

Procedure No. 31.602

Property Control Management

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Purpose: To provide for effective control and a coordinated approach to the acquisition, use and disposal of Clarion University equipment and material valued at or in excess of \$500 per item.

Policy:

All equipment and material is the property and/or the responsibility of Clarion University, unless otherwise clearly indicated. This equipment and material is to be utilized in the most effective and efficient manner possible towards the accomplishment of university goals and objectives. When it has been decided that said property has reached beyond its potential for usefulness to the university community it will be disposed of in accordance with approved and established surplus property policy.

Procedure:

Introduction

Clarion University of Pennsylvania has established a property management inventory system to control and account for all property valued at \$500 or more for which Clarion University has ownership responsibility. This includes property purchased by Clarion University, donated property, and property acquired by the university with grant funds, regardless to whom ownership transfers upon completion of the grant. This policy explains procedures which have been established to maintain effective property management.

Definitions

Property is defined as any capital or non-capital tangible item, either purchased, donated or acquired through trade, regardless of value or condition. An example of a non-capital tangible item is furniture valued at less than \$500. Capital items include all real estate, equipment, furniture, materials (including library materials), supplies, inventory stock, or any item valued at greater than \$500 that may be used or sold.

Ownership and Control

Clarion University owns and controls all property purchased with university, grant or other funds, unless stipulated otherwise by the funding source. Custody and use are the responsibility of the various colleges and departments. The Vice President for Finance and Administration represents the President, Council of Trustees and the Chancellor in overseeing the ownership and control of all university property.

College and department personnel are responsible for the proper use and protection of all university property in their custody. Meeting the criteria for the responsibility of custody and use of university property includes:

- assisting in the enforcement of university policies on acceptable use, disposal, transfer and recording of property location and physical security measures;
- reviewing periodic and/or annual inventory reports for accuracy and completeness;
- reporting theft, loss, or disappearance of items to the university public safety office;
- providing cooperation and assistance in periodic and annual inventory of supplies and equipment.

Off-Campus Use of Property

The off-campus use of university property is exclusively for business-related purpose contributing to the university's mission and must be in conformance with university policy on off-campus use of university equipment.

Receiving Department Responsibilities

It is the responsibility of the receiving department personnel to:

tag all appropriate assets acquired by or donated to Clarion University;

* enter data in the property management inventory system for each asset tagged

* maintain purchase order and invoice records of all capital assets;

- * periodically compare accounting system data and property management inventory system data to ensure all capital assets are recorded;
- * maintain a capital asset control ledger to verify total value of all capital assets recorded in the property management inventory system;
- * conduct periodic physical inventories of all appropriate assets;
- * maintain the property management inventory system by recording the disposal of all surplus property;
- * notify public safety personnel of any missing or stolen items;
- * prepare inventory reports at fiscal year end and as needed for audit/accounting purposes.
- * distribute asset inventory listings to departments for verification on an annual basis.

Equipment Tagging Procedures

All equipment whether obtained by purchase, donation, or received through other means, with a cost (or estimated fair value if actual cost is not available) of \$500 or more and an estimated useful life of more than two (2) years is required to be tagged with a unique bar coded number by receiving personnel.

Items which may be considered attractive and/or easily pilfered which have a unit value of less than \$500 may be tagged regardless of the cost. These sensitive items may include: calculators, binoculars, tape recorders, power tools, audio visual equipment, telephones, facsimile machines, etc.

Occasionally, the Purchasing Office may request that an item be delivered directly to a department rather than Central Receiving, due to the size or complexity of the equipment. It is the responsibility of the departmental chairperson or his/her designee to notify receiving personnel immediately upon arrival of such an item. This will insure the appropriate tag number and inventory information is correctly recorded. The same applies to donated assets delivered anywhere on campus.

The bar code number must be placed so that the tag is in an easily accessible place for inventory purposes. By designating a particular area for placement of the bar code number for each category of items (i.e. desks, chairs, personal computers, etc.) the inventory clerks will be able to easily locate, record, and verify the item's placement on campus.

An index file card will be created and tagged for capital assets such as land, buildings, land improvements where physical placement of a bar code number is impractical. The index card will contain a complete description of the asset, its acquisition date, location, and other identifiable information.

Physical Inventory of Assets

Receiving Department personnel have the responsibility to conduct a complete physical inventory of all assets at least once every five years. Each department will receive a physical inventory at least once during this period. Said physical inventory may be conducted by student assistants but always at the direction of the Receiving Department supervisor. A systematic and comprehensive inventory plan will be developed and appropriately distributed by the receiving department to accomplish this task. It is the responsibility of the campus community to cooperate with the accomplishment of this inventory task.

In addition to the physical inventories conducted by Receiving Department personnel, each department will be required to annually review and verify a listing of assets that should be located within their department. The asset listings and instructions for completing the verification will be provided by the Receiving Department.

Departmental Responsibilities

Each college dean, department chairperson, or administrator must assume responsibility for the management of property located within their jurisdiction. These responsibilities include:

- safeguarding of assets assigned to the college or department;
- ensuring that assets are properly used and solely for official business;
- notifying the receiving supervisor of untagged property (new or used);
- notifying, in a prompt and timely manner, the receiving supervisor and public safety personnel when it is apparent a particular item has been lost or stolen;

- cooperating with the appropriate personnel when a physical inventory is being conducted, including permitting access to all Clarion University property and assisting with the search for missing assets;
- reviewing and correcting annual inventory listings of items which should be located within the college or department, including the verification of location and condition and addition of items not properly tagged.

Missing Property

When university property is discovered missing and assumed stolen, it should be immediately reported to the Public Safety Office and the Receiving Department. All known information about the item such as serial number, Clarion University inventory tag number, date the item was last seen, etc., should be reported. The public safety office has the responsibility to conduct any necessary investigation.

It should be noted on the annual departmental inventory if an item cannot be located and it is not known if the item has been stolen or simply moved to another location on campus. The Receiving Department staff will note this information in the property management inventory report. When all annual inventory reports have been reviewed and verified by college/departmental personnel, the receiving staff will prepare a list of all remaining unlocated items. This listing will be reviewed and after further investigation by the Receiving Department, appropriate items may be approved for deletion from

the inventory records. Depending upon the type and value of any one particular item, the university comptroller will determine if further investigation by a public safety officer is warranted.

These policies and procedures are not intended to place personal liability for lost or missing property on any individual, however, those found guilty of theft or unlawful removal of Clarion University property will be held accountable for their actions and prosecuted accordingly.

Property Transfers

If property is moved or transferred, from one location to another (room to room or building to building) it is the departmental chairperson's responsibility to notify the

Receiving staff of the move or transfer. The notification is accomplished through completion of the Moving Request Form shown below. The requesting department initiates the move by filling out the form and requesting Plant Services personnel to move the equipment. If the move is accomplished by the Plant Services staff, they have responsibility for completing the form and sending a copy to the Receiving Department. If the move is accomplished by other than plant services personnel, the department requesting the move is responsible for making sure that the Receiving staff gets a copy of the completed form. This form should also be completed when assets are designated for surplus property disposal.

MOVING REQUEST FORM

Inventory Number _____

Requested By _____

Department Head

Pick up at _____

Department

Building _____ Room No. _____

Other _____

Move to _____

Department

Building _____ Room No. _____

Other _____

Description _____

Received by _____

Department Head

Moved by_____ Date Moved_____

(Copy to Plant Services and Receiving Department)

Property Disposal

Anytime a department decides it is no longer appropriate to hold an asset, it should contact the Purchasing Department to effect the property disposal process. Depending upon the condition of the item, the Purchasing Department will either send the item to storage or declare the item for surplus disposal. Property declared as surplus will first be offered to the other SSHE universities and if not claimed, will be disbursed according to surplus property procedures. Details of this procedure can be found in the "Surplus Property Policy" in the "Leaves of Gold" or obtained from the Purchasing Department.

A copy of all surplus items sold will be sent to the Receiving Department for the purpose of updating the property management inventory system.

Donated Property

Property donated is to be recorded in the property management inventory system at its fair market value and capitalized if it has a unit value of \$500 or greater and a useful life of at least two years. The Receiving Department is to be informed of all donated items received so that they can be properly tagged and recorded as part of the property management inventory system. The Receiving Department will acknowledge receipt of the donated items (gifts in kind) by sending the donor IRS Form 8283. The donor is to return IRS Form 8283 to the Receiving Department, regardless of the donor's decision to declare an IRS deduction. The information provided by the donor on IRS Form 8283 will help determine and substantiate the fair market value of the gift.

Property Acquired with Grant Funds

All assets acquired with grant funds controlled by Clarion University are considered University property until completion of the grant. At that time, depending upon the terms

of the grant, title for the asset will either transfer to the grantor or remain with the University. Capital assets acquired with grants funds will be recorded as such in the University's accounting records and be depreciated accordingly. The assets will be deleted from the accounting system and the property management inventory system if ownership is transferred to the grantor upon completion of the grant.