AssetCloud
by Wasp

How To Manage Education Assets

Do you have more questions than answers about your school's fixed and digital assets?

Today's asset management technology can provide the answers you need in a way that is much easier, faster and more accurate than old-school asset tracking tools.

Here's what to look for.

Receiving a 21st century education means preparing students for a global workplace.

That means technology resources and digital assets must be incorporated in the classroom and put in the hands of teachers, administrators and students. Indeed, local communities, state organizations, and the federal government have already started deploying these critically-needed items through programs like Race to the Top grants, ESEA flexibility waivers, and the Connect-ED initiative.

That's good news for 89% and 92% of parents and principals, respectively, who rank effective technology implementation as important or extremely important.

It also creates a challenge. These programs create high expectations where results are measured through standardized assessments, graduation rates, and post-secondary admission rates. Limited budgets mean difficult choices must be made—money invested in infrastructure and devices means little is left over to manage the physical and digital assets. Further complicating the task, assets in the education sector can encompass an enormous breadth of items: buildings and the furnishings they contain; computers, smartphones, tablets and other devices; office and school supplies; physical and digital textbooks and reference materials; IT assets like software programs; and more.

Many schools and school districts – whether by using an outdated asset tracking system or lacking the manpower to work them – find themselves in a position where they can't answer even the most basic of questions about any of these assets, or they can only answer questions about a single facility rather than managing the entire district.

- What equipment/assets are on premises?
- Where are the assets located?
- What funds were used?
- Has equipment been properly maintained?
- How does current inventory compare with expected/budgeted inventory?
- Who is using the equipment?

Even if users can answer some of these questions, they might have to turn to multiple, separate, and expensive solutions to capture all of the different kinds of assets described above. Textbooks are an excellent example; many asset managers aimed at education will track almost everything except textbooks, even though these items are fundamental to schools.

The inability to answer these questions does more than cause confusion; it also creates funding risks. If schools receive either state or federal funding, they are required to account for very specific and up-to-date asset details in order to maintain their funding compliance. Providing anything less to funders puts schools at risk of losing much needed money.

For those that successfully use asset management systems, Gartner Research says they can save up to 30% on costs during their first year alone.

If you haven't looked at asset tracking solutions recently, you may be in for a pleasant surprise. Much of the functionality is now automated in a cloud-based deployment - meaning these solutions don't have to be laboriously installed and maintained by IT staff, and they are accessible from any device, anywhere and at any time. These modern systems can easily give you to up-to-minute answers to the asset management questions we noted above and greatly simplify the process as well.

This paper will describe how modern asset tracking in education can answer the functional challenges faced by school administrators, accountants and IT staff.

What's standing in the way of your school or district answering those questions? Let's take a closer look at the challenges facing you – and how to overcome them.

Challenge #1: Growing Numbers of Assets

The number of assets to track, particularly technology-related, is rapidly growing, due in part to districts purchasing devices for 1:1 initiatives (offering each student an electronic device for academic use) and online assessments.

It's key to find a solution that can incorporate not just the growing number of assets, but also the increasing types: textbooks in addition to supplies, software in addition to hardware, digital goods in addition to physical. Digital educational resources, for example, are making enormous inroads into the classroom: 81% of district technology officials indicate digital resources will start replacing print resources over the next three years. More than one in five indicates they will make a "very substantial" change to digital distribution. The move toward digital distribution will serve the more than 90% of teachers who use digital resources, according to "Education Week."

Sports equipment   Resources   Maintenance   Books   Furnishings

What assets do schools need to track?

Computers   Instruments   Software   Office equipment   Student computers

Unfortunately, out-of-date tracking methods (according to researchers at Deloitte, 54% of organizations still capture some asset data via paper format) rarely scale well. Even Excel, a mainstay among older asset tracking systems, becomes increasingly more difficult to maintain as assets multiply.

Challenge #2: Dwindling Budgets And Staffing

Meanwhile, budgets and staffing have failed to keep pace.

Seventy percent of states provide less funding per student than they did in 2008; in 28% of states, spending per student has dropped 10 percent or more The federal government isn't making up the difference, either. Funding for aid programs has fallen as well; for example, Title I funding has fallen 12% and special education funding 11%.

To overcome budgetary restrictions, coordinators are delaying the purchase of replacements or postponing maintenance up-grades. Unfortunately, these methods have the potential to negatively impact student performance or even completely disrupt student learning.

Simultaneously, staff ratios are shifting. The U.S. Bureau of Labor Statistics predicts that between 2014 and 2024, classroom size will increase, leaving each teacher responsible for more students.   Putting more responsibility on fewer staff only makes budget problems worse—especially when asking staff to manage large numbers of technology equipment.

Tighter budgets and staffing also put school districts in a difficult position of having to spend more man-hours and energy simply deciding how to allocate money. These disbursements become a game of shifting priorities, and once purchases are made, leave very little time and money to appropriately manage school and district assets.

Your time is valuable

3 mins.
That's all it takes to read about an asset management software to find out exactly what they offer.

30 mins.
Attend a live, one-on-one demo. Get all of your questions answered by an expert.

5 days
To train and bring everyone up to speed on a new asset management platform

2 weeks
Time recovered from audit process. Minimum. We may save you more.

1 month
Time recovered tracking down 1:1 and textbook issued to students.

1 year
To resolve all asset management challenges. Know exactly what you've purchased, where it is, and show evidence.

Challenge #3: Information Accuracy

Data accuracy is arguably the greatest challenge facing any school or district's financial department. If your asset records are not accurate, your balance sheet will be incorrect. Fixed asset reporting is an intrinsic part of the balance sheet, and inaccurate asset documentation implies there is an issue with overall validity. Yet a lack of adequate controls and validation in most solutions (including Excel) means that either complex calculations must be manually created and maintained, or that the users will simply suffer a certain error rate.

The cost of error is high. For example, assets that exist on the books but have actually been used or lost – ghost assets – can force organizations to overpay on taxes, insurance and other fees by thousands of dollars. Conversely, duplicating assets means spending on new goods that are not needed – and then also paying the appropriate taxes, insurance and fees on those excess assets.

The easy answer is to update the asset tracking technology you use; it can decrease the time required to manage assets, save money, and reduce errors.

But what functionality should your solution offer? We'll explore that question next.

Asset tracking solutions can greatly vary in the information they manage. Here are the questions your system should be able to answer for your school or district.

Where are the assets?

Can you find each and every asset whenever needed?

This is basic, minimum-required functionality. Items should be assigned an identifier (like a barcode) when received and added to the asset tracking system. Then, every time the item is moved to a new physical location (be it an office, classroom, or library), the barcode can be scanned to record the movement.

Though simple, this functionality alone can spare school districts enormous costs.

Beyond barcoding individual items, the system should also be able to track lower-dollar assets – those that don't need to be serialized or barcoded – in aggregate. For instance, one school might have 500 desks or chairs, totaling $X. It may not be cost-effective to track those items individually, but the school district doesn't want to lose sight of them, either. Having a modern "multi-quantity" feature makes it cost-effective to keep track of these assets again: they can simply query the system to locate groups of related assets.

In the same vein, the same system should be able to track the location of multiple kinds of assets, including IT assets, high-dollar items like laptops or vehicles, low-dollar items, and other assets like textbooks.

"Being able to accurately account for the equipment eliminates having to repurchase equipment that has been lost or misplaced," says Erskine Vanderbilt, a campus network specialist at West Briar Middle School in Houston, Texas. "The replacement money comes from the school's funds. There are much better things we can use the money for than replacing technology we own but can't find."

Who is using the assets?

Can you identify the party responsible for the asset?

Accountability is a core issue in asset management; only by tracking assets can school districts identify red flags that might prevent lost or broken equipment or even fraudulent activity. Government regulations, particularly for assets acquired using federal or state funds, also demand a certain standard of accountability, the ability to see who is using what assets at what location and what other assets are available for use. Ideally, the user – either students or staff – moving or checking out the asset should also be noted on the record. That creates an audit trail and ensures accountability for the asset. Plus, not only will the school always know the asset location, you'll also know who has it.

With an assigned date of return, the asset tracking system should then generate an automated email alert to both the system user and the individual with the item. Simply check it in when it's returned.

Education
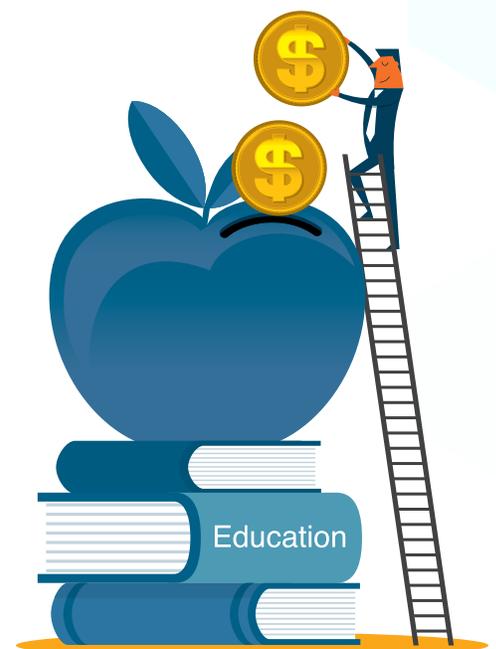
What funds were used to purchase assets?

Can you verify that funds are being spent properly?

Your asset monitoring solution should be able to track all asset purchasing details: purchase order number, funding source, cost, purchase date, and depreciation method.

This is somewhat more advanced functionality than just check-out/check-in, but it's no less critical.

 "It is a big deal to make sure grant dollars are being spent properly," says Jason Garrison of Oklahoma's Miami Public Schools. "(For example), if something is purchased with special education dollars, it has to physically stay in the special education department."

Many funding sources (e.g., Title I) bear legal requirements, and school districts need to be able to produce specific auditable data – like purchase date, vendor, location – upon request. A modern system should be able to produce a complete profile of applicable assets instantly.

To that end, your tracking solution must be able to generate alerts or notifications when someone tries to move an asset out of an approved area. To help your finance department, you should also easily be able to create custom funding sources to separate all awarded amounts and always know the exact total spent and current remaining funds.

Have the assets been properly maintained?

Can you keep assets in good working order and track the total cost of ownership?

According to Deloitte, the gradual deterioration and aging of assets are the top risks associated with owning and operating assets, with nearly two-thirds (62%) of organizations citing it.

By tracking completed maintenance (whether scheduled or unscheduled,) you take advantage of any warranties or service agreements included with the item purchased.

This is another area where finance benefits - knowing the amount of money used to maintain and repair your assets provides historical data needed to determine future budgetary needs as well as total cost of ownership.

For users, IT, and facilities' staff, the system should be used to schedule routine maintenance, such as bulb replacements, computer re-imaging, inspections, or oil changes. It should also record unscheduled maintenance. Further, the system should record when the assigned task is completed or generate an email alert if maintenance isn't recorded by the due date.

Does use of the assets meet regulations?

Is disposition of the asset in compliance?

Each school district should be able to audit itself easily to determine what assets it possesses, where they're located, where they
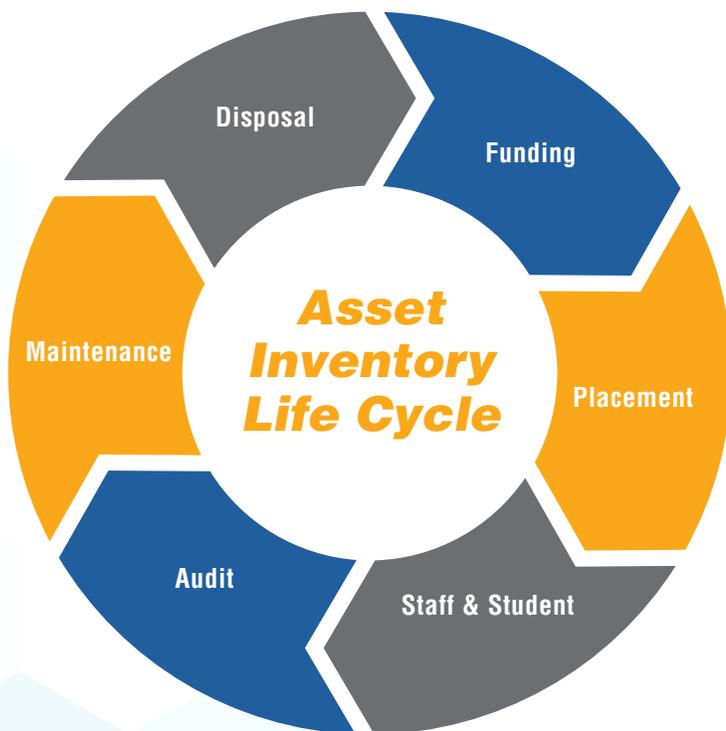
came from, etc. Further, users should be able to track the progress of the audit over time: they might designate a certain time period as the audit window for a given school, and they can then track the progress of the audit – 5%, 10%, etc. – over the course of that time period.

Or, to simplify audits altogether, the system might be set up to designate an asset as "audited" any time a pre-determined action is performed on it, e.g., check-in.

Using the kinds of data points detailed above, the asset tracking system should be able to perform annual audits to verify asset details, such as location, departmental use, check-out/check-in status, and current condition.

Automating this process can have a major impact. After instituting their system, Miami Public Schools managed to reduce district-wide audit time from 480 hours to just 36, a 93% decrease. They also virtually eliminated asset loss. That's on top of the relief of escaping any danger of losing funds or being forced to repay money already spent due to non-compliance with funding source guidelines or other regulatory requirements.

How is asset disposal handled?

Are asset procedures followed for each asset's lifecycle?

Tracking assets is a significant responsibility for any school or district. Detailed information about purchase, maintenance, and physical disposition of assets is required for state and federal grant compliance.

Asset disposal should be handled in a timely and responsible fashion. While it may seem difficult to properly dispose of a physical asset, it can be equally dangerous to have non-functioning equipment in storage or simply sitting around your school. A better solution is to assess your physical assets on a regular basis and properly and expediently dispose of obsolete equipment. After disposal, you will still have a full transactional record of the asset's lifecycle.

How does current inventory compare with expected/budgeted inventory?

How accurate is your data?

94%
error rate for spreadsheets

A spreadsheet with just 1,000 data cells could have anywhere from 12 to 25 errors.
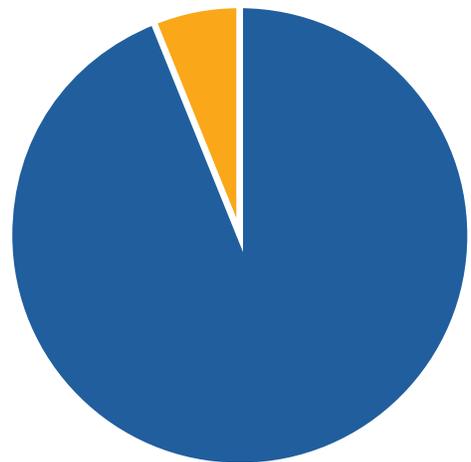
How accurate is your asset tracking data?

If your school's asset listing is considerably different than what is detailed (either in a software program or on paper reports), there is a significant problem with the process of managing your assets. The old ways of tracking, such as using manually-maintained spreadsheets, simply fall short.

According to a 2015 study, an average of 94% of spreadsheets contains errors, with error rates ranging from 1.2% to 2.5%.

Those might seem like small percentages, but consider this classic cautionary tale: a single Excel error caused the University of Toledo to believe it had an EXTRA $2.4 million in expected revenue, which they included in their next proposed budget.

Educational institutions are required to keep accurate reports for a variety of reasons and all need to classify and track asset details by funding source or grant. Incorrect reporting can potentially result in schools losing important funding, or being forced to repay already disbursed funds.

The bottom-line: An asset management system should allow users the ability to detail and retrieve relevant asset data whenever needed.

Regardless of funding source, purchased equipment should be tracked from initial receipt to eventual disposal—the asset's traceable lifecycle. Unfortunately, many schools and districts continue to use tracking methods that are dated, cumbersome, or simplistic add-on modules to a library-inventory program. Some methods include only budget requests and purchase orders, while others consist only of purchase records.

As a result of poor (or non-existent) procedures, it can be a significant challenge for schools to identify when items are broken, lost, replaced, or stolen. They struggle to answer the basic asset management questions we raised earlier in this document. Obsolete methods leave an already stretched staff following a labor-intensive process that is ultimately difficult to reconcile and nearly impossible to demonstrate audit compliance.

By its very nature, asset tracking is a never-ending process, but selecting a system that is easy-to-implement and use guarantees continued use by the staff and ensures data accuracy and integrity.

- Modern solutions are built specifically with the end-user in mind.
- They provide all of your school or district's needed functionality through intuitive design that includes mobile access.
- You can access it whenever and wherever by simply purchasing a device license, downloading the app, and then completing common management tasks, such as asset creation, check-in and out, disposal, and audit.

Schools that have transitioned to an automated asset management system have found that the unique challenges they face – money, compliance, and time – are easily overcome and the long-term benefits have significant impact on staff and students.

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