



Designated Non-Capital Asset Guidance  
DNCA Inventory Management Job Aid  
April 2024

## Purpose

The Inventory Management job aid is intended to help the Asset Specialist tasked with creating, maintaining, and removing inventory records for Designated Non-Capital Assets (DNCAs). This document should help the Asset Specialist understand their role, responsibilities, and the process by which they should manage inventory records pertaining to DNCAs.

Questions about the responsibilities or procedures around DNCA inventory management should be sent through ServiceNow.

## Designated Non-Capital Assets Overview

Designated Non-Capital Assets (DNCAs) are defined as devices that store and process data with a purchase price under \$5,000. DNCAs are at a higher risk for theft, and therefore detailed guidelines are established for loss prevention and data security. Purchases of any DNCA must follow these guidelines, even if the acquisition cost is minimal.

DNCAs are defined as:

- Desktop computers
- Laptop computers
- Tablets
- Cell phones
- Servers

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 mandatory for units designated Sensitive for Cybersecurity.

## Roles and Responsibilities

In order to comply with [USM policy VIII-1.10](#) and the [USM IT Security Standards](#), each campus unit is responsible for maintaining appropriate documentation and records about DNCAs. The “Asset Specialist,” as defined below, is responsible for maintaining appropriate documentation and records including the creation of new DNCA inventory records and removal of DNCAs from those records at the end of life. **The same person cannot be both a Unit Purchaser and an Asset Specialist. These roles must be fulfilled by at least two (2) different people.**

Further explanation of roles and responsibilities related to DNCAs are below.

Role	Responsibilities
Unit	College, Division who is responsible for the DNCA.



Designated Non-Capital Asset Guidance  
DNCA Inventory Management Job Aid  
April 2024

Unit Purchasers	The individual(s) buying the DNCA. <b>*The Unit Purchaser(s) cannot be the same person (people) as the Asset Specialist.</b>
Asset Specialist (Inventory Coordinator)	Individual who is creating and maintaining inventory records. <b>*The Asset Specialist cannot be the same person as the Unit Purchaser(s).</b>
Responsible Person (Asset Owner, Custodian)	Person who is responsible for the DNCA or the person that the DNCA is assigned to.
Asset Receiver	Individual who receives the DNCA.

*What the Asset Specialist does pertaining to DNCA inventory management:*

- Creates electronic inventory records for each DNCA in their unit (or area of responsibility).
- Maintains DNCA inventory records, including updating all required fields (i.e., model, asset tag, stockroom, managed by, serial number, state, assigned to, etc.).
  - See KB0018024: [Getting Started with HAM](#)
  - See KB0018004: [Hardware Asset Details](#)
  - See KB0018007: [Assign a Hardware Asset](#)
- Validates that all DNCAs have the appropriate asset tags. If the DNCA is not tagged, the Asset Specialist will tag the DNCA.
- Distribute, or coordinate the distribution of DNCA to the appropriate responsible person (asset owner/user).
- Coordinates the retirement of DNCAs at the end of their useful life and updates DNCA records appropriately.
- Performs at least one audit per year of unit's DNCAs and updates electronic inventory records to reflect the audit results.

*What the Asset Specialist may do pertaining to DNCA inventory management:*

- Perform multiple audits or partial inventory “checks” throughout the year.
- Keep additional electronic records that have information other than what is required in the DNCA required data element table.

*What the Asset Specialist cannot do:*

Procurement policies requiring separation of duties apply to DNCAs. **The same person cannot be both a Unit Purchaser and an Asset Specialist. These roles must be fulfilled by at least two different people within the unit.**

- Asset Specialists **cannot** perform the following activities (including the duties of the Unit Purchaser):



## Designated Non-Capital Asset Guidance DNCA Inventory Management Job Aid April 2024

- Create DNCA purchase orders within appropriate purchase methods (discussed in a later section).
- Define receiving (shipping) locations for DNCA purchases.
- Define responsible party for receiving DNCAs.
- Maintain appropriate documentation regarding DNCA purchases.
- Facilitate appropriate approvals for DNCA purchases.

### Guidance for Managing DNCA Inventory

Electronic inventory records of DNCAs should be maintained by all unit Asset Specialists. Managing inventory on the ServiceNow platform.

Purchases through Shell Shop are automatically integrated into ServiceNow with the purchaser and serial number information. Asset Specialists can view these assets by “elevating” their access. This is performed by selecting your profile in ServiceNow, select “elevate role” and click “asset admin.” This provides you access to all assets, even those outside your department. Your access will revert to your assets only once the session is complete (i.e., logout) or you manually de-elevate your role.

Purchasers receive an email via Shell Shop integration that the order has been placed. To ensure assets have been appropriately assigned, purchasers should work with their Asset Specialist. Alternatively, purchasers can request this information through [ServiceNow](#).

Training is available asynchronously via ELMS-Canvas and self-paced. Here is the link to access the course: <https://umd-dit-epci.catalog.instructure.com/courses/hardware-asset-management-in-servicenow-dnca>

You can also find support articles for reference here:

[https://itsupport.umd.edu/itsupport?id=kb\\_article\\_view&sysparm\\_article=KB0018024](https://itsupport.umd.edu/itsupport?id=kb_article_view&sysparm_article=KB0018024)

### DNCA Asset Tagging

All Designated Non-Capital Assets (DNCAs), including cell phones, must have the appropriate asset tag affixed. This applies to all DNCAs regardless of acquisition method (i.e., leased equipment, government funded, “gifted” DNCAs). All DNCAs should be tagged upon receiving the DNCA. DNCA tags can be obtained by sending an email to [controller@umd.edu](mailto:controller@umd.edu).

### New DNCAs and Untagged DNCAs

As of January 17, 2022, all new Designated Non-Capital Assets (DNCAs) purchased/acquired/managed/leased by the university must be tagged with the new DNCA tag (pictured below).



## Designated Non-Capital Asset Guidance DNCA Inventory Management Job Aid April 2024



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.

### Previously Tagged DNCAs

**All DNCAs should be tagged with a yellow tag.** Peripheral items (monitors, mice, keyboards etc do not need a yellow tag. Any item that is currently tagged with a **red asset tag must be reported to [inventorycontrol@umd.edu](mailto:inventorycontrol@umd.edu)** so it can be removed from the capital inventory list.

### Tagging of Government-Owned DNCAs

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.

### DNCA Annual Audits

Each unit is expected to perform periodic inventory audits of all Designated Non-Capital Assets (DNCAs), at least once per year, to ensure records are accurate and complete. These audits are to be documented and are subject to review by state and University System of Maryland auditors, as well as UMD's Management Advisory Services.

Units shall annually audit their electronic list of records in ServiceNow between July and December of the following year, 2024, and each year thereafter.

### DNCA Transfers

Designated Non-Capital Assets (DNCAs) may be reassigned to another person within a unit or transferred between units. All DNCAs that are to be transferred either within a unit or between units must be wiped using one of the below methods prior to transfer and then follow guidance specific to the type of transfer.



**Designated Non-Capital Asset Guidance  
DNCA Inventory Management Job Aid  
April 2024**

### DNCA Intra-Department (within a department/unit) Transfer

Designated Non-Capital Assets (DNCAs) may be transferred intra-department (between two people within the same department/unit). Prior to the transfer of the DNCA, the units are responsible for wiping the asset using an approved university method. Units must maintain this record of the cleansing for intra-department transfers for three years after the DNCA is retired. The Asset Specialist may then reassign the DNCA within the unit and update the inventory record accordingly.

### DNCA Inter-Department (between units/departments) Transfer/Relocation

Designated Non-Capital Assets (DNCAs) may be transferred inter-department (between departments/units) at the University of Maryland. Units may transfer a DNCA to another unit with vice president or department head approval. This approval/Transfer Agreement must be documented along with the following DNCA information: serial number, category, make, and model & year. This agreement must be documented along with sanitization records. See KB article [KB0018008](#) for information on transferring DNCA.

Standards for record keeping of DNCA Inter-Department transfer/relocation are as follows:

<b>Unit/Department from Which the DNCA Originated</b>	<b>Receiving Unit/Department of the DNCA</b>
<ul style="list-style-type: none"> <li>● Transfer Agreement (retain 3 years)</li> <li>● Sanitization Records <i>including</i> <ul style="list-style-type: none"> <li>○ Method of Sanitization (retain 3 years)</li> <li>○ Date of Sanitization (retain 3 years)</li> <li>○ Performer of Sanitization (retain 3 years)</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>● Transfer Agreement (retain until end of DNCA life)</li> </ul>

## DNCA Retirement

### University Owned DNCAs

University owned DNCAs that are set to be retired must be sent to Terrapin Trader. Employee purchases of DNCAs are not allowed. The Process for sending your DNCAs to Terrapin Trader happens entirely within the ServiceNow platform. Instructions regarding the process can be found in the training or additional support articles linked below.



## Designated Non-Capital Asset Guidance DNCA Inventory Management Job Aid April 2024

Training is available asynchronously via ELMS-Canvas and self-paced. Here is the link to access the course: <https://umd-dit-epci.catalog.instructure.com/courses/hardware-asset-management-in-servicenow-dnca>

You can also find support articles for reference here:

[https://itsupport.umd.edu/itsupport?id=kb\\_article\\_view&sysparm\\_article=KB0018024](https://itsupport.umd.edu/itsupport?id=kb_article_view&sysparm_article=KB0018024)

[https://itsupport.umd.edu/itsupport?id=kb\\_article\\_view&table=kb\\_knowledge&sys\\_kb\\_id=56366fdd1b9e7550d2b564e9bc4bcbbf](https://itsupport.umd.edu/itsupport?id=kb_article_view&table=kb_knowledge&sys_kb_id=56366fdd1b9e7550d2b564e9bc4bcbbf)

It is best practice to wipe your DNCAs prior to sending it to Terrapin Trader, however it is not mandatory. Hard drives can also now be sent to Terrapin Trader. Please note, any shields or brackets attached to the hard drive must be removed prior to being sent.

### Leased DNCAs

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.

### Research Grant and Government Owned DNCAs

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 please use ServiceNow.

### DNCA Replacement

DNCAs that are replaced for any reason (leased, damaged, upgraded, warranty, etc.) should be treated as retired. New assets 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.

Any exceptions to this procedure must follow the Exceptions process below.



**Designated Non-Capital Asset Guidance  
DNCA Inventory Management Job Aid  
April 2024**

## Exceptions

Any requests for exceptions to this policy should be sent using the [DNCA Exception Report Form](#).

## Violation of Policy/Procedures

Any violations of any UMD policy are subject to disciplinary actions up to and including termination. The university may seek restitution. Criminal charges will be enforced as applicable.

## Questions

Contact DNCA support through [ServiceNow](#).