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Procedures, Continued

Table Form Instructions, continued

MINOR NOMENCLATURE - This field is reserved for agency use and may be used to further categorize any FAACS major nomenclature code into a maximum of 99 subclassifications. A major nomenclature **MUST** exist before a minor nomenclature can be established. This field is "00" if no minor nomenclature is specified.

AGENCY - Enter your 3-digit agency code.

DEPRECIATION TYPE - Specifies the type of depreciation method to be applied to the asset's nomenclature code. The following are valid codes:

- S** Straight line depreciation. (normally used)
- U** Used by indirect cost calculation agencies, when the asset class receives a use allowance charge instead of depreciation.
- N** Used when an asset nomenclature class is **NEVER** depreciated and **NEVER** receives a use allowance charge.

DEPRECIATION RATE – Completed only if a use allowance charge (Depreciation Type "U") is being applied to the asset class. This field indicates the percentage of use allowance to be charged per year for the particular asset class. For example, 2% for buildings and 6 2/3% for equipment class.

USEFUL LIFE - If an agency determines that an existing asset class' useful life does not meet its needs, a new nomenclature code with a new useful life, expressed in whole years, should be requested and submitted to DOA for approval. Upon approval, DOA will establish a **new** nomenclature code with the requested useful life. A useful life that is within 20% of that specified by the relevant nomenclature code may be entered in an asset's master file record.


ITEM DESCRIPTION - Up to 30 characters may be used to describe the asset class.

List of Nomenclature Codes

A list of Nomenclature Codes can be viewed by following the procedures shown in CAPP Topic No. 60302, *Nomenclature Codes*. There are two lists available—one in numeric order and another in alphabetical order.

The nomenclature codes should be reviewed by agency property managers to ensure that all agency property is located in one of the available codes. DOA creates additional codes as necessary to capture all agency capital assets not currently listed in the nomenclature code table.

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Fixed Asset Accounting and Control System


This 2-digit field is used to further categorize any FAACS Major Nomenclature Code. Min value is "01", Max value is "99". This field is "00" if no Minor Nomenclature is specified.

Nomenclature Table Specification Form (Form 83)

Enter your 3-digit agency code.

Completed only if Depreciation Type "U" is being applied.

Action	Fed Cost Category	Asset Category	Major Nomenclature	Minor Nomenclature	Agency	Object Code	G/L Account	Depreciation Type	Depreciation Rate	Useful Life (Whole Years)	Commodity Code	Item Description
									N/A			
									N/A			
									N/A			
									N/A			
									N/A			
									N/A			

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Internal Control

General

Each agency and institution should implement internal control procedures to ensure that—

- Assets are assigned the appropriate nomenclature code.
 - Assets are assigned the correct depreciation type. For example, assets that are depreciated should have a depreciation type of **S**.
 - A Form 83, *Nomenclature Table Specification*, is submitted to DOA for assets requiring a new nomenclature code or changes to an existing nomenclature code.
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Records Retention

General


Records should be maintained for a period of at least three years or longer, if necessary, to be in compliance with policies established by the Records Management Section, The Library of Virginia. The retention period generally starts at the close of the fiscal period.

For pending, ongoing or unresolved litigation, audits or claims, retain documentation until completion, resolution or negotiation of settlements and retain according to standard schedules. Provide for the periodic destruction of records not subject to permanent deposit in accordance with policies and procedures established by the Records Management Section, Virginia State Library and Archives.


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Subject Cross References

References CAPP Topic No. 20705, *Indirect Cost Recovery*
CAPP Topic No. 60302, *Nomenclature Codes*