



ACCOUNTING POLICY AND PROCEDURES (APP) MANUAL

| | |
|---|----------------------------|
| TOPIC: Section 8 – Capital Assets 1.03 | EFFECTIVE DATE: 03/28/2001 |
| TITLE: Accounting Procedures for Information Technology (IT) Assets | REVISION DATE: 06/02/2015 |
| AUTHORIZED BY: Deputy Director, Bureau of Fiscal Services | |

POLICY

Information technology (IT) assets, regardless of acquisition cost or source, are to be recorded in Cherwell Service Management – Configuration Management Database (CMDB). IT assets include personal use equipment such as desktops, CPUs, monitors, laptops, printers, iPads and flat screen TVs, as well as network items such as routers, servers, and switches. When a main component has features attached to it, the Comments Field in Cherwell – CMDB will be used to include the feature's name and dollar amount. The dollar amount of the feature is recorded in this field when it is an extra add-on to the main component, not part of the bundled package.

PROCEDURES

1. IT assets purchased through the Division of Enterprise Services (DES) Bureau of Information and Technology Services (BITS) will be initially recorded in Cherwell – CMDB by DES/BITS at the time of acquisition. When an IT asset order is delivered to the BITS Warehouse at 1 W. Wilson, the DHS customer will submit a copy of the order to BITS Shipping and Receiving in Room B174. Entry of IT assets not purchased through DES/BITS is the responsibility of the acquiring DHS organization. All newly acquired IT assets should be recorded in the Cherwell – CMDB within 30 days of installation. Assets purchased in the month of June should be reflected in Cherwell – CMDB by June 30.

New IT computers purchased as replacements through the Device Charge are immediately owned by the receiving entity upon taking delivery. There is no transfer form needed between BITS and the receiving entity.

2. When a DHS-managed IT device (i.e., computers and network printers) is entered into Cherwell – CMDB, the system will automatically default to a check box, considering the asset a billable device for the Infrastructure Device Charge. If the division or facility considers a device not supported by DHS IT, the division or facility will contact the Bureau of Fiscal Services (BFS) accountant for BITS to request approval for the device to be a non-billable device. BFS and BITS will review the request and provide a response to the division's or facility's requestor. Once approval is provided, the BFS accountant for BITS will update the device in Cherwell – CMDB, removing the check in the billing box and reducing the customer's device count in the subsequent month's billing.
3. IT assets must have a bar code and serial number. The bar code is the key to the asset in Cherwell – CMDB. Organizations must assign a bar code to all computer software costing \$5,000 or more. The bar code sticker must be kept with the purchase authorization. Bar codes can be obtained from the Shipping and Receiving staff in BITS.

4. Since all IT assets are to be recorded in Cherwell – CMDB, non-capital IT assets do not need to be entered a second time on the non-capital asset database. However, IT assets that are also considered capital assets must be reported to the capital asset accountant in DES BFS Cost Allocation and Financial Reporting Section for recording on the capital asset database. See Section 8 – Capital Assets 4.0 (Year-End Capital Asset Reporting) for additional information on asset recording in the Microsoft Access capital asset system.

REFERENCES

[DHS APP Section 8 – Capital Assets 4.0](#) (Year-End Capital Asset Reporting)

CONTACTS

[Capital Asset Accountant](#)

[IT Asset Administrator](#)