# Asset Management Procedure

Version 2 – 14 June 2022

## Contents

## Purpose

This procedure informs how the University's assets are recorded, managed and disposed, to:

- provide administrative control over assets
- support efficient management of the lifecycle of assets
- support asset-related financial functions.

## Applicable governance instruments

| Instrument | Section | Principles |
|---|---|---|
| *Facilities, Infrastructure and Asset Management Policy* | 1 Physical assets management | 1.1, 1.2, 1.4, 1.7 |
| *Compliance Policy* | 2 Conflict of Interest | 2.1 |
| *Health & Safety Policy* | 1 People Health & Safety | 1.1, 1.2 |
| *Sustainability Policy* | 1 Sustainability | 1.1, 1.8 |
| *Risk Management and Business Resilience Policy* | 4 Insurance | 4.1, 4.3 |
| *Procurement Policy* | 1 Value for Money<br>2 Transparency & Integrity | 1.1, 1.4, 1.5<br>2.3 |
| *Data and Information Governance Policy* | 1 Privacy<br>4 Data and information management | |

## Procedure

The University is committed to strategically managing its assets to provide campuses, facilities and equipment that are functional, efficient, sustainable and vibrant to enhance learning, teaching and research activities, including the student and staff experience. This is achieved in part by employing consistent asset management approaches across the University.

## 1. Recording of assets

The University records all assets with a procurement value equal to or exceeding $5,000 (excl. GST), plus artworks of all value in the University Fine Arts Collection, on the University's Asset Register.

For the purposes of recording on the Asset Register, an asset is deemed to be the whole functioning unit unless the parts are distinctly separate and can be used independently.

Assets with a value less than $5,000 may be included on the Asset Register at the discretion of the owning University Organisational Unit (OU).

Information Technology Services (ITS) maintains records of all centrally procured information and communication technology (ICT) and audio visual (AV) assets, including those valued <$5,000.

Details of newly purchased assets are sourced through procurement reports from the University's finance system.

Data for assets >$5,000 acquired through means other than purchase (eg. donated items), must be provided to ISD via email by the Head of the OU (or delegate) for recording in the Register.

Following the recording of a new asset, ISD will provide the OU with a bar-code identification label to attach to the asset and an *Asset Additions Report* for review to check that the new asset information is correct.

Asset labels should be affixed on or near the front left side of the asset unless there is an obviously more visible or appropriate location, such as next to the controls. Registration and/or serial numbers of assets should be recorded in the Asset Register to support identification if the asset label is damaged.

## 2. Changes to asset register

Heads of OUs are responsible for ensuring the Asset Register is maintained for assets under their control.

Reportable changes to assets include:

- relocation;
- loan for a period exceeding three months;
- transfer of ownership;
- disposal; and
- purchase/addition of a component part of an asset that increases the value of the asset (contact ISD via **email** to process $value changes).

ISD will advise Finance of changes to assets over $10,000 for updating of accounting and depreciation records.

## 3. Management of assets (including security, maintenance and safety)

Assets should be managed in a manner that:

- places the safety of people as a core consideration; and
- optimises the asset life cycle to provide efficient, effective and safe use of resources.

Asset maintenance principles are detailed in the ISD Strategic Asset Management Plan and sub plans.

OUs are responsible for implementing measures to mitigate loss (damage or theft) of the assets registered to them. This applies in particular to portable and/or attractive assets.

OUs must report any theft, loss or malicious damage of assets to University Security for investigation and refer the matter to the police if necessary.

OUs must report to the University Insurance Office within Financial Services any damage to, or loss of an asset that may result in an insurance claim.

ISD manages the University's built environment and centrally managed assets (eg. buildings and base building assets, including those that have regulatory maintenance requirements; services infrastructure; and ancillary exterior infrastructure such as roads, car parks, lighting and paths, plus hazardous plant).

OUs manage assets owned and/or registered to them (eg. research equipment and vehicles) in line with manufacturers' requirements, safety and legal requirements.

A range of hazardous assets including, but not limited to, autoclaves, sterilisers, pressure vessels, lifting equipment and lifts are classified as hazardous plant. ISD controls the statutory registration, compliance and maintenance requirements of hazardous plant to ensure conformity with statutory safe work requirements. OUs must advise ISD when hazardous plant items are procured, disposed or relocated.

The Fine Arts Collection Registrar is responsible for the day-to-day management and curation of the fine arts collection and ensuring all artworks are registered on the Asset Register.

ITS is responsible for the management of ICT and AV assets.

The Division of the COO manages the purchase and sale of real property assets, except for those owned by University Properties P/L.

### 4. Asset loans

The loan of an asset to another OU, member of staff or other person or institution should occur only for the purposes of conducting University business or supporting a business alliance and must be approved by the Head of the loaning OU.

Long-term loans (of greater than three months' duration) must be noted on the Asset Register by the OU asset owner, preferably by transferring ownership to the other OU for the duration of the loan.

Fine Arts Collection asset loans are recorded in the art database.

The borrower of a University asset bears full responsibility for the asset while it is in their care and must agree to return the asset in a satisfactory and working condition.

Assets loaned to the University do not need to be recorded in the Asset Register.

### 5. Asset Audits

ISD coordinates regular asset audits (stocktakes) to verify the accuracy of the Asset Register.

OUs must carry out the stocktakes for assets registered to them and ensure that all applicable University assets under their control are registered on the Asset Register.

Asset stocktakes are generally conducted on a rolling schedule as follows:

| Asset Type | Scheduled Stocktake |
| --- | --- |
| Capitalised/depreciable (value ≥ $10,000) | 2 yearly |
| Non-capitalised (value $5,000 - $10,000) | 3 yearly |
| Fine Art Collection (value >$1,000) | 4 yearly |
| Maintainable (central infrastructure) | 5 yearly |

ITS is responsible for coordinating audits of ICT and AV assets valued <$5,000.

**6. Asset disposal**

6.1.    General Principles

Disposal of University assets is to be undertaken by safe and secure means that deliver fair value and support the University's sustainability goals.

The OU that manages the asset is responsible for managing the asset disposal process, including selection of the disposal method, payment of disposal costs and safe removal. The exceptions to this are:

- disposal of ICT and AV equipment, which is managed by ITS
- disposal of fine art, which is governed by the Fine Art procedure
- disposal of vehicles, which is managed by ISD.

The disposal method selected should be the one that is most likely to achieve the maximum monetary return to the University after costs.

It is the responsibility of the staff member approving the disposal to ascertain the market value of the asset through professional valuation or other appropriate means such as valuation by an auction house, subject specialist or industry representative, reference to documented recent sales of similar items, etc. Key considerations are for the valuation to be made on a knowledgeable basis and documented.

Asset disposals must be approved by an authorised representative of the owning OU (or more senior officer) with a University financial expenditure delegation (under the *General Delegations Ordinance*) greater than the original cost of the asset.

The disposal approval and process should be considered against the University's Delegation Principles and Risk Appetite Statements.

Any conflicts of interest related to disposals must be declared and managed. The University's Conflict of Interest Declaration Form is accessed through the University's service portal.

It is the responsibility of the OU to ensure that disposal of assets is in accordance with the *Data and Information Governance Policy* and considers the specific requirements related to the destruction and disposal of personally identifiable information.

Any costs associated with asset disposal (eg. broker commission payments) need to be approved in line with the *Procurement Policy* and *General Delegations Ordinance*.

The University's *Cleanout and Disposal Process Guide* provides more advice on safe disposal.


6.2.    Options for disposal of assets

*Tender or auction*

Sale by auction or tender is the preferred disposal method for assets that have broad appeal as these methods are transparent and deliver market value.

Factors to be considered when deciding whether to offer the goods for tender/auction and the method of tender/auction include:

- the value of the asset to be disposed and the tender/auction costs;
- the general attractiveness of the asset to a wide group of buyers; and
- the prospect of increasing the net sale value compared to an alternate method of sale.

*Direct Sale*

This method may be used if:

- the asset values are such that the cost of disposing of the goods through tender/auction is significant compared to the anticipated proceeds;
- it is reasonable to believe the item will not attract tender/auction bids;
- the direct sale price is considered likely to be equivalent to that received through tender/auction; or
- the timing and effectiveness of disposing of assets via tender/auction is not economical.

For all direct sales, a fair and transparent process must be implemented, including the requirement to undertake an informed sale valuation assessment.

*Re-use*

The University's Re-use Program coordinates the collection, storing and advertising of furniture, fittings and equipment items that may be re-usable by the University community. Refer to the University's *Cleanout and Disposal Process Guide* for additional information.

*Salvage*

Salvage may be appropriate for assets that no longer have a sale value, but have reusable components that may be removed for separate use and/or spare parts prior to the asset being sent to recycle/landfill.

*Donation*

Approval may be given to donate redundant assets, generally to non-profit organisations such as allied institutions, other educational bodies, charities, libraries or community organisations, that have an alignment with the University's mission and values.

*Recycle/Landfill*

In all circumstances, every endeavour should be made to avoid redundant assets going to landfill.

Approval may be given to gift redundant assets to students or staff where an asset would be otherwise destined for landfill. In this circumstance a fair and transparent process should be followed. The student/staff member is responsible for the safe relocation of the asset.

If assets are sent to recycling/landfill, refer to the University's Cleanout and Disposal Process Guide for information on sustainable and safe practice.

*Real Property*

All real property disposals will be centrally negotiated and managed by University Properties P/L or the Division of the COO.

## Versions

| **Version** | **Action** | **Approved by** | **Business Owner/s** | **Approval Date** |
|---|---|---|---|---|
| Version 1 | Approved | Chief Operating Officer | Executive Director ISD | 10 June 2021 |
| Version 2 | Approved | Chief Operating Officer | Executive Director ISD | 14 June 2022 |