



THE VIRGIN ISLANDS DEPARTMENT OF EDUCATION
FIXED ASSET MANAGEMENT POLICY AND PROCEDURES

FAM 3.10:	Conducting Cycle Counts
Purpose:	This procedure establishes guidelines for conducting cycle counts.
Definition:	Cycle count - A cycle count is an inventory management procedure where a small subset of inventory is counted on any given day by visually verifying the location of the asset(s).
Abbreviations:	VIDE – Virgin Islands Department of Education FAA – Fixed Asset Analyst FAMD – Fixed Asset Management Division
Policy:	<ol style="list-style-type: none"> 1. Each month cycle counts will be conducted on VIDE's Federal Assets. 2. The monthly cycle count is based on a 5% random sample of all active Federal Assets in MUNIS. 3. All assets must be visually verified by the Fixed Asset Analyst. 4. Cycle counts are performed on a daily basis during normal school hours. 5. The Fixed Asset Analyst conducts at least three cycle count visits per day. 6. The Fixed Asset Analyst must complete a Cycle Count Site Report for each location visited. Reports must be completed the day of the cycle count visit. 7. Missing items identified during cycle count visits must be followed up by the Fixed Asset Management Director within one (1) business day. 8. If there is a need for an asset(s) to be used by a different program permanently, it requires prior approval of the State Federal Grants Office. In instances where sub-grantees' programs no longer exist, the equipment must be transferred back to the VIDE.

Procedure:
<p><u>Creating Random Sample</u></p> <ol style="list-style-type: none"> 1. Produce listing of active fixed assets in MUNIS. 2. Execute a random sample of 5% of the active assets based on asset number. 3. In the worksheet, include the following elements for conducting the inventory cycle count: (<i>Note:</i> If the storage location field is populated with "Missing" and the year of the bi-annual inventory (ex. "Missing 2011 Invento") it should not be included on the cycle count sheet)



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- a) School/Activity Center location
 - b) Asset tag number
 - c) Asset description
 - d) Serial #
 - e) Model #
 - f) Manufacturer #
 - g) Floor/Room #/ Location
 - h) Acquisition Cost
 - i) Comments
4. The cycle count sheets are separated by district, location and distributed amongst the Fixed Asset Analysts.
 5. The random fixed asset sample is produced monthly, on the 15th of the month for the upcoming month's cycle count. (i.e. June cycle count sheets produced on May 15th).
 6. Print Cycle Count Sheets

Cycle Count Planning

(Note: Every location has a pre-set day of the month scheduled for cycle counts. See **Cycle Schedule**)

1. The sheets are sorted/grouped by schools within close proximity to each other.
2. The FAA reviews the cycle count sheets for accuracy and completeness.
3. The school calendar is checked making sure to verify the school will be open on the scheduled day of the month. If not, the FAA contacts the school/activity center to reschedule the visit.
4. An email is sent to the Principal/Director and Inventory Contact confirming the date and time of scheduled cycle count.
5. Prior to conducting the cycle count site visit, call the school/activity center to confirm the scheduled visit time and that an escort will be available.

Conducting Cycle Counts

1. When arriving to a school or office location be sure to have your VIDE identification and follow the respective school/office sign-in or visitor policy.
2. While on your visit take precautions and make proper preparations to minimize class interruptions and office disruptions.
3. Principal/Director or Inventory Contact must accompany Fixed Asset Analyst. All



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correspondence and interaction regarding your visit and the management of Federal assets should take place with these individuals.

4. Explain the purpose of the visit, what cycle counts are, how their school/office and respective assets were chosen and the steps to be taken during the visit.
5. Review the cycle count sheet with contact and obtain location information for any assets on the cycle count sheets that do not have a room numbers.
6. Review Inventory Binder provided to each school by VIDE:
 - a. Ensure the binder is located in the Principal's/Director's Office
 - b. Ensure the binder is being used and can be easily located
 - c. Binder should include:
 - i. Shipping Order
 - ii. Asset management forms (blank and completed)
 1. Home Use Authorization
 2. Transfer of Property
 3. Temporary Assignment of Property
 4. Missing or Stolen Property
 5. Report of Survey
 6. Locations' Most Recent Bi-Annual Physical Inventory Final Report
 - iii. Policies and procedures
 - iv. Any relevant memos, correspondence, etc. pertaining to the management of Federal assets.
7. Check all items on Cycle Count sheet:
 - a. Verify the asset room location
 - b. Verify equipment details (Model, Manufacturer, Serial Number, etc.)
 - c. Note any updates, discrepancies, etc. in the comment section on the cycle count sheet.
 - d. Document all missing assets on the Missing or Stolen Property Form
8. Evaluate Site environment:
 - a. Are assets being properly secured?
 - b. Are assets being mis-handled or mis-used?
 - c. Are assets being stored properly (away from wet areas, extreme heat, etc?)
9. Conduct Close Out Meeting to discuss:
 - a. Any forms that need to be completed at time of visit
 - i. Acquire copies of applicable forms for assets that were not found (ie Transfer of Property, Temporary Assignment, Missing or Stolen Form)
 - ii. For Stolen assets request a copy of Police Report
 - b. Findings and observations during visits



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- i. Review Missing Asset Form with Principal/Director and obtain signature:
 1. If the Principal/Director refuses to sign the Missing Asset Form, note as follows:
 - a. Principal/Director name "refused to sign on" and notate the date (ex. "John Doe refused to sign on 08/21/12").
- ii. Policy/Procedure violations
- iii. Equipment mismanagement
- iv. Strengths / Weakness
- c. Course of action to resolve issues, if any
- d. Upcoming activities or requirements (ie. Quarterly meetings, Physical Inventory, etc.)
- e. Conduct verification of information gathered during the cycle count
 - i. Transfer of Property –
 1. Schedule a verification of asset at the new location;
 2. Verify that the asset is at the new location; obtain signature on the Transfer of Property Form from the Principal at the new location and make a copy;
 3. Instruct location to keep the copy in the Inventory Binder
 4. After the FAA returns from verifying the asset, a PDF of the Transfer of Property Form is emailed to the Principal who transferred the property. The email instructs the Principal to print the form and put it in their Inventory Binder.
 5. The FAA then makes the location correction in MUNIS and scans and attaches the Transfer of Property Form as documentation of change in location.
 6. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.
 - ii. Temporary Assignment of Property Form
 1. Make sure that the Temporary Assignment of Property Form is completed and signed then make a copy ;
 2. Instruct school/activity center to keep the copy in the Inventory Binder.
 3. Based on the return date listed on the Temporary Assignment of Property Form, the FAA schedules a date to return to the school/activity center to verify the asset.
 4. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in the schools folder.
 5. Once the asset has been verified, the FAA will initial and date the Temporary Assignment of Property Form indicating that the asset has been verified.
 - iii. Home Use Authorization
 1. Make sure the Home Use Authorization Form is completed and signed, then make a copy ;



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2. Instruct school/activity center to keep the copy in the Inventory Binder;
3. Inform the Principal/Director the person has one (1) business day to bring the asset to the STTJ/STX Warehouse for verification;
4. Once the asset has been verified, the FAA will initial and date the Home Use Authorization Form indicating that the asset has been verified.
5. If the asset is not verified within one (1) business day, it will remain documented as missing.
6. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.

iv. Stolen Assets

1. For stolen property, make sure the Missing or Stolen Property Form is completed and signed, then make a copy ;
2. Instruct location to keep the copy in the Inventory Binder
3. Request a copy of the Police Report;
4. If the school/activity center does not have a copy of the Police Report, the FAA instructs the location to obtain a copy of the Police Report and inform the FAA once it has been obtained.
5. The FAA then schedules a date to return to the location to pick up a copy of the Police report. Once obtained the FAA then notes the asset as stolen in MUNIS and scans and attaches the Missing or Stolen Asset Form and the Police Report as documentation for the change.
6. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.

v. Missing Assets

1. For stolen property, make sure the Missing or Stolen Property Form is completed and signed, then make a copy ;
2. Instruct location to keep the copy in the Inventory Binder
3. Request a copy of the Police Report;
4. If the school/activity center does not have a copy of the Police Report, the FAA instructs the location to obtain a copy of the Police Report and inform the FAA once it has been obtained.
5. The FAA then schedules a date to return to the location to pick up a copy of the Police report. Once obtained the FAA then notes the asset as stolen in MUNIS and scans and attaches the Missing or Stolen Asset Form and the Police Report as documentation for the change.
6. The FAA then saves the PDF to the location's electronic folder and places the hardcopy in their school folder.



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7. For missing property, make sure that the Missing or Stolen Property Form is completed and signed by the Principal then make a copy.

See **FAM 3.14 Stolen, Missing or Damaged Equipment**

- vi. Disposition of Assets (Ewaste, out of service, salvage, etc.)
 1. School/Activity center must provide a Report of Survey form for any asset not identifiable on location that is considered to be waste. If school/activity center does not have asset documented on a Report of Survey form (that has been submitted to the FAMD) and items cannot be located it must be considered missing.
 2. Report of Survey forms must be submitted to the FAMD per in accordance to the **FAM 3.14 Disposition of Assets** policy & procedure.
 3. FAMD will not search through disposed assets during cycle count or NPAR visits to identify assets.

Cycle Count Reporting

1. FAA completes the Cycle Count Site Report to include:
 - a) Location Name
 - b) Location Number
 - c) Date of Visit
 - d) Time In
 - e) Time Out
 - f) Reported by
 - g) Inventory Contact Name
 - h) Inventory Contact Telephone Number
 - i) Inventory Contact Email Address
 - j) Sample Size
 - k) Number of Assets Found
 - l) Number of Assets Missing
 - m) Number of Assets Transferred
 - n) Number of Transferred Assets Verified
 - o) Number of Assets with Home Use Form
 - p) Number of Home Use Assets Verified
 - q) Issues
 - r) Observations
2. The completed Cycle Count Site Report along with the respective Cycle Count Sheets must be:
 - a) Scanned
 - i. Email one copy to the Fixed Asset Management Director
 - ii. Email one copy to the centralized FAMD mailbox (fixedassetmgt@doe.vi)
 - iii. File softcopy in the respective School/Activity Center FAMD network folder
 - iv. File hardcopy in the respective school/activity center folder
3. The designated FAA pulls the Cycle Count Site Reports from the FAMD mailbox and compiles the statistics from the Cycle Count Site Reports for that day to create the **Cycle Count Summary Report**. The Cycle Count Summary Report must be emailed to the Fixed Asset Management



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Director each day as well as saved to the FAMD network folder.

MUNIS Updating

10. Update MUNIS

- a. Update MUNIS with any corrections to the data (i.e. room # change)
- b. Update MUNIS for any missing assets
 - i. The storage location should read "Missing" + "CC" and the date (ex. .
"Missing CC 08/21/12")



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Version Control:

Modification Date	Modification Reason	Modified By
02/25/2013	<i>Procedure 9.e- vi; Requirement of Report of Survey</i>	<i>Ivan Bunns</i>
04/08/2013	<i>Cycle count reporting procedure 2a,ii updated to reflect FAMD centralized email address</i>	<i>Ivan Bunns</i>