

National Programme (NP) Asset Management Guideline

I. PURPOSE

The purpose of this Guideline is to provide guidance on asset management for National Programme, Ministry of Health and Sports. The scope of this guideline covers procedures for reporting (including reporting for damage/theft/ loss of assets), disposal, annual verification, insurance and grant closure for assets. . The National Programme must adhere to the following guideline to ensure proper management of asset items and standardized asset report.

Effective Date: 1st July 2018

II. OVERVIEW

All the equipment, property and non-expendable materials that are valued at US\$500 per item or more and which are purchased by National Programme and/or procured by UNOPS PR GFATM upon the request of National Programme under its approved budget and under the grant agreement are considered assets.

The following attractive items with a purchase value at US\$ 300 or above are also considered assets: Non-consumable items of portable and attractive nature and susceptible to theft or loss due to their portable nature and attractiveness for personal use or resale. Examples include PDA devices, tablets, GPS devices, audio-visual equipment, laptop, mobile phone, camera, and printer.

During the Implementation Period, the title to the Program asset will be held by National Programme, unless the agreement between the PR and the Global Fund dictates otherwise. The Global Fund, in its sole discretion, may determine at any time during the Implementation of the Grant that the title to the program asset be transferred to the Global Fund or another entity selected by the Global Fund. After the Implementation Period has concluded, title to the program asset will be transferred or otherwise disposed of pursuant to the Global Fund's written instructions.

The National Programme (NPs) are required to maintain complete and accurate records of assets purchased with GF. Project audits will include audits of the asset management of the National Programme.

All equipment should be recorded on an asset register with a description of the item, relevant serial numbers, asset location, assets user, purchase price, received date and manufacturing year, the asset condition and a unique identification number. All items should be labelled or tagged with the unique asset identification number. The assets will be registered at the US\$ equivalent value using the UN exchange rate at the date of purchase. To facilitate asset management, the Programme Managers of National Programmes should effectively coordinate with assigned Asset Focal Points to perform the following duties:

- i. Ensure that tags are properly placed on all assets;
- ii. Ensure safeguarding of assets

- iii. Maintain and update the assets register by ensuring that newly purchased assets and location changes are appropriately reflected and that disposed assets are removed
- iv. Ensure assets are physically and promptly disposed once the disposal is approved by the PR;
- v. Coordinate the annual physical inventory of assets each year and reconcile assets with the yearly asset register.

All users from National Programme should exercise due care in their capacity as custodians of assets and timely report instances of loss or damage of an asset that comes to their attention. Any physical movement of asset should be immediately reflected in the assets registry and a copy of the revised registry shall be shared immediately to Finance Officer – Asset Management, UNOPS .

Finance Officer – Asset Management, UNOPS will provide support in fulfilling of all tasks indicated and ensure compliance by NP of the control the NP asset management guideline.

Asset Reporting

The National Programmes will submit annual and final asset registers as stipulated in the Grant Support Agreements. Physical Asset verification by the auditors may be included in audits.

Assets are tracked on the register as long as they are in use by the National Programmes. Assets that have exhausted their useful life and remain in use shall continue to be tracked with their purchase value until disposed of.

Disposal of assets

There are three methods of assets disposal; all three requires prior approval from PR:

1. Transfer / Donation – to a partner, to an institution. Assets should continue to be used exclusively for the fight against the three diseases. Donation certificate duly signed by the respective Programme Manager or official deligated officer, National Programmes and recipient has to be provided to PR.
2. Sale – proceeds of the sale should be reported to the PR as income under the grant. Selling certificates (including sale price) duly signed by respective Programme Manager of National Programme or official delegated officer and recipient have to be provided to PR.
3. Write Off / Discard – if the asset is obsolete, i.e. has exceeded its useful lifetime, cannot be donated or sold, and cannot be repaired, then the asset is discarded in an environmentally friendly way. Disposal certificates duly signed by the respective Programme Manager of National Programme or official delegated officer and recipient have to be provided to PR.

Audit preparation: Annual Physical Verification and Certification of assets

With the assistance of Finance Officer – Asset Management, UNOPS, The National Programme should carry out a physical asset inventory check of GF assets at least once a year (end of December of any given year) in order to ensure that the asset register is complete and reflects the situation on the ground. The purpose of the physical check is to confirm that all of the assets are in the location they were initially assigned to, are in good working condition and still yield an economic benefit. If an asset has been physically counted but is not found on the asset register, it must be added. Likewise, if at the end of the physical count, an asset on the asset register has not been physically verified, it must be written off with the Global Fund approval through PR, if it cannot be found after reasonable search period with appropriate justification provided (see the above para on “Disposal of Assets”). After all the modifications have been made, the National Programme asset focal point must review assets listed in the register under the Global Fund grant. Final certification of the assets register must be signed and dated by the delegated responsible (Programme Manager of National Programme or Assigned Asset Focal Staff).

Deadline for the annual certification exercise is 31st December of any given year.

Repair of damaged assets

Assets damaged before the end of the useful life can be repaired if economically feasible and if the cost of repair does not exceed the market value. Any request for exception to this rule shall be submitted to PR for approval.

Assets Insurance

With the closely coordination with Programme Managers and delegated Officer the Asset Focal of National Programmes shall take appropriate and necessary action to ensure with the best effort that:

- i. Property insurance covers their office assets (where available) to protect against most risks like fire, theft and some natural or man-made disaster damage.
- ii. The vehicles including motorbikes are covered through insurance to protect against most risks as accident and theft.

Reporting on damage/theft/loss of assets

In cases of damage, theft or other loss of assets, the National Programme will immediately notify the PR in written and provide a comprehensive report as soon as available. The reports include a police report where appropriate, and any other evidence giving full details of the event leading to the loss of the asset, including the report of the custodian of the asset or responsible staff . After having received this information, the PR will notify GF concerning damage assets before the end of the useful life and theft or loss of assets. GF may request to replace these assets with similar assets at SR expense (see below article 6.4.2.a from GF Core Grant regulations) or give written approval for write-off.

6.4.2(a) Liability for Loss, Theft or Damage –

(a) The Grantee shall be liable for the loss or theft of, or damage to, any and all Program Assets (including those in possession of Sub-recipients), and, immediately upon any such loss, theft or damage, shall replace such items with similar assets of the same quantity and quality at its own expense.

Depreciation

NP's assets purchased are fully expensed at the time of purchase and will report to the NP through the Monthly Expenditure Report with their full purchase value at the time of purchase. At the time of disposal, assets are depreciated by their useful lifetime to establish the depreciation / residual value of the asset (if any).

Asset Category	Example	Useful Lifetime
IT Equipment	Computers, projectors, printer, UPS, networking equipment, Fax machines, audio & visual equipment	Three years
Heavy machinery	Generators	Ten years
Office Equipment	Refrigerator, Air-Con, etc	Ten years
Medical equipment Office equipment	Glucometer, Weighing machine, X ray view box, etc	Five years
Furniture	Tables, chairs, shelves	Three years
Vehicles	Cars, motorcycles	Five years
Intangibles	Software licenses and others	Three years

For used /second hand purchased assets, the useful lifetime is considered to start with the year of manufacture. Note that purchase of second-hand equipment needs prior validation from PR-UNOPS.

Asset Transfer at Grant closure

All assets purchased with GF shall remain the property of the GF unless a transfer of assets is formally approved. As indicated in the GF Operational Policy Manual, grant assets should continue to be used exclusively for the fight against the three diseases.

For approval of asset transfer, The National Programme must submit a transfer plan to the PR 75 days before grant closure through Finance Officer - Asset Management, UNOPS. The request for asset transfer must be based on the updated asset register . The PR will request approval of the Global Fund for the transfer of these assets and will inform the respective National Programme in writing accordingly. The National Programme will submit to PR a proof of transfer of assets once the transfer has taken place (see disposal of asset).

Annex (I)

Asset Report Template

Asset Register for _____ Program as of 31st December 2018

Donor : The Global Fund

Project ID : _____

Sr. No	Asset Category	Item Description	Std. Useful Life	Asset Tag Number	Asset Serial ID	Number of Year used	Acquisition Date	Acquisition Year	Amount (Local Currency)	Amount (US\$)	Payment Voucher ID.	PO ID	Supplier Name	User	Location	Condition	Proposed Plan beyond project life	Justification

Annex (II)

Letter Head

Asset Disposal Form (Transfer/Donation/etc.)

Date of Request _____

Request for asset _____ (Transfer/Donation/ etc.)				
ASSET TAG NUMBER	ITEM DESCRIPTION	QUANTITY	SERIAL NUMBER	REMARK

Name of the recipient organization _____

Seal :

Prepared by :	Verified by :	Approved by:	Received by:
Signature Name Designation			