

POLICY NAME	POLICY FOR THE MANAGEMENT OF MOVEABLE ASSETS
Approving body	Board of Governors
Initial Approval Date	April 25, 2024 Note: This policy took effect on <u>May 1, 2024.</u>
Date of Last Review	N/A
Date of next review	April 25, 2029
Executive Sponsor	Vice-President (Administration and Finance)

Related Documents	<ul style="list-style-type: none"> • Sustainable Procurement Policy • Sustainability Policy • Gift-in-Kind Policy • Policy on the Responsible use of McGill Information Technology Resources
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PART I – PURPOSE, DEFINITIONS AND SCOPE

1.1. PURPOSE

The purpose of the Policy for the Management of Moveable Assets (the “Policy”) is to establish a framework for the lifecycle management of McGill University’s moveable assets that promotes health and safety, sustainability and economic efficiency objectives, in compliance with any applicable regulatory framework. To achieve this purpose, the Policy defines:

- 1.1.1. Governing principles to guide the execution and continuous improvement of McGill University’s asset lifecycle management process and enable correlation with financial reporting;
- 1.1.2. Comprehensive asset categories and asset purposes, to determine beneficial, classification-specific processes that promote the governing principles;
- 1.1.3. An accountability-based, collaborative strategy for the distribution of responsibilities for Faculty and staff in overseeing or performing asset lifecycle management activities.
- 1.1.4. The Executive Sponsor’s authority to issue procedures, directives and guidelines that further detail the collaborative strategy to implement the Policy.

1.2. DEFINITIONS

In this Policy and in the procedures, directives and guidelines adopted under this Policy, the following words and expressions shall have the respective meanings defined below.

- 1.2.1 Asset: Any moveable property in the scope of the Policy, which meets one or more of the following criteria (the whole as detailed in the procedures, directives and guidelines issued under the Policy): (i) it meets a financial value threshold upon acquisition; (ii) it is subject to a tracking requirement for compliance purposes; or (iii) its lifecycle poses environmental, health and safety risks.
- 1.2.2 Asset Category: Asset grouping nomenclature generally based on the [United Nations Standard Products and Services Codes](#) (UNSPSC) commonly used to classify the different Asset varieties, in combination with Asset Purposes.
- 1.2.3 Asset Category Administrator: Person responsible for overseeing the Asset Lifecycle Management for an Asset Category.
- 1.2.4 Asset Lifecycle Management: The management of Assets with the objective to optimize the health and safety, environmental, social, and economic impacts of Assets during the stages of acquisition, use and end-of-life.
- 1.2.5 Asset Purpose: Asset grouping nomenclature based on the primary function for which Assets are acquired, used to classify the different Asset varieties, in combination with Asset Categories.
- 1.2.6 Asset Steward: Person, administrative unit, or Faculty responsible for the custody and integrity of an Asset.
- 1.2.7 Central Asset Management System(s): Asset management tool(s) sanctioned by McGill University to register, maintain inventory, and track the status of Assets.
- 1.2.8 Circularity: Asset management strategy aiming to reduce related material flows, extend Asset useful life and limit waste.
- 1.2.9 End-of-Life Asset: Refers to an Asset destined to recycling for downstream material recovery, because it is too worn or damaged to serve its function and does not meet the appropriate standards for reuse.
- 1.2.10 Technical Steward: Asset Steward, or other person or group, responsible for the commissioning, maintenance and/or decommissioning of Assets.
- 1.2.11 Used Asset: Refers to any Asset that is not new but meets the appropriate standards for reuse.

1.3. SCOPE

- 1.3.1. The Policy explicitly excludes intellectual property and other intangibles, living organisms, facilities (including moveable assets that are integral parts of facilities to ensure their utility, and that lose their individuality in the process) and consumables. The Policy applies to all other Assets,

notwithstanding their location or method of acquisition. Assets may be owned or leased by McGill University, or co-owned with another entity (as defined by an inter-institutional agreement).

PART II – GOVERNING PRINCIPLES, ASSET CLASSIFICATION AND STRATEGY

2.1 GOVERNING PRINCIPLES

McGill University upholds governing principles of stewardship, responsibility, and circularity in the performance of Asset Lifecycle Management, to maintain timely access to the Assets that its research, teaching and operations activities need.

- 2.1.1 Stewardship: McGill University community members are mindful custodians of the goods acquired to support McGill University’s mission.
- 2.1.2 Responsibility: McGill University community members who become involved in Asset Lifecycle Management are responsible for performing their tasks with a resolve to preserve value.
- 2.1.3 Circularity: McGill University community members are committed to reducing Asset consumption, extending Asset useful life, and limiting Asset-related waste.

2.2 ASSET CLASSIFICATION

McGill University utilizes an asset classification method which makes use of Asset Categories in combination with Asset Purposes and [Canadian Accounting standards for not-for-profit organizations \(“ASNPO”\)](#) for asset accounting, further detailed in the procedures, directives and guidelines adopted under the Policy. The classification method aims to facilitate compliance and make Asset Lifecycle Management efficient by ensuring that a single process, relevant to any given Asset, in any given stage of its lifecycle, is applied. The classification method also supports simplified collection of Asset Lifecycle Management data and financial reporting, providing insights into Asset performance, useful life, and maintenance or replacement planning. The Asset Categories, Asset Purposes and ASNPO are comprehensive, meaning that each Asset belongs to one Asset Category, serves at least one Asset Purpose, and when appropriate, is reported on in accordance with one asset accounting standard.

- 2.2.1 Asset Categories: The Asset Categories are listed and described in Appendix A to the Policy. A change to an Asset’s primary function does not affect the Asset Category. The Asset Category remains fixed throughout the lifecycle of the Asset.
- 2.2.2 Asset Purposes: McGill University acquires Assets to serve one of three main functions: (i) in support of teaching (“Teaching Assets”), (ii) in support of research (“Research Assets”) or (iii) in support of operations (“Operations Assets”). Assets may be fit to serve multiple Asset Purposes at any one time, however the main function for which an Asset was acquired determines the Asset Purpose. A change to an Asset’s primary function changes the Asset Purpose. The procedures, directives and guidelines issued under the Policy determine how this is recorded.

2.3 STRATEGY

The implementation strategy relies on the distribution of responsibilities for oversight, communications, and logistics among McGill University community members, across all stages of Asset Lifecycle Management.

- 2.3.1 Oversight: McGill University aims to maintain an accurate inventory to monitor the whereabouts and status of Assets to optimize Asset Lifecycle Management while ensuring compliance with regulatory framework requirements.
- 2.3.2 Communications: McGill University undertakes to present appropriate, up-to-date information on Assets to its community members, to promote their optimized use, provide transparency in the decisions that affect their status, and ensure the conditions for their removal are made widely available and understood.
- 2.3.3 Logistics: McGill University endeavours to facilitate transportation logistics of Assets throughout the stages of Asset Lifecycle Management, to encourage Asset reuse and timely and safe Asset removal.

PART III – AUTHORITY TO APPROVE RELATED IMPLEMENTATION DOCUMENTS

- 3.1 The Vice-President (Administration and Finance) shall hold authority to approve procedures, directives and guidelines hereunder, and may delegate authority to approve them.

PART IV – REPORTING

- 4.1 Some of the Assets subject to this policy are considered capital assets for purposes of McGill University's financial reporting practices. For the initial recognition and subsequent accounting of these capital assets, McGill University makes use of Canadian accounting standards for not-for-profit organizations.
- 4.2 Procurement Services, Financial Services and Asset Stewards (to whom this responsibility is assigned under applicable procedures, directives or guidelines issued pursuant to the Policy) will deliver an annual assessment on the overall implementation of the Policy to the Vice-President (Administration and Finance) and the Vice-President (Research and Innovation).

PART V – REVIEW

- 5.1 This Policy shall be reviewed every five years.
- 5.2 Notwithstanding the foregoing, the Vice-President (Administration and Finance) may, at any time between these mandatory reviews, submit revisions to the Policy for review and approval.

Legislative History:

Approved:

Board of Governors

April 25, 2024

Minute 14.1.4

Appendix A to the *Policy for the Management of Moveable Assets*:

Asset Categories (and most commonly used UNSPSC & ASNPO references)

Asset Category	Description	UNSPSC References	ASNPO Reference
Furniture and appliances	Furniture, appliances, and utility objects used to equip or furnish a classroom, a laboratory, an office or any other room or outdoors areas.	56110000 - Commercial and industrial furniture 56120000 - Classroom and instructional and institutional furniture and fixtures 52140000 - Domestic Appliances 24130000 - Industrial refrigeration	Equipment
IT Assets	Information technology hardware, software, system, or peripheral device used to transmit, display, manipulate, or store data.	43000000 - Information Technology Broadcasting and Telecommunications	Equipment* *(Software falls into Intangible Assets)
Musical instruments and accessories	Wind, string, percussion or other instrument, and accessories needed to play them.	60130000 - Musical Instruments and parts and accessories	Equipment
Non-depreciable Assets	Books, artwork, architectural element, artifacts, or other items of historical significance.	55101500 – Printed publications 60120000 – Art + Various	Non-Depreciable Assets** **(Books fall into Library Materials)
Scientific instruments	Tools or devices used to perform specific tasks, measurements, or experimentation in different fields of scientific research.	41100000 - Laboratory and scientific equipment + Various	Equipment
Athletic and recreational assets	Gym, fitness, or recreational equipment used indoors, outdoors, on land or water.	49000000 – Sports and Recreational Equipment and Supplies and Accessories	Equipment
Tools and machinery	General-purpose machines and instruments necessary for manual work in maintenance, fabrication, repairs, cleaning, or related activities.	27000000 – Tools and General Machinery 30190000 – Construction and maintenance support equipment	Equipment
Vehicles	Motorized and non-motorized vehicles and attachments used in the transportation of people or goods.	25100000 - Motor vehicles	Rolling Stock