DEPARTMENT OF CORRECTIONS

Policy Number:	**403.040**
Title:	**MINNCOR Fixed Assets**
Effective Date:	**11/6/18**

PURPOSE: To provide procedures for proposed asset purchases.

APPLICABILITY: All adult facilities with Minnesota Corrections Industries Program (MINNCOR) production facilities and MINNCOR central office

DEFINITIONS:
Fixed asset – as defined in Policy 104.350, "Fixed Asset Management."

PROCEDURES:

A. Annually, the MINNCOR chief financial officer (CFO) compiles the capital request lists from the directors.

B. MINNCOR industry directors must submit capital requests to the CFO for yearly fixed asset purchases.

C. Industry directors and the operations project manager must approve all fixed asset requests for purchase prior to submitting the requests to the CFO.

D. Fixed asset purchases are approved with the proper signatures as highlighted in the MINNCOR signature tree. The MINNCOR chief executive officer (CEO) and CFO must approve all fixed asset purchases prior to purchase.

E. Where applicable, fixed assets are purchased in accordance with Minnesota Department of Administration policy.

F. With the exception of office computers, all fixed assets purchase requests must include a completed Capital Authorization Request (CAR) form (attached).
   1. Prior to the purchase order being processed, the CAR form must be signed by the industry director and is approved by the vice president (VP) of operations, MINNCOR CEO, and the MINNCOR CFO.

   2. Approved CAR forms are uploaded to the electronic data management system and are used as supporting documentation for the corresponding requests for purchase (RFPs) issued by the enterprise resource planning (ERP) system.

   3. RFPs and the resulting purchase orders are retained according to retention schedules.

INTERNAL CONTROLS:

A. Approved CAR forms are retained in the electronic data management system.

B. RFPs and purchase orders for fixed assets are retained according to retention schedules.

ACA STANDARDS: 2-CI-6E-3

REFERENCES: Minn. Stat. § 241.27
Department of Administration Fixed Asset Manual and FANS User's Guide
Policy 104.300, "Purchasing"
Policy 104.350, "Fixed Asset/Property Management"

REPLACES: Division Directive 403.040, "MINNCOR Fixed Assets," 8/5/14.
All facility policies, memos, or other communications whether verbal, written, or transmitted by electronic means regarding this topic.

ATTACHMENTS: Capital Authorization Request form (CAR) (403.040A)

APPROVALS:
Deputy Commissioner, Facility Services
Deputy Commissioner, Community Services
Assistant Commissioner, Facility Services
Assistant Commissioner, Operations Support