

University of Massachusetts
Capitalization and Inventory Control Policy
INVENTORY GUIDELINES

At a minimum, a campus must include all assets at or above the capitalization level of \$5,000 and all non-capital equipment with sensitive data. The minimum frequency of the inventory of assets is indicated as follows:

Inventory Every Year:

- Land
- Buildings
- Building Improvements
- Land Improvements
- Construction in Progress – determine percentage of completion
- Software

Inventory Every Two Years:

- All Capital and Non-Capital Equipment
- All computers
- All Leased Equipment

An extract of assets (capital and non-capital) should be obtained from the fixed asset system and used as the basis for the periodic physical inventory. Tagged capital assets should be scanned and interfaced into the fixed asset system once physically inventoried. Non-tagged assets should also be physically inventoried and manually (non-scanner interface) updated in the fixed asset system. Non-capital assets may be scanned and interfaced into the fixed asset system once inventoried or inventoried utilizing a departmental confirmation process. This may include the issuance of reports to the department with required confirmation back to the inventory control officer. These confirmations and any associated adjustments noted (disposals, transfers, etc.) should be updated in the asset management system. Assets that are no longer utilized should be disposed of. All discrepancies should be reconciled and effectively reported in the fixed asset system. Assets that exist but are not reported in the fixed asset system should be added as of the date detected. The Controller should authorize the completion of the inventory certifying compliance with University policy.