

OLD DOMINION UNIVERSITY

University Policy

Policy #3400

CAPITAL ASSET CONTROL

Responsible Oversight Executive:

The purpose of this policy is to outline the processes necessary for the University to maintain control of capital assets that have been tagged and added to the University's capital asset inventory.

[Code of Virginia Section 23.1-1301, as amended](#), grants authority to the Board of Visitors to make rules and policies concerning the institution. Section 7.01(a)(6) of the [Board of Visitors Bylaws](#) grants authority to the President to implement the policies and procedures of the Board relating to University operations.

[Commonwealth Accounting Policies and Procedures \(CAPP\) Manual](#)

Budget Unit Director – The University employee on record with the Office of Finance Data Control as having signature authority and financial management responsibility for a specific budget code.

Capital Asset – Tangible and intangible property owned by the University and used in operations (not for resale) that have an initial expected useful life of greater than one year (also referred to as Fixed Assets). A capital asset with an initial cost (inclusive of ancillary charges) of \$5,000 or greater is capitalized as is a purchase where the value of a group of assets in aggregate meets the \$5,000 threshold. These become known as a capital asset. Fixed assets also include those items purchased with Equipment Trust funding having a unit value of at least \$500. ETF fixed assets must be retained for a minimum of seven years (with the exception of computing equipment, which must be retained for three years).

Equipment Trust Fund (ETF) – Funds appropriated by the General Assembly with distribution

Intangible Property – An intangible asset is one that is not physical in nature. Computer software (including websites), water rights, easements, brand recognition and intellectual property, such as patents, trademarks, and copyrights, are all intangible assets.

Owner - University Budget Unit Director responsible for the inventory, care, control, custody and maintenance of capital assets purchased with funds from the respective budget unit(s) or accepted as transfer equipment.

Tagged Asset – A capital asset that is assigned a unique identification number (tag) to ensure the asset is accounted for in the University's Fixed Asset System, Banner.

This policy applies to all University-owned capital assets and those individuals who are responsible for the proper use and control of these assets. This policy also applies to University employees who require the use of University equipment to accomplish University business at home (or away from the office). Employees include all staff, administrators, faculty, full- or part-time, and classified or non-classified persons who are paid by the University.

It is the responsibility of Budget Unit Directors to maintain oversight, accountability and safeguarding of capital assets that are assigned to them. When a Budget Unit Director does not exercise due care and maintain custody of the asset, then the budget may be charged up to the

documentation of the change in location and to record the update in the University's capital asset inventory system.

3. Departments may not trade in equipment for credit toward the purchase of new equipment without advance approval by the Department of Procurement Services. If approved, the tag number assigned to the equipment being traded must be listed on the purchase requisition with details showing the gross cost of the equipment as well as the vendor's trade-in allowance. The department should also submit trade-in information to the Office of Finance to update the capital asset records once the trade-in has been approved by the Department of Procurement Services.
4. Departments must report stolen or vandalized equipment to the Old Dominion University Police Department and forward a copy of the police report to the Office of Finance.
5. Departments must complete and submit to the Office of Finance a [Missing Asset Explanation Form](#) for tagged assets not found.
6. For capital assets that are no longer needed, obsolete, or damaged (etc)tr (.)J0 Tc 0 Tw 11.574Tc 0I-5.9

