

# PROPERTY MANUAL

## California State University, Sacramento

This Property Manual is intended to maintain a uniform accountability of the University's property. These procedures are used to provide accurate records for the acquisition, maintenance, inventory, and disposition of property. A combination of accurate accounting records and strong internal controls protect against theft and detect the unauthorized use of University property.

### DEFINITIONS:

Property Management Office (PMO)

#### Property

Property has a normal useful life of at least one year, is not permanently attached to or incorporated in university buildings and grounds, and is used to conduct university business.

Property acquired by the university is owned by the university and not with a particular school, department, or individual regardless of funding source whether purchased, donated, transferred, manufactured, or obtained through other means.

#### Capitalized Property

Capitalized property is defined as tangible, non-consumable property meeting the following criteria:

- A unit acquisition cost of \$5,000 or greater (including all costs incurred to acquire and to ready the asset for its intended use such as purchase price, applicable tax, freight, etc.).
- An estimated life of greater than one year.
- Is not permanently attached to or incorporated in university buildings and grounds, and is used to conduct university business.

#### Non-Capitalized Property

Non-capitalized property is property that does not meet the criteria to be capitalized but meets the following criteria:

- A unit acquisition cost of \$2,500 to \$4,999 (including all costs incurred to acquire and to ready the asset for its intended use such as purchase price, applicable tax, freight, etc.).
- An estimated life of greater than one year.
- Is not permanently attached to or incorporated in university buildings and grounds, and is used to conduct university business.

#### Sensitive Property

Regardless of cost sensitive property is property that is easily subject to theft, loss, and/or stores confidential data as determined by the PMO. These items can be capital and non-capital property that are tagged and inventoried. They include but are not limited to the following.

- University Police Firearms.

- Vehicles – includes equipment that is self-propelled, whether or not registered by the DMV for street use. For details see general use mobile equipment per ICSUAM 5303-00 Commodities with Special Purchasing Requirements.
- Computers.
- Laptops.
- Computer tablets & iPads.

It is highly recommended that departments with theft/damage sensitive property record the receipt of these items. Make, model, value, and serial numbers should be recorded in departmental records and utilize the Equipment Checkout form if taken off campus.

Portable memory storage devices should be used in accordance with campus ISR [policy](#).

### Grant & Foundation Transferred Property

Property is transferred on a quarterly basis via University Enterprises Inc. for Sponsored Programs Administration and the University Foundation. Federal and non-federal property will be managed in accordance to the above parameters.

Federal property that falls outside of the above parameters is the responsibility of either the Principal Investigator (PI) of the specific award or Post Award University Department to keep track of all other areas (payroll, supplies, maintenance, etc.).

*Principal Investigator (PI) – A Principal Investigator is the primary individual responsible for the preparation, conduct, and administration of a research grant, cooperative agreement, training or public service project, contract, or other sponsored project in compliance with applicable laws and regulations and institutional policy governing the conduct of sponsored research.*

### Property Tracking, Tagging, and Inventory Requirements Matrix

Property Type	Inventory Record (1)	Financial Record (2)	Tagged (3)	Inventoried (4)
<b>Capitalized Property</b>	X	X	X	X
<b>Non-Capitalized Property</b>	X		X	X
Firearms	X	X	X	X
Vehicles	X	X	X	X
<b>Sensitive Property</b> (campus defined)	X		X	X
<b>Federal Property - Capitalized</b> (Per ICSUAM 11005.00)	X	X	X	X
<b>Federal Property - Non-Capitalized and Sensitive</b> (Per ICSUAM 11005.300)	X		X	X
<b>Federal Property</b> - Supplies with a total aggregate residual value of \$5,000 or greater (Per Section 313/314 of 2 CFR 200)	X	X		X

1. *Inventory Record*: refers to WASP Asset Management Database.
2. *Financial Record*: refers to Asset Management (AM) in CFS.

3. *Tagged*: Tagged and recorded by the PMO.
4. *Inventoried*: Physical inventory conducted on a 3 year cycle conducted by the PMO in conjunction with DRK. Federal Property is inventoried every 2 years.

### **Instructional Equipment (IE)**

IE is defined as equipment purchased for use in instructional departments with an acquisition cost greater than \$500, has a normal useful life of two or more years, is not permanently attached to or incorporated in university buildings and grounds, is owned by the campus and used to conduct university business, and is assigned to one of the following: instructional departments, audiovisual centers and/or learning laboratories, or any functions under the ancillary support subprogram of the Academic Support program. IE is tracked by the custodial department.

### **Group II Equipment**

Items purchased to place a structure into service, commonly referred to as "Group II Equipment," must be evaluated for capitalization, tagged, and inventoried by the PMO.

### **Other University Property**

"Other University Property" is defined as desks, bookshelves, chairs, file cabinets, and other miscellaneous equipment and furniture at a cost of less than \$5,000. All surplus property and equipment must be disposed of through the PMO, regardless if the property/equipment is tagged and inventoried in the University's Record.

## **PROPERTY MANAGEMENT FORMS:**

[Equipment Loss Report](#) – Missing or stolen equipment.

[Equipment Turn-in Transfer Request](#) – Equipment removal, trade-in, and transfer.

[Equipment Check-Out](#) – Off campus use of equipment.

## **RESPONSIBILITIES AND PRACTICE:**

### **University Departments**

Each University Department has the primary responsibility for the custody, care, maintenance, and control of property assigned to their respective area.

### **University Employees**

University employees have an obligation to safeguard university property. This obligation includes, but is not limited to:

- Using property for university purposes only and not removing property from campus except for official University business and with prior written approval as per PMO procedures.
- Using and maintaining property in an appropriate manner. Property may not be sold, traded, thrown away or disposed of in any manner without the prior written authorization of the PMO.
- Returning property to the University prior to separation from the University.
- Taking reasonable security precautions to discourage loss, theft, or misuse of property.
- Reporting lost or stolen property to Public Safety and the PMO immediately.

### **Department Record Keeper (DRK)**

Department Officials will designate a record keeper to be in charge of managing and controlling a division, college, program center, or department's assets in conjunction with PMO.

### **The DRK responsibilities**

- Maintaining the following property records for the department – Equipment Check-Out, Equipment Turn-in / Transfer Request, and Equipment Loss reports.
- Ensure property is used for university purposes only.
- Property is not returned to the vendor as a trade-in without coordination with PMO and Procurement & Contract Services Departments.
- Coordinating the tagging of inventory that is delivered directly to the campus department and ensuring that all property is appropriately tagged and accounted.
- Ensuring that all property is properly maintained and secured.
- Coordinating and conducting the Department Confirmation of Inventory, including the verification of all assets, resolving any discrepancies on the inventory listing and submitting the approved confirmation of inventory to the PMO by the scheduled deadline.
- Coordinating the Physical Inventory process with the PMO, signing-off on any required Physical Inventory Certification forms and providing all loan of property records to the PMO upon request.
- Coordinating internal/external audits with the PMO.
- Processing and maintaining records for the loan of property (department property check-out log and off-campus loan forms), including the signing-off on department shared loans (log), verifying the due date of off-campus loans (form) and acknowledging the return of all loaned property.
- Ensuring all loaned property is returned on or before the due date and confirming all loaned property is returned in good working order and condition.
- Obsolete and surplus property is turned into PMO for disposal or redistribution.

### **Appropriate Administrator**

The Appropriate Administrator is the primary contact and approver for department property related transactions with the PMO and is responsible for.

- Ensuring that all property is properly tagged, maintained and secured.
- Reviewing and approving the Confirmation of Inventory.
- Designating a DRK and an alternate DRK.
- Notifying PMO within 10 business days when a new DRK or alternate DRK is assigned.
- Reviewing the campus department Equipment Check-Out forms and custody forms to confirm all property has been returned prior to signing-off on the Clearance Certificate.
- Identifying any additional department approvals required within their area prior to division approval.

### **Associate Vice President/Dean**

The Associate Vice President / Dean is responsible for maintaining proper accountability and control of all property within their jurisdiction and for ensuring assigned property is being used in the best interest of the university and the department. This position is responsible for.

- Approving all "off-campus" loans of property where the property is used for other than business travel (i.e. home use).

### **Property Survey Committee (PSC)**

The management of our university's property requires the engagement of all areas of the campus. The PSC has been established to oversee the university's state property disposition process and enforce Property accountability. The membership consists of the following:

- Director of Procurement and Contract Services (Committee Chair).
- Supervisor of Property Management.
- GAAP Accountant or designee.
- Public Safety Officer or designee.
- Representative from IRT.

A minimum of two members of the Board will approve all transactions. The Committee Chair will notify the Associate Vice President for Financial Services when a department mismanages their property inventory or has excessive property loss.

### **Property Identification**

Capitalized and non-capitalized campus property is tagged or marked with a unique identification number (bar code) which is recorded in the property inventory records. PMO is responsible for tagging and recording the property. The identification number will be directly applied to the unit unless its size or nature prohibits application. If a property identification number becomes destroyed, defaced, or removed, it is the responsibility of the department to contact the PMO to apply a new or reprinted identification number.

### **Property Tag Identifier**

Capital Tag – Yellow in color, 6 numeric digits long, 1.5 in X 1.5 in square, and with words “Sacramento State” *Old tags read “CA STATE UNIV. SACRAMENTO”.*

Non-Capital Tag – White in color, 5 numeric digits long, 2 in long X .75 in wide, and with words “Sacramento State” *Old tags are blue in color.*

Federal Tag – White in color, beginning with the letter F and 4 numeric digits long, 2 in long X .75 in wide, and with words “Sacramento State”.

### **Delivery**

All university property is delivered to the University’s Central Receiving Department. Upon receipt and in coordination with Central Receiving, PMO deems the property that needs to be tagged and added to record prior to department delivery. University property must be tagged before it is distributed to the accepting department.

In the event the equipment is delivered off campus or directly to a department, it is the responsibility of the department acquiring university property to notify the PMO. The PMO will make arrangements with the department to tag and record the equipment in the field.

### **Off Campus use of Property**

State property checked out by employees or students for use at home (or other off campus locations), regardless of value, shall be tracked and accounted for by the responsible department.

Property use for personal projects or private events is PROHIBITED. Property will not be removed from campus except for official university-related projects, functions, department duties or class-related assignments. Authority must be granted in writing utilizing the Equipment Check-Out form, and released by the DRK, or a university official having jurisdiction over property.

All state property checked out to an employee shall be returned to the University upon the employee's separation from the university. Employees may be charged with any loss and damage to University property due to their negligence or unauthorized use.

### **On Campus Use of Personally Owned Property**

Sacramento State employees who use their personally owned equipment, or personal style computing devices on-campus, should identify and report the use of such equipment to their immediate Dean, Chair, Director, or DRK. Sacramento State is not responsible for loss or damage to personally-owned equipment.

### **Preventable Loss of Property**

Departments with property susceptible to theft or loss is advisable to implement one or more of the following protection measures.

- Ensure campus property identification tags or permanent markings are visible on the property.
- Establish an internal check-out/check-in system for departmental property.
- Lock property to desks or stands.

## **ACQUISITION OF PROPERTY:**

University Property is purchased through the requisition process, pre-approved procurement card, donation, transfers, and fabrication. The following methods of acquisition are:

- Purchase as replacement.
- Purchase as new (non-replacement).
- Purchase as an integral part of a capital outlay program (e.g. capitalization of a new building).
- Acquisition of real property (land and/or buildings).
- Transfer from other public agencies.
- Fabrication Under special circumstances property may be constructed by campus employees.

### **Gifts and Donations (In Kind Gifts)**

Departments must coordinate with University Development to ensure that the campuses in kind gift acceptance requirements are met and the donation is properly acknowledged with appropriate authorization signatures. University Development is responsible for itemizing and obtaining the fair market value of donated gifts and reporting this information to the appropriate departments, PMO, and Accounting Services.

*Departments considering accepting gifts of property from donors should contact University Development for guidance regarding gift procedures.*

## **PHYSICAL INVENTORY:**

PMO will conduct a physical inventory of all capitalized and non-capitalized property (deemed tagable) once every three years, two years for federally owned property. DRK and PMO will make a physical count of all property and reconcile the count with the property records.

An Excel spreadsheet containing department owned property and inventory instructions will be furnished to each department at inventory time by the PMO.

The inventory finding is completed by the PMO and presented to the DRK for approval. Any discrepancies must be evaluated for further investigation and escalated to the appropriate authorizing authority based on the specific situation and value of the missing items. All record transactions are updated by the PMO after documents are approved.

Property purchased with Federal contract/grant funds and owned by the funding agency shall be subject to the accountability requirements of the funding agency. A physical inventory of this property will be taken and the results reconciled with property records at least every two years or sooner if required. Any differences shall be investigated to determine the cause or causes of the discrepancy.

Instructional equipment will be tracked for the purpose of preparing the Instructional Equipment Inventory Report required by the CSU Chancellor's Office, but will not be physically inventoried unless it falls into the capitalized or non-capitalized (deemed tagable) categories.

### **Results of Inventories**

The Physical Inventory of capitalized property will be reconciled to the general ledger, while non-capitalized property is not.

## **TRANSFER, RELOCATION, AND LOAN OF PROPERTY:**

It is the responsibility of the department to notify the PMO of all relocations of property items as follows:

### **Physical Relocation of Entire Department**

After department relocates, the department should conduct a complete physical inventory of property and report it to the PMO.

### **Inter-Departmental Transfers**

When property is transferred between departments, an Equipment Turn-in Transfer Request form must be completed and signed by the appropriate Dean, Director, Chair, or delegated authority of the department transferring the property. This form must then be forwarded to the department that has accepted the property for department details (Dept. ID, location, etc.) and signatures. The completed form must be forwarded to the PMO. PMO will then update campus inventory records to reflect the transfer.

### **Transfers to the University**

All requests for transfers of equipment to the University must be in writing and approved by the PMO. Upon acceptance of items transferred from another campus or state agency, the fair market value of the asset will be determined at the time of transfer. Department of General Services form STD 158 will be used for the transfer.

### **Loans of University Property from One Department to Another**

If property is loaned to another department for a short period, a memorandum of the transaction should be filed in the lending department. The memo can be used to verify property during an inventory.

## **Loans of University Property to External Organizations, Employees, or Other Individuals**

Any loan of University property to an external organization or to an individual, including employees (e.g. for use off-campus), must have prior approval of the appropriate department Chair or Director and PMO. All loaned property shall be listed on an Equipment Checkout form with a copy to the PMO. When the property is returned, the lending department must notify PMO to update records and document the return.

## **DISPOSITION OF CAMPUS PROPERTY:**

To ensure proper internal controls and segregation of duties, no item of property shall be sold, transferred, or disposed of outside the campus, without prior written approval from the Property Survey Committee (PSC).

If a department has property that is surplus and not being utilized, an Equipment Turn-In Transfer Request shall be completed and forwarded to PMO. PMO will arrange for proper re-use, sale, or disposal. Campus departments shall not trade, cannibalize, or dispose of university property without prior written approval from PMO.

### **Surveyed property may be re-used, sold, disposed of in the following ways:**

#### **Property is serviceable and in working condition**

- Offered internally first to other campus departments. Recipient department will be charged any moving or storage expense.
- Items may be used as trade in against the purchase of new property. The Equipment Turn-in Transfer Request shall include the purchase order number used to acquire the new property, which must show the value obtained for the trade in. The campus will establish a fair market value of the property that is to be traded-in. There shall be no cash for trade.
- Offered to all other CSU campuses. The receiving campus would be responsible for all costs of transportation.
- Offered to other state agencies.
- Offered donation to educational institutions and non-profit organizations. All University property donations must be processed through the PMO.
- Offered for public sale on Public Surplus website. Public Sale is managed by the PMO.

#### **Property not in working order - recycle or salvage**

- If possible, cannibalized for parts.
- If property is cannibalized the department is to complete the Equipment Turn-In Transfer Request form and send it to PMO. Failure to do so will result in the property not being found during the next physical inventory and reported to Public Safety as lost or stolen.
- Disposal to a certified, off-campus recycler administered by Facilities Management Sustainability Office.

Prior to removal off-campus, all property must have the property tags removed or obliterated.

#### **Property that has been donated (Gifts) to the University:**

- Capital property that has been donated to the university shall be sold, transferred, or disposed through the University Advancement Department.
- Non-Capital property will be disposed of in accordance with the above procedures.

**Lost, Missing, Stolen, or Destroyed Property**

When a person discovers that University property has been lost or stolen, Public Safety and the PMO are to be notified immediately. An Equipment Loss Report is to be completed and sent to the PMO. The form will also serve as a survey request from the department and the PMO. The completed Equipment Loss Report will be forwarded to the Property Survey Committee for approval.

Additionally, the Equipment Loss Report is to be used to report missing property not found during a department's annual inventory.