

ASSET SERVICES
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FIRM ENABLES RAPID DISASTER RECOVERY

Summary – Fixed asset management helped school rebuild quickly.

KANSAS CITY (June 1, 2011) The morning of February 3, 2011 at 6:00 a.m., emergency vehicles responded to a fire alarm at the Olathe Public School District in Olathe, KS. The fire was in the Green Springs Elementary School building. The blaze was contained and confined to a few classrooms and offices. Smoke damage was extensive and the preliminary investigation indicated the possibility of arson, probably to cover theft.

Before 9:30 that same morning, while the ashes were still smoldering and investigators were sifting through the rubble, Enterprise Asset Services, Inc. (Asset Services) emailed an inventory report to the Olathe Public Schools District Office. The report listed all fixed assets in the building, the probable contents of each room, the identification bar code for each item and its current estimated valuation. This report became the primary list that the school district used in cross-checking the inventory in the affected areas.

Asset Services is a Kansas City based provider of fixed asset inventory service solutions. The firm had completed a wall to wall physical inventory of Green Springs Elementary's fixed assets three weeks prior to the fire. Their services included counts of capital equipment and physical audits of existing assets in each building.

"I heard a report of the fire on the radio during my commute that morning," said Tim Michener, Manager of Business Development of Asset Services. "As soon as we got to the office we ran reports for that building and immediately emailed them to the Olathe Public Schools Education Center. "

One reason that school districts and other educational entities contract with Asset Services and other fixed asset inventory management providers is to compile an accurate inventory of capital equipment. With tax revenues trending down, inventory lists are increasingly used for lifecycle budgeting and other, more efficient financial practices. Inventory reports are also useful for disaster planning, although claims for such plans are relatively rare.

During the physical inventory process, Asset Services applies a barcode to every piece of capital equipment. The inventory barcode complies with GASB 34 (Government Accounting Standards Board, Statement 34) a regulation requiring listings of capital equipment. The coding includes the location of the item by building, department, room, a description, the model number, name of the manufacturer, the serial number and physical condition. These barcodes were used to confirm the inventory after the fire.

Merle Hastert, Director of Business Services for Olathe Public Schools, said, "Asset Services was in the process of a district-wide inventory at the time of the blaze. Their report, delivered just hours after the fire was discovered, was invaluable. I used the report to determine what had been stolen and to inventory the damaged and recoverable equipment in the building. I referred to it for verification of the items in the affected offices and classrooms. It saved us weeks of research and paper work."

Another feature of the fixed asset inventory that played a role in the Olathe fire was that the Asset Services report provided a third party valuation. In most instances, the valuations can be used as a basis for determining replacement costs. In the case of the fire, the figures were provided to the insurance company and were used in the insurance valuation process.

"Because of our experience in valuation of school equipment, the insurance company not only had an inventory list to work with, they had very precise valuations for the stolen and damaged property," said Michener. "When there were questions, we were able to explain our methods and the valuation we gave a particular item."

Green Springs Elementary School had to be partially closed for extensive repairs and construction. The rebuilding process is nearing completion. "The inventory report has been used throughout the restoration," said Hastert. "I've used it to double-check the counts and claims of the various providers who have been in the building. The fixed asset management services provided by Asset Services simplified our internal reconciliation. Their report numbers were an extremely accurate tool for reimbursements from the insurance company."

Prior to the time the school reopens, Asset Services has a few more tasks to complete. "Before the file is closed on the fire, we will go through the building and physically re-inventory the equipment," said Michener. "We will barcode the replacement purchases. We will make certain that everything that is supposed to be there is there. And we will add the new equipment to the valuation."

Green Springs Elementary School is set to reopen for classes in the fall of this year.

About Enterprise Asset Services, Inc.

Asset Services, Inc. (www.AssetServices.com) is a national and international provider of fixed asset inventory management solutions. Services include physical inventories of fixed assets, counts of personal property and capital equipment, physical audits of existing assets, and solutions for maintaining fixed asset inventories. Fixed asset inventory solutions are provided to help organizations comply with accounting and grant regulations and requirements, assist in capital budgeting, reduce taxes, ensure appropriate insurance coverage, develop disaster recovery documentation, and effectively manage existing fixed assets. An SBA Small Business based in Kansas City, Asset Services has performed inventories in 38 states and 23 countries.

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For more information or to schedule an interview, please call Tim Michener 913-383-2738 or email info@assetservices.com

PHOTOGRAPHS OF FIRE DAMAGE TO GREEN SPRINGS ELEMENTARY SCHOOL

