PROPERTY MANUAL
California State University, Sacramento

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

DEFINITIONS:

Capitalized Equipment

Capitalized Equipment is defined as tangible, non-consumable property meeting all of 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 the CSU buildings and grounds, and used to conduct CSU business.

Non-Capitalized Equipment

Non-Capitalized Equipment is equipment that does not meet the criteria to be capitalized.

- A unit acquisition cost of $500 to $4,999

Non-Capitalized Equipment listed below will be inventoried, tagged, and tracked in CFS AM.

- University Police Firearms
- Electric Vehicles
- All Federally funded Equipment

Sensitive Equipment

Sensitive equipment is equipment that is easily subject to theft or loss as determined by the campus. These items are tracked, tagged and inventoried. They include but not limited to; microscopes, lap tops, I pads, musical instruments, athletic exercise/training equipment, etc.). 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 noted and recorded in departmental records. Property Management may track, tag, and inventory these items if appropriate.
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 CSU buildings and grounds, is owned by the campus and used to conduct CSU 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.

Equipment Tracking, Tagging and/or Inventory Requirements Matrix

<table>
<thead>
<tr>
<th>Equipment Type</th>
<th>Inventory Record (1)</th>
<th>Tracked (2)</th>
<th>Tagged (3)</th>
<th>Inventoried (4)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalized Equipment (excluding modular furniture)</td>
<td>CFS AM</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Non Capitalized Equipment (only)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Firearms</td>
<td>CFS AM</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Vehicles</td>
<td>CFS AM</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Sensitive Equipment (campus defined)</td>
<td>CFS AM</td>
<td>x</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Federal Funded Equipment Per ICSUAM 11005.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equipment with a per unit “fair market value” of $5,000 or greater</td>
<td>CFS AM</td>
<td>x</td>
<td>x</td>
<td>x (2 year cycle)</td>
</tr>
<tr>
<td>Equipment / Supplies with a total aggregate residual value of $5,000 or greater</td>
<td>CFS AM</td>
<td>x</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. **Inventory Record**: refers to Asset Management in CFS.
2. **Tracked**: Accounted for annually and conducted by the custodial department or other identified responsible party/department.
3. **Tagged**: Tagged and recorded by property management.
4. **Inventoried**: Physical inventory conducted on a 3-year cycle conducted by the Property Management. Federal Property is inventoried every two years.

Custodial Department

The campus department assigned ownership to the property.
RESPONSIBILITIES:

Employees - Faculty & Staff

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

- Taking reasonable security precautions to discourage loss, theft, or misuse of property.
- Preventing the disclosure of protected data by complying with campus information security procedures.
- Reporting missing, lost, stolen, and vandalized property to appropriate personnel including Property Management (8-6015) IT Security Department (8-1999) via the appropriate form Equipment Loss Report, Campus Police Incident Report, and Police Report.
- Reasonable care, maintenance, and use of equipment to prevent damage.
- Returning equipment in satisfactory condition.
- Employees may be charged for any loss of or damage to CSU property that is attributable to their negligence or unauthorized use.

Department Chairs, Deans, Directors, and Program Administrators

It is the responsibility of Department Chairs, Deans, Directors, and Program Administrators to control and safeguard all items of value in their charge. To that end, it is recommended that Department Chairs, Deans, Directors, and Program Administrators or their designees maintain some form of record for property in their charge having an acquisition cost of less than $5,000.

Additionally, they are responsible for insuring the immediate notification of Public Safety and Property Management when property has been lost or stolen and that the procedures for disposing of state property are followed when their department has property that is not being utilized.

Department Property Custodians

Departments will designate a department property custodian, delegating an individual responsible for property and equipment accountability. Department representatives are responsible for the following:

- Monitoring physical location of property along with changes in location, transfer requests, property turn in, salvage, and cannibalization.
- Reporting all property that is missing, lost, or stolen.
- Promptly reporting any loss, damage or misuse of property or equipment to Property Management
- In conjunction with property management perform a yearly inventory of capital and sensitive equipment.
- In conjunction with the Property Management, conduct a monitoring cycle of all Property on a perpetual basis, this will have no one cycle last longer than three years. Once the cycle is complete a new cycle will begin.
Property Survey Committee (PSC)

The management of our University’s property requires the engagement of all areas of the campus. The Property Survey Committee has been established to oversee the University’s state property disposition process and enforce equipment 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.

EQUIPMENT ACQUISITION

Equipment may be acquired by purchase (including lease purchase, installment purchase, and Procurement Card purchase), donation, transfers and fabrication. The following methods of acquisition are:

- Purchase as replacement equipment
- Purchase as new equipment (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
- Donation

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

- Fabrication
  Under special circumstances equipment may be constructed by campus employees.

Equipment Identification

Capitalized and non-capitalized campus equipment (deemed tagable) are tagged or marked with a unique identification number (bar code) which is recorded in the property inventory records. Property Management is responsible for tagging the equipment. The identification number will be directly applied to the actual unit unless its size or nature prohibits application.

If property is delivered to another physical location other than the Property Office, receiving, or off campus or if an equipment identification number becomes destroyed, defaced, or removed, it
is the responsibility of the department to contact the Property Management to tag or re-apply a new identification number.

PHYSICAL INVENTORY

Property Management will conduct a physical inventory of all capitalized and non-capitalized equipment (deemed tagable) once every three years, two years for federally owned equipment. Department Equipment Custodian and Property Management will make a physical count of all property and reconcile the count with the property records at least once every three years. Department Inventory Coordinators may be designated by the Department Chairs, Deans, Directors, and Program Administrators of their department.

A computer printout and inventory instructions will be furnished to each department at inventory time by Property Management.

The completed inventory is approved by Property Management. 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.

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

Department Inventory Coordinator will submit to Property Management a property listing that identifies all discrepancies disclosed by the physical inventory. The listing shall include a signed statement that physical inventory of all or certain classes of property was completed on a given date and that the official property records were found to be in agreement with the physical inventory, except for discrepancies reported. The listing and signed statement will be furnished with a minimum of delay at the completion of the physical inventory.

Printouts and lists used to take inventory should be dated and signed by the inventory taker and retained for audit.

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

Off Campus use of Property

State property checked out by employees for use at home (or other off campus locations), regardless of value, shall be tracked and accounted for by the responsible department.
All state property checked out to an employee shall be returned to the University upon the employee's separation from the University.

Equipment use for personal project or private event is PROHIBITED. Equipment 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 an Equipment Check-Out form, and released by a duly authorized department representative, or University official having jurisdiction over equipment. Employees may be charged with any loss and damage to University property due to their negligence or unauthorized use.

**Preventable Loss of Equipment**

Departments with equipment susceptible to theft or loss it is advisable to implement one or more of the following protection measures:

- Ensure campus equipment identification tags or permanent makings are visible on the equipment.
- Establish an internal check-out/check-in system for departmental equipment.
- Lock office equipment to desk or stands.

**INTERNAL TRANSFER, RELOCATION AND LOAN OF EQUIPMENT**

It is the responsibility of the department to notify Property Management of all relocations of equipment items as follows:

**Relocation of Entire Department**

After department relocates, the department should conduct a complete physical inventory of equipment and report it to Property Management.

**Inter-Departmental Transfers**

When equipment is transferred between departments, an Equipment Transfer Request form must be completed and signed by the appropriate Dean, Director or Chair of the department transferring the equipment. This form must then be forwarded to the department that has accepted the equipment. This department must record the new location(s) of the equipment. The Dean, Director or Chair of the receiving department must also sign the form. The completed form must be forwarded to Property Management. Property Management will then update campus inventory records to reflect the transfer.

**Loans of University Equipment from One Department to Another**

If equipment 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 equipment during an inventory.
Loans of University Equipment to External Organizations, Employees, or Other Individuals

Any loan of University equipment 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 Property Management. All loaned equipment shall be listed on an Equipment Checkout Form with a copy to the Property Management. When the equipment is returned, the lending department must notify Property Management.

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). The only exception is property that has been designated as scrap.

If a department has property that is surplus and not being utilized, an Equipment Turn-In Request shall be completed and forwarded to Property Management. Property Management 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 Property Management.

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

Equipment is serviceable and in working order:

Offered internally first to other campus departments. Recipient department will be charged any moving or storage expense.

- Item may be used as trade in against the purchase of new equipment. The Equipment Turn in Request shall include the purchase order number used to acquire the new equipment, 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 Property Management.

- Offered for public sale on Public Surplus website. Public Sale is managed by Property Management.

Equipment not in working order Recycle or Salvage

- If possible, cannibalized for parts.
  If equipment is cannibalized the department is to complete the Equipment Turn-In Request form and send it to Property Management. 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.

- Cannibalization of Property

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

Lost, Missing, Stolen or Destroyed Property and Equipment

When a person discovers that University property or equipment has been lost or stolen, Public Safety and the Supervisor of Property Accounting are to be notified immediately. An Equipment Loss Report is to be completed and sent to the Property Management Office. The form will also serve as a survey request from the department, and the Supervisor of Property Management will generate a survey report. Attach the Equipment Loss Report to the survey documents and forward to the Property Survey Board for approval. Additionally, the Equipment Loss Report is to be used to report missing property not found during a department’s annual inventory.