Capital Asset Management

Asset Transfer

To transfer an asset, you choose the transfer link for an asset from the Actions column of the Asset Lookup results table. Alternatively, you can choose the transfer link from the Actions column in the Payment Lookup table. In both cases, the system displays the Asset Transfer document.

- Only active capital and non-capital assets are eligible to be transferred. Assets that are actively on loan can’t be transferred without first completing a return document. If the user does not have the necessary authority, or if the asset is not eligible to be transferred, the transfer link will not be underscored.
- When assets are no longer wanted by the organization they should see if the surplus asset is needed by other organizations within Indiana University. The purchasing redistribution list can be used to advertise surplus assets to be given or sold to other organizations within the university. Messages to the redistribution list can be sent using the purchasing web form: http://www.indiana.edu/~blpur/forms/redistribution.shtml
- After the transfer has been agreed upon by both organizations, either organization may process the Asset Transfer Document. The current owner will retain responsibility until the receiving organization’s fiscal officer approves the transfer document. We suggest that the transferring organization contact the receiving organization to ensure that the item is transferred into the appropriate account.
- An asset can be transferred to any operating account the receiving organization deems appropriate. A plant fund account number should not be used on the transfer document.

The Asset Transfer document is required in the following situations:

- When giving capital equipment to another university organization. The asset amounts (cost) are reversed out of the current chart/organization plant fund account (balance sheet) and added to the chart/organization plant fund account (balance sheet) to which the asset is being transferred.
- When selling an asset to another university organization. In this situation, a Transfer of Funds document first must be issued. This document will record the income and expense for the sale in the General Ledger. The Asset Transfer document will move the asset on the balance sheet and will change ownership of the asset.

Important Note: In summary, for a sale, two documents must be issued—Transfer of Funds and Asset Transfer.

- When sending capital equipment to surplus for disposition. For capital equipment it is important the surplus staff know beforehand what equipment is coming, to this end Surplus requires that the transfer document be issued prior to surplus’s receipt of the equipment. A copy of the asset transfer document should be attached or accompany the equipment.

  o Transfer Information for Bloomington, East, Kokomo, Southeast
    When transferring a capital asset to surplus on the Bloomington campus, please enter the following information on the Transfer document:
    - Set the receiving account number to 6625800.
    - Set the campus code to Bloomington.
    - Set the building number to BL615.
    - Set the room number to 127

  o Transfer Information for Indianapolis
    When transferring a capital asset to surplus stores on the Indianapolis campus, please enter the following information on the Asset Transfer Document:
    - Set the receiving account number to 1274204.
    - Set the campus code to Indianapolis.
    - Set the building number to IN341.
    - Set the room number to 103.
Use of the Asset Transfer document is optional in the following situations:

- When giving or selling non-capital equipment to another university organization. When a transfer document for non-capital equipment is approved, the owner account is changed to that of the receiving organization. Asset transfer documents for non-capital assets do not generate ledger entries nor do they create payment records.

**Document Layout**

The **Asset Transfer** document includes **Document Overview** and the **Asset, Asset Transfer Information, Asset Location, Organization Information, Processed Payment, Payments Lookup, View Asset Depreciation, and General Ledger Pending Entries** tabs as well as the standard **Notes and Attachments, Ad Hoc Recipients, and Route Log** tabs.
For more information about the standard tabs, see “Standard Tabs” in the *IU KFS Overview and Introduction.*

The *Asset, Processed Payment, Payments Lookup, View Asset Depreciation,* and *General Ledger Pending Entries* tabs present a static (inquiry-only) display.

If more than ten payments exist for the asset, the user may view all payments via the Asset Payment Lookup. For more information about the lookup form, see "Asset Payment Lookup" documentation.

### Asset Transfer Information Tab

This tab contains a section on the left labeled *Old* for the current information on the asset and a *New* section on the right for the information updated by the transfer. On the Asset Transfer document, the user may create an audit history by checking the *Interdepartmental Sales Indicator*. This then requires an entry in the *Transfer of Fund Document Number* field. (When there is an *interdepartmental sale of equipment*, a Transfer of Funds document must be processed in addition to the Asset Transfer document.)

![Asset Transfer Information](image)

**Asset Transfer Information tab definitions:**

<table>
<thead>
<tr>
<th>Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Owner Chart Of Accounts Code</td>
<td>Filled in automatically based on the Organization Owner Account Number.</td>
</tr>
<tr>
<td>Organization Owner Account Number</td>
<td>Required. Enter the account number for the receiving organization or search for the number from the Account lookup.</td>
</tr>
<tr>
<td>Organization Code</td>
<td>Display-only. Filled in automatically based on the chart code and account number.</td>
</tr>
<tr>
<td>Interdepartmental Sales Indicator</td>
<td>Check the box if the asset transfer is an interdepartmental sale. Leave blank if it is not. Checking this box will require an entry to be made in the Transfer Of Funds Financial Document Number field.</td>
</tr>
<tr>
<td>Transfer Of Funds Financial Document Number</td>
<td>Required when the Interdepartmental Sales Indicator is checked. Enter the document number of the financial document that moved the monies for this asset transfer. (This entry is for creating an audit trail only.)</td>
</tr>
</tbody>
</table>

**Important Notes:**

1. Either the Building Code and/or Room Number OR the Off Campus address can be entered, **not both.**
2. Building code and room number for non-capital assets are not required, but must be valid if used.
**Organization Information Tab**

This tab contains the current organization information on the left. The **New** section on the right is used to update the organization information for the **New** receiving organization. Upon approval of the information in the current organization information on the left will be removed, and set to blank if not replaced with new information in the **New** section on the right.

**Organization Information tab definitions:**

<table>
<thead>
<tr>
<th>Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organization Inventory Name</td>
<td>Enter a common name for inventory purposes. This name is used to sort assets within an organization to assist with physical inventories. This name may be changed in the <strong>New</strong> section to specify a new organization.</td>
</tr>
<tr>
<td>Asset Representative</td>
<td>Optional. Enter a user ID for identifying a name to group and sort assets on reports. The user may also search for the user ID from the <strong>Person</strong> lookup.</td>
</tr>
<tr>
<td>Organization Text</td>
<td>Enter additional organization-related information for the asset.</td>
</tr>
<tr>
<td>Organization Tag Number</td>
<td>Enter the number assigned by an organization to internally identify assets, independent of the university tagging system.</td>
</tr>
<tr>
<td>Organization Asset Type Identifier</td>
<td>Display-only. The type used by the organization to classify the equipment.</td>
</tr>
</tbody>
</table>

**Process Overview**

**Business Rules**

- Offsetting payments are created for existing payments. New payments are created using the (receiving) account number. The document type is set to 'AT,' and the payment document number is assigned to the asset transfer document number.

- Original payment and the offset payment will have the transfer payment code set to 'Y.' The payment for the new (receiving account) will have the transfer payment code set to 'N.' The 'Y' code allows the old payments to be excluded from depreciation.

- The owner organization chart code, account, organization, and location fields for the asset are updated.

- The last inventory date is updated to the date the Asset Transfer document was approved.
Permissions

- User must be assigned Role ID 6, KFS-CAM Processor to initiate an Asset Transfer document.

Example

The Engineering Department no longer needs a spectrometer, and the Physics Department would like to use this equipment in their department. The Engineering Department uses the Asset Transfer document to transfer responsibility of the asset to the Physics Department. (If money is exchanged for the transferred asset, the Transfer of Funds document is used to exchange the funds and the transaction is noted on the Asset Transfer document for the audit trail.)

Routing

- The document is routed to the appropriate fiscal officer or delegate. The fiscal officer to whom this document is routed is defined by the account in the Asset Information tab of the document.