

November 7, 2018

MEMORANDUM

TO: State Board of Regents

FROM: David L. Buhler

SUBJECT: USHE – Adoption of Policy R572, Noncapital Asset Inventory and Tracking

Issue

The Board is being asked to review and adopt the new Regent Policy, R572, *Noncapital Asset Inventory and Tracking*.

Background

During the September 2018 Board meeting, the Finance and Facilities committee reviewed a proposed new policy to establish guidance regarding noncapital asset inventory and tracking as a follow up to the Office of the Legislative Auditor General *Performance Audit of Inventory and Security Controls at Institutions of Higher Education*.

In the audit, the Office of the Legislative Auditor General recommended,

“the Utah State Board of Regents create and document a policy specifying requirements for noncapital asset tracking procedures. This policy should plainly define the value and types of assets to be tracked and the methods to be used.”

Noncapital assets are defined as “equipment or other physical asset with an acquisition cost of less than \$5,000 per unit and with a useful life of greater than one year.” Institutions currently track and review capital assets, which includes assets greater than \$5,000.

This proposed policy would address the audit recommendation by creating a system policy that would require tracking and regular review of the following noncapital assets:

1. Assets with an acquisition cost greater than or equal to \$3,000.
2. All desktop computers and laptops of any value.

Institutions also would be required to report missing noncapital assets to institution management at least annually.

Commissioner's Recommendation

The Commissioner recommends the Regents approval of Regent policy R572, *Noncapital Asset Inventory and Tracking* effective immediately and authorize the Commissioner's Office to file an Administrative Rule adopting these changes into Administrative Code R765-571.

David L. Buhler
Commissioner of Higher Education

DLB/KLH/DSP
Attachments

R572.1. Purpose: To establish policies and standards governing noncapital asset inventory and tracking within the Utah System of Higher Education (USHE).

R572.2. References

- 2.1. *Utah Code §63G-2 (Utah Government Records Access Management Act)*
- 2.2. 20 U.S.C. § 1232g; 34 CFR Part 99 (*Family Education Rights and Privacy Act*)
- 2.3. HIPAA; Pub.L. 104–191, 110 Stat. 1936 (*Health Insurance Portability and Accountability Act of 1996*)
- 2.4. Regent Policy, R345, (*Information Technology Resources Security*)

R572.3. Definitions

- 3.1 **Acquisition Cost:** The net invoice unit price including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it is acquired.
- 3.2 **Disposal:** To pass or part with, in relieving custodial responsibility when an asset is sold, lost, obsolete, or damaged beyond economic repair.
- 3.3 **Noncapital Asset:** Equipment or other physical asset with an acquisition cost of less than \$5,000 per unit and with a useful life of greater than one year.
- 3.4 **Personally Identifiable Information (PII):** Information protected by federal and state laws and regulations, including federal regulations administered by the U.S. Department of Homeland Security (DHS), and is defined by DHS as “any information that permits the identity of an individual to be directly or indirectly inferred, which if lost, compromised, or disclosed without authorization could result in substantial harm, embarrassment, inconvenience, or unfairness to an individual.” PII must be protected prior to release in accordance with the *Utah Government Records Access and Management Act* or other disclosures required by law.

PII does not include “public information” as defined by the *Utah Government Records Access and Management Act*, or in the case of student records, “directory information” as defined by the *Family Education Rights and Privacy Act*.

PII includes but is not limited to the following:

- 3.4.1 Full Social Security Number
- 3.4.2 Driver’s license or State ID number
- 3.4.3 Passport number

3.4.4 Visa number

3.4.5 Alien Registration Number

3.4.6 Fingerprints or other biometric identifiers

3.4.7 Full name in combination with:

3.4.7.1 Mother's maiden name

3.4.7.2 Date of birth, last 4 digits of SSN

3.4.7.3 Citizenship or immigration status

3.4.7.4 Ethnic or religious affiliation

3.4.8 Protected Health Information, as defined by the *Health Insurance Portability and Accountability Act of 1996*.

R572.4. Policy

4.1. **Noncapital Asset Inventory:** Each institution shall affix an asset tag with a unique identifier to, and maintain an inventory of, the following non-capital assets:

4.1.1. Assets with an acquisition cost greater than or equal to \$3,000.

4.1.2. Institution-owned computers and laptops that may contain PII at any point during the institution's ownership of the asset.

4.2. Each institution shall retain an updated list of all inventoried noncapital assets until such items are processed for disposal. This list should include the names of the custodian to whom each asset is assigned.

4.3. Each institution shall review the existence and ownership of all inventoried noncapital assets at least annually to ensure the asset is in possession of the designated custodian.

4.4. Noncapital asset custodians shall immediately report any lost or stolen noncapital assets to the their immediate supervisor.

4.5. A list of missing institution assets shall be reported to the institution's vice president for business or finance at least annually.

4.6. Institutions may create policies that are more restrictive than this policy.