

## Fixed Assets Questionnaire

	Yes	No		Yes	No
<b>General Questionnaire</b>			• Frequency? _____		
<i>Acquisition, Disposal, and Record Keeping</i>					
1. Does an officer who does not also control related disbursement or receipt of funds sign for the acquisition or disposal of property? .....			7. Does someone who does not also have sole custody of the property post subsidiary property and applicable depreciation records? .....		
• By whom? _____			8. Does someone who does not also have sole custody of the property balance subsidiary property and applicable depreciation records to the appropriate general ledger accounts? (The association should do this at least quarterly.) .....		
2. Does the association have procedures that require the board of director's approval for all major acquisitions or dispositions of property? (If so, indicate the dollar threshold that constitutes a major transaction.) Does the board of directors approve all major transactions? .....			<i>Association as Lessor (Association Premises and Association Equipment Only)</i>		
• Amount: \$ _____			9. Do association policies provide for division of the duties involved in billing, collecting, and posting of rental payments? .....		
3. Do the association's procedures require an independent appraisal of an asset to determine the propriety of the proposed purchase or sale price? .....			10. Does the association monitor the lease agreement terms (that is, accounting of payments and tenant expenses)? .....		
• Frequency? _____			11. Does the association perform credit checks on potential lessees? .....		
4. Do the association's procedures require that regular charges be made for depreciation expense? .....			12. Do association policies provide for periodic review of lessees to identify concentrations of affiliated or related concerns? .....		
5. Does someone who does not also have sole custody of the property prepare, execute, post, and adequately review records for the acquisition, disposition, or depreciation of property? .....			<i>Association as Lessee (Association Premises and Association Equipment Only)</i>		
• By whom? _____			13. Does the association have a clearly defined method of determining whether they should own or lease fixed assets? Does the association maintain supporting documentation? .....		
6. Does someone who does not have sole custody of the property balance all applicable property and depreciation records to the appropriate general ledger accounts? (The association should do this at least quarterly.) .....			14. Does the association have procedures to determine whether a lease is a capital or an operating lease as defined by GAAP under SFAS 13? .....		
• By whom? _____					

Exam Date: \_\_\_\_\_  
 Prepared By: \_\_\_\_\_  
 Reviewed By: \_\_\_\_\_  
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		Yes	No			Yes	No
15. Do the association's operating procedures for capital leases provide for the review of the amount recorded for accuracy? .....				<ul style="list-style-type: none"> <li>If so, does someone who does not also have sole custody of the property review any differences from inventory records? .....</li> </ul>			
<i>Shared Facilities</i>							
16. Are the association's personnel aware of the existence of guidelines for shared facilities? .....				22. Do the association's procedures provide for serial numbering of equipment for inventory purposes? .....			
<ul style="list-style-type: none"> <li>Do personnel adhere to these guidelines? .....</li> </ul>				23. Does the association maintain separate property files that include invoices (including settlement sheets and bills of sale, as necessary), titles (on real estate, vehicles), and other pertinent ownership data as part of the required documentation?			
17. Are the personnel of the other entity aware of the association's guidelines for shared facilities? .....				24. Does the association have adequate physical safeguards for the property? .....			
<ul style="list-style-type: none"> <li>Do they have their own guidelines? .....</li> <li>Do personnel adhere to both sets of guidelines? .....</li> </ul>				25. Does the association account for property and equipment individually? .....			
<i>Other</i>							
18. Do the association's procedures preclude persons who have access to property from having sole custody of property, in that:				26. Do association personnel improperly use the association's fixed assets for their own benefit? .....			
<ul style="list-style-type: none"> <li>Its physical character or use would make any unauthorized use or disposal readily apparent? .....</li> <li>Inventory control methods sufficiently limit accessibility? .....</li> </ul>				27. Does the association have written procedures for selecting a seller, servicers, insurer, or purchaser of major assets (through competitive bidding, for example) to prevent any possibility of a conflict of interest or self-dealing? .....			
19. Do the association's procedures require review of additions to fixed assets to determine whether they represent replacement? Does the association clear any replacement items from the accounts?				28. Does the association obtain the benefit of expert tax advice from internal or external auditors before making final decisions on material transactions involving fixed assets?			
20. Do the association's procedures require signed receipts for removal of equipment? ..				29. Do officers and directors periodically review the adequacy of insurance coverage? .....			
21. Does the association periodically perform a physical inventory of association equipment? .....							

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