

Asset Control Procedures

I. Assets that Must be Inventoried

A. Capital Assets¹

The following categories are all considered capital assets:

1. A **single tangible financial resource** (for example, a piece of equipment or a building) that:
 - has a useful life of one or more years,
 - is not a repair part or supply item, and
 - has a purchase cost, denoted value or appraised value greater than the \$5,000 capital threshold established by UConn Health.
2. A **site improvement, land improvement or building improvement** (potentially including a building fit-out project) with a cost or denoted Fair Market Value (FMV) of \$5,000 or more and a useful life of one or more years.
3. **Computer software** with a purchase cost or denoted value of \$5,000 or more.
Notes: 1) Computer software is defined as the non-tangible component of computers and/or servers, including all computer programs regardless of their architecture (for example, executable files, libraries and scripts).
2) Software may be internally or externally generated. Internally-generated software carries many restrictions and the Accounting Department or Budget Department must be contacted before any such project is undertaken.
4. A **software license** that costs or has a denoted value of \$5,000 or more.
Notes: 1) A software license is a contract governing the use or redistribution of software. Under United States law, all software is copyright protected, except material in the public domain. A typical software license grants an end-user permission to use one or more copies of software.
2) Capital software licenses should be coded to Account 79718.
5. **Library collections** purchased through UConn Health's Library Services.
Note: Library collections are purchased for use at the Lyman Maynard Stowe Library and are separately capitalized through coordination with the Finance Department.

In general, capital assets must be physically tagged and their current location must be kept up-to-date in UConn Health's official Capital/Controllable Inventory List. Some items that cannot be physically tagged (such as software, surgical instruments or other assets where physical tagging would be impossible or impair the use of the asset) are tagged virtually, rather than physically.

All capital assets must be located and inventoried at least once every two years, and the inventory results must be reconciled with any conflicting information contained in the Capital/Controllable Inventory List. Responsibility for capital assets belongs directly to the Department Head of the department where they are located (sometimes referred to as the "custodial department"). Responsibility for performing the inventory resides with Logistics Management's Asset Control unit (OLM Asset Control); however, the custodial

department and its Department Head must cooperate and assist OLM Asset Control with inventory reconciliation.

B. Controllable Assets²

A controllable asset is an item that must be tracked because of its sensitive, portable and/or theft-prone nature, even if it does not otherwise meet the definition of a capital asset.

At UConn Health, the Finance Department and OLM Asset Control work together to determine which categories of items are considered controllable. Current examples of UConn Health's controllable assets are:

- Computers (PCs and laptops)
- Any equipment that stores confidential data, including electronic Protected Health Information (ePHI)
- Smart Phones & Tablets (iPads and Androids, etc.), are the responsibility of the IT department. These devices are logged and tracked by the IT department rather than OLM Asset Control staff. These devices are encrypted by IT and can be tracked and disabled remotely.
- Weapons/firearms (UConn Health's Police Department manages tracking for these items) Weapons/firearms are logged, tracked and inventoried by UConn Health's Police Department, rather than OLM Asset Control staff. However, at least once per year, the Police Department provides OLM Asset Control with its current list of weapons/firearms, and OLM Asset Control updates the Capital/Controllable Inventory List with that information.

All controllable assets must be located and inventoried at least once every two years, and the inventory results must be reconciled with the information in the Capital/Controllable Inventory List. Responsibility for controllable assets belongs to the department where they are located (sometimes referred to as the "custodial department"). Responsibility for performing the inventory resides with Logistics Management's Asset Control unit (OLM Asset Control); however, the custodial department must cooperate and assist OLM Asset Control with inventory reconciliation.

C. Supplies/Stock³

UConn Health must complete an annual inventory of supplies/stock for each fiscal year. UConn Health defines supply/stock as products that will be resold or consumed in the course of business and clinical products kept in inventory. Non-clinical operating supplies (such as office supplies) are not included in the annual supply inventory.

In mid- to late May of each year, OLM notifies the departments that are subject to that fiscal year's annual supply inventory requirement. The list of departments may vary from year to year, but generally includes our clinical units, pharmacies and campus-wide service departments (such as IT and Facilities Management).

II. Asset Control and Reporting: Roles & Responsibilities

A. Logistics Management (OLM) Responsibilities⁴

1. General responsibilities for all types of assets. OLM personnel are responsible for:
 - a. Documenting receipt of all purchased equipment and supplies in UConn Health's eProcurement system
 - b. Asset tagging – *see section 2 below*

- c. Maintaining and updating UConn Health’s official list of list of capital assets in Banner’s fixed asset module and controllable assets in the MACOLA system (collectively, the “Capital/Controllable Inventory List”) – *see section 2 below*
 - d. Performing physical inventories and working with departments to reconcile the Capital/Controllable Inventory List if there are discrepancies – *see section 2 below*
 - e. Adding equipment to UConn Health’s list of insured property, as needed
 - f. Handling the disposition of UConn Health’s surplus assets (including clinical equipment, but not weapons/firearms)
 - g. Notifying those departments that have to conduct an annual supply inventory about the inventory deadlines and requirements
 - h. Coordinating and compiling the results of the annual supply inventory
 - i. Creating institution-wide procedures and forms to ensure that UConn Health complies with all applicable asset control requirements
 - j. Ensuring that the location tables in MACOLA and Banner are updated appropriately
2. Capital assets and controllable assets. As a recipient of both state and federal funds, UConn Health is required by law to track the acquisition, use, control, protection, maintenance and disposal of our capital and controllable assets. OLM Asset Control’s responsibilities in connection with UConn Health’s capital and controllable assets include:
- a. Tagging capital and controllable items (except for certain clinical equipment which is tagged by Clinical Engineering, Smart Phones/Tablets by IT and weapons/firearms which are the responsibility of the UConn Health Police Department)
 - b. Ensuring that Clinical Engineering’s asset tags are added to the Banner/MACOLA systems, as appropriate
 - c. Maintaining the “pending equipment” list of capital and controllable items not yet tagged (including clinical equipment, but not weapons/firearms)
 - d. Maintaining and updating UConn Health’s official Capital/Controllable Inventory List
 - The official list of capital assets is maintained in Banner’s fixed asset module, and the official list of controllable assets is maintained in the MACOLA system.
 - A list of all capital and controllable assets (other than weapons/firearms) is also maintained in MACOLA, with specific designations to identify each item as capital, controllable and/or capable of storing confidential information. Only the capital assets within the MACOLA list are uploaded to Banner.
 - e. Receiving and processing Inventory Control (IC) forms submitted by departments to request/report equipment moves, removal/disposal of surplus equipment, and other changes that impact the asset list (including clinical equipment, but not weapons/firearms)
 - f. Conducting an institution-wide physical inventory of capital and controllable assets (other than weapons/firearms), at least biannually, by visiting each department and scanning the asset tags on the equipment located within the department
 - g. After each physical inventory, assisting departments with the reconciliation process by providing lists of “Items Not Found” and “Items Found” during scanning so that the Department Head can either locate the missing items or submit the appropriate form to account for the whereabouts (loan, transfer, disposal, etc.) of the items, and so that the Department Head can confirm that all Items Found actually belong to his/her department
 - h. After reconciliation is completed, obtaining Department Head sign-off on the department’s current list of capital/controllable assets from the Equipment Inventory Data Control File
 - i. Notifying UConn Health’s Office of Audit, Compliance and Ethics (OACE) if any assets containing confidential information cannot be accounted for
 - j. Retaining original reports of each physical inventory for three (3) years

3. Assets that store confidential data, including ePHI. OLM Asset Control and Clinical Engineering share the responsibility for identifying equipment that contains (or may contain) confidential data, including ePHI. OLM Asset Control is responsible for identifying non-clinical equipment capable of storing confidential data (such as computers and laptops), while Clinical Engineering is responsible for identifying clinical equipment capable of storing confidential data.

MACOLA is the system of record for the identification of equipment that is capable of storing confidential data. Therefore, once a clinical or non-clinical item has been identified as potentially containing confidential data, the MACOLA record for that item will reflect that designation.

4. Annual supply inventory. By the end of May each year, OLM sends out notifications to each UConn Health department that will be required to conduct an annual supply inventory for that year. At that time, OLM also provides any relevant instructions and the deadline for completion of that year's supply inventory.

B. Clinical Engineering Department Responsibilities⁵

1. Clinical equipment tagging. The Clinical Engineering Department is responsible for tagging capital and controllable clinical equipment that require special, extra durable tags due to the conditions under which the equipment will be used or cleaned. Clinical Engineering reports tag numbers to OLM Asset Control on a timely basis so that the Capital/Controllable Inventory List can be kept up-to-date.
2. Clinical equipment testing and maintenance. Clinical Engineering manages and documents the performance assurance testing, preventive maintenance and repairs for patient care equipment located in John Dempsey Hospital. Additional information about these responsibilities can be found in the JDH Hospital Administration Manual, Section 11-021.
3. Assets that store confidential data, including ePHI. As noted in Section II.A.3. above, OLM Asset Control and Clinical Engineering share the responsibility for identifying equipment that contains (or may contain) confidential data, including ePHI. Clinical Engineering is responsible for identifying clinical equipment capable of storing confidential data (i.e., any equipment used in a clinical setting that is capable of storing data, except for copy machines, computers, laptops, iPads or iPhones).

Although Clinical Engineering's service/maintenance tracking system is not the system of record for identifying assets that are capable of storing confidential data, Clinical Engineering does include an "ePHI" designation in its system. This designation helps Clinical Engineering assure that the clinical equipment that it services gets special handling at the time of disposal if it contains ePHI. Whenever Clinical Engineering is disposing of any device which is identified in its system as containing ePHI, one of the following procedures is followed:

- a. Clinical Engineering personnel or a representative of the equipment supplier/manufacturer wipes the hard drive to remove any ePHI;
 - b. the hard drive is removed and destroyed; or
 - c. the hard drive is sent to OLM's Surplus Department to be wiped clean of any ePHI before reinstallation in the device.
4. Retirement/disposal of clinical equipment. If Clinical Engineering is involved with the retirement or disposal of any capital or controllable clinical equipment, Clinical Engineering will ensure that the proper form(s) (such as the IC-6 and LM-2 forms) are completed and submitted to OLM Asset Control.

C. Facilities Management Department Responsibilities⁶

Facilities Management is responsible for ensuring that UConn Health's fixed assets/building systems are maintained and repaired appropriately.

D. Finance Department/Accounting Responsibilities⁷

Finance personnel are responsible for:

1. Maintaining the institution's chart of accounts, including the creation of capital project Funds and creation/maintenance of capital expenditure and capital asset Accounts.
2. Identifying, tracking, gathering supporting detail for capital projects and construction-in-process (CIP) amounts for capitalization in the general ledger. Finance staff will work in conjunction with project managers on determining when a project is ready for capitalization
3. Capitalizing buildings and building improvements, software projects, or other internally constructed assets
4. Reconciling the annual capital spending to capital additions.
5. Recording fixed asset depreciation for items in the fixed asset sub-ledger.
6. Recording reclass entries to correct miscoding of assets or to write off amounts incorrectly capitalized.
7. Preparing fixed asset roll-forwards and reports such as the CO-59 and other required financial documents.
8. Working with the Library to report annual additions to the collection and depreciation.
9. Recording the year end pending asset adjustments to close the general ledger.

E. Custodial Department Responsibilities⁸

1. General responsibilities for all types of assets. Each Department Head is responsible for maintaining all assets in the custody of his/her department, including assets inherited from previous department management and assets assigned to the department's space. The Department Head's responsibilities include ensuring that:
 - a) UConn Health's asset control Policies and procedures are followed, b) all necessary routine maintenance and repairs are performed, and c) departmental assets are secured and accounted for in accordance with current Policies and procedures.

The Department Head may designate an administrative person within the department to be the department's Inventory Coordinator. Although the Department Head retains ultimate responsibility for the department's assets, the Inventory Coordinator can handle the everyday tasks associated with asset control responsibilities and can serve as OLM Asset Control's main point of contact for the department.

2. Capital assets, controllable assets and supply inventory. The Department Head is responsible for all transactions affecting his/her department's capital assets, controllable assets, and (if required) annual supply inventory. Specific duties and responsibilities include, but are not limited to:
 - a. **Ensuring proper documentation and reporting of changes to the department's asset list.**
 - **New acquisitions** of any capital/controllable equipment delivered to the department without an asset tag – **Report to OLM Asset Control by calling ext. 1952.**
 - **Transfers** of capital/controllable equipment into and out of the department – **Complete and submit Form IC-6.**
 - **Loans** of capital/controllable equipment to other departments, "affiliated" institutions, or Health Center employees/representatives (for example, if an employee is allowed to take a laptop home in order to do work from home) – **Complete and submit Form IC-5.**
 - **Proposed disposition** of capital/controllable equipment, such as:
 - Permanent transfer of the equipment to another institution – **Complete and submit Form IC-6.**

- Trading in an item for new/replacement equipment – ***Complete and submit Form IC-6.***
- “Cannibalizing” items to repair or supplement other equipment – ***Complete and submit Form IC-6.***
- Declaring equipment as “excess” and sending it to Surplus Property – ***Complete and submit Form LM-2.***
- Reporting **lost, stolen, missing or damaged property** of any kind (including capital assets, controllable assets, supplies, cash or other) – ***Complete and submit Form CO-853 and Form IC-12.***

b. **Assisting with biannual physical inventory and reconciliation.**

- When OLM Asset Control notifies the department of the date(s) when the physical inventory will be conducted, the Department Head or Inventory Coordinator must:
 - ensure that any equipment loaned to UConn Health employees/ representatives for home use (such as laptop computers) are brought in to the office on the appropriate day(s) so that they can be scanned by OLM Asset Control staff,
 - give OLM Asset Control staff timely access to all areas where the department’s equipment is located, and
 - help OLM Asset Control staff find all items that need to be scanned.
- After the physical inventory, OLM Asset Control provides the department with lists of “Items Found” and “Items Not Found” during scanning. Within 5 working days of receipt of these lists, the Department Head or Inventory Coordinator needs to review the lists and submit any necessary updates to OLM Asset Control.
 - The “Items Not Found” list includes any assets that were not physically located within the department during the inventory, even though they are currently assigned to the department in the Capital/Controllable Inventory List. For all Items Not Found, the Department Head must either: 1) notify OLM Asset Control that the missing items have been located and allow OLM Asset Control staff to revisit the department to verify/scan the found items, or 2) submit the appropriate IC form to OLM Asset Control to account for the whereabouts (loan, transfer, disposal, etc.) of the missing items.
 - The “Items Found” list reflects all of the assets that were physically located during the inventory in space assigned to the department within UConn Health’s FAMIS system. The Department Head must review that list to confirm that all Items Found do belong to his/her department.

Notes: 1) The Department Head’s responses must be submitted to OLM Asset Control within 5 working days of receiving the lists.

2) If an item is not found during a physical inventory, it will stay on the department’s asset list with the last date inventoried (i.e., the last date it was actually found and scanned by OLM Asset Control staff during a previous physical inventory) and the Department Head will retain responsibility for that asset, until the Department Head either locates the item or submits the appropriate paperwork to account for the item’s disposition.

3) If a department does not respond in a timely manner or take the necessary steps to reconcile its asset list, OLM Asset Control may escalate the matter to the appropriate individuals.
- After reconciliation, the Department Head receives a Capital Asset Inventory Certificate (Form IC-11) from OLM Asset Control with a current list of all of the capital and controllable assets assigned to the department, as confirmed by the physical inventory and reflected in the official Capital/Controllable Inventory List. The Department Head signs the IC-11 accepting responsibility for all of the assets listed, keeps a copy of the IC-11 and asset list for the department’s records, and returns the originals to OLM Asset Control for official document retention.
- Throughout the year, the Department Head or Inventory Coordinator must use the appropriate IC form to report any changes (moves, transfers, disposals, etc.) that affect the assets on the

department's list, so that OLM Asset Control can update the official Capital/Controllable Inventory List accordingly.

- c. **Assisting with state, federal, compliance and/or internal audits and investigations** involving his/her department's equipment inventory.
- d. **Conducting an annual supply inventory**, if the department is required to perform one.
 - Notifications are sent out by OLM by the end of May each year to the departments that have to conduct a supply inventory that year.
 - The department conducts its own supply inventory including counting items on hand and extending their value based on most recent purchase price.
 - The Department Head or Inventory Coordinator completes the Inventory Certificate (Form IC-10) and returns it to OLM by the date specified in the notification.
 - The Department Head must retain the results of his/her department's supply inventory for three (3) years.

III. Procedures and Forms for the Receipt, Tracking and Disposition of Assets⁹

A. Assets Coming to UConn Health

1. **Purchased and leased assets.** All capital and controllable assets purchased or leased through the creation of a purchase order in the HuskyBuy system should automatically be tagged by OLM Asset Control upon receipt, with the exception of items purchased by Correctional Managed Health Care (CMHC) because CMHC is responsible for maintaining and inventorying CMHC's assets.

Note: If a piece of capital or controllable equipment gets delivered to the department without an asset tag, the department must ***notify OLM Asset Control at ext. 1952.***
2. **Gifts/donations of assets (except artwork)**
 - a. The department that wants to accept the gift/donation completes ***Form IC-3/4 (Records of Gifts and Donations of Property)*** and forwards the IC-3/4, along with all documents relating to the gift/donation (such as a letter of transmittal from the donor and appraisal documentation, if any), to UConn Health's Development Office (which is part of the UConn Foundation).
 - b. UConn Health's Development Office:
 - Records the gift/donation
 - Generates any needed IRS forms
 - Generates an acknowledgment letter to the donor and provides the donor with a copy of the signed IC-3/4 Form as the donor's receipt
 - Forwards the original IC-3/4 Form to OLM Asset Control with a copy to Finance
 - c. After receiving the IC-3/4 Form from the Development Office, OLM Asset Control locates the donated item and:
 - Tags the item
 - Verifies its condition, noting any defects or unusual issues
 - Updates the Capital/Controllable Inventory List, including the capitalized amount stated on the IC-3/4 Form
3. **Gifts/donations of fine artwork**
 - a. The department that wants to accept the gift/donation of artwork must notify the Art Advisory Committee Chairperson.

- b. Art Curator completes abovementioned form upon acceptance of art donation by the Art Advisory Committee and attaches all documents relating to the gift/donation (such as a letter of transmittal from the donor and appraisal documentation, if any). The completed form is then sent to UConn Health's Development Office for further processing.
- c. The Development Office:
 - Records the gift/donation
 - Generates any needed IRS forms
 - Generates an acknowledgment letter to the donor, including a copy of the fully-executed IC-3/4 Form as the donor's receipt
 - Returns a copy of the fully-executed IC-3/4 Form to the Art Advisory Committee for further processing
- d. After the Art Advisory Committee accepts the artwork and receives the completed IC-3/4 Form from the Development Office the following process is completed:

Art Inventory Work Flow for Donated Fine Art

Art Curator:

- Donated fine art is received by the Art Curator.
- Art Curator ensures that donation form is properly completed and takes a photo of the work.
- Art Curator has work framed if necessary.
- Art Curator stores donated work in the OLM art storage cage until it is tagged and entered into the Inventory.
- Art Curator forwards hard copy of donation form with hard copy of photo stapled to it to OLM. Art Curator forwards photo electronically to OLM.

Office of Logistics Management:

- OLM enters data regarding artwork from donation form into electronic inventory, including the value amount stated on the IC-3/4 Form.
 - OLM attaches photo sent electronically into inventory data base.
 - OLM scans hard copy of donation form and attaches to electronic inventory record. Original hard copy of donation form and attached photo are stored in a secure paper file.
 - OLM attaches asset tags with barcodes and assigned numbers to piece, and places in the OLM art storage cage.
 - Artwork is available for placement in public areas or loan, once process is complete and artwork is in the OLM storage cage.
- e. The Art Advisory Committee Chairperson is responsible for verifying the condition of the artwork.
 - f. OLM, with the assistance of the Art Curator, is responsible for conducting a physical inventory of art assets at least once every two years.

4. Constructed equipment. An example of "constructed equipment" would be a computer or specialized instrument built by a department that—once built—qualifies as either a capital asset or a controllable asset, even though the component parts making up the asset would not qualify as capital/controllable on their own.
 - a. The department that has either built or paid for the constructed equipment must complete and submit **Form IC-3/4 (Record of Property Constructed)**
 - b. Upon receipt of Form IC-3/4, OLM Asset Control locates the item and:
 - Tags the item
 - Verifies its condition, noting any defects or unusual issues
 - Updates the inventory database, including fair market value as stated on the IC-3/4 Form

5. Loans, leases and consignments

- a. When a department receives a loaned, leased or consigned asset, the department must complete and submit **Form IC-3/4 (Record of Property Loaned, Leased or Consigned)**
- b. Upon receipt of form IC-3/4, OLM Asset Control locates the item and:
 - Tags the item
 - Verifies its condition, noting any defects or unusual issues
 - Updates the inventory database, including fair market value as stated on the IC-3/4 Form

6. Research equipment brought to UConn Health by incoming faculty/staff

Note: UConn Health will not accept, repair or inventory the equipment of an incoming faculty member/investigator, unless it has been officially released by the transferring institution.

- a. The department arranging for transfer of equipment to UConn Health completes and submits **Form IC-3/4 (Record of Property Transferred from Other Organizations)**.
- b. Valuation: A copy of the transferring institution's original invoice for the purchase of the equipment and/or a formal/certified appraisal may be required at UConn Health's request.
- c. Transportation of Equipment:
 - Cost - The cost of transporting equipment being transferred from another institution is normally paid for by the grant held at the other institution, as part of the grant transfer to UConn Health. If that funding is not available, the incoming faculty/staff member's Department Head at UConn Health may agree to pay for the transportation of the equipment from another outside grant or other funding source.

Note: If UConn Health will be paying for transportation, a quote for the transportation costs must be obtained from UConn Health's third-party inbound freight management company, the amount and funding source must be pre-authorized in writing by the Dean as part of the new employee's recruitment negotiation, and the Dean's authorization must be attached to the IC-3/4.
 - Transfer of ownership - Unless UConn Health specifically agrees in writing to the contrary, UConn Health shall assume ownership of and responsibility for the equipment upon its safe delivery to UConn Health.
- d. Gift versus payment: If the transferring institution is charging UConn Health for the equipment, the incoming faculty/staff member's department must follow UConn Health's procurement process (i.e., a purchase requisition must be entered with appropriate FOAPAL coding to buy the equipment from the transferring institution). A copy of the IC-3/4 Form must be attached to the purchase requisition.
- e. When the equipment has been received, the department that will be using it notifies OLM Asset Control so that OLM Asset Control can locate the item and:
 - Tag the item
 - Verify its condition, noting any defects or unusual issues
 - Update the inventory database, including fair market value as provided on the IC-3/4 Form

B. Equipment Moves within UConn Health

1. Moves within the same department. No action is required if a department moves a piece of equipment from one room or location to another within the department's assigned area on the same floor. However, if the department moves a piece of equipment outside of its assigned area or to another floor or building, **Form IC-6 (Transfer of Equipment Form)** must be completed and submitted so that the item's location in the Capital/Controllable Inventory List can be updated accordingly.

2. Loans/transfers of equipment from one UConn Health department to another
 - a. The department loaning or transferring the equipment completes the appropriate form (***IC-5 for temporary loans or IC-6 for permanent transfers***), and provides the form to the UConn Health department that is accepting the equipment.
 - b. The department accepting the equipment signs the IC form acknowledging receipt of the item, and forwards the signed form to OLM Asset Control so that the Capital/Controllable Inventory List can be updated to reflect the item's new custodian.
 - c. For loans only, OLM Asset Control returns the IC-5 Form to the department loaning the equipment to hold until the equipment is returned.
 - Once the item has been returned to the original/loaning department, that Department Head signs off on the "Upon Return – Received By:" signature line, keeps a copy for the department's file, and sends the original back to OLM Asset Control for processing.
 - Upon receipt of the completed IC-5 Form, OLM Asset Control updates the Capital/Controllable Inventory List to reflect the return of the item to the loaning department and files the paperwork in its "closed loan" file.

3. Moving/storage requests – individual items
 - a. The department requesting that a piece of its equipment be moved and/or stored by Logistics and Logistics Management completes ***Form LM-1 (Move/Storage Request)*** with all necessary information and signatures, and forwards the completed form to OLM Moving & Storage, Central Warehouse, MC6170.
 - b. Once the item has been moved, Moving & Storage forwards the LM-1 Form to OLM Asset Control so that the Capital/Controllable Inventory List can be updated with the new location.

4. Moving/storage requests – major moves (entire departments or floors)
 - a. For a major move (such as an entire department moving to another location), the department that will be moving simply completes the ***first page of the LM-1 Form (Move/Storage Request)***, and submits it to OLM Asset Control.
 - Once the form is received, OLM Asset Control staff will schedule a time immediately after the move to conduct an inventory of the assets in their new location, to update the Capital/Controllable Inventory List.
 - b. If any of the department's assets will not be moved to the new location, the department must also complete an ***LM-2 Form (Declaration of Excess Property - Removal Request)*** and submit it to OLM Asset Control, so that the excess equipment/furniture can be picked up by OLM's Surplus Property Department.
 - Once the items have been picked up by Surplus Property, OLM Asset Control updates the Capital/Controllable Inventory List to reflect that the department no longer has custodial responsibility for those items.

5. Assets Leaving UConn Health
 1. Equipment loaned temporarily to an affiliated institution or to an employee for off-site work use
 - a. The department loaning the equipment completes ***Form IC-5 (Record of Property Loaned Form)***.
 - b. It is the Department Head's responsibility to ensure that confidential information (including, but not limited to, ePHI) is not inappropriately transferred or shared as a result of the loan.
 - c. The department loaning the equipment has the recipient of the loaned item at the other institution, or the employee who will be taking the item off-site for work use, sign the IC-5 form, to confirm that the recipient has received the item and understands the loan arrangement.
 - d. The department loaning the equipment forwards the completed form to OLM Asset Control so that the Capital/Controllable Inventory List can be updated to reflect that the item is on loan.

- e. OLM Asset Control returns the IC-5 Form to the department loaning the equipment, to hold until the equipment is returned.
 - f. Once the item has been returned to the UConn Health department, that Department Head signs off on the “Upon Return – Received By:” signature line, keeps a copy for the department’s file, and sends the original back to OLM Asset Control for processing.
 - g. Upon receipt of the completed IC-5 Form, OLM Asset Control updates the Capital/Controllable Inventory List to reflect the return of the item to the loaning department and files the paperwork in its “closed loan” file.
2. Research equipment sold or transferred permanently to another institution
- a. Faculty or staff departing UConn Health for employment at another institution may, as is customary, request the transfer of equipment and/or other assets used in the scope of grant-funded research to their new place of employment. All such transfers must comply with UConn Health Policy Number 2010-04, Transfer of Research Equipment and/or Other Assets to Another Institution.
 - b. The faculty or staff requesting the transfer completes **Form IC-6 (Disposition of Equipment)**, which serves as the equipment transfer or sale request. For these types of requests, the IC-6 must include:
 - a complete list of the assets to be transferred with identifying information required by the IC-6 form (such as PO number, asset tag, etc.),
 - the name of the new institution and contact individual,
 - the planned use for the asset at the new institution, and
 - a statement that to the best of the requestor’s knowledge, the transfer or sale will not adversely affect current UConn Health activities.
 - c. The Department Head certifies on the IC-6 that either: (i) no confidential information (including ePHI) is stored on the equipment, or (ii) any confidential information (including ePHI) that is stored on the equipment has been approved for transfer.
 - d. OLM Asset Control confirms that the equipment listed on the IC-6 matches the information in the Capital/Controllable Inventory List.
 - e. The asset(s) can be removed from UConn Health and transferred to the new institution once all required approvals have been obtained on the Form IC-6.
 - f. If an asset is being sold, the department transferring the equipment sends an invoice to the new institution and ensures that payment is received.
3. Trade-in of equipment toward a new purchase
- a. Approval to offer item(s) for trade must be secured through the signature process outlined in **Form IC-6 (Disposition of Equipment)**.
 - b. All confidential information (including, but not limited to, ePHI) must be removed from the equipment before trade-in.
 - If the custodial department has the expertise to securely remove the confidential information from the equipment, it may do so.
 - The department may also consult IT, Clinical Engineering or OLM for assistance with data removal/degaussing.
 - In some cases, the equipment supplier/manufacturer may need to perform the data removal itself.
 - c. Equipment trade-ins are allowed on new purchases only and must be for like item(s).
 - d. The department that wants to trade in a piece of equipment must enter a Purchase Requisition into HuskyBuy and attach: a copy of the IC-6 form, the supplier’s quote or other documentation explaining the trade-in arrangement, the fair market value of the new equipment (without the trade-in offset) and the current fair market trade-in value of the item being traded in.
 - e. OLM Asset Control and Accounting will record the loss/gain on the equipment traded-in.

- f. The Procurement Department determines the appropriateness of the transaction. Purchase Order is issued if the Procurement Department approves. Questionable transactions are referred to OLM for consideration of possible excess equipment redistribution, cannibalization, or other uses.
 - g. If the trade-in is approved, the requesting department must submit the original IC-6 form and a copy of the Purchase Order for the new equipment to OLM Asset Control to ensure that the Capital/Controllable Inventory List is updated appropriately.
4. Equipment retirement (cannibalization). “Cannibalization” is defined as the removing of serviceable parts from damaged or obsolete equipment, for use in the repair of other like or related equipment. Whenever a department cannibalizes or otherwise does something that makes a tagged asset unusable, the department must complete and submit **Form IC-6 (Disposition of Equipment)**.
 5. Excess property. “Excess property” is defined as an item that is no longer required by the custodial department, as determined and approved by the Department Head.
 - a. The department notifies OLM Surplus Property about its excess property by completing and submitting **Form LM-2 (Declaration of Excess Property - Removal Request)**.
 - b. Special handling is required for items used with and/or having contained hazardous material (e.g., chemicals, radioactive material, human blood, body fluids or infectious agents).
 - As indicated on the LM-2 Form, the custodial department must obtain approval from UConn Health’s Environmental Safety Department before used with and/or having contained hazardous material (e.g., chemicals, radioactive material, human blood, body fluids or infectious agents) before OLM removes the item.
 - A signed letter/form stating the approval by the Environmental Safety Department must accompany the LM-2 form, in order for the transfer to be processed.
 - It is the responsibility of the Department Head to ensure that Environmental Safety has approved the removal of the item(s) before transfer takes place. The Department Head will be held liable if he/she fails to comply with this requirement.
 - c. Responsibility for the item being declared excess is retained by the department until the item has been physically transferred out of the department.
 - d. Custodial responsibility for excess assets is assumed by OLM’s Surplus Property Unit upon receipt of the items.
 - e. OLM will degauss any equipment containing confidential information/ePHI before disposition.
 - f. Excess items are offered to other UConn Health departments by OLM’s Surplus Property Unit via the Notice of Excess Property Bulletin located on OLM’s website:
http://opa.uchc.edu/a_LM_web/surplus_property.htm.
 - g. If a department wants to obtain a piece of excess property from Surplus Property, that department will be responsible for any costs associated with moving or installing the equipment.
 - h. The requesting department assumes responsibility for the item upon its receipt in the department.
 6. Surplus property. “Surplus property” is defined as an item that is no longer required by any UConn Health department, as determined and approved by OLM. UConn Health is authorized to transfer and/or dispose of its surplus, unused and/or unserviceable equipment and supplies pursuant to Conn. Gen. Stat. section 4a-4.
 - a. Any excess property not claimed by a UConn Health department within thirty (30) days after the Notice of Excess Property Bulletin is posted, may be declared surplus by the Director of OLM or his/her designee.
 - b. If an asset is declared surplus, OLM decides whether to arrange for the immediate disposition of the asset or hold the asset for future utilization.
 - c. Disposition options include, but are not limited to:
 - i. Transfer or sale to another other state agency
 - ii. Donation or sale to a non-profit organization

- Approved organizations include (but are not limited to): municipalities, public schools, approved humanitarian relief efforts, community organizations, hospitals and clinics.
 - The non-profit organization accepting or purchasing UConn Health’s surplus property may be responsible any cost associated with moving and/or installing the item.
- iii. Sale by auction or through a surplus company engaged by OLM
- iv. Sale to the general public at UConn Health’s Surplus Property Store
- Sales to the general public are held at UConn Health’s Surplus Property Store every Friday (except holidays) and on other dates “as needed.” OLM updates its Surplus Property web site on a weekly basis with information about the availability or sales. OLM also periodically advertises the regularly-scheduled Friday store hours in a major Connecticut newspaper and advertises any additional “as needed” sales in a major Connecticut newspaper at least ten (10) days prior to the “as needed” sale date.
 - Every item offered for sale to the general public will be sold “as is and where is” and will be either publicly auctioned or clearly marked with a price determined by OLM to be fair market price based on the existing market, condition of the item, and other relevant factors.
 - Items sold may be subject to State of Connecticut sales tax.
 - A record of sale/receipt will be supplied to all customers, and a copy will be retained by OLM for three (3) years.
- v. Discard/Dispose – OLM may discard/dispose of surplus property after completing **Form LM-2B (Internal Property Form)**.

¹ The Finance Department is responsible for updating Section I.A.

² Logistics Management is responsible for updating Section I.B.

³ Logistics Management is responsible for updating Section I.C.

⁴ Logistics Management is responsible for updating Section II.A.

⁵ The Clinical Engineering Department is responsible for updating Section II.B.

⁶ The Facilities Management Department is responsible for updating Section II.C.

⁷ The Finance Department is responsible for updating Section II.D.

⁸ Logistics Management is responsible for updating Section II.E.

⁹ The Finance Department and Logistics Management share responsibility for updating Section III, with input from: the Art Committee/Curator (for art assets); Research Administration & Finance (for research assets); the IT Department (for IT equipment and electronic data); the Procurement Department (for loans, leases & consignments and trade-ins towards new purchases); Environmental Health & Safety (for decontamination procedures); and the Office of Audit, Compliance and Ethics (for confidential data and other compliance issues).