

TEMPLE UNIVERSITY A Commonwealth University	CONTROLLER'S OFFICE MANUAL	Number: CP18.5
Title: <i>Capitalization of Library Books</i>		Submitted By: MF Murphy
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Purpose:

To capitalize all library books for the fiscal year ended June 30. Recognizing the collection of books and other informational forms of academic media represent a significant investment committed by the University annually. This investment in various informational media benefits both the educational and research activities of the institution.

Scope:

Specific account balances reporting to library stewardships. The accounts utilized are as follows:

- 7884 - Library Conservation & Preservation
- 7885 - Library Books
- 7886 - Periodicals
- 7887 - Library Continuations
- 7888 - Library Binding

The following stewardships that will be queried for their account balances would be as follows:

- 0692 - Medical, Dental & Podiatry School Library
- 1430 - Law School Library
- 2430 - Blockson Collection
- 2501 - Paley Library
- 2502 - Tyler Library*
- 2503 - Engineering/Science Library*
- 2504 - Ambler Library*
- 2505 - TUCC Library*
- 2506 - Zahn IMC
- 2507 - Harrisburg Library
- 2651 - Temple Rome

The last source of information for library books is from the Development Office to capture any 'Gift-In-Kind' donations recorded in their system. A report is provided to Property Accounting. We in Cost will analyze the report transactions and extract all gifts related to 'Gift-in-Kind - Libraries'. Stewardships tagged with an asterisk (*) will over time be consolidated into 2501.

Procedures:

Obtain the gift report and examine for any donations to the libraries. Next is to run on-line a viewprint report (GLM,Library) which will extract the GLM account balances in the above stewardships for center funds 1x, 5x, and 8x funding. After the close of an accounting quarter, randomly select transactions for compliance. Any potential discrepancies will first be discussed with the library manager and if necessary a journal entry prepared for corrective action.

This financial report is then keyed onto an Excel file which will summarize by funding source and account code matrix. This will produce the input for the current fiscal year entry to capitalize.

The next step is to update the current year's depreciation on all library books which have been capitalized to date. This is a separate Excel file.

Journal Entries:

Below are the account & centers which have to be journalized to so as to capitalize for the library books.

The current year additions all are debited to the following masterfiles:

#1730 - 87/9000/000 – Library books

The current year depreciation is debited to the following masterfiles:

#1935 - 87/9000/000 – Library books accumulated depreciation

The capitalization & depreciation are offset against the following masterfiles:

Depreciation is offset against #7800 - 87/9000/000

Capitalization is offset against #5691 - 87/9000/000