

California State University, East Bay University Property/Asset Management Process and Procedure Manual

1.0 OBJECTIVE

This manual establishes the processes and procedures for the uniform and consistent management of designated property in accordance with the CSU Policy titled ***Administration of University Property***. These processes and procedures are used to provide accurate records for the acquisition, maintenance, control and disposition of property. The combination of accurate accounting records and strong internal controls shall be in place to protect against and detect the unauthorized use of University property and equipment.

2.0 IDENTIFICATION OF CAMPUS EQUIPMENT

2.1 Capitalized Equipment

Capitalized Equipment

“Capitalized Equipment” is defined as tangible, non-consumable property meeting all of the following criteria:

1. A unit acquisition cost of \$5,000 or greater (unit acquisition costs incurred to acquire and to ready the asset for its intended use include purchase price, applicable tax, freight, etc.),
2. An estimated life of greater than one year,
3. Is not permanently attached to or incorporated in Cal State East Bay buildings and grounds, and
4. Is used to conduct Cal State East Bay business.

If capitalized equipment meets all of the above criteria and is not tagged, the corresponding **department must contact and coordinate** with the Property and Asset Management Office for **tagging and inventory purposes**.

The exception to the capitalized equipment tag and inventory requirement is modular furniture which can be assembled and reassembled in various configurations.

Capitalized equipment will be recorded in the campus defined property inventory records (PeopleSoft AMS) and will be included in the campus’ GAAP financial statements.

2.2 Non-Capitalized Equipment

Non-Capitalized Equipment

Generally, “Non-Capitalized Equipment” is equipment that does not meet the criteria to be capitalized. Cal State East Bay tracks non-capitalized equipment based on an analysis of unit acquisition cost, use, benefit and risk of misuse or misappropriation.

1. University Police Firearms

2. Motorized Vehicles – equipment registered with the Department of Motor Vehicles
3. Sensitive equipment
 - a. Per unit acquisition cost between \$2,500-\$4,999, and
 - b. Easily subject to theft or loss as determined by the campus, and
 - c. Used to conduct Cal State East Bay business.
4. All federally funded equipment \$5,000 or greater (see Sponsored Programs ICSUAM 11000 and 11003.13 – Equipment and Property Management Policy for more instructions on federally funded equipment).
5. Computer Devices - The campus' Information Technology Services (ITS) Department is responsible for Information Security at Cal State East Bay. ITS is therefore responsible for encrypting and monitoring all items (independent of their monetary value) that contain sensitive data. For the purposes of this policy this means encrypted computer devices at or below \$4,999 will not be considered as non-capitalized assets. ITS will ensure that all computer devices and IT related assets valued at or below \$4,999 will be tagged, tracked and monitored using the ServiceNow (SNOW) system.

If non-capitalized equipment meets the above criteria and is not tagged, the corresponding **department must contact and coordinate** with the Property and Asset Management Office for **tagging and inventory purposes**.

3.0 EQUIPMENT TRACKING, TAGGING AND/OR INVENTORY REQUIREMENTS MATRIX

The following is a recap of equipment that must be tracked, tagged and/or inventoried by Cal State East Bay

Equipment Type	Inventory Record (1)	Tracked (2)	Tagged (3)	Inventoried (4)
Capitalized Equipment (Section 2.1)	CFS AMS	X	X	X
Non-Capitalized Equipment (Section 2.2)				
University Police Firearms (Section 2.2.1)	CFS AMS	X	X	X
Motorized Vehicles (Section 2.2.2)	CFS AMS	X	X	X
Sensitive Equipment (Section 2.2.3)	CFS AMS	X	X	X
Computer Devices (Section 2.2.5)	SNOW	X	X	X*

Federally Funded Equipment per ICSUAM 11003.13 (Adherence to Cal State East Bay Policy) (Section 2.2.4)	CFS AMS	X	X	X
Equipment with a per unit “fair market value” of \$5,000 or greater	CFS AMS	X	X	X (2 year cycle)
Equipment / Supplies with a total aggregate residual value of \$5,000 or greater	CFS AMS	X	X	X

1. **Inventory Record** – Refer to Section 6.1 Asset Management System
2. **Tracked** – Accounted for on a reasonable basis, not less than annually, conducted by the custodial department (Section 4.2) or other identified responsible party/department
3. **Tagged** – Tagged or marked with a unique identification number recorded in the AMS or SNOW. The identification number will be directly applied to the item unless its size and/or nature prohibit application
4. **Inventoried** – Physical inventory conducted on a 3-year cycle by the Cal State East Bay Property and Asset Management Office or another identified party/department, other than the custodial department. *See Section 7.1 for Computer Devices that will be inventoried.

4.0 CAMPUS COMMUNITY AND DEPARTMENTAL ROLES AND RESPONSIBILITIES

4.1 All Employees – Faculty & Staff

Employees of the University have an obligation to safeguard Cal State East Bay equipment and property. This obligation includes, but is not limited to:

1. Taking reasonable security precautions to discourage loss, theft, or misuse of property
2. Preventing the disclosure of protected data by complying with campus information security procedures
3. Reporting missing, lost, stolen and vandalized property by completing a [Missing Items Report](#) and following notification requirements as directed on the report
4. Reasonable care, maintenance, and use of equipment to prevent damage
5. Returning equipment in satisfactory condition

4.2 Departments

Each department should have a designated Property Custodian who is the primary contact for property related transactions with the Property and Asset Management Office and is responsible for the following:

- a. Inter-department property transfers (Section 8) [Property Transfer Form](#)
- b. Loans of University equipment (Section 7.2) [Property Custody Receipt](#)
- c. Annual tracking of department inventory
- d. Missing Asset/Equipment Report [Missing Items Report](#)
- e. Requests for disposal of equipment (Section 8) [Property Survey Report](#)
- f. Coordinate the Physical Inventory process (Section 7.1) with the Property and Asset Management Office

4.3 Property and Asset Management Office

The Property and Asset Management Office has established procedures and responsibilities for acquiring, maintaining, tagging, tracking and disposing of University property (as defined in Sections 2.1 and 2.2). The Property and Asset Management Office is responsible for:

1. Tagging all inventoried items (excluding Section 2.2.5)
2. Recording and maintaining all inventory acquisitions and transactions in the University Asset Management System (Section 6.0)
3. Annually generating and distributing Custodial Department reports from the University Asset Management System to facilitate department tracking (Section 3, Tracked)
4. Coordinating and conducting physical inventories and internal/external audits with campus departments
5. Processing all property survey, transfer and employee separation forms

4.4 General Accounting

General Accounting is responsible for authorizing the majority of financial reports and ensuring the reporting data is available for end users throughout campus (Section 9.0).

4.5 Property Survey Committee (PSC)

The University will have a duly appointed Property Survey Committee responsible for determining whether the disposal of surplus property is in the best interest of the state. The Vice President of Administration and Finance/CFO or their designee appoints the members of the Property Survey Committee. To the extent possible, there will be a sufficient number of members on the committee to ensure representation by both business management and program responsibilities. At least two committee members must approve all [Property Survey](#) and [Property Transfer](#) reports prior to the completion of a disposition transaction (Section 8.2). PSC approval is required for the disposition of all capitalized and non-capitalized equipment deemed trackable or taggable (SAM Section 3520.2).

5.0 ACQUISITION OF EQUIPMENT

5.1 Purchase

The unit acquisition cost of the equipment includes the purchase price, applicable taxes and freight, and any other costs associated with preparing the equipment for its intended use.

5.2 Donations/In-Kind Gifts

Any donation transferred to University ownership meeting the definition of equipment will be added to the University's property records. Departments must coordinate with University Advancement to ensure that the campus in-kind gift requirements are met and the donation is properly acknowledged with appropriate authorization signatures. University Advancement is responsible for itemizing and obtaining the fair market value of donated gifts and reporting information to the appropriate departments.

5.3 Transfers

Upon acceptance of items transferred from another campus, auxiliary organization or state agency, the campus must record the asset using net book value at the time of transfer. The asset's net book value will be the new cost of the asset in the books of the receiving party and amortized over the remaining useful life.

5.4 Fabrication of Equipment

Under special circumstances equipment may be constructed by campus employees. The University Department is responsible for itemizing and obtaining the fair market value of the equipment constructed and reporting this information to the Property and Asset Management Office in writing.

5.5 Delivery

1. CSUEB Shipping and Receiving

All equipment should be delivered directly to the CSUEB Shipping and Receiving.

2. Direct to Department/Pickup by Department

If equipment is delivered directly to a department, the department must contact and coordinate with the Property and Asset Management Office for **tagging and inventory purposes**.

Property and Asset Management Office

- Dayrll Lewis, Manager of Support Services 510-885-2120 dayrll.lewis@csueastbay.edu
- Department email: property@csueastbay.edu

6.0 ASSET MANAGEMENT SYSTEM & EQUIPMENT IDENTIFICATION (TAGGING)

Tagging is required for all capitalized and non-capitalized assets outlined in Section 2.

6.1 Asset Management System (AMS)

The Property Module within PeopleSoft is used as Cal State East Bay's AMS. All campus acquisitions, transfers, and dispositions are recorded there.

The AMS is the campus' official record for capitalized equipment, including federally funded equipment with a per unit fair market value of \$5,000 or greater. Non-capitalized equipment will be recorded in the AMS (Refer to section 3.0 Equipment Tracking, Tagging and/or Inventory Requirements Matrix).

The information entered into AMS will include, but is not limited to: Business Unit, Asset Type, Description, Acquisition date, Accounting date, Profile ID, Quantity, Cost, Location Effective Date, Location, Fund Code, Dept ID, and Tag # (if applicable, campus identification number). The information entered may also include but is not limited to: make, model, manufacturer, serial number, and asset class (as needed for capital asset reporting and depreciation).

6.2 Equipment Identification (Tagging)

All capitalized and non-capitalized equipment (deemed taggable) must be tagged or marked with a unique identification number which is to be recorded in the AMS or ServiceNow and also on applicable property control documents. The identification number will be applied to the actual unit unless its size or nature prohibits application. Any additional identification number required by the department must be applied in a manner that avoids confusion with Cal State East Bay's identification number. (Refer to Section 3.0 Equipment Tracking, Tagging and/or Inventory Requirement Matrix.)

If an equipment identification number on currently tagged property becomes destroyed, defaced, or removed, it is the responsibility of the custodial department to contact the Property and Asset Management Office so that a new property identification number can be applied.

7.0 PHYSICAL INVENTORY

All assets recorded in PeopleSoft AMS and all portable computing devices (Section 2.2.5) that are not encrypted will be inventoried by the Property and Asset Management Office.

7.1 Physical Inventory of Campus Equipment

A complete physical inventory of all Cal State East Bay capitalized and non-capitalized equipment (deemed taggable) must be performed at least once every three (3) years. Capitalized Federally Funded Equipment, with a per unit value of \$5,000 or greater, requires a two (2) year physical inventory cycle per Sponsored Programs Administration Externally Funded Equipment and Property Management Policy.

In addition to equipment tracked in the AMS, the Property and Asset Management Office will request an itemized listing from ITS of all Computer Devices (Section 2.2.5) that are not encrypted. These devices will be included in the physical inventory process and inventory dates will be provided to ITS so that date can be updated on the record in ServiceNow.

To ensure proper segregation of duties, physical inventory shall not be conducted by the custodial department. The Property and Asset Management Office will conduct physical inventory or identify another party or department to do so. For any property not located during the physical inventory process, the Property and Asset Management office will investigate further and may escalate to department management based on the specific situation and/or value of the missing property. The custodial department will be asked to prepare a [Missing Items Report](#). Property not located after appropriate follow-up action will be considered lost or stolen and the department will need to obtain a police report. The completed physical inventory report will be reviewed and approved by the Property Survey Committee.

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

7.2 Off Campus Use of CSU Property

Cal State East Bay requires that campus property not be utilized off campus unless it is necessary for conducting Cal State East Bay business. It is the responsibility of the custodial department and the user to complete a [Property Custody Receipt](#) for extended off-site use before any Cal State East Bay property (including property deemed taggable) is in the custody of the user.

When the equipment is returned, the return of the property must be documented on the authorization form with appropriate signatures. The custodial department must keep a copy of the form on file and upon request forward a copy to the Property and Asset Management Office.

During each inventory cycle, all off-site property will be “physically” verified, and its location will be confirmed.

7.3 On Campus Use of Personally Owned Property

Cal State East Bay is NOT responsible for loss or damage to personally-owned equipment.

8.0 DISPOSAL OF EQUIPMENT

8.1 General

To ensure proper internal controls and segregation of duties, no item of property shall be transferred, donated, traded in, sold, or disposed of without the prior notification and approval by the Property Survey Committee.

8.2 Types of Dispositions

1. Transfers Between Campus Departments

The Property Survey Committee shall ensure that all applicable university departments are informed of and have adequate time to take advantage of usable surplus equipment before disposal outside the University.

2. Donation

If the surplus property is not wanted by a campus department, the surplus property may be donated to other CSU campuses, education institutions, public agencies or non-profit organizations. The Office of Property and Asset Management facilitates the donation and ensures that appropriate documentation is obtained from the receiving entity.

3. Trade-In

The Office of Property and Asset Management and the Procurement Department must be notified of any departmental plans to trade-in property before the transaction takes place. The University will establish a fair market value of the property that is to be traded in.

4. Public Sales

The Property Survey Committee shall administer the handling of any sale and the collection of funds. All sales of surplus equipment are done through a government surplus auction agency.

5. Recycle or Salvage

Property that is deemed obsolete, irreparable or dangerous will be discarded using a State certified recycler. Parts from such property may be identified as salvage parts and reclaimed for campus business use.

9.0 REPORTING AND RECONCILIATIONS

University asset management reporting is used for many purposes including resource management, financial reporting and overall effective asset management. Financial Accounting & Reporting is responsible for authorizing the majority of financial reports, reconciling capital assets, and ensuring the reporting data is available for end users throughout campus.