



GOVERNMENT OF JAMAICA
COMPREHENSIVE ASSET MANAGEMENT POLICY
FOR THE PUBLIC SECTOR

Ministry of Finance and the Public Service

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AUTHORITY AND PURPOSE

The Ministry responsible for finance, as defined in the Financial Administration and Audit Act, shall be the registrar of non-financial assets (Fixed Assets) of the Government of Jamaica (GoJ), and shall ensure that a complete, accurate and up-to-date asset registry system is maintained in a constant and comprehensive manner.

The GoJ has an inherent responsibility to safeguard its assets and to develop a system of asset management that considers oversight and control in addition to the short-term and long-term maintenance, repair, disposal and replacement of these assets for continued performance and reduced life cycle costs. The pursuit of value-for-money, the elimination of waste and inefficiency and cost recovery are constant and ongoing objectives.

Deficiencies in the recording of assets can often result in inaccurate financial reporting. The area of asset management is often considered a low priority by management, thus easily disregarded. Asset control procedures are not always performed as well as they should be, however, assets are a significant line item on financial statements.

This comprehensive policy is established to provide instruction that will ensure good stewardship over GoJ resources through a uniform method of acquisition, accountability, inventory, management, maintenance and disposal of assets held as well as to capture the relevant changes within the GoJ in relation to the acquisition and management of assets.

This policy shall be reviewed and updated if necessary, by the Asset Management Unit responsible for policy development within the Ministry responsible for finance, at least once every three (3) years to reflect the requirements of the GoJ.

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OVERVIEW

This Policy supersedes previous Asset Management Policies and related Circulars, *except for the circulars mentioned within this policy*. This policy is applicable to all central funded Government of Jamaica (GoJ) Entities; that is, Ministries, Departments, Executive Agencies, Municipal Corporations, Fully-Funded and Partially Funded Public Bodies; and Jamaican Embassies, Missions and Consulates overseas. In the case of self-financing Public Bodies, the principles herein may be adopted.

This comprehensive policy is established to provide instruction that will ensure good stewardship over GoJ assets. It establishes the requirements and standardized procedures for the acquisition, accountability, inventory, management, maintenance and disposal of these assets.

The Policy provides guidance in thirteen (13) main areas of asset management, namely:

1. Role of the Ministry of Finance and the Public Service
2. Asset Register
3. Custodianship
4. Asset Types
5. Asset Recognition
6. Asset Acquisitions
7. Asset Transfers
8. Capitalization of Fixed Assets
9. Asset Replacement Planning
 - i. Depreciation of Fixed Assets
10. Verification of Fixed Assets
11. Asset Security and Safekeeping
12. Maintenance of Fixed Assets
13. Disposal of Fixed Assets

GLOSSARY

The following are definitions of terms as used in this policy:

Asset Acquisition - Asset Acquisition refers to the purchasing of assets or receipt of assets through gift or donation.

Asset Manager - The person within a GoJ Entity that has been charged as the *de facto* point of contact and agent for all asset management related affairs.

Asset Practitioner - Persons in a GoJ Entity charged with the verification of assets and general asset management tasks as directed by the Asset Manager.

Asset Register - Computerized or manual Database specifically designed to manage assets.

Auction - The sale of tangible government property where all sales are considered final once all payments for the accepted bid amount is received.

Asset Disposal Assessment Unit (ADA Unit) replaced Board of Survey (BOS) - The Unit is responsible for the examination of assets with a view to dispose of as part of the disposal process.

Blind Auctions - Sealed bids that are submitted for items being offered for sale. Items can be offered for sale via Private Treaty or Reserve Auction

Capitalization - The costs to acquire an asset are expensed over the life of that asset rather than in the period it was incurred.

Cost Recovery - The process of recovering the costs of any given expense.

Custodian - a person who has custody and entrusted with guarding or maintaining a property or asset.

Deferred Maintenance - Deferred maintenance is the practice of postponing maintenance activities.

Delegation of Authority - Delegation of authority can be defined as subdivision and sub-allocation of powers to subordinates in order to achieve effective results.

Depreciation - a reduction in the value of an asset with the passage of time, due to wear and tear or the decline in value over time.

Digital Signatures - A digital signature is an authentication mechanism that enables the creator of the message to attach a code that acts as a signature.

Donated or Gifted Assets - A donated or gifted asset is one that is received in a nonreciprocal transfer, which means the government provides nothing in return for receiving the donated asset.

Dispositioned - Determination of disposal by means of sale, destruction or by dumping

Electronic Media – Includes television, radio, Internet and any other medium that requires electricity or digital encoding of information. The term 'electronic media' is often used in contrast with print media.

Fair Market Value - An estimate of the market value of a property, based on what a knowledgeable, willing, and unpressured buyer would probably pay to a knowledgeable, willing, and unpressured seller in the market.

Fixed Assets - Assets that are purchased for long-term use and are not likely to be converted quickly into cash, such as land, buildings, and equipment

Flagged - The selection of one value from a provided list that indicates the status of a particular object or record in a database.

Handover - The act of transfer of property from one individual or department to another

Heritage Assets - Tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.

Model A Executive Agency - Executive Agencies that are mostly funded by the Consolidated Fund. Therefore, these agencies will **not** have the authority to write off or dispose of their assets (Financial Instructions to Executive Agencies (FIEA) refers).

Model B Executive Agency - Executive Agencies that are funded in part on a net basis through appropriations-in-aid and have greater authority to write off losses and deficiencies and have the authority to dispose of their assets (as defined in the FIEA).

Model C Executive Agency - Executive Agencies that are fully funded from fees earned and will operate independently of the Consolidated Fund. They have greater authority to write off losses and deficiencies and have the authority to dispose of assets (as defined in the FIEA).

MoF-AMU - The Asset Management Unit located in the Ministry responsible for Finance

Municipal Corporation - The Kingston and Saint Andrew Corporation and the Municipal Corporations

Parent/Child relationships - An organizational term that shows two or more parts of a piece of equipment that are to be considered integrated.

Private Treaty - Sale of tangible government property where the terms (including reserved price) is announced upon offering the property for sale.

Public Bodies (this includes Quasi-government and Para-statal entities) - refers to Statutory Bodies, Commissions, Government Companies, Societies and any Company, Corporation or Commercial Enterprise wholly owned by the Government or in which the Government has majority shareholding.

Public Officials - Personnel employed to the Public Service, Executive Agency, Local Government Entities and Public Bodies.

Receive and Inspection - The act of receiving asset items, inspecting for completeness and entering specifics of the asset into a database system.

Reserve Auction - Items being offered for sale where the set 'reserve' price is **not** announced. In this instant, the entity reserves the right to accept or reject the highest bid if the amount offered is less than the reserved price.

Scrap Value - The scrap value is the value attributed to an asset at the end of its useful life. The useful life of the asset is the period of time for which the device will be economically feasible for use in business.

Trade-ins - this is where a supplier is willing to take existing used assets as partial trade for new replacement assets, e.g. a Photocopier

Valued Assets - Small, valuable items that do not meet the capitalization recognition criteria but are treated as such. Examples are Mobile Phones, Tablets and iPads. Valued assets are not capitalized.

Value-for-Money - A utility derived from every purchase or every sum of money spent. Value for money is based not only on the minimum purchase price (economy) but also on the maximum efficiency and effectiveness of the purchase.

Work-in-Progress - An unfinished project that is still being added to or developed.

1 ROLES OF SPECIFIC GOJ ENTITIES

- The Ministry responsible for finance shall regulate the acquisition, use, maintenance and disposal of all asset types procured or retained by the government, through the Public Expenditure Policy Coordination Division, Asset Management Unit (MoF-AMU).
- The MoF-AMU is responsible for strengthening the process of asset management and the capacity of the practitioners within GoJ's Entities, under their purview, by providing guidance through the provision of technical assistance and the development and promulgation of asset policy framework and procedures. The MoF-AMU shall be responsible for ensuring that this document is updated at all times with the most up-to-date changes in the policies and procedures related to asset management in the Central Government of Jamaica.
- Notwithstanding the regulatory responsibilities of MoF-AMU, the Commissioner of Lands, as per the *Crown Property (Vesting) Act* shall be responsible "to acquire, hold and dispose of lands and other property of whatever kind". The Minister in Charge of Housing for the purposes of the *Housing Act* shall be responsible "to acquire, hold and dispose of land and other property of whatever kind".

2 USE OF AN ASSET REGISTER

This Policy and the accompanying Asset Management Procedures have been crafted with the understanding that this policy's underlying principles and methods are formulated around the use of a Fixed Asset Registry by the GoJ.

- i. The listing shall be known as the Asset Register.
- ii. Adoption and continued good use of the Asset Register is mandatory for all entities.
- iii. The Asset Register will contain all information on the assets.
- iv. Design of the data structure including the categorization of asset types shall be determined by the MoF-AMU.
- v. The Register should allow for hierarchal view of assets within each GoJ Entity by the Portfolio Ministry/Head Office and the MoF-AMU.

2.1 SCOPE AND FORMAT OF THE ASSET REGISTER

The Asset Register shall be maintained in a format as determined by the Ministry responsible for finance through the MoF-AMU. The format shall comply with the requirements of generally recognized accounting practices within the GoJ as well as asset management specifics which are prescribed by the MoF-AMU.

- i. All GoJ Entities that are subject to direct GoJ oversight of assets, through the MoF-AMU, are required to employ the Asset Register.
- ii. The Asset Register shall contain but not be limited to the following information fields within the database:
 - ✓ A brief but meaningful description of each asset.
 - ✓ Condition (Poor, Good, New, Like New)
 - ✓ Status (Out of Service, In Service, In Stores)
 - ✓ Custodian
 - ✓ The date on which the asset was acquired.
 - ✓ The date of delivery.
 - ✓ The date that the asset was placed in service.
 - ✓ Warranty periods including expiration date.
 - ✓ Maintenance Schedule if applicable.
 - ✓ The location of the asset. A six-step location is required to facilitate reporting of assets in any given step, either for single, multiple or all MDAs, and to provide absolute location data of all assets. For example, Parish or Municipality, City or Town, Facility, Building, Location, Place
 - ✓ The department within which the assets will be used - Assigned during Handover.
 - ✓ The title deed number, in the case of fixed property.
 - ✓ The address, in the case of fixed property

 - ✓ The Serial Number, where applicable.
 - ✓ The original or revalued cost amount including all costs incurred during the acquisition.
 - ✓ Date of revaluation, if any.
 - ✓ Accumulated depreciation to date.
 - ✓ The depreciation charge for the current financial year.
 - ✓ The carrying value of the asset.
 - ✓ The method and rate of depreciation.
 - ✓ Impairment (damage) losses incurred during the financial year (and the reversal of such losses, where applicable).
 - ✓ The source of financing. Department budget code.
 - ✓ Purchased or Donated.
 - ✓ The current insurance arrangements where applicable. Including insured value and forced sale value.
 - ✓ The disposal date of the asset.
 - ✓ The disposal amount realized. Include any gain or loss.
 - ✓ Disposal Authorization
 - ✓ Disposed (Y/N)
- iii. The Asset Register shall allow for assemblies in a one-to-many Parent/Child relationship with the relationship master key to be the barcode/inventory code of the Parent asset.
- iv. The Asset Register will allow for the implementation of signatures or approvals during system processes that involve a series of approvals from individuals that are in different

locations.

- v. A Fixed Asset shall permanently remain in the Asset Register. The fact that a Fixed Asset has been fully depreciated or disposed shall not in itself be a reason for removing such an asset from the register. The retention of the data allows for the historical reporting of disposed assets that would include the total amount of revenue realized from the disposals by sale.
- vi. The Asset Registry, where the process is done electronically, is to have the ability to upload asset acquisition documentation, or any other applicable documentation, from scanning devices or digital format.
- vii. When an asset is acquired, all documents pertaining to the asset shall be included in the Asset Register during the Receive and Inspection process. (this is inclusive of, but not limited to, source, cost, description) This will ensure a complete record of the genesis of the assets.
- viii. No newly acquired asset(s), from whatever source, is to be recorded in the Asset Register without the corresponding acquisition information, except in the case of Heritage Assets, where no cost can be determined, or any other situation sanctioned by MoF-AMU.
- ix. All records of acquired assets, except items mentioned at (ii) above, in the Asset Registry will contain the following minimum requirements:
 - Source – Vendor or Donor.
 - Date of acquisition.
 - Total Cost
 - Description.
 - Categorization.
 - Serial number if applicable.
 - Barcode number/Inventory code, where applicable
 - Location

3 CUSTODIANSHIP

Custodianship is the concept of the assumption of responsibility by the receiver of any asset after a transfer of assets between two parties. Once a custodian assumes responsibility for assets, he/she assumes financial responsibility and is held accountable should the asset(s) in his/her care become damaged, lost or stolen. Therefore, every Accountable Officer or acting official under the written instruction of the Accounting Officer shall be directly responsible for the physical safekeeping of assets of any type controlled or used by the entity in question.

- i. Heads of Entities are to appoint an individual to the role of Asset Manager.

- ii. The Asset Manager is the primary point of contact for asset management related issues within the entity.
- iii. The Asset Manager, or his/her delegate, is the only officer that can receive assets from outside sources for inclusion into the government entity's assets inventory.
- iv. The Asset Manager, or his/her delegate, is the only issuer of inventory assets to custodians.
- v. The Asset Manager is the primary operator of the Asset Register within the government entity and is responsible for ensuring all received assets are duly entered into the system upon arrival through the Receive and Inspection process.
- vi. An individual who has been assigned asset(s), for example: Laptops, iPads or Tablets and Mobile Phones and granted permission to assume the role of custodian for said asset(s) , will be held responsible for the proper management and care of said asset(s) and be responsible for safeguarding the asset(s) against loss, damage, misuse or theft.
- vii. All assets, of any type and from any source initially received by any GoJ Entity are received under the custodianship of the entity's Asset Manager. Only the Asset Manager, or their delegate, of a given GoJ Entity, can initially transfer or handover assets to another party.
- viii. If any asset item, regardless of type or value is found to be lost, missing, stolen, suffered a debilitating impairment or destroyed, the following steps should be taken:
 - a) Assets that are assigned to individuals e.g. Laptops that have been lost, missing or, stolen must be reported to the police forthwith and the report submitted to the respective Asset Manager.
 - b) Once it has been discovered or reported that an asset has been missing, stolen, etc. the controlling government entity is to perform an investigation.
 - c) If the results of investigation expose any malfeasance in the loss, missing, stolen, impaired or destroyed asset by person or persons, regardless of their status as an employee of the GoJ or a private citizen, the matter is to be reported to the Auditor General and the Ministry responsible for finance.
 - d) If it is found that any person who is or was an officer and was responsible for any deficiency in, or for the loss or destruction of any Government property/asset, and if, within a period specified by the Ministry responsible for finance, a satisfactory explanation is not furnished with regard to such failure to collect, improper payment, payment not duly vouched, deficiency, loss or destruction, as the case may be, the Ministry responsible for finance may surcharge against said person the amount not collected or such improper payment as the case may be, or such lesser amount as the Ministry responsible for Finance may determine.
 - e) Whenever any deficiency, loss, damage or destruction occurs in respect of Government property/asset, whether by misappropriation, theft, fire, accident or damage caused

completely or partially by rain, flood or any other agency, either directly or indirectly, it shall be the duty of the Accounting Officer/Head of Entity/Chief Executive Officer to report the full details of the loss at once to the Financial Secretary and to the Auditor-General, even when such loss has been made good by the person responsible for it.

Refer to: ANNEX B: **Financial Administration and Audit Act and Instructions.**

4 ASSET TYPES

As per international accounting and asset management practices, all assets should be correctly identified and classified under the following headings:

- Fixed Assets
 - Property, Plant and Equipment
 - Investment Property
- Inventory
 - Fixed Asset Treated as Inventory
 - Consumable Items
- Heritage Assets
- Valued Assets
- And any other category deemed necessary

4.1 FIXED ASSETS

A Fixed Asset is defined as a tangible item of property, plant or equipment that meets the capitalization recognition criteria that is, held by the GoJ for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and which is expected to be used during more than one reporting period.

- i. A Fixed Asset is thus an asset, either movable or immovable, under the control of the GoJ, and from which the entity reasonably expects to derive economic benefits, or reasonably expects to use in service delivery, over a period extending beyond one financial year.
- ii. An asset held under a finance lease, shall be recognized as a Fixed Asset, as the entity has control over such an asset even though it does not own the asset.
- iii. If the asset is constructed over a period, it shall be recorded as work-in-progress until it is available for use, whereafter it shall be appropriately capitalized as a Fixed Asset in the register.

4.2 FIXED ASSETS TREATED AS INVENTORY

- I. Any land or buildings owned or acquired by the government with the intention of selling (divesting) such property in the ordinary course of business, or any land or buildings owned or acquired by the government with the intention of developing such property for sale in the ordinary course of business, shall be accounted for as inventory, and not included as property, plant and equipment.
- II. For all GoJ Entities, such inventories shall be recorded in the Asset Registry System/Register in the same manner as other fixed assets but shall be flagged as an inventory item, including those Lands held for divestment purposes by the Ministry in charge of Housing.

4.3 HERITAGE ASSETS

Heritage Assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that are held and maintained principally for their contribution to knowledge and culture.

Heritage Assets are governed by The Jamaica National Heritage Trust Act and the National Cultural Policy of Jamaica.

- i. Heritage Assets are accounted for as a distinct category because their value is unlikely to be fully reflected in a financial value or price. Many are unique, meaning their value may increase, rather than depreciate, even if the physical condition deteriorates.
- ii. If no original costs or fair values are available in the case of one or more Heritage Assets, the Minister responsible for finance or the Board of Directors may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the relevant GoJ Entity's Fixed Asset Register without an indication of the costs or fair value.

4.4 VALUED ASSETS

If an asset item does not meet the capitalization recognition criteria but is found to be re-usable in nature and have a service lifespan of more than one year it will be entered in the Asset Register as a Valued Asset.

- i. Valued Assets can often be transferred between many custodians during their life cycle and therefore have an intrinsic value outside the normal boundary of a non-fixed asset. Examples of Valued Assets include Cell Phones, Microwaves and Tablets.
- ii. The existence of Valued Assets in possession of personnel is to be verified from time to time, at least once in every financial year. Changes to the status or condition of the Valued

Asset must be noted in the Asset Register.

- iii. Such assets are to be entered into the Asset Register and flagged/noted as Valued Assets.

4.5 CONSUMABLE ITEMS

A consumable item is one that is purchased in quantity, distributed and consumed. Generally, consumable items are not re-usable having been consumed after one use but not always. Examples include: Kettle, Copy paper, Medications and Pens etc. Consumables should be accounted for in the Asset Register in a separate model category. The Register should record/track the quantity that is available as well as the total cost. When consumable items are received, they are merged into the existing consumable record and should be managed as follows:

- i. Consumable Inventory items are to be managed using the First-In, First-Out (FIFO) inventory method to ensure material rotation however, where applicable, expiry dates should be taken into consideration.
- ii. The officer responsible for Asset Management must establish for each type of consumable:
 - a) Re-order level for replenishing stock
 - b) Minimum stock level/Safety Stock
 - c) Maximum level at which stock is to be held
- iii. The cost in the Asset Register for any Consumable item is to be the cumulative cost for each type of Consumable items.
- iv. The officer responsible for Asset Management must ensure that these items are properly stored, based on the type of item (e.g. perishable/non-perishable), and secured.
- v. Transfer or distribution of Consumable items is not subject to the stringent Handover requirements of Fixed Assets. However, the Asset Register will record the receiving department, description, quantities and cost of distributed expendable items. Approval levels must be established to limit the persons able to disburse consumables and order re-stocking.
- vi. Consumable items will be managed in the Asset Register in the same manner as other asset types however, cumulatively where other assets are recorded singularly.
- vii. Each year an annual stock count must be conducted and the report provided to the MoF-AMU.

5 ASSET RECOGNITION

5.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

Property, Plant, and Equipment, also known as tangible fixed assets, represents the non-current, physical, illiquid assets that are expected to generate long-term economic benefits.

The Asset Registry System will have functionality to discretely record the following asset types with their own intrinsic data sets based on common fields, example:

- Land and Buildings
- Infrastructure Assets
- Community Assets
- Heritage Assets
- Equipment
- Vehicles
- Furniture

5.1.1 LAND AND BUILDING: NOT HELD AS AN INVESTMENT ASSET

- i. Land held in trust by the Commissioner of Lands on behalf of GoJ Entities should not be divested without prior approval from the respective portfolio Ministry. Therefore, recognition of the respective land and building should be accounted for in the books of the controlling GoJ Entity.
- ii. Lands and Buildings controlled by GoJ Entities are to be entered into the Asset Register as fixed assets with a valuation.
- iii. All land held in trust by the Commissioner of Lands shall be listed as inventory items as per the Crown Property (Vesting) Act.
- iv. Lands and Buildings held by the Ministry in charge of Housing shall be listed as Fixed Assets however; Lands and Buildings held in the name of the Minister of Housing shall be recorded as inventory.

5.1.2 INFRASTRUCTURE ASSETS

Infrastructure assets are defined as but not limited to GoJ owned and/or controlled assets, for example:

- Transportation networks (roads, rail, ports, airports)
- Energy supply systems (gas/electricity/oil production, transmission and distribution)
- Parks and recreation facilities
- Water utilities (water supply, waste water and storm water systems)
- Flood protection and land drainage systems

- Solid waste facilities
- Educational and health sector facilities
- Libraries, administration, and other community facilities
- Manufacturing and process plants
- Telecommunication networks

5.1.3 COMMUNITY ASSETS

Community assets (community resources) are anything that can be used to improve the quality of community life and its current and future use is for the social wellbeing and interests of the local community. The value of such asset, should it be in physical form, should be recognized in the same manner as PPE. Examples of Community Assets:

- i. Physical Structure or Place
 - a. School
 - b. Hospital
 - c. Church
 - d. Library
 - e. Recreation Center
 - f. Social Club
 - g. Park
 - h. Wetland
 - i. Open Space

- ii. A Community Service
 - a. Public Transportation
 - b. Education Center
 - c. Recycling Center
 - d. Cultural Organization
 - e. A Business that provides Jobs

5.1.4 HERITAGE ASSETS - CULTURALLY SIGNIFICANT RESOURCES

Heritage Assets are tangible assets with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for their contribution to knowledge and culture.

Examples of Heritage Assets:

- i. Protected or Conservation Land and Buildings
- ii. Sites and Monuments
- iii. Artifacts
- iv. Memorabilia
- v. Contemporary significance assets

5.1.5 EQUIPMENT - ORDINARY OPERATIONAL RESOURCES

Equipment can encompass a wide range of machinery including but not limited to machinery used in processing or manufacturing plants, construction related equipment such as excavators, bulldozers and graders along with smaller items such as: air conditioners, compressors and high duty water pumps. Office related equipment is comprised of, but not limited to computers, copiers and printers.

5.1.6 VEHICLES - ORDINARY OPERATIONAL RESOURCES

All types of vehicles fall under this category. Buses, large transport vehicles, small utility vehicles, motorcycles, four-tracks and various other leisure sport vehicles are also included.

5.1.7 FURNITURE - ORDINARY OPERATIONAL RESOURCES

Furniture encompasses a very wide range of items. Desks, chairs, tables, cubicle partitions, file cabinets and safes are examples.

5.2 INVENTORY

Inventory consists of materials and goods held by an organization to support production (raw materials, subassemblies, work in process), for support activities (repair, maintenance, consumables), or for sale or customer service (merchandise, finished goods, spare parts) including:

- i. Land and Building - held as inventory
- ii. Housing - e.g. rental stock or housing stock

5.2.1 CATEGORIES OF INVENTORIES:

Inventory should be classified under:

- a) Goods or other assets purchased for resale or distribution in the normal course of business. For example, if an Executive Agency was involved in the promotion of tourism, it may buy and then sell maps and guidebooks.
- b) Raw materials and components purchased for incorporation into products for sale.
- c) Finished goods produced.

- d) Products and services in intermediate stages of completion are called Works-in-Progress.
- e) Consumable Stores - Goods purchased or produced which are for distribution to other parties for no charge or for a nominal charge.

5.3 INVESTMENT PROPERTY

Investment property (resources held for capital or operational gain) is property that an entity holds to earn rental income and/or capital appreciation. It generates cash flows mostly independently of other assets held by an entity. It is not property that an entity uses to supply goods or services, nor is it used for administrative purposes. Investment Property is categorized as a Capital Asset.

5.4 CATEGORIZATION OF ASSETS IN THE ASSET REGISTRY/REGISTER

The 1st or high-level accounting categories outlined above in Section 5.1 may be further refined to 2nd and 3rd level categories to aid in the identification, cataloguing and reporting of assets in the Asset Register. 2nd level Categories and 3rd level Sub-Categories are defined as needed by the MoF-AMU.

Asset Categorization Hierarchy		
1st Level Accounting Category	2nd Level Category	3rd Level Sub-Category
Community Assets	Theaters	Playhouse - Small Playhouse - Large
Equipment	Earth Movers Computers	Bulldozer Graders 15" Laptop 13" Laptop i7 Tower i5 Tower
Furniture	Desks	Meeting Workstation
Heritage Assets	Artifacts	Clothing Cookware
Infrastructure Assets	Sewer	Underground Pipelines Processing Plant
Land and Buildings	Buildings	Commercial Office
Vehicles	Off Road	Skidder Truck - 6x6 AWD

6 ASSET ACQUISITIONS

Asset Acquisition refers to the purchasing of assets or receipt of assets through gift or donation.

This policy points out the interconnected nature of the three main departments in the asset acquisition process. They are:

- Finance
- Procurement
- Asset Management

Each of the three (3) departments must provide whatever assistance in the form of information exchange as required to the extent that each asset acquisition results in a complete financial and procurement record of the transaction within the Asset Register.

6.1 CERTIFICATION OF ASSET PURCHASES

The use of an Asset Register allows Asset Managers to confirm and certify asset requisitions against items currently in stock, minimizing the likelihood that unnecessary procurement actions take place by performing intra-departmental checks of existing assets to determine if any existing assets can be re-tasked in lieu of purchase.

- i. Public Officials requesting purchase of new assets are required to receive sign-off from Asset Managers that the items requested do not already exist for use, in whole or in part, within the asset inventory.
- ii. The Portfolio Ministry's Assets Managers will have access to asset inventories held by all Departments so that they may check that the requested assets do not already exist in said inventories, and if so, will confirm that those assets are in use in the assigned department and will be in use for the foreseeable future.
- iii. If the requested assets are found in the inventory of another entity, the Asset Manager will request the status of said assets and if found to be not in use, currently or the foreseeable future, the Asset Manager may make a formal request for the assets to be permanently or temporarily transferred to the requesting entity's asset inventory.

Refer to Section: **6.6 ASSETS ACQUIRED FROM ANOTHER GOJ ENTITY**

6.2 ASSET ACQUISITION PROCESS FLOW

- i. All requests for purchase must first be routed through the Asset Manager or his/her delegate who would then submit the requisition to the Procurement Unit after compliance with Section 6.1 (i).
- ii. Procurement Units do not have the independent authority to declare a purchase complete and report to Finance that the vendor's invoice can be paid. They must first receive confirmation from the receiving Asset Manager that the purchase is complete and satisfactory. Confirmation is received by stamp and signature by the Asset Manager on the

purchase invoice.

- iii. The assigned officer with the responsibility of asset management or his/her delegate is the only officer delegated to approve a vendor's invoice for payment.
- iv. A vendor invoice can only be approved for payment by the officer with responsibility for asset management or his/her delegate if the quantities of items shown on the invoice are confirmed as delivered.
- v. A vendor invoice can only be approved for payment by the respective Asset Manager if all items have been delivered as stated on the invoice and are in good working condition: that is, the item(s) is (are) not damaged and the item(s) as per invoice to be delivered are complete.
- vi. If any discrepancies are found between the delivered items and those listed and described on a vendor invoice, the officer in charge of the procurement of said order is to be immediately contacted and apprised of the discrepancy. The procurement officer will then contact the vendor for resolution.
- vii. Finance and Procurement Officers are expressly forbidden from approving or paying any vendor invoice unless specifically ordered by the Asset Manager who has confirmed delivery and completeness of the items on a given invoice.
- viii. Finance and Procurement Officers are to ensure all relevant acquisition documentations are made available to the involved Asset Manager at the time and place of delivery of acquired assets.
- ix. If there are any product specifications that must be confirmed as ordered in any acquisition, the Procurement Officer will ensure the Requesting Officer or person that defined the product specifications is on hand to inspect the item during the Delivery Receive and Inspection process alongside the Asset Manager.
- x. Asset Managers, who are the initial receiving Custodians, must perform the Receive and Inspection process upon receipt of assets from a vendor. The Receive and Inspection process includes the following:
 - a) Confirmation that the purchase is complete in terms of quantity of items.
 - b) Confirmation that the purchase is complete in terms of specifications.
 - c) Confirmation that the purchase does not include any damaged items.
 - d) Coding of the assets and entry into the Asset Register.
- xi. Regardless of the type of asset or means utilized to acquire the asset, all asset acquisitions must undergo the Receive and Inspection process as per MoF-AMU Asset Management Procedures.

6.3 QUALIFIED GOJ ENTITIES FOR 5% DUTY CONCESSIONARY RATE

The concessionary rate for the importation of assets is set at 5% (i.e. 5% Common External Tariff (CET) and relief of Environmental Levy) to specified categories of GoJ Entities.

The concessionary rate shall be applied to entities as under:

- Central Government (Ministries, Departments, Executive Agencies)
- Approved Educational Institutions
- Municipal Corporations
- Fully funded and partially funded Public Bodies

Self-financing Public Bodies are not granted a concessionary rate for the importation of assets. Therefore, the Jamaica Customs Agency should not place any restriction on the sale or transfer of assets procured by self-financing Public Bodies for which full duty has been paid.

The list of all Public Bodies (self-financing, fully funded and partially funded) may be accessed from the Ministry responsible for finance's website.

6.4 ACQUISITION BY PROCUREMENT ACTION

Procurement of assets must be based on need and conducted in compliance with the procedures as detailed in the GOJ Public Sector Procurement Guidelines and related instructions.

The following shall be observed in the procurement of all assets:

- i. The procurement of assets must be undertaken only in instances where it will add to operational efficiency.
- ii. Procurement of all assets must be based on a competitive bidding process, unless proper justification is made for Direct Contracting.
- iii. Procurement of all assets should follow a due diligence exercise by the procurement officer, to ensure value for money is obtained. This includes, but is not limited to, reviewing quotations and import entries submitted by the vendors as well as negotiating the quoted price, where necessary.
- iv. The respective Asset Manager must be consulted when a procurement action is at the requisition stage; refer to Section 6.1.
- v. Due care must be taken to procure assets that are environmentally friendly and energy efficient.
- vi. For all procurements, the relevant specifications must be developed with the assistance of the Requesting Officer and/or Asset Manager.

- vii. For all procurements, the requirements/suitability for the intended official use as well as availability of parts and supplies, where applicable, must be important considerations in the selection process;
- viii. The procurement activities must be recorded and filed for audit purposes;
- ix. Additionally, assets acquired that are considered/assumed to be Heritage Assets must be assessed by IOJ or JNHT to ensure the proper classification of the said assets.

6.5 ACQUISITIONS BY GIFT OR DONATION

Guidelines for the Acceptance of and Accounting for Gifts to the Government

- i. Conditions for the Acceptance of Gifts:
 - a) Gifts of assets must only be accepted from reputable individuals and organizations. GoJ Entities must use due diligence to ensure that gifts are not from tainted sources.
 - b) Gifts must not be accepted as an incentive for hidden benefits, rights or privileges to the donor.
 - c) Assets accepted as gifts must be owned by the donor(s).
 - d) In reference to (c) above, certified proof of ownership of the asset must be provided prior to acceptance of the donation by the entity where the value is greater than the prevailing Direct Contracting (Goods) Threshold under the GoJ's Procurement Guidelines. Certification criteria would be in the form of confirmation from the registering body, such a Government Motor Vehicle Agency in the case of motor vehicles, or other recognized official body depending on the type of asset donated. If no ownership documentation can be provided for gifts valued at more than Direct Contracting (Goods) Threshold or more, the donation cannot be accepted.
 - e) Donated assets must not result in major recurring expenditure that will place a high cost on the budget in relation to the services it will provide. Therefore, the necessary cost benefit analysis must be done to determine the cost-effectiveness of the donation.
 - f) GoJ Entities must not accept gifts that are:
 - Obsolete in technology;
 - Hazardous to the environment;
 - Costly to maintain
 - Energy inefficient; and
 - Inconsistent with Government policies.
 - g) Where appropriate, GoJ Entities must consult with the Jamaica Customs Agency for the clearance of gifts donated by an overseas source.

- h) Gifts from overseas sources will not necessarily receive exemption from applicable duties, quarantines or licensing requirements. All costs associated with these factors shall be added to the value of the assets to determine true cost.
- i) Where an asset is donated to the government or acquired by means of an exchange of assets between the government and one or more other parties, the asset concerned shall be recorded in the Asset Register at its fair value/ prevailing market price.
- ii. Donations/Gifts that will have an impact on the country's trade agreements and/or are likely to have a significant impact on the Country's national programs and policies, and satisfy all the conditions at one (i) above, will require the prior approval of Cabinet before acceptance. Therefore, the MoF-AMU shall be consulted to assist with the evaluation process.
- iii. Donations/Gifts that will not have an impact on the country's trade agreements and will have a significant impact on the Country's national programs and policies and which satisfy all the conditions at one (i) above, require the prior approval of the respective Accounting Officer in the MDA or Head of Entity for the Public Bodies.
- iv. Gifts that are likely to incur significant continuous expenditure on an annual basis must be sanctioned by the respective Head of Entity/Accounting Officer, and the Ministry responsible for Finance where applicable, before submission to Cabinet or the Board of Directors for approval.
- v. The terms and conditions of gifts to be accepted must be agreed in writing and signed by both the donor and the recipient of the gifts. This may be in the form of a Memorandum of Understanding (MOU).
- vi. Gifts/donations that are classified as Fixed Assets, received by a public official in their official capacity shall be recorded in the respective GoJ Entity's Fixed Asset Register.
- vii. Gift that is considered/assumed to be a Heritage Asset must be assessed by IOJ or JNHT to ensure proper classification of the assets.
- viii. Any costs incurred for or during any type of assessment or test regarding the suitability to task, quality or fitness of any item should be borne by the donor prior to donation unless the asset(s) being offered as gifts would provide great social, economic and/or financial net benefit to the Government. The analysis of such benefit must be properly documented to justify the expenditure.

6.6 ASSETS ACQUIRED FROM ANOTHER GOJ ENTITY

The following procedures must be followed before a transfer can be made between entities:

6.6.1 ON TEMPORARY LOAN, RENTAL OR LEASE

- i. A Memorandum of Understanding (MOU)/Contractual Agreement (where applicable) must be prepared outlining the terms of the loan of assets between the two parties.
- ii. The MOU/Agreement must list all assets to be loaned including any identifying features such as description, bar code and/or serial number.
- iii. The MOU/Agreement must specify the duration of the loan and the rental charges, if any.

6.6.2 ON PERMANENT TRANSFER (section 7 has further details)

- i. A MOU/Agreement must be prepared acknowledging the permanent transfer of assets between the two parties.
- ii. The MOU/Agreement must list all assets to be transferred including any identifying features such as description, barcode/inventory code and/or serial number and value.
- iii. If the transfer is in the form of a purchase, cost recovery is to be performed. Cost recovery is the payment of the depreciated amount by the receiving entity to the source entity if it is a fixed asset, except land and buildings, or the fair market value if it is a non-fixed asset. Land and buildings shall be based on valuation.

6.6.3 ACQUISITIONS THAT REQUIRE SPECIAL PERMITS

The Asset Manager must ensure that the specific instructions of the regulating body are followed for assets that are restricted or regulated. The Procurement Officers would need to query the relevant entity for guidance before effecting the purchase. For example:

Asset Example	Permitting GoJ Entity
Security equipment e.g. Drones	Ministry of National Security
Food Items	Ministry of Health/Bureau of Standards
Firearms, Ammunition or explosives	Ministry of National Security/ Firearm Licencing Authority
Vehicles, Motorcycles (Special Speed Limits)	Trade Board
Animals	Ministry of Agriculture
Agricultural items (Plants)	Ministry of Agriculture
Drugs and Medications	Ministry of Health/Bureau of Standards
Chemicals	National Environment and Planning Agency

6.6.4 ACQUISITIONS OF MOTOR VEHICLES

Vehicle acquisitions are to follow the same Receive and Inspection process as other assets under this policy.

- i. The Asset Register should capture the following information for each vehicle when received:
 - Registration number, Make, model, year and colour of vehicle
 - Engine number
 - Chassis number
 - Purchase Price
 - Date of Purchase
 - Odometer readings
 - Tank capacity in litres
 - Petrol type (E10 Blend 87, E10 Blend 90, Diesel ULSD)
 - Insurance details – Start and end date.
- ii. Any vehicle that has ancillary equipment or parts, such as but not limited to:
 - a) Radios e.g. VHF, UHF
 - b) Safety equipment
 - c) Medical equipment
 - d) Mechanical equipment

should be accounted for along with the Motor Vehicle details. The Motor Vehicle shall be termed a Parent asset with the assigned bar code number as the Parent Key. All ancillary equipment or parts shall be bar coded and entered in to the Asset Register as Child assets with the Parent barcode/inventory code to indicate it is a Child asset.

6.6.5 TRADE-INS

GoJ Entities are allowed to trade-in asset(s) for another asset(s) of similar nature only if the assessed fair value of the asset is acceptable by the Asset Disposal Assessment Unit (ADA Unit) or the Asset Disposal Committee and the full amount is used to reduce the net purchase price of the replacement asset.

The ADA Unit or the Disposal Committee should take the following steps to trade-in an asset:

- i. If it is not a specialised asset, the Asset Disposal Assessment Unit (ADA Unit) or Asset Manager should conduct a full and complete evaluation of the used assets to determine fair value on the open market.
- ii. Where the item is specialised in nature, then an outside officer with technical or professional qualifications may be employed to validate the trade-in value proposed by the supplier. However, if the cost proposed for the technical expert/consultant to conduct the assessment is more or equal to the margin of the trade initially promised, the trade proposal with the vendor cannot not be accepted; as there is no means to independently validate the proposed trade-in value.

6.7 ASSETS ACQUIRED UNDER A PROJECT

Assets acquired under local and internationally funded projects must be procured in keeping with the conditions stipulated in the relevant agreement of the donor/international partner. In the absence of such instructions, the GOJ Procurement Guidelines and this Asset Policy will prevail. The contract/project document relating to the acquired asset for a project should be forwarded to the Asset Manager to facilitate the management of the asset in accordance with this policy. The respective project manager should ensure the documentation is garnered to ensure the updating of the Asset Register.

7 ASSET TRANSFERS

7.1 GENERAL TRANSFER GUIDELINES

The Transfer or Handover refers to the physical receipt and acceptance of custodianship of an asset by the receiver of an asset from another custodial source. An asset may undergo many transfers or handovers between custodians during its life cycle.

- i. When assets are received, it must be received by the respective Asset Management Unit or the equivalent custodial agent responsible in the case of assets that are of a restrictive or sensitive nature.
- ii. Any new assets received must first undergo the Receive and Inspection process and entry into the Asset Register as per MoF-AMU Asset Management Procedures. Therefore, the first custodian of a newly received asset is always the Asset Manager of the receiving entity.
- iii. The JNHT or IOJ must be contacted prior to the transfer of Heritage Assets for proper guidance on their relocation.
- iv. For an asset to be deployed within a ministry or agency for use, a handover procedure must take place. Additionally, the Asset Register produces a hard copy and electronic handover document that includes information of the Source and Receiver. The full listing of the assets being handed over and a predetermined space for source and receiver signatures should be captured on the handover document.
- v. The Source and Receiver Custodian information minimum requirements:
 - a) Full Name including any 2nd names.
 - b) Location: Duty station or department within the ministry or agency.
 - c) Mobile number.
 - d) eMail address.

- vi. The list of assets on the handover minimum requirements where applicable:
 - a) Description.
 - b) Make and Model.
 - c) Serial Number, if applicable.
 - d) Government Barcode/ Inventory Code.
- vii. All vehicles are to be entered into the Asset Register and all transfers of vehicles are to be recorded in the Asset Register.

7.2 REASSIGNMENT OF PORTFOLIO

In some cases, during re-organization of a ministry or the consolidation of tasking and responsibility between one or more ministries, assets will need to be re-assigned '*en bloc*'. That is, the entire or partial asset inventory of one entity is transferred to another.

- i. In cases where there is a change/re-assignment in portfolio, an exception is granted for prior approval for the transfer of assets (Section 7.4 (ii) refers). In such case, the Ministry responsible for finance will provide covering approval.
- ii. In the case of an electronic system, transfers are to be effected in the System which allow for bulk transfers to be undertaken between custodians and locations.

7.3 TRANSFER OF ASSETS FROM A PROJECT

Once it has been agreed by the donor that ownership of the asset should be transferred at the end of the project to the executing government entity or any other government entity, steps should be taken by the related asset manager to have the asset legally transferred to the government at the immediate end of the project as follows:

- i. The asset should be recorded as an asset in the books of the receiving entity at the market value at the date of the transfer.
- ii. The Asset Register should be updated with the new information regarding Custodian, Location and Cost.

7.4 AUTHORITY FOR TRANSFER OF ASSETS

- i. The authority for all transfer of assets between Departments/Units within an entity resides with the Permanent Secretary, Chief Executive Officer, Head of Department, Asset Manager or by other delegated authority, where applicable, based on the entity's Standard Operating Procedure.

- ii. All transfer of assets from Ministry and Departments to another government entity must be approved by the MoF-AMU before such transfers are effected.
- iii. Transfers between other government entities such as Executive Agencies, Municipal Council and Public Bodies, the Chief Executive Officer, Board Chairman or Mayor must approve such transfers.

7.5 RENTAL OR LEASE OF ASSETS

7.5.1 RENTAL OF GOVERNMENT PROPERTY - LAND AND BUILDINGS (MINISTRIES ONLY)

Presently, housing is provided from public funds for the following categories on the basis of legal authority or administrative practise. See below for details:

Category	Authority	Description of Housing Provision
Cabinet Members	Administrative Entitlement	Fully furnished accommodation.
State Ministers	Administrative Entitlement	Fully furnished accommodation.
<i>Diplomats</i>	<i>Protocol Entitlement</i>	<i>Fully furnished accommodation.</i>
Permanent Secretaries	Administrative Practise	Furnished accommodation
Resident Magistrates	Administrative Practise	Furnished accommodation
The Judiciary	The Judiciary Act	Fully furnished accommodation.
Gazetted Police Officers (Asst. Supt. And above)	Rules for the Jamaica Constabulary Force	Partly furnished accommodation or lodging allowance.
Teachers	Administrative Practise	Unfurnished accommodation
Nurses	Administrative Practise	Unfurnished accommodation
Public Officials recruited from overseas on contract	Administrative Practise	Furnished accommodation
Returning Foreign Service Officers	Administrative Practise	Furnished accommodation
Public Officials required by the nature of their duties to live in particular situations e.g. Medical Officers, Prison Officers and Agricultural Officers	Administrative Practise	Partly Furnished accommodation

7.5.2 DETERMINATION OF WHO QUALIFIES:

The responsibility for approving: the persons who qualify, the housing provision and the fees to be paid for assigned government-owned housing are as follows:

- i. Cabinet for Political Directorate;
- ii. Chief Justice for the Judiciary;
- iii. Commissioner of Police for Gazetted Police Officers;
- iv. Ministry responsible for the Public Service for the Permanent Secretaries and;
- v. The relevant Permanent Secretary for all other categories of Public Officials.

7.5.3 RENTALS OF LAND AND BUILDINGS VESTED IN THE COMMISSIONER OF LAND

Government lands that are rented or leased (divested) should follow the Policy Framework and Procedures Manual for the Divestment of Government-Owned Lands.

The following additional guidelines should be adhered to:

- i. Properties vested in the Commissioner of Land but under the control of any other government entity will be the responsibility of that entity for the maintenance and upkeep of the property.
- ii. The Commissioner of Lands will be responsible for the rental, maintenance and upkeep of properties vested in the name of the Commissioner of Lands and is under his/her control.
- iii. Properties rented to Cabinet, State Ministers and their respective Security Details should be maintained by the Commissioner of Lands. However, the purchase, maintenance and disposal of furniture are the responsibility of the Houses of Parliament.
 - a) All purchases of furniture for the Cabinet and State Ministers are subject to the same asset acquisition rules as stated in Section 6.
 - b) The furniture must be recorded in the Asset Register as under the Custodianship of the Houses of Parliament.
- iv. Properties rented to other Public Officials, other than Cabinet, State Ministers and Security Details, are the responsibility of the Portfolio Ministry and must be in keeping with this policy and the Commissioner of Lands' guidelines.
- v. Properties rented to Public Officials must be properly documented for auditing purposes

7.5.4 RENTAL OR LEASE OF GENERAL ASSETS BY GOVERNMENT ENTITIES

From time to time it may be necessary to rent or lease an asset for official purposes in such cases, the following must apply:

- No entity or individual shall enter into a rent or lease agreement (local or overseas) without prior, written permission.
- Lease/Rental of assets (other than Motor Vehicles, Land and Buildings, or any other assets that MoF-AMU deems necessary) will require the approval from the Accounting Officer/Head of Entity or the delegated officer within the entity. This approval must be informed by a cost benefit analysis.
- No Ministry, Department, Executive Agency, Municipal Corporation or individual shall enter into a rental or lease agreement (local or overseas) for Land and Buildings without the prior, written permission of the Commissioner of Lands. All related documentation should be forwarded to the MoF-AMU by the Commissioner of Lands within 10 working days of such approval.
- In the case of motor vehicle, no rental or lease agreement should be entered into without consultation with the MoF-AMU for Ministry, Department and Executive Agency, Municipal Corporation. In submitting requests for approval of rental/lease agreements, the request must include the effort made to locate another vehicle from another government entity as

well as the circumstances that caused the need to rent/lease a vehicle and the intended contract period (not exceeding 5 days). Each request for rental or lease will be considered on its own merit.

- No Public Body or individual shall enter into a rental or lease agreement (local or overseas), for Land and Buildings, without the prior written permission of the relevant Board of Directors. In submitting request for approval, justification and the intended contract period must be provided to the Board of Directors for a decision to be taken. The justification must inform of the cost versus the benefit and the advice of the Commissioner of Lands. Each request for rental or lease should be considered on its own merit.
- In the case of motor vehicle for Public Body, the Head of Entity or the delegated officer within the entity must approve the rental or lease agreement. In submitting requests for approval of rental/lease agreement(s), a cost benefit analysis must be included; taking into consideration the intended contract period. Each request for rental or lease should be considered on its own merit.

7.6 GATE PASSES

Asset of any type that is being removed from any GoJ facility must be accompanied by a Gate Pass. Assets noted on a Gate Pass are to be reconciled against the physical assets by gate security. Authority to issue Gate Passes rests solely with the Asset Manager or his/her delegate in an entity.

i.

A simple Gate Pass form is permitted. This form is also to be used when personal items that can be confused with GoJ assets are to be removed from a GoJ facility. This form should be created on a computer in spreadsheet form with the asset list clearly legible and include descriptions, serial number and barcode/inventory code of the listed assets.

vi. The Gate Pass must be approved by the relevant authority:

- a) Accounting Officer or surrogate
- b) Department Head
- c) Asset Manager

All assets listed on the Gate Pass shall be reconciled by gate guards and the Gate Pass stamped for approval before removal.

7.7 PERSONAL/PRIVATE PROPERTY ON SITE

Personal items being brought onto a GoJ facility must be approved by the Asset Manager if not, the asset may be mistaken as being a government-owned asset.

- i. The following steps must be taken to adequately mark the personal items to avoid the assets being included in the Asset Register during stock taking exercises by Asset Management Practitioners:
 - a) Upon introduction of personal property into a GoJ facility, regardless of the intended time of stay, the owner is to report to the entity's Asset Manager to register the item(s).
 - b) The Asset Manager should capture the following details of the asset on a "Personal Item Form" in duplicate:
 - Description
 - Make and Model
 - Serial Number, if applicable
 - c) The "Personal Item Form" should be dated and signed by both parties (owner and Asset Manager or a designated person responsible for asset management within the entity) and a copy should be retained by each party.
 - d) The item is to be marked as "Property Of: Person's Name" by way of a label affixed on the item that is conspicuous to the Asset Practitioners. The label is to include the Asset Manager's signature.
- ii. Upon removal from the GoJ facility, the Asset Manager is to provide a Gate Pass to allow the owner to safely remove the item from the property. The owner's copy of the "Personal Item Form" and the Gate Pass retained by gate security.

8 CAPITALIZATION OF FIXED ASSETS

Capitalization is recording the cost of an asset, rather than as an expense. Normally an asset is capitalized when the cost meets the recognition criteria under PPE. Any addition or removal from this list will be done by MoF-AMU in line with the GoJ's Chart of Accounts.

8.1 NON-CAPITALIZATION CRITERIA

If the item does not meet the recognition criteria, it shall be treated as an ordinary operating expense. However, as Section 4.4 VALUED ASSETS states, some non-capitalized assets can be held as Valued Assets if the asset is of value to the entity but is not regarded as PPE.

9 ASSET REPLACEMENT PLANNING

Asset replacement planning is important to forecast which assets may need replacement within a given period.

Asset records in the Asset Register should have status flags and depreciation schedule. The Register should be able to inform a report on assets that:

- i. Have reached the end of their depreciation schedule or;
- ii. have been disposed of, or;
- iii. have the status flag of:
 - Lost
 - Stolen
 - Missing
 - Destroyed
 - Materially Impaired

This information will allow the procurement planning process to take place well in advance of request. Although it is impossible to determine what if any future assets will have been lost, stolen, missing, destroyed or materially impaired, any asset disposed or at the end of, or past their depreciation schedule (a zero-value asset) will be known.

An asset may be listed in the Asset Register as having a zero value, but the asset may still serve a useful and productive function. All such zero value assets should be inspected for functionality before replacements are requisitioned or the asset is dispositioned.

9.1 DEPRECIATION OF FIXED ASSETS

Depreciation is an accounting method of allocating the cost of a tangible asset over its useful life and is used to account for declines in value over time.

- i. Depreciation will be provided on all Fixed Assets to write off the cost, either historic or revalued as appropriate, evenly over its estimated useful economic life on a straight-line basis.

9.1.1 DEPRECIATION PERIOD

The depreciation periods for each category of asset are:

- | | |
|--|---------------|
| • Plant, machinery, and equipment | 10 Years |
| • Computers e.g. iPad, laptops | 5 Years |
| • Furniture, office equipment, fixtures and fittings | 5 to 10 Years |
| • Vehicles | 7 Years |

- Specialist assets 20 Years
- Leasehold improvements Duration of Lease

- i. Depreciation of an asset commences when it is in the location and condition that enables it to be used in the manner intended. Depreciation ceases at the moment of its de-recognition at sale or scrapping or its classification as being held for sale. Temporary idle activity does not qualify as de-recognition.
- ii. Depreciation of an asset should commence in the month during which the asset is acquired, that is, one-month depreciation in the month of acquisition and ceases in the month prior to that in which the asset is disposed of. There is no depreciation calculated for the month during which the asset is disposed of.
- iii. Provision should be made to replace assets based on the provisions outlined above; however, for Ministries and Departments the replacement will be subjected to the assessment by the ADA Unit to determine if an asset can continue in service once it has passed its estimated useful life.
- iv. For all other GoJ's Entities, once the assets have reached their estimated useful life, an assessment should be undertaken by an internal ADA Committee to determine their fitness and if found to be economically sound, should continue in service until they become uneconomical and/or unproductive to the entity.

9.2 REVALUATION OF PROPERTY, PLANT AND EQUIPMENT

The value at which property, plant and equipment are included in the balance sheet should be reviewed periodically and where an asset's value has changed materially the valuation should be adjusted accordingly. When an item of plant, property and equipment is revalued, the entire class of property plant and equipment to which that asset belongs should be revalued.

9.3 ASSETS UNDER CONSTRUCTION

Assets that are currently under construction or assembly including community assets:

- i. Those assets that are **not** completed or available for use that is, assets under "Construction in Progress (CIP)" are to be valued at fair value with fair value being defined as replacement cost. This standard is to be applied at any stage of construction until completion and available for use.
- ii. Once completed, the value should be based on the total contract cost, including verifiable community contributions or the current fair value should be recorded in the register. The community contribution should only be recognized if:

- a) There is a reliable and confirmable method of accessing the value of the contribution, and;
- b) The contribution, time or resource, was properly documented.

10 VERIFICATION OF FIXED ASSETS

Verification of assets is the process wherein a physical review and comparison of assets is undertaken in relation to those items found in the Asset Register.

- i. Continuous verification of assets within GoJ Entities will be undertaken with the use of the Asset Register which will allow Asset Management Practitioners to easily verify assets location and provide accurate reporting.
- ii. Every Head of Entity/Accounting Officer shall at least once during every financial year undertake a comprehensive verification of all fixed assets controlled or used by the entity. All results of such fixed asset verification exercises should be noted in the system which should have the ability to produce the verification report.
- iii. If after verification exercises it is found that one or more assets are unaccounted for an investigation, including a search for the assets must be undertaken by the responsible entity. If after investigation the assets cannot be located, a report must be filed with the Ministry responsible for Finance. The Ministry responsible for Finance will then take the appropriate action.

11 ASSET SECURITY AND SAFEKEEPING

The security and safekeeping of assets is the responsibility of all assignee (Public Official or otherwise). It is the duty of all personnel to keep and maintain the good state of assets not only in their direct care (See Section 3: Custodianship) but also any asset they may come upon, operate or use during their normal duties.

- i. Government personnel are required to report any instance of the following to their immediate supervisor:
 - Misuse of asset in a manner that may cause its damage or harm.
 - Missing assets
 - Damaged or non-functional assets
 - Theft of assets
 - Miss-assigned assets i.e. assets that are placed where they serve no practical function
 - Any other instances in which an asset is out of place, in a place where it could suffer harm or be susceptible to theft.

- ii. Secure Storage of Assets - Regardless of the type or size of an asset, security of assets is of great importance to minimize costs and to ensure assets are available when needed.
 - a. Smaller assets such as desktop computers, monitors, laptops, mobile phones, tablets or iPads either expensed or capitalized that have not been distributed or are in stock shall be kept in a secure manner.

This security may be in the form of a locked cabinet or in the case that an entity may have a great number of small assets, a locked store room. Only the entity's Asset Manager or his/her delegate should have unfettered access to these items.

- b. Large assets such as vehicles or other large equipment should be kept in fenced yards or other secure locations. If a large asset cannot be secured in the manner indicated, steps must be taken to ensure no harm comes to the asset.
- iii. Checks made to ensure existence and condition - It is imperative that regardless of the type, size or location of assets, this information is noted and confirmation made on a regular basis that the assets are indeed in place and have not suffered any damage. The term "regular basis" defines an arbitrary length of time between inspections, which is influenced by the risk exposure; environmental or human. Therefore, a SOP should document the period of inspection.

11.1 PRIVATE-OWNED ASSETS IN GOVERNMENT CUSTODY

Assets that are seized, detained from a private owner(s), or assets in government custody under any other legal circumstance must be properly safeguarded by the government authority. The following steps must be taken to ensure proper accountability and safeguarding of the assets:

- The Accounting Officer/Head of Division must assign a custodian for these assets
- The Custodian of these assets must ensure:
 - the assets are properly documented,
 - the assets are stored systematically for ease of retrieval and verification,
 - as best as possible, preservation of the condition of the assets to prevent any legal issue
 - maintain a complete chain of custody until its release/disposal
 - timely action is taken to ensure speedy disposal/release of asset from the government care
 - assets are legally disposed of/released

Any breach of this section (11.1) that results in loss to the government will be subjected to sanction under the FAA Act and/or any other applicable Act.

12 MAINTENANCE OF FIXED ASSETS

Every Head of Entity/Accounting Officer shall be directly responsible for ensuring that all assets (other than infrastructure assets) are properly maintained in a manner that will ensure that such assets attain their projected useful operating life. Therefore, budgetary provision must be made to replace parts and to repair or maintain upkeep of the asset. However, when the cost (accumulative or singular) of repair exceeds the replacement value, an assessment should be done to determine whether it is better to replace the item; or retain it if the item is not readily available.

12.1 MAINTENANCE PLANS

Every Accounting Officer shall ensure that maintenance in respect of every asset, regardless of book value, is followed as per manufacturer specifications, Institute of Jamaica Policy / Jamaica National Heritage Trust Act or a known best industry practice for the particular asset item.

- i. Any Asset Registry System in use must provide for the robust recording of maintenance information and provide maintenance schedules.
- ii. Any failure to provide adequate maintenance of an asset shall be reported to the MoF-AMU upon discovery.
- iii. No repair or maintenance of assets shall be undertaken on Heritage Asset without the expressed permission of the Institute of Jamaica / Jamaica National Heritage Trust.

12.1.1 GOJ CONTRACTED REPAIRS SERVICE

MDAs shall be required to utilize the services of the GoJ contracted supplier for repairs and reconstruction of furniture at the Ministry of Finance, Shalimar location; unless proper justification is provided, such as least cost, the service of the contracted supplier, as communicated by the MOFPS-AMU, should be utilized.

12.2 DEFERRED MAINTENANCE

Deferred maintenance is the practice of postponing maintenance activities such as repairs on both real property (i.e. infrastructure) and property (i.e. machinery) in order to save costs, meet budget funding levels, or realignment of available budgets.

- i. If there is material variation between the actual maintenance expenses incurred and the expenses reasonably envisaged in the approved maintenance plan for any infrastructure asset the respective Accounting Officer, controlling the asset, shall disclose the extent of

and possible implications of such deferred maintenance in an appropriate note to the Ministry responsible for Finance. Such note shall also indicate any plans which the entity has approved to redress such deferral of the maintenance requirements concerned.

- ii. If no such plan has been formulated or is likely to be implemented, the respective GoJ Entity shall re-determine the useful operating life of the fixed asset in question, if necessary, in consultation with the Ministry responsible for Finance and shall recalculate the annual depreciation expenses accordingly.

12.3 INSURANCE COVERAGE

12.3.1 INSURANCE COVERAGE FOR GENERAL ASSETS

- i. Procurement of insurance services should be as per Government of Jamaica Procurement Guidelines for the Public Sector.
- ii. Assets that meet one or more of the following criteria are subject to insurance coverage:
 - a) Loss of the asset would result in severe negative consequences to the service mission of the entity or the public good.
 - b) The asset is rare, unique or custom and not readily available in local or global markets.
 - c) The asset is in a place where it may suffer material impairment from natural forces, negligence or vandalism.
 - d) Insuring Contents of buildings or facilities is recommended when loss of the assets would result in severe negative consequences to the service mission of the entity or the public good or result in severe negative financial consequences.
- iii. All government buildings are to be insured at least against fire and allied perils based upon risk assessment.
- iv. The accounting officer shall recommend, after consulting with the Ministry responsible for finance, the basis of the insurance to be applied to each type of fixed asset:
 - a) Depreciated carrying value: No valuation required.
 - b) Replacement Value: Annual valuation is required.
- v. The recommendations (i – iii) shall be subject to the availability of funds. If it is the case that the cost of insurance exceeds budgetary availability, only those assets whose loss would have severe negative consequences to the service mission of the entity or the public good should be covered.

12.3.2 INSURANCE COVERAGE FOR MOTOR VEHICLES

The following guidelines, as stated in the Comprehensive Motor Vehicle policy, relate to the insurance of motor vehicles owned by government entities

- i. All government-owned motor vehicles, which are assigned to designated officials, must be comprehensively insured based on the price inclusive of the full import duty or the commercial valuation
- ii. The responsible Public Officials within Executive Agencies, Municipal Corporation and Public Bodies should ensure that there is adequacy in the insurance coverage for all fleet vehicles/assigned vehicles. Therefore, the placement of insurance coverage should be effected at the full market value
- iii. Fleet vehicles assigned to Ministries and Departments are governed under the Government of Jamaica self-insurance system

13 DISPOSAL

Asset disposal is the act of selling or discarding an asset, usually a long-term asset that has been depreciated over its useful life, which suffered degradation or has been declared obsolete and no longer provides economic benefit referred to as a Disposed Asset.

13.1 DISPOSAL OF HERITAGE ASSETS

Under no circumstance is any Heritage asset to be disposed of. All Heritage assets are to remain on the inventory of the relevant GoJ's Entity's Asset Register.

13.2 DISPOSAL OF MOBILE DEVICES/INSTRUMENTS

The disposal of mobile devices only relates to Closed User Group (CUG) phones, iPad/Tablet; all other mobile devices would follow the regular disposal process. The respective Information Systems Unit, of the GoJ entity, must ensure that all data is cleared/erased from each instrument before disposal.

13.2.1 DISPOSAL OF CLOSED USER GROUP (CUG) DEVICES

- i. In-line with the SOP of the entity or when the contract has ended, the Public Official that is assigned the phone from the CUG will have the first option to purchase. If the Public Official chooses to purchase the phone, then the cost is 10% of the fair value. If the Public Official chooses not to purchase the phone, then it can be offered by way of Blind Auction

to the other members of staff at:

- a) 10% of the fair value, if the item is in fairly good condition
 - b) 5% of the fair value, if the item is working but physically damaged
 - c) 1% of the fair value, if the item is not working/unserviceable
- ii. The fair value of the phone shall be determined by the CUG Disposal Committee.
 - iii. If the phone is not fully depreciated or the contract has not ended, upon termination of service or any other reason for the separation from the entity, then the device should be reassigned..
 - iv. CUG devices assigned to non-Public Official (e.g. Board Chair) that are fully depreciated or the CUG contract has ended, shall be returned to the entity for disposal in keeping with this policy.

13.2.2 DISPOSAL OF IPAD/TABLET

- i. Where the iPad/Tablet is fully depreciated, the Public Official that is assigned the instrument will have the first option to purchase. If the assignee chooses to purchase the instrument, then the cost is 10% of the original cost/purchase price.
- ii. Where the iPad/Tablet is fully depreciated and the Public Official chooses not to purchase the iPad/Tablet , then it can be offered by way of Blind Auction to the other members of staff at:
 - a) 10% of the purchase price, if the item is in fairly good condition
 - b) 5% of the purchase price, if the item is working but physically damaged
 - c) 1% of the purchase price, if the item is not working/unserviceable
- iii. If the iPad/Tablet is not fully depreciated or the contract has not ended upon termination of service or any other reason for the separation from the entity, then the instrument should be reassigned.
- iv. If the Public Official is transferred to another entity, then the iPad/Tablet can be retained if proper justification can be provided.
- v. Fully depreciated instruments that are assigned to a non-Public Official shall be returned to the entity for disposal in keeping with this policy. It must be noted that assignment of instruments to non-Public Officials (e.g. Board Members) must be in keeping with section 6.4 of this policy and the decision must be informed by a documented Cost Benefit Analysis.

13.3 DISPOSAL BY MINISTRIES, DEPARTMENTS AND EXECUTIVE AGENCIES (MODEL A)

- i. Accounting Officers shall ensure that all assets are maintained and operated in such a manner to ensure efficiency in the use of these assets. Replacement periods are defined by the depreciation schedule in Section 9.1. In all circumstances, the ADA Unit must perform an assessment of whether the asset still has useful life.
- ii. The Asset Management Unit (AMU), Ministry responsible for Finance must approve the disposal of assets. When an asset becomes uneconomical to maintain or has reached the end of its useful life, an inspection should be undertaken by the ADA Unit. The ADA Unit will assess whether the asset should be disposed. An Asset Disposal Report with findings and recommendations will be completed for appropriate action.
- iii. Once the asset is disposed, due care must be taken to safeguard the government asset. If there is any discrepancy in relation to the condition of the asset after the disposal assessment, sanctions as outlined in the Financial Administration and Audit Act will apply.
- iv. The reserve (minimum) price at which the asset is to be sold must be predetermined by valuation of fair market value or the current depreciated value. The ADA Unit will determine the final reserve price.

13.4 DISPOSAL METHODS

Section 129 (2) of the FAA Act Financial Management Regulations 2011, states inter alia “*that the Financial Secretary may authorize the disposal of “obsolete” stores by any other means as he thinks fit.*” The Ministry responsible for finance therefore gives approval for the disposal of all obsolete assets using the noted methods below. The disposal process may be facilitated through an online platform, if adequate controls are put in place to properly account for and record such sale. Disposal by auction may be done by:

1. A licensed auctioneer;
2. The office responsible for disposal of government assets.

13.4.1 GUIDELINES FOR PUBLIC AUCTION

Public Auctions refer to assets being offered for sale to the general public.

- i. The auction must be open to all registered bidders including government employees, except for public officials involved in administering, organizing or managing of the auction process;
- ii. The Auction shall be advertised in Printed and Electronic Media at least two (2) weeks before the auction.
- iii. All assets to be disposed of must be valued to determine the reserved (minimum) price at which the asset should be sold (Section 13.8 provides details on the valuation).

- iv. Purchasers who are unable to or unwilling to make settlement within the stipulated time frame shall be considered as having forfeited the goods. Deposits will not be refunded, and the delinquent purchaser will be banned from the next auction or for an extended period depending on the circumstances.
- v. Items purchased must be removed from the government holding area within ten (10) days after payment. Failure to remove same within the time specified will result in such items being sold; except where proper justification can be provided for an agreed period not exceeding thirty (30) days.

13.4.2 GUIDELINES FOR CLOSED AUCTION

Closed Auctions are intended to allow government employees the first choice of purchasing an obsolete asset.

- i. The auction shall be open to Government employees who are employed for at least two (2) years;
- ii. The Auction should be advertised via printed media or publicly displayed for the staff to be aware through the Public Relations Unit/Human Resource Management Division and/or the Trade Unions or the entity's parent ministry;
- iii. In respect of Motor Vehicles, Public Officials who have benefitted from the 20% duty concession within the last three (3) years, will not be allowed to acquire a motor vehicle at the auction;
- iv. It should be clearly understood that on no account should a Public Official enter an auction to purchase a unit for anyone who would not be eligible to do so under the foregoing rules.
- v. Any Public Official who is found in breach, of (iii through iv) above, shall forfeit the purchase, notwithstanding the fact that the Officer may have already paid the sum when the breach was identified. Such an Officer may also be cited for disciplinary action to be exercised against him/her;
- vi. All assets to be disposed of must be valued to determine the reserved minimum price at which the vehicle should be sold.

13.4.3 BLIND AUCTIONS

This option requires that **sealed bids** be submitted for items being offered for sale. Items can be offered for sale via Private Treaty or Reserve Auction subject to the following conditions:

- i. Items offered for Private Treaty/Reserve Auction should be publicized (in printed or electronic media or staff email and the entity's Notice Board(s)) by an auctioneer/any other designated officer;

- ii. All Private Treaty/Reserve Auction offers must be sealed bids and submitted to the designated office/auctioneer within a stipulated period;
- iii. No other offers should be accepted after the close of the offering;
- iv. Justification for accepting bids below the reserved price, under the Reserve Auction option, must be clearly documented and submitted to the Ministry responsible for Finance. No bids should be accepted below 2% of the reserved price.

13.4.4 GENERAL RULES FOR AUCTIONS

- i. All bidders must be registered to participate in the proceedings
- ii. All items must be paid for, in full, within the prescribed period. This should be clearly communicated to the bidders in all categories stated above. The sale is considered final once all payment is received
- iii. In keeping with the FAA Act, net proceeds of the sale shall be paid into the Consolidated Fund/Principal Bank Account
- iv. Public Officials, who administer, organize or manage the sale proceedings are **not** allowed to participate in the auctions
- v. Public Officials who administer, organize or manage a Public Auction should be paid a fee *if the sale is conducted by Public Officials and not a contracted Auctioneer*. The **fee is applicable only** if the revenue collected exceeds \$3M; however, the total amount to be paid to the Public Officials must not exceed 2% of the revenue collected. Rates to be paid must be in accordance with the following bands:
 - a) The rates to be paid for revenue collected ranging from \$3M to \$5M are as follows:
 - Cryer of the auction - \$10,000 per sale
 - Cashier (each) of the auction - \$5,000 per sale
 - b) The rates to be paid for revenue collected between \$5M - \$20M are as follows:
 - Manager/supervisor of the auction - \$20,000 per sale
 - Cryer of the auction - \$15,000 per sale
 - Cashier (each) of the auction - \$10,000 per sale
 - Other justifiable support staff members to the sale proceeds - \$5,000 per sale
 - c) The rates to be paid for revenue collected above \$20M are as follows:
 - Manager/supervisor of the auction - \$30,000 per sale
 - Cryer of the auction - \$25,000 per sale
 - Cashier (each) of the auction - \$20,000 per sale
 - Other justifiable support staff members to the sale proceeds - \$15,000 per sale

This aspect of the auction will be reviewed and adjusted alongside the compensation restructure.

13.5 DISPOSAL BY MUNICIPAL CORPORATIONS

The under-mentioned procedures should apply:

- i. The municipal corporation shall submit the request to the Ministry responsible for finance inspection of assets for disposal;
- ii. The ADA Unit will conduct the physical examination of the items and report its findings with appropriate recommendations;
- iii. Municipal Corporations may conduct their own auction using similar conditions as those outlined under Section 13.3; or may request that the auction be conducted by the MoF-AMU on their behalf;
- iv. Regardless of whether the auction was conducted by the entity or the MOF, a Service Fee of five percent (5%) of the proceeds of the sales shall be remitted to the Public Expenditure Policy Coordination Division (PXPC) of this Ministry for lodgment to the Consolidated Fund. This payment represents the Service Fee for the work undertaken by the ADA Unit.
- v. Where the Municipal Corporation takes the decision to conduct its own sale by public auction, the local authority must ensure that proper controls are put in place to ensure transparency of the disposal process and therefore should be guided by the auction procedures and the recommendation(s) of the ADA Unit.
- vi. A report should be submitted to this Ministry each April detailing:
 - a) the method and process employed in the disposal of the assets for the previous year
 - b) the minutes of the meeting/ Auction Report/auctioneer's report
 - c) the description of each asset
 - d) the reserved price of each asset
 - e) the sale price of each asset
- vii. Where the entity is experiencing difficulty with the sale of the obsolete assets in a timely manner (maximum of one year), arrangements should be made with the Ministry responsible for Finance for assistance.

13.6 DISPOSAL BY PUBLIC BODIES AND EXECUTIVE AGENCIES (MODEL B AND C)

- i. Public Bodies and Executive Agencies shall adopt the following procedures in the disposal of assets:
 - a) establish an Asset Disposal Committee consisting of not less than five (5) persons to review and recommend asset for disposal;
 - b) co-opt to the Asset Disposal Committee an independent individual, external to the entity;
 - c) the number of persons for the quorum must be predetermined;
 - d) the deliberations of each meeting and decisions shall be recorded in the minutes;
- ii. All assets to be disposed of must be valued to determine the reserved (minimum) price at which the asset should be sold (Section 13.8 provides details on the valuation).
- iii. Where the method of disposal is by sale, the Board (in the case of Executive Agencies, the power resides with the CEO) shall decide whether it should be Public Auction, Closed Auction or Blind Auction. In reference to Blind Auction, the entity has the option of offering the assets first to the entity's staff, taking in to consideration the rules governing disposal to Public Officials;
- iv. The disposal proceedings must be duly recorded;
- v. Proper notation as to the assets disposed of, shall be made in the assets register and the notation shall be certified by someone other than the person with responsibility for maintaining the register;
- vi. Public Bodies – The net proceeds for the disposal of assets for Partially and Fully-funded Public Bodies shall be paid into the Consolidated Fund unless approval is granted by the Ministry responsible for finance for retention of the funds or any portion thereof. Self-financing Public Bodies may retain the proceeds from the sale;
- vii. Executive Agency (Model B and C) – In keeping with the FIEA1 assets valued at or above the prescribed limit must be disposed of by way of competitive bidding (in keeping with vi) and the amount less than the prescribed limit, as noted in the FIEA, may be sold on an uncompetitive basis.
- viii. The proceeds may be retained by the Executive Agency (Model B and C);
- ix. In cases where the entity conducted its own sale, a report should be kept on file for The Ministry responsible for finance, the auditors or any other authority to verify the transparency and prudence employed in the process. The report should detail:
 - a) the minutes of meetings/ auctioneer's reports
 - b) the methods of disposal
 - c) the description of the asset(s)

- d) the reserved price for each asset sold
- x. Where no Disposal Committee is established, the Public Body or Executive Agency shall request that the Asset Disposal Assessment Unit (ADA Unit) conducts the examination of their assets. The Public Body or Executive Agency would then be required to remit five percent (5%) of the proceeds of all related sales to the Asset Management Unit of the Ministry responsible for Finance for lodgment to the Consolidated Fund. This payment represents the Service Fee for the work undertaken by the ADA Unit.
- xi. Where the entity is experiencing difficulty with the sale of the obsolete assets in a timely manner (maximum of one year), arrangements should be made with the Asset Management Unit for assistance. In this instance, the net proceeds, less the Service fee of 5% and the Auctioneer's fee, will be surrendered to the entity.

13.7 DESTRUCTION OR DUMPING OF GOVERNMENT ASSETS

All assets to be destroyed or dumped must be done in accordance with standards established by the National Environment and Planning Agency (NEPA) and National Solid Waste Management Authority (NSWMA).

13.8 GOVERNMENT VALUATION METHOD

- Assets valuation (except Land, Building and Motor Vehicles) should be determined by the market price (based on market research for similar assets) with consideration given to age and condition of the asset at the time of sale.
- The National Land Agency is the authority on the valuation of Government Land and Buildings. The disposal/divestment of Government Land and Buildings should be guided by the Policy Framework and Procedures Manual for the Divestment of Government-Owned Lands.
- In the case of vehicles, the value as calculated by the Island Traffic Authority of Jamaica shall be based on the purchase price of the vehicle and discounted according to the age and condition of the vehicle.

ANNEX A: DOCUMENTS REFERENCED IN THIS POLICY

1. Asset Disposal Assessment Unit – Revised SOP 2016-2017 Oct -2
2. Circular No. 17 – Guidelines for the Acceptance of and Accounting for Gifts to the Government
3. Comprehensive Motor Vehicle Policy – Update Feb 2018
4. Financial Administration and Audit Act – 2012
5. Financial Instructions to Executive Agencies – April 1999 – 2009
6. FAA Financial Instructions - 2017
7. National Cultural Policy of Jamaica – December 2003
8. Public Sector Procurement Policy – November 2010
9. The Policy Framework and Procedures Manual for the Divestment of Government-Owned Lands – January 2015

ACRONYMS:

ADA	Asset Disposal Assessment Unit (ADA Unit) replaced Board of Survey (BOS)
AMU	Asset Management Unit
BOS	Board or Survey
EA	Executive Agency
EMS	Estate Management System for Lands
FIFO	First In – First Out
GoJ	Government of Jamaica
IOJ	Institute of Jamaica
JNHT	Jamaican National Heritage Trust
MDA	Ministry, Department or Agency
MoFPS	Ministry of Finance and Public Service

MOU	Memorandum of Understanding
NLA	National Land Agency
RPC	Recommended Policy Change
SOP	Standard Operation Procedures
MEGJC	Ministry of Economic Growth and Job Creation