Asset Acquisition, Recording and Control (including Stocktake) Procedure

### Procedure Scope

<table>
<thead>
<tr>
<th>Procedure Scope</th>
<th>University-wide</th>
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</thead>
<tbody>
<tr>
<td>Commencement Date</td>
<td>1 January 2004</td>
</tr>
<tr>
<td>Review Date</td>
<td>31 December 2005</td>
</tr>
</tbody>
</table>
| Organisational Unit responsible for day-to-day operation of the procedure | Unit name: Asset Management Services  
Phone: 3605  
Fax: 3630  
Email: Wendy.Nas@utas.edu.au |

### Procedure

1 **Purpose**

The purpose of the University’s asset procedures are to:

- maintain control over assets purchased and owned by the University;
- provide accurate asset information for the annual financial statements of the University which is required for accrual reporting purposes;
- assist in the calculation of insurance values for University assets and provide substantiation of losses for insurance claims;
- allow audit verification of additions to and deletions from the Asset Register;
- ensure compliance with Workplace Standards Tasmania requirements and any other legal obligations.

2 **Scope**

This procedure is designed to be applied to all University assets as defined below.

The acquisition of **Property Assets** must be coordinated through Asset Management Services. In accordance with the University’s Delegations of Authority Policy, property acquisitions including leases, must be authorised by the Executive Director Finance & Administration or the Vice-Chancellor.

3 **Definitions and Acronyms**

- **“Asset Register”**  
The database which contains information about the University’s assets. The University’s Asset Register is housed in the Pinnacle Asset Management System.

- **“Assets”**  
Assets are defined as items that have service potential or future economic benefits controlled by the entity as a result of past transactions or other past events. In determining whether items are identified as assets, three
essential characteristics must be present, namely:
- control/asset ownership;
- service potential or future economic benefits;
- occurrence of past transactions or other past events.

For the purposes of recording on the Asset Register, an asset is deemed to be the whole functioning unit. This means that for items such as computers, this will include the screen, keyboard and CPU.

“Property Assets” Land and buildings including property leases, licences and other agreements

4 Links to Related Forms, Records and Electronic Databases

- Attractive Asset Items Policy  
- Asset Disposal Policy  
- Asset Theft and Loss Policy  
- Asset Register Multi-Purpose Input Form  
- University Delegations of Authority Policy  
- Property Insurance Policy

5 Detailed Steps, Procedures and Actions

PROCEDURES FOR RECORDING ASSETS

1. Identification and recording of assets in the Asset Register

Assets valued at greater than $2,000
Assets with a value greater than $2,000 must be recorded in the Asset Register.

Assets that have been coded against the “6000 Asset Purchase” account code will be assessed by the Asset and Property Officer and added to the Asset Register if appropriate.

If the assets have not been acquired through the purchasing system (eg. where an asset has been donated to the University), then the Budget Centre is required to notify the Asset and Property Officer of the purchase. This is done by completing the Asset Register Multi Purpose Input Form (available from the Asset Management Services website) and returning it to the Asset and Property Officer.

If assets have been purchased through the Business Card Management System (BCMS), they will automatically be added to the Asset Register.

Assets valued at less than $2,000
Assets with a value of less than $2,000 are not recorded in the Asset Register. The exception to this rule is if the Budget Centre Head considers the item to be an “Attractive Item”. The Attractive Asset Items Policy is available on the Asset Management Services website.
2. Confirmation of Asset Details by Budget Centre

Once an asset is added to the Asset Register, the Asset and Property Officer will provide the Budget Centre with a copy of the Asset Report (Detailed). The Budget Centre must check the report to ensure that the information is correct and to provide any other details in respect of the asset. Other details may include information such as serial number, room number or further description detail. If changes are required, or if additional information is available, this must be noted on the form and returned to the Asset and Property Officer.

3. Labelling of Assets

Following identification and recording of an asset, Budget Centres will be sent a bar code label with the Asset Report (Detailed). Budget Centres must attach this label to the asset to ensure that it can be easily identified for Stocktake and audit purposes. Budget Centres are also encouraged to mark the barcode number onto the piece of equipment in permanent pen. It is noted that it is not possible to attach a bar code label to some assets (for example to outboard motors). In these circumstances, the issue should be discussed with the Asset and Property Officer.

PROCEDURES FOR RECORDING HAZARDOUS PLANT

A range of assets including, but not limited to, autoclaves, sterilisers, pressure vessels and all types of lifting equipment are classed as hazardous plant. Processes for the acquisition, maintenance and disposal of items of hazardous plant are controlled through Asset Management Services.

Budget Centre Heads are to notify the relevant campus Operations and Maintenance Manager when an item of hazardous plant is purchased. Asset Management Services will then ensure that the equipment is recorded in the Asset Register and will manage the process of testing, certifying and registering the plant to satisfy the requirements of registration and record keeping contained in the Workplace Health and Safety Regulations 1998. All hazardous plant must be recorded in the Asset Register regardless of the value of the item. Procedures for disposing of hazardous plant are contained within the Asset Disposal Policy on the Asset Management Services website.

PROCEDURES TO NOTIFY CHANGES TO ASSETS

It is the responsibility of the Budget Centre to advise of any changes made to assets. Changes include upgrades to computers or changes to the location of assets, especially changes of location between campuses. This is done by completing the Asset Register Multi Purpose Input Form and returning it to the Asset and Property Officer who will update the information on the register. The form is available on the Asset Management Services website.

A purchase of a component part or addition to an existing item should be added to the value of the existing asset if it increases the existing capacity or functionality of the asset; or if the amount is considered material.
STOCKTAKE PROCEDURES
Proper stocktake procedures ensure the accuracy of the Asset Register information by allowing the data on the Asset Register to be verified and any discrepancies to be adjusted. Stocktakes will occur on an annual rolling basis and each Budget Centre will be advised of the date of their stocktake by the Asset and Property Officer. All deletions and changes must be verified by the Head of Budget Centre.

ASSET SECURITY PROCEDURES
Budget Centres are required to take reasonable care in preventing damage or loss to property. If care is not taken, there may be no insurance coverage. Further information is available from the Property Insurance policy on the Financial and Business Services website and from the Asset Theft and Loss Policy on the Asset Management Services website.

ASSET CONTROL MEASURES
To ensure the accuracy of the Asset Register information, auditors regularly review the University’s asset policies and procedures and conduct random audits of individual Budget Centre asset data.

FINANCIAL IMPLICATIONS
It is important that asset transactions (additions, transfers, deletions, disposals) are reflected in the Asset Register in a timely manner, as asset transactions have a direct impact on the University’s financial position. All assets over $10,000 are depreciated, and assets which are disposed of will generate a profit or loss on disposal, based on the written down value of the asset as recorded in the Asset Register.

6 Key Words

- Assets
- Stocktake
- Asset Register

Responsibilities

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<td>Compliance</td>
<td>Asset and Property Officer</td>
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<tr>
<td>Development/Review</td>
<td>Executive Officer, Director Asset Management</td>
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<tr>
<td>Interpretation and Advice</td>
<td>Asset and Property Officer, Executive Officer</td>
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<td>Data Collection and Analysis</td>
<td>Executive Officer</td>
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Who Should Know this Procedure?

- Heads of Budget Centres
- FMIS users
- AMS staff

Effectiveness of this Procedure

Measured by:

- All appropriate assets recorded in the Asset Register in a timely manner
- The provision of accurate asset information from the Asset Register
- Ease in the calculation of insurance values for University assets and allows for substantiation of losses for insurance claims
- Allows for audit verification of additions to and deletions from the Asset Register
- Compliance with Workplace Standards Tasmania requirements and any other legal obligations

Procedure History

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<th>Revision Ref. No.</th>
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<td></td>
<td></td>
<td>December 2003</td>
<td>Executive Director, Finance and Administration</td>
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