each Purchase Order and the Purchasing Department places your order.

APPROVED



Receiving Your Order

8

- The vendor will ship the items to the destination you specified.
- Compare the items received against the original purchase order to confirm the correct quantities and items have been received.



Paying for Your Order

9

- After receiving your order and invoice, confirm the invoice is correct, note the PO number if not included, sign the invoice to indicate it is okay for payment and send the invoice to Accounts Payable.
 - Approve and process immediately to prevent late fees.
- Accounts Payable will request a check from the County. After receiving the check Accounts Payable will mail the payment to the vendor.



What Happens Next...

10

- If a object code of 4401 was specified on the PO, Accounts Payable will send a copy of the PO, Invoice and Check to Fixed Assets for inputting into BiTech.
- Once a month Fixed Assets generates Asset Tags for the specified equipment and sends the Asset Tags to the Sites/Dept.
- The tag must be affixed to the specific item and the Asset tag memo (which indicates where the item(s) is stored) must be completed and returned to Fixed Assets.
- This entire process, from the creation of a Purchase Requisition to receiving the Asset Tag can take up to six weeks.



Can Take Up To Six Weeks



Understanding the Asset Tag

11

Affix the
Asset Tag to
the Asset

or

Each Site Should have an Asset Binder for Maintaining
Asset Tags and Locations for Assets that can't be
Affixed (Such as Projectors, Outside Equipment, etc.)

PROPERTY OF IRVINE UNIFIED SCHOOL DISTRICT

LOCATION & BUDGET # ### 1###49426-4401
DATE OF SERV. & P.O. # 1/13/213 F75R2105
ASSET ID # E75028662
SERIAL # DLXGX7LNDJHG
DESCRIPTION IPAD

Important to
Provide the
Asset ID
During Surplus



Sample Asset Tag Memo

12

IRVINE UNIFIED SCHOOL DISTRICT
Purchasing Department

**Must Be
Completed, Signed
& Returned to
Fixed Asset Dept.**

To: Site Administrator
From: Janelle Y. Cranch
Date: 11/30/2012
Subject: Asset ID Tags

In order to ensure that the Asset ID Tags are placed on the appropriate equipment, per District and State auditors, please date and sign the report. On this page (below the item), **it is imperative the Room number where the equipment is housed is annotated in the Note box.**

Please keep a copy of this report for your records, and return the ORIGINAL report to Janelle Cranch, Purchasing Department, District Office.

Location and Budget #: ### 1###49426-4401
Date of Service and PO #: 11/2/2012 G75R0892
Asset ID #: F75029990
Serial #: 5XOCVV1
Description: LAPTOP COMPUTER

NOTE

Location and Budget #: ### 1###02010-4401
Date of Service and PO #: 11/15/2012 G75R1217
Asset ID #: F75030068
Serial #: NONE
Description: PODIUM

NOTE



Using the Asset Tag when Surplusing

13



It is important to provide the Asset ID Number when surplusing equipment to help remove the item from the books.

Electronics Surplus - Adding Items

You can add items to the form by filling out the information below, then click on "Save Item". When you've finished adding, click on "Go to Page 2" to view the form. For detailed instructions, click on

General Information

Work Order #:

Site:

Submitted by:

Email address:

Date:

IUSD Asset ID #:

Item Description:

Serial Number:

[Back](#)

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