



OLD DOMINION UNIVERSITY

University Policy

Policy #3400

CAPITAL ASSET CONTROL

Responsible Oversight Executive: Executive Vice President for Administration and Finance and Chief Financial Officer

Date of Current Revision or Creation: October 8, 2024

A. PURPOSE

The purpose of this policy is to outline the processes necessary for the University to maintain control of capital assets that have been tagged and added to the University's capital asset inventory.

B. AUTHORITY

[Code of Virginia Section 23.1-1301, as amended](#), grants authority to the Board of Visitors to make rules and policies concerning the institution. Section 7.01(a)(6) of the [Board of Visitors Bylaws](#) grants authority to the President to implement the policies and procedures of the Board relating to University operations.

[Commonwealth Accounting Policies and Procedures \(CAPP\) Manual](#)

C. DEFINITIONS

Budget Unit Director – The University employee on record with the Office of Finance Data Control as having signature authority and financial management responsibility for a specific budget code.

Capital Asset – Tangible and intangible property owned by the University and used in operations (not for resale) that have an initial expected useful life of greater than one year (also referred to as Fixed Assets). A capital asset with an initial cost (inclusive of ancillary charges) of \$5,000 or greater is capitalized as is a purchase where the value of a group of assets in aggregate meets the \$5,000 threshold. These become known as a capital asset. Fixed assets also include those items purchased with Equipment Trust funding having a unit value of at least \$500. ETF fixed assets must be retained for a minimum of seven years (with the exception of computing equipment, which must be retained for three years).

Equipment Trust Fund (ETF) – Funds appropriated by the General Assembly with distribution oversight by the State Council of Higher Education for Virginia (SCHEV) for equipment upgrades needed for instruction and research.

Intangible Property – An intangible asset is one that is not physical in nature. Computer software (including websites), water rights, easements, brand recognition and intellectual property, such as patents, trademarks, and copyrights, are all intangible assets.

Owner - University Budget Unit Director responsible for the inventory, care, control, custody and maintenance of capital assets purchased with funds from the respective budget unit(s) or accepted as transfer equipment.

Tagged Asset – A capital asset that is assigned a unique identification number (tag) to ensure the asset is accounted for in the University's Fixed Asset System, Banner.

D. SCOPE

This policy applies to all University-owned capital assets and those individuals who are responsible for the proper use and control of these assets. This policy also applies to University employees who require the use of University equipment to accomplish University business at home (or away from the office). Employees include all staff, administrators, faculty, full- or part-time, and classified or non-classified persons who are paid by the University.

E. POLICY STATEMENT

It is the responsibility of Budget Unit Directors to maintain oversight, accountability and safeguarding of capital assets that are assigned to them. When a Budget Unit Director does not exercise due care and maintain custody of the asset, then the budget may be charged up to the lesser of the current undepreciated value or the replacement cost of the asset. The procedures listed below must be followed in order to ensure control is maintained according to Commonwealth Accounting Policies and Procedures (CAPP) Manual guidelines.

F. PROCEDURES

All University capital assets are identified as “Property of Old Dominion University” and assigned a unique tag number. To safeguard and ensure accurate reporting, the following steps should be taken:

1. Office of Finance personnel are responsible for recording capital assets in the University's capital asset system and tagging capital assets delivered directly to departments. Each capital asset shall be assigned a responsible budget code and the Budget Unit Director will be notified when an asset is added. The Budget Unit Director is then responsible for the control of the capital asset as described in the [Office of Finance Procedure 3-800](#). The Department of Procurement Services will be responsible for tagging capital assets delivered to the warehouse and surplus property management.
2. When a tagged asset is needed by an employee to accomplish University business off campus, an [Equipment Use Authorization Form](#), approved by the Budget Unit Director, must be submitted to the Office of Finance. This form is in effect for one year and will serve as evidence of the location of a capital asset in the Budget Unit Director's custody that has been temporarily removed from campus. Requests to continue use of a capital asset off campus must be updated annually by submitting a new [Equipment Use Authorization Form](#) to the Office of Finance. When the capital asset is returned to campus, the Budget Unit Director shall certify on the [Equipment Use Authorization Form](#) that the capital asset listed has been returned in satisfactory condition and shall sign and return it to the Office of Finance for

documentation of the change in location and to record the update in the University's capital asset inventory system.

3. Departments may not trade in equipment for credit toward the purchase of new equipment without advance approval by the Department of Procurement Services. If approved, the tag number assigned to the equipment being traded must be listed on the purchase requisition with details showing the gross cost of the equipment as well as the vendor's trade-in allowance. The department should also submit trade-in information to the Office of Finance to update the capital asset records once the trade-in has been approved by the Department of Procurement Services.
4. Departments must report stolen or vandalized equipment to the Old Dominion University Police Department and forward a copy of the police report to the Office of Finance.
5. Departments must complete and submit to the Office of Finance a [Missing Asset Explanation Form](#) for tagged assets not found.
6. For capital assets that are no longer needed, obsolete, or damaged, departments must prepare an [Equipment Turn-In/Work Order Request Form](#) to include the condition of the capital asset, and submit it to the Department of Procurement Services for approval. Once the Department of Procurement Services has approved the request, it will receive approved surplus capital assets that may then be reassigned to another department on request or may be considered disposable. The Department of Procurement Services will notify the Office of Finance of reassignment or disposal of the turned-in property.
7. Prior to the issuance of an approved [Equipment Turn-In/Work Order Request Form](#) by the Department of Procurement Services, the owner shall continue to be responsible for the inventory and absolute care, control, custody, and maintenance of the capital asset. ([Board of Visitors Policy 1621 - Asset and Surplus Property Disposition](#))
8. For accurate monitoring in the University's capital asset system, the owner is responsible for promptly informing the Office of Finance of any changes affecting the responsible budget and/or physical location of an asset. Changes in the responsible budget and/or physical location of asset(s) must be submitted using the [Fixed Asset Workflow](#) system.

G. RECORDS RETENTION

Applicable records must be retained and then destroyed in accordance with the [Commonwealth's Records Retention Schedules](#).

H. RESPONSIBLE OFFICER

Associate Vice President for Finance and University Controller

I. RELATED INFORMATION

[University Policy 3001 – Responsibility of Budget Unit Directors on Use of Funds \(Expenditures\)](#)
[University Policy 6060 – Separation Process for Faculty and Staff](#)
[Fixed Assets Accounting](#)
[Office of Finance Fixed Asset Management Procedure Manual](#)

POLICY HISTORY

Policy Formulation Committee (PFC) & Responsible Officer Approval to Proceed:

/s/ Stephanie Jennelle
Responsible Officer

September 25, 2024
Date

Policy Review Committee (PRC) Approval to Proceed:

/s/ Donna W. Meeks
Chair, Policy Review Committee (PRC)

June 18, 2024
Date

Executive Policy Review Committee (EPRC) Approval to Proceed:

/s/ Chad A. Reed
Responsible Oversight Executive

September 25, 2024
Date

University Counsel Approval to Proceed:

/s/ Allen T. Wilson
University Counsel

October 7, 2024
Date

Presidential Approval:

/s/ Brian O. Hemphill
President

October 8, 2024
Date

Policy Revision Dates: December 1, 1988; August 1, 1991; July 1, 2000; June 24, 2010;
May 4, 2012, October 2018, October 8, 2024

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