ASSET MANAGEMENT - Appendix

Capitalization Thresholds

A. Furniture & Equipment - Includes moveable equipment of a non-consumable nature, where the value or cost (less discounts) of the asset including freight, installation and other cost incurred to acquire or install the asset is $1,000 or more and the normal expected life of which is one year or more. Moveable equipment also includes hardbound books purchased through a department (not including the main library systems) where the value or costs of which is $250 or more. (Repairs and maintenance expenses, service contracts, and extended warranties are not additions to the capital assets.)

B. Artwork Depreciable - Includes all artwork purchased by a department (not including the Harn Museum or the University Gallery) where the value or cost of which is $1,000 or more and the normal expected life of which is one year or more.

C. Artwork - Non-Depreciable - Includes all artwork purchased by the Harn Museum or the University Gallery ONLY where the value or cost of which is $1,000 or more and the normal expected life of which is one year or more. Note: All donated artwork is donated through the UF Foundation and reported on the Foundation’s financial statements.

D. Software - Computer Software includes individual software licenses where the cost is $1,000 or more, the life is one year or more and Department of Educations not have a time-limited license for current or future use (i.e. Department of Educations not require payment or return each year.)

E. Livestock - Includes the value of all registered and non-registered cattle, horses, swine and dogs.

F. Library Resources - Any resource cataloged in the on-line public access catalog for the main University Libraries.

Inventory Procedure

A. The following are procedures for completing equipment inventory:
   1. The inventory is performed annually starting July 1st and ending March 31st.
   2. Laser scanning equipment is used to scan the bar codes that are printed on the decals. This is the primary form of inventorying equipment and artwork.
   3. Off-Campus Certification - Off-Campus Certifications are used for equipment that is located in remote locations or in employee homes.
   4. Software and Book Certification - Software and Book Certification is performed on-line through myAssets. The department must indicate whether the item is still in use or not. If the item is still in use, the inventory date is updated by Asset Management. If the item is not in use, the item will be retired in the myUFL system.
   5. Livestock inventory is performed by counting the livestock in each category and providing the total sheets to asset management.
   6. Library Resources will use the on-line public assess catalog as inventory.

The department is responsible in locating missing equipment that was not been found during the first inventory pass.

Acquisitions

A. The following are procedures for acquiring equipment:

   Note: The Surplus Warehouse at the University of Florida contains equipment that is available to other departments for use. The departments are encouraged to first review the Surplus Warehouse website before acquiring new equipment.

B. Purchasing New Equipment through a Purchase Requisitions - The following are procedures for purchasing equipment through a purchase requisition:
   1. When purchasing equipment, the purchase must meet the capitalization threshold for the type of equipment being purchased (see above).
   2. The "Requisition to Purchase" must reference the applicable department ID, fund, program and category.
3. When purchasing tangible equipment, the department is encourage (whenever economically feasible) to purchase environmentally preferred products. (University of Florida Environmental Purchasing Policy)

4. Upon completion of Requisition to Purchase, receipt and vouchering, the department must complete a Property Update Document and forward it to Asset Management (PO Box 116300, 116 Elmore Hall)

Note: Tangible equipment (other than books) should not be purchased using a P-Card or paid un-encumbered.

Instructions on requisitioning to purchase assets can be located at the following web site:

hr.ufl.edu/training/myUFL/Toolkits/AssetManagement.htm

Instructions on completing a split funded purchase can be located at the following web site:
http://fa.ufl.edu/am/split-funded-asset-process.asp

C. Trading In Old Equipment for New Equipment - The following are procedures for trading-in old equipment for new assets:

1. The department must complete the purchase requisition as instructed above.
2. The department must indicate the old tag number of the asset that is being traded-in on the comments field on the MyUFL (See instructions above).
3. The department must initiate a Report of Survey request in myAssets for the old piece of equipment.
4. The department must send the Report of Survey to Asset Management (PO Box 115300, 116 Elmore Hall).
5. All University decals must be removed from the asset before the item is traded-in and taped to the Report of Survey PDF generated from myAssets. (If the decal is not attached to the Report of Survey, the department must include a statement on the survey explaining why the decal was not attached.)
6. If the item contains sensitive information, it must be removed from all devices before the item is traded-in.

Note: The University of Florida Department of Educations not permit the trade-in of UF owned assets for expendable materials, operating leased equipment or equipment being purchased by Direct Support Organizations where ownership of the new asset Department of Educations not reside with the University of Florida.

D. Receiving Donated Equipment - The following are procedures for receiving donations of equipment from other universities, the Federal Government, other State agencies and private industries:

1. The department will receive the asset(s) in myAssets - see instructions.
2. The department must obtain supporting documentation which clearly confirms that ownership has been transferred to the University of Florida.
3. Asset Management staff will add the asset to the AM subsystem indicating the acquisition type as "donation".
4. The value of the donated equipment added to the financial statements will be the fair market value of the asset at the time the University of Florida acquires the asset.

E. Fabricating Equipment - The following are procedures for recording fabricating equipment:

1. The department must choose a proper asset category when creating the requisition to purchase.
2. The department must indicate in the comments field on the requisition that the costs will be added together to make one asset.
3. The department will receive the asset(s) in myAssets - see instructions.

F. Receiving Government Furnished Equipment - The following are procedures for transferring government owned equipment to the University of Florida:

1. Title to all equipment furnished by the government for use on a project will remain with the government. It is the responsibility of the Principal Investigator to send a copy of the shipping documents, transfer order and/or correspondence pertaining to the receipt of the equipment to Asset Management (PO Box 115300, 116 Elmore Hall).
2. Such property, when acquired by NASA grants, will be maintained in accordance with NASA Grant Handbook.
3. Equipment furnished by the government are subject to all reporting requirements of the particular contract or grant until the project is terminated at which time specific disposition instructions will be requested by
G. Purchasing Equipment from Contract or Grant Funds - The following are procedures for Purchasing Equipment from contract and grant Funds:

1. The specific provisions of each contract or grant may vary regarding the acquisition of equipment. In many cases, prior approval must be received. Before assets are charged to a contract or grant, departments must review the terms and conditions of the agreement to identify limitations for purchasing equipment. If the department is unsure of limitations set forth by the granting agencies, they can contact Asset Management's Senior Grants Specialist at 352-392-2329.

Known Agency Specific Limitation:

a. For the Department of Defense (DOD) contracts, the purchase of equipment in the project budget costing less than $5,000 Department of Educations not need further approval, but prior approval of the Contracting Officer is required if the item is not listed.

b. NASA Grants - Acquisition of property costing in excess of $5,000 and not included in the approved budget requires the prior approval of the Administrative Grants Officer unless the item is merely a different model of an item shown in the approved budget. The government reserves the right to require transfer to the government or third party (named by the government) of the title of items purchased at a cost in excess of $1,000 within 120 days after receipt of a final inventory.

2. General types of equipment, such as typewriters, air conditioners, office furniture, and calculators are not permitted to be purchased unless specifically approved in writing by the Contracting Officer.

3. All purchase requisitions (partially or fully funded) must include the project number assigned to the contract and grant on the chartfield string.

H. Receiving Equipment from Federal Surplus Property in Starke, Florida - The following are procedures for receiving equipment from Federal Surplus Property:

1. The department must contact Asset Management to obtain prior authorization.

2. Asset Management will authorize the department to pick up Federal Surplus Property.

3. When the equipment is received, it is the responsibility of the department to certify receipt of the property items and to authorize payment (when necessary).

4. The department must send a copy of the certification of receipt or invoice to Asset Management (PO Box 115300, 116 Elmore Hall).

5. Asset Management will add equipment to the Asset Management Subsystem.

I. Leasing Equipment - The following are procedures for capitalizing leased equipment that are deemed “capital leases”:

1. The following criteria must be met:
   a. The title of the equipment is transferred to the University.
   b. There is a bargain purchase price for the equipment at a future date.
   c. The term life is greater or equal to 75% of the life of the equipment.
   d. The present value of payments is greater than or equal to 90% of the fair market value of the equipment.

2. Asset Management will add the asset to the AM Subsystem.

3. Asset Management will instruct the department on how to properly account for capital leased equipment.

Dispositions

A. In accordance with Section 273.05, Florida Statutes, the University has appointed a "Property Management Committee" to review all dispositions information for UF owned equipment. It is the committee's role to recommend the final disposition of equipment.

B. The terms and conditions of the granting agency may stipulate how and when an asset is allowed to be disposed. Therefore, all equipment purchase from contract and grant funds must be approved by Asset Management before an asset can be disposed.

C. When Government owned property becomes excess to the contract for which it was provided, it must be screened against the needs of other contracts before it can be declared excess. If such need is disclosed, a request should be made to the Contracting Officer for authority to use or to transfer. Additionally, if the department wishes to cannibalize government equipment, a request to cannibalize must be made to the contracting officer for...
approval. The request will be initiated by the project leader to the Contract Property Administrator through Asset Management.

D. When a piece of equipment has been deemed surplus (no longer needed, damaged, worn out or obsolete), the department will complete a Surplus Property Pick-up Request form. Within 14 business days of receiving the Surplus Property Pick-up Request, Surplus Property staff will pick up the equipment and store it in the Surplus Property Warehouse. This piece of equipment will be advertised on the Surplus Warehouse website for 14 days to allow other departments the option of acquiring the equipment before it is sold at auction, recycled or scrapped. After the 14 days has elapsed and if the item has not been claimed by another department, the equipment is available for auction. (See Procedures for Reducing, Re-Using and/or Recycling University of Florida Electronic Equipment) The proceeds from the sale of equipment is used to cover the operating expenses of the Surplus Warehouse with the exception of Government owned equipment where the money received will be returned to the agency (FAR 45.610-3). If the equipment is not working, the equipment will either be scrapped or recycled.

E. If the department decides to cannibalize equipment, the department must first complete the Report of Survey and send it to Asset Management for approval. The department must attach the equipment decal to the Report of Survey. By submitting this survey form, the department is certifying that the asset will be dismantled and no longer used and that this form is not being submitted to meet inventory requirements.

F. If a piece of equipment is traded-in for new equipment, the department will submit a Report of Survey request through myAssets for the asset being traded in. Once approved by the department's custodian, the PDF Report of Survey will be faxed to Asset Management along with the documentation to support the trade in. The department must attach the equipment decal to the Report of Survey form.

G. If a piece of equipment has been damaged by fire, hurricane etc, a Report of Survey request must be submitted through myAssets. Once approved by the department's custodian, the PDF Report of Survey will be faxed to Asset Management along with any supporting documentation. The department must attach the equipment decal to the Report of Survey form, whenever possible.

H. UF owned equipment purchased from Contracts & Grant funds and still residing on a Contract & Grant account can only be donated to Other Government Organizations. If a department wishes to donate equipment to another governmental organization, they must initiate a request through myAssets. Signatures must be obtained from the College Dean, DSR and the Property Custodian. Once approved by all parties, the completed Report of Survey must be faxed to Asset Management for final approval (352) 392-0524.

I. The Federal Surplus equipment dispositions are processed the same as above with the exception of equipment costing $5,000 or more or where the equipment is a motor vehicle. These items CANNOT be transferred, cannibalized, utilized for a secondary purpose for a period of four years after acquisition (2 years in the case of motor vehicles) without written permission from the Florida Surplus Property Division. If the department wishes to dispose or transfer Federal Surplus equipment, they must notify Asset Management's Sr. Grants Specialist at 352-392-2329.

J. When equipment has been deemed lost or stolen, the department must initiate a request through myAssets. Once the request has been created, myAssets will e-mail the initiate a PDF Report of Survey form. This form must be signed by the Department Chairperson or Director and faxed to Asset Management at (352) 392-0524. When theft is discovered, the University Police Department (or local authority) must be notified by telephone immediately. A copy of the police report must accompany the survey form. In the case of loss of non-state owned property that is covered by insurance, the department must notify the Insurance Coordinator at 352-392-7256.

K. Items not sold at auction will be available to other Government Organizations and/or Private Nonprofit Organizations see 1.4.9.17 for special requirements for electronic equipment.

**Safeguarding Attractive and Sensitive Property**

A. Attractive/sensitive property is tangible personal property that costs less than $1,000 and can be characterized as “walk away” items. These items are prone to theft because they are either not secured, are easily portable, contain new technology and/or they are adaptable for personal use.

B. Examples of attractive/sensitive items include:

- Audiovisual equipment
- VCR's
- Video Recorders
- Camcorders
- Televisions
- Projectors
- Communications Equipment
Fax machines
Cellular phones
Data Processing equipment
Laptops
Color Printers
Computer peripherals
Disk drives
Tape drives
Scanners
Cameras
Digital Cameras
Lab equipment
Balances
Microscopes
Tabletop Centrifuges
Small Hand Tools
Chain saws
String trimmers
Edgers
Blowers
Hedge trimmers
Lawn mowers
Office equipment
PDA's
Calculators
Adding machines
Musical instruments
Firearms

C. Responsibilities - It is the Custodian's responsibility to safeguard attractive and sensitive property owned by their departments. This includes:
   1. Locking equipment in secured locations.
   2. Performing adequate maintenance and upkeep of equipment.
   3. Training staff on procedures for properly handling equipment (i.e. moving, transferring and cannibalizing equipment).
   4. Locking doors when rooms are not in use.
   5. Not letting equipment sit idle for extended periods of time.
   6. Storing equipment in environmentally suitable locations to prevent corrosion, contamination and damage of sensitive parts.

D. Tracking Attractive/Sensitive Property - It is recommended that departments maintain a list of their attractive and sensitive property and/or provide other appropriate means to safeguard these assets. Recommended information that may be maintained on such items includes the following:
   1. Serial Number of Equipment and/or a Unique Tag Number if Serial number is not available*
   2. Date equipment was purchased
   3. Description of the equipment
   4. Current location of equipment
   5. Person responsible for usage of the equipment

* A unique tag number may be obtained for the item by initiating a request in myAssets. Tags must be placed on the equipment by the department.

Lost/Stolen Attractive/Sensitive Property - Whenever it has been discovered that attractive/sensitive property has been lost or stolen, University Police must be notified immediately.

Reducing, Re-Using and/or Recycling University of Florida Electronic Equipment

A. Overview - The University of Florida has embarked on an initiative to serve as a laboratory for sustainability, to form partnerships with local and regional stakeholders in its sustainability efforts, and to provide international
leadership for sustainability. Surplus Property staff working with the campus community plays an important role in this mission by ensuring that electronic equipment is reduced, re-used and/or recycled.

B. Purpose - The purpose of this directive it to minimize the effects of the University of Florida's electronic waste on the environment by reducing, re-using and/or recycling electronic equipment and materials while meeting all local, state and federal regulations.

*By working together, we can all contribute to the University’s sustainability goals.*

C. Examples of Electronic Equipment and Materials

- Cables
- Memory Devices
- Calculators
- Microfiche Readers
- Cameras
- Modems
- Cell Phones
- Moving Vehicles
- Circuit Boards
- Optical Drives
- Computer Racks
- PDAs
- Connectors
- POS Equipment
- Converters
- Power backup
- Copiers/UPS
- Printers
- CPUs
- Projectors
- Computers
- Repeater Research and Testing Equipment
- CRT Monitors
- Tracking Devices
- DVD Players
- Surge protectors
- Fax Machines
- Splitter & Cluster Boxes
- Hard Drives
- Tape Drives
- Keyboards
- Telecom Equipment
- Mice
- Televisions
- Laptops
- Transceivers
- Mainframes
- VCR Players
- Medical Equipment

D. Because electronic equipment contains a high level of lead and other hazardous materials, it has been deemed to be harmful to the environment. As such, the University of Florida has taken measures to minimize such environmental damage.

E. Management and Disposal of Electronic Equipment

1. Management of Electronic Equipment by Departments
   a. Departments are encouraged to review the list of surplus equipment available on Surplus Property’s website before purchasing new equipment.
   b. Departments are encouraged to not stockpile and/or store equipment for extended periods of time and to send such equipment to the Surplus Warehouse so that the equipment can be made available for other departments to actively use.
   c. Departments are encouraged to perform preventative maintenance on equipment to sustain its useful life.

Through this effort, the University reduces the unnecessary purchase of electronic equipment that is already available from the Surplus Warehouse, as well as encouraging the re-use of available equipment suitable for other purposes.

2. Completing a Report of Survey Form
   a. Departments are encouraged to initiate a request to pickup surplus equipment in myAssets whenever they discover they have equipment that is no longer needed in their department.
   b. When departments send electronic equipment to the Surplus Warehouse, the Units will indicate on the survey form whether the equipment is working or non-working.
c. It is the responsibilities of all departments sending equipment to the Surplus Warehouse to ensure that all sensitive data has been permanently removed from all electronic devices. This includes, but is not limited to, data that is confidential, for internal use only, protected health information, or any other sensitive information that is not to be made publicly available.

d. The departments must indicate on the survey form that all sensitive data has been permanently removed from all electronic devices. Guidance on removing such data can be found at http://fa.ufl.edu/am/destroy-data.asp.

F. Obtaining Electronic Equipment from the Surplus Warehouse

1. All electronic equipment identified as working is first advertised for 14 days on the Surplus Property website to allow other departments the opportunity to re-use the equipment.

Note:
Departments may be limited on the number of electronic equipment items each Unit can obtain from the Surplus Warehouse during a specified time period. This is intended to provide equal opportunity for all departments to choose the most valued electronic equipment available from the Surplus Warehouse.

2. Auction of Electronic Equipment to Students, Staff and Private Individuals - If working electronic equipment has not been obtained by a department and is less than five (5) years old and/or contains new technology, the equipment becomes available by the Surplus Warehouse to students, staff and private individuals to purchase through online auction or sale. In such circumstance, the following conditions apply:
   - The equipment is sold individually and not in bulk.
   - A minimum fair market value will be stipulated for the beginning bid price.
   - The purchaser will be contractually required to return the electronic equipment to the Surplus Warehouse in the unlikely event that any sensitive information still exists on the electronic device.
   - The purchaser must agree in contract to use the equipment appropriately according to all local, state and federal regulations.
   - The purchaser must agree in contract to dispose of such equipment as required by local, state and federal regulations.
   - The purchaser is restricted to the number of items that can be bid upon during a specified time period.

Donations of Equipment to Other Governmental Entities and Non-Profit Organizations - State, Government, and Non-Profit Organizations are allowed to obtain working electronic equipment from the Surplus Warehouse that has not been obtained by departments, is less than five (5) years old and/or contains new technology. The following conditions apply:
   - The equipment is not needed by another UF department or under bid.
   - The non-profit organization has proper certification.
   - The equipment is taken individually and not in bulk.
   - The organization will be contractually required to return the electronic equipment to the Surplus Warehouse in the unlikely event that any sensitive information still exists on the electronic device.
   - The organization agrees in contract to use the equipment appropriately according to all local, state and federal regulations.
   - The organization agrees in contract to dispose of such equipment as required by local, state and federal regulations.
   - A limitation may be set to control the number of items an organization can receive during a specified time period.

Recycling Unsold and Non-Working Electronic Equipment - If working electronic equipment is not sold or donated within a reasonable time frame, the equipment will be sent to an approved recycling vendor along with non-working electronic equipment.

Surplus Property will not sell or donate electronic equipment (working or non-working) in bulk unless the buyer has been approved as a recycler by Environmental Health and Safety and vendor pricing has been approved by Asset Management.