



Policy Title: CAPITAL ASSET CONTROL AND DISPOSAL POLICY

Date Established: May 1, 2004

Office with Administrative Responsibility: Finance Department

Approver: Associate Vice-President, Finance

Revision Date(s): February 10, 2021

Purpose

1. To implement control procedures in order to safeguard University assets.
2. To ensure that University departments are accountable for all assets purchased.
3. To maintain a central record of all assets, and to ensure that all capital assets are accurately and completely recorded in a Capital Asset system
4. To implement standard procedures for the disposal of University property.

Application and Scope

The policy is applicable for all land, buildings, furnishings and equipment (“assets”) to which the University of Windsor holds title. The accountability for the care and custody of assets rests with the department authorizing the purchase of the asset. There is no materiality constraint applied to this accountability framework.

Assets purchased under research grants or contracts become the property of the University, unless otherwise specified in the terms of the grants or contracts. The grantees are accountable for the care and custody of these assets. In the event that the grantee is no longer an employee of the University, the responsibility for the asset reverts to the respective Department Head.

The Finance Department is responsible for the administration of the Capital Asset Control policy and the supporting Capital Asset system.

Exceptions to Policy

Responsibility for equipment not purchased through the University of Windsor rests with the University to the extent that it has explicitly agreed to accept responsibility under a contractual arrangement. The policy does not apply to assets purchased as inventory for re-sale, or to consumable supplies valued at less than \$5,000 (for example, paper/pens or ink cartridges).

Policy Statement

Departments are required to follow the Purchasing Policy set out by Purchasing Services for the purchase

of all assets.

Equipment, including purchased, fabricated by or donated to the University, with a cost in excess of \$5,000 will be recorded in the Capital Asset system.

To safeguard movable assets, the Finance Department may include other items in the capital asset ledger, for example lab equipment and tools, etc., that are less than the above limit. This will facilitate tracking in the event of lost or stolen property.

Roles and Responsibilities

Department Heads and Grantees Charged with Asset Custody

Department Heads are required to validate that all assets for which they are accountable for are physically present or that appropriate documentation exists for any asset that is off campus or had been deemed obsolete during the year. Department Heads are responsible for ensuring that appropriate hand-off of assets is completed when an employee departs from the University.

In the case of portable items, such as cameras and laptop computers, Department Heads should provide a secure location for storage when they are not in use.

In order to protect University property and to provide adequate insurance coverage, assets that are being used off campus by staff and faculty should be approved by the Department Head, or responsible grantee. If any item is going to be used off-campus for a duration of six months or longer, an off-campus Capital Asset Location log must be maintained by the Department Head.

To the extent that an asset with a value of over \$5,000 has been disposed of or damaged beyond repair, Department Heads are responsible for informing the Finance Department. Any stolen or lost property should be reported by the Department Head or Grantee to Campus Police immediately.

The Finance Department (Procurement Services) must be notified of any intention to sell any asset before the transaction occurs. This will ensure that maximum benefit is derived from University assets which are considered of no further use to the present responsible department, by optional use internally, trade-in on new purchase, or sale to outside parties. The net proceeds from asset disposals will be credited to the responsible department.

Finance Department

The Finance Department will review purchases to determine which purchases will be recorded in the Capital Asset system and that will require annual verification from the responsible department.

The Capital Asset system will maintain complete information on each asset, i.e. the description, physical location, serial number, etc.

Upgrades which extend the useful life of an existing asset will be added to the original asset previously recorded in the Capital Asset system. Any specific information which is useful to identify the original asset should be forwarded to the Finance Department at the time of purchase.

The Finance Department (Procurement Services) will assist departments in ensuring that the disposition of assets is both in accordance with policy and efficient.

Distribution & Communication

This policy will be posted to the Finance Department website.

Monitoring and Compliance

Random physical test counts of capital assets and inspection of off campus asset logs may be conducted throughout the year by the Finance Department. Physical inspection of capital assets will be conducted by the University's external auditors, on a test basis, at year end.

Cross-References:

[Purchasing Policy](#)