



**Asset Management
Guidelines and Procedures**

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1.0 Introduction

Miami University is a public institution and, therefore, subject to public scrutiny and held accountable to be a good steward of resources and conduct business in an appropriate manner. It is important that a policy for asset management be established to help address these requirements. Miami is required to account for capital assets in accordance with state and federal regulations to ensure that these assets are monitored and used appropriately and in a manner that is within federal and state regulations as well as university policies and requirements.

Fiscal responsibility and stewardship of capital and non-capital assets requires cooperation, communication and accountability within each unit (division/department). This includes effective communication for asset acquisition, movement and disposition. The Office of Plant Funds within the Office of the Controller in partnership with the Office of Internal Audit and Consulting Services are responsible for supporting units with tracking and maintaining an accurate permanent and detailed record of capital assets.

1.1 Purpose

The purpose of the Asset Management Policy and Procedures is to:

- Provide guidance and clear instruction on how to appropriately document, maintain, account for, and protect capital assets and non-capital assets in accordance with state and federal regulations;
- Support University and sponsor-owned property and help to ensure that this property is being used appropriately and to the fullest and most reasonable extent possible by the university;
- Support the disposal of property in a fair, safe, and economical manner;
- Provide clear instruction for the appropriate disposal of capital assets.

1.2 Scope

This manual applies to all capital assets tracked in Banner as well as non-capital assets tracked within the organizational unit.

Banner is the official university record for capital asset inventories, including value and accumulated depreciation for capitalized assets. A system of thorough and timely communication among all parties, including the unit, the Office of Plant Funds and Internal Audit and Consulting Services, is imperative for accurate accountability of these assets.

1.3 Stewardship Responsibility

- a. Organizational units hold stewardship responsibility of all university assets under their control, including non-capital assets not tracked within Banner. This responsibility includes, but it not limited to:
 - Basic safeguarding and physical security of the assets
 - Complying with university, state, and federal requirements
 - Proper maintenance to ensure that assets are in good working condition
 - Establishing and applying appropriate safety measures to use assets safely and properly
 - Ensuring appropriate insurance coverage, as required, by sponsored project agreements

- b. Unit Point of Contact is responsible for (or coordinates these responsibilities with other responsible parties within the unit), but not limited to, the following:
 - Maintaining accurate capital and non-capital asset equipment
 - Reviewing and distributing the annual physical inventory of all capital equipment
 - Coordinating communication with the Unit, Office of Plant Funds, and Internal Audit and Consulting Services regarding asset management.
 - Providing submitting necessary paperwork to the Office of Plant funds for changes related to capital equipment
 - Ensuring that the new capital assets are correctly tagged within the allowable timeframe.

The Unit Point of Contact will need to have access to all capital and non-capital equipment records, including requisitions, purchase orders, invoices, etc.

2.0 Terminology

Term	Definition
Audit	A check to ensure that financial records agree with the inventory records and physical inventory count. This is often based on a random sample of assts. Audits confirm quantity, quality and condition of the asset.
Temporary Tag Number	Identification number generated by Banner that is assigned to each trackable asset. This is also referred to as a Temporary Asset Tag.
Moveable Capital Asset	<p>A piece of equipment with a useful life of one year or greater and has a cost of \$5,000 or more. Also included are the costs of in transit insurance, freight, and installation. All capital moveable assets meeting this definition must be tracked.</p> <p>Some granting agencies may require capital assets below the standard threshold to be capitalized and trackable.</p>
Non-Capital Moveable Asset	Assets with a cost or market value of less than \$5,000. The unit may determine that it is appropriate to track outside of Banner by the acquiring unit or, if the asset was purchased with funding from an outside sponsor, the sponsor may require that the asset be assigned an asset tag and be tracked within the Banner system.
Office of Sponsored Programs (OSP)	Assets purchased from funds granted to the university by government or other granting entities not considered university property. OSP tag types include government owned, OSP-owned, sponsor-owned, or state-owned property. These tags are provided by the OSP entity.
Pcard	Bank issued credit card that serves as the university procurement card.
Permanent Asset Tag	The tag number that includes the inventory control number and is placed on all trackable assets.
Physical Inventory	Verification by the acquiring unit of the existence, condition and location of all moveable capital assets that have been purchased or controlled by the unit. A report of these assets is provided by the Office of Plant Funds.
Surplus Property	Assets no longer needed or actively used by the acquiring unit, technically or mechanically obsolete, no longer functional, or has no intrinsic value.
Trackable Asset	All capital assets, high-risk assets, and some non-capital assets bearing an asset tag provided by the Office of Plant Funds or OSP.
Unit	Officially recognized administrative structures of the university, such as campuses, colleges, schools, divisions, departments, offices, institutes and centers.



Unit Leader	Head of the unit (e.g. dean, senior VP, etc.).
Unit Point of Contact	Individual assigned by the unit leadership responsible for managing or coordinating the management of all unit assets.

3.0 Acquisition

All university property must be purchased in accordance with applicable university policies, including but not limited to [Purchasing Policy](#).

3.1 Capital Asset Account Codes

When purchasing capital assets, one of the following account codes should be used:

Account Code	Title
185101	Classroom/Lab/Medical Eqpt-Capital
185102	Computers/Peripherals - Capital
185103	Office Equipment - Capital
185104	Furniture & Furnishings - Capital
185105	Telephone & Comm Equip - Capital
185106	Food Service Equipment - Capital
185107	Maint Tools & Equipment - Capital
185108	Vehicles/Airplanes
185199	Other Capital Equipment
185201	Software - Capital
185301	Lease/Purchase Pmts - Capital Equip
185401	Fixed Capital Equip - Additional
185402	Fixed Capital Equip - Replacement

3.2 Purchasing Methods

Capital assets are not allowable pcard purchases. Capital assets must be purchased through the Buyway procurement system.

3.3 Capital Asset Donation/Gift

Acceptance of any gift-in-kind must be coordinated with University Advancement. University Advancement will then report these gifts to the Office of Plant Funds on a quarterly basis.



3.4 Transferred Sponsored Asset to/from Miami

Any assets funded by an OSP source may be transferred to or from Miami to or from another university with the approval from the Unit Leader. These transfers must be reported to the Office of Plant Funds immediately upon transfer.

3.5 Found Asset – Previously Lost or Stolen

Any asset found that was previously recorded as lost or stolen must be reported to the Miami University Police at 513-529-2222 (24 Hours Non-Emergency) and the Office of Plant Funds on the Disposition of Capital Equipment form.

3.6 Completed Asset Under Construction

Items associated with the acquisition and installation of capital equipment, irrespective of cost, which are acquired for the purpose of assembling or constructing a finished product that will be valued at \$5,000 or greater should be capitalized. These items are physically connected and are essential for enhancements to the capital equipment. An example of a system would be a computer system which includes the computer, monitor and keyboard. They can be purchased separately but rely on each other to work. In order to be considered a system, all items must be purchased within 30 days of the original associate purchase order.

Also included in the value of an asset is the freight, installation, accessories, labor, software, etc. which enables that capital asset to work.

4.0 Asset Tracking

4.1 Capital Asset Identification

Upon delivery and/or installation, all capital assets are assigned a temporary asset tag generated through Banner. This temporary tag is for internal use only by the Office of Plant Funds. The temporary tag will ultimately be replaced with a permanent asset tag and shared with the Unit Point of Contact.

a. The Office of Plant Funds

1. Each week a report will be run through a process in Banner that generates a unique temporary asset tag for each item charged to a capital assets account code (185 prefix). This report includes the invoice and purchase order number, commodity description, extended cost of the item, and temporary asset tag.
2. A Capital Equipment Identification form will also be partially completed with the information reported as described in the step that follows. There will be fields left blank on the form that need to be completed by the acquiring unit.
3. A copy of the purchase order, invoice, asset tag, and partially completed Capital Equipment Identification form will be sent through campus mail to the Unit Point of Contact with a request to coordinate the tagging of the equipment and complete the remaining fields on the Capital Equipment Identification form. The request will include a due date for the completed information to be returned to the Office of Plant Funds.

b. Unit Point of Contact or Unit Designee

1. The Unit Point of Contact will receive the permanent asset tag(s) along with the purchase order, invoice copy and partially completed form for the asset(s) to be tagged.
2. The Unit Point of Contact or their designee will locate the capital asset(s) that are listed on the purchase order or invoice copy provided. The asset tag is affixed near the manufacturing ID plate on the front right corner (upper or lower) or in a place appropriately visible for auditing purposes with consideration to the function of the asset.
3. In the instance when the Unit designee cannot tag the asset due to the size, location, etc. of the asset, the asset tag is to remain attached to the copy of the purchase order received with the tag and a comment is made on the Capital Equipment Identification form that explains why the tag could not be affixed. The tag will then remain on file with the purchase order in the Office of Plant Funds.
4. The temporary tag number is written on the purchase order copy with the corresponding piece of equipment. If more than one asset has been purchased on the same purchase order, an additional form will be added so that all assets and bar codes are listed. The additional form will be provided by the Office of Plant Funds and will be attached to the purchase order documentation.
5. When a Unit is building an asset, the Office of Plant Funds should be notified of the occurrence prior to the first requisition being submitted. The purchases for this asset will be tracked by the FOAPAL string, so it is imperative that the Office of Plant Funds be involved prior to purchasing materials. The Office of Plant Funds will track the smaller purchases. Once the build is complete, the

Office of Plant Funds will send out a permanent asset tag to be placed on the equipment that has been constructed.

6. The following is recorded on the Capital Equipment Identification form:
 - Product manufacturer
 - Product serial number
 - Product model number
 - Asset location, building and room number, of where the asset is located.
 - Date tagged and the name of the person that tagged the asset.
7. The purchase order copy, Capital Equipment Identification form, and any unused tags are to be returned to the Office of Plant Funds through campus mail within five business days of receiving the asset notification. The Office of Plant Funds is aware that there may be special circumstances where this turnaround date cannot be met. Under these circumstances, the Unit Point of Contact should email the Office of Plant Funds to request an extension.

- c. Upon receipt of the completed, documentation from the unit designee, the Office of Plant Funds will take the following steps:
 1. Review the documents returned and if needed reach out the Unit Point of Contact to answer any questions or clear up any loose ends.
 2. Convert the temporary tag to the permanent tag in Banner. Also, if the asset tag needs to be adjusted up or down this will be done at this time.
 3. Once the permanent tag has been entered into Banner the asset will need to be entered for depreciation.
 4. The asset will be entered into the Capital Asset excel worksheet for reconciliation purposes.

4.2 Capital vs. Non-Capital Asset Tracking *

a. Capital Asset Tracking

All personal property (tangible personal property, such as furniture, lab fixtures, office equipment, computer hardware, audio/visual equipment, medical/lab/scientific equipment, vehicles, and intangible personal property such as software) with a unit cost or market value of \$5,000 or more and having a probable useful life in excess of one year must be tracked in Banner. The threshold for capitalizing software is \$100,000 for purchased software and \$500,000 for internally developed software.

Some granting agencies may require assets to be tracked in Banner for assets valued at less than \$5,000 or assets not titled to Miami University but used in



association with a specific grant or contract. Please consult specific granting agency guidelines or check with the grant administrator.

All real property, including land, land improvements, buildings, assets under construction, infrastructure, and building equipment such as lab fixtures, with a unit cost or market value of \$100,000 or more must be tracked in Banner.

b. Non-Capital Asset Tracking

Tracking assets with a unit cost or less than \$5,000 are required to be tracked within the unit. These items include, but are not limited to:

- Digital media (including and not limited to digital cameras and televisions)
- Items that hold institutional data (including but not limited to computer, phones, smart TV's and tablets).
- Items that are to be secured and may pose a safety or environmental risk. (including but not limited to testing samples, chemical storage containers, etc.);
- Items used off-campus (including but not limited to laptops, phones, and tablets);
- Other assets determined by the unit or university to be high-risk for theft.

*Assets acquired, fabricated or government furnished under a grant or contract must comply with all contractual obligations set forth by the sponsor, including but not limited to establishing an asset record.

5.0 Audits and Physical Counts of Trackable Assets

5.1 Audits

The Office of Internal Audit and Consulting Services will perform periodic audits to help ensure departments are complying with the University's Asset Management Guidelines and Procedures.

5.2 Physical Inventory

The Office of Plant Funds will initiate an annual physical inventory of all capital equipment.

a. Process:

1. The Office of Plant Funds will prepare a list of all capital equipment by unit and by department within each unit. This list will be distributed to the Unit



Point of Contact who will then coordinate the physical counting of the capital equipment.

2. The unit will conduct the physical inventory and report the results on the forms provided by the deadline established by the Office of Plant Funds.
3. Units will be asked to identify any location changes and disposition details for any equipment not found during the physical inventory. Physical inventory must include verification of the existence, condition and location of all moveable capital equipment.
4. The Office of Plant Funds will update the Banner records with counts and location changes based on the reports from the units.

6.0 Asset Disposition

Organizational units must obtain approval from the unit leader prior to the actual disposition of an asset. Any approved disposition of capital assets will then need to be communicated to the Office of Plant Funds on the Disposition of Capital Equipment form.

6.1 Surplus

The procedures for disposing of a capital asset are as follows:

- a. Any unit that has items that are considered surplus equipment should contact the Campbell Auction Team by email at campbellauction@aol.com for pick-up. The pick-ups will be scheduled for the 2nd Tuesday of each month, provided they are notified by the 1st Tuesday of the month. The regionals will be picked up by arrangement with the Campbell's Auction Team.
- b. Any computer or IT equipment will need to be recycled through the IT department. This will include desktop computers, laptops, printers or any device that contains a memory chip. Please contact your Technical Service Representative (TSR) in your department unit to schedule the storage and pick-up of the equipment.

- c. Any approved disposal of a capital asset can be disposed of in one of the following ways:

Disposal Code	Disposition Description
01	Auction/Documented
02	Auction/Not Documented
03	Trade-in
04	Cannibalized
05	Stolen/Police Report
06	Stolen/No Police Report
07	Lost/No Explanation
08	Installed and/or software
09	Sold to Outside
10	Returned to Company
11	Thrown Away
12	Recalled in Error
13	Errors
14	Grant
15	Destroyed Fire/Wreck/Water Damage
16	Tagged in Error
17	Given to Student Organization
18	Sent for Recycling
19	Under Threshold
20	Taken with Professor-University Approval

- d. All equipment must be disposed by the Campbell Auction Team unless otherwise approved by the Vice President of Finance and Business Services. All proceeds received from the surplus auction, with the exception of vehicles, will be returned to the general Education and General (E&G) fund.

Please remember that when disposing of any Capital equipment, you must submit a Disposition of Capital Equipment form to the Office of Plant Funds stating the asset tag number, serial number and a brief description. If you have any questions or concerns, please email plantfunds@miamioh.edu or call Ravenna Brown at 9-1645.

6.2 Vandalized or Stolen

The Miami University Police should be notified at 513-529-2222 (24 Hours Non-Emergency) of any vandalized or stolen assets. In addition, please also notify the Office of Plant Funds at plantfunds@miamioh.edu. In addition, any assets that are



found that were previously reported as stolen should be reported to Miami University Police and the Office of Plant Funds.

6.3 Vehicles

All licensed vehicle disposals will be coordinated through the Office of Strategic Procurement. The Office of Plant Funds must also be notified by submitting the Disposition of Capital Equipment form.

6.4 Trade-In's

Notify the Office of Plant Funds by submitting the Disposition of Capital Equipment form.

6.5 Equipment Taken Off Campus

Complete a [Property Pass](#) for any equipment taken off campus. It is the responsibility of the unit to maintain a copy of the property pass on file within the unit. The property pass must be available for Inventory Control's review when auditing equipment.

7.0 Federally Funded or Federally Owned Equipment Standards

Federally Funded or Owned Capital Equipment

Federally purchased equipment is any equipment purchased with federal funds, including pass-through to the University. Equipment can be Federally Titled or Conditionally Titled with the University.

7.1 Federally Titled

Federally titled equipment (government property) is any equipment furnished to the university by the federal government, or equipment acquired or fabricated using funds from a federal sponsored project or contract where the agreement specifies that the title to the equipment remains with the government.

7.2 Conditionally Titled

Conditionally titled equipment are items that were purchased on federally sponsored projects where the title conditionally vests with the University. In general, sponsored projects identify the title to equipment in the terms of the agreement while sponsored contracts retain federal ownership for all equipment with a cost of over \$5,000.

7.3 Requirements

The university is required to maintain a system to control, protect, preserve, and maintain control over federally titled and conditionally titled property. The Asset Management (PSAM) system, General Ledger, inventory procedures, and surplus property procedures provide these controls, and government equipment is subject to all university Property Management guidelines, policies, and procedures. However, there are additional requirements for government property:

7.4 All Equipment

Requirements for all equipment purchased with federal funds, **whether federally Titled or Conditionally Titled** with the University.

- Identification of federally titled and conditionally titled property in PSAM.
- Conducting annual inventory.
- Ensuring that the equipment is used for award purposes until the award ends or the equipment is no longer needed.
- Ensuring that equipment purchased with federal funds is made available for use on other federally funded programs.
- Ensuring that adequate records are retained, including:
 - Asset descriptions
 - Asset serial or identification numbers
 - Asset source of funding
 - Title holder
 - Acquisition data
 - Asset cost
 - Percentage of federal participation
 - Asset location
 - Asset use
 - Asset condition
 - Asset disposition data
- Ensuring that disposals are conducted in accordance with federal requirements.

- Federally Titled Equipment
- Requirements specific to **Federally Titled Items only**:
 - Identification of the Government Identification/Tag or National Stock number in PSAM.
 - Identification of the Federal Supply Code or Federal Supply Classification in PSAM.
 - Identification of the Federal Award Identification Number (FAIN) in PSAM.
 - Marking government property as such.
 - Annual reporting on government property.

8.0 Roles and Responsibilities

Responsible Party	Area of Responsibility
Plant Funds	<ul style="list-style-type: none"> • Maintains assets module in Banner, reviewing for accurate postings of capital asset transactions. • Provides organizational units with inventory tags to affix to assets and paperwork for units to complete and return to Plant Funds. • Reviews and approves asset acquisition (Buyway) and disposition requests (special form). • Processes asset accounting entries. • Prepares annual financial statement data for capital assets. • Prepare and distribute a list annually of all capital assets and communicate list to appropriate unit to complete a full physical inventory.
Internal Audit and Consulting Services	<ul style="list-style-type: none"> • Performs periodic audits to help ensure departments are complying with the University's Asset Management Guidelines and Procedures.
Organizational Units (Responsibilities must be assigned by Unit Head)	<ul style="list-style-type: none"> • Exercise stewardship responsibilities over all assets assigned to unit. • Report any capital assets location changes using the Change in Equipment Location Form. • Create asset master record of all non-capital assets. • Apply inventory tags to assets and complete required forms immediately upon the receipt of the tags and forms from Plant Funds.

	<ul style="list-style-type: none"> • Complete the Property Pass Form for any equipment taken off campus. A copy of this pass must be kept on file with the unit and available for Inventory Control's review when auditing equipment. • Contact the Campbell Auction Team (campbellauction@aol.com) for pickup of any items that are considered surplus equipment. Any computer or IT equipment will need to be recycled through the IT department. IT equipment includes desktop computers, laptops, printers, or any device that contains a memory chip. • Submit a Disposition of Capital Equipment form to the Office of Plant Funds immediately upon removal of equipment by the Campbell Auction Team. • Coordinate any licensed vehicle disposals through the Office of Strategic Procurement and notify the Office of Plant Funds by submitting the Disposition of Capital Equipment form. • Notify Office of the Controller of any asset ownership (title) changes needed for vehicles and General Counsel for all other title changes of university property. In addition, the Office of Plant Funds must also be notified on both counts. • Conduct a physical inventory based on the list and forms provided by Plant Funds. Physical inventory must include verification of the existence, condition and location of all moveable capital assets. Results of the physical audit should be reported to Office of Plant Funds on the forms provided by the required deadline.
Campbell Auction Team campbellauction@aol.com	<ul style="list-style-type: none"> • Upon notification from the appropriate Miami personnel, responsible for pick-up and auction of surplus items.

9.0 Depreciation

Equipment is depreciated on a straight-line method of depreciation. Depending on the type of asset (see 10.0 below), the equipment is depreciated over 5-7 years.

10.0 Asset Classes and Useful Lives

Asset Class/Description	Useful Life in Years
Airplanes	5
Autos	5
Buildings	50
Data Handling Equipment	5
Improvements to Buildings	20
Information Systems	5
Land Improvements and Infrastructure	25
Library Books	25
Office Furniture, Fixtures and Equipment, including copiers	7

11.0 Forms Library

The following forms will be available at [Capital Assets](#) on the General Accounting website:

- Change in Equipment Location
- Disposition of Capital Equipment
- Property Pass

The Capital Equipment Identification form will be provided via campus mail by the Office of Plant Funds and included with the permanent tags, purchase order, invoice, etc. See 4.1 a 3.

12.0 Contact Information

- Campbells Auction (campbellauction@aol.com)
 - Surplus
- Grants and Contracts (grantsandcontracts@miamioh.edu)
 - Federally Funded or Federally Owned Equipment Standards
- Internal Audit and Consulting Services (iacs@miamioh.edu)
 - Audit
- MU Police (police@miamioh.edu 513-529-2222 24 Hours-Non-Emergency)
 - Stolen or vandalized assets
- Office of Plant Funds (plantfunds@miamioh.edu)
 - Asset Tags
 - Physical Inventory
- Purchasing [Office of Strategic Procurement](#)
 - Acquisition