



County of Riverside
OFFICE OF THE AUDITOR-CONTROLLER
STANDARD PRACTICE MANUAL

		SUBJECT: TRACK REPAIRS AND MAINTENANCE
SECTION:	8	CATEGORY: INVENTORY POLICIES
POLICY NUMBER:	802	
REVISED DATE:	04/01/19	APPROVED BY: <i>Paul Angelo</i>

PURPOSE: To establish standard guidelines for County departments, agencies, and special districts for proper monitoring and review of the repairs and maintenance accounts.

SCOPE: Applies to County departments, agencies, special districts and authorities that are governed by the Riverside County Board of Supervisors.

POLICY: Departments, agencies and special districts need to make sure that costs recorded in the repairs and maintenance accounts are not required to be capitalized as a capital asset.

PROCEDURES: This policy includes information on the criteria to be used for monitoring and reviewing the repairs and maintenance accounts.

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REVIEW OF REPAIR AND MAINTENANCE ACCOUNTS:

Management needs to make sure that the repair and maintenance accounts contain transaction related to either repairs or maintenance and not transactions related to amounts that may need to be capitalized as capital assets. Review of these accounts should be performed on a monthly basis if possible but definitely on a quarterly basis to identify possible transactions that may need to be capitalized as a capital asset. Betterments result in a more productive, efficient, or longer-lived capital asset. Significant betterments are considered capital assets if they meet the capitalization thresholds noted in this policy and therefore are added to the value of the asset improved.

DEPARTMENT ROLES:

- 1) Review the repair and maintenance accounts monthly or on a quarterly basis to determine if costs should be expensed or capitalized.
- 2) Complete AM-5 Capital Assets Form - Acquisition, Betterment & Capital Leases Form and submit it to the Auditor-Controller with all supporting documentation within 15 days after it has been entered in the AM module (**except** at year end it should be submitted within 24 hours; if transactions in the repair and maintenance accounts need to be capitalized).
- 3) Submit completed AM-5 and supporting documentation to the ACO.

AUDITOR-CONTROLLER'S ROLES:

- 1) Review and verify AM-5 form and transactions recorded in the system.
- 2) Issue capital asset tags (if necessary).
- 3) Process transactions in PeopleSoft Financial System.

RECORDS MANAGEMENT ROLES:

Auditor-Controller

The Auditor-Controller is the official Department of Record for all AM Forms and its supporting documentation that are submitted to us. The documentation is filed in accordance with the County's General Records Retention policy which states to keep the current year plus the seven past years.

SECURITY ROLES:

In order to perform the functions discussed above the following roles must be requested:

Department:

Capital Asset Processor – this role will allow you to:

- Add capital/noncapital asset information
- Update some capital asset information

Auditor-Controller:

Asset Reviewer Auditor-Controller Only – this role will allow you to:

- Adjust, re-categorize, transfer, and dispose of capital assets/noncapital asset information
- Review and process transactions

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CAPITAL ASSETS FORM
Acquisition, Betterment & Capital Leases
 OFFICE OF THE AUDITOR-CONTROLLER
Complete and return to the Auditor-Controller's Office, Mail Stop #1050.

**SPM FORM
AM-5**

"*" Indicates optional field **ASSET ID:** _____

DEPARTMENT		BUSINESS UNIT			
FUND	DEPT ID	PROGRAM *	CLASS *	BGT PER	PROJ/GRANT *
CATEGORY	ACCOUNT	COST			
BOOK	FINANCING CODE	LOCATION			
ACQUISITION DATE			IN SERVICE DATE		
VENDOR CODE:			VENDOR NAME		
MANUFACTURER		SERIAL NUMBER	MODEL		
ASSET DESCRIPTION:					
DEPRECIATION METHOD		USEFUL LIFE (in months)	SALVAGE AMOUNT		
PURCHASE AUTHORIZATION			VOUCHER		

For Betterments Only:	
BETTERMENT DESCRIPTION	_____
TOTAL BETTERMNT VALUE	_____

For Capital Leases Only:	
LEASE ID#	LIABILITY AMOUNT (PRIN)

ATTACH THE FOLLOWING AND CHECK THE BOX FOR EACH ATTACHMENT PROVIDED:

P.O. s,
 Property schedules,
 Amortization schedules,
 Financing agreements,
 CAPITAL LEASE TEST.XLS

Prepared by: _____ Phone: _____
 Date: _____ Dept: _____
Distribution: Department and Capital Asset Section of the ACO

January 2006 (This form replaces GEN FORM 34)
 Capital Assets Form (pending approval)

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