



Tagging Policy

Policy Area: Accounting & Financial Reporting	Effective Date: 7/1/1995
Policy Sub Area: Capital Assets	Last Revision Date: 1/22/2007
Authority: G.S. 143D-6	Policy Owner/Division: Statewide Accounting

Policy

Maintaining a positive identification of assets is the primary purpose of tagging. Tagging is important to:

- Provide an accurate method of identifying individual assets,
- Aid in the taking of physical inventory,
- Control the location of all physical assets,
- Aid in maintenance of fixed assets, and
- Provide a common ground of communication for both the accounting department and the assets' users.

Generally, all capital assets (capitalized and inventory) are tagged. The tag number is entered in the asset record at the point of tagging. The color and type of tag is determined by each agency.

Some assets are not tagged. The asset number is still recorded in the system, but not physically attached to the asset. A description of the property is recorded, including address and plat location found in the Register of Deeds. Items not needing a tag are:

- Buildings (record legal description in asset record),
- Land (record legal description in asset record),
- Mainframe Software (record description in asset record).

Consistently place asset tags in the same location on each similar type asset. For example, personal computers should be tagged consistently on the left-hand side of the central processing unit (CPU). If possible, the tags should be accessible for viewing. Place the tag where the number can be seen easily and identified without disturbing the operation of the item. This aids in taking inventory.

Procedures

NA

Accounting Guidance

NA

Related Documents (Memos/Forms)

Revision History

Date	Description
01/22/2007	Policy updates