

UNIVERSITY OF MIAMI

FINANCIAL POLICIES & PROCEDURES

DELETION OF EQUIPMENT FROM UNIVERSITY ASSETS

B049

Revised 5/10

Reviewed 11/11

PURPOSE

To establish a policy for recording the retirement of equipment capitalized as an asset in the University's accounting records and in the Property System.

DEFINITION

Equipment is an item of furniture, machinery or other tangible asset with a unit cost that meets capitalization limits as stated in policy B040.

POLICY

Equipment is removed from the assets of the University when:

- a. There is documentation from Property Surplus that the equipment has been sold or disposed.
- b. There is evidence on a Purchase order that the equipment has been traded-in.
- c. There is evidence from a police report or University of Miami security report that the equipment has been stolen.
- d. There is documentation that equipment has been donated or transferred to another institution (see Policy B048).
- e. The equipment was lost due to a casualty (fire, storm, etc.).
- f. After conducting a physical inventory, the equipment is determined to be beyond economical repair or no longer in possession by the University of Miami and after confirmation by the department head.

PROCEDURE

1. Sale, Disposition of Equipment – see policy B047
 - a. Equipment sales are handled by the Property Surplus Office. Complete a Disposition of Excess Equipment form with proper approval and forward a copy to Property Accounting to record the disposition in the University's Property System.

- b. Boat sales are handled by the Marine Division at the Rosenstiel School of Marine and Atmospheric Sciences who submits a Report of Equipment Deletion form to Property Accounting.
- c. Property Accounting will generate a journal entry at year end deleting the equipment and its accumulated depreciation from the accounting system

2. Loss of Equipment

- a. Equipment Stolen – complete a copy of a Report of Equipment Deletion form*, attach a copy of the police report or University of Miami Security report and forward to Property Accounting, Gables One Tower – Suite 150, Coral Gables campus, locator 2912.
- b. Equipment Lost – complete a copy of a Report of Equipment Deletion form* and attach a memo with a complete explanation of the circumstances. Forward to Property Accounting. (This procedure should only be used to report equipment known to be no longer in the possession of the University. It should not be used to report equipment that is not accounted for during a departmental inventory.)
- c. Casualty Loss – complete a copy of the Report of Deletion form* and attach a memo or documentation from Risk Management
- d. Equipment beyond economical repair but retained by the Department in order to use the parts - complete a copy of a Report of Equipment Deletion form* and explain on a memo and attach to the form. Forward to Property Accounting.
- e. Equipment not meeting the above criteria – complete a Report of Equipment Deletion form* and attach a memo explaining the circumstances and forward to Property Accounting.

3. Equipment Donations & Transfers to Other Institutions – see policy B048

** See Attachment A. The Report of Equipment Deletion form is approved by the appropriate dean, chairperson or designee. If the equipment was purchased through a sponsored grant or contract, the department contacts Property Accounting Office for assistance and instruction.*

UNIVERSITY OF MIAMI – PROPERTY ACCOUNTING
REPORT OF EQUIPMENT DELETION

DATE _____

To Property Accounting, Gables One Tower, Suite 150, Coral Gables, Locator 2912. Please reflect the following equipment deletion(s) as shown below in the University’s Movable Equipment System.

FROM: _____

Department: _____ Phone: _____

Building where equipment was located and room number: _____

	UM DECAL NO.	SERIAL NO.	DESCRIPTION MANUFACTURER & MODEL	CONDITION/REASON
1				
2				
3				
4				
5				
6				
7				
8				
9				

AUTHORIZED BY: _____
Signature of Dean, Department Chairman or Designee
Date

Reason for request:

1. Equipment stolen - attach a copy of the police report or University of Miami Security report
2. Equipment lost - a complete explanation of the circumstances must be attached. (This procedure should only be used to report equipment known to be no longer in the possession of the University. It should not be used to report equipment that is not accounted for during a departmental inventory.)
3. Equipment beyond economical repair but retained by the Department in order to use the parts - explain on a memo and attach to this form.
4. Other, please enter above attach a memo of explanation.