



Designated Non-Capital Asset (DNCA) FREQUENTLY ASKED QUESTIONS

Purchase and Receipt

Q: What about the below non-capital assets, are they included?

- **Cameras (digital and video cameras, many of which transmit and store data)**
- **Streaming Devices (things like Apple TV, etc. that also store and transmit data)**

A: These assets are not included in this project, but may be defined as a DNCA in the future.

Q: There was a memo in 2019 that established a \$1,000 minimum threshold to track. Will this be changing?

A: Yes, *Designated Non-Capital Assets* (DNCAs) are defined as devices that store and process data and have a purchase price under \$5,000. Please note we added the term “*designated*” to differentiate these assets, because they are at a higher risk for theft and therefore need to be tracked more closely for loss prevention and data security. So, any DNCA under \$5,000 (including anything under \$1,000) needs to be tracked.

Q: What object code should be used for these assets? What are the differences between all the available object codes that are currently being used?

A: The object codes that should be used for DNCAs are listed below:

Object Codes for DNCAs (all items must have a purchase price of less than \$5,000)

<i>DNCA</i>	<i>Object Code</i>
Laptops/desktops (under \$5,000)	4360
Cell phones	3285
Tablets (under \$5,000)	3956
Servers (under \$5,000)	4362

Q: Are assets purchased for research (federally owned equipment) tracked in the same way? Should they be using different object codes?

A: Assets purchased for research should use the same DNCA object codes.



Q: Are assets purchased for student groups considered university assets and tracked in the same way? Groups mentioned are associated with SORC - Student Organization Resource Center, SGA - Student Government Association, and GSG - Graduate Student Government.

A: Yes. These assets should be tracked in the same way, same object codes. It would just be under their ledger 9 accounts for SGA.

Q: If I purchased a laptop for less than \$5,000, but I add software to it which increases its value, how should it be treated?

A: If the laptop itself was purchased for under \$5,000 it should be treated as a DNCA no matter the value of the software.

DNCA Inventory Management

Q: How do assets that go in for service, specifically iPads, and come back as new assets/replacements get treated in the system?

A: Any asset that is replaced (warranty, repair, leased, etc.) will be treated as a new asset. It shall have a new asset inventory record, asset tag, and the previous asset will be considered retired.

Q: Who should we assign servers to (in terms of 'Responsible Person')?

A: Servers will be assigned to rooms (ex., Computer labs, storage rooms, IT closets, etc.). If there is a person or group responsible for maintaining the server, that individual will also be assigned as the Responsible Person. If there is no user other than a room or lab in the near term (pre-ServiceNow), write "N/A" in the Responsible Person field.

Q: How do we assign computer labs or conference room DNCAs?

A: In the short term (pre-ServiceNow), this is not necessary. In ServiceNow, there will be a field for this. If there is no user other than a room or lab in the near term (pre-ServiceNow), write "N/A" in the assigned user field.

Q: How do we treat government-owned equipment? What tags should they get?

A. Designated Non-Capital Assets (DNCAs) in possession of the University of Maryland and owned by the government should have a DNCA tag. Government-owned assets that do not strictly adhere to the definition of a DNCA should continue previous tagging procedures.

Q: If there are some items we didn't take inventory of because we didn't realize we needed to, how far back (timeline wise) should we try to recapture the information? e.g.,



items purchased 2 years ago, or items that are currently in use regardless of when it was purchased?

A: All DNCAs that are currently in use need to be tracked and in an electronic system by December 31, 2023.

Q: Will we get guidance on how people should bring back laptops from remote locations if they are untagged?

A: In the event the untagged DNCAs are at a remote location, an asset tag can be mailed and affixed to the DNCA. The responsible owner of the remote DNCA must show evidence of the affixation of the tag to the Asset Specialist and provide any other relevant information requested so that the Asset Specialist can fulfill their duties.

Q: Who centrally should be answering inventory questions (i.e., what data points should they be tracking)?

A: Questions about Designated Non-Capital Assets should be directed to dncacompliance@umd.edu.

Q: What asset tags should be used on DNCAs? The blue tag says “For equipment less than \$1000.00” and it does not say “University of Maryland.”

A: All DNCAs should be tagged. New DNCAs or DNCAs without a tag should get a yellow DNCA tag from the Controller’s Office. Existing Designated Non-Capital Assets (DNCAs) that already have some form of university asset tag affixed do not need to be retagged with the new DNCA tag. These DNCAs can maintain their existing tag until their end of life. However, units are encouraged to retag these DNCAs with a new DNCA tag if practical.

Q: Do we need to provide our existing inventory spreadsheet or will the template only need to apply to equipment moving forward? Do you want us to backfill the missing information based on your template when it becomes available?

A: The idea behind the template is to give campus stakeholders a tool to use to track DNCAs electronically if they do not already have an electronic inventory system that captures the identified required fields. Pre-existing systems of record that are electronic and capture the required fields may continue to be used as the system of record up until the implementation of the centralized Asset Management tool. The purpose of this is to 1) comply with the upcoming campus DNCA guidance and 2) to prepare for the implementation of a campus Asset Management solution in ServiceNow. Once implemented, ServiceNow will serve as our primary inventory for all DNCAs on campus as well as the system of record.

If you are not already capturing some of the required fields, it would be good to start to populate that information so your unit is ready for ServiceNow. We are asking that people start doing this for all new purchases when the procedures go live in early 2023. But, ideally, people will start



working on getting their existing equipment in some kind of electronic format (using the template or another system you already have) and populating that information. This will help prepare for the data conversation process.

Q: Do I have to retroactively do anything for laptops that have been sold to departing faculty?

A: No

DNCA Retirement

Q: How do we properly retire leased assets or assets that go back to the vendor? (Ex., cell phones and printers).

A: For leased DNCAs, the unit/department is required to follow the DNCA retirement procedures as indicated in the contract. Units/departments should receive a certificate of destruction from the vendor and should retain that certificate for their records.

Q: How do we inventory DNCAs that are replaced?

A: DNCAs that are replaced for any reason (leased, damaged, upgraded, warranty, etc.) should be treated as retired. Any new asset acquired to replace the old asset will be treated as a brand new asset with a new asset record and new asset tag.

All records and documentation pertaining to a replaced DNCA (leased, damaged, upgraded, warranty, etc.) shall be retained and kept for a period of at least 3 years.

Q: Who will be responsible for data security if there is a litigation hold?

A: The unit under the litigation hold is responsible for the security of their data. For questions or comments regarding what should be done, please reach out to soc@umd.edu for guidance.

Q: How should departments properly dispose of smartphones?

A: If a trade-in program exists between UMD and a provider, where UMD receives a credit, then a phone may be traded in. Units/departments should receive a certificate of destruction from the vendor and should retain that certificate for their records.

If a trade-in program does not exist, all smartphones should be sent to Terrapin Trader for destruction. Please refer to [Terrapin Trader](#) for additional information and email terptrader@umd.edu with any questions.

Q: What do I do with assets that cannot be wiped because they either have an inaccessible hard drive or they are not functional enough to be wiped? (broken, old phones, etc.)?



A: Broken DNCAs or DNCAs with an inaccessible hard drive should be brought to Terrapin Trader to be destroyed. Please refer to [Terrapin Trader](#) for additional information and email terptrader@umd.edu with any questions.

Q: *What about research grant computers and government-owned equipment?*

A: For research-funded DNCAs, the Principal Investigators are required to follow the retirement procedures, including data destruction, as indicated in the grant, contract, or cooperative agreement. Retirement of surplus property originally procured with federal grant or contract funds shall be in accordance with the terms of the grant or contract. Federal, state and other than university-owned property is not to be declared surplus without the express written consent of the owning entity and the approval of the Sponsored Programs Accounting and Compliance (SPAC). Vendors should provide a certification of destruction to units and these certificates should be retained for audit purposes. If you have any questions about how to handle research-funded DNCAs or want to request an exception, please contact dncacompliance@umd.edu.

Q: *What do we do with assets that have sensitive information that are not currently defined as DNCAs (especially re: disposal if AV Williams does not currently handle; sometimes Terp Trader will take these assets and shred at \$20/device):*

- **USB drives**
- **Modern NVMEs**
- **SD cards for cameras**

A: DNCAs are currently defined as desktops, laptops, servers, tablets, and cell phones with a purchase price of less than \$5,000. If you have questions about how to dispose of other assets with sensitive information, please contact soc@umd.edu.

Q: *Where can individuals find out more information on the campus litigation hold for deleting data?*

A: If you want more information about a litigation hold, please email soc@umd.edu.

Q: *Is there available guidance for recommended laptops and configurations?*

A: [IT-5 Security of Information Technology Resources Standard](#) may give the best definition to address this. If you have questions, you can email DIT-Security@umd.edu.

Q: *Is there any guidance around what computers/operating systems should no longer be used because of compliance or security issues?*

A: These articles may be helpful: [IT 4 Standard for Protecting Sensitive Information](#) and [Current OS Versions Supported by DIT](#).



Specifically the portion noting, “When hard drives or other devices known to have contained sensitive information reach end-of-life, utilize a secure destruction method to destroy the devices and ensure that information cannot be recovered. The university’s Division of Information Technology offers a free **Storage Destruction Service** to campus that satisfies this.”

Q: *What is the policy for UMD employees purchasing their own DNCAs (computers/laptops, phones, etc.)?*

A: Employee purchases of DNCAs are not allowed. The university is creating updated procedures to align our asset and data controls. The practice of purchasing old computers by employees does not align with data security standards recently updated by USM.

If you have any questions about this please contact DNCAcompliance@umd.edu.

Q: *How can we secure DNCAs from theft?*

A: All DNCAs should be securely stored at all times. This includes physical security of the device as well as the security of the data. All UMD owned devices should be password protected and utilize full disk encryption. Full disk encryption is currently mandatory for units designated Sensitive for Cybersecurity, it will become mandatory for all units on August 15, 2023.

Q: *Is there anything that can be done about staff who leave and do not turn in their equipment? How should these situations be handled?*

A: It is incumbent on the department to collect computer assets when an employee is leaving. If the department failed to collect prior to departure, they should make every effort to obtain the equipment. If the former employee refuses, it is theft. Contact UMPD and make a police report stating that the former employee is in possession of stolen property.

Q: *Research groups transfer computer equipment to postdocs when they leave--the projects continue. The point is not the hardware so much but the work that's accumulated on it. Making a complete backup and restoring it after TT wipes the disk violates the spirit of this policy.*

A: Please contact dncacompliance@umd.edu to request an exception.