Uganda Martyrs University

THE PREMIER CATHOLIC UNIVERSITY IN UGANDA

ASSET MANAGEMENT POLICY

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1.0 Introduction

An asset is anything of material value which gives future economic benefits to the University. The custodian of this policy is the Chief Finance Officer.

2.0 2.0 Purpose of this Policy

Developing and implementing an asset management policy allows for a detailed understanding of what physical assets are currently held, their value, future value, and costs associated with maintaining and disposing them. Having a comprehensive asset management policy in place allows the University to best manage assets and deliver services as efficiently as possible.

3.0 3.0 Objectives of this Policy

The objective of this Policy is to articulate the operational and data management framework essential to:

- Maintain control over physical assets purchased and owned by the University;

- Provide accurate asset information for the annual financial statements of the University which is required for accrual reporting purposes;
- Assist in the calculation of insurance values for university assets and provide details of losses for insurance claims;
- Promote due care and attention to the maintenance of university assets.
- Allow audit verification of additions, depreciation, revaluation and disposal through the asset register.

4.0 4.0 Scope of this Policy

This policy applies to all University-owned assets with tagged value and life span.

5.0 5.0 Asset Acquisition

University assets may be acquired by:

- Purchase;
- Gift/donation/project;

- Construction;
- Leasing.

Purchase of assets shall be undertaken in accordance with the University's General Purchasing Policy and Guidelines (UMU Procurement and Disposal of Assets Manual).

Further details on Asset acquisition and procedures to be followed are provided in the University Finance and Accounting manuals.

6.0 6.0 Classification of Assets

According to this policy, assets shall be classified as follows:

- ***Tangible assets (Property, Plant & Equipment):*** This includes Freehold land, Buildings, Work in Progress, Machinery & Equipment, Motor vehicles, Computers & Equipment, Furniture & fittings and books & special collections;

- ***Financial assets*:** This includes shares held in companies as well as held to maturity investments;
- ***Biological assets*:** This includes cows, calves, heifers, bulls, sow, boers and piglets;
- ***Intangible assets*:** Those assets that lack physical substance, are non-financial in nature and have an initial useful life extending beyond a single reporting period. These include licensed software, internally generated computer software patents, copyrights and trademarks, permits and licenses;
- ***Inventory*:** This includes Office supplies & stationery, food supply inventory, cleaning materials, electrical materials, Academic certificates and Academic gowns;
- ***Trade & Other receivables*:** This includes Tuition receivables and other receivables;
- ***Cash & cash equivalents*:** These include cash at bank and cash at hand.

Further details on Asset categories, their recording and management are provided in the University Finance and Accounting manuals.

7.0 7.0 Notification of Changes to Assets

The Chief Finance Officer shall be responsible for recording asset details in the Fixed Asset register which will be reviewed and updated periodically.

Reportable changes to assets include purchase and/or addition of a component part of an asset that:

i) Increases the functionality/capacity of the asset;
ii) Materially affects the value of the asset;
iii) Obsolescence and/or unused assets;
iv) Relocation (from place of registration);
v) Transfer of ownership;
vi) Disposal.

8.0 8.0 Asset Security and Care

The Estates and Stores departments are responsible for ensuring that appropriate security measures are implemented in respect of the assets registered and allocated to them. All staff shall be responsible for the assets in their custody. Staff shall not move or relocate assets without prior authorization from Estates department. Failure to do so may result in the head of departments or the responsible staff bearing the full cost of any loss or theft, as insurance cover may not accept negligence.

9.0 9.0 Damage to Assets

User departments and staff must promptly report any damage to an asset that has resulted, or shall result, in an insurance claim or a request for central insurance funds.

10.0 10.0 Theft and Loss of Assets

User departments and staff must immediately report the theft or loss of an asset to University Security for investigation. University Security shall provide a report to management, which will refer the matter to the police if necessary. These changes shall then be recorded into the Asset Management Information system.

11.0 11.0 Insurance of Assets

The University shall ensure comprehensive insurance of all its assets against risks to protect them from loss. Property insurance shall cover accidental damage from causes including fire, windstorm, water from broken pipes and other perils.

The insurance shall cover; all buildings, furniture, equipment and fittings, including computers, all books, supplies, all motor vehicles and any equipment on loan or hire to or from the University.

12.0 12.0 Depreciation and Amortization of assets

Depreciation and Amortization of assets shall be conducted as guided in the University Accounting & Finance manuals.

13.0 13.0 Disposal of Assets

This disposal shall be in line with the University Procurement and Disposal of Assets Policy.

14.0 13.1 Disposal of ICT Equipment

ICT equipment shall be disposed of in accordance with the provisions of the ICT policy.

15.0 13.2 Disposal of Motor Vehicles

Disposal of vehicles shall be conducted in accordance with the policy and procedures set out in the Procurement and Disposal of Assets Policy.

16.0 14.0 Review of the Policy

The Policy shall be reviewed by the Governing Council from time to time.

Notes