

Asset Management Procedure

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Table of Contents

Purpose	1
Scope	1
Legislative Context	1
Definitions	1
Actions	3
Strategic Asset Management	3
Asset Lifecycle	3
Acquisition	4
Deployment	5
Maintenance	13
Retirement	15
Supporting Documents	17
Responsibility	17
Implementation and Communication	17
Forms/Record Keeping	18
Records Disposal	18

Purpose

To prescribe the steps required to ensure the University's Asset Management Policy is followed. Other non-mandatory requirements may be further explained within local guidelines or standard operating procedures

Scope

This Procedure applies to all University activity and all University-owned or operated assets including IT systems and software as well as all items of a physical or tangible nature including attractive and portable items; Inventory; cultural and/or scientific collections; and Library collections.

Legislative Context

- Financial Management Act 1994

Definitions

Term	Definition
Asset Register	A University wide register held within the COO showing the assets that are owned. It consists of clearly stated

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Term	Definition
	costs of assets both direct and incidental, the date of purchase, serial number, internal reference number, and depreciation rate and method.
Attractive Item Register	Is a local register held within each School recording the receipt, movement and disposal of non-consumable items of a portable and attractive nature.
Consumable Items	Items with a life expectancy of one year or less are considered to be consumable items. Eg: stationery, cleaning supplies.
Cyclical Stocktake	Where only part of the stock is counted at any one time, but these counts are carried out on a regular, scheduled basis eg: weekly, monthly.
Depreciation	A reduction in the value of an asset that occurs over time as the asset gets older or as wear and tear occurs.
Fixed Asset (also known as a non-current asset)	Any item, which has a life expectancy (i.e. usage period) of more than one year, with an individual value of \$5,000 or greater eg: plant or equipment, buildings, vehicles. Individual Library books will also be considered as Fixed Assets. (This definition excludes intangible assets).
Full Stocktake	Where every item is counted. Full stocktakes are undertaken annually.
Intangible Assets	An asset that is not physical in nature. Items such as patents, trademarks, copyrights, software, goodwill and brand recognition are all common intangible assets. For intangible assets only major software items over the value of \$100,000 will be considered for capitalisation.
Inventory - Stock	<p>Everything you use to make your products, provide your services and to run your business is part of your stock.</p> <p>There are 4 main types of stock:</p> <p>Raw materials and components – ready to use in production;</p> <p>Work in progress – stocks of unfinished goods in production;</p> <p>Finished goods ready for sale;</p> <p>Consumables.</p>
<p>Portable and Attractive items</p> <p>(It is at the discretion of the Associate Director, Corporate Finance and in exceptional high risk cases non-consumable items valued less than \$300 may be deemed</p>	<p>Items that do not meet the asset capitalisation threshold and, consequently are expensed in the year of acquisition. The following statements also help determine what a portable and attractive item is:</p>

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as portable and attractive items for the purposes of this policy.)	<ul style="list-style-type: none"> • Is a non-consumable with a value between \$300 and less than \$5,000 (excl GST) • has an attractive nature • prone to misappropriation for private use or theft <p>As the name suggests, these are items with an attractive nature, such as mobile phones, laptops, video camera, projectors, printers and software.</p>
Spot Check	Where, in a particular area, stock is checked for discrepancies.
Stocktake	A count and check of goods on hand ready for sale or use or in storage.

Actions

Strategic Asset Management

Strategic Asset Management will be undertaken to ensure responsible custodianship and efficient use of the University's assets. This will include the development and ongoing maintenance of the following:

- **Strategic Asset Management Plan** – to be developed in accordance with the University's Strategic plan and priorities;
- **Asset and Inventory Management Policies and Procedures**
- **Campus Specific Masterplans** – to be developed and maintained for each of the major sites / campus locations;
- **Regular Asset Condition and Functionality Audits** - including a risk analysis of asset condition to be undertaken approximately every five years or as necessary to ensure adequate management and identification of risk;
- **Annual maintenance planning and budgeting;**
- **Appropriate training of staff and senior management** who are responsible for Asset Management;
- **Asset Management Systems and processes** to capture asset utilisation, usage, condition, records of maintenance and maintenance plans and lifecycle planning;
- **Ongoing review and Continuous improvement** of the above.

Asset Lifecycle

This procedure covers the asset lifecycle consisting of:

- Acquisition;
- Deployment;
- Maintenance; and
- Retirement.

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Acquisition

Staff responsible for asset acquisition will ensure acquisition only occurs after a thorough risk analysis and financial planning. Such acquisitions will be recorded in an appropriate register for financial reporting, safe custody and insurance purposes.

The authority to purchase all assets is vested in nominated positions as outlined in the University's Delegations-Contract, Financial, Staffing & Tender Policy.

Acquisition Methods

Assets can become the legal responsibility of the University via various means, including but not limited to:

- Purchase from all sources such as University budgets, Grants, donated funds, consultancy funds etc;
- Transfers, Gifts, donations or bequests;
- As Committee of management or responsible authority for Crown or Ministerial land/buildings;
- Construction or development internally by university staff, students or contractors; and
- Loans, leases hire agreements etc.

Acquisition Requirements

The following are required, regardless of acquisition method:

- The identified need for the new or replacement asset has been clearly articulated in an approved business case which identifies:
 - How the purpose for which the asset is required is in keeping with the objectives of the University;
 - How the asset will provide significant, direct and tangible benefit to the Uni;
 - The necessity of the purchase and seek to identify or rule out other feasible alternatives e.g. another University asset that could be upgraded or adapted.
 - The asset is appropriate to the task or requirement and is cost effective over the life of the asset;
 - The asset is compatible with existing equipment and will not result in unwarranted additional expenditure on other assets or resources;
 - Space and other necessary facilities to accommodate the asset are in place;
 - The most suitable and appropriate type, brand, and model etc. has been selected;
 - The "whole of life cost" of the asset has been factored both into the business case and is also reflected in any Tender evaluation plan along with purchase cost and other assessable attributes;
- A plan and budget for the assets implementation, ongoing maintenance and eventual disposal has been developed and approved by the responsible officer;
- The asset can be stored & operated in a safe environment. To this end a hazard identification, risk assessment and controls assessment has been undertaken and residual risk has been mitigated;
- Where risk cannot be fully mitigated this risk has been documented and accepted by senior management of the University;
- Compliance with all relevant ministerial directions, University procedures and stakeholder requirements has been achieved where practical and exceptions (where they exist) have been documented and accepted by senior management;
- Vehicles will be purchased in accordance with the University Fleet management Policy and Procedure; and
- The asset must be recorded on the appropriate asset register, attractive items register, insurance register, risk register or inventory control system/register etc;

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The above will also apply to significant items of maintenance expenditure where it is likely the expenditure could result in a new or significantly improved asset being created.

Deployment

Before new items of equipment are introduced into the workplace the purchaser will ensure the following:

1. A risk assessment has been undertaken;
2. Record the asset in the appropriate Register/s;
3. Deliver end user training.

Risk Assessment

A risk assessment should be undertaken both prior to acquisition and deployment. This assessment is to be undertaken in consultation with affected stakeholders and end users in accordance with the following:

- Relevant Health, Safety and Security Management Policies and Procedures;
- Hazards Management Procedures and guidelines (e.g. HIRAC Procedure).

User Training

- Develop an appropriate training program to ensure the asset meets the needs of end users and they are competent in its use;
- Undertake end user acceptance training;
- Deliver end user training.

Post Implementation Review

Significant asset acquisitions may require a PIR in accordance with the University Project Management Guidelines. (refer to the Project Management Framework Policy and Project Management Framework Procedure)

Portfolio/School or Section Asset Manager

A responsible officer or staff position/s is to be nominated in each area (where necessary on a campus by campus basis) to have responsibility for managing the assets for that area, ensuring compliance with related procedures, performing stocktakes and being a local contact for the Associate Director, Corporate Finance.

Asset Manager Responsibilities

Asset managers are responsible for ensuring:

- appropriate systems and procedures are in place to measure asset performance and identify when asset retirement/replacement is required;
- assets are used for the purposes for which they were acquired;
- asset condition and performance meets expected standards and is regularly reviewed to identify under-utilised and under-performing assets;
- the reasons for underperformance are critically examined and appropriate rectification actions are taken;
- a plan exists for the ongoing maintenance of the asset and this plan is reviewed regularly;

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- a plan is in place for the eventual replacement, refurbishment / disposal of the asset;
- the safeguarding of assets under their control.

Safeguarding of Assets

All staff are responsible for the security, care and protection of University assets. Every person who utilises the property of the University should do so with utmost care and consideration and in a manner which ensures the property will be subjected to the minimum wear and tear and safeguarded against theft and damage. University assets may only be removed from University premises with appropriate approval.

The safeguard of equipment, such as PCs, laptops, tablets, mobile phones and cameras, is particularly important not only because of their attractive and portable nature but also because of the confidential information that they may contain. Steps must be taken to limit the risk of loss or theft including:

1. keeping offices locked when unattended and when travelling;
2. not leaving items unattended in public places, particularly in motor vehicles;
3. in the case of portable items, such as laptops, tablets and cameras etc., when travelling, by transporting them in other than normal laptop bags or cases and removing all confidential information not required for the trip.
4. Staff should only travel with University assets whilst on official University business only.

Insurance

The University insures all assets subject to significant risk. However, all losses are subject to a deductible amount per claimed event. The excess amount is variable depending on the type of claim being made. A full Insurance schedule is available from the Finance Directorate. As a result, the University will only receive the insurance replacement value less the deductible amount.

Recording of Assets

The Finance Directorate must be advised of the details of any new asset over \$5,000 in value.

Individual Assets costing \$5,000 or more and having a useful life of more than one year must be recorded in the Fixed Asset Register maintained within the Finance Directorate. These assets are depreciated over their useful life. Assets costing less than \$5,000 are treated as 'non-capital' items and are expensed at the time of purchase.

Individual Assets with a value of between \$5,000 and \$50,000 purchased with Research Grant Funds will be recorded on the Fixed Asset Register and fully depreciated on purchase. Individual assets with a value greater than \$50,000 purchased with Research Grant funds will be depreciated over the life of the initial Research Project.

The account code used for all asset purchases is 7004. The Finance Accountant will verify these items and allocate them accordingly.

New assets purchased by way of an official University Purchase Order or payment made through the Accounts Payable system are automatically identified as part of the operational processing within the Finance Directorate. Assets received by way of donation, construction or purchased by University issued Corporate Cards with a value in excess of \$5,000 must be the subject of advice from the nominated responsible officer within each Portfolio/ School or Section. An Asset Acquisition Form is available on the Finance Forms page.

General principals relating to the recording of assets are:

- a. Donated Assets - assets donated to the University with a value in excess of \$5,000 must be entered into the Asset Register. Advice by way of a completed Asset Acquisition Form must be provided to the Associate Director, Corporate Finance.

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- b. Leased Assets - all leases must be approved by the Chief Operating Officer/Chief Financial Officer. All leases must be assessed by Finance to determine if they are to appear on the Fixed Asset Register.
- c. Assets on Loan to University - Assets on loan to the University are not added to the Asset Register. They should be recorded on the local Portfolio/School and Section register and shown as 'On Loan to University'.
- d. Additions to existing assets - Upgrades or additions to existing assets over \$5,000 in value and upgrades or additions that will take the original asset value over the \$5,000 threshold by its inclusion must be added to the Asset Register. Advice by way of a completed Asset Acquisition Form must be provided to the Associate Director, Corporate Finance.
- e. Constructed Assets - Assets which are constructed within the University are to be entered into the Asset Register when the value of that asset exceeds \$5,000. Advice by way of a completed Asset Acquisition Form must be provided to the Associate Director Financial Accounting & Systems.
- f. Part Payment for Assets - Assets for which deposits etc, have been paid are not added to the Asset Register until full payment has been made and the asset is installed and ready for use.

Reconciliation to General Ledger

A nominated Finance Officer is responsible for reconciling the Fixed Asset Register with the General Ledger asset accounts on a monthly basis. Any discrepancies arising are investigated and corrective action taken to bring the two records into balance.

Depreciation of Assets

Depreciation is the accounting process used to allocate the cost to particular accounting periods of 'using up' the service potential of the asset over its useful life. The University depreciates those assets deemed to be depreciable on a straight-line basis over the estimated useful life of the asset.

As a guideline the following rates are applied:

Computer Systems	20% - 33%
Library - Books	12.5%
- Periodicals	20%
Motor Vehicles	20%
Office Equipment	6.67%-33%
Plant, Machinery & Operating Equipment	6.67%-25%
Buildings	Based on Economic Life of Building

Notes:

- Assets purchased under a Research Grant will be depreciated over the initial term of the Research Contract;
- Land, works of art, precious objects and rare books forming part of the Library Collection and non-current assets classified as held for sale are not depreciated;
- Depreciation charges commence from date of purchase; and
- All depreciation accounting is processed centrally by the Finance Directorate

Periodic Valuations

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Asset values and their remaining useful lives need to be regularly reviewed to ensure that they reflect a true financial position.

The Associate Director, Corporate Finance arranges for valuations, by an independent professional valuer, of land and buildings, artwork and precious objects. Any changes resulting from the periodic valuation are reflected in the Asset Register.

Assets on Loan Outside University

Loans to outside institutions and individuals - items lent to other organisations or individuals outside the University require adequate all-risks insurance to be taken out by the borrower and approval is required in accordance with Disposal of Assets of the Delegations-Contract, Financial, Staffing & Tender Policy. All expenses associated with the removal and returns are at the cost of the borrower.

Loans likely to exceed six months must be recorded on the University Asset Register and therefore advice needs to be provided to the Associate Director, Corporate Finance. Loans under six months need only be recorded within the area of responsibility. A local "Register of Assets on Loan" should be maintained by each Dean/ Director for such purposes. It is suggested that at a minimum the following details need to be recorded:

- a. date of loan;
- b. asset description;
- c. asset serial No.;
- d. asset No.;
- e. borrower's name;
- f. borrower's signature;
- g. borrower's location;
- h. approving officer's name and signature;
- i. date of return; and
- j. acquitting officer's signature

A recommended spreadsheet format for an asset on loan register is available at the Finance Forms page.

Assets on loan are subject to periodic stock take and their temporary return for this purpose may be required. Should a staff member holding an asset on loan leave the University then the relevant Dean or Director must ensure that the asset is returned prior to but not later than their last day of service.

Assets held off-campus - University assets may be installed/located off-campus if such location is justified and is approved by the relevant Senior/Deputy Vice Chancellor, Vice Chancellor & President, Dean or Director. Persons removing items off campus and/or loaning items off campus are personally responsible for items under their control and are also liable for any loss or damage not recoverable from the University's insurers.

Portable & Attractive Items

Recording of Portable and Attractive Items

Those assets deemed a "portable and attractive item" must appear on a local Attractive Item Register maintained within the individual Portfolio /School and Section. Items assessed as being high risk of theft or misappropriation, should be recorded even if below the \$5000 threshold e.g. portable and common use items such as i-pads, mobile phones, cameras and printers, laptops and software.

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Attractive Item Registers should contain sufficient information to enable positive identification of assets. It is suggested that at a minimum the following details need to be recorded:

- a. a unique asset ID No.;
- b. date of acquisition;
- c. cost;
- d. description;
- e. serial number;
- f. location;
- g. assigned custodian.

A recommended spreadsheet format for a local Attractive Items Register is available on the Finance Forms web page.

Although portable and attractive items are assigned to a custodian, the item remains the property of the University at all times.

Inventory & Stock Control

Stocktaking

The physical counting of all stock that exists at a particular time allows us to compare figures to the stock records for the period of time covered by the stock take. Conducting a stock take allows accurate recording of what is actually on hand at each campus. There are 3 main ways that stocktakes are undertaken: a full and cyclical stocktake and a spot check.

The Associate Director, Financial Accounting & Systems will coordinate stock takes and provide appropriate documentation and support to facilitate a successful outcome. Such stock takes will be subject to subsequent sample checking by delegated officers of the Associate Director, Financial Accounting & Systems.

A stock take of fixed assets appearing on the University Asset Register (cost \$5,000 and over) are to be undertaken on a progressive cyclical basis during the year or at a selected stock take date. This will be coordinated and conducted by the Associate Director, Financial Accounting & Systems

A stock take of portable and attractive items (value below \$5,000) appearing on a local Attractive Items Register, shall be conducted on an annual basis by the nominated responsible officer within the School/Portfolio or Section. It is the responsibility of each operational area along with the assistance of the Associate Director, Financial Accounting & Systems to conduct, and maintain records of the check for audit purposes.

Inventory and stock control for FedUni Living areas will be conducted on a monthly basis. This will be divided into two sections:

- i. Stock on hand controlled through a POS system
- ii. Calculating Food Costs and Inventory Turnover on raw materials: see following example calculation table below:

Step 1:

Beginning Inventory \$ XXX

+ Food Purchased \$ EEE

- Ending Inventory \$ BBB

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= Food Cost \$ YYY

Step 2:

Food cost \$ YYY/Serving Days ZZZ

= Daily Food Cost \$ AAA

Step 3:

Ending Inventory \$ BBB/Daily Food Cost \$ AAA

= Days of Inventory on Hand CCC

Step 4:

Serving Days DDD/Days of Inventory on Hand CCC

= Inventory turnover

Preparation & Conducting of Physical Stocktakes

Planning

This step is the most important procedure in conducting a successful stock take count. Planning involves establishing priorities, assigning responsibilities, problem solving, determining the inventory method and coordinating all activities. The inventory date and time is also determined and communicated to all involved.

Planning should include allocation of areas to be counted to individuals or teams of stock counters in order that a systematic approach is taken to ensure a full count.

Care should be taken to ensure that all stock to be counted is identified prior to the commencement of the physical count. This may include:

- Cleaning up the store area to ensure redundant stock and damaged stock returned to the store is disposed of and taken out of the inventory system.
- Ensuring that the receiving area is isolated from the store area and that any goods received prior to the count is identified and excluded from the count.
- Identifying all locations in which stock is located and assign these areas to counting teams.

Control

Responsibility for the control of the physical stock take count rests with the Dean or Director of each area. A finance nominated responsible officer will oversee the process to ensure that planning is carried out and that stock counters are aware of Procedures.

The nominated responsible officer will be responsible for co-ordination and completion of the physical inventory. All issues should be directed to the Associate Director, Corporate Finance for resolution.

Before a physical stock take commences, the nominated responsible officer will be issued with written instructions of stocktaking count procedures. They will also be given verbal instruction to reinforce the instructions and ensure that they know what is required including follow up procedures for resolving variances.

Instructions

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Detailed stock take instructions should be prepared and distributed by the nominated responsible officer to all involved in the count. These instructions will clearly define the roles and responsibilities of all involved in the count. A practice inventory counting session may be helpful to those who have not previously participated in a physical count.

Conduct of the Inventory Count

The Dean or Director will secure staff to participate in the stock take count. This person will coordinate with the Associate Director, Corporate Finance to ensure Finance Directorate staff are available to supervise the physical inventory and the follow up of variances.

On the day before the physical stock take count, all stock will be checked to ensure that goods received are recorded in the relevant areas.

On the morning of the physical inventory the receiving area will be quarantined to ensure that any stock received is excluded from the count.

Staff conducting the physical stock take will:

be assigned areas to the count;

- be issued with stock count sheets by the nominated responsible officer.
- Count stock within the areas assigned. If the manual method of stock take is used, care should be taken to correctly identify stock, carefully count and record stock ensuring that the quantities recorded is in the correct unit of measurement, e.g.: sheets, cartons, reams etc;
- Staff conducting the stock take should sign the stock take count sheets;
- Finance Directorate will supervise the count, to help verify that quantities recorded are correct;
- Mark stock once it has been counted to ensure it is only counted once;
- Investigate discrepancies as directed by the Dean/Director and recount stock as requested; and
- Ensure that all items within the assigned area are included in the count. If a person counting believes stock is damaged or obsolete, bring this to the attention of the Dean/Director to determine if it is to be included in the count.

The responsible officer will ensure that:

- Staff conducting the count are properly instructed in procedures;
- Quantities recorded are in the correct units;
- Variances are investigated;
- Independent observers and supervisors have adequate opportunity to participate in, supervise and conduct test checks on the physical inventory;
- Any proposed adjustments to stock are approved by the Dean/Director and other relevant delegate from the Finance Directorate; and
- All steps of the stock take process, including counts, investigations of variances, valuations and write offs are adequately documented.

Observation Tools and Supplies

If the manual method of stock take is used; the nominated responsible officer will print stock take count sheets; issue measuring instruments, clipboards, pens, and other items necessary to conduct the count. They will also determine how the stock or inventory will be listed i.e. by department using a standard spreadsheet, software package, alphabetical, by part name etc.

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The Dean or Director or nominated responsible officer will ensure that prior to the commencement of the count all necessary preparation for the production of variances reports has been finalised.

Operations

The nominated responsible officer will:

1. arrange for operations to be preferably halted or at least conducted at a minimal level to reduce the movement of stock and inventory;
2. Prepare a log to document all movements of materials during the counting.

The Dean, Director or nominated responsible officer will ensure that the receiving area is isolated during the period of the count. It is also essential that all deliveries from stock take place the day prior to counting to ensure that only essential deliveries take place on the day of the count. All such deliveries should be documented and care taken to ensure that they are correctly recorded for the stock take.

Organise and Clean

Organising materials in storerooms will assist in efficient counting. Like items should be grouped together and any excess storage locations noted. In the days leading up to the count the store should be cleaned, obsolete and damaged stock identified and items of stock which are to be included in the count identified

Preliminary Stock Estimates

Prior to stock take, estimate stock inventory levels in each area for comparison with the actual count in order to test the reasonableness of the count. This assists in exposing counting mistakes and avails counters the opportunity to take corrective action.

During the physical stock take, the responsible officer should observe that all stock has been marked as counted and follow up with the count team if stock is not marked.

Once the count is completed, all stock numbers will be compared to the perpetual inventory from the relevant system. Variances will then be investigated by the re-counting of stock on the ground, and the verification of the records of receipts and deliveries to ensure that no counting or cutoff errors have occurred.

Obsolete Stock

Identify obsolete stock and make arrangements to dispose of or exclude it from the physical count. Goods that are to be excluded should be clearly marked and preferably located away from other stock or inventory.

Administrative Office Supplies and Equipment

Office supplies not used in production or not held for resale such as pencils, paper, boxes of tissues, disks, etc, should be expensed when purchased and excluded from any physical stock take count.

Identify Potential Problem Areas

Stock might provide counting problems (an example might be stock stored on shelves above head level, heavy or hazardous material). Resolve these problems by planning ahead how to handle them and ensure that participants are familiar with the inventory to be counted.

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Adequate Supervision

All counting activities are to be adequately supervised. The responsible officer should evaluate the progress of the count. Any adjustments made in the prearranged procedures should be documented. To ensure the accuracy and validity of the physical count, an independent third party other than the nominated responsible officer for the inventory, e.g. personnel from the Finance Directorate area should be involved to oversee the count and perform sample checks.

Audit Function

Spot comparisons are to be made by the responsible officer of the completed stock count sheet with the stock on hand. Errors are to be corrected and evaluated as a basis for possible expanded sampling. If a master inventory listing is available, the count sheet information should be compared to this record. Any discrepancies should be investigated and resolved.

Final Check

A final check by the responsible officer should be made before the release of an area to ensure that all stock, inventory has been included in the count and the area is safe to continue normal business.

Update Inventory

After all stock has been counted and discrepancies checked, two copies of a variance report will be copied by the independent party from the Finance Directorate overseeing the count. At this point, on the nominated responsible officer's authorisation, the stock take will be closed and records updated to reflect the levels of the count.

The second report is to compare with the pre-stock take, inventory valuation. The difference should match the total variance report.

Variance Approval

A copy of the variance report and stock valuation report with "Stock Take Check List" attached is then forwarded to the Associate Director, Corporate Finance by the responsible officer for perusal and comment.

He/she may accept the adjustments or reject the stock take or part thereof and appoint an independent person to enquire into the deficiency or result.

Evaluate Count Procedures

The Associate Director, Corporate Finance will evaluate the count procedures applied and determine how these procedures may be modified to improve the next count. The best time to make adjustments to the following year's inventory instructions is immediately after the current year's count is completed.

Maintenance

The University will ensure complete and compliant maintenance of assets in accordance with asset maintenance manuals or schedules, and statutory or regulatory requirements.

Asset Maintenance will occur in accordance with the following principles:

- All plant and equipment should be maintained in good working order by care and servicing as recommended in manufacturer's manuals;

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- The most efficient repair and maintenance strategy needs to be established and adopted;
- An operation and maintenance plan establishing responsibility and standards for the level of use, condition, servicing and performance should be developed;
- Supplier Maintenance Contracts should be obtained where considered to provide the most economic servicing and repair;
- A record of such contracts should be maintained to avoid needless expenditure on non-contracted repairers;
- Accurate recording of all warranties.

Authority to undertake Asset Maintenance

The authority to undertake asset maintenance work rests with Facilities Services.

Facilities Services will issue this authority via an official work order before maintenance works are undertaken.

The only exception to the above rule is for specialist equipment that is the responsibility of schools or faculties.

Authorisation of maintenance expenditure will be in accordance with the University delegations policy.

All contractors attending site to undertake maintenance related activity are required to:

1. Be suitably qualified and insured in accordance with the University's requirements;
2. Hold a valid Working with Children Check or be actively supervised by someone who holds a valid WWCC;
3. Have undertaken a site induction within the past 12 months;
4. Sign in at the Facilities Services Office on Campus and make their presence known to the Facilities Services Manager or representative;
5. Sign out at the completion of the maintenance activity and provide an update as to the status of the work order they have been issued;

Funding of Asset Maintenance

Asset maintenance is funded in accordance with asset management plans and will be prioritised according to risk factors to fall within the allocated resources available.

Certain types of maintenance such as statutory maintenance or emergency maintenance required to address an identified high risk will be carried out according to risk and legal requirements.

High Risk Issues

Where an identified high risk emerges it will be dealt with immediately via a combination of removal from service and remedial works.

Assets that present a high risk to users will be locked out or isolated until such time as the risks can be resolved or mitigated (refer to the University's lock out tag out procedure).

The University will identify contingency plans for maintenance of assets after natural disasters or critical incidents.

Such plans will be undertaken in accordance with the following:

- the critical incident response and recovery process;
- local disaster recovery and continuity plans;
- VCST directives; and
- the ministerial directions for public construction requirements for dealing with a critical incident and associated reporting requirements.

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CRICOS Provider Number: 00103D

Retirement

All assets under the University's control must be disposed of in accordance with University procedures and financial delegations.

The method of disposal will require a risk analysis, to ensure recipients are not exposed to unacceptable risk. Examples include "not fit for purpose", contaminants or electrical hazards.

Authority to Trade-in, Sell, Dispose or Destroy Assets

The authority to trade-in assets, destroy or otherwise dispose of assets is outlined in the Delegations- Contract, Financial, Staffing and Tender Policy.

All such disposals, except for the categories listed below, are subject to written advice from operational areas and are to be coordinated by the Associate Director, Corporate Finance. An Asset Disposal Form is available at the Finance Forms page or by clicking the following link: [Asset Disposal Form](#).

The following exceptions apply to the above directive:

- Motor Vehicles: All business use motor vehicle disposal is coordinated through Smartfleet, the University's nominated fleet manager;
- Computing Equipment: The ICT directorate coordinates the disposal of all University non-leased IT assets. Details of the ICT asset disposal process are located on the ICT website;
- Land: is coordinated by the University's Legal Office;
- All other Plant and Equipment will be subject to whichever of the following below methods offers the best return to the University:
 - Tender;
 - Private Sale;
 - Donation;
 - Destruction & removal; or
 - Transfer.
- Disposal is to be coordinated by the individual area through Facilities Services.

Tender

Where the calling of tenders is the desired method of disposal, the University's procurement procedures must be strictly observed.

Private Sale

This method is only acceptable in a limited number of circumstances e.g.

- a. there is only one apparent customer;
- b. there is an established market price for the asset;
- c. the cost by sale by another means would likely exceed the anticipated proceeds; or
- d. a sale to an educational or charitable organisation is contemplated.

Donation

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Donations to charities or community organisations should only be considered where no sales market exists or where the costs of alternate methods of disposal exceed the expected proceeds. All donations are required to be pre-approved by the Vice Chancellor & President.

Destruction

Disposal by this method should only be used when all other methods have been explored. All arrangements for destruction must be carried out under the supervision of the Associate Director, Corporate Finance and be performed by Facilities Services.

Transfers within the University

Often particular assets considered obsolete or surplus to requirements in a particular operational area may be of value and use to another operational area. Where it appears that this may be the case, advice should be provided to the Finance Directorate and individual areas will arrange an internal University advertisement via Fed News seeking expressions of interest.

Transfers to Other Organisations

Applies when assets purchased via external research funding and that research project and funding is subsequently transferred to another institution or organisation. In these circumstances, the following conditions apply before the assets may be transferred:

- a. the particular grant or contract must contain a condition that the asset is not the property of the University; and
- b. the asset must have been purchased from external research funds and agreement must be reached between the University and the other institution or organisation for the transfer of these assets.
- c. The Vice Chancellor & President, Chief Operating Officer/Chief Financial Officer or, Associate Director, Corporate Finance, are delegated to commit the University in such negotiations.

Theft and Loss of Assets

Theft, loss or malicious damage of University assets should be immediately reported to Security who will undertake the applicable reporting requirements. The matter should also be reported to the Dean or Director of the School/Section along with the Associate Director, Corporate Finance and the Insurance Officer. The Dean or Director is to prepare a written report for submission to the Director, Finance or Chief Operating Officer/CFO seeking approval for either write-off action and/or for submission with subsequent insurance claims.

Authority to Write-off Plant and Equipment Losses, Thefts or Destruction

The delegated authority to approve write-offs in respect of plant or equipment losses, thefts or destruction, that all reasonable recovery action has been taken, is outlined in the Delegations-Contract, Financial, Staffing & Tender Policy. For the purposes of the Delegations, the monetary limit relates to the original purchase price of the plant or equipment.

All exercises of this delegation are to be reported to the Chief Operating Officer/Chief Financial Officer.

Proceeds on Sale of Assets

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Any revenue obtained from the disposal of an asset will in normal circumstances be credited to the Cost Centre/ Project which originally funded the asset.

Supporting Documents

Asset, Attractive Items and Inventory Management Policy
Delegations- Contract, Financial, Staffing and Tender Policy
Purchasing, Procurement Policy and Procedures
Inventory Control Register (Finance only)
ICT Asset Disposal Process
Asset Register (Finance Only)

Responsibility

- COO/CFO as the Approval Authority is responsible for monitoring the implementation, outcomes and scheduled review of this procedure
- Associate Director, Corporate Finance as Policy Sponsor is responsible for the development, compliance, monitoring and review of this Procedure. This person is also responsible for putting in place systems and procedures to correctly account for the fixed assets of the University and maintaining the Asset Register.
- Responsibility for the control and safe custody of portable and attractive item remains with the Portfolio/School or Section who makes the purchase decision/acquires the item.
- Each operational area will maintain a local Attractive Items Register to record and receipt movement and disposal of non-consumable items of a portable and attractive nature. This register will be subject to an annual stock take.
- Stock and Inventory control relating to business operations such as Campus Life will be co-ordinated by the Director Campus Life and the Associate Director, Corporate Finance.
- All University staff who are involved in the purchasing, disposal, using, keeping, allocation and/or management of portable and attractive items are responsible for maintaining an up-to-date knowledge of this Procedure and associated Policy, to ensure the University can comply with legislative obligations regarding the holding and disposal of University property.

Implementation and Communication

This procedure will be communicated throughout Federation University via:

1. Announcement on the FedNews website;
2. 'Recently Approved Documents' webpage to alert the University-wide community of the approved Policy;
3. Information/Training Sessions; and/or
4. Inclusion in the University's online Policy Library;
5. Distribution of e-mails to relevant University Staff and Stakeholder.

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Forms/Record Keeping

Records Disposal

Title	Location	Responsible Officer	Minimum Retention Period
Asset Disposal Form	Finance	Chief Operating Officer/CFO	7 years
Portable & Attractive Item Register	Finance	Chief Operating Officer/CFO	7 years
Inventory Control Register	Finance	Chief Operating Officer/CFO	7 years
Asset Acquisition Form	Finance	Chief Operating Officer/CFO	7 years
Register of Asset on Loan	Finance	Chief Operating Officer/CFO	7 years

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