

🕲 accountingservices@rowan.edu

EQUIPMENT OVER \$5000

FIXED ASSETS

FEBRUARY 2022



WHAT ARE FIXED ASSETS?

- Fixed Assets are items that cost \$5,000 or over including the shipping & handling, installation and parts needed to get the equipment to operational status for each item.
- Fixed Assets also include bulk orders costing less than \$5,000 each unit, but with a purchase order totaling \$50,000 and over.



FIXED ASSETS FAST FACTS

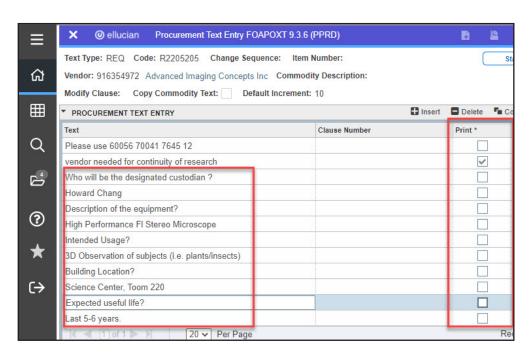
- Fixed assets must be purchased from account 7645.
- Purchasing other items, such as warranty, from account 7645 will cause accounting, audit and compliance issues.
- Be sure to receive all items in FPARCVD after delivery.
- Fixed assets will be tagged and inventoried.
- Fixed assets are owned by the university, though grant agencies could request return of items purchased on grant funds.



DOCUMENT TEXT

When placing a requisition for fixed assets, include the following information in Document Text.

- 1. The **custodial information**. You must include the name of an employee who will take care of the equipment, not just the department name.
- 2. The **intended usage** of the equipment.
- 3. A **description** of the equipment make, model number and color, if applicable.
- 4. Location of the equipment the building, room number, department or office.
- 5. The expected **useful life**.
- **6. Un-check** the fixed asset information in the "Print" column.



FIXED ASSETS

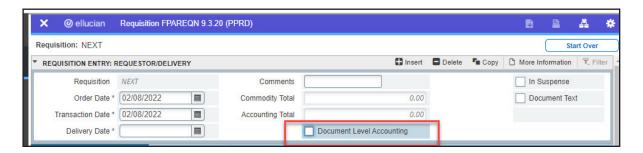


COMMODITY LEVEL ACCOUNTING

- If ordering other items such as warranty or maintenance with the equipment, then a requisition with commodity level accounting must be created in Banner Administrative Pages.
- With commodity level accounting, each line item is assigned a specific FOAPAL.
- Only the equipment, shipping and handling, installation and parts to bring the equipment to operational should be charged to account 7645.

Un-check Document Level Accounting

1. Un-check **Document Level Accounting** in the **Requestor/Delivery** section.



Enter Commodity and FOAPAL

- In the Commodity/Accounting section of the requisition, enter Commodity Code, Description, Unit of Measure, Quantity and Unit Price of the first item. Select Next Section.
- 3. Enter the **FOAPAL** information for the first line. Select **Previous Section**.
- 4. Select **Insert** to enter a new line and repeat Steps 2 and 3 for each line item.
- 5. When finished, select **Next Section** and complete the requisition.

