SAVE FORM

SELF ASSESSMENT OF INTERNAL CONTROL

Form J

Budget and Financial Cycles

Capital Assets Cycle

Department of _____

Fiscal Year Ending _____ ☐ NA-_____

		Yes	No	N/A	Comments
	A. Control Activities / Information and Communications				
1	Is there a formal organizational document (chart, manual, etc.) defining the responsibilities of purchasing, receiving, recording, approving and performing the capital assets' inventory?				
2	Are there formal written procedures for performing a physical inventory?				
3	Is a capitalization policy established which is consistent with Purchase and Contract requirements and Federal rules and regulations?				
4	Are fixed asset records maintained that adequately classify and identify individual items?				
5	Are assets believed to be missing, stolen or vandalized reported to the appropriate authorities?				
6	Are the fixed asset system and control accounts reconciled monthly? (Critical Control)				
7	Are construction records adequate to accumulate costs associated with constructed capital assets including force (in-house) labor and materials obtained from inventory?				
8	Is the individual responsible for capital 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 stolen, vandalized or missing? g. assets are reassigned to a different organizational agency or to another agency?				
9	Are gains or losses properly recognized from disposals of capital assets in proprietary fund types?				
10	Are capital assets tagged when procured?				

Capital Assets Cycle

		Yes	No	N/A	Comments
11	Are the capital asset subsidiary accounts reconciled to the capital asset control accounts monthly? (Critical Control)				
12	Are property records reconciled to property accounts at least annually? (Critical Control)				
13	Is the beginning balances, additions, disposals and ending balances reflected in the note disclosures reconciled to the fixed asset system? (Critical Control)				
14	Are capital 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 building include: purchase price, contract price or job order costs plus any other expenditure 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? 1. Are maintenance costs expensed rather than capitalized?				
15	Are the following duties performed by different people: a. Custodian of the capital assets and taking the annual inventory? (Critical Control) b. Reconciliation of the Fixed Asset System with the control accounts and making entries in the Fixed Asset System? (Critical Control) c. Custodian of the capital assets and tagging? (Critical Control) d. Custodian of the capital assets and investigating the missing capital assets? (Critical Control)				

Capital Assets Cycle

		Yes	No	N/A	Comments
	e. Custodian of the capital assets, making entries in the Fixed Asset System and making entries in the general ledger? (Critical Control)				
16	Are all asset purchases and receipts approved by a designated person with proper authority? (Critical Control)				
17	Are all disposals of property approved by a designated person with proper authority? (Critical Control)				
18	If other than the Statewide capitalization threshold, has agency management chosen and documented the threshold level in an Internal Policy/Procedure Manual?				
19	Has the department documented the inventory level below the Statewide capitalization threshold that will be utilized**?**				
20	Is someone assigned custodial responsibility by location for all assets?				
21	Is access to the perpetual capital asset records limited to authorized individuals?				
22	Is there adequate physical security surrounding the capital asset items?				
23	Is there adequate insurance coverage of the capital asset items?				
	B. **Monitoring**				
24	Is a physical inventory taken at least annually?				
25	Are the Physical Inventory Worksheets approved by the Chief Fiscal Officer or responsible supervisor before the fixed asset officer makes changes to the Fixed Asset System? (Critical Control)				
26	Are capital asset inventory worksheets (physical count) reconciled to the fixed asset listing at year-end? (Critical Control)				
27	Is such insurance coverage independently reviewed periodically?				
28	Has the Internal Policy/Procedure Manual been updated with any changes in the department, or department philosophy?				
29	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?				
30	Are missing items investigated and reasons for them missing documented?				