

Asset Management Policy

Section 1 - Purpose and Context

- (1) Western Sydney University has a significant investment in its non-leased assets, which must be appropriately managed and maintained. The [Government Sector Audit Act 1983 \(NSW\)](#) ('the Act') establishes the framework under which the University must operate to ensure this investment is properly managed, controlled and recorded.
- (2) This policy sets out the University's requirements for managing its physical assets, other than motor vehicles.
- (3) The policy applies to all University students, employees, contractors, appointees, University controlled entities and any other person acting for or on behalf of the University.
- (4) The policy should be read in conjunction with the [Delegations of Authority Policy](#), [Drones Policy](#), [Intellectual Property Policy](#), [Library Collection Development and Access Policy](#), [Motor Vehicle Policy](#), [Procurement Policy](#), and the [Records and Archives Management Policy](#).

Section 2 - Definitions

- (5) For the purposes of this policy:
- a. Asset Register means the recording mechanism that the University uses to detail Fixed Asset information.
 - b. Consumable means an asset with an effective life of less than 12 months. Examples include, but are not limited to, chemicals, laboratory glassware prone to breakage, and assets of higher value such as high performance liquid chromatography (HPLC) columns and ultrapure water filter cartridges.
 - c. Custodian means the person responsible for managing a discrete set of single or multiple assets.
 - d. Fixed Asset (also known as a non-current asset) means any item of plant or equipment with an effective life of more than one year and includes items classed as Mobile Physical Assets. Other than Mobile Physical Assets defined below, Fixed Asset also includes, but is not limited to, assets forming part of the following categories:
 - i. land;
 - ii. buildings and infrastructure, such as car parks, roads and underground services and, assets permanently affixed to the structure such as ducted air-conditioning, electrical and plumbing installations, or installed in plant rooms;
 - iii. scientific/laboratory equipment, such as fume cupboards, MRI machines, or other similar equipment;
 - iv. audio-visual equipment items permanently affixed to a structure;
 - v. other equipment items not forming part of one of the categories listed above.
 - e. Mobile Physical Asset means a University asset not permanently affixed to a structure, which can be moved between locations depending on University operational requirements. This includes, but is not limited to, assets forming part of the following asset categories (but excludes motor vehicles as set out in the [Motor Vehicle Policy](#) and consumables as described elsewhere in these definitions):
 - i. non-leased IT assets such as laptops, tablets (iPads or similar), printers, and monitors;
 - ii. telecommunication assets, such as mobile phones, VOIP phones;
 - iii. audio visual assets such as projectors, mobile electronic whiteboards, microphones, speakers;

- iv. photographic assets such as digital cameras, camcorders, lenses, flash kits, LED lighting systems;
 - v. scientific/laboratory equipment, such as microscopes, 3D printers, telescopes, meters and testers (spectrometer, turbidimeter etc), centrifuges, auto pipettes, wireless EEG, defibrillator, electrical/battery powered hand tools (drills etc.);
 - vi. sports equipment, such as canoes, treadmills, anatomical models, exercise bikes;
 - vii. musical equipment, such as digital pianos, keyboards, controllers/processors, musical instruments;
 - viii. artwork such as rare posters, paintings, small statues;
 - ix. farm equipment such as ATVs, irrigators, rollers, mowers, seeders, tractors, motorcycles;
 - x. office equipment such as shredders, card printers;
 - xi. general equipment such as scaffolding, air compressors, appliance testers;
 - xii. vehicles (other than motor vehicles) such as boats, trailers, forklifts, unmanned vehicles.
- f. Responsible Person means the person responsible for managing the assets of a functional area, ensuring compliance with related University procedures, and performing stocktakes.
- g. Unit Head means the person who is responsible for managing the activities related to the School, Research Institute or Business Unit.

Section 3 - Policy Statement

(6) The University is committed to meeting its obligations under the Act.

(7) Effective asset management is part of the University's overall strategic decision-making.

(8) Risk mitigation forms the basis of asset management decisions.

(9) The University provides access to assets to University students, employees, contractors, controlled entities and appointees for teaching, research and other activities, and requires these assets to be managed effectively.

(10) All University students, employees, contractors, controlled entities and appointees are responsible for the proper care, protection and maintenance of University assets under their control, and must ensure those assets are only used for proper and authorised purposes.

(11) A person must hold the relevant delegation under the [Delegations of Authority Policy](#) to purchase, dispose of and write off assets.

Section 4 - Procedures

Part A - Classification of Assets

(12) The University's assets and asset account codes are classified as follows. The categories may be combined into the account codes as appropriate.

- a. Land (0533). All land purchased, donated or held on trust (Crown Land) is recorded. Land acquired without cost is recorded at valuation (at the date of acquisition);
- b. Buildings and Infrastructure (0543). These include buildings and inclusions such as ducted air-conditioning, electrical and plumbing installations, car parks, roads and underground services;
- c. Library Collection (0703). This comprises general book collection, rare books, manuscripts, DVDs and other recorded media;
- d. Works of Art (0721). These include paintings, sculptures and tapestries;

- e. Motor Vehicles (0586). These include sedans, utilities, buses and grounds vehicles;
- f. Printing Equipment (0601). This includes printing machinery and photocopiers;
- g. Computing Equipment (0581). This includes networking equipment, peripheral devices, PCs and printers;
- h. Audio-visual Equipment (0596). This includes sound systems, televisions and projectors;
- i. Science Equipment (0591). This includes all science and laboratory equipment;
- j. Other Equipment (0621). This includes all items not falling into the above categories;
- k. Buildings acquired under a financial lease arrangement (0774);
- l. Leasehold Improvements (0573);
- m. Property Held for Sale (0761);
- n. Precious Objects. These include items of historical significance (recorded against the relevant account codes above).

Part B - Assessment to Determine Mobile Physical Asset Classification

(13) Assets must be assessed against the [Asset Assessment Flow Diagram](#) (refer to Associated Documents tab) to determine if they are a Mobile Physical Asset or a Consumable. This ensures that low value “child” assets or “child” assets with a different life expectancy than the “parent” asset are not grouped with the higher value “parent” assets it supports.

Part C - Purchasing

(14) When purchasing assets, staff must comply with the [Procurement Policy](#).

(15) Staff must perform a total cost of ownership analysis to determine the best option when purchasing assets to maximise the technological currency of assets, while reducing the overall financial liability associated with maintenance and/or future resale value or replacement cost, by comparing:

- a. an operating lease agreement with a supplier that includes maintenance; versus
- b. an outright purchase for high-cost assets or assets subject to a high rate of technological obsolescence

(16) Operating lease agreements must:

- a. include maintenance costs;
- b. not be used for projects that require customisation of the equipment.

(17) Research equipment should be financed either by capital leasing or by applying for funds to purchase the device outright.

(18) If the asset proposed to be purchased is considered an upgrade of an existing asset, trade-in of the existing asset must be considered and explored with the supplier to reduce cost and mitigate the disposal considerations. Refer to section, elsewhere in this Policy, regarding asset disposal.

Part D - Asset Register

(19) Each asset must be recorded in an Asset Register.

(20) Assets valued over \$5,000 must be recorded in the Oracle Asset Register even if it is classified as a Mobile Physical Asset.

(21) Assets valued below \$5,000 must be recorded in the centralised Asset Register updated by the Business Unit,

School or Institute.

(22) The following data must be recorded in the Asset Register as a minimum:

- a. Unique Asset Identifier (refer to Unique Identifier section for more information);
- b. Description of the asset;
- c. Manufacturer;
- d. Model Number;
- e. Serial Number (if applicable);
- f. Purchase Value;
- g. Purchase Date;
- h. Location;
- i. Organisational Unit – School, Institute or Business Unit;
- j. Responsible Person or Custodian;
- k. Warranty details (if applicable).

(23) Items on loan to the University must be recorded in the applicable Asset Register for tracking purposes and be clearly differentiated as being On Loan to the University as described in Part K.

(24) Assets considered “child” assets that supports “parent” assets, but is an asset in its own right, must be recorded separately in the Asset Register. Reference must be made to the “parent” asset to ensure that asset linkages are maintained.

(25) Leased assets are not considered University assets and must be managed as per the lease agreement. Nevertheless, for tracking purposes when issued or on loan, they must be recorded in the Asset Register and have a Unique Asset Identifier.

(26) It is not required that leased Mobile Physical Asset be recorded in the Oracle Asset Register.

(27) Items classified as consumables must be managed using the applicable inventory management procedure.

Part E - Unique Asset Identifier

(28) Each asset must have a unique asset identifier assigned. Typically, this will be a unique asset number associated with the Business Unit, School or Institute.

(29) The identifier must be structured in such a way to quickly identify which area the asset normally belongs to if found.

(30) As a minimum the unique identifier must follow the following numbering structure: CCC-BB.L.RR.XXXX-QQ, where:

- a. CCC - campus abbreviation (3 digits);
- b. BB -building name/number (1-2 digits) – this could be either letters numbers or a combination of both;
- c. L - floor level (1 digit);
- d. RR - room number (2 – 3 digits depending on building size);
- e. XXXX – sequential asset number (four digits) – numbered sequentially as assets are purchased; and
- f. QQ – only required to identify On Loan (OL) or Leased Assets (LA)

e.g. HWK-R1.G.B-26-0001-OL will mean Hawkesbury Campus, Building R1, Ground Floor, Room 26, Asset 0001, On Loan.

(31) Wherever feasible the unique identifier must be affixed to/or engraved on each Mobile Physical Asset unless the physical size or use of the asset makes attaching a unique identifier impractical, in which case other means of identifying the asset must be explored. For example, the use of a unique serial number associated with the asset entered in the Asset Register.

Part F - Asset Issue Register

(32) Each Business Unit, School, or Research Institute must maintain an Asset Issue Register to track the movement of assets.

(33) The Responsible Person (or delegate) will be responsible for managing the Asset Issue Register.

(34) The register will be used to record the details of any asset on loan or used temporarily in another location at the University.

(35) In addition to the asset information, the date of issue, the person issuing the asset and the person to whom the asset was issued/loaned or oversees the temporary asset location must be recorded, as well as the temporary asset location.

(36) Only high value (cost or operational) assets prone to misplacement or theft shall be issued using the Asset Issue Register during normal University activities, for example assets used as part of laboratory experiments or field activities.

Part G - Stocktakes

(37) Assets recorded on the Oracle Asset Register are subject to annual stocktakes as per the requirements of the Finance Office.

(38) During the stocktake cycle accurate records must be kept of any new or decommissioned assets that need to be added or removed from the stocktake to ensure that the final stocktake results reported are accurate.

(39) Departmental Asset Registers shall also be subjected to annual stocktakes. Although the stocktakes can be staggered over the year focusing on individual asset classes or groups of classes to make the stocktake more manageable.

Part H - Accounting for Assets

(40) The University uses depreciation to allocate the cost to particular accounting periods of 'using up' the service potential of the asset over its useful life. Depreciation does not result in funds for future asset purchases.

(41) The Finance Office will undertake all depreciation accounting of University assets on a straight-line basis, i.e. over time basis using the rates applied in the Applicable Depreciation Rate Table. In particular, the Finance Office will:

- a. depreciate assets costing \$5,000 or more;
- b. not depreciate assets costing between \$2,000 and \$5,000, which are treated as 'non-capital' items and are expensed at purchase; and
- c. not depreciate land, works of art, precious objects, rare books forming part of the Library Collection, and non-current assets classified as held for sale.

(42) Depreciation charges commence at the beginning of the month in which the asset is first used or held ready for use. No depreciation charge is assigned in the month of the disposal of an asset which has not already been fully depreciated.

(43) The Finance Office will not capitalise furniture and fittings where their individual value does not exceed the University's \$5,000 capitalisation threshold, which are expensed.

Periodic Valuations

(44) The Responsible Person is to ensure asset values and their remaining useful lives are regularly reviewed to reflect the true financial position. Assets that do not lend themselves easily to a depreciation calculation will be valued periodically.

(45) The Finance Office will arrange for valuations to be undertaken of land and buildings, artwork and precious objects by an independent professional valuer every three years. The Finance Office will reflect any changes resulting from the periodic valuation in the Asset Register and depreciation provision.

Reconciliation to General Ledger

(46) Each month, the Finance Office must reconcile the Asset Register with the General Ledger asset accounts, investigate any discrepancies, and take corrective action.

Part I - Asset Safeguard

(47) Unit Heads must secure assets under their control, safeguard assets against theft and damage and ensure only authorised persons use assets.

(48) Mobile Physical Assets must only be removed from University premises with approval from the Unit Head.

(49) Employees must take steps to limit the risk of loss or theft of Mobile Physical Assets because of their portable nature and the confidential information they may contain, including:

- a. keeping offices locked when unattended;
- b. not leaving items unattended in public places, particularly in motor vehicles;
- c. transporting portable items in other than normal laptop bags or cases and removing all confidential information not required for the trip.

(50) As far as possible, the Responsible Person is to ensure all non-leased assets are permanently marked as being the property of the University by engraving or some other effective means.

Part J - Insurance

(51) The University insures all assets that are subject to significant risk.

(52) All losses are subject to a deductible amount of \$50,000 per claimed event and an operational unit that incurs a loss will receive the insurance replacement value less the deductible amount.

Part K - Assets on Loan Outside the University

(53) Assets may be loaned to organisations or individuals outside the University, where the Responsible Person:

- a. obtains approval for the loan, in accordance with Schedule AA of the [Delegations of Authority Policy](#);
- b. obtains evidence from the organisation or individual of adequate all-risks insurance;
- c. notifies the organisation or individual that they are:
 - i. responsible for paying all expenses associated with the removal and return of the asset;
 - ii. responsible for items under their control; and

iii. liable for any loss or damage not recoverable from the University's insurers.

(54) The Responsible Person may request the temporary return of assets on loan for the purposes of periodic stocktake.

(55) Unit Heads must ensure employees return any asset on loan to them before the employee's last day of service.

Part L - Asset Disposal or Sale

(56) Asset disposal will only be approved in line with the Delegation of Authority policy.

(57) The Office of Strategy, Business Development and Procurement must coordinate the disposal of all University Non-Leased Mobile Physical Assets.

(58) Once approval for disposal is granted the asset must be physically disposed of (or sold, traded in or donated), and after physical disposal the asset must be removed from the Asset Register with due consideration of the applicable items listed in the remainder of this section.

(59) If an asset can be sold the following factors must be considered in determining resale value:

- a. residual book value;
- b. remaining life expectancy; and
- c. fair market value.

(60) Any items sold must first have all University Intellectual Property (IP) removed.

(61) Environmental factors associated with the disposal of assets must be considered and assets containing hazardous materials or assets that processed harmful chemicals must be disposed of at approved/accredited disposal or recycling facilities. Examples could include assets that contain radioactive materials, batteries or similar hazardous materials.

(62) If an asset can be traded-in, the factors listed under the sale of an asset must also be considered, as well as the items already highlighted under the section about Purchasing.

(63) Where an asset is considered for donation, it must be stripped of all University IP and assessed to be safe for continued use.

(64) Any insurance or service contracts associated with the asset must be terminated if it is sold or disposed of.

(65) In some cases, the asset could be reassigned to another department. When this occurs all Asset Registers, insurances and service contracts must be updated to reflect the change of ownership or responsibility

Part M - Services/Maintenance

(66) The Responsible Person must ensure that the asset is serviced or maintained in line with manufacturer-recommended schedules by an authorised dealer, service agent or suitably skilled staff member.

(67) The Responsible Person must document the asset's maintenance plan as appropriate.

(68) Warranty periods must be adhered to. Where maintenance or replacement of assets falls within the warranty period it must be referred to the manufacturer or authorised dealer for action if it forms part of acceptable wear and tear.

(69) For leased assets that include a maintenance clause, the Responsible Person is required to ensure that suppliers conform with their maintenance obligations as per the lease agreement. Where the maintenance clause does not extend to supplier managed servicing or where no maintenance is included as part of the agreement the Responsible Person must initiate the services/maintenance actions.

(70) Maintenance of infrastructure is the responsibility of the Office of Estate and Commercial.

(71) The Office of Strategy, Business Development and Procurement is responsible for coordinating Information Technology related maintenance activities on behalf of other departments or schools utilising their internal procedures.

Part N - Reporting Damage, Accidents and Theft

(72) Where a University asset is damaged, the Responsible Person must ensure the asset is delivered to a designated repairer for inspection and repair.

(73) The departmental head or Responsible Person must immediately notify the Director, Campus Safety and Security (or delegate) and Insurance of the theft, loss or malicious damage of any University asset and prepare and submit to the relevant delegate a written report which:

- a. seeks approval for write-off action;
- b. specifies any insurance claim to be made; and
- c. recommends referral of the matter to the Police if appropriate.

(74) The Delegated Authority may write-off plant and equipment losses, thefts, or destruction only after all reasonable action has been taken to recover the relevant asset.

(75) Assets which have been written off must be noted as such, and assets that have been disposed of must be removed from the applicable Asset Register.

(76) If an asset under warranty is wilfully or accidentally damaged it is the responsibility of the Responsible Person to arrange for maintenance to be performed at the department's expense and not as a claim against the warranty.

Part O - Obsolescence

(77) Obsolescence issues associated with assets must be identified, particularly for assets with a high rate of technological obsolescence.

(78) An obsolescence management plan must be created for assets prone to obsolescence which details the remediation actions and timing of the actions. Items to be considered in developing the plan include, but are not limited to:

- a. end of supplier support;
- b. obsolescence of software or operating systems;
- c. interaction with other high value assets;
- d. return or buy back arrangements with suppliers;
- e. prolonging the life of other assets by salvaging reusable components for reuse from decommissioned/damaged assets not considered repairable, e.g. PLC control cards.

Status and Details

Status	Historic
Effective Date	1st April 2022
Review Date	1st April 2025
Approval Authority	Vice-Chancellor and President
Approval Date	31st March 2022
Expiry Date	31st December 2022
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