



Capital Equipment Management
2023 Equipment Audit

April 2023

General Housekeeping for Today's Session

- Please mute your Audio during presentation
- Questions can be typed in chat, and will be responded to during Q&A
- During Q&A please unmute your Audio
- A session will be recorded and be available for future reference
- Presentation will be available on UFA website



Chea Smith – Associate Controller - Cost Analysis & Capital Equipment Management University Controller's Office

Bob Fiocco

Senior Accountant Supervisor – Capital Equipment Management
University Controller's Office

Michael Braswell

Property Control Supervisor – Capital Equipment Management
University Controller's Office

Kevin J. McHugh

Vice President – Maximus – Asset Management & Valuation Services



Why Are We Here Today – An Overview

- Who are we?
- Rutgers University Capital Equipment Management Department (CEM)
- Immediate Focus: **Mandatory** 2023 Capital Equipment Inventory/Verification Audit
- Capital Equipment Management Department's Major Responsibilities
- Business Unit Department Responsibilities for Capital Equipment Reporting in Collaboration with CEM
- 2023 Rutgers Business Unit Physical Audit
- Q&A



Why the Urgent Need for the MANDATORY 2023 Capital Asset Inventory?

To Meet the ***Immediate & Mandatory*** Asset Management & Financial Reporting Requirements for Rutgers University:

1. Independent Auditors (KPMG)
2. Federal Cognizant Auditors – Department of Health & Human Services – Division of Cost Allocation
3. State of New Jersey – Office of the State Comptroller

Post Pandemic Catch Up for:

1. Recording/Tagging of Asset Acquisitions > \$5,000
2. Recognition of Asset Transactions Such As: Transfers, Retirements/Dispositions

Implement Procedures for on-going Capital Asset Management Reporting Requirement, Post Current 2023 Capital Asset Equipment Audit



Capital Equipment Management Department Organization

- ***Bob Fiocco*** – *Senior Supervisor*
- *Michael Braswell* – Supervisor of CEM
- *Levi Wilson* - Record's new equipment, tagging equipment, perform Audits & Grant reporting
- *Andrew Kvortek* – Record's new equipment, tagging equipment, perform Audits & Grant reporting. Responsible for University Vehicles- (registration, plates, title & recording)
- Vacant Position



History & Background of CEM Department

- December 2021: Property Management Department, reports to Associate Controller, Chea Smith, Cost Accounting and Capital Equipment Management.
- New department name is Capital Equipment Management (CEM). More in line with CEM's roles & responsibilities and aligns well with Department Responsibilities for Overall Asset Management, Cost Accounting, Physical Space Reporting Financial Reporting (*State, Independent & Federal Audit Review*) and the University's Facilities & Administrative (F&A) Reporting Requirements.
- The Oracle Fixed Assets Module Records All University-wide Capital Assets





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Significance of Rutgers University's Capital Equipment Management Department's Oversight

- Rutgers University CEM Department Oversees 25,000+ assets
 - Camden
 - Newark
 - New Brunswick
 - Statewide Research Centers
- Asset Investment: \$750 million
- \$1,000,000 - \$4,000,000 - Average Asset Additions, per month
- All Assets Are Populated in Oracle Fixed Assets Module
 - Records Costs, Disposals & Adjustments
 - Calculates Monthly Depreciation
 - Interface to Oracle GL- Monthly Basis

CEM's Major Responsibilities

- Record all New Purchases of Capital Equipment that are Not Permanently Affixed to a Building.
- Involves Daily Review of Purchasing Reports for Rutgers University
 - Record Asset Original Cost
 - Assign a Useful Life
 - Set up Depreciation Calculations
 - Assign Location
- Perform Audit of Assets
- Perform Tagging of New Assets
- Vehicle Reporting
- Grant Reporting
- Month End Close – Fixed Assets, Lease Accelerator and EZ Lease



Business Unit Department **Responsibilities** for Capital Equipment Management

- Maintain an Accurate Inventory for their Respective Area:
 - Designate a Capital Equipment Custodian Responsible for Your Business Unit, in Collaboration with CEM
 - Maintain/Update the Physical Location Accuracy of Your Assigned Capital Equipment Assets
 - Notify Department Custodian of Locational Changes
 - Contact Material Services Department for all Disposals Follow Procedures as Outlined in the Material Surplus System
 - Maintain/Update Your Department's Inventory of "Off Campus" Capital Equipment Assets (*i.e.: Capital Equipment Assets Located at Other Locations Required for Departmental Use*)



Current **Mandatory** 2023 Department Equipment Audit

- **Capital Equipment Management:** Will work collaboratively with each Business Unit
- **Business Unit:** Will be provided with a Current Fixed Asset Report for your Department's Current Capital Equipment Asset Inventory:
 - Excel Updatable Report
 - Example and Demo
- **2023 Capital Equipment Audit Report:**
 - Business Unit Will Be Required to Confirm Each Capital Equipment Asset at the Current Reported Location. If the Asset Location, or Other Attributes are Incorrect, Updating of This Information Is Required.
 - Report Must be Completed and Returned by May 31, to Your Assigned CEM Team Representative
- **Untagged Assets:** The accurate Location Information is of Paramount Importance, as post Audit, the Department with the Assistance of CEM need to finish the tagging process.



AutoSave Off UCO CEM Presentation Update_March 23... Saved to this PC Search Robert Fiocco

myRutgers Portal Financial Reporting Center - Ora...

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JAN-23 Close: Projects: 2/15/23 , GL: 2/17/23

RUTGERS

RU FA 120 Department Inventory Pre-Audit Report Done

Audit Group 177 Building Num All Federally Funded Both Tag Status All Apply

RU FA 120 Updated

Report Completed

Type here to search 53°F 12:06 PM 3/21/2023

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RU FA 120 Department Inventory Pre-Audit Report

Parameters
 Audit Group 60
 Tag Status
 Building Num
 Federally Funded Both

Status
 F=FOUND
 U=UNFOUND
 S=SURPLUSED
 C=CANNIBALIZED

Building #	Address	City-State
3529	137 Winchester Road	PISCATAWAY-NJ

Asset Number	Barcode	Building #	Floor	Wing-Room	Description	Manufacturer	Serial Number	Model Number	PO Number	Tag Status	In Service Date	Cost	Net Book Value	Project #	Status
V0009995	802153	3529	88	888	2020 ENCLOSED TRAILER	ARISING INDUSTRIES INC	5YCBE2027LH001266	8.520VTRW	NA	Tagged	12-01-2019	7,000.00	2,449.98		

Building #	Address	City-State
3558	98 Brett Road	PISCATAWAY-NJ

Asset Number	Barcode	Building #	Floor	Wing-Room	Description	Manufacturer	Serial Number	Model Number	PO Number	Tag Status	In Service Date	Cost	Net Book Value	Project #	Status
1000113	240271-E	3558	01	100	SOFTWARE JADE PRO II	MATERIALS DATA		JAD PRO II	1197272	Tagged	10-01-2019	2,500.00	791.64	826745	

1004198	244147-A	3558	01	101	RAMAN SPECTROMETER UPGRADE	RENISHAW		QONTOR	25221942	Tagged	12-06-2022	26,745.00	26,076.36	302396	
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1004199	244147-B	3558	01	101	RAMAN SPECTROMETER UPGRADE	RENISHAW		QONTOR	25221942	Tagged	12-06-2022	50,977.00	49,702.57	831742	
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* Barcodes that have a letter as a suffix, represent split funding for a single asset. Only the first six digit needs to be verified. The suffix letters do not appear on the barcode on the physical asset.

* Assets beginning with a "8" are vehicles. Floor 88 is default for vehicles.



Mandatory- 2023 Department Equipment Audit (cont.)

Status

- **Found** – Equipment Located
- **Unfound** – Equipment Not Located
 - CEM Supervisor Will Follow Up with Department Head for Approval to Remove the Identified Asset from the Rutgers University Fixed Asset System
- **Surplused** – Equipment That Has Been Surplused to Material Surplus
 - Business Unit Must Send to CEM the Completed Material Services Surplus Form
 - If Required Documentation is Not Available, the Designated Asset Will Be Considered as Unfound.
- **Cannibalized** – Equipment Utilized for Parts
 - CEM Team Member will Follow Up with the Appropriate Cannibalization Form

Accounting Note

- Depreciation impacted for Unfound & Surplused When Net Book Value GT \$0.0

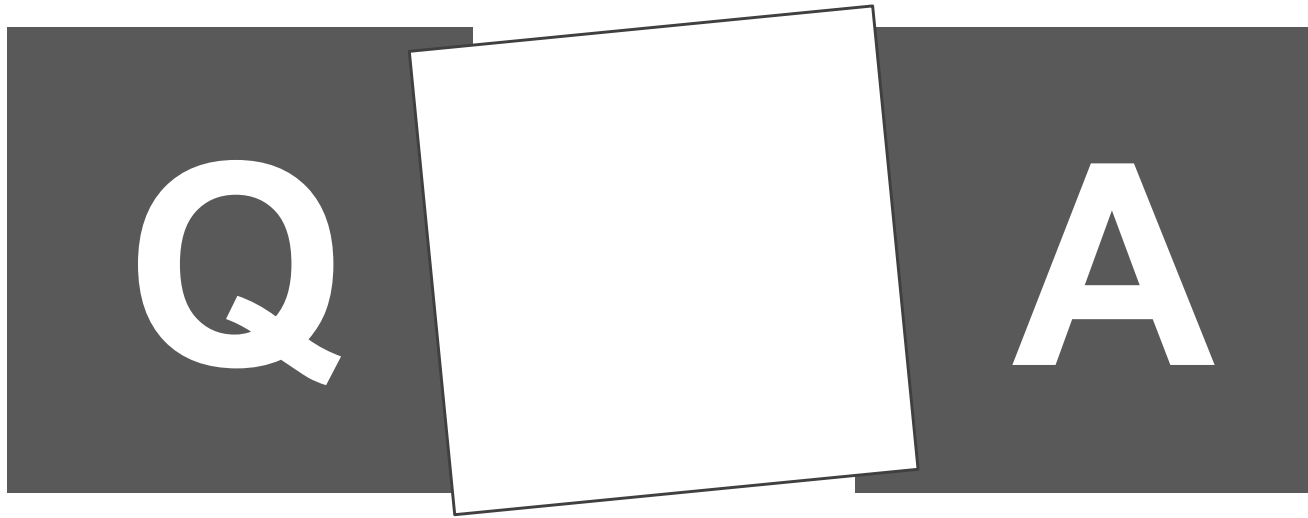


Mandatory 2023 Department Equipment Audit

Next Steps

- Assigned Capital Equipment Team Member will contact you and send the Appropriate Department Report
- If the Audit Group Needs to be Updated, Please Advise CEM ASAP
- If you are not designated custodian for entire audit please advise.
- Please send back updated Excel spreadsheet to CEM Team Member by 5/31/2023
- CEM plans on having post audit lesson learned to expedite
 - Building Audit
 - Barcoding Software
 - Tracking Devices
 - Etc.





QUESTIONS & ANSWERS

