**Fixed Asset Policy**

**Fixed Asset Policy**

*Effective:  06/30/2008; Modified 02/21/2012; 06/29/12; 02/01/13; 08/29/13; 01/10/14; 02/18/15; 12/09/15; 12/06/16, 12/01/17; 01/10/19*

A fixed (capital) asset is property such as land, buildings, infrastructure, equipment, works of art, and historical treasures with a cost equal to or greater than $5,000 and a useful life of two or more years. Capital assets are acquired for use in normal operations and are not for resale. These assets may be subject to depreciation.

**Non-Depreciable Assets**

Land, works of art, and historical treasures are normally non-depreciable assets. As noted above, works of art and historical treasures should have a cost equal to or greater than $5,000 and a useful life of two or more years. Capital assets are acquired for use in normal operations and are not for resale.

**Buildings**Capital assets categorized as buildings are valued at the purchase price or construction cost. Cost should include all charges necessary to put the building or structure in its intended state of operation (i.e. professional fees for brokers, attorneys, architects, appraisers, financial advisors, interest during the period of construction, etc.). Permanently attached fixtures to the building (i.e. heating and ventilation systems, roofs, plumbing, carpet, and electrical systems) should be included in the cost of the building. Costs associated with furniture or other equipment not affixed to the building should be removed from the capitalized value of the building and reassessed as a potential equipment asset if the amount can be separated from the total construction cost. Buildings donated to Western Carolina University (University) should be recorded at the acquisition value on the acquisition date.

A building experiencing an increase in its future service potential through extraordinary repair, replacement, renovation, or rehabilitation activity may be capitalized. Future service potential is defined as being significant and increasing the buildings value, adding to or increasing the quality of the original building, or increasing the useful life of the building. Activity that restores the building to its original utility level and does not increase its future service potential should not be capitalized, but expensed. Determination of the increase in the future service potential of an asset should be made on a case-by-case basis.

The following forms should be used as it pertains to a specific project:
[Buildings-New Construction](http://www.wcu.edu/WebFiles/Excel/Fac_Mgmt_Template__Buildings__New_Construction_10.08.12.xlsx) [Buildings-Renovations](http://www.wcu.edu/WebFiles/Excel/Fac_Mgmt_Template__Buildings__Renovations_10.08.12.xlsx) [Infrastructure](http://www.wcu.edu/WebFiles/Excel/Facilities_Managements_Template_-_Infrastructure__02.08.12%281%29.xlsx) [Landscaping](http://www.wcu.edu/WebFiles/Excel/Facilities_Managements_Template_-_Landscaping__02.08.12.xlsx)
When the form has been completed, send to Dale Cox, Fixed Asset Accountant, Controller’s Office and retain a copy in the departmental files.

A list of buildings is distributed annually to the appropriate departments for verification of University ownership. Buildings disposed of or no longer owned by the University are removed from the Banner Fixed Asset Module and the financial statements in a timely manner.

For depreciation purposes, the Office of State Controller allows a range of 10-100 years for the useful life of a building. The determining factors for setting the University’s useful life for buildings are based on historical data, current events (economy, budget, etc.), and future projection of fully depreciated assets. Potential fully depreciated buildings will be reviewed annually. The straight-line method is used for depreciation and computed using the half-year convention.

**Equipment**Western Carolina University’s (WCU) Fixed Asset Policy provides the general guidelines for inventory, control of equipment, and to assist management in carrying out their responsibilities regarding the accountability for University assets. To facilitate their responsibilities, the Controller’s Office and Division of Information Technology (IT) at WCU are jointly tracking assets of significant value and high mobility. The Controller’s Office will maintain the official inventory for IT and non-IT assets $5,000 or greater. Assets defined as IT will be tracked by the Division of IT. It is highly suggested that assets not categorized above and of significant value to their respective department(s) and highly mobile be tracked on a departmental basis.

**Applicability**This policy applies to equipment for which WCU has ownership or custody, including equipment donated to the University or purchased with funds from grants or contracts (unless the grant agreement or contract specifies otherwise).

**Ownership and Title**Generally, the University retains ownership and title to all equipment purchased with University funds. Exceptions are equipment purchased with grant, contract, or agency funds and written agreements or contracts where ownership is retained by or reverts to the funding agency. The University remains responsible and accountable for such equipment while it is in the University’s custody.

**Custody and Control**The custody and control of equipment is delegated to individual departments. Each department is responsible for maintaining inventory controls and safeguarding all assets regardless of cost. The department head is required to follow the University's established policies and procedures in the acquisition, use, maintenance, and control of equipment in his or her department. (See section, "Acquisition and Maintenance of Fixed Assets," for additional information).

**Tracking of Equipment $5,000 or Greater**The Controller’s Office and Information Technology (IT) will jointly track University equipment. Official tracking of equipment, for financial reporting, valued at $5,000 or greater will be the responsibility of the Controller’s Office. These assets will be tagged with a purple tag. Assets defined as IT will be tracked by the Division of IT. It is understood that some equipment valued at $5,000 or greater may be an IT asset as well and will have both the purple tag and a green IT asset tag. Older assets may still have the red WCU asset tag, but this tag will no longer be used after a purple tag or a green IT asset tag has been affixed. However, the red tag is to remain on the asset for possible future reference.

**Definition of Equipment**To assist in determining the proper G/L account number for equipment-type expenditures and when asset records should be created and tagged, the definition of equipment is further categorized into the following:

* **Capitalized Equipment**Acquisitions with a value of $5,000 or greater and a useful life of two years or more. Records must be created for all capitalized equipment and the item tagged by the Capital Asset Group (CAG) with a purple tag. All expenditures for capitalized equipment must be recorded with a fixed asset G/L account number. The fixed asset accountant reviews purchase orders, check requests, etc. daily for potential errors in reporting capitalized equipment that could result from misclassifications in supply and material accounts.
* **Capitalized Information Technology (IT) Equipment**Acquisitions with a value of $5,000 or greater, a useful life of two years or more, and represented within the defined “IT Assets” list below. Items within this category will be tagged and tracked by IT (green tag) as well as the Controller's Office (purple tag).
* N**on-Capitalized Equipment**Acquisitions with a value less than $5,000 and a useful life of two years or more. It is highly suggested equipment not being tracked elsewhere, be tracked by the department if it is of significant value and highly mobile. (See, "Equipment Inventory," for additional information).
* **Non-Capitalized Information Technology (IT) Equipment**
Acquisitions in the defined “IT Assets” list below. IT will track assets within this category. These assets will be tracked from purchase until surplus/disposal. When an asset is received on campus, it will be tagged with a green (IT) asset management tag. Information about this type of asset will be recorded and logged into the Cherwell application.
	+ **IT Assets**
		- Servers - Enterprise Level and Snap
		- Enterprise Level Networking - switches, routers, and wireless access points (APs)
		- Smart boards
		- Data projectors installed in classrooms
		- All technology assets purchased by DOIT
		- Computers – laptop, tablet, and desktop

**Fixed Asset Coordinator (FAC)**In order to comply with General Statute 143-49 and directives of the State Auditor’s Office, an annual inventory is taken to verify the existence, condition, and location of the University’s fixed assets. The University’s Fixed Asset Accountant will provide departments a copy of its detailed inventory which is maintained on the University’s accounting system. Pursuant to [WCU Policy # 75 - Removal of University Assets from Campus](http://www.wcu.edu/discover/leadership/office-of-the-chancellor/legal-counsel-office/university-policies/numerical-index/university-policy-75.asp), the head of each academic or administrative unit is responsible for the accountability of property purchased by, for, or gifted to their administrative unit. To facilitate and assure compliance with statutory requirements and Office of the State Controller’s policies relative to completion and control of the annual fixed assets inventory, the head of each academic and administrative unit of the University must appoint a Fixed Asset Coordinator (FAC). The FAC will serve as the liaison between the unit and the University’s Fixed Asset Accountant for those items recorded in the University’s Fixed Asset System. The FAC will also serve as the liaison to Information Technology for those data processing items tracked by Information Technology. The FAC will become the unit’s resident fixed assets expert. Accountability and unit head designation under Policy #75 is not altered by the designation of an FAC whose purpose is to facilitate accountability for each respective unit.

**Designation of FAC**For purposes of designating an FAC, unit heads are defined as follows: for the academic area – dean of each college shall be defined as the unit head for their respective college; administrative areas – vice chancellor of each division or the chief of staff shall be defined as the unit head for their respective division.

For the academic areas, the dean of each college shall appoint one FAC for their respective college. For administrative areas, the vice chancellor or chief of staff shall appoint the minimal number of FACs required to reasonably accommodate the diversity of the organizational units within their respective division. Physical proximity of units and/or high-level organizational structure should be taken into account when appointing the FAC.

The FAC may be authorized by the unit head to designate a member(s) within the departments to facilitate management of the inventory for their respective unit. The FAC will report to the unit head and work closely with the department, center, or program in the management and upkeep of accurate fixed asset processes, reports, and in conducting the annual fixed asset inventory.
[Additional information concerning FACs](http://www.wcu.edu/discover/campus-services-and-operations/controllers-office/fixed-assets/fixed-asset-coordinator-fac-appointment-and-responsibilities.asp) and a [list of appointed FACs](http://www.wcu.edu/discover/campus-services-and-operations/controllers-office/fixed-assets/list-of-facs.asp).

**Equipment Inventory**Each department is to complete their inventory within the amount of time assigned and return a signed copy of the completed inventory sheets to the University’s Fixed Asset Accountant, making any necessary changes (additions, missing, location, condition, etc.). Equipment with a remaining useful life of six months is to be reviewed by the appropriate departmental individual and any recommended extended useful life (in years) noted on the inventory spreadsheet. Equipment should be sent to Surplus and not considered for extension of useful life if it is in poor condition (poor defined as not working properly and needing major repair or reconditioning), obsolete, or damaged. Primary responsibility for assuring completion of the annual inventory and contact between the unit and the fixed asset accountant or IT shall remain with the FAC.

It is imperative the inventory is accurate, complete, and done in a timely manner since it is used to update equipment records and provide documentation for annual financial reporting.

Note: A copy of the completed inventory should be kept within the department for future reference.

Additionally, it is recommended that the departments have internal tracking procedures for equipment not tracked in the University’s Fixed Asset System or by IT. The FAC will take the lead for departmental level inventory and tracking of this equipment. If the department chooses to track equipment internally, [a suggested Excel spreadsheet is available](http://www.wcu.edu/WebFiles/PDFs/Suggested_Departmental_Asset_Tracking_Worksheet_2-27-13_10_53.pdf). When ordering tags, the department will decide the vendor, type of tag, and budget code used for this purpose. This information is to be given to the FAC. The University’s official tracked fixed assets are indicated by existing purple ($5,000 or greater) and green (IT) tags with barcodes. To prevent any duplication or conflict of tags already in service, the FAC will contact the fixed asset accountant (ext. 2583) with the order information. The Fixed Asset Accountant will make certain no duplication exists and if not, place an order for the specified tags. Once the tags are received, the fixed asset accountant will contact the FAC. The responsibility of controlling these tags belongs to the FAC.

Consideration should be made to perform interim physical inventories if a significant change of events takes place, such as a department head change, moving a department or function from one building to another, moving equipment from one location to an offsite location, or the transfer of significant assets from a third party. This consideration is a management decision and should be based on risk factors such as the likelihood of assets becoming misplaced, not transferred, or stolen. If this inventory is taken and a capital asset is missing, it is the responsibility of the department to notify the fixed asset accountant (ext. 2583) and the IT asset coordinator (ext. 2734) if it is Information Technology related, by completing the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form). If any capital or non-capital equipment is missing that appears suspicious in nature and likely a theft, it should be reported to campus police. Refer to Section C – Maintenance of Assets (Paragraph 2) of this policy for additional steps to follow. It will be the department head’s responsibility to notify their FAC and the appropriate personnel.

**Responsibilities of the Controller's Office**The Controller's Office has the following responsibilities concerning equipment inventory:

* To maintain and control the University's inventory records establishing a secured storage site (H: Drive) for this data in case file becomes corrupt or damaged
* To update the asset records in the accounting system for information submitted on the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form), [Equipment Return Form](http://www.wcu.edu/WebFiles/EquipmentReturnForm_20190226.xlsx), [Equipment Transfer Form](http://www.wcu.edu/WebFiles/EquipmentTransferForm_20190226.xlsx), [Surplus Request Form](http://www.wcu.edu/discover/campus-services-and-operations/purchasing-department/form-number-assignment.asp) (Non-IT asset), [Disposal Request Form](http://www.wcu.edu/WebFiles/Excel/Surplus_Property_Request_-_Disposal.xlsx) (Non-IT asset), [Cannibalization Request Form](http://www.wcu.edu/WebFiles/Excel/Surplus_Property_Request_-_Cannibalization.xlsx) (Non-IT asset), and/or [Surplus Computer/IT Property Pickup Request.](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Surplus%20Request)
* To assure each department verifies and certifies the annual inventory list
* To perform and follow up on quarterly inventories

**Acquisition and Maintenance of Fixed Assets**The department head is responsible for seeing that University equipment in his or her custody and control is properly maintained and repaired so that its maximum useful life is realized. Sections A – D assist with the University's established policies and procedures in the acquisition, use, maintenance, and control of equipment.
 **Section A - Acquisition of Assets**Assets acquired by University funds must follow [WCU’s Purchasing Policy](http://www.wcu.edu/discover/campus-services-and-operations/purchasing-department/purchasing-policies-procedures-manual/index.asp).

Capital assets acquired with federal funds are subject to additional requirements set forth in the federal award and the appropriate OMB guidance (OMB Circular A-110 or Uniform Guidance). However, federal agencies may classify equipment property in the federal grant award as “exempt property” from OMB guidance (OMB Circular A-110 or Uniform Guidance (section 200.312(c)) having no other conditions/restrictions and fewer administrative requirements.

The Office of Contracts and Grants will provide the necessary information regarding the requirements set forth in the federal award and the appropriate OMB guidance for federally-funded capital assets. Such information will include property ownership, federal award identification number (FAIN), percentage of federal participation (cost share), and description of how property is used. The fixed asset accountant will enter the necessary information in Banner’s Fixed Asset and/or Grant System, identifying equipment assets purchased with federal funds.

If amounts under the capitalization threshold are required to be tracked by the federal award or the appropriate OMB guidance, the fixed asset accountant will maintain a spreadsheet with the related information.

Federal agencies may at times require that title to equipment purchased with its funds be retained by the federal government. In accordance with OSC policy, equipment purchased with federal funds greater than or equal to the established capitalization threshold and the University does not hold title to should not be capitalized for financial statement reporting purposes. In these cases, the fixed asset accountant should consult with the Office of Contracts and Grants to determine if they or the Capital Assets Groupshould maintain this information, and if so, what information should be maintained.

If equipment sold, transferred, or disposed of was purchased with federal funds, the disposal of equipment must be made in accordance with the federal award requirements and the appropriate OMB guidance (OMB Circular A-110 or Uniform Guidance).

a) When the University no longer needs equipment it has title to that was purchased with federal funds and the equipment is classified as “exempt property” by the federal awarding agency, the University generally uses its normal disposition procedures through the appropriate Surplus Property Office.

b) When the University no longer needs equipment it has title to that was purchased with federal funds and the equipment is not classified as “exempt property” in the federal award, the University must disposition the equipment in accordance with the federal award and the appropriate OMB guidance (OMB Circular A-110 or Uniform Guidance).

i)  For equipment with a current per unit fair value of $5,000 or more, the University may retain the equipment for other uses provided that compensation is made to the original federal awarding agency or its successor. The amount of compensation shall be computed by applying the percentage of federal participation in the cost of the original project or program to the current fair market value of the equipment.

ii)  If the University has no need for the equipment, the University shall request disposition instructions from the federal awarding agency.

c) For sponsored awards that provide for title to remain with the federal government, prior written approval must be received from the appropriate funding agency prior to trade, transfer, or disposition of the federally owned equipment.

d) For 6b and 6c above, the fixed asset accountant should maintain supporting documentation for the sale or disposal of related federal equipment including:

*i)    Disposition date*

*ii)   Sale amount*

 iii)  Any communication with the Federal awarding agency

 iv)  The method in determining fair value of the equipment when sold

Note:  Any asset purchased with federal funds (grants) cannot be sold, transferred, surplused, cannibalized, or disposed without consulting the fixed asset accountant (ext. 2583).

Assets acquired at no cost (i.e. gifted, donated, by assembly, or furnished by an affiliated organization or the government) must be reported by completing the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form" \t "_blank). Donated equipment is recorded at acquisition value on the acquisition date.)

Prior to the acceptance and receipt by University personnel of anygifted or donated asset, the potential receiving unit should contact the Office of Advancement to assure that Western Carolina University and the Western Carolina University Foundation policies are followed. If the donated asset has a value of $5,000 or greater, an appraisal is needed.

Assets, such as scientific or other complex equipment, comprised of two or more individual components built into a single functional unit are considered "by assembly" or fabricated assets. However, fabrication does not apply to components that are simply wired together and can be dismantled to operate separately (i.e. IT components such as computers and network equipment). All components in the fabrication must function as a singular unit and be collectively disposed of at the end of the fabricated asset's useful life. Individual components of a fabrication cannot (1) be used independently of the other components or (2) function separately apart from the fabricated unit to which it is attached. Fabricated equipment is capitalized as a single asset when its combined total cost equals or exceeds $5,000 (excluding departmental payroll for labor and cost of parts not used in the final fabrication of the asset) and has a useful life of two or more years. Fabricated assets, as described above, would necessitate the completion of the WCU Asset Inventory Control Form so the fixed asset accountant will be notified about the equipment. If the fabricated asset is IT related and meets the above criteria, the IT asset coordinator should be contacted as well as completing the form.

It will be the receiving department’s responsibility to complete the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form) for assets transferred to WCU from state agency or other organization within the state’s reporting entity (whether reimbursement is received or not). The asset is to be recorded at the carrying value of the transferring agency or organization on the acquisition date.

Note: When completing the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form) for assets without a WCU purple tag (acquisitions such as gifted, donated, fabricated, or furnished by an affiliated organization or the government), go to “Update Asset Details” and select the box beside “Asset details need to be corrected.” Then, provide detail information of the acquired asset in the “Description” section above the selected box.

Items put together as one asset but use separate parts that are interchangeable and can be reconfigured to another form (i.e. modular workstations; cubical office installations) are not capitalized unless the cost of the separate (individual) part is $5,000 or greater.

It is understandable assets will be traded-in due to various reasons. However, since the equipment is University property, [specific guidelines must be followed](http://www.wcu.edu/discover/campus-services-and-operations/purchasing-department/purchasing-policies-procedures-manual/surplus-property.asp) as deemed by the North Carolina Department of Administration.

Asset(s) permanently transferred outside the University to another university or state agency must be approved prior to the transaction. Regina Cowan in Purchasing must be contacted at ext. 2760 so proper procedures are followed. If approved, the [Equipment Transfer Form](http://www.wcu.edu/WebFiles/EquipmentTransferForm20150909.xlsx) must be completed.

For depreciation purposes, the Office of State Controller (OSC) allows a range of years for the useful life of equipment acquired by the University. In conjunction with OSC’s guidelines, other factors determining useful life are based on historical data, current events (economy, budget, etc.) and future projection of fully depreciated assets. Potential fully depreciated equipment will be reviewed annually. The straight line method is used for depreciation and computed using the half-year convention.

**Section B – Use of Assets**
University assets are the property of Western Carolina University. Custody, control, and use of this equipment must be in accordance with University policy.

As a general rule, removal of University equipment, furnishings, and similar property from campus is not permitted. Specific exceptions may be made when all of the following conditions are met:

* Relocation is temporary
* Relocation purpose is for the conduct of University business by a University employee
* Property, while relocated, will be adequately protected from loss and damage
* Head of the administrative unit to which the property is assigned must approve the relocation
* Absence of the property, while relocated, will not hinder normal, on-campus operations

Lending of University Property for Personal or Organizational Use by Private Parties is Expressly Prohibited.

If all the criteria above is met and proper authorization given, the employee is to complete the electronic [Permission to Remove University Assets from Campus Form](http://www.wcu.edu/WebFiles/Permission_to_Remove_University_Assets_from_Campus_Form083116.pdf) (<https://help.wcu.edu>) for IT equipmentand submit it to their supervisor for approval (Department of Information Technology will be able to assist with the submission of this form). Once approved, the asset is permitted to leave campus. If the assigned employee and the IT equipment information remains the same, another form does not need to be completed. However, if the employee is assigned another IT asset, then a new form will need to be completed. It is the department’s responsibility to make sure the Permission to Remove University Assets from Campus form is completed prior to IT equipment leaving campus. If the equipment is a fixed asset ($5,000 or greater) and permission has been given for it to be taken off campus, a hard copy of the Permission to Remove University Assets from Campus Form should be completed and sent to the fixed asset accountant so the location can be updated to “off campus” in the fixed asset system (if applicable). A copy of the form should be given to the borrowing individual/agency and a copy filed in the department. When the borrowing individual/agency returns the assigned fixed asset equipment to the department and it has an “off campus” location in the fixed asset system, documentation should be updated stating the equipment is now under the custody of WCU and in the same condition as when issued to the borrowing individual/agency. This updated information should be kept in the department’s files. A copy of the updated form should be sent to the fixed asset accountant, so the location can be updated in the fixed asset system. Each year prior to the annual fixed asset inventory, the individual/agency and department should sign a new approval form for all capital assets remaining off campus. This confirmation must affirm the original reason(s) the asset was located off campus is/are still valid, and the department head continues to acknowledge his or her responsibility for the asset(s). A copy of the new approval form should be maintained in the departmental files and another copy given to the individual/agency using the equipment. The approved off-campus asset(s) should be returned to the department for purposes of the annual fixed asset departmental inventory. If not, then the completed annual, “Permission to Remove University Assets from Campus Form,” and/or the annual fixed asset departmental inventory should verify the asset’s existence, condition, and location. Capital equipment moved to an off-campus business location (e.g., equipment moved to a research lab at another university that is a sub-contractor) must also be approved by the department head via the Permission to Remove University Assets from Campus Form and the steps listed above should be followed. A form should also be completed for non-IT and non-fixed asset equipment prior to leaving campus. Please refer to the [WCU Policy # 75 - Removal of University Assets from Campus.](http://www.wcu.edu/discover/leadership/office-of-the-chancellor/legal-counsel-office/university-policies/numerical-index/university-policy-75.asp)

It is suggested that an annual inventory be conducted at a specified date and time for temporarily assigned equipment (i.e. laptops, cameras, projectors – as the department head deems necessary) meeting all the criteria under “Section B – Use of Assets.” When it is practical, these assets should be returned to campus for visual verification by the FAC. If any assets are IT related and information such as description, green tag number, person assigned to the equipment, etc., requires updating, this information should be forwarded to the IT asset coordinator by completing the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form)) so any updates/changes can be entered into the IT system. If any assets are $5,000 or greater and requires updating, the [Permission to Remove University Assets from Campus Form](http://www.wcu.edu/WebFiles/Permission_to_Remove_University_Assets_from_Campus_Form083116.pdf) must be completed, with appropriate signatures listed, and sent to the fixed asset accountant.

Note: Accountability of assets is the responsibility of the department head.

**Section C – Maintenance of Assets**All capital equipment purchased through the University is property of the State and may not be traded in (unless under warranty), sold, scrapped, donated, cannibalized, or otherwise disposed of by the department having the equipment without preapproval from the Purchasing Department (position currently held by Regina Cowan). Prior to the occurrence of any of the aforementioned transactions, the Surplus Request Form (Non-IT asset), Disposal Request Form (Non-IT asset), Cannibalization Request Form (Non-IT asset), or WCU Asset Inventory Control Form must be completed and the appropriate signatures received. This form must be sent to surplus@wcu.edu or faxed to ext. 7068. For IT assets, the Surplus Computer/IT Property Pickup Request must be completed. A copy of each form should be retained in the department or administrative unit. For additional surplus information, requirements on surplus, disposal, and cannibalization of assets, click on the following link: [Surplus Property](http://www.wcu.edu/discover/campus-services-and-operations/purchasing-department/surplus-property/index.asp)

When capital equipment is missing or stolen, the department is required to notify the fixed asset accountant by completing the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form). If an asset is listed as “Missing” on the form, the Missing Equipment Report will be generated by the fixed asset accountant and sent to the department head for signature. If the asset remains missing for an additional 60 days, an updated Missing Equipment Report will be sent to the appropriate dean and provost if the missing asset belongs to the academic area or to the vice chancellor if the missing asset is in the administrative area. If the asset is not located in one year, it will be removed from the Banner Fixed Asset System. If a capital or non-capital asset is missing and determined stolen, the Campus Police (227-7301) and the Internal Auditor (227-2549) must be notified so they can investigate and take appropriate action. If the missing or stolen capital or non-capital asset is IT related, the Help Desk must be notified (227-7487). If the missing or stolen capital or non-capital asset contains sensitive data, (i.e. personal information) then IT and Legal Counsel (227-7116) must be contacted. If any capital or non-capital equipment is missing that appears suspicious in nature and likely a theft, it should be reported to campus police. Then, the above procedures should be followed. It will be the department head’s responsibility to notify their FAC and the appropriate personnel (listed above).

When equipment is no longer of service to the University, it must be sent to Surplus and not disposed. However, if the department believes the equipment should be disposed, the [Disposal Request Form](http://www.wcu.edu/WebFiles/Excel/Surplus_Property_Request_-_Disposal.xlsx) must be completed and the asset sent to Surplus. Once at Surplus, the Surplus Property Coordinator determines if the asset should be disposed.If the equipment is being sent to Surplus, the Surplus Request Form (Non-IT asset) must be completed and the appropriate signatures received prior to the equipment leaving the department. The Disposal Request Form and the Surplus Request Form (Non-IT asset) must be sent to surplus@wcu.edu or faxed to ext. 7068. For IT assets, the [Surplus Computer/IT Property Pickup Request](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Surplus%20Request) must be completed. These on-line forms are used to declare the items surplused and to transfer possession to the Surplus Property Department. All items going to Surplus (tagged and untagged) are to be listed on the form when possession is transferred to the Surplus Property Department. Be sure to include the WCU tag number(s) (if applicable). A copy of the form(s) should be retained in the department or administrative unit.

Note: Disposal of any University equipment requires prior approval from the Surplus Property Coordinator. For additional information, click on the following link:  [Surplus Property](http://www.wcu.edu/discover/campus-services-and-operations/purchasing-department/surplus-property/index.asp)

Any asset involved in a trade-in that is not under warranty, monies exchanged, and/or a different type of asset is received must be preapproved by the State Surplus Property Office Agency in Raleigh. Therefore, the Surplus Property Coordinator must be notified before any transaction is made. Once approved, if the asset to be traded-in has a cost of $5,000 or greater, the department involved in the trade-in must notify the fixed asset accountant by completing the [Equipment Return Form](http://www.wcu.edu/WebFiles/EquipmentReturnForm20150909.xlsx)  so the asset leaving campus can be removed from the fixed asset system. Since the [Equipment Return Form](http://www.wcu.edu/WebFiles/EquipmentReturnForm20150909.xlsx) requires the department/administrative head’s signature, the form must be completed, printed, signed by the appropriate individual, and sent to the fixed asset accountant. A copy should be retained in the department or administrative unit. If the asset is IT related, the IT asset coordinator should be notified. All WCU tags must be removed from any asset to be traded in and returned to the appropriate personnel (purple and red – fixed asset accountant; green – IT asset coordinator). When the new/updated asset returns to campus, the fixed asset accountant and/or the IT asset coordinator should be notified so a new tag can be issued, affixed to the asset, and records updated. The [Equipment Return Form](http://www.wcu.edu/WebFiles/EquipmentReturnForm20150909.xlsx) should be completed and above steps followed if an asset ($5,000 or greater) is returned to a vendor due to department’s budget having insufficient funds.

Any asset transferred outside of the University to another university or state agency requires preapproval by the State Surplus Office. The Surplus Property Coordinator must be contacted prior to the transaction. If approval is granted and the cost of the asset is $5,000 or greater, the department involved in transferring out the asset must notify the fixed asset accountant by completing the [Equipment Transfer Form](http://www.wcu.edu/WebFiles/EquipmentTransferForm20150909.xlsx) so the asset leaving campus can be removed from the fixed asset system. Since the Equipment Transfer Form requires the department/administrative head's signature, the form must be completed, printed, signed by the appropriate individual, and sent to the fixed asset accountant. A copy should be retained in the department or administrative unit. If the asset is IT related, the IT asset coordinator should be notified. All WCU tags must be removed from the asset leaving campus and returned to the appropriate personnel (purple and red - fixed asset accountant; green - IT asset coordinator).

The [Equipment Transfer Form](http://www.wcu.edu/WebFiles/EquipmentTransferForm20150909.xlsx) must be completed when an asset, $5,000 or greater, is transferred to another department on campus. The department having the asset on their inventory prior to transfer should complete the form. Since the [Equipment Transfer Form](http://www.wcu.edu/WebFiles/EquipmentTransferForm20150909.xlsx) requires the department/administrative head's signature, the form must be completed, printed, signed by the appropriate individual, and sent to the fixed asset accountant. Then, the receiving department is to complete the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form) providing the updated location. The appropriate copy should be retained in both the transferring and receiving departments. If the asset is IT related, the IT asset coordinator should be notified.

**Section D – Control of Assets**Control of University assets is the responsibility of the individual departments with the department head held responsible for compliance with University policies and procedures.

An “Annual Departmental Fixed Asset Inventory” spreadsheet is used to maintain control of University assets. This report lists the department's tagged capital equipment and is used by that department to verify their annual tagged equipment inventory. The department will receive the annual inventory list from the fixed asset accountant. Each asset listed is to be visually verified, corrections/updates made (asset condition, location, etc.) signed (two signatures required – individual performing inventory and department/administrative head), dated, and returned to the fixed asset accountant in a timely manner. An inventory copy should be maintained by the department. If an asset cannot be located, it is marked “Missing” and the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form) must be completed stating the steps taken to recover the asset. FACs will be responsible for making sure both reports are completed and submitted.

Note: When an asset is marked “Missing”, the “Missing Equipment Report” will be generated by the fixed asset accountant and sent to the department head for signature. If the asset remains missing for an additional 60 days, an updated “Missing Equipment Report” will be sent to the appropriate dean (academic asset); vice chancellor (administrative asset).

**Equipment Location Codes**The University requires all asset records to include the location of the equipment items. This information is necessary to prepare reports required by federal and state agencies and cost allocations for facilities and administrative cost (i.e., indirect cost) proposals. In addition, this information will assist departments in conducting the required annual inventory. To accomplish this, the University has established room numbers (if available) and building location codes for all University buildings. Departments must include room number (if available) and building location codes in all asset records representing the permanent location of the equipment items. Equipment location codes can be found by clicking on the following link: [Equipment Location Codes](file:///H%3A%5Ccontroller%5CFixed%20Assets%5CLocation%20Codes.xlsx) (Excel). The Controller's Office should be contacted if a building or number is not listed on the previous link. In addition, departments are responsible for contacting the Controller’s Office with updated location codes when equipment is permanently relocated within the same department so the University’s accounting system will contain the correct information. This information is to be submitted to the fixed asset accountant and IT asset coordinator (if applicable) through the [WCU Asset Inventory Control Form](https://help.wcu.edu/CherwellPortal/WinLogin/WCU/Command/Application.NewBusOb?Name=Asset%20Control%20Form). [**Maintenance of Fixed Assets**](http://www.wcu.edu/discover/campus-services-and-operations/controllers-office/fixed-assets/index.asp)The department head is responsible for seeing that University equipment in his or her custody and control is properly maintained and repaired so that its maximum useful life is realized.

[**Copyright**](http://www.wcu.edu/about-wcu/copyright-infringement/index.asp) **2017 by Western Carolina University      •      Cullowhee, NC 28723      •      828.227.7211      •**[**Contact WCU**](http://www.wcu.edu/discover/contact-wcu/index.asp) **Maintained by the** [**Office of Web Services**](http://a.cms.omniupdate.com/10?skin=oucampus&account=wcu&site=wcu&action=de&path=/discover/campus-services-and-operations/controllers-office/fixed-assets/fixed-asset-policy.pcf) **•**[**Directions**](http://www.wcu.edu/discover/locations/main-campus/directions-to-campus.aspx)**•**[**Campus Map**](http://www.wcu.edu/discover/locations/main-campus/campus-map.aspx)**•**[**Emergency Information**](http://news-prod.wcu.edu/emergency-information/)**•**[**Text-Only**](http://www.wcu.edu/discover/campus-services-and-operations/controllers-office/fixed-assets/fixed-asset-policy.asp)