



The University of Akron

Capital Asset Policies and Procedures Manual

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Table of Contents

Introduction	1
Capital Asset Definitions	1
Capital Asset Categories.....	2
Land.....	2
Land improvements	2
Buildings and building improvements	3
Infrastructure	4
Construction in progress.....	4
Historical collections and works of art.....	5
Moveable equipment and furniture	5
Library books and materials.....	6
Capitalization Thresholds	6
Capital Asset Depreciation and Useful Lives.....	7
Moveable Equipment Procedures	9
General.....	9
Accountability	9
Additions.....	10
Tagging equipment.....	11
Changes in equipment status	11
Deletes	12
Stolen/missing or vandalized equipment	12
Reconciliation	12
Annual verification	12
Equipment inventory numbers	13
Home use of university equipment	13
Summary of recording assets to the general ledger	13
Government Property	15
Exhibits:.....	17
Exhibit A: Equipment Information Form	17
Exhibit B: Internal Department Transfer Form.....	18
Exhibit C: Reconciliation Instructions/Letter.....	19
Exhibit D: Home Use of University Equipment Form	20
Exhibit E: Surplus Property Release Form.....	21

Introduction

The Office of the Controller is responsible for the management of all capital assets for The University of Akron (The University). The recording and reconciliation of moveable equipment is operated under the supervision of Property Accounting. The recording of all other assets and the calculation of depreciation is handled by General Accounting.

Reporting requirements have been established by the Governmental Accounting Standards Board (GASB) Statements No. 34 *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*, and as amended by GASB Statement No. 35, *Basic Financial Statements and Management's Discussion and Analysis for Public Colleges and Universities*. These standards were adopted by The University during fiscal year 2002.

This manual includes definitions and other guidelines used for recording capital assets for The University's financial presentations. This manual and other asset forms are available on the Office of the Controller's website at www.uakron.edu/controller/property.dot.

Capital Asset Definitions

Capital assets are real or personal property that have a value equal to or greater than the capitalization threshold for the particular classification of the asset and have an estimated life of greater than one year.

Assets which are purchased, constructed, or donated that meet or exceed established capitalization thresholds will be recorded by The University.

Assets are recorded at their historical costs, which include the vendor's invoice (plus the value of any trade-in or allowance, if reflected on the invoice), plus initial installation cost (excluding in-house labor), modifications, attachments, accessories or apparatus necessary to make the asset usable and render it into service. Historical costs also include ancillary charges such as freight and transportation charges, site preparation costs, and professional fees.

Donations are voluntary contributions of resources to a governmental entity by a non-governmental entity. Donations are reported at fair value at the time of acquisition plus ancillary charges, if any. Fair value equals the amount at which an asset could be exchanged in a current transaction between willing parties.

Leased equipment should be capitalized if the lease agreement meets any one of the following criteria:

- The lease transfers ownership of the property to the lessee by the end of the lease term
- The lease contains a bargain purchase option
- The lease term is equal to 75 percent or more of the estimated economic life of the leased property
- The present value of the minimum lease payments at the inception of the lease equals at least 90 percent of the fair value of the leased property.

Leases that do not meet any of the above requirements should be recorded as an operating lease.

Assets will be reported on financial presentations at net book value, which is the asset's historical cost less the accumulated depreciation.

Capital Asset Categories

The University reports the following capital assets:

- Land
- Land improvements
- Buildings and building improvements
- Infrastructure
- Construction in progress
- Historical collections and works of art
- Moveable equipment and furniture
- Library books and materials

Land

Land is the surface of the earth, which can be used to support structures, and may be used to grow grass, shrubs, and trees. Land is characterized as having an unlimited life. Donated land should be treated like other donated assets. Site improvements (other than buildings) that prepare land for its intended use are added to the cost of the land.

Examples of expenses to be included in the cost of land are:

- Purchase price or fair market value at time of gift
- Commissions
- Professional fees (title searches, architect, legal, engineering, appraisal, surveying, environmental assessments, etc.)
- Land excavation, fill, grading, drainage
- Demolition of existing buildings and improvements (less salvage)
- Removal, relocation, or reconstruction of property (railroad, telephone and power lines)
- Interest on mortgages accrued at date of purchase
- Accrued and unpaid taxes at date of purchase
- Right-of-way
- Other costs incurred in acquiring the land

Land improvements

Land improvements are assets, other than buildings, which are built, installed, or established to enhance the quality or facilitate the use of land for a particular purpose.

Examples of expenses to be included in the cost of land improvements are:

- Fencing and gates
- Landscaping
- Parking lots, driveways, and parking barriers
- Outside sprinkler systems
- Recreation areas and athletic fields (including bleachers)
- Paths and trails
- Swimming pools, tennis courts, and basketball courts
- Fountains, plazas, and pavilions

Buildings and building improvements

A building is a structure that is permanently attached to the land, has a roof, is partially or completely enclosed by walls, and is not intended to be transportable or moveable.

Building improvements are capital events that materially extend the useful life of a building, increase the value of a building, or both. A building improvement should be capitalized if the improvement is at the capitalization threshold. For a replacement to be capitalized, it must be a part of a major repair or rehabilitation project, which increases the value, and/or useful life of the building. A replacement may also be capitalized if the new item/part is of significantly improved quality and higher value compared to the old item/part such as complete replacement of an old roof with a new roof. Replacement or restoration to original utility level will not be capitalized. Determinations for capitalization and useful life must be made on a case-by-case basis.

Any maintenance-related expense or repair which does not increase the value of the building will be expensed when it occurs and will not be capitalized as an asset.

Examples of expenses to be included in the cost of buildings are:

- Purchased Buildings
- Original purchase price
- Expenses for remodeling, reconditioning or altering a purchased building to make it ready to use for the purpose for which it was acquired
- Environmental compliance (i.e., asbestos abatement)
- Professional fees (legal, architect, inspections, title searches, etc.)
- Payment of unpaid or accrued taxes on the building to date of purchase
- Cancellation or buyout of existing leases
- Other costs required to place or render the asset into operation
- Constructed Buildings
- Completed project costs
- Interest accrued during construction
- Cost of excavation, grading, or filling of land for a specific building
- Expenses incurred for the preparation of plans, specifications, blueprints, etc.
- Cost of building permits
- Professional fees (architect, engineer, management fees for design and supervision, legal)
- Costs of temporary buildings used during construction
- Unanticipated costs such as rock blasting, piling, or relocation of the channel of an underground stream
- Permanently attached fixtures or machinery that cannot be removed without impairing the use of the building
- Additions to buildings (expansions, extensions, or enlargements)

Examples of expenses to be included in the cost of building improvements are:

- Conversion of attics, basements, etc., to usable office, research or classroom space
- Structures attached to the building such as covered patios, garages, enclosed stairwells, etc.
- Installation or upgrade of heating and cooling systems
- Original installation/upgrade of wall or ceiling covering such as carpeting, tiles, paneling, or parquet
- Structural changes such as reinforcement of floors or walls, installation or replacement of beams, rafters, joists, steel grids, or other interior framing
- Installation or upgrade of window or door frame, upgrading of windows or doors, built-in closet and cabinets
- Interior renovation associated with casings, baseboards, light fixtures, ceiling trim, etc.
- Exterior renovation such as installation or replacement of siding, roofing, masonry, etc.
- Installation or upgrade of plumbing and electrical wiring
- Installation or upgrade of phone or closed circuit television systems, networks, fiber optic cable, wiring required in the installation of equipment (that will remain in the building)
- Other costs associated with the above improvements

Infrastructure

Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Infrastructure assets are often linear and continuous in nature.

The University's current infrastructure subsystems are, but are not limited to:

- Electrical substations
- Chilled water storage tank
- Fiber-optic cable networks (telecommunications)
- High temperature water lines
- Utility tunnel improvements & Underground vaults

An infrastructure improvement should be capitalized if the improvement is at the capitalization threshold. Assets to be included as an infrastructure improvement should follow the same basic guidelines as a building improvement listed previously.

Construction in progress

Construction in progress is the economic construction activity status of buildings and other structures, infrastructure, additions, alterations, reconstruction, installation, and maintenance and repairs, which are substantially incomplete. Construction in progress assets should be capitalized to their appropriate capital asset categories upon the earlier occurrence of execution of substantial completion contract documents, occupancy, or when the asset is placed into service.

Historical collections and works of art

Historical collections and works of art are collections or individual items of significance that are owned by The University which are not held for financial gain, but rather for public exhibition, education or research in furtherance of public service. Collections or individual items are protected and cared for, or preserved, and subject to an organizational policy that requires the proceeds from sales of collection items to be used to acquire other items for collections.

Examples of expenses to be included in the cost of historical collections are:

- Collection of rare books, manuscripts
- Maps, documents, and recordings
- Works of art such as paintings, sculptures, and designs
- Artifacts, memorabilia, exhibits
- Unique or significant structures

Moveable equipment and furniture

Moveable equipment and furniture are moveable tangible assets to be used for operations, the benefits of which extend beyond one year from date of acquisition and rendered into service. Improvements or additions to existing equipment that constitute a capital outlay or increase the value or life of the asset, which meet or exceed established capitalization thresholds, should be capitalized and recorded as an addition of value to the existing asset.

Examples of expenses to be included in the cost of moveable equipment and furniture are:

- Original contract or invoice price
- Freight charges
- Import duties
- Handling and storage charges
- In-transit insurance charges
- Sales, use, and other taxes imposed on the acquisition
- Installation and assembly charges
- Charges for testing and preparation for use
- Costs of reconditioning used items when purchased
- Parts and labor associated with the construction of equipment

Expenses for extended warranties and maintenance agreements, which can be separately identified from the cost of the equipment, should not be capitalized.

The following special purpose equipment or furnishings, semi-permanently attached to the building, and not normally considered moveable, will not generally be capitalized:

- Library and storage shelving
- Carpets
- Curtains w/attaching hardware
- Built-in storage units or mail boxes
- Chalk boards, writing boards or projection screens
- Coat rack – attached to wall (does not include coat trees)
- Counter cabinets and mail stations
- Fire extinguishers
- Water fountains

Library books and materials

Library books and materials are generally literary compositions bound into separate volumes and identifiable as separate copyrighted units. Library reference materials are information sources other than books which include journals, periodicals, microforms, audio/visual media, computer-based information, manuscripts, maps, documents, and similar items which provide information essential to the learning process or which enhance the quality of academic, professional, or research libraries. Changes in value for academic, professional, or research libraries may be reported on an aggregated net basis.

Examples of expenses to be included in the cost of library books and materials are:

- Invoice price
- Freight charges
- Handling
- In-transit insurance charges
- Binding
- Reproduction and like costs required to place assets into service, with the exception of library salaries

Capitalization Thresholds

Assets are recorded if they meet or exceed established capitalization thresholds. Capitalization thresholds for The University are as follows:

Classification	Threshold
Land	Capitalize all
Land improvements	\$100,000
Buildings	\$100,000
Building improvements	\$100,000
Infrastructure	\$100,000
Historical collections and works of art	\$5,000 ¹
Moveable equipment and furniture	\$5,000 ¹
Library books and materials (exclude electronic books/materials)	Capitalize all

¹ The capitalization threshold prior to July 1, 2004 was \$1,500.

All property valued below these thresholds will be controlled solely by the Department responsible. The disposal of these items must follow University Surplus Property guidelines.

The University capitalizes interest on construction projects until substantial completion of the project. Capitalized interest is amortized on the straight-line basis over the estimated useful lives of such assets. The University applies Statement of Financial Accounting Standards No. 62, *Capitalization of Interest Cost in Situations Involving Certain Tax-Exempt Borrowings and Certain Gifts and Grants*. This statement requires capitalization of interest cost of the borrowings less interest earned on investment of the bond proceeds from the date of the borrowing until the assets constructed from the bond proceeds are ready for their intended use.

Capital Asset Depreciation and Useful Lives

Depreciation is computed using the straight-line method, half-year convention, over the estimated useful life of the asset. The annual depreciation is calculated by taking the historical cost and dividing by the estimated life. No residual value will be included in the depreciation calculation. One half of the annual depreciation is expensed in the first year, regardless of the actual purchase date. If an asset is deleted prior to the end of its estimated life, one half of the annual depreciation will be expensed in the year it is deleted to determine the carrying value.

When capital assets are sold, or otherwise disposed of, the historical cost of such assets and any accumulated depreciation is removed from asset accounts, and any gain or loss on disposal is recognized. The gain or loss on disposal is calculated by taking the carrying value (historical cost less accumulated depreciation) and subtracting any proceeds from the sale.

A gain or loss must be recognized in the financial report when:

- Cash is exchanged and the amount paid does not equal the net book value of the asset.
- Cash is not exchanged and the asset is not fully depreciated or has a residual value.

A gain or loss is not reported when:

- Cash exchanged equals the net book value and the asset does not have a residual value.
- Cash is not exchanged and the asset is fully depreciated.

Estimated useful lives are as follows:

Classification	Estimated Useful Life
Land improvements	25 years
Buildings	40 years ²
Building improvements	20 - 40 years ²
Infrastructure	20 years
Moveable equipment and furniture	3 - 10 years ³
Library books and materials	10 years

² Certain circumstances could allow for a lesser useful life if needed.

³ See the next page for a breakdown of estimated life by equipment category.

Land, historical collections, and works of art are deemed to be inexhaustible and are not depreciated. Construction in progress is not depreciated until the asset is put into service.

To maintain orderly accounting records, land improvements and library books and materials will be deleted after they have been fully depreciated.

GASB Statement No. 34 provides for an alternative method for depreciation of infrastructure assets. Only infrastructure assets that comprise a network or subsystem of a network can be reported using the modified approach. The University will use the straight-line method described above and will not elect to use the modified approach for its infrastructure assets.

The following table provides a breakdown of moveable equipment by the equipment category used in the Property Accounting system:

Estimated Life

Equipment Category	Equipment Description	Estimated Life
400	Appliances (Electric, Gas, Food Handling)	7
401	Furniture	7
402	Education & Recreation	7
403	Lab Equipment/Furnishings	7
404	Medical Related Equipment	7
410	Computer/Server Systems	5
411	Telecomm Equipment	7
412	Audio Visual Equipment	7
413	Copiers	5
415	3D Printers	5
420	Computer Software	3
440	Agriculture & Gardening	7
441	Building Maintenance/Hospitality	7
442	Motor Vehicle (on/off road)	7
443	Mfg & Materials Handling & Machinery	7
570	Library Collections (Books & Periodicals)	10
620	Federal Built Equipment	5
700	Federal Dollars	5
984	Group Purchases (4 year depreciation)	4
985	Other (5 year depreciation)	5
987	Other (7 year depreciation)	7
990	Other (10 year depreciation)	10

All depreciation schedules are in Excel.

Moveable Equipment Procedures

General

Through these procedures a perpetual inventory is maintained of The University's moveable equipment and furniture. The objective is to provide a detailed file of equipment that supports the dollars recorded in the general ledger of the financial accounting system. The information captured on the Property Accounting file for each asset is as follows:

Tag number	Coincides with property tag affixed to the asset
Name of asset	
Description of asset	
Cost	
Acquisition reason	New/used
Estimated life	
Category code	Used to determine depreciation group
Date acquired	
Manufacturer serial number	
Purchase order number	
Building number	
Room number	
Department	Assignment of accountability
Funding source (Cost Center, Grant, etc.)	

This procedure outlines general and routine practices and methods. Specific questions should be directed to Property Accounting for clarification, judgment, and exception decision.

Accountability

Managers are responsible for the physical security of all equipment assigned to their department/organization, as well as the accuracy of the equipment records. A Manager is defined as any person who is in charge of the department: Dean, Department Chairman, Associate Vice President, or Director. The Manager can be the Contact or designate another person as a Contact to respond and reply to Property Accounting calls to set up appointments for tagging the equipment in the department. Property Accounting is responsible for maintaining the permanent detailed record of all capital equipment owned by the University including Sponsored Programs acquisitions and all gifts of equipment. Transfer or disposition of equipment acquired with grant or gift funds must comply with any applicable grant, agency, or donor restrictions.

Location reporting may vary between different types of equipment items.

- A. Equipment which is normally used day after day in the same location or office has its location reported by building and room number. This is the standard condition and preferred method.
- B. The location of equipment normally moved from place to place for regular use by a single department is reported by building, and floor if possible. This is an exception, and applies to laboratory equipment which may be rotated to allow expanded utilization. The designated department is the single user of the equipment.

- C. Equipment which is expected to be shifted and moved between various buildings and building locations for indefinite periods of time to be used by various departments is assigned to a department which exercises control on a campus-wide or regional basis. The location cannot be reported specifically for the individual pieces of such equipment. Location may or may not be reported. Location, if reported, may be reported by building, or building and floor if possible. The controlling department is likely not the user of this property. This kind of property may be media equipment for example, and assigned to the Media Service Department for control and allocation where needed. The exception is the least desired, and control is much more difficult.

Property Accounting is responsible for assigning the property tag number to each item of accountable moveable equipment, and attaching the property tag to the asset. This is normally done after the equipment is in location and has been accepted by the Department which issued the purchase requisition. In certain cases the attachment of the tag may be delegated to the Department. The Department will then assume responsibility for affixing the tag and reporting to the Property Accountant that the tag has been attached to the item(s). The tag number and other pertinent descriptive and/or location information as noted earlier are entered into the Property Accounting Database. In cases where the tag cannot be physically attached to the equipment, a number will be assigned to that item and the tag affixed to the Property Accounting documentation. In cases of computer related assets a person from Information Technology Department assists in identifying computer purchases that need to be capitalized, tagged and added to Property Accounting Database. Equipment purchases acquired with federal dollars are identified in the Property Accounting Database. These assets, at the time when property tag is affixed, also have a red sticker placed on the item indicating asset should not be disposed of before contacting Property Accounting. This red sticker designation began during fiscal year 2003-04.

Additions

The business process in Workday has been setup so all requisitions (REQ), Supplier Invoices (SINV), and procurement card (PCTV) transactions coded within the 6600 Moveable Equipment budget pool route to Property Accounting for review. Those deemed properly coded will be approved and process through Workday accordingly. Transactions deemed not to be equipment are “sent back” to the prior step in Workday requesting a change to a non-equipment Spend Category (SC).

For purchases determined to be equipment, Property Accounting will send an “Equipment Information Form” (Exhibit A) to the person responsible for the purchase. A tag(s) number is assigned and additional descriptive information, including location, is entered into Property Accounting Database.

Charges which may have posted to equipment that are reasoned later to not be equipment, will be recoded through either a Supplier Invoice / PCTV accounting adjustment, or a general ledger journal entry.

At fiscal year end the following additional tag assignments are made:

- For books and library materials, three tags are assigned. Individual tags are assigned for Akron-Bierce, Akron-Law Library, and Wayne College Library. The source is the total amount charged to the financial accounting system in budget pool 6700, but does not include Electronic library materials (6703), Law books-cont(temp) (6712), and Law electronic materials (6716).

- For gift or donated equipment, they are capitalized at the value listed on Office of Development logs. An independent appraisal may also be required for gifts/donations of substantial value.

Tagging equipment

Generally, capitalized equipment is labeled with a white laminated tag containing a unique ID number. This tag is attached to an area that should be easily observable. If a tag is not physically able to be attached to the item, it will be photographed for Property Accounting records. These tag numbers will appear on the Annual Verification Report. Federally Funded equipment will also receive a red tag that states: **FEDERALLY FUNDED - CONTACT PROPERTY ACCOUNTING BEFORE MOVING**. Computer items of less than \$5,000 will be tagged and tracked by Information Technology Services.

Changes in equipment status

The Internal Department Transfer form (Exhibit B) is used to track transfers of assets between departments. Changes in equipment status should be reported and approved by the manager as they occur throughout the year. Changes are to be reported at the time of the change using the Internal Department Transfer Form, which can be found on the Surplus Property website at [Internal Department Transfer Form.pdf](#). The completed form is sent to Property Accounting. Changes that must be reported are:

1. Relocation of Property Within a Department
When capital equipment is moved to another room or building, the new location must be reported by completing "Internal Department Transfer Form".
2. Transfer of Property to Another Department
When ownership of capital equipment is transferred from one department to another, the new location must be reported by completing "Internal Department Transfer Form".
3. Equipment Trade-In
Departmental personnel may trade in equipment that is outdated or surplus as needed for replacement purchases. The words "TRADE-IN" should be included on the purchase order. Before trade-in decisions are made, the department should consider disposal alternatives. If an item is traded-in, the item will be deleted from inventory records by Property Accounting. The trade-in amount received will be added to the net amount paid for the new item.
4. Cannibalized Equipment
Before equipment is destroyed or "cannibalized" to make a new asset or improve an existing asset, it must be approved by Surplus Property in consultation with department.
5. Destroyed Equipment
Capital equipment that was destroyed by an accident or disaster must be reported.

Deletes

All equipment (Obsolete and Usable) must follow Surplus Property Policies and Procedures for disposition of UA Property. Surplus policies can be found on their website: <http://www.uakron.edu/centralstores/surplus-property>. If equipment was purchased with grant funding, grant accounting must first be contacted to verify contract disposal requirements. To declare property as surplus, a [Surplus Release Form 2024.pdf](#) (Exhibit E) must be completed in the Surplus Property System, which will automatically be sent to Central Stores once it is completed and authorized. If the disposable item is a capital asset (purchased at capitalized threshold and was assigned a UA tag), the tag number will need to be added to the Release form. A copy of the Release form will need to be sent to Property Accounting at the time of disposition.

If equipment is scrapped, traded or sold, Surplus Property will remove The University's tag and send to Property Accounting. Equipment reported as traded-in, scrapped, sold, or stolen is recorded on annual deletion report and removed from Property Accounting file. Total of report is balanced to total deletions made to Property Accounting Database. A journal entry is made in the financial accounting system for the total of the deletion report to remove the assets from the general ledger.

If equipment is being reused, Surplus Property will keep The University's tag intact and the property will be added to Surplus Property Inventory Audit.

Property Accounting must be notified prior to disposal of equipment purchased with federal dollars (as of FY2003-04, equipment identified with a red sticker). Federal guidelines will need to be reviewed at that time concerning proper procedure for disposal of the equipment.

Stolen/missing or vandalized equipment

University Police must be immediately notified of each piece of equipment that cannot be located and is believed stolen, or if equipment is vandalized. The Manager must provide as much detail as possible to police investigators and should contact Property Accounting if it is not readily available in the department. The promptness with which the police are contacted as well as the completeness of record detail is essential for a successful investigation. Departments must submit a copy of the police report to Property Accounting immediately. The equipment will be deleted from the department/organization's inventory within the next two years should the equipment not be located or recovered.

Reconciliation

The Property Accounting Database is balanced monthly to the general ledger in the financial accounting system.

Annual verification

An Annual Equipment Inventory Audit/Verification Report, which is a complete listing of equipment in a department/organization, will be sent to each Manager or Contact (if one is chosen) in April of each fiscal year. A physical inventory must be performed, the verification report updated and approved by the Manager, and returned to Property Accounting in May of each year. If the verification report is not returned by the specified May deadline, a second notification will be sent to the Manager and a copy will be sent to the administrative officer over the division. The Annual Audit/Verification Report that is returned to Property Accounting is subject to periodic unannounced independent verification. See Exhibit C for Instructions/Letters.

Equipment inventory numbers

Equipment inventory numbers run in numerical sequence.

- A. With the implementation of Workday June 1, 2023, inventory numbering sequence begins as “BA-14xxxx”.
- B. The number sequence for equipment purchased prior to 6/01/23 ends at “134xxx”.

Home use of university equipment

Employees who need to take university equipment to work from home must complete a “Home Use of University Equipment” form. See Exhibit D. This form can be found on the Controller’s website at <http://www.uakron.edu/controller/property.dot>. This form should be completed regardless of the dollar value of the equipment being transported home. Because the University equipment dollar threshold is \$5,000, equipment taken home for home use often will not have a University property tag. For this reason, it is critical that all descriptive information about the equipment is completed accurately. Send completed form for University equipment with a purchase price of \$5,000 or more to Property Accounting (+6205). All other forms (property with a purchase price of less than \$5,000) should remain in the department.

Summary of recording assets to the general ledger

Purchases of equipment follow the normal University purchasing guidelines.

Before the start of a Project (formerly Plant Funds), the Vice President of Finance along with either Capital Planning and Facilities Management, or the Physical Facilities Department determine the scope of, as well as the necessary funding and source(s) of funding for such Project. Once a project has been approved, a request (generally via e-mail) with such information is sent to the Controller’s Office for creation of such Project.

The majority of Projects are assigned sequential numbers beginning “PF 771xxx” by the Controller’s Office. No spending on the project can occur until the Project number is assigned within Workday.

The source of funding for the project is identified by the worktag “Class.” While new funding sources would be created in the event of new debt financing, the current sources of funding are:

PFAPP	Plant Fund-State Appropriation
PFAUX	Plant Fund-Auxiliaries
PFBIL	Plant Fund-Billable/Gift Acct
PFINT	Plant Fund-Internal Financing
PFOTH	Plant Fund-Other University Funds
PFUNI	Plant Fund-University Funds

Each project is categorized as either a project to be capitalized or expensed. A project that is expensed is expensed in the fiscal year the expenses occur. A project that is capitalized becomes a part of Construction in Progress (CIP) until the project is completed and asset is placed into service. Equipment may remain in CIP if it is part of a new building that has not been placed into service. The selection of projects that will be capitalized is based on the criteria outlined earlier. Each project, however, is reviewed individually.

Expenses in other funds may also be capitalized. This situation may arise when funds in a general fund or a restricted account have been committed to assist with the cost of a project. These types of expenses are identified by the four digit worktag "Account" that is assigned to the expense.

66XX	Equipment
67XX	Library materials - except
	6703 Electronic library materials
	6712 Law books-cont(temp)
	6716 Electronic library materials
65xx	Lease
68XX	Plant Fund (buildings, infrastructure, land, improvements)

Investment in plant balances in the general ledger are adjusted at the end of each fiscal year. CIP is adjusted based on the end of year status of projects.

Government Property

All property owned or leased by the Government is considered government property. Government property includes both Government-furnished property and contractor-acquired property (FAR 52.245-1).

Acquisition

The Government might transfer its own property to the contractor or UA Principle Investigator (PI) for use under the contract. Or, the contract might call for the PI to produce or fabricate property for the Government. The PI's acquisition of property is regulated by FAR 52.245-1, Government Property; the applicable Cost Accounting Standards; and FAR 52.216-7, Allowable Cost and Payment. It is the PI's responsibility to ensure this basic process complies with the related acquisition regulations.

PI RESPONSIBILITIES

1. Has contractual authority for the acquisition of property, including property obtained from Government supply sources.
2. Provides for internal reviews of available in-house items that are remaining from other (contractual) requirements.
3. Has the necessary internal controls to ensure purchased quantities are reasonable (consistent with the contract type and scope).
4. Maintains adequate support and supporting documentation.
5. Demonstrates appropriate follow-up actions.

Receiving

Receiving involves the process of physically receiving incoming property. It is at the point of receipt when the PI becomes accountable and responsible for Government property. The PI also must define an auditable method to document the process of verification. Source documents include receiving reports, and supporting documents include Government bills of lading and packing lists.

PI RESPONSIBILITIES

1. Promptly notifies the contracting agent when overages, shortages, damages, or other discrepancies are discovered upon receipt of Government-furnished property.
2. Obtains the carrier's signature when shortages or other discrepancies are identified at the time of delivery.
3. Takes actions necessary to make required adjustments for overages, shortages, damages, and other discrepancies upon receipt of acquired property.
4. Reconciles property received with documentation, such as purchase orders and packing lists.
5. Promptly distributes receiving reports to designated Grant Accountant. Grant Accountant will then provide all necessary documentation to Property Accounting in order to record the Government property in the property management records.
6. Ensures the proper recording of quantity received, condition, date received, and other information necessary to meet the record reporting requirements of FAR 52.245-1.

Subcontract Control

Subcontract control involves ensuring subcontracts clearly identify assets to be provided and ensuring the proper flow-down of prime contract terms and conditions (such as extent of liability for property loss or property fabricated at the subcontractor premises).

PI RESPONSIBILITIES

The PI must examine the subcontract controls and procedures and perform sufficient testing to ensure that the subcontractor:

1. Includes the appropriate flow-down clauses and instructions as required by FAR 52.245-1, paragraph (v).
2. Conducts periodic reviews to determine the adequacy of its subcontractors' property management systems.
3. Properly administers the risk of loss and other provisions flowed down to its subcontractors.

Utilization

Property utilization requirements are meant to ensure the PI uses Government property only as authorized by the contract. The PI is also required to promptly report Government property that is in excess of contract requirements. Property with a known future use that has projected periods of dormancy should be reviewed to determine whether non-interference use may have mutual benefits for the Government and PI. A request for non-interference use may be initiated by the PI to the governmental agency, who may provide the authorization and terms.

PI RESPONSIBILITIES

The PI must ensure utilization compliance in accordance with FAR 52.245-1 (c); and FAR 52.245-9, Use and Charges. It is the PI's responsibility to examine the contractor's controls and procedures, and perform sufficient testing to ensure the contractor utilizes Government property only as authorized by the contract.

FAR 52.245-1 can be found at <https://www.gpo.gov/fdsys/pkg/CFR-2008-title48-vol2/pdf/CFR-2008-title48-vol2-sec52-245-1.pdf>

Exhibits:

Exhibit A: Equipment Information Form

Property Accounting has been notified that you have recently purchased equipment. Please take a few minutes and complete the yellow highlighted sections and return to Property Accounting, Zip +6205 or signed PDF file to rt29@uakron.edu

Office Use Only: Equip Code: TAG#

*please return no later than: _____

Requester Detail					
Req #	Ordered by:	Ext.	Ordered For:	Ext.	Cost Center

Equipment Purchase Detail				
Paid Date	PO#	Vendor	Line Description	Paid Amt
				-

Is this part of an Existing Tag? Yes / NO If Yes, what is the Existing Tag # _____

Was there a trade in? Yes / NO If Yes, what was the old serial number? _____

Please add Description and serial number of Equipment in the table below.

***If Multiple pieces of equipment separate each piece with description, serial number, and amount*

QTY	Description of Equipment	Serial Number	Amount

Responsible Person:

Name: _____ Ext. _____ Email _____

Location of Equipment:

Building: _____ Room# _____

Is the equip in your possession? If No, what is the expected arrival date? _____

Is this equip being fabricated? _____

Acknowledgment:

Name: _____
(type/print name)

Signature: _____ Date: _____

Exhibit B: Internal Department Transfer Form

THE UNIVERSITY OF AKRON
INTERNAL DEPARTMENTAL TRANSFER
FORM

DOCUMENT NUMBER

SECTION I

	DATE			Department Name	Department Account #	SIGNATURE
	M	D	Y			
Transferring From						
Transferring To						
Moved by				Special Services		Other:

SECTION II

PROPERTY TAG NUMBER	ITEM DESCRIPTION	SERIAL NUMBER	FROM		TO	
			Bldg	Room	Bldg	Room

Instructions for completing the Internal Departmental Transfer Form (IDT).

Print clearly

An IDT is prepared whenever equipment and property which has a Property Tag affixed, is moved to a new location or is transferred to another Department.

Please complete all sections

- a. Account numbers for both receiving and transferring departments MUST be included.
- b. Department signatures
- c. Keep a copy for your files
- d. Send a copy to Special Services as notice to move this Specific equipment.

Exhibit C: Reconciliation Instructions/Letter



DATE: April 11, 2025
TO: Department Heads
FROM: Ryan Taylor, Property Accounting

SUBJECT: Annual Equipment Inventory
PRIORITY: **RESPONSE REQUIRED BY MAY 23, 2025**

Attached is the annual equipment inventory. The University only verifies equipment with a purchased value of \$5,000 or greater. It is critical that this inventory is completed. These inventories are required to be performed to continue to receive federal grant funding. Cooperation in returning this report by May 23, 2025 is also imperative to achieve a favorable opinion on The University's annual financial report audit.

Please use the following guidelines verifying items on the list:

- * Verify all items listed on your report are assets that belong to your department. If an item does not belong to your department- make a note next to the item explaining item is not in your possession and has never been assigned to your department.
- * If an item has been moved, please indicate the new building and room number.
- * If you have items that are tagged, but do not appear on the printout, and should be included (value of \$5,000 or more), please list them with the University tag number, name, serial number, room number and any other pertinent information.
- * Review the "Description" of each item listed. If there is a better way to describe the piece of equipment, please provide that information-i.e. Description on annual inventory report- "item#45899"; you identify item #45899 as a camera. You would write "camera" next to the description on the annual inventory.
- * If an item has been deleted, please check the "Deleted" box, (DO NOT draw a line through it.) add the date sent to surplus property and attach a copy of the surplus property form when returning report. Please note: fully depreciated items will remain on your inventory report until moved to surplus. All items **MUST** remain on the inventory regardless of current value. **Only when it is physically removed to surplus can it be removed from the department's inventory.**
- * If the contact information has changed, please make note of that as well.

Make sure that any changes to the listing are legible. If you have any questions or require some assistance, please email Ryan Taylor at rt29@uakron.edu.

Please return Annual Equipment Inventory forms to Property Accounting, via email at rt29@uakron.edu NO later than May 23, 2025. The printout should be signed and dated by your Department Head.

Thank you,

Ryan Taylor
330-972-8843
rt29@uakron.edu

Exhibit D: Home Use of University Equipment Form

The University of Akron
Office of the Associate VP/Controller
Property Accounting

Home Use of University Equipment

Whereas, UNIVERSITY is the owner of certain equipment which is set forth on the face of this form, and
Whereas, UNIVERSITY, and USER will benefit from USER's use of the subject equipment (hereafter referred to as the SUBJECT EQUIPMENT) at USER's private residence, affording USER the opportunity to perform tasks on behalf of UNIVERSITY while away from UNIVERSITY; and
Whereas, UNIVERSITY has determined that the use of the SUBJECT EQUIPMENT by USER at USER's private residence will benefit UNIVERSITY;
THEREFORE, in consideration of the mutual covenants, promises, considerations herein set forth, UNIVERSITY and USER agree as follows:

1. UNIVERSITY hereby authorizes USER to utilize the equipment at the private residence.
2. USER agrees to utilize the SUBJECT EQUIPMENT in a safe and proper manner so as not to cause injury to himself/herself or others or damage to the SUBJECT EQUIPMENT. USER agrees only to utilize the SUBJECT EQUIPMENT at USER's private residence. USER assumes full responsibility for any loss or damage to SUBJECT EQUIPMENT. It is understood that the same shall not be removed from the said residence (except to return same to UNIVERSITY) without the express written permission of the UNIVERSITY.
3. USER agrees to utilize the SUBJECT EQUIPMENT solely for purposes of business, academic research or other use exclusively on behalf of the UNIVERSITY.
4. USER acknowledges that USER is familiar with copyright laws and contractual protections associated with software which may be used in conjunction with the SUBJECT EQUIPMENT. USER agrees to use the SUBJECT EQUIPMENT in a lawful manner, especially with regard to software. USER will not unlawfully load or copy any software with or through the use of the SUBJECT EQUIPMENT.
5. USER agrees that USER shall, upon request of the UNIVERSITY or upon conclusion of the use of SUBJECT EQUIPMENT by USER (whichever event occurs earlier), return the SUBJECT EQUIPMENT to UNIVERSITY.
6. USER agrees that only USER may utilize the SUBJECT EQUIPMENT, that no other person will be authorized or allowed to use same without the express written consent of the UNIVERSITY.
7. Any maintenance required for the SUBJECT EQUIPMENT will be performed only by representatives of the UNIVERSITY or designated representative or contractor of UNIVERSITY. USER acknowledges and understands that UNIVERSITY will not be responsible to provide any alternate source of equipment during such time period.

Section 1: Certification

This is to certify that permission has been given to (name of person using equipment)

to use the following university owned equipment at his/her personal residence located at this address:

He/She is using this equipment at home to:

Start date for off-campus use Estimated date return to campus

Section 2: Equipment

Please list all equipment and component parts:

Tag #	Description	Model	Serial #
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Section 3: Signatures

Individual responsible for equipment Typed name Signature Date

Department Head/Director Typed name Signature Date

Property Accounting must be notified when the equipment has been returned to campus.
Acknowledge below the date of return and send a copy to Property Accounting.

Department Head/Director Date of return Signature Date

 Return completed form to: Property Accounting +6205

Exhibit E: Surplus Property Release Form

The University of Akron - Surplus Property **RELEASE** Form

<p style="text-align: center;">DEPARTMENT MUST FILL OUT ALL FIELDS BELOW. ALL INCOMPLETE FORMS WILL BE RETURNED.</p> <p>Date: _____</p> <p>Department: _____</p> <p>Cost Center Number: _____</p> <p>Dept. Contact: _____</p> <p>Phone: _____</p> <p>Department's Head/Dean Name (Printed): _____</p> <p>Department's Head/Dean Signature: _____</p>	<p style="text-align: center;">Central Stores use only</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">SPR #</td> <td>_____</td> </tr> <tr> <td>Received on:</td> <td>_____</td> </tr> <tr> <td>Delivered by:</td> <td>_____</td> </tr> <tr> <td>Date:</td> <td>_____</td> </tr> <tr> <td colspan="2">Notes:</td> </tr> <tr> <td colspan="2" style="height: 50px;"> </td> </tr> </table>	SPR #	_____	Received on:	_____	Delivered by:	_____	Date:	_____	Notes:			
SPR #	_____												
Received on:	_____												
Delivered by:	_____												
Date:	_____												
Notes:													
<p>Additional Comments: _____</p>													

Submit completed form to Surplus Property: Mail +0703, Fax - x5294, surplus@uakron.edu.

Note 1: Any items with an original cost of \$5,000 and above are considered Capital Assets and must have all fields filled in. If any information is unknown, contact Property Accounting at x7202.

Note 2: All property surplus will be picked-up by Special Services as their schedule permits at no cost to the department. Please contact Special Services at 330-972-6019 for inquiries or to discuss any special arrangements.

QTY	Item Description	Serial # <small>(If applicable)</small>	UA Tag # <small>(If applicable)</small>	Condition <small>(See below)</small>	Building	Room	Notes

Condition Codes

- | | | |
|-------------------------------|----------------------------------|--|
| A1 Excellent Condition | A3 Fair Condition | A5 Major Repairs Required |
| A2 Good Condition | A4 Minor Repairs Required | S Scrap - Beyond Repair - Obsolete - Unusable |

Contact Surplus property: Nicole Cook at 330-972-5251 or Tony Ross at 330-972-5252.