



## CAPITAL ASSETS POLICY

### PURPOSE

This policy applies to all assets used in operations that are purchased or constructed and in which the University will inventory, track, and record as a Capital Asset. In addition, this policy applies to all assets received by donation, or that are acquired through governmental surplus property procedures.

### STATEMENT OF POLICY

It is the policy of the University to safeguard the Capital Assets of the University. This policy applies to all Capital Assets owned by the University or under the care of any University Personnel and any others using Capital Assets. This policy establishes the responsibilities of University Personnel, and others, as applicable, with respect to Capital Assets.

All Capital Assets acquisitions must be completed pursuant to applicable University Policies and procedures relating to purchasing, which are available on the LIU website as follows:

<https://liu.edu/About-LIU/Administrative-Departments/Procurement>

All Capital Assets purchased utilizing federal funds must also adhere to procedures relating to purchasing as established by the Office of Management and Budget / Code of Federal Regulations.

[https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1#se2.1.200\\_1320](https://www.ecfr.gov/cgi-bin/text-idx?node=2:1.1.2.2.1#se2.1.200_1320)

University Personnel and any others using Capital Assets are responsible for safeguarding Capital Assets to the extent practicable and for the prudent and proper care and maintenance of those Capital Assets. Safeguarding and maintenance of Capital Assets titled to a third party (such as the United States government) is the responsibility of the Principal Investigator responsible for the award relating to the Capital Assets.

The Controller's Office is responsible for accounting for Capitalized Capital Assets.

Equipment: The Controller's Office will provide Capitalized Capital Assets inventory schedules to the University Personnel responsible for safeguarding Capital Assets, which must be completed and returned to the Controller's Office to verify and update the University's asset management records. Annually, the Controller's Office will review the schedule of Capitalized Capital Asset inventories for accuracy.

Land, Building, and Improvements: The Controller's Office maintains a schedule of all Capitalized Capital Assets. Throughout the year, the Executive Director of Facilities will notify the Controller's Offices of any planned additions to Capital Assets, including those projects that will require a disposal of current Capitalized Capital Assets. The Controller's Office will utilize the information

provided to ensure the appropriate recording of additions to and disposals from the Capitalized Capital Assets inventory. Annually, the Controller's Office will review the schedule of Capitalized Capital Asset inventories for accuracy.

University Personnel responsible for safeguarding Capital Assets must coordinate disposition or transfer of those Capital Assets with the Controller's Office. The Controller's Office will then make the appropriate adjustment to the schedule of Capitalized Capital Assets.

## DEFINITIONS

*Capital Assets* means long-lived assets including land, land and campus improvements, buildings, building improvements, leasehold improvements, furniture, and equipment that provide ongoing benefits to the University.

*Capitalized Capital Assets* means Capital Assets owned by the University that have met the University's capitalization thresholds.

*University Personnel* means faculty, staff, students, volunteers, and contractors.

**POLICY TYPE: FINANCE**