

Complete Procedure Title: Procedures related to Tracking, Loss, Damage and Disposition of University Assets	Procedure Number:
Approved by: Assistant Vice President Administration and CFO	Date of Most Recent Approval: June 2015
Date of Original Approval:	Supersedes/Amends Procedure dated: Insurance and Protection of Moveable Assets- June 2009 Asset Capitalization Guidelines- May 2007 Disposal of University Surplus Assets-P160- October 1996
Responsible Executive: Assistant Vice President Administration and CFO	Enquiries: Environmental and Occupational Health Support Services (EOHSS) at eohts@mcmaster.ca . finserv@mcmaster.ca customs@mcmaster.ca
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Purpose

This document provides detail associated with the policy on Capital Assets. (<http://www.mcmaster.ca/bms/pdf/capassets.pdf>). These procedures detail the requirements for numbering and marking university owned assets, the conditions and limits for compensation for loss of University owned assets and the requirements associated with disposition of University owned surplus assets.

Approved Methods for Numbering and Marking of Assets

1. Uniquely Numbered McMaster Asset Tags

At the time of acquisition Strategic Procurement will provide a uniquely numbered McMaster asset tag to departments and faculties for attachment to capital assets with an initial value of greater than \$50,000.

2. Identifiable Security Number

Moveable assets or property may have also be marked with a department specific **identifiable** security number, available from Security Services. The methods in place at the University have included the use of an Operation Provident Number and STOP plate/bar code.

- Operation Provident Number - One of the approved methods of identifying University property which is part of a national numbering system whereby a number, provided by Security Services, is engraved or tagged on a piece of equipment.
- STOP Plate -The second approved method of identifying University property whereby a permanently attached security plate with an identifiable number is uniquely registered to the faculty or department and can be provided by Security Services.

Procedures for Departments and Faculties

1. Protection of Moveable Assets and Equipment:

Keep moveable assets and equipment secure by:

- Routinely checking that such assets are in place;
- Properly keying and locking doors;
- Maintaining equipment in locked premises;
- Affixing equipment with the use of locking devices or fasteners;
- Storing portable items such as cameras and laptop computers in locked cabinets or drawers;
- Refrain from storing lap tops in vehicles
- Installing alarms systems in high risk areas
- Ensuring that door locks are engaged and functioning when leaving areas unattended;
- Maintaining departmental control and restriction of keys by updating key distribution lists on a quarterly basis;
- Maintaining an inventory of assets
- Reporting the presence of suspicious persons or behaviour to Security and Parking Services, noting their clothing and physical characteristics;
- Reporting missing equipment immediately to Security and Parking Services (Ext. 24281).

2. Inventories:

Moveable assets and equipment having a value between \$5,000 (\$2,000 for computer equipment) and \$50,000 should be inventoried by the department in order to qualify for reimbursement in case of loss. Items with a value over \$50,000 will be inventoried in the University's centralized capital assets database as maintained by Strategic Procurement. Information required for the inventory shall include:

- Date inventory last confirmed;
- Item description;
- Model number;
- Year of purchase;
- Supplier;
- Location;
- Purchase price including tax and duty;

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- Funding source (e.g. Research funds, Departmental Operating funds)
 - Provident number/Identifiable security number/Unique McMaster item number tag
 - User

3. Identification of Assets:

Examples of assets and equipment to be engraved or tagged include:

- A.V. Equipment
- Cameras
- Computers
- Handheld Computers
- Fax Machines
- Laptops
- Monitors
- Printers, Scanners
- Projectors
- Tools

4. Use of University Equipment off Campus:

To protect University equipment and ensure insurance coverage the following steps shall be taken before prior to relocating equipment to an off campus location:

- The signing authority for the account from which the equipment was purchased must authorize the use of such equipment off campus; see letter template in Appendix A;
- A copy of this letter should accompany the relocating equipment to off campus locations. The original letter shall be retained along with departmental equipment inventory;
- The equipment must be identified as University property and marked with a Provident number or identifiable security number;
- Environmental and Occupational Health Support Services shall be consulted when equipment is relocated to another institution or out of Province.

As part of their duties Special Constables may question persons removing equipment from campus. Faculty and staff transporting equipment off campus should be prepared to present suitable identification such as a McMaster I.D. card or a written authorization from the account signing authority.

5. Compensation for Loss by **Theft** of University Owned Moveable Assets:

Compensation for losses by theft below the University Property deductible and greater than \$5,000 will be paid out of the University's general funds, only when the following conditions are met:

- The missing equipment is supported by a equipment inventory record or equivalent; and.

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- The missing equipment is marked with an identifiable security number and/or tag; and
 - There is evidence of forcible entry or forcible removal; and,
 - The property is replaced with an identical or equivalent item.
 - Replacement or repair costs for items under \$5,000 are the responsibility of the department

6. Compensation for Loss by **Damage** of University Owned Moveable Assets:

Compensation for losses by damage below the University property deductible and greater than \$5,000 will be paid out of the University's general funds only when the following conditions are met:

- The damaged equipment is supported by an equipment inventory record or equivalent; and.
- The damaged equipment is marked with an identifiable security number and/or tag; and
- The loss is collateral damage due to an accident or failure of a University system e.g. flood due to broken water pipe; or
- The loss results from fire; or
- The loss results vandalism associated with forced entry; and,
- The property is replaced with an identical or equivalent item.
- Replacement or repair costs for items under \$5,000 are the responsibility of the department

7. Records of Loss or Damage

To facilitate internal and external agency requirements for the maintenance of loss of property records and evidence of due diligence practices, the following records will be retained:

- Security: Shall record and file all reported losses of University equipment and moveable assets. Such records will be retained for a minimum of three years.
- Environmental and Occupational Health Support Services: Shall receive copies of all loss reports involving University equipment and moveable assets. Such reports will be retained for a period of three years or until any outstanding insurance claim has been resolved.

8. Disposition of Surplus Assets

The disposal of University assets shall be the responsibility of Strategic Procurement.

Typically, surplus assets will be made available for sale and/or utilization in the following order: other University departments, University faculty & staff, external organizations.

1. Assets purchased from research accounts are the property of the University and are subject to this policy unless otherwise specified by the sponsor's terms for the grant or

contract funding.

2. If the individual item has a current market value over \$1000.00 CAD, prior written approval from the Faculty Dean and/or VP is required before the item can be disposed of. Once complete, please send to John Bentley at customs@mcmaster.ca
3. If your item is under \$1000.00 CAD, Peter Johns from GovDeals will assist with the process of selling your item(s) online. Contact Peter at pjohns@govdeals.ca and/or PH# 416-460-4500
4. If you are successful on GovDeals and your item(s) sell, you will receive a certificate of sale and a cheque for the monies will be sent. GovDeals will take a 7% administration fee.
5. If posting on the government auction site is unsuccessful, the Director of Strategic Procurement will assist in the disposal of the surplus good(s), and ensure the item(s) are removed from the University's central database.
6. If you would like to see what is available for sale on GovDeals, go to www.govdeals.ca. If you find something that you wish to purchase, become a bidder by clicking on register.

Any questions or concerns please contact John Bentley at ext. 23084 or e-mail customs@mcmaster.ca

Related Links

Capital Assets Policy –

<http://www.mcmaster.ca/bms/pdf/capassets.pdf>

Appendix A

Letter Template for the Loaning of Assets

DATE NAME
DEPARTMENT
MCMASTER UNIVERSITY
1280 Main Street West
Hamilton, ON
L8S 4K1

NAME,

You are permitted to transport EQUIPMENT, off site for the purpose of carrying out McMaster University work. Please ensure the following:

1. That the EQUIPMENT [e.g. laptop] is clearly marked with the department provided number/ identifiable security number and it is recorded on the departmental inventory for capital equipment.
2. That the EQUIPMENT is kept with you or is secured in a restricted manner. Please do not leave the EQUIPMENT unattended. Of particular notation, you are requested not to store valuables within a vehicle but secure in the trunk if required to transport. Do not leave in a vehicle overnight.
3. Any issue regarding damages or theft of this property is immediately reported to the Supervisor of DEPARTMENT and the procedures specified under the McMaster University Insurance and Protection of Moveable Assets program are followed to include reporting to Security Services.

If you require any clarification regarding this letter, please let me know.

Sincerely,

Name of department Supervisor
Title
Department Name
Extension