



Policy Directive 65

Management of Assets

Legislation referred to: [Financial Management Act 2006](#)
[Department of Corrective Services' Assets Policy](#)

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Purpose

Prisons manage a large number of assets that are of significant value and critical to the effective day to day management of prisons. The Department’s Corporate Support Division maintains asset registers, coordinates stocktakes of assets and manages related accounting and external reporting requirements.

The purpose of this policy directive is to set out the framework and procedures that are to be implemented, to ensure that the management of assets is an ongoing and integral part of the financial management responsibilities of prisons; and that information reported to and by Corporate Support is accurate.

Policy

That prison Superintendents and their staff play an important and primary role in managing Departmental assets.

This policy applies specifically to assets that are recorded on the Department’s Fixed Assets Register and the prison maintained Portable and Attractive Items Asset (minor equipment) Registers. The principles contained in this policy should also be applied to the management of other assets including:

- desk top telecommunications equipment
- audio visual computer equipment
- motor vehicles (owned and leased)

- arms and ammunition.

This policy directive should be read in conjunction with the [Department's published asset management policies](#) on the Intranet (CSinet).

1. Department's Assets Policy

The Department's Assets Policy published on CSinet is part of the Department's Accounting Manual and covers:

- asset valuations
- asset acquisition and capitalisation
- register of public properties
- depreciation

- stocktake of assets and public asset disposals
- property
- asset reconciliations
- control and use of assets

The Assets Policy addresses the requirements set down in the *Financial Management Act 2006* and Treasurer's Instructions.

1.1 Fixed Assets

1.1.1 A fixed asset needs to meet the following criteria:

- The original cost is \$5,000 or more(excluding GST)
- It has a total useful life of more than 2 years.

1.1.2 A register of Fixed Assets for each business unit is maintained by the Financial Policy and Reporting area of DotAG. The register does not include land and buildings.

1.1.3 Additions to the Register are entered by Financial Policy and Reporting based on information obtained from purchasing reports and corporate credit card statements. These purchases are made either by the business areas or through the central Contracts Management Branch (CMB)

1.2 Portable and Attractive Items Asset Register

Typically these items have an individual original cost between \$1,000 - \$4,999 and are, by their nature, considered portable and attractive. Records of these items are kept in the Minor Equipment Register by each prison for insurance, warranty, expenditure control and security reasons.

2. Asset Records

2.1 Prisons will have access to their Fixed Asset Register at all times through the Department's Oracle Fixed Assets Module.

Ongoing availability of both the Fixed Asset Register and the Portable and Attractive Items Register to prisons will assist in ensuring that the information on the registers is current and accurate at all times.

2.2 To improve the accuracy of the assets register, prison Business Managers shall provide officers who are controllers and users of assets with an up to date list of assets in their area eg unit, workshop etc. This will enable users of assets to conduct regular checks of assets and to maintain accurate asset records.

3. Accounting for Assets: Stocktakes and Reconciliations

To ensure that asset registers are kept current and accurate the following regime of checks should be applied. Business Managers should ensure that checks of equipment for security purposes are used to fulfil this function to avoid duplication of effort.

3.1 Frequent Checks

Controllers and users of assets in work areas shall check assets against the assets list for their area on a regular basis (weekly or fortnightly). This will assist in timely detection of recording errors and assets that have been misplaced or lost.

3.2 Quarterly Reconciliations

Controllers and users of assets in work areas must undertake a thorough reconciliation of assets against the assets register each quarter.

3.3 Annual Stocktakes

Stocktakes of assets must be conducted annually, at a date to be advised. The stocktake should be conducted by the Business Manager or nominated Asset Co-ordinator.

3.4 Audits

A rolling audit of a random sample of assets shall also be undertaken by the Business Manager or nominated Asset Coordinator. These audits will provide independent assurance of the accuracy of the asset register.

4. Roles and Responsibilities of Officers

4.1 Prison Superintendents

Prison Superintendents will ensure that there are management controls in place so that all staff charged with the control, use and maintenance of individual assets undertake these duties in a responsible manner and both understand and observe the policies and guidelines.

4.2 Business Managers

The Business Manager, on behalf of the Superintendent will ensure that all staff managing and using assets are informed and educated about their responsibilities to comply with Asset Policy procedures and general asset management requirements. The Business Manager will:

- Ensure that staff with assets under their control have an up to date list of assets for their area and that regular checks, reconciliations and stocktakes are undertaken.
- Ensure that the Policy and Reporting Branch is notified of any changes to the asset register arising from asset checks, reconciliations and stocktakes. This includes the preparation and forwarding of appropriate documentation in relation to acquisition, disposal, transfer and write-off of assets

- Notify the Financial Policy and Reporting Branch of the results of the annual stocktake.

4.3 Asset Coordinators

The Business Manager may appoint an Asset Coordinator to coordinate asset management activities including providing advice to and training staff, monitoring officer compliance with requirements for regular asset reconciliations, coordinating formal asset stocktakes and audits, completing documentation required for asset register changes (ie asset acquisitions, disposals, transfers and write-offs).

5. References

- [Financial Management Act 2006](#)
- [Department of Corrective Services' Assets Policy](#)

6. Applicability

All Department of Corrective Services staff

Note: this Policy Directive does **not** apply to Acacia Prison

7. Approved

Commissioner:

Ian Johnson

Signature:



Date:

5 February 2008

8. Policy Sponsor:

Assistant Commissioner Custodial Operations

9. Contact Person:

The following person may be approached on a routine basis in relation to this policy:

Director: Business Management