

Self Assessment of Internal Control

Fixed Asset Cycle

Agency _____

Fiscal Year Ending _____

<u>YES</u>	<u>N/A</u>	<u>NO</u>		
				A. Control Activities / Information and Communication
			1.	Is there a formal organizational chart defining the responsibilities of purchasing, receiving, recording, approving and keeping the perpetual inventory?
			2.	Are there formal written procedures for performing a physical inventory?
			3.	Are fixed asset records maintained that adequately classify and identify individual items?
			4.	Are assets believed to be missing, stolen or vandalized reported to the appropriate authorities?
			5.	Are the Fixed Asset System and appropriate accounts reconciled periodically as appropriate?
			6.	Are construction records adequate to accumulate costs associated with constructed fixed assets including force (in- house) labor and materials obtained from inventory?
			7.	Is the individual responsible for fixed assets notified when:
				a. assets are received?
				b. assets are donated?
				c. asset location changes are made?
				d. assets are transferred to State Surplus Property?
				e. assets are sold?
				f. assets are vandalized or stolen?
				g. assets are reassigned to a different organizational entity or to another agency?
			8.	Are gains or losses properly recognized from disposals of fixed assets in proprietary fund types and trust funds?
			9.	Are fixed assets tagged when procured?
			10.	Are property records reconciled periodically to property accounts?
			11.	Are the beginning balances, additions, disposals and ending balances properly reflected in the notes to the

				financial statements as appropriate?
			12.	Are fixed asset additions properly valued?
				a. Is the total purchase price, less discount and any expenditure required to place asset in its intended state of operation the amount capitalized?
				b. Does the recorded asset cost of land purchases include: purchase price, legal and title fees, surveying fees, appraisal and negotiation fees, damage payments, and site preparation costs?
				c. Does the recorded asset cost of buildings include: purchase price, contract price or job order costs plus any other expenditures necessary to put a building or structure into its intended state of operation, including professional fees, damage claims, cost of fixtures, insurance premiums, interest, and related costs incurred during the period of construction? Are maintenance costs expensed rather than capitalized?
			13.	Are the following duties generally performed by different people:
				a. Custodian of the fixed assets
				b. Reconciliation of the Fixed Asset System with the control accounts, physical inventory with perpetual inventory records, etc.
				c. Recording of transactions and significant events such as transfers and disposals of assets?
				d. Authorization of fixed asset transactions.
			14.	Are all asset purchases and receipts approved by a designated person with proper authority?
			15.	Are all disposals of property approved by a designated person with proper authority?
			16.	Are all assets tagged?
			17.	Is someone assigned custodial responsibility by location for all assets?
			18.	Is access to the perpetual fixed asset records limited to authorized individuals?
			19.	Is there adequate physical security surrounding the fixed asset items?
			20.	Is there adequate insurance coverage of the fixed asset items?
				B. Monitoring
			21.	Is insurance coverage independently reviewed periodically?
			22.	Is a physical inventory taken at least annually?
			23.	Is a physical inventory of capitalized assets and inventoried items taken each time there is a change at a management or supervisory level that has

				responsibility for the assets?
			24.	Are missing items investigated and reasons for them documented?