


The University of Pennsylvania

ben Assets

Optional: [Click here for a printable version of the training material](#)

Use the navigational buttons on each slide to move forward or back through the presentation

1



Learning Objectives

This Knowledge Building module is designed to:

- Review policies and procedures related to asset management at the University of Pennsylvania. Topics include:
 - Definition of an asset
 - Roles and responsibilities in asset management
 - Lifecycle of an asset

Tip: Many slides contain links to additional information. Click on the link to open a new window.

2

What is BEN Assets?

- Penn's Asset Management application in BEN Financials
 - BEN Buys - Internet Procurement/Purchasing
 - BEN Balances - General Ledger
 - BEN Pays - Accounts Payable
 - BEN Assets - Fixed Assets

3

BEN Assets - What is an Asset?

- A capital or property asset is any item for which all 3 criteria apply:
 - Item valued at **\$5,000** or more
 - Has a **useful life** of more than **one year**
 - The **University** retains title

Tip: On occasion, the term 'property', 'equipment', 'item' and 'asset' may all be used interchangeably to mean 'asset'.

4

BEN Assets - Policy Overview

- **Custodians** must safeguard University assets*
- The **University** must maintain accurate records of tangible property
- **Schools & Centers** have responsibility for managing their assets
- **Property assets** are required to be
 - Tagged
 - Periodically inventoried

**Tip: For more information go to the [Principles of Responsible Conduct](#)*

5

BEN Assets – Importance

- Proper stewardship of our assets will facilitate the accuracy of information in relation to:
 - University Financial Statements
 - Accuracy of asset values and recognition of depreciation expense reported to the Trustees and outside parties
 - e.g., banks, bond rating agencies, sponsors and donors

6

BEN Assets – Importance

- Proper stewardship of our assets will facilitate the accuracy of information in relation to :
 - External audits
 - Annual financial audit
 - Annual federal grant expenditures audit under OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations

7

BEN Assets – Importance

- Proper stewardship of our assets will facilitate the accuracy of information in relation to:
 - Facilities and Administrative (F&A) rates
 - Via Indirect Cost Recovery negotiations with the Federal Government and the Office of Research Services
 - The Office of Research Services uses asset data, i.e. depreciation expense, in these negotiations

8

BEN Assets – Application Features

- The application is used to track and maintain information about the University's plant, property and equipment from **acquisition to retirement**
 - Data to be maintained includes:
 - Assignment (i.e. Location)
 - Custodian
 - Description
 - Depreciation
 - Last Date of Inventory
 - Manufacturer
 - Model #
 - Serial #
 - Responsible ORG
 - Tag #
 - Taggable Status
 - Tagging Contact
 - Tagging Date

9

BEN Assets – Includes

- All items meeting asset criteria
- Equipment in process (EIP)
- Land
- Library books
- Newly acquired collectibles
- Software under development

Tip: All assets from the Property Management System, except 'retired' assets, are included in BEN Assets.

10

Roles in Managing BEN Assets

- There are six roles involved in acquiring, managing and/or retiring assets at the University:
 - Buyer
 - Custodian
 - Tagging Contact (TC)
 - Asset Administrator (AA)
 - Senior Asset Administrator (SAA)
 - Property Management Group (PMG)

11

Roles in Managing BEN Assets

- **Buyer**
 - Is the PO Manager who approves the requisition in BEN Buys from which the purchase order is generated
 - Is responsible for
 - Selecting the appropriate **asset object code**
 - Entering the '**property management**' information, such as **Location, Custodian and Tagging Contact**

*Tip: Though Buyers do not have a role in maintaining the asset records in BEN Assets, they do have a significant role in ensuring the 'property management' information is complete and accurate in BEN Buys. See the **Requisition User Guide** for info on how to create a requisition for equipment.*

12

Roles in Managing BEN Assets

• Custodian

- Has primary responsibility for the stewardship & safeguarding of assets assigned
- Is responsible for
 - Reporting any changes in custody or location of assets to the Asset Administrator
 - Initiating the retirement process for any asset to be retired
 - Including theft or casualty loss
 - Assisting with asset location during inventories
 - Be cognizant of the assets for which they are the Custodian

13

Roles in Managing BEN Assets

• Tagging Contact (TC)

- Has primary responsibility for affixing the actual property tags on moveable equipment
- Is responsible for
 - Notifying the Asset Administrator of the tag numbers, serial #, etc. as well as assets identified as 'untaggable'
 - E.g. software
 - Verifying that BEN Assets information is correct at the time of tagging
 - Notifying the Asset Administrator of any changes required
 - Assisting with asset location during inventories

14

Roles in Managing BEN Assets

• Asset Administrator (AA)

- An individual designated by their School/Center as the liaison between their organization and the Property Management Group on all asset issues
 - Coordinates the asset activities for their assigned area
- Is responsible for
 - Updating asset information in the BEN Assets system as notified by the Tagging Contact, Custodian or other individuals responsible for asset management
 - Maintains complete and accurate inventory of assets
 - Running BEN Asset reports as required

15

Roles in Managing BEN Assets

• Senior Asset Administrator (SAA)

- An individual at the School/Center level responsible for ensuring that policies and procedures related to the stewardship and maintenance of University assets are followed
- Is responsible for
 - Ensuring all School/Center assets are appropriately capitalized and recorded in BEN Assets
 - Verifying that assets are tagged
 - Coordinating the School/Center inventory with the Property Management Group
 - Following up on unlocated items during inventory
 - Recording authorized School/Center retirements in BEN Assets

16

Roles in Managing BEN Assets

• Property Management Group (PMG)

- This central University group has oversight responsibility for ensuring that policies and procedures related to the stewardship and maintenance of records for University assets are followed
- Is responsible for
 - Sending property tags to the Senior Asset Administrator as requested
 - Reviewing and adding assets acquired in BEN Assets
 - Reconciliation & recording of BEN Assets transactions to the General Ledger
 - Planning and coordinating inventory activities

17

BEN Assets – Lifecycle of an Asset

- Acquisition
 - Tagging & Verification
- Maintenance of Asset Data
 - Change of Location (Assignment), Custodian, Tagging Contact, etc.
 - Depreciation
 - Inventory
- Retirement

18

BEN Assets – Acquisition

- Cost
 - The **acquisition cost** or **property value** of an asset & the **parts & components** that make up the asset acquired via Purchase Order is the **purchase price**
 - Charges for **transportation** and/or **labor for equipment installation & checkout** are added to the value of equipment. For example:
 - Asset costs **\$4,999.99** and the **shipping cost** is **\$25**.
 - NOT an asset
 - Asset costs **\$6,000.00** and the **shipping cost** is **\$25**
 - Asset with a **total cost** of **\$6,025.00**

**Tip: On a requisition costs for installation should be charged to an asset object code.*

19

BEN Assets - Acquisition

- Equipment in Process (EIP)
 - Refers to **costs** incurred for **fabricating** non-expendable, tangible **personal property**, that is not available elsewhere, or
 - By **physically combining** or **assembling modular components** and/or materials into one identifiable unit considered EIP until the **equipment is completed** and **placed in service**
 - **Before ordering components**
 - The Buyer must contact PMG to have a '**Primary Asset Number**' assigned to the fabricated equipment to which all component costs will be accumulated

Please click below for additional information on: [Assets Purchased via BEN Buys](#)

20

BEN Assets - Acquisition

- Gov't Ownership of Asset
 - When completing a requisition, if the answer to the question 'Gov't Retain Title?' is
 - No
 - PMG will add the item to BEN Assets
 - Only University owned assets are added to BEN Assets
 - Yes*
 - PMG will not add this item to BEN Assets
 - School/Center must maintain information on asset

**Tip: Refer to specific terms and conditions of grant/contract.*

21

BEN Assets - Tagging & Verification

- PMG will send to the Senior BA, or designee, an initial supply of tags
- On a monthly basis*, the **Asset Administrator (AA)** or **Senior Asset Administrator (SAA)** will run the 'Ready for Tagging' report
 - This report will be given to the TC to use for tagging & verifying assets
 - An '**Ageing Report of Untagged Equipment**' is also available to monitor tagging activity

**Tip: Reports can be run more frequently if needed.*

22

BEN Assets - Tagging & Verification

- The Tagging Contact (TC) will perform the following activities:
 - Reviews 'Ready for Tagging' report from AA
 - Verifies whether the asset is a single or multiple items or a component of an existing asset
 - Notify PMG if multiple items for one asset listed on report
 - Verifies all applicable information on the report regarding the asset*
 - Forwards to the AA any asset edits/changes needed

**Tip: The Tagging Contact should review such information as Location (BLD-FI-RM), Description, Custodian, etc. and notate Serial #, Manufacturer and/or Model # if necessary.*

23

BEN Assets - Tagging & Verification

- The TC will perform the following activities:
 - Determines if the asset is 'Taggable' or 'Untaggable'
 - If the asset is 'Taggable', affix the tag to the asset
 - If the asset is 'Untaggable', note this on the 'Ready for Tagging' report
 - An 'untaggable' asset is any equipment to which a property tag cannot be affixed due to size or the nature of the equipment

*Please click below for additional information on:
[Verifying and Tagging of New Assets](#)*

24

BEN Assets - Maintenance

• Throughout the life of an asset SAAs and/or AAs are responsible for updating/maintaining the following in BEN Assets:

- Location (Assignments)
 - BLDG-FL-RM
- Custodian Name/Phone #
- Tagging Contact Name/Phone #
- Resp ORG

25

BEN Assets - Maintenance

• Location (Assignment) Changes

- The AA or SAA should update BEN Assets whenever an asset is relocated
 - From one **building, floor or room** to another
 - From one **Resp ORG** to another
 - If same CNAC, need written authorization, memo or e-mail
 - If different CNAC, need **Equipment Change Form** signed by both CNACs

Please click below for additional information on:
[Relocations](#)

26

BEN Assets – Home Use/Remote Location

- For **Home Use/Remote Location** of an asset
 - The requesting Custodian completes the **Home Use/Remote Location** form
 - Custodian should maintain a copy and forward original to AA
 - AA updates location (assignment) in BEN Assets as follows:
 - Home Use: **7012-NA-NA**
 - Remote Location: **7023-NA-NA**

27

BEN Assets – Depreciation

- Depreciation is a non-cash expense that reduces the value of an asset over time because of wear, age or obsolescence
- Depreciation expense info is necessary for
 - University financial statements
 - Indirect cost proposal
- All assets will be depreciated on a monthly basis using a straight-line method [University Financial Policy 1106.2](#)

*Tip: The Category Code entered when creating a Purchase Order, determines the #of years the asset w/b depreciated, i.e. asset useful life
Please click here for additional information on: [Category Codes](#)*

28

BEN Assets - Inventory

- Federal regulations require an inventory every two years of all University owned assets
- The SAA is responsible for the following:
 - Reviewing the results of the any inventory before proposed changes to asset records are made to BEN Assets
 - For any assets that cannot be located during the inventory, ensuring due diligence has been performed to locate the assets before authorizing their retirement
- Schools/Centers are encouraged to conduct their own inventory
 - To ensure asset records in BEN Assets are accurate
 - To ensure they are able to locate assets at the time of the 'official' inventory

29

BEN Assets - Retirements

- Retirement Process
 - Asset identified for retirement
 - Complete the 'Authorization for Retirement of Equipment' form
 - Form retained by School/Center
 - Physical disposal of asset & removal of asset tag
 - Retirement of asset in BEN Assets
 - Performed by Senior Asset Administrator only

Please click below for additional information on: [Retirements](#)

30

BEN Assets - Retirements

- An asset may be identified for retirement due to:

Casualty Loss	- Custodian contacts Risk Management & Insurance
Lost	- Custodian writes statement of how loss occurred
Sale	- Remove tag and deposit proceeds in object codes 5602 (sale) and 2111 (sales tax) - Sales to tax- exempt entities require tax exemption certificate from that entity
Scrap	- Asset is no longer used and will be discarded
Theft	- Custodian contacts Division of Public Safety
Transfer	- If asset is grant-funded, this is a transfer to another institution

31

BEN Assets – Reporting

- Asset reports will be available from the following:

- BEN Reports
 - Standard reports facilitating tracking and management of assets by School/Center, Responsible ORG, Custodian, Tagging Contact, etc
 - Sample reports include:
 - Ready For Tagging
 - Asset Additions
 - Retired Assets
 - Assets with Invalid Custodian, Tagging Contact, Location or Resp ORG Report

32

BEN Assets – Reporting

- Asset reports will be available from the following:

- Data Warehouse
 - Collection to house BEN Asset data, enabling ad-hoc reporting and analysis
 - Data will be refreshed nightly, with monthly snapshots
 - Corporate documents supporting tracking and management of assets within School/Center. Sample reports include:
 - Tagging Aging
 - Tagging Metrics
 - Asset Change History

33

BEN Assets – Access

- BEN Assets**
- Complete BEN Assets Knowledge Building
 - Attend BEN Assets Application Training
 - Complete BEN Financials Logon ID Request Form

- BEN Reports***
- Complete BEN Assets Knowledge Building
 - Complete BEN Reports Access Request Form

- Data Warehouse**
- Complete BEN Assets Knowledge Building
 - Complete Data Warehouse Access Request Form: BEN Assets

**Tip: BEN Reports is automatically granted to users who have access to BEN Assets*

34

BEN Assets – Availability

- BEN Financials (Includes BEN Assets)
 - 8:00 a.m. – 8:00 p.m. Monday thru Saturday
- Data Warehouse & BEN Reports
 - Unless otherwise noted, available 24/7 with the exception of the following:
 - Unavailable early Monday mornings (12:30am - 6am) during the weekly Warehouse backup

35

BEN Assets – Help

BEN Helps

215-746-HELP
or
6-HELP

BEN Knows

<http://www.finance.upenn.edu/benknows/>

Property Management Group

e-mail: property@upenn.edu

<http://www.finance.upenn.edu/comptroller/accounting/property/>

36

BEN Assets - Quiz Information

- If you would like to review the material before proceeding to the quiz, use the navigation bar to return to a specific topic
- The following slide will link directly to an on-line quiz
- All quiz questions must be answered correctly for successful completion of the quiz
- You may retake the quiz as needed, however you must **close the current session and start the course again**

Tip: Use the navigational controls below when you are ready to proceed to the BEN Assets Quiz. Enjoy!

37

