Asset Requisitions

Before you continue, this document is intended for departments and other funding sources that are not linked to POETAF or POET. Please refer to the projects asset requisition guides if your funding source is a POETAF or POET.

Q: When does the College deem a purchase of a good an asset?

A: When the purchase is tangible, owned by the College, has a useful life of more than one year and a value of at least $5,000 per unit. Rental of equipment or vehicles are not deemed an asset.

Q: What types of goods does the College typically record as an asset and what category do I choose for each when completing a requisition through Cloud?

A:

Type of Good	Criteria for an Asset	Category Name	COA-Natural Account
Equipment	$5,000.00 per unit or greater	Academic Lab Equipment $5,000 per unit or more Air Conditioning Equipment $5,000 or more per unit Athletic Equipment $5,000 per unit or more Gas Detection Equipment $5,000 per unit or more Maintenance Equipment $5,000 or more per unit Other Equipment $5,000 per unit or more Office Furniture & Equipment $5,000 per unit or more Sports Equipment $5,000 per unit or more	160099
Hardware	$5,000.00 per unit or greater	Computer Equipment $5,000 per unit or more	160099
Computers	$5,000.00 per unit or greater	Computer Equipment $5,000 per unit or more	160099
Furniture	$5,000.00 per unit or greater	Office Furniture & Equipment $5,000 per unit or more Residence Hall Furniture $5,000 per unit or more	160099
Vehicles	$5,000.00 per unit or greater	Vehicles $5,000 per unit or more	160099

The natural account is driven based on the category selected. Even if you try to change the account code when your completing a requisition it will override to the proper account that is linked to the category you selected.

Please do not worry if the new account applied does not match the converter tool, based on the category you selected this is the most appropriate account code to use.

Q: My purchase meets the criteria of an Asset; What costs can be included in the asset category and what costs must be excluded and entered as a separate line on my requisition?

A:

Include Costs
- Shipping Charges
- Installations

Excluded Costs
- Equipment repair costs
- Separate warranty costs
- Maintenance contracts
- Technical Service costs
- Replacements and spare parts
- Carpet/flooring replacements

Q: What category do I picked for these "excluded costs" listed above?

A:
- Equipment repair costs
  - Repairs – Equipment
  - Repairs – Other
  - Repairs – Appliances
    Pick whichever is most appropriate for your purchase.
- Separate warranty costs
  - Equipment Maintenance Agreement

- Maintenance contracts
  - Hardware Maintenance
  - Software Maintenance
  - Equipment Maintenance Agreement
  Pick whichever is most appropriate for your purchase.

- Technical Service costs
  - Equipment Service Contracts

- Replacement and spare parts
  - Maintenance - Supplies & Parts

- Carpet/Flooring replacements
  - Furnishings & Appliances less than $5,000 per unit
  - Office Furniture & Equipment less than $5,000 per unit
  - Residence Hall Furniture less than $5,000 per unit

For carpet or flooring replacements, even if the cost is greater than $5,000, we do not want to link it to the asset category. Please select the category that says less than and write in justification that this relates to flooring or carpet replacements.

Q: Why is the COA account code different from the converter tool when it is linked to an asset?

A: The costs will no longer hit an expense account. It will hit the asset clearing account. The asset clearing account is **160099** as shown in the table above.

An entry will be done by Finance and Business Services to ensure the costs get applied against your intended fund code when the PO is generated. The entry will apply the costs against account **870020**, which is Operating Fund Capitalization Transfer.

Q: What other information is required to ensure my requisition does not get rejected by the Fixed Asset Accountants?

A:

You will need to provide the quantity and per unit cost. This can be done by selecting "order by quantity". Without this information the Asset Accountant will not be able to verify the correct category and COA to ensure compliance with Asset Policy at TCNJ.

Please attach any quotes or vendor documents to further support what your purchasing if it is readily available.

Q: I have multiple component parts that are below $5,000 per unit but they make up one or more working pieces of equipment/ furniture/ hardware. How do I enter the requisition?

A: You would select "order by quantity" and utilize your quote from the vendor to add up all the costs that make up the unit and that will be the per unit cost. If the total is $5,000.00 or more it is an asset. **Please always attach your quote from the vendor, with the cost details of the component parts to requisition.**

This scenario comes up more often for IT purchases and must be a tangible good with a useful life of one year or more.